

Chapter 9

Prohibition Orders and withdrawal of approval



9.1 Introduction

9.1.1

The *FCA's* power under section 56 of the *Act* to prohibit individuals who are not fit and proper from carrying out functions in relation to *regulated activities* helps the *FCA* to work towards achieving its *statutory objectives*. The *FCA* may exercise this power to make a *prohibition order* where it considers that, to achieve any of those objectives, it is appropriate either to prevent an individual from performing any function in relation to *regulated activities*, or to restrict the functions which he may perform.

9.1.2

The *FCA's* effective use of the power under section 63 of the *Act* to withdraw approval from an *approved person* will also help ensure high standards of regulatory conduct by preventing an *approved person* from continuing to perform the *controlled function* to which the approval relates if he is not a fit and proper *person* to perform that function. Where it considers this is appropriate, the *FCA* may prohibit an *approved person*, in addition to withdrawing their approval.