



Financial Services and Markets Act 2000

2000 CHAPTER 8

PART V

PERFORMANCE OF REGULATED ACTIVITIES

f¹ Conduct of approved persons and others

Textual Amendments

- F1** Ss. 64A, 64B and cross-heading inserted (25.7.2014 for specified purposes, 7.3.2016 for specified purposes) by [Financial Services \(Banking Reform\) Act 2013 \(c. 33\), ss. 30\(3\), 148\(5\); S.I. 2014/1819, art. 2\(2\)\(c\); S.I. 2015/490, art. 2\(1\)\(d\)](#) (as inserted by [S.I. 2015/2055, art. 2\(4\)](#) and with savings and transitional provisions in [S.I. 2015/492](#) (as amended by [S.I. 2015/1660](#)))

64A Rules of conduct

- (1) If it appears to the FCA to be necessary or expedient for the purpose of advancing one or more of its operational objectives, the FCA may make rules about the conduct of the following persons—
- (a) persons in relation to whom either regulator has given its approval under section 59;
 - (b) persons who are employees of relevant authorised persons (see section 71A).
 - ^{F2}(c) [persons who are directors of authorised persons.]
- (2) If it appears to the PRA to be necessary or expedient for the purpose of advancing any of its objectives, the PRA may make rules about the conduct of the following persons—
- (a) persons in relation to whom it has given its approval under section 59;
 - (b) persons in relation to whom the FCA has given its approval under section 59 in respect of the performance by them of a relevant senior management function

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in relation to the carrying on by a PRA-authorised person of a regulated activity;

- (c) persons who are employees of relevant PRA-authorised persons.
[persons who are directors of PRA-authorised persons.]

^{F3}(d)

(3) In subsection (2)—

“relevant PRA-authorised person” means a PRA-authorised person that is a relevant authorised person (see section 71A), and

“relevant senior management function” means a function which the PRA is satisfied is a senior management function as defined in section 59ZA (whether or not the function has been designated as such by the FCA).

(4) Rules made under this section must relate to the conduct of persons in relation to the performance by them of qualifying functions.

(5) In subsection (4) “qualifying function”, in relation to a person, means a function relating to the carrying on of activities (whether or not regulated activities) by—

- (a) in the case of an approved person, the person on whose application approval was given, ^{F4}...

[in the case of a person who is a director of an authorised person but is not an ^{F5}(ab) approved person, that authorised person, and]

- (b) in any other case, the person's employer.

(6) In this section any reference to an employee of a person (“P”) includes a reference to a person who—

- (a) personally provides, or is under an obligation personally to provide, services to P under an arrangement made between P and the person providing the services or another person, and

- (b) is subject to (or to the right of) supervision, direction or control by P as to the manner in which those services are provided,

and “employer” is to be read accordingly.

[In this section “director”, in relation to an authorised person, means a member of the ^{F6}(7) board of directors, or if there is no such board, the equivalent body responsible for the management of the authorised person concerned.]

Textual Amendments

- F2** S. 64A(1)(c) inserted (6.7.2016) by [Bank of England and Financial Services Act 2016 \(c. 14\)](#), **ss. 24(2)(a)**, 41(3); S.I. 2016/627, reg. 2(1)(r)
- F3** S. 64A(2)(d) inserted (6.7.2016) by [Bank of England and Financial Services Act 2016 \(c. 14\)](#), **ss. 24(2)(b)**, 41(3); S.I. 2016/627, reg. 2(1)(r)
- F4** Word in s. 64A(5)(a) omitted (6.7.2016) by virtue of [Bank of England and Financial Services Act 2016 \(c. 14\)](#), **ss. 24(2)(c)**, 41(3); S.I. 2016/627, reg. 2(1)(r)
- F5** S. 64A(5)(ab) inserted (6.7.2016) by [Bank of England and Financial Services Act 2016 \(c. 14\)](#), **ss. 24(2)(d)**, 41(3); S.I. 2016/627, reg. 2(1)(r)
- F6** S. 64A(7) inserted (6.7.2016) by [Bank of England and Financial Services Act 2016 \(c. 14\)](#), **ss. 24(2)(e)**, 41(3); S.I. 2016/627, reg. 2(1)(r)

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64B Rules of conduct: responsibilities of relevant authorised persons

- (1) This section applies where a regulator makes rules under section 64A (“conduct rules”).
- (2) Every relevant authorised person must—
 - (a) notify all relevant persons of the conduct rules that apply in relation to them, and
 - (b) take all reasonable steps to secure that those persons understand how those rules apply in relation to them.
- (3) The steps which a relevant authorised person must take to comply with subsection (2) (b) include, in particular, the provision of suitable training.
- (4) In this section “relevant person”, in relation to an authorised person, means—
 - (a) any person in relation to whom an approval is given under section 59 on the application of the authorised person,^{F7} ...
 - (b) any employee of the authorised person [^{F8}, and
 - (c) any person who is a director of the authorised person].

^{F9}(5)

- (6) In this section “employee”, in relation to an authorised person, has the same meaning as in section 64A.

[In this section “director”, in relation to an authorised person, has the same meaning ^{F10}(6A) as in section 64A.]

- (7) For the meaning of “relevant authorised person”, see section 71A.]

Textual Amendments

- F7** Word in s. 64B(4)(a) omitted (6.7.2016) by virtue of [Bank of England and Financial Services Act 2016 \(c. 14\), ss. 24\(3\)\(a\)](#), 41(3); S.I. 2016/627, reg. 2(1)(r)
- F8** S. 64B(4)(c) and word inserted (6.7.2016) by [Bank of England and Financial Services Act 2016 \(c. 14\), ss. 24\(3\)\(b\)](#), 41(3); S.I. 2016/627, reg. 2(1)(r)
- F9** S. 64B(5) omitted (6.7.2016) by virtue of [Bank of England and Financial Services Act 2016 \(c. 14\), ss. 24\(3\)\(c\)](#), 41(3); S.I. 2016/627, reg. 2(1)(r)
- F10** S. 64B(6A) inserted (6.7.2016) by [Bank of England and Financial Services Act 2016 \(c. 14\), ss. 24\(3\)\(d\)](#), 41(3); S.I. 2016/627, reg. 2(1)(r)

[^{F11}64C Requirement for relevant authorised persons to notify regulator of disciplinary action

- (1) If—
 - (a) a relevant authorised person takes disciplinary action in relation to a relevant person, and
 - (b) the reason, or one of the reasons, for taking that action is a reason specified in rules made by the appropriate regulator for the purposes of this section, the relevant authorised person must notify that regulator of that fact.
- (2) “Disciplinary action”, in relation to a person, means any of the following—
 - (a) the issuing of a formal written warning;

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- (b) the suspension or dismissal of the person;
 - (c) the reduction or recovery of any of the person's remuneration.
- (3) “The appropriate regulator” means—
- (a) in relation to relevant authorised persons that are PRA-authorised persons, the FCA or the PRA;
 - (b) in relation to any other relevant authorised persons, the FCA.
- (4) “Relevant person” has the same meaning as in section 64B.
- (5) For the meaning of “relevant authorised person”, see section 71A.]

Textual Amendments

- F11** S. 64C inserted (25.7.2014 for specified purposes, 7.3.2016 in so far as not already in force) by [Financial Services \(Banking Reform\) Act 2013 \(c. 33\), ss. 31, 148\(5\); S.I. 2014/1819, art. 2\(2\)\(d\); S.I. 2015/490, art. 2\(1\)\(b\)](#) (with savings and transitional provisions in [S.I. 2015/492](#) (as amended by [S.I. 2015/1660](#)))

66 Disciplinary powers.

- (1) [^{F12}A regulator] may take action against a person under this section [^{F13}(whether or not it has given its approval in relation to the person)] if—
- (a) it appears to the [^{F14}regulator] that he is guilty of misconduct; and
 - (b) the [^{F15}regulator] is satisfied that it is appropriate in all the circumstances to take action against him.

[^{F16}(1A) For provision about when a person is guilty of misconduct for the purposes of action by a regulator—

- (a) see section 66A, in the case of action by the FCA, and
- (b) see section 66B, in the case of action by the PRA.]

