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Chapter 1 : Department of Financial Services - HOME page

The Financial Services Authority (FSA) was a quasi-judicial body responsible for the regulation of the financial services industry in the United Kingdom between and It was founded as the Securities and Investments Board (SIB) in

These agencies each have a specific range of duties and responsibilities that enable them to act independently of each other while they work to accomplish similar objectives. With that in mind, the following article is a complete review of each regulatory body. As such, the "Fed" often gets blamed for economic downfalls or heralded for stimulating the economy. It is responsible for influencing money, liquidity and overall credit conditions. Its main tool for implementing monetary policy is its open market operations , which control the purchase and sale of U. Treasury securities and federal agency securities. Purchases and sales can change the quantity of reserves or influence the federal funds rate - the interest rate at which depository institutions lend balances to other depository institutions overnight. The Board also supervises and regulates the banking system to provide overall stability to the financial system. To learn more, see our tutorial on the Federal Reserve. Its main purpose is to supervise, regulate and provide charters to banks operating in the U. This supervision enables banks to compete and provide efficient banking and financial services. It is funded solely by the institutions it regulates. The OTS is similar to the OCC except that it regulates federal savings associations, also known as thrifts or savings and loans. It also seeks to protect participants from market manipulation, investigates abusive trading practices and fraud, and maintains fluid processes for clearing. This changed the landscape of the agency by creating a joint process with the Securities and Exchange Commission SEC to regulate single-stock futures. Read Futures Fundamentals for a basic explanation of how the futures market works. FINRA oversees all firms that are in the securities business with the public. State Bank Regulators State bank regulators operate similarly to the OCC, but at the state level for state-chartered banks. State Insurance Regulators State regulators monitor, review and oversee how the insurance industry conducts business in their states. Their duties include protecting consumers, conducting criminal investigations and enforcing legal actions. They also provide licensing and authority certificates, which require applicants to submit details of their operations. For a directory of specific state agencies visit www. One of the most comprehensive and powerful agencies, the SEC enforces the federal securities laws and regulates the majority of the securities industry. Its regulatory coverage includes the U. It also regulates investment advisors who are not covered by the state regulatory agencies. Conclusion All of these government agencies seek to regulate and protect those who participate in the respective industries they govern. Their areas of coverage often overlap; but while their policies may vary, federal agencies usually supersede state agencies. However, this does not mean that state agencies wield less power, as their responsibilities and authorities are far-reaching. Understanding the regulation of the banking, securities and insurance industry can be confusing. While most people will never deal directly with these agencies, they will affect their lives at some time. This is especially true of the Federal Reserve, which has a strong hand in influencing liquidity, interest rates and credit markets. Trading Center Want to learn how to invest? Get a free 10 week email series that will teach you how to start investing. Delivered twice a week, straight to your inbox.

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Chapter 2 : ADGM | About ADGM

Functions of the Authority 5. Establishment and membership of the Board of the Authority AN ACT to establish a Financial Services Authority to the financial.

