



Financial Services and Markets Act 2000

2000 CHAPTER 8

PART XVII

COLLECTIVE INVESTMENT SCHEMES

CHAPTER III

AUTHORISED UNIT TRUST SCHEMES

Applications for authorisation

242 Applications for authorisation of unit trust schemes.

- (1) Any application for an order declaring a unit trust scheme to be an authorised unit trust scheme must be made to the Authority by the manager and trustee, or proposed manager and trustee, of the scheme.
- (2) The manager and trustee (or proposed manager and trustee) must be different persons.
- (3) The application—
 - (a) must be made in such manner as the Authority may direct; and
 - (b) must contain or be accompanied by such information as the Authority may reasonably require for the purpose of determining the application.
- (4) At any time after receiving an application and before determining it, the Authority may require the applicants to provide it with such further information as it reasonably considers necessary to enable it to determine the application.
- (5) Different directions may be given, and different requirements imposed, in relation to different applications.
- (6) The Authority may require applicants to present information which they are required to give under this section in such form, or to verify it in such a way, as the Authority may direct.

Status: Point in time view as at 16/04/2012.

Changes to legislation: Financial Services and Markets Act 2000, Cross Heading: Applications for authorisation is up to date with all changes known to be in force on or before 20 July 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)

Modifications etc. (not altering text)

C1 S. 242 extended (1.12.2001) by S.I. 2001/3592, **arts. 1(2)**, 39(1) (with **art. 23(2)**)

Commencement Information

II S. 242 wholly in force at 1.12.2001; s. 242 not in force at Royal Assent see s. 431(2); s. 242(3) in force for specified purposes at 18.6.2001 by S.I. 2001/1820, **art. 2**, **Sch.**; s. 242 in force for specified purposes at 3.9.2001 by S.I. 2001/2632, **art. 2(2)**, **Sch. Pt. 2**; s. 242 in force in so far as not already in force at 1.12.2001 by S.I. 2001/3538, **art. 2(1)**

243 Authorisation orders.

- (1) If, on an application under section 242 in respect of a unit trust scheme, the Authority—
- (a) is satisfied that the scheme complies with the requirements set out in this section,
 - (b) is satisfied that the scheme complies with the requirements of the trust scheme rules, and
 - (c) has been provided with a copy of the trust deed and a certificate signed by a solicitor to the effect that it complies with such of the requirements of this section or those rules as relate to its contents,
- the Authority may make an order declaring the scheme to be an authorised unit trust scheme.
- (2) If the Authority makes an order under subsection (1), it must give written notice of the order to the applicant.
- (3) In this Chapter “authorisation order” means an order under subsection (1).
- (4) The manager and the trustee must be persons who are independent of each other.
- [^{F1}(5) The manager and the trustee must each be a body corporate incorporated in the United Kingdom or another EEA State, and the affairs of each must be administered in the country in which it is incorporated.
- (5A) The trustee must have a place of business in the United Kingdom, and the manager must have a place of business in the United Kingdom or in another EEA State.]
- (6) If the manager is incorporated in another EEA State, the scheme must not be one which satisfies the requirements prescribed for the purposes of section 264.
- (7) The manager and the trustee must each be an authorised person and the manager must have permission to act as manager and the trustee must have permission to act as trustee.
- [^{F2}(7A) The manager must be a fit and proper person to manage the unit trust scheme to which the application relates.]
- (8) The name of the scheme must not be undesirable or misleading.
- (9) The purposes of the scheme must be reasonably capable of being successfully carried into effect.

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- (10) The participants must be entitled to have their units redeemed in accordance with the scheme at a price—
- (a) related to the net value of the property to which the units relate; and
 - (b) determined in accordance with the scheme.
- (11) But a scheme is to be treated as complying with subsection (10) if it requires the manager to ensure that a participant is able to sell his units on an investment exchange at a price not significantly different from that mentioned in that subsection.

Textual Amendments

- F1** S. 243(5)(5A) substituted for s. 243(5) (1.7.2011) by The Undertakings for Collective Investment in Transferable Securities Regulations 2011 (S.I. 2011/1613), **reg. 2(15)(a)**
- F2** S. 243(7A) inserted (1.7.2011) by The Undertakings for Collective Investment in Transferable Securities Regulations 2011 (S.I. 2011/1613), **reg. 2(15)(b)**

Modifications etc. (not altering text)

- C2** S. 243(1) extended (1.12.2001) by S.I. 2001/2636, **arts. 1(2)(b), 65(1)**; S.I. 2001/3538, **art. 2(1)**

Commencement Information

- I2** S. 243 wholly in force at 1.12.2001; s. 243 not in force at Royal Assent see s. 431(2); s. 243 in force for specified purposes at 3.9.2001 by S.I. 2001/2632, **art. 2(2), Sch. Pt. 2**; s. 243 in force in so far as not already in force at 1.12.2001 by S.I. 2001/3538, **art. 2(1)**

244 Determination of applications.

(1) [^{F3}Subject to subsection (1A),] An application under section 242 must be determined by the Authority before the end of the period of six months beginning with the date on which it receives the completed application.

[^{F4}(1A) An application under section 242 for authorisation of a unit trust scheme which is a UCITS must be determined by the Authority before the end of two months beginning with the date on which it receives the application.]

(2) The Authority may determine an incomplete application if it considers it appropriate to do so; and it must in any event determine such an application within twelve months beginning with the date on which it first receives the application.

(3) The applicant may withdraw his application, by giving the Authority written notice, at any time before the Authority determines it.

Textual Amendments

- F3** Words in s. 244(1) inserted (1.7.2011) by The Undertakings for Collective Investment in Transferable Securities Regulations 2011 (S.I. 2011/1613), **reg. 2(16)(a)**
- F4** S. 244(1A) inserted (1.7.2011) by The Undertakings for Collective Investment in Transferable Securities Regulations 2011 (S.I. 2011/1613), **reg. 2(16)(b)**

Modifications etc. (not altering text)

- C3** S. 244 applied (1.12.2001) by S.I. 2001/3592, **arts. 1(2), 39(1)** (with art. 23(2))

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Commencement Information

- I3** S. 244 wholly in force at 1.12.2001; s. 244 not in force at Royal Assent see s. 431(2); s. 244 in force for specified purposes at 3.9.2001 by S.I. 2001/2632, art. 2(2), **Sch. Pt. 2**; s. 244 in force in so far as not already in force at 1.12.2001 by S.I. 2001/3538, **art. 2(1)**

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