^{F17}(2)

^{F18}(2A)

- (3) If the [^{F19}regulator] is entitled to take action under this section against a person, [^{F20}it may do one or more of the following—]
- (a) impose a penalty on him of such amount as it considers appropriate;
 - [^{F21}(aa) suspend, for such period as it considers appropriate, any approval of the performance by him of any function to which the approval relates;
 - [^{F22}(ab) impose, for such period as it considers appropriate, any conditions in relation to any such approval which it considers appropriate;
 - (ac) limit the period for which any such approval is to have effect;]
 - (b) publish a statement of his misconduct.

[The period for which a suspension or [^{F24}condition] is to have effect may not exceed ^{F23}(3A) two years.

- (3B) A suspension [^{F25}, condition or limitation] may have effect in relation to part of a function.

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(3C) A [^{F26}condition] may, in particular, be imposed so as to require any person to take, or refrain from taking, specified action.

(3D) [^{F27}The regulator taking action under this section] may—

- (a) withdraw a suspension [^{F28}, condition or limitation]; ^{F29} ...
- (b) vary a suspension or [^{F30}condition] so as to reduce the period for which it has effect or otherwise to limit its effect.
- ^{F31} [vary a limitation so as to increase the period for which the approval is to have effect.]]

(4) [^{F32}A regulator] may not take action under this section after the end of the [^{F33}relevant period] beginning with the first day on which [^{F34}the regulator] knew of the misconduct, unless proceedings in respect of it against the person concerned were begun before the end of that period.

(5) For the purposes of subsection (4)—

- (a) [^{F35}a regulator] is to be treated as knowing of misconduct if it has information from which the misconduct can reasonably be inferred; and
- (b) proceedings against a person in respect of misconduct are to be treated as begun when a warning notice is given to him under section 67(1).

[“The relevant period” is—

- ^{F36}(5ZA) (a) in relation to misconduct which occurs before the day on which this subsection comes into force, the period of 3 years, and
- (b) in relation to misconduct which occurs on or after that day, the period of 6 years.]

[“Approval” means an approval given under section 59.]

^{F37}(5A)

^{F38}(6)

^{F39}(7)

[In relation to any time while a suspension is in force under subsection (3)(aa) in ^{F40}(8) relation to part of a function, any reference in section 59 or 63A to the performance of a function includes the performance of part of a function.

(9) If at any time a [^{F41}condition] imposed under subsection (3)(ab) is contravened, the approval in relation to the person concerned is to be treated for the purposes of sections 59 and 63A as if it had been withdrawn at that time.]]

Textual Amendments

- F12** Words in s. 66(1) substituted (24.1.2013 for specified purposes, 1.4.2013 in so far as not already in force) by [Financial Services Act 2012 \(c. 21\), s. 122\(3\), Sch. 5 para. 14\(2\)\(a\)\(i\)](#) (with [Sch. 20](#)); [S.I. 2013/113, art. 2\(1\)\(b\), Sch. Pt. 2; S.I. 2013/423, art. 3, Sch.](#)
- F13** Words in s. 66(1) inserted (24.1.2013 for specified purposes, 1.4.2013 in so far as not already in force) by [Financial Services Act 2012 \(c. 21\), s. 122\(3\), Sch. 5 para. 14\(2\)\(a\)\(ii\)](#) (with [Sch. 20](#)); [S.I. 2013/113, art. 2\(1\)\(b\), Sch. Pt. 2; S.I. 2013/423, art. 3, Sch.](#)
- F14** Word in s. 66(1)(a) substituted (24.1.2013 for specified purposes, 1.4.2013 in so far as not already in force) by [Financial Services Act 2012 \(c. 21\), s. 122\(3\), Sch. 5 para. 14\(2\)\(b\)](#) (with [Sch. 20](#)); [S.I. 2013/113, art. 2\(1\)\(b\), Sch. Pt. 2; S.I. 2013/423, art. 3, Sch.](#)

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- F15** Word in s. 66(1)(b) substituted (24.1.2013 for specified purposes, 1.4.2013 in so far as not already in force) by Financial Services Act 2012 (c. 21), s. 122(3), **Sch. 5 para. 14(2)(b)** (with Sch. 20); S.I. 2013/113, art. 2(1)(b), Sch. Pt. 2; S.I. 2013/423, art. 3, Sch.
- F16** S. 66(1A) inserted (7.3.2016) by Financial Services (Banking Reform) Act 2013 (c. 33), **ss. 32(1)(a)**, 148(5); S.I. 2015/490, art. 2(1)(c) (as amended by S.I. 2015/2055, art. 2(3) and with savings and transitional provisions in S.I. 2015/492 (as amended by S.I. 2015/1660))
- F17** S. 66(2) omitted (7.3.2016) by virtue of Financial Services (Banking Reform) Act 2013 (c. 33), **ss. 32(1)(b)**, 148(5); S.I. 2015/490, art. 2(1)(c) (as amended by S.I. 2015/2055, art. 2(3) and with savings and transitional provisions in S.I. 2015/492 (as amended by S.I. 2015/1660))
- F18** S. 66(2A) omitted (7.3.2016) by virtue of Financial Services (Banking Reform) Act 2013 (c. 33), **ss. 32(1)(b)**, 148(5); S.I. 2015/490, art. 2(1)(c) (as amended by S.I. 2015/2055, art. 2(3) and with savings and transitional provisions in S.I. 2015/492 (as amended by S.I. 2015/1660))
- F19** Word in s. 66(3) substituted (24.1.2013 for specified purposes, 1.4.2013 in so far as not already in force) by Financial Services Act 2012 (c. 21), s. 122(3), **Sch. 5 para. 14(4)** (with Sch. 20); S.I. 2013/113, art. 2(1)(b), Sch. Pt. 2; S.I. 2013/423, art. 3, Sch.
- F20** Words in s. 66(3) inserted (8.6.2010) by Financial Services Act 2010 (c. 28), **ss. 12(2)(a)**, 26(2)(b)
- F21** S. 66(3)(aa)(ab) inserted (8.6.2010) by Financial Services Act 2010 (c. 28), **ss. 12(2)(b)**, 26(2)(b)
- F22** S. 66(3)(ab)(ac) substituted for s. 66(3)(ab) (7.3.2016) by Financial Services (Banking Reform) Act 2013 (c. 33), s. 148(5), **Sch. 3 para. 5(2)**; S.I. 2015/490, art. 2(1)(b) (with savings and transitional provisions in S.I. 2015/492 (as amended by S.I. 2015/1660))
- F23** S. 66(3A)-(3D) inserted (8.6.2010) by Financial Services Act 2010 (c. 28), **ss. 12(3)**, 26(2)(b)
- F24** Word in s. 66(3A) substituted (7.3.2016) by Financial Services (Banking Reform) Act 2013 (c. 33), s. 148(5), **Sch. 3 para. 5(3)**; S.I. 2015/490, art. 2(1)(b) (with savings and transitional provisions in S.I. 2015/492 (as amended by S.I. 2015/1660))
- F25** Words in s. 66(3B) substituted (7.3.2016) by Financial Services (Banking Reform) Act 2013 (c. 33), s. 148(5), **Sch. 3 para. 5(4)**; S.I. 2015/490, art. 2(1)(b) (with savings and transitional provisions in S.I. 2015/492 (as amended by S.I. 2015/1660))
- F26** Word in s. 66(3C) substituted (7.3.2016) by Financial Services (Banking Reform) Act 2013 (c. 33), s. 148(5), **Sch. 3 para. 5(5)**; S.I. 2015/490, art. 2(1)(b) (with savings and transitional provisions in S.I. 2015/492 (as amended by S.I. 2015/1660))
- F27** Words in s. 66(3D) substituted (24.1.2013 for specified purposes, 1.4.2013 in so far as not already in force) by Financial Services Act 2012 (c. 21), s. 122(3), **Sch. 5 para. 14(5)** (with Sch. 20); S.I. 2013/113, art. 2(1)(b), Sch. Pt. 2; S.I. 2013/423, art. 3, Sch.
- F28** Words in s. 66(3D)(a) substituted (7.3.2016) by Financial Services (Banking Reform) Act 2013 (c. 33), s. 148(5), **Sch. 3 para. 5(6)(a)**; S.I. 2015/490, art. 2(1)(b) (with savings and transitional provisions in S.I. 2015/492 (as amended by S.I. 2015/1660))
- F29** Word in s. 66(3D)(a) omitted (7.3.2016) by virtue of Financial Services (Banking Reform) Act 2013 (c. 33), s. 148(5), **Sch. 3 para. 5(6)(b)**; S.I. 2015/490, art. 2(1)(b) (with savings and transitional provisions in S.I. 2015/492 (as amended by S.I. 2015/1660))
- F30** Word in s. 66(3D)(b) substituted (7.3.2016) by Financial Services (Banking Reform) Act 2013 (c. 33), s. 148(5), **Sch. 3 para. 5(6)(c)**; S.I. 2015/490, art. 2(1)(b) (with savings and transitional provisions in S.I. 2015/492 (as amended by S.I. 2015/1660))
- F31** S. 66(3D)(c) inserted (7.3.2016) by Financial Services (Banking Reform) Act 2013 (c. 33), s. 148(5), **Sch. 3 para. 5(6)(d)**; S.I. 2015/490, art. 2(1)(b) (with savings and transitional provisions in S.I. 2015/492 (as amended by S.I. 2015/1660))
- F32** Words in s. 66(4) substituted (24.1.2013 for specified purposes, 1.4.2013 in so far as not already in force) by Financial Services Act 2012 (c. 21), s. 122(3), **Sch. 5 para. 14(6)(a)** (with Sch. 20); S.I. 2013/113, art. 2(1)(b), Sch. Pt. 2; S.I. 2013/423, art. 3, Sch.
- F33** Words in s. 66(4) substituted (25.7.2014) by Financial Services (Banking Reform) Act 2013 (c. 33), **ss. 28(5)**, 148(5); S.I. 2014/1819, art. 2(1)(c)
- F34** Words in s. 66(4) substituted (24.1.2013 for specified purposes, 1.4.2013 in so far as not already in force) by Financial Services Act 2012 (c. 21), s. 122(3), **Sch. 5 para. 14(6)(b)** (with Sch. 20); S.I. 2013/113, art. 2(1)(b), Sch. Pt. 2; S.I. 2013/423, art. 3, Sch.