The Financial Services Act , which was passed by Parliament on 8 April , gave the FSA the additional statutory objective of "Contributing to the protection and enhancement of the stability of the UK financial system" and removed the public awareness objective. Accordingly, firms must take reasonable care to make it clear who has what responsibility and to ensure that the affairs of the firm can be adequately monitored and controlled. The restrictions the FSA imposes on the industry must be proportionate to the benefits that are expected to result from those restrictions. In making judgements in this area, the FSA takes into account the costs to firms and consumers. One of the main techniques they use is cost benefit analysis of proposed regulatory requirements. This approach is shown, in particular, in the different regulatory requirements applied to wholesale and retail markets. The desirability of facilitating innovation in connection with regulated activities. For example, allowing scope for different means of compliance so as not to unduly restrict market participants from launching new financial products and services. Including the desirability of maintaining the competitive position of the UK. The FSA takes into account the international aspects of much financial business and the competitive position of the UK. This involves co-operating with overseas regulators, both to agree international standards and to monitor global firms and markets effectively. This covers avoiding unnecessary regulatory barriers to entry or business expansion. Retail consumers[edit] The FSA had a priority of making retail markets for financial products and services work more effectively, and so help retail consumers to get a fair deal. Over several years, the FSA developed work to raise levels of confidence and capability among consumers. From , this work was described as a national strategy [12] on building financial capability in the UK. This programme was comparable to financial education and literacy strategies in other OECD countries, including the United States. The RDR came into force on 31 December They are expected to bear the brunt of the force of the RDR. The key elements of RDR are: People can clearly identify and understand the service they are being offered. Commission-bias is removed from the system and recommendations made by advisers are not influenced by product providers. Investors know up-front how much advice is going to cost and how they will pay for it. All investment advisers will be qualified to a new, higher level, regarded as equivalent to the first year of a degree [15] The combination of these factors is expected to significantly reduce the profitability of many FI practices. Despite the fact that many in the industry are considered to be poorly prepared for the changes coming into effect, [17] The most significant identifiable trends are: On the same date the Banking Conduct Regime commenced. It was operationally independent of Government and was funded entirely by the firms it regulated through fines, fees and compulsory levies. Its Board consisted of a chairman, a chief executive officer, a chief operating officer, two Managing Directors, and 9 non-executive directors including a lead non-executive member, the Deputy chairman selected by, and subject to removal by, HM Treasury. This Board decided on overall policy with day-to-day decisions and management of the staff being the responsibility of the Executive. This was divided into three sections each headed by a Managing director and having responsibility for one of the following sectors: Its regulatory decisions could be appealed to the Financial Services and Markets Tribunal. HM Treasury decided upon the scope of activities that should be regulated, but it was for the FSA to decide what shape the regulatory regime should take in relation to any particular activities. The Financial Services Consumer Panel did not address individual consumer complaints. The members of the Board at the time of abolition were: January The FSA rarely took on wider implication cases. For example, thousands of consumers have complained to the Financial Ombudsman Service about payment protection insurance PPI and bank charges. However, despite determining that there was a problem in the selling of PPI, [31] [32] [33] the FSA took effective action against very few firms in the case of PPI and it was the Office of Fair Trading OFT that finally took on the wider implications role in the case of bank charges. It is surprising, therefore, that so little action took place. FSA regulation was also often regarded as reactive rather than proactive. However, despite heavily criticising split-cap investment trusts, in it suddenly abandoned its investigation. There were no representatives of consumer groups. As the FSA was created as a result of criticism of the self-regulating nature of the financial services industry, having an independent authority staffed mainly by members of the same industry could be perceived as not providing any further advantage to consumers. This miscalculation led to massive consumer detriment as well as vast and unquantifiable costs for the advisers who unwittingly sold these products. It was announced in November , that despite self-acknowledged failures by the FSA in effectively regulating the financial services industry, FSA staff would receive bonuses. His comments were that other regulatory bodies throughout the world, which had a variety of different structures and which are perceived either as heavy touch or light touch also failed to predict the economic collapse. In line with the other regulators, the FSA had failed intellectually by focusing too much on processes and procedures rather than looking at the bigger economic picture. In response as to why Sir James Crosby had been appointed deputy chairman when his bank HBOS had been highlighted by the FSA as using risky lending practises, Lord Turner said that they had files on almost every financial institution indicating a degree of risk. He attributed much of the blame on the politicians at the time for pressuring the FSA into "light touch" regulation. The FSA denied the claims â€” "This is not whistleblowing, it is green ink" a spokesman said. It does not paint a realistic picture of our supervision of building societies. We can take enforcement action on the basis of them; we have already done so; and we intend increasingly to do so where it is appropriate to do so. On 18 September , the FSA announced a ban on short selling to reduce volatility in difficult markets lasting until 16 January In March , Lord Turner published a regulatory review of the global financial crisis. The review also proposed cross-border regulation of banks. There were no further promises to improve consumer protection or to directly intervene against financial institutions who treat their customers badly.

