

# FINANCIAL SERVICES ACT 2010

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## EXPLANATORY NOTES

### COMMENTARY ON SECTIONS AND SCHEDULES

#### *Powers to require information*

#### *Section 18: Information relating to financial stability*

#### **New section 165B: Safeguards etc in relation to exercise of power under section 165A**

208. This section sets out the procedural safeguards which will apply to the exercise of the power in new section 165A. Under *subsection (1)* the FSA must give a person on whom it proposes to impose a requirement written notice in advance.
209. Under *subsection (2)* the written notice must give the FSA's reasons for proposing to impose the requirement; and specify a reasonable timescale within which the person may make representations to the FSA. Once this period has expired, the FSA must, under *subsection (3)* decide within a reasonable period whether the requirement should be imposed.
210. *Subsection (4)* provides that subsections (1), (2) and (3) do not apply where the FSA is satisfied that it is necessary for the information to be provided urgently.
211. *Subsection (5)* requires the FSA to give its reasons when it imposes a requirement under this section.
212. *Subsection (6)* requires the FSA to prepare a statement of its policy with respect to the exercise of the power conferred by section 165A. Under *subsections (7) and (8)* this statement requires the approval of the Treasury and must be published. Under *subsection (9)*, this power may not be exercised before the statement has been approved and published.