



Financial Services and Markets Act 2000

2000 CHAPTER 8

PART XVII

COLLECTIVE INVESTMENT SCHEMES

CHAPTER I

INTERPRETATION

[^{F1}235A. Contractual schemes

- (1) In this Part “contractual scheme” means—
 - (a) a co-ownership scheme; or
 - (b) a partnership scheme.
- (2) In this Part “co-ownership scheme” means a collective investment scheme which satisfies the conditions in subsection (3).
- (3) The conditions are—
 - (a) that the arrangements constituting the scheme are contractual;
 - (b) that they are set out in a deed that is entered into between the operator and a depositary and meets the requirements of subsection (4);
 - (c) that the scheme does not constitute a body corporate, a partnership or a limited partnership;
 - (d) that the property subject to the scheme is held by, or to the order of, a depositary; and
 - (e) that either—
 - (i) the property is beneficially owned by the participants as tenants in common (or, in Scotland, is the common property of the participants); or
 - (ii) where the arrangements constituting the scheme provide for such pooling as is mentioned in section 235(3)(a) in relation to separate

Status: Point in time view as at 01/03/2017. This version of this provision has been superseded.

Changes to legislation: *Financial Services and Markets Act 2000, Section 235A is up to date with all changes known to be in force on or before 12 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)*

parts of the property, each part is beneficially owned by the participants in that part as tenants in common (or, in Scotland, is the common property of the participants in that part).

(4) The deed—

- (a) must contain a statement that the arrangements are intended to constitute a co-ownership scheme as defined in section 235A of the Financial Services and Markets Act 2000;
- (b) must make provision for the issue and redemption of units;
- (c) must—
 - (i) prohibit the transfer of units,
 - (ii) allow units to be transferred only if specified conditions are met, or
 - (iii) where the arrangements constituting the scheme provide for such pooling as is mentioned in section 235(3)(a) in relation to separate parts of the property, in relation to each separate part make provision falling within sub-paragraph (i) or (ii);
- (d) must authorise the operator—
 - (i) to acquire, manage and dispose of property subject to the scheme; and
 - (ii) to enter into contracts which are binding on participants for the purposes of, or in connection with, the acquisition, management or disposal of property subject to the scheme; and
- (e) must make provision requiring the operator and depository to wind up the scheme in specified circumstances.

(5) In this Part “partnership scheme” means a collective investment scheme which satisfies the conditions in subsection (6).

(6) The conditions are—

- (a) that the scheme is a limited partnership;
- (b) that the limited partnership—
 - (i) at any time has only one general partner; and
 - (ii) on formation has only one limited partner, who is a person nominated by the general partner (“the nominated partner”);
- (c) that the arrangements constituting the partnership are set out in a deed that is entered into between the general partner and the nominated partner;
- (d) that the deed prohibits such pooling as is mentioned in section 235(3)(a) in relation to separate parts of the property; and
- (e) that the deed provides that if an authorisation order is made in respect of the limited partnership under section 261D(1)—
 - (i) the property subject to the scheme is to be held by, or to the order of, a person appointed to be a depository;
 - (ii) the limited partners, other than the nominated partner, are to be the participants in the scheme; and
 - (iii) the partnership is not dissolved on any person ceasing to be a limited partner provided that there remains at least one limited partner.

(7) In this section “general partner”, “limited partner” and “limited partnership” have the same meaning as in the Limited Partnerships Act 1907.

(8) In this Part “contractual scheme deed” means—

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- (a) in relation to a co-ownership scheme, the deed referred to in subsection (3)(b); and
- (b) in relation to a partnership scheme, the deed referred to in subsection (6)(c).]

Textual Amendments

F1 S. 235A inserted (6.6.2013) by [The Collective Investment in Transferable Securities \(Contractual Scheme\) Regulations 2013 \(S.I. 2013/1388\)](#), regs. 1, **3(5)** (with reg. 24)

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