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- F35** Words in s. 66(5)(a) substituted (24.1.2013 for specified purposes, 1.4.2013 in so far as not already in force) by Financial Services Act 2012 (c. 21), s. 122(3), **Sch. 5 para. 14(7)** (with Sch. 20); S.I. 2013/113, art. 2(1)(b), Sch. Pt. 2; S.I. 2013/423, art. 3, Sch.
- F36** S. 66(5ZA) inserted (25.7.2014) by Financial Services (Banking Reform) Act 2013 (c. 33), **ss. 28(6), 148(5)**; S.I. 2014/1819, art. 2(1)(c)
- F37** S. 66(5A) inserted (8.6.2010) by Financial Services Act 2010 (c. 28), **ss. 24(1), 26(2)(d)(e), Sch. 2 para. 8(2)**
- F38** S. 66(6) omitted (7.3.2016) by virtue of Financial Services (Banking Reform) Act 2013 (c. 33), **ss. 32(1)(b), 148(5)**; S.I. 2015/490, art. 2(1)(c) (as amended by S.I. 2015/2055, art. 2(3) and with savings and transitional provisions in S.I. 2015/492 (as amended by S.I. 2015/1660))
- F39** S. 66(7) omitted (7.3.2016) by virtue of Financial Services (Banking Reform) Act 2013 (c. 33), **ss. 32(1)(b), 148(5)**; S.I. 2015/490, art. 2(1)(c) (as amended by S.I. 2015/2055, art. 2(3) and with savings and transitional provisions in S.I. 2015/492 (as amended by S.I. 2015/1660))
- F40** S. 66(8)(9) inserted (8.6.2010) by Financial Services Act 2010 (c. 28), **ss. 24(1), 26(2)(d)(e), Sch. 2 para. 8(4)**
- F41** Word in s. 66(9) substituted (7.3.2016) by Financial Services (Banking Reform) Act 2013 (c. 33), s. 148(5), **Sch. 3 para. 5(7)**; S.I. 2015/490, art. 2(1)(b) (with savings and transitional provisions in S.I. 2015/492 (as amended by S.I. 2015/1660))

Modifications etc. (not altering text)

- C1** S. 66 modified (1.12.2001) by S.I. 2001/2657, **arts. 1(1), 9** (which was revoked (8.10.2001) by S.I. 2001/3083, **arts. 1(2), 23**); S.I. 2001/3538, **art. 2(1)**
S. 66 modified (1.12.2001) by S.I. 2001/3083, **arts. 1(2), 9**; S.I. 2001/3538, **art. 2(1)**
- C2** Ss. 66-70 applied (with modifications) (1.11.2009) by The Payment Services Regulations 2009 (S.I. 2009/209), **regs. 1(2)(c), 95, Sch. 5 para. 1** (with reg. 3) (as amended (1.4.2013) by The Financial Services Act 2012 (Consequential Amendments and Transitional Provisions) Order 2013 (S.I. 2013/472), **Sch. 2 para. 155(6)(a)** (with Sch. 2 para. 156))
- C3** Ss. 66-70 applied (with modifications) (11.2.2010) by The Cross-Border Payments in Euro Regulations 2010 (S.I. 2010/89), **reg. 19, Sch. para. 1**
- C4** Ss. 66-70 applied (with modifications) (30.4.2011) by The Electronic Money Regulations 2011 (S.I. 2011/99), **regs. 1(2)(b), 62, Sch. 3 para. 1** (with art. 3) (as amended (1.4.2013) by The Financial Services Act 2012 (Consequential Amendments and Transitional Provisions) Order 2013 (S.I. 2013/472), **Sch. 2 para. 196(5)(a)**)
- C5** Ss. 66-70 applied (with modifications) (15.1.2013) by The Payments in Euro (Credit Transfers and Direct Debits) Regulations 2012 (S.I. 2012/3122), **reg. 1, Sch. para. 1** (as amended (1.4.2013) by The Financial Services Act 2012 (Consequential Amendments and Transitional Provisions) Order 2013 (S.I. 2013/472), **Sch. 2 para. 248(6)(a)**)
- C6** S. 66 applied (with modifications) (26.7.2013 for specified purposes, 1.4.2014 in so far as not already in force) by The Financial Services Act 2012 (Consumer Credit) Order 2013 (S.I. 2013/1882), **arts. 1(1), 3(3)**
- C7** Ss. 66-70 applied (with modifications) by S.I. 2011/99, **Sch. 5 para. 1** (as substituted (7.3.2016) by The Financial Services (Banking Reform) Act 2013 (Consequential Amendments) Order 2016 (S.I. 2016/163), **arts. 1, 4**)
- C8** Ss. 66-70 applied (with modifications) by S.I. 2009/209, **Sch. 5 para. 1** (as substituted (7.3.2016) by The Financial Services (Banking Reform) Act 2013 (Consequential Amendments) Order 2016 (S.I. 2016/163), **arts. 1, 3**)
- C9** Ss. 66-70 applied (with modifications) S.I. 2012/3122, **Sch. para. 1** (as amended) (7.3.2016) by The Financial Services (Banking Reform) Act 2013 (Consequential Amendments) Order 2016 (S.I. 2016/163), **arts. 1, 5**
- C10** S. 66(3)(a) restricted (1.12.2001) by S.I. 2001/3592, **arts. 1(2), 60(2)** (with art. 23(2))

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[^{F42}66A Misconduct: action by the FCA

- (1) For the purposes of action by the FCA under section 66, a person is guilty of misconduct if any of conditions A to C is met in relation to the person.
- (2) Condition A is that—
 - (a) the person has at any time failed to comply with rules made by the FCA under section 64A, and
 - (b) at that time the person was—
 - (i) an approved person, ^{F43}...
 - (ii) an employee of a relevant authorised person [^{F44}, or
 - (iii) a director of an authorised person].
- (3) Condition B is that—
 - (a) the person has at any time been knowingly concerned in a contravention of a relevant requirement by an authorised person, and
 - (b) at that time the person was—
 - (i) an approved person in relation to the authorised person, ^{F45}...
 - (ii) in the case of a relevant authorised person, an employee of the authorised person [^{F46}, or
 - (iii) a director of the authorised person].
- (4) In this section “relevant requirement” means a requirement—
 - (a) imposed by or under this Act, ^{F47}...
 - ^{F48}(aa) [imposed by the Alternative Investment Fund Managers Regulations 2013 ^{F49}...;]
 - ^{F50}(ab) [imposed by the Undertakings for Collective Investment in Transferable Securities Regulations 2011, or]
 - (b) imposed by any qualifying EU provision specified, or of a description specified, for the purposes of this subsection by the Treasury by order.
- (5) Condition C is that—
 - (a) the person has at any time been a senior manager in relation to a relevant authorised person,
 - (b) there has at that time been (or continued to be) a contravention of a relevant requirement by the authorised person, ^{F51}...
 - (c) the senior manager was at that time responsible for the management of any of the authorised person's activities in relation to which the contravention occurred [^{F52}, and
 - (d) the senior manager did not take such steps as a person in the senior manager's position could reasonably be expected to take to avoid the contravention occurring (or continuing).]
- ^{F53}(6)
- (7) For the purposes of subsection (5)—

“senior manager”, in relation to a relevant authorised person, means a person who has approval under section 59 to perform a designated senior management function in relation to the carrying on by the authorised person of a regulated activity;

“designated senior management function” means a function designated as a senior management function under section 59(6A) or (6B).

