
STATUTORY INSTRUMENTS

2004 No. 1862

**The Financial Conglomerates and Other
Financial Groups Regulations 2004**

PART 2

Exercise of supplementary supervision of regulated entities in a financial conglomerate

Notification of identification as a financial conglomerate and choice of co-ordinator

2.—(1) Where [^{F1}a regulator] has become the co-ordinator for a financial conglomerate, it must notify—

- (a) the relevant member of that financial conglomerate;
- [^{F2}(aa) the other regulator;]
- ^{F3}(b)
- ^{F4}(c)
- ^{F5}(d)

that the group has been identified as a financial conglomerate ^{F6}... of the conglomerates directive and that [^{F7}the regulator] is the co-ordinator for that financial conglomerate.

(2) Paragraph (3) applies if—

- (a) [^{F8}a regulator] is a relevant competent authority in relation to a financial conglomerate, and
- (b) [^{F9}that regulator], in conjunction with the other relevant competent authorities, proposes to waive the criteria specified in [^{F10}paragraph (2A)] and appoint a different competent authority as co-ordinator.

[^{F11}(2A) The criteria are—

- (a) where the financial conglomerate is headed by a regulated entity, the task of the co-ordinator must be exercised by the competent authority which has authorised that regulated entity;
- (b) where a financial conglomerate is not headed by a regulated entity, the task of coordinator must be exercised by the competent authority identified in accordance with the following principles—
 - (i) where the parent of a regulated entity is a mixed financial holding company, the task of coordinator must be exercised by the competent authority which has authorised that regulated entity;
 - (ii) where the financial conglomerate is a group without a parent undertaking at the top, or in any other case, the task of coordinator must be exercised by the competent authority which authorised the regulated entity with the largest balance sheet total in the most important financial sector.]

Changes to legislation: The Financial Conglomerates and Other Financial Groups Regulations 2004, Section 2 is up to date with all changes known to be in force on or before 11 August 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

(3) Before [^{F12}the regulator], in conjunction with the other relevant competent authorities, waives the criteria specified in [^{F13}paragraph (2A)] and appoints a different competent authority as co-ordinator, [^{F12}the regulator] must^{F14}... give the financial conglomerate an opportunity to make representations.

[^{F15}(3A) The relevant competent authorities may by common agreement waive the criteria referred to in paragraph (2A) if the authorities consider that their application would be inappropriate, taking into account the structure of the conglomerate and the relative importance of its activities.

(3B) Before the authorities waive the criteria in accordance with paragraph (3A), the authorities must give the financial conglomerate an opportunity to make representations.]

(4) In this regulation, “the relevant member” of a financial conglomerate is—

- (a) the parent undertaking at the head of the financial conglomerate; or
- (b) where there is no parent undertaking at the head of the financial conglomerate, the regulated entity which—
 - (i) is in the most important financial sector^{F16}...; and
 - (ii) has the largest balance-sheet total in that sector.

Textual Amendments

- F1** Words in reg. 2(1) substituted (1.4.2013) by [The Financial Services Act 2012 \(Consequential Amendments and Transitional Provisions\) Order 2013 \(S.I. 2013/472\)](#), **Sch. 2 para. 95(3)(a)(i)** (with Sch. 2 para. 96)
- F2** Reg. 2(1)(aa) inserted (1.4.2013) by [The Financial Services Act 2012 \(Consequential Amendments and Transitional Provisions\) Order 2013 \(S.I. 2013/472\)](#), **Sch. 2 para. 95(3)(a)(ii)** (with Sch. 2 para. 96)
- F3** Reg. 2(1)(b) omitted (31.12.2020) by virtue of [The Financial Conglomerates and Other Financial Groups \(Amendment etc.\) \(EU Exit\) Regulations 2019 \(S.I. 2019/264\)](#), regs. 1, **2(3)(a)(i)** (with regs. 6, 9) (as amended by S.I. 2019/1010, regs. 1(3), 8 and S.I. 2020/1031, reg. 3, Sch. para. 15 and with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F4** Reg. 2(1)(c) omitted (31.12.2020) by virtue of [The Financial Conglomerates and Other Financial Groups \(Amendment etc.\) \(EU Exit\) Regulations 2019 \(S.I. 2019/264\)](#), regs. 1, **2(3)(a)(i)** (with regs. 6, 9) (as amended by S.I. 2019/1010, regs. 1(3), 8 and S.I. 2020/1031, reg. 3, Sch. para. 15 and with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F5** Reg. 2(1)(d) omitted (31.12.2020) by virtue of [The Financial Conglomerates and Other Financial Groups \(Amendment etc.\) \(EU Exit\) Regulations 2019 \(S.I. 2019/264\)](#), regs. 1, **2(3)(a)(i)** (with regs. 6, 9) (as amended by S.I. 2019/1010, regs. 1(3), 8 and S.I. 2020/1031, reg. 3, Sch. para. 15 and with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F6** Words in reg. 2(1) omitted (31.12.2020) by virtue of [The Financial Conglomerates and Other Financial Groups \(Amendment etc.\) \(EU Exit\) Regulations 2019 \(S.I. 2019/264\)](#), regs. 1, **2(3)(a)(ii)** (with regs. 6, 9) (as amended by S.I. 2019/1010, regs. 1(3), 8 and S.I. 2020/1031, reg. 3, Sch. para. 15 and with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F7** Words in reg. 2(1) substituted (1.4.2013) by [The Financial Services Act 2012 \(Consequential Amendments and Transitional Provisions\) Order 2013 \(S.I. 2013/472\)](#), **Sch. 2 para. 95(3)(a)(iii)** (with Sch. 2 para. 96)
- F8** Words in reg. 2(2)(a) substituted (1.4.2013) by [The Financial Services Act 2012 \(Consequential Amendments and Transitional Provisions\) Order 2013 \(S.I. 2013/472\)](#), **Sch. 2 para. 95(3)(b)** (with Sch. 2 para. 96)
- F9** Words in reg. 2(2)(b) substituted (1.4.2013) by [The Financial Services Act 2012 \(Consequential Amendments and Transitional Provisions\) Order 2013 \(S.I. 2013/472\)](#), **Sch. 2 para. 95(3)(c)** (with Sch. 2 para. 96)