Chapter 3 : Role Of The Financial Services Authority

The Financial Services Authority (FSA) has been the leading regulator in the UK financial markets sometime although over the last two years the FSA has become embroiled in a number of controversies with the government, the banking industry and the business arena as a whole.

The FSA is a company limited by guarantee and financed by the financial services industry. A Board appointed by HM Treasury governs it. Under the Act the FSA is now the single statutory regulator responsible for regulating deposit taking, insurance and investment business. The FSA has also been give the power to regulate the banking and insurance industries. The FSA has a single handbook of rules and guidance, which governs all regulation, from authorisation, supervision and enforcement to compensation and the conduct of business. The duties and responsibilities of the FSA are: A person is an authorised person if it has been granted specific permission to carry on regulated activities by the FSA see Parts 3 and 4 ; Supervision and regulation of all authorised persons. The FSA is empowered to make rules and to issue guidance and codes in relation to a wide variety of matters, including those which govern the conduct of business by authorised persons. The FSA supervises and regulates: Investment firms including professional firms e. Recognised Investment Exchanges e. The FSA has great investigatory and disciplinary powers which may be exercised in relation to authorised persons who have acted in breach of the rules or other requirements of the Act. The FSA also has criminal prosecution powers including powers to prosecute persons who engage in regulated activities without authorisation see Part 6 ; Role of the United Kingdom Listing Authority. The UKLA reviews and approves all listing particulars and prospectuses which companies put together to have their securities admitted to the official list. The UKLA also approves certain other documents prepared by listed companies, such as acquisition and disposal circulars. The UKLA has the power to impose a financial penalty on a listed company or director of a listed company where the listing rules have been broken. Authorisation and recognition of certain collective investment schemes see Part 5. The Act itself governs the operation and promotion of collective investment schemes. The FSCS can pay compensation, up to set limits, to eligible consumers for a failure of any authorised firm concerning investment business, deposits or contracts of insurance. Annex D provides details of the compensation limits. The money used to pay the compensation comes from charges levied on authorised firms. The FSCS took on the work of the existing compensation schemes and is now the single point of contact for compensation see paragraph The compensation scheme is divided into three sub-schemes: Accepting deposits, Investment business and Insurance business. A single Ombudsman was established under the Act to replace eight separate ombudsman schemes which were in operation prior to the Act: The function of the Ombudsman is to provide a quick , informal, flexible, cost effective, accessible and efficient dispute resolution service with the power to order firms to pay fair compensation for loss and damage.

Chapter 4 : Financial Services Authority - Wikipedia

MDIA Bill A Bill to provide for the establishment of an Authority to be known as the Malta Digital Innovation Authority. MFSA Malta Financial Services Authority.

Chapter 5 : Financial Advice - The history of the Financial Services Authority

What is the 'Financial Services Authority - FSA ' The Financial Services Authority (FSA) was the agency that regulated financial services in the United Kingdom between and The.

Chapter 6 : Financial Services Authority (FSA)

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FINANCIAL SERVICES REGULATORY AUTHORITY (FSRA) Annual Report 05 T he year under review has been a very busy year for the Board of Directors of the FSRA.

Chapter 7 : Registry of Companies - Malta Companies Registry

establishment of the Financial Services Authority (OJK), regulations relating to the capital 05 market sector were issued by Capital Market and Financial Institution Oversight Agency.

Chapter 8 : Financial Regulatory Authority

Financial Services Authority of Indonesia (Indonesian: Otoritas Jasa Keuangan or OJK) is an Indonesian government agency which regulates and supervises the financial services sector. The OJK is an autonomous agency designed to be free from any interference, having functions, duties, and powers to regulate, supervise, inspect, and investigate.

Chapter 9 : Financial Regulators: Who They Are And What They Do

FRA supervises & regulates all non-banking financial markets and instruments, including capital markets, futures exchanges, insurance activities, mortgage finance, financial leasing, factoring, securitization and microfinance.