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- (8) In this section—
- “approved person”—
- (a) means a person in relation to whom an approval is given under section 59, and
- (b) in relation to an authorised person, means a person in relation to whom such approval is given on the application of the authorised person;
- [^{F54}“director”, in relation to an authorised person, has the same meaning as in section 64A;]
- “employee”, in relation to a person, has the same meaning as in section 64A.
- (9) For the meaning of “relevant authorised person”, see section 71A.

Textual Amendments

- F42** Ss. 66A, 66B inserted (7.3.2016 for specified purposes, 10.5.2016 in so far as not already in force) by [Financial Services \(Banking Reform\) Act 2013 \(c. 33\)](#), **ss. 32(2)**, 148(5); S.I. 2015/490, art. 2(1)(e) (as inserted by S.I. 2015/2055, art. 2(4) and with savings and transitional provisions in S.I. 2015/492 (as amended by S.I. 2015/1660)); S.I. 2016/568, art. 2
- F43** Word in s. 66A(2)(b)(i) omitted (6.7.2016) by virtue of [Bank of England and Financial Services Act 2016 \(c. 14\)](#), **ss. 25(2)(a)**, 41(3); S.I. 2016/627, reg. 2(1)(s)
- F44** S. 66A(2)(b)(iii) and word inserted (6.7.2016) by [Bank of England and Financial Services Act 2016 \(c. 14\)](#), **ss. 25(2)(b)**, 41(3); S.I. 2016/627, reg. 2(1)(s)
- F45** Word in s. 66A(3)(b)(i) omitted (6.7.2016) by virtue of [Bank of England and Financial Services Act 2016 \(c. 14\)](#), **ss. 25(2)(c)**, 41(3); S.I. 2016/627, reg. 2(1)(s)
- F46** S. 66A(3)(b)(iii) and word inserted (6.7.2016) by [Bank of England and Financial Services Act 2016 \(c. 14\)](#), **ss. 25(2)(d)**, 41(3); S.I. 2016/627, reg. 2(1)(s)
- F47** Word in s. 66A(4)(a) omitted (7.3.2016) by virtue of [The Financial Services and Markets Act 2000 \(Misconduct and Appropriate Regulator\) Order 2015 \(S.I. 2015/1864\)](#), arts. 1(2), **2(2)**
- F48** S. 66A(4)(aa) inserted (7.3.2016) by [The Financial Services and Markets Act 2000 \(Misconduct and Appropriate Regulator\) Order 2015 \(S.I. 2015/1864\)](#), arts. 1(2), **2(3)**
- F49** Word in s. 66A(4)(aa) omitted (18.3.2016) by virtue of [The Undertakings for Collective Investment in Transferable Securities Regulations 2016 \(S.I. 2016/225\)](#), regs. 1, **2(3)(a)**
- F50** S. 66A(4)(ab) inserted (18.3.2016) by [The Undertakings for Collective Investment in Transferable Securities Regulations 2016 \(S.I. 2016/225\)](#), regs. 1, **2(3)(b)**
- F51** Word in s. 66A(5)(b) omitted (10.5.2016) by virtue of [Bank of England and Financial Services Act 2016 \(c. 14\)](#), **ss. 25(2)(e)**, 41(3); S.I. 2016/569, reg. 2
- F52** S. 66A(5)(d) and word inserted (10.5.2016) by [Bank of England and Financial Services Act 2016 \(c. 14\)](#), **ss. 25(2)(f)**, 41(3); S.I. 2016/569, reg. 2
- F53** S. 66A(6) omitted (10.5.2016) by virtue of [Bank of England and Financial Services Act 2016 \(c. 14\)](#), **ss. 25(2)(g)**, 41(3); S.I. 2016/569, reg. 2
- F54** Words in s. 66A(8) inserted (6.7.2016) by [Bank of England and Financial Services Act 2016 \(c. 14\)](#), **ss. 25(2)(h)**, 41(3); S.I. 2016/627, reg. 2(1)(s)

66B Misconduct: action by the PRA

- (1) For the purposes of action by the PRA under section 66, a person is guilty of misconduct if any of conditions A to C is met in relation to the person.
- (2) Condition A is that—
- (a) the person has at any time failed to comply with rules made by the PRA under section 64A, and

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- (b) at that time the person was—
- (i) an approved person, ^{F55} ...
 - (ii) an employee of a relevant PRA-authorised person [^{F56}, or
 - (iii) a director of a PRA-authorised person].
- (3) Condition B is that—
- (a) the person has at any time been knowingly concerned in a contravention of a relevant requirement by a PRA-authorised person, and
 - (b) at that time the person was—
 - (i) an approved person in respect of the performance of a relevant senior management function in relation to the carrying on by the PRA-authorised person of a regulated activity, ^{F57} ...
 - (ii) in the case of a relevant PRA-authorised person, an employee of the authorised person [^{F58}, or
 - (iii) a director of the PRA-authorised person].
- (4) In this section “relevant requirement” means a requirement—
- (a) imposed by or under this Act, or
 - (b) imposed by any qualifying EU provision specified, or of a description specified, for the purposes of this subsection by the Treasury by order.
- (5) Condition C is that—
- (a) the person has at any time been a senior manager in relation to a relevant PRA-authorised person,
 - (b) there has at that time been (or continued to be) a contravention of a relevant requirement by the authorised person, ^{F59} ...
 - (c) the senior manager was at that time responsible for the management of any of the authorised person's activities in relation to which the contravention occurred [^{F60}, and
 - (d) the senior manager did not take such steps as a person in the senior manager's position could reasonably be expected to take to avoid the contravention occurring (or continuing).]
- ^{F61}(6)
- (7) For the purposes of subsection (5)—
- “senior manager”, in relation to a relevant PRA-authorised person, means a person who has approval under section 59 to perform a designated senior management function in relation to the carrying on by the authorised person of a regulated activity;
- “designated senior management function” means a function designated as a senior management function under section 59(6A) or (6B).
- (8) In this section—
- “approved person”—
- (a) means a person in relation to whom—
 - (i) the PRA has given its approval under section 59, or
 - (ii) the FCA has given its approval under section 59 in respect of the performance by the person of a relevant senior management function in relation to the carrying on by a PRA-authorised person of a regulated activity, and

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(b) in relation to an authorised person, means a person in relation to whom approval under section 59 is given on the application of the authorised person;

[^{F62}“director”, in relation to an authorised person, has the same meaning as in section 64A;]

“employee”, in relation to a person, has the same meaning as in section 64A;

“relevant PRA-authorised person” means a PRA-authorised person that is a relevant authorised person;

“relevant senior management function” means a function which the PRA is satisfied is a senior management function as defined in section 59ZA (whether or not the function has been designated as such by the FCA).

(9) For the meaning of “relevant authorised person”, see section 71A.]