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- F10** Words in reg. 2(2)(b) substituted (31.12.2020) by The Financial Conglomerates and Other Financial Groups (Amendment etc.) (EU Exit) Regulations 2019 (S.I. 2019/264), regs. 1, **2(3)(b)** (with regs. 6, 9) (as amended by S.I. 2019/1010, regs. 1(3), 8 and S.I. 2020/1031, reg. 3, Sch. para. 15 and with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F11** Reg. 2(2A) inserted (31.12.2020) by The Financial Conglomerates and Other Financial Groups (Amendment etc.) (EU Exit) Regulations 2019 (S.I. 2019/264), regs. 1, **2(3)(c)** (with regs. 6, 9) (as amended by S.I. 2019/1010, regs. 1(3), 8 and S.I. 2020/1031, reg. 3, Sch. para. 15 and with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F12** Words in reg. 2(3) substituted (1.4.2013) by The Financial Services Act 2012 (Consequential Amendments and Transitional Provisions) Order 2013 (S.I. 2013/472), **Sch. 2 para. 95(3)(d)** (with Sch. 2 para. 96)
- F13** Words in reg. 2(3) substituted (31.12.2020) by The Financial Conglomerates and Other Financial Groups (Amendment etc.) (EU Exit) Regulations 2019 (S.I. 2019/264), regs. 1, **2(3)(d)(i)** (with regs. 6, 9) (as amended by S.I. 2019/1010, regs. 1(3), 8 and S.I. 2020/1031, reg. 3, Sch. para. 15 and with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F14** Words in reg. 2(3) omitted (31.12.2020) by virtue of The Financial Conglomerates and Other Financial Groups (Amendment etc.) (EU Exit) Regulations 2019 (S.I. 2019/264), regs. 1, **2(3)(d)(ii)** (with regs. 6, 9) (as amended by S.I. 2019/1010, regs. 1(3), 8 and S.I. 2020/1031, reg. 3, Sch. para. 15 and with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F15** Reg. 2(3A)(3B) inserted (31.12.2020) by The Financial Conglomerates and Other Financial Groups (Amendment etc.) (EU Exit) Regulations 2019 (S.I. 2019/264), regs. 1, **2(3)(e)** (with regs. 6, 9) (as amended by S.I. 2019/1010, regs. 1(3), 8 and S.I. 2020/1031, reg. 3, Sch. para. 15 and with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F16** Words in reg. 2(4)(b)(i) omitted (31.12.2020) by virtue of The Financial Conglomerates and Other Financial Groups (Amendment etc.) (EU Exit) Regulations 2019 (S.I. 2019/264), regs. 1, **2(3)(f)** (with regs. 6, 9) (as amended by S.I. 2019/1010, regs. 1(3), 8 and S.I. 2020/1031, reg. 3, Sch. para. 15 and with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)

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Changes and effects yet to be applied to :

- Regulations revoked by [2023 c. 29 Sch. 1 Pt. 2](#)