

# **FINANCIAL SERVICES AND MARKETS ACT 2000**

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## **EXPLANATORY NOTES**

### **COMMENTARY ON SECTIONS**

#### **Part I: the Regulator**

##### ***Section 2: The Authority's general duties***

35. This section requires the Authority to discharge its general functions in accordance with its objectives and with regard to a number of principles. The objectives do not in themselves impose specific statutory duties or functions on the Authority. Rather, the section requires the Authority to carry out its general functions insofar as possible in a way which is compatible with the objectives and which, taking into account any need to balance the objectives as a whole, it considers most appropriate to their fulfilment.
36. *Subsection (2)* lists the Authority's objectives – market confidence, public awareness, the protection of consumers and the reduction of financial crime - which are elaborated in sections 3 to 6.
37. *Subsection (4)* applies those objectives to the Authority's functions in two distinct ways:
- they apply directly to the exercise of the Authority's rule-making, code issuing and general guidance functions taken as a whole;
  - they apply to the policy and principles by which it exercises its other functions.
38. *Subsection (3)* lists a number of matters to which the Authority must also have regard in making its rules and guidance and determining the policy and principles by which it exercises its other functions.