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STATUTORY INSTRUMENTS

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**2019 No. 266**

The Credit Rating Agencies (Amendment  
etc.) (EU Exit) Regulations 2019

PART 3

Enforcement

CHAPTER 1

Penalties

**Financial penalties**

7.—(1) If the FCA considers that a credit rating agency has contravened a requirement imposed by or under these Regulations, or by or under the CRA Regulation, it may impose a penalty on the credit rating agency of such amount as it considers appropriate.

(2) A penalty imposed under this regulation—

- (a) is payable to the FCA, and
- (b) may be recovered as a debt due to the FCA.

(3) In imposing, or deciding whether to impose, a penalty under this regulation, the FCA must have regard to a statement of policy published under regulation 8 and in force at the time when the contravention occurred.

**Statement of policy**

8.—(1) The FCA must prepare and issue a statement of policy with respect to—

- (a) the imposition of penalties under regulation 7, and
- (b) the amount of penalties under that regulation.

(2) The FCA's policy in determining what the amount of a penalty should be must include having regard to—

- (a) the seriousness of the contravention (in relation to the nature of the requirement contravened), and
- (b) the extent to which the contravention is deliberate or reckless.

(3) The FCA may at any time alter or replace a statement issued under this regulation.

(4) If a statement issued under this regulation is altered or replaced by the FCA, the FCA must issue the altered or replacement statement.

(5) The FCA must, without delay, give the Treasury a copy of any statement which it issues under this regulation.

(6) A statement issued under this regulation by the FCA must be published by the FCA in the way appearing to the FCA to be best calculated to bring it to the attention of the public.

(7) The FCA may charge a reasonable fee for providing a credit rating agency with a copy of the statement.

**Statement of policy: procedure**

9.—(1) Before the FCA issues a statement under regulation 8, the FCA must publish a draft of the proposed statement in the way appearing to the FCA to be best calculated to bring it to the attention of the public.

(2) The draft must be accompanied by a notice that specifies the time within which representations about the proposal may be made to the FCA.

(3) Before issuing the proposed statement the FCA must have regard to any representations made in accordance with paragraph (2).

(4) If the FCA issues the proposed statement it must publish an account, in general terms, of—

- (a) any representations made to it in accordance with paragraph (2), and
- (b) its response to them.

(5) If the statement differs from the draft published under paragraph (1) in a way which is, in the opinion of the FCA, significant, the FCA must (in addition to complying with paragraph (4)) publish details of the difference.

(6) The FCA may charge a reasonable fee for providing a credit rating agency with a copy of a draft published by it under paragraph (1).

(7) This regulation also applies to a proposal to alter or replace a statement.