

# Chapter 19

## Non-FSMA powers



## 19.12 Financial Conglomerates and Other Financial Groups Regulations 2004

- 19.12.1** These Regulations implement in part the Financial Conglomerates Directive,<sup>25</sup> which imposes certain procedural requirements on the *FCA* as a competent authority under the Directive. These Regulations also make specific provision about the exercise of certain supervisory powers in relation to financial conglomerates.
- <sup>25</sup> Directive 2002/87/EC
- 19.12.2** The *FCA*'s powers to vary a firm's *Part 4A permission* or to impose requirements under sections 55J and 55L of the *Act* have been extended under these Regulations. The *FCA* is able to use these powers where it is desirable to do so for the purpose of:
- supervision in accordance with the Financial Conglomerates Directive;
  - acting in accordance with specified provisions of the Capital Requirements Directive; and
  - acting in accordance with specified provisions of the *Solvency II Directive*.
- 19.12.3** The duty imposed by section 55B(3) (The threshold conditions) of the *Act* does not prevent the *FCA* from exercising its own-initiative power for these purposes. But subject to that, when exercising this power under the Regulations, the *FCA* will do so in a manner consistent with its approach generally to variation under the *Act*.