Textual Amendments

F42 Ss. 66A, 66B inserted (7.3.2016 for specified purposes, 10.5.2016 in so far as not already in force) by [Financial Services \(Banking Reform\) Act 2013 \(c. 33\)](#), **ss. 32(2)**, 148(5); S.I. 2015/490, art. 2(1)(e) (as inserted by S.I. 2015/2055, art. 2(4) and with savings and transitional provisions in S.I. 2015/492 (as amended by S.I. 2015/1660)); S.I. 2016/568, art. 2

F55 Word in s. 66B(2)(b)(i) omitted (6.7.2016) by virtue of [Bank of England and Financial Services Act 2016 \(c. 14\)](#), **ss. 25(3)(a)**, 41(3); S.I. 2016/627, reg. 2(1)(s)

F56 S. 66B(2)(b)(iii) and word inserted (6.7.2016) by [Bank of England and Financial Services Act 2016 \(c. 14\)](#), **ss. 25(3)(b)**, 41(3); S.I. 2016/627, reg. 2(1)(s)

F57 Word in s. 66B(3)(b)(i) omitted (6.7.2016) by virtue of [Bank of England and Financial Services Act 2016 \(c. 14\)](#), **ss. 25(3)(c)**, 41(3); S.I. 2016/627, reg. 2(1)(s)

F58 S. 66B(3)(b)(iii) and word inserted (6.7.2016) by [Bank of England and Financial Services Act 2016 \(c. 14\)](#), **ss. 25(3)(d)**, 41(3); S.I. 2016/627, reg. 2(1)(s)

F59 Word in s. 66B(5)(b) omitted (10.5.2016) by virtue of [Bank of England and Financial Services Act 2016 \(c. 14\)](#), **ss. 25(3)(e)**, 41(3); S.I. 2016/569, reg. 2

F60 S. 66B(5)(d) and word inserted (10.5.2016) by [Bank of England and Financial Services Act 2016 \(c. 14\)](#), **ss. 25(3)(f)**, 41(3); S.I. 2016/569, reg. 2

F61 S. 66B(6) omitted (10.5.2016) by virtue of [Bank of England and Financial Services Act 2016 \(c. 14\)](#), **ss. 25(3)(g)**, 41(3); S.I. 2016/569, reg. 2

F62 Words in s. 66B(8) inserted (6.7.2016) by [Bank of England and Financial Services Act 2016 \(c. 14\)](#), **ss. 25(3)(h)**, 41(3); S.I. 2016/627, reg. 2(1)(s)

67 Disciplinary measures: procedure and right to refer to Tribunal.

(1) If [^{F63}a regulator] proposes to take action against a person under section 66, it must give him a warning notice [^{F64}], and if it proposes to take action under subsection (3) (aa) [^{F65}, (ab) or (ac)] of that section, it must also give each of the other interested parties a warning notice.]

(2) A warning notice about a proposal to impose a penalty must state the amount of the penalty.

[^{F66}(2A) A warning notice about a proposal—

(a) to suspend an approval, or

(b) to impose a [^{F67}condition] in relation to the performance of a function,

must state the period for which the suspension or [^{F67}condition] is to have effect.]

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- [^{F68}(2B) A warning notice about a proposal to limit the period for which an approval is to have effect must state the length of that period.]
- (3) A warning notice about a proposal to publish a statement must set out the terms of the statement.
- (4) If [^{F69}a regulator] decides to take action against a person under section 66, it must give him a decision notice[^{F70}; and if it decides to take action under subsection (3)(aa) [^{F71}, (ab) or (ac)] of that section, it must also give each of the other interested parties a decision notice.]
- (5) A decision notice about the imposition of a penalty must state the amount of the penalty.
- [^{F72}(5A) A decision notice about—
- (a) the suspension of an approval, or
- (b) the imposition of a [^{F73}condition] in relation to the performance of a function, must state the period for which the suspension or [^{F73}condition] is to have effect.]
- [^{F74}(5B) A decision notice about limiting the period for which an approval is to have effect must state the length of that period.]
- (6) A decision notice about the publication of a statement must set out the terms of the statement.
- (7) If [^{F75}a regulator] decides to take action against a person under section 66, he may refer the matter to the Tribunal[^{F76}; and if [^{F77}the regulator] decides to take action under section 66(3)(aa) [^{F78}, (ab) or (ac)], each of the other interested parties may also refer the matter to the Tribunal.]
- [^{F79}(8) Approval” means an approval given under section 59.
- (9) “Other interested parties”, in relation to [^{F80}a person (“A”) in relation to whom approval has been given,] are—
- (a) the person on whose application the approval was given (“B”); and
- (b) the person by whom A's services are retained, if not B.
- ^{F81} ...]

Textual Amendments

- F63** Words in s. 67(1) substituted (1.4.2013) by [Financial Services Act 2012 \(c. 21\), s. 122\(3\)](#), [Sch. 5 para. 15\(2\)](#) (with [Sch. 20](#)); [S.I. 2013/423, art. 3](#), [Sch.](#)
- F64** Words in s. 67(1) inserted (8.6.2010) by [Financial Services Act 2010 \(c. 28\)](#), ss. 24(1), 26(2)(d)(e), [Sch. 2 para. 9\(2\)](#)
- F65** Words in s. 67(1) substituted (7.3.2016) by [Financial Services \(Banking Reform\) Act 2013 \(c. 33\)](#), s. 148(5), [Sch. 3 para. 6\(2\)](#); [S.I. 2015/490, art. 2\(1\)\(b\)](#) (with savings and transitional provisions in [S.I. 2015/492](#) (as amended by [S.I. 2015/1660](#)))
- F66** S. 67(2A) inserted (8.6.2010) by [Financial Services Act 2010 \(c. 28\)](#), ss. 24(1), 26(2)(d)(e), [Sch. 2 para. 9\(3\)](#)
- F67** Word in s. 67(2A) substituted (7.3.2016) by [Financial Services \(Banking Reform\) Act 2013 \(c. 33\)](#), s. 148(5), [Sch. 3 para. 6\(3\)](#); [S.I. 2015/490, art. 2\(1\)\(b\)](#) (with savings and transitional provisions in [S.I. 2015/492](#) (as amended by [S.I. 2015/1660](#)))

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- F68** S. 67(2B) inserted (7.3.2016) by [Financial Services \(Banking Reform\) Act 2013 \(c. 33\)](#), s. 148(5), [Sch. 3 para. 6\(4\)](#); S.I. 2015/490, art. 2(1)(b) (with savings and transitional provisions in S.I. 2015/492 (as amended by S.I. 2015/1660))
- F69** Words in s. 67(4) substituted (1.4.2013) by [Financial Services Act 2012 \(c. 21\)](#), s. 122(3), [Sch. 5 para. 15\(2\)](#) (with [Sch. 20](#)); S.I. 2013/423, art. 3, [Sch.](#)
- F70** Words in s. 67(4) inserted (8.6.2010) by [Financial Services Act 2010 \(c. 28\)](#), ss. 24(1), 26(2)(d)(e), [Sch. 2 para. 9\(4\)](#)
- F71** Words in s. 67(4) substituted (7.3.2016) by [Financial Services \(Banking Reform\) Act 2013 \(c. 33\)](#), s. 148(5), [Sch. 3 para. 6\(5\)](#); S.I. 2015/490, art. 2(1)(b) (with savings and transitional provisions in S.I. 2015/492 (as amended by S.I. 2015/1660))
- F72** S. 67(5A) inserted (8.6.2010) by [Financial Services Act 2010 \(c. 28\)](#), ss. 24(1), 26(2)(d)(e), [Sch. 2 para. 9\(5\)](#)
- F73** Word in s. 67(5A) substituted (7.3.2016) by [Financial Services \(Banking Reform\) Act 2013 \(c. 33\)](#), s. 148(5), [Sch. 3 para. 6\(6\)](#); S.I. 2015/490, art. 2(1)(b) (with savings and transitional provisions in S.I. 2015/492 (as amended by S.I. 2015/1660))
- F74** S. 67(5B) inserted (7.3.2016) by [Financial Services \(Banking Reform\) Act 2013 \(c. 33\)](#), s. 148(5), [Sch. 3 para. 6\(7\)](#); S.I. 2015/490, art. 2(1)(b) (with savings and transitional provisions in S.I. 2015/492 (as amended by S.I. 2015/1660))
- F75** Words in s. 67(7) substituted (1.4.2013) by [Financial Services Act 2012 \(c. 21\)](#), s. 122(3), [Sch. 5 para. 15\(3\)\(a\)](#) (with [Sch. 20](#)); S.I. 2013/423, art. 3, [Sch.](#)
- F76** Words in s. 67(7) inserted (8.6.2010) by [Financial Services Act 2010 \(c. 28\)](#), ss. 24(1), 26(2)(d)(e), [Sch. 2 para. 9\(6\)](#)
- F77** Words in s. 67(7) substituted (1.4.2013) by [Financial Services Act 2012 \(c. 21\)](#), s. 122(3), [Sch. 5 para. 15\(3\)\(b\)](#) (with [Sch. 20](#)); S.I. 2013/423, art. 3, [Sch.](#)
- F78** Words in s. 67(7) substituted (7.3.2016) by [Financial Services \(Banking Reform\) Act 2013 \(c. 33\)](#), s. 148(5), [Sch. 3 para. 6\(8\)](#); S.I. 2015/490, art. 2(1)(b) (with savings and transitional provisions in S.I. 2015/492 (as amended by S.I. 2015/1660))
- F79** S. 67(8)(9) inserted (8.6.2010) by [Financial Services Act 2010 \(c. 28\)](#), ss. 24(1), 26(2)(d)(e), [Sch. 2 para. 9\(7\)](#)
- F80** Words in s. 67(9) substituted (1.4.2013) by [Financial Services Act 2012 \(c. 21\)](#), s. 122(3), [Sch. 5 para. 15\(4\)\(a\)](#) (with [Sch. 20](#)); S.I. 2013/423, art. 3, [Sch.](#)
- F81** Words in s. 67(9) omitted (1.4.2013) by virtue of [Financial Services Act 2012 \(c. 21\)](#), s. 122(3), [Sch. 5 para. 15\(4\)\(b\)](#) (with [Sch. 20](#)); S.I. 2013/423, art. 3, [Sch.](#)

