

**GENERAL PROVISIONS AND GLOSSARY (AMENDMENT NO 6)
INSTRUMENT 2003**

Powers exercised

- A. The Financial Services Authority makes this instrument in the exercise of the following powers and related provisions in the Financial Services and Markets Act 2000 (the "Act"):
- (1) section 138 (General rule-making power);
 - (2) section 156 (General supplementary powers);
 - (3) section 157(1) (Guidance);
 - (4) section 213 (The compensation scheme);
 - (5) section 214 (General);
 - (6) section 293 (Notification requirements); and
 - (7) paragraph 17(1) of Schedule 1 (Fees).
- B. The rule-making powers listed above are specified for the purpose of section 153(2) of the Act (Rule-making instruments).

Commencement

- C. This instrument comes into force on 1 May 2003.

Amendments to the General provisions

- D. The General provisions are amended in accordance with Annex A to this instrument.

Amendment to the Glossary

- E. The Glossary is amended in accordance with Annex B to this instrument.

Citation

- F. This instrument may be cited as the General Provisions and Glossary (Amendment No 6) Instrument 2003.

By order of the Board
20 March 2003

Annex A

Amendments to the General provisions

In this Annex, underlining indicates new text and striking through indicates deleted text.

General Provisions

Chapter 1

~~Provisions which apply to all authorised persons~~

FSA approval and emergencies

1.1 Application

- 1.1.1 R (1) This chapter applies to every *firm*. GEN 1.3 (Emergency) also applies to an unauthorised person to whom a rule in the Handbook applies.

...

1.3 Emergency

- 1.3.1 G The *FSA* recognises that there may be occasions when, because of a particular emergency, a ~~*firm person*~~ (generally a *firm*, but in certain circumstances, for example in relation to *price stabilising rules* or *small e-money issuer rules*, an *unauthorised person*) may be unable to comply with a particular rule in the Handbook. The purpose of *GEN 1.3.2R* is to provide appropriate relief from the consequences of contravention of such a rule in those circumstances.

- 1.3.2 R (1) If any emergency arises which:
- (a)~~(b)~~ makes it impracticable for a ~~*firm person*~~ to comply with a particular rule in the Handbook; ~~and~~
 - (b)~~(a)~~ could not have been avoided by the ~~*firm person*~~ taking all reasonable steps; and
 - (c) is outside the control of the ~~*firm person*~~, its *associates* and agents (and of its and their *employees*);
- the ~~*firm person*~~ will not be in contravention of that *rule* to the extent that, in consequence of the emergency, compliance with that *rule* is impracticable.
- (2) Paragraph (1) applies only for so long as:
- (a) the consequences of the emergency continue; and

- (b) the ~~firm~~ *person* can demonstrate that it is taking all practicable steps to deal with those consequences, to comply with the *rule*, and to mitigate losses and potential losses to its *clients* (if any).
- (3) ~~A firm~~ The *person* must notify the *FSA* as soon as practicable of the emergency and of the steps it is taking and proposes to take to deal with the consequences of the emergency.
- (4) A notification under (3) must be given to or addressed and delivered in accordance with SUP 15.7 (Form and method of notification) (whether or not the *person* is a *firm*). If the *person* is not a *firm*, the notification must be given to or addressed for the attention of:

IFD Contact Centre
11th Floor
The Financial Services Authority
25 The North Colonnade
Canary Wharf
E14 5HS

(tel: 0845 606 9966)

...

- 1.3.4 G In the context of *GEN* 1.3.2R, an action is not practicable if it involves a ~~firm~~ *person* going to unreasonable lengths.

Annex B

Amendment to the Glossary

Insert the following new definition in the appropriate alphabetical position:

regulatory costs the periodic fees payable to the FSA by a participant firm in accordance with SUP 20 (Fees rules)