Chapter 8

Variation and cancellation of permission and imposition of requirements on the FCA's own initiative and intervention against incoming firms

8.4 Limitations and requirements that the FCA may impose when exercising its section 55J and 55L powers

8.4.1 When varying *Part 4A permission* at its own-initiative under its section 55J power (or section 55Q power), the *FCA* may include in the *Part 4A permission* as varied any *limitation* or restriction which it could have imposed if a fresh *permission* were being given in response to an application under section 55A of the *Act*.

8.4.2 Examples of the *limitations* that the *FCA* may impose when exercising its *own-initiative variation power* in support of its enforcement function include *limitations* on: the number, or category, of *customers* that a *firm* can deal with; the number of specified investments that a *firm* can deal in; and the activities of the *firm* so that they fall within specific regulatory regimes (for example, so that *oil market participants*, *corporate finance advisory firms* and service providers are permitted only to carry on those types of activities).

8.4.3 Under its section 55L power (or section 55Q power), the *FCA* may, at any time and of its own initiative, impose on an *authorised person* such requirements as it considers appropriate.

8.4.4 Examples of *requirements* that the *FCA* may consider imposing when exercising its *own-initiative power* in support of its enforcement function are: a *requirement* not to take on new business; a *requirement* not to hold or control *client money*; a *requirement* not to trade in certain categories of *specified investment*; a *requirement* that prohibits the disposal of, or other dealing with, any of the *firm's* assets (whether in the United Kingdom or elsewhere) or restricts those disposals or dealings; and a *requirement* that all or any of the *firm's* assets, or all or any assets belonging to investors but held by the *firm* to its order, must be transferred to a *trustee* approved by the *FCA.*