Modifications etc. (not altering text)

- C5** Ss. 66-70 applied (with modifications) (15.1.2013) by [The Payments in Euro \(Credit Transfers and Direct Debits\) Regulations 2012 \(S.I. 2012/3122\)](#), reg. 1, [Sch. para. 1](#) (as amended (1.4.2013) by [The Financial Services Act 2012 \(Consequential Amendments and Transitional Provisions\) Order 2013 \(S.I. 2013/472\)](#), [Sch. 2 para. 248\(6\)\(a\)](#))
- C7** Ss. 66-70 applied (with modifications) by S.I. 2011/99, [Sch. 5 para. 1](#) (as substituted (7.3.2016) by [The Financial Services \(Banking Reform\) Act 2013 \(Consequential Amendments\) Order 2016 \(S.I. 2016/163\)](#), arts. 1, 4)
- C8** Ss. 66-70 applied (with modifications) by S.I. 2009/209, [Sch. 5 para. 1](#) (as substituted (7.3.2016) by [The Financial Services \(Banking Reform\) Act 2013 \(Consequential Amendments\) Order 2016 \(S.I. 2016/163\)](#), arts. 1, 3)
- C9** Ss. 66-70 applied (with modifications) S.I. 2012/3122, [Sch. para. 1](#) (as amended) (7.3.2016) by [The Financial Services \(Banking Reform\) Act 2013 \(Consequential Amendments\) Order 2016 \(S.I. 2016/163\)](#), arts. 1, 5
- C11** S. 67 excluded (1.12.2001) by S.I. 2001/3592, [arts. 1\(2\)](#), 61(3), 85(5) (with art. 23(2))
- C12** Ss. 66-70 applied (with modifications) (1.11.2009) by [The Payment Services Regulations 2009 \(S.I. 2009/209\)](#), regs. 1(2)(c), 95, [Sch. 5 para. 1](#) (with reg. 3) (as amended (1.4.2013) by [The Financial Services Act 2012 \(Consequential Amendments and Transitional Provisions\) Order 2013 \(S.I. 2013/472\)](#), [Sch. 2 para. 155\(6\)\(a\)](#) (with [Sch. 2 para. 156](#)))

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- C13** Ss. 66-70 applied (with modifications) (11.2.2010) by The Cross-Border Payments in Euro Regulations 2010 (S.I. 2010/89), reg. 19, **Sch. para. 1**
- C14** Ss. 66-70 applied (with modifications) (30.4.2011) by The Electronic Money Regulations 2011 (S.I. 2011/99), regs. 1(2)(b), 62, **Sch. 3 para. 1** (with art. 3) (as amended (1.4.2013) by The Financial Services Act 2012 (Consequential Amendments and Transitional Provisions) Order 2013 (S.I. 2013/472), **Sch. 2 para. 196(5)(a)**)
- C15** S. 67 applied (with modifications) (26.7.2013 for specified purposes, 1.4.2014 in so far as not already in force) by The Financial Services Act 2012 (Consumer Credit) Order 2013 (S.I. 2013/1882), arts. 1(1), **3(3)**
- C16** S. 67(4) modified (1.12.2001) by S.I. 2001/3592, **arts. 1(2), 73(2), 74(2)** (with art. 23(2))

68 Publication.

After a statement under section 66 is published, [^{F82}the regulator publishing it] must send a copy of it to the person concerned and to any person to whom a copy of the decision notice was given.

Textual Amendments

- F82** Words in s. 68 substituted (1.4.2013) by Financial Services Act 2012 (c. 21), s. 122(3), **Sch. 5 para. 16** (with Sch. 20); S.I. 2013/423, art. 3, Sch.

Modifications etc. (not altering text)

- C5** Ss. 66-70 applied (with modifications) (15.1.2013) by The Payments in Euro (Credit Transfers and Direct Debits) Regulations 2012 (S.I. 2012/3122), reg. 1, Sch. para. 1 (as amended (1.4.2013) by The Financial Services Act 2012 (Consequential Amendments and Transitional Provisions) Order 2013 (S.I. 2013/472), Sch. 2 para. 248(6)(a))
- C7** Ss. 66-70 applied (with modifications) by S.I. 2011/99, Sch. 5 para. 1 (as substituted (7.3.2016) by The Financial Services (Banking Reform) Act 2013 (Consequential Amendments) Order 2016 (S.I. 2016/163), arts. 1, 4)
- C8** Ss. 66-70 applied (with modifications) by S.I. 2009/209, Sch. 5 para. 1 (as substituted (7.3.2016) by The Financial Services (Banking Reform) Act 2013 (Consequential Amendments) Order 2016 (S.I. 2016/163), arts. 1, 3)
- C9** Ss. 66-70 applied (with modifications) S.I. 2012/3122, Sch. para. 1 (as amended) (7.3.2016) by The Financial Services (Banking Reform) Act 2013 (Consequential Amendments) Order 2016 (S.I. 2016/163), arts. 1, 5
- C17** Ss. 66-70 applied (with modifications) (1.11.2009) by The Payment Services Regulations 2009 (S.I. 2009/209), regs. 1(2)(c), 95, **Sch. 5 para. 1** (with reg. 3) (as amended (1.4.2013) by The Financial Services Act 2012 (Consequential Amendments and Transitional Provisions) Order 2013 (S.I. 2013/472), Sch. 2 para. 155(6)(a) (with **Sch. 2 para. 156**))
- C18** Ss. 66-70 applied (with modifications) (11.2.2010) by The Cross-Border Payments in Euro Regulations 2010 (S.I. 2010/89), reg. 19, **Sch. para. 1**
- C19** Ss. 66-70 applied (with modifications) (30.4.2011) by The Electronic Money Regulations 2011 (S.I. 2011/99), regs. 1(2)(b), 62, **Sch. 3 para. 1** (with art. 3) (as amended (1.4.2013) by The Financial Services Act 2012 (Consequential Amendments and Transitional Provisions) Order 2013 (S.I. 2013/472), **Sch. 2 para. 196(5)(a)**)
- C20** S. 68 applied (with modifications) (26.7.2013 for specified purposes, 1.4.2014 in so far as not already in force) by The Financial Services Act 2012 (Consumer Credit) Order 2013 (S.I. 2013/1882), arts. 1(1), **3(3)**

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69 Statement of policy.

- (1) [F83 Each regulator must] prepare and issue a statement of its policy with respect to—
 - [F84 (a) the imposition of penalties, suspensions[F85, conditions or limitations] under section 66;
 - (b) the amount of penalties under that section; F86 ...
 - (c) the period for which suspensions or [F87 conditions] under that section are to have effect.][F88; and
 - (d) the period for which approvals under section 59 are to have effect as a result of a limitation under section 66.]
- (2) [F89 A regulator's] policy in determining what the amount of a penalty should be [F90, or what the period for which a suspension or restriction is to have effect should be,] must include having regard to—
 - (a) the seriousness of the misconduct in question in relation to the nature of the principle or requirement concerned;
 - (b) the extent to which that misconduct was deliberate or reckless; and
 - (c) whether [F91 the person against whom action is to be taken] is an individual.
- (3) [F92 A regulator] may at any time alter or replace a statement issued [F93 by it] under this section.
- (4) If a statement issued under this section is altered or [F94 replaced by a regulator, the regulator] must issue the altered or replacement statement.
- (5) [F95 A regulator] must, without delay, give the Treasury a copy of any statement which it publishes under this section.
- (6) A statement issued under this section [F96 by a regulator] must be published by [F97 the regulator] in the way appearing to [F97 the regulator] to be best calculated to bring it to the attention of the public.
- (7) The [F98 regulator] may charge a reasonable fee for providing a person with a copy of the statement.
- (8) In exercising, or deciding whether to exercise, its power under section 66 in the case of any particular misconduct, [F99 a regulator] must have regard to any statement of policy published [F100 by it] under this section and in force at the time when the misconduct in question occurred.

