

## Chapter 5

# Non-mainstream regulated activities

## 5.4 Application of the Distance Marketing Regulations

### 5.4.1

**R**

- (1) In addition to those provisions of the *Distance Marketing Regulations* which apply directly, an *authorised professional firm* must, with respect to its *non-mainstream regulated activities*, comply with regulations 7 to 11 and 15 of the *Distance Marketing Regulations*. Those regulations have effect to cancel *distance contracts* the making or performance of which by such *firms* constitutes a *non-mainstream regulated activity*.
- (2) Paragraph (1) does not apply in relation to regulations 7 to 8 and 15 if the *designated professional body* of the *authorised professional firm* has rules equivalent to some or all of those regulations and:
- (a) those rules have been approved by the *FCA* under section 332(5) of the *Act*; and
  - (b) the *authorised professional firm* is subject to those rules in the form in which they have been approved;
- in which case those regulations are disapplied to the extent that they are implemented by the rules of the *designated professional body*.

### 5.4.2

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The effect of ■ PROF 5.4.1 R is that it allows *designated professional bodies* to make rules which allow an *authorised professional firm* to comply with the *Distance Marketing Regulations* in respect of its *non-mainstream regulated activities* in the same way as an *exempt professional firm* which is a member of the same *designated professional body* in respect of its *exempt regulated activities*.