Textual Amendments

- F83** Words in s. 69(1) substituted (24.1.2013 for specified purposes, 1.4.2013 in so far as not already in force) by [Financial Services Act 2012 \(c. 21\)](#), s. 122(3), [Sch. 5 para. 17\(2\)](#) (with [Sch. 20](#)); S.I. 2013/113, art. 2(1)(c), [Sch. Pt. 3](#); S.I. 2013/423, art. 3, [Sch.](#)
- F84** S. 69(1)(a)-(c) substituted (8.6.2010) for s. 69(1)(a)(b) by [Financial Services Act 2010 \(c. 28\)](#), ss. 24(1), 26(2)(d)(e), [Sch. 2 para. 10\(2\)](#)
- F85** Words in s. 69(1)(a) substituted (25.7.2014) by [Financial Services \(Banking Reform\) Act 2013 \(c. 33\)](#), s. 148(5), [Sch. 3 para. 7\(a\)](#); S.I. 2014/1819, art. 2(4)(b)
- F86** Word in s. 69(1)(b) omitted (25.7.2014) by virtue of [Financial Services \(Banking Reform\) Act 2013 \(c. 33\)](#), s. 148(5), [Sch. 3 para. 7\(b\)](#); S.I. 2014/1819, art. 2(4)(b)
- F87** Word in s. 69(1)(c) substituted (25.7.2014) by [Financial Services \(Banking Reform\) Act 2013 \(c. 33\)](#), s. 148(5), [Sch. 3 para. 7\(c\)](#); S.I. 2014/1819, art. 2(4)(b)

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- F88** S. 69(1)(d) and word inserted (25.7.2014) by [Financial Services \(Banking Reform\) Act 2013 \(c. 33\)](#), s. 148(5), **Sch. 3 para. 7(d)**; S.I. 2014/1819, art. 2(4)(b)
- F89** Words in s. 69(2) substituted (24.1.2013 for specified purposes, 1.4.2013 in so far as not already in force) by [Financial Services Act 2012 \(c. 21\)](#), s. 122(3), **Sch. 5 para. 17(3)** (with Sch. 20); S.I. 2013/113, art. 2(1)(c), Sch. Pt. 3; S.I. 2013/423, art. 3, Sch.
- F90** Words in s. 69(2) inserted (8.6.2010) by [Financial Services Act 2010 \(c. 28\)](#), ss. 24(1), 26(2)(d)(e), **Sch. 2 para. 10(3)(a)**
- F91** Words in s. 69(2)(c) inserted (8.6.2010) by [Financial Services Act 2010 \(c. 28\)](#), ss. 24(1), 26(2)(d)(e), **Sch. 2 para. 10(3)(b)**
- F92** Words in s. 69(3) substituted (24.1.2013 for specified purposes, 1.4.2013 in so far as not already in force) by [Financial Services Act 2012 \(c. 21\)](#), s. 122(3), **Sch. 5 para. 17(4)(a)** (with Sch. 20); S.I. 2013/113, art. 2(1)(c), Sch. Pt. 3; S.I. 2013/423, art. 3, Sch.
- F93** Words in s. 69(3) inserted (24.1.2013 for specified purposes, 1.4.2013 in so far as not already in force) by [Financial Services Act 2012 \(c. 21\)](#), s. 122(3), **Sch. 5 para. 17(4)(b)** (with Sch. 20); S.I. 2013/113, art. 2(1)(c), Sch. Pt. 3; S.I. 2013/423, art. 3, Sch.
- F94** Words in s. 69(4) substituted (24.1.2013 for specified purposes, 1.4.2013 in so far as not already in force) by [Financial Services Act 2012 \(c. 21\)](#), s. 122(3), **Sch. 5 para. 17(5)** (with Sch. 20); S.I. 2013/113, art. 2(1)(c), Sch. Pt. 3; S.I. 2013/423, art. 3, Sch.
- F95** Words in s. 69(5) substituted (24.1.2013 for specified purposes, 1.4.2013 in so far as not already in force) by [Financial Services Act 2012 \(c. 21\)](#), s. 122(3), **Sch. 5 para. 17(6)** (with Sch. 20); S.I. 2013/113, art. 2(1)(c), Sch. Pt. 3; S.I. 2013/423, art. 3, Sch.
- F96** Words in s. 69(6) inserted (24.1.2013 for specified purposes, 1.4.2013 in so far as not already in force) by [Financial Services Act 2012 \(c. 21\)](#), s. 122(3), **Sch. 5 para. 17(7)(a)** (with Sch. 20); S.I. 2013/113, art. 2(1)(c), Sch. Pt. 3; S.I. 2013/423, art. 3, Sch.
- F97** Words in s. 69(6) substituted (24.1.2013 for specified purposes, 1.4.2013 in so far as not already in force) by [Financial Services Act 2012 \(c. 21\)](#), s. 122(3), **Sch. 5 para. 17(7)(b)** (with Sch. 20); S.I. 2013/113, art. 2(1)(c), Sch. Pt. 3; S.I. 2013/423, art. 3, Sch.
- F98** Word in s. 69(7) substituted (24.1.2013 for specified purposes, 1.4.2013 in so far as not already in force) by [Financial Services Act 2012 \(c. 21\)](#), s. 122(3), **Sch. 5 para. 17(8)** (with Sch. 20); S.I. 2013/113, art. 2(1)(c), Sch. Pt. 3; S.I. 2013/423, art. 3, Sch.
- F99** Words in s. 69(8) substituted (24.1.2013 for specified purposes, 1.4.2013 in so far as not already in force) by [Financial Services Act 2012 \(c. 21\)](#), s. 122(3), **Sch. 5 para. 17(9)(a)** (with Sch. 20); S.I. 2013/113, art. 2(1)(c), Sch. Pt. 3; S.I. 2013/423, art. 3, Sch.
- F100** Words in s. 69(8) inserted (24.1.2013 for specified purposes, 1.4.2013 in so far as not already in force) by [Financial Services Act 2012 \(c. 21\)](#), s. 122(3), **Sch. 5 para. 17(9)(b)** (with Sch. 20); S.I. 2013/113, art. 2(1)(c), Sch. Pt. 3; S.I. 2013/423, art. 3, Sch.

Modifications etc. (not altering text)

- C5** Ss. 66-70 applied (with modifications) (15.1.2013) by [The Payments in Euro \(Credit Transfers and Direct Debits\) Regulations 2012 \(S.I. 2012/3122\)](#), reg. 1, Sch. para. 1 (as amended (1.4.2013) by [The Financial Services Act 2012 \(Consequential Amendments and Transitional Provisions\) Order 2013 \(S.I. 2013/472\)](#)), Sch. 2 para. 248(6)(a))
- C7** Ss. 66-70 applied (with modifications) by S.I. 2011/99, Sch. 5 para. 1 (as substituted (7.3.2016) by [The Financial Services \(Banking Reform\) Act 2013 \(Consequential Amendments\) Order 2016 \(S.I. 2016/163\)](#)), arts. 1, 4)
- C8** Ss. 66-70 applied (with modifications) by S.I. 2009/209, Sch. 5 para. 1 (as substituted (7.3.2016) by [The Financial Services \(Banking Reform\) Act 2013 \(Consequential Amendments\) Order 2016 \(S.I. 2016/163\)](#)), arts. 1, 3)
- C9** Ss. 66-70 applied (with modifications) S.I. 2012/3122, Sch. para. 1 (as amended) (7.3.2016) by [The Financial Services \(Banking Reform\) Act 2013 \(Consequential Amendments\) Order 2016 \(S.I. 2016/163\)](#)), arts. 1, 5
- C21** Ss. 66-70 applied (with modifications) (1.11.2009) by [The Payment Services Regulations 2009 \(S.I. 2009/209\)](#), regs. 1(2)(c), 95, Sch. 5 para. 1 (with reg. 3) (as amended (1.4.2013) by [The Financial](#)

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- Services Act 2012 (Consequential Amendments and Transitional Provisions) Order 2013 (S.I. 2013/472), Sch. 2 para. 155(6)(a) (with Sch. 2 para. 156))
- C22** Ss. 66-70 applied (with modifications) (11.2.2010) by The Cross-Border Payments in Euro Regulations 2010 (S.I. 2010/89), reg. 19, **Sch. para. 1**
- C23** S. 69 applied (with modifications) (7.6.2010) by The Credit Rating Agencies Regulations 2010 (S.I. 2010/906), **reg. 22(1)**
- C24** Ss. 66-70 applied (with modifications) (30.4.2011) by The Electronic Money Regulations 2011 (S.I. 2011/99), regs. 1(2)(b), 62, Sch. 3 para. 1 (with art. 3) (as amended (1.4.2013) by The Financial Services Act 2012 (Consequential Amendments and Transitional Provisions) Order 2013 (S.I. 2013/472), Sch. 2 para. 196(5)(a))
- C25** S. 69 applied (E.W.) (9.7.2013) by The Legal Aid, Sentencing and Punishment of Offenders Act 2012 (Referral Fees) Regulations 2013 (S.I. 2013/1635), regs. 1, **29(1)**
- C26** S. 69 applied (12.12.2014) by The Immigration Act 2014 (Bank Accounts) Regulations 2014 (S.I. 2014/3085), regs. 1, **28(1)**

70 Statements of policy: procedure.

- (1) Before [^{F101}a regulator issues] a statement under section 69, the [^{F102}regulator] must publish a draft of the proposed statement in the way appearing to the [^{F102}regulator] to be best calculated to bring it to the attention of the public.
- (2) The draft must be accompanied by notice that representations about the proposal may be made to the [^{F103}regulator] within a specified time.
- (3) Before issuing the proposed statement, the [^{F104}regulator] must have regard to any representations made to it in accordance with subsection (2).
- (4) If the [^{F105}regulator] issues the proposed statement it must publish an account, in general terms, of—
 - (a) the representations made to it in accordance with subsection (2); and
 - (b) its response to them.
- (5) If the statement differs from the draft published under subsection (1) in a way which is, in the opinion of the [^{F106}regulator], significant, the [^{F106}regulator] must (in addition to complying with subsection (4)) publish details of the difference.
- (6) [^{F107}A regulator] may charge a reasonable fee for providing a person with a copy of a draft published [^{F108}by it] under subsection (1).
- (7) This section also applies to a proposal to alter or replace a statement.

Textual Amendments

- F101** Words in s. 70(1) substituted (24.1.2013 for specified purposes, 1.4.2013 in so far as not already in force) by Financial Services Act 2012 (c. 21), s. 122(3), **Sch. 5 para. 18(2)(a)** (with Sch. 20); S.I. 2013/113, art. 2(1)(c), Sch. Pt. 3; S.I. 2013/423, art. 3, Sch.
- F102** Word in s. 70(1) substituted (24.1.2013 for specified purposes, 1.4.2013 in so far as not already in force) by Financial Services Act 2012 (c. 21), s. 122(3), **Sch. 5 para. 18(2)(b)** (with Sch. 20); S.I. 2013/113, art. 2(1)(c), Sch. Pt. 3; S.I. 2013/423, art. 3, Sch.
- F103** Word in s. 70(2) substituted (24.1.2013 for specified purposes, 1.4.2013 in so far as not already in force) by Financial Services Act 2012 (c. 21), s. 122(3), **Sch. 5 para. 18(3)** (with Sch. 20); S.I. 2013/113, art. 2(1)(c), Sch. Pt. 3; S.I. 2013/423, art. 3, Sch.

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- F104** Word in s. 70(3) substituted (24.1.2013 for specified purposes, 1.4.2013 in so far as not already in force) by Financial Services Act 2012 (c. 21), s. 122(3), **Sch. 5 para. 18(3)** (with Sch. 20); S.I. 2013/113, art. 2(1)(c), Sch. Pt. 3; S.I. 2013/423, art. 3, Sch.
- F105** Word in s. 70(4) substituted (24.1.2013 for specified purposes, 1.4.2013 in so far as not already in force) by Financial Services Act 2012 (c. 21), s. 122(3), **Sch. 5 para. 18(3)** (with Sch. 20); S.I. 2013/113, art. 2(1)(c), Sch. Pt. 3; S.I. 2013/423, art. 3, Sch.
- F106** Word in s. 70(5) substituted (24.1.2013 for specified purposes, 1.4.2013 in so far as not already in force) by Financial Services Act 2012 (c. 21), s. 122(3), **Sch. 5 para. 18(3)** (with Sch. 20); S.I. 2013/113, art. 2(1)(c), Sch. Pt. 3; S.I. 2013/423, art. 3, Sch.
- F107** Words in s. 70(6) substituted (24.1.2013 for specified purposes, 1.4.2013 in so far as not already in force) by Financial Services Act 2012 (c. 21), s. 122(3), **Sch. 5 para. 18(4)(a)** (with Sch. 20); S.I. 2013/113, art. 2(1)(c), Sch. Pt. 3; S.I. 2013/423, art. 3, Sch.
- F108** Words in s. 70(6) inserted (24.1.2013 for specified purposes, 1.4.2013 in so far as not already in force) by Financial Services Act 2012 (c. 21), s. 122(3), **Sch. 5 para. 18(4)(b)** (with Sch. 20); S.I. 2013/113, art. 2(1)(c), Sch. Pt. 3; S.I. 2013/423, art. 3, Sch.

Modifications etc. (not altering text)

- C5** Ss. 66-70 applied (with modifications) (15.1.2013) by The Payments in Euro (Credit Transfers and Direct Debits) Regulations 2012 (S.I. 2012/3122), reg. 1, Sch. para. 1 (as amended (1.4.2013) by The Financial Services Act 2012 (Consequential Amendments and Transitional Provisions) Order 2013 (S.I. 2013/472), Sch. 2 para. 248(6)(a))
- C7** Ss. 66-70 applied (with modifications) by S.I. 2011/99, Sch. 5 para. 1 (as substituted (7.3.2016) by The Financial Services (Banking Reform) Act 2013 (Consequential Amendments) Order 2016 (S.I. 2016/163), arts. 1, 4)
- C8** Ss. 66-70 applied (with modifications) by S.I. 2009/209, Sch. 5 para. 1 (as substituted (7.3.2016) by The Financial Services (Banking Reform) Act 2013 (Consequential Amendments) Order 2016 (S.I. 2016/163), arts. 1, 3)
- C9** Ss. 66-70 applied (with modifications) S.I. 2012/3122, Sch. para. 1 (as amended) (7.3.2016) by The Financial Services (Banking Reform) Act 2013 (Consequential Amendments) Order 2016 (S.I. 2016/163), arts. 1, 5
- C27** Ss. 66-70 applied (with modifications) (1.11.2009) by The Payment Services Regulations 2009 (S.I. 2009/209), regs. 1(2)(c), 95, **Sch. 5 para. 1** (with reg. 3) (as amended (1.4.2013) by The Financial Services Act 2012 (Consequential Amendments and Transitional Provisions) Order 2013 (S.I. 2013/472), Sch. 2 para. 155(6)(a) (with **Sch. 2 para. 156**))
- C28** Ss. 66-70 applied (with modifications) (11.2.2010) by The Cross-Border Payments in Euro Regulations 2010 (S.I. 2010/89), reg. 19, **Sch. para. 1**
- C29** S. 70 applied (with modifications) (7.6.2010) by The Credit Rating Agencies Regulations 2010 (S.I. 2010/906), **reg. 22(1)**
- C30** Ss. 66-70 applied (with modifications) (30.4.2011) by The Electronic Money Regulations 2011 (S.I. 2011/99), regs. 1(2)(b), 62, **Sch. 3 para. 1** (with art. 3) (as amended (1.4.2013) by The Financial Services Act 2012 (Consequential Amendments and Transitional Provisions) Order 2013 (S.I. 2013/472), **Sch. 2 para. 196(5)(a)**)
- C31** S. 70 applied (E.W.) (9.7.2013) by The Legal Aid, Sentencing and Punishment of Offenders Act 2012 (Referral Fees) Regulations 2013 (S.I. 2013/1635), regs. 1, **29(1)**
- C32** S. 70 applied (12.12.2014) by The Immigration Act 2014 (Bank Accounts) Regulations 2014 (S.I. 2014/3085), regs. 1, **28(1)**

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