
STATUTORY INSTRUMENTS

2001 No. 1201

The Financial Services and Markets
Act 2000 (Exemption) Order 2001

Citation and commencement

1. This Order may be cited as the Financial Services and Markets Act 2000 (Exemption) Order 2001 and comes into force on the day on which section 19 of the Act comes into force.

Interpretation

2. In this Order—

“the Act” means the Financial Services and Markets Act 2000;

“charity”—

- (a) in relation to Scotland, means a [^{F1}body entered in the Scottish Charity Register]; and
- (b) otherwise, has the meaning given by section 96(1) of the Charities Act 1993 ^{M1} or by section 35 of the Charities Act (Northern Ireland) 1964 ^{M2};

^{F2}
...

“deposit” has the meaning given by the Regulated Activities Order;

“industrial and provident society” has the meaning given by section 417(1) of the Act but does not include a credit union within the meaning of the Credit Unions Act 1979 ^{M3} or the Credit Unions (Northern Ireland) Order 1985 ^{M4};

[^{F3}“investment firm” has the meaning given by the Regulated Activities Order;]

“local authority” means—

- (a) in England and Wales, a local authority within the meaning of the Local Government Act 1972 ^{M5}, the Greater London Authority, the Common Council of the City of London or the Council of the Isles of Scilly;
- (b) in Scotland, a local authority within the meaning of the Local Government (Scotland) Act 1973 ^{M6}; and
- (c) in Northern Ireland, a district council within the meaning of the Local Government Act (Northern Ireland) 1972 ^{M7};

[^{F4}“non-qualifying contract of insurance” means a contract of insurance (within the meaning of the Regulated Activities Order) which is not a qualifying contract of insurance (within the meaning of that Order);]

[^{F5}“qualifying credit institution” has the meaning given by article 3 of the Regulated Activities Order;]

“the Regulated Activities Order” means the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 ^{M8}.

Textual Amendments

- F1** Words in art. 2 substituted (1.4.2006) by [The Charities and Trustee Investment \(Scotland\) Act 2005 \(Consequential Provisions and Modifications\) Order 2006 \(S.I. 2006/242\)](#), art. 1(3), **Sch. para. 11**
- F2** Words in art. 2 omitted (31.12.2020) by virtue of [The Financial Services \(Miscellaneous\) \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/710\)](#), regs. 1(3), **7(2)**; 2020 c. 1, Sch. 5 para. 1(1)
- F3** Words in art. 2 inserted (1.11.2007) by [The Financial Services and Markets Act 2000 \(Exemption\) \(Amendment\) Order 2007 \(S.I. 2007/125\)](#), arts. 1, **3**
- F4** Words in art. 2 inserted (14.1.2005) by [The Financial Services and Markets Act 2000 \(Exemption\) \(Amendment\) \(No. 2\) Order 2003 \(S.I. 2003/1675\)](#), arts. 1(3), **2(2)**
- F5** Words in art. 2 inserted (31.12.2020) by [The Financial Services \(Miscellaneous\) \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/710\)](#), regs. 1(3), **7(2)**; 2020 c. 1, Sch. 5 para. 1(1)

Marginal Citations

- M1** 1993 c. 10.
- M2** 1964 c. 33 (N.I.).
- M3** 1979 c. 34; amended by the [Deregulation \(Credit Unions\) Order 1996 \(S.I. 1996/1189\)](#).
- M4** [S.I. 1985/1205 \(N.I. 12\)](#); relevant amendments are made by paragraphs 28 and 29 of Schedule 21 to the [Friendly Societies Act 1992 \(c. 40\)](#), and by [S.I. 1997/2984 \(N.I. 22\)](#).
- M5** 1972 c. 70; the definition of "local authority" in section 270 has been repealed in part by Schedule 17 to the [Local Government Act 1985 \(c. 51\)](#), and amended by section 1(5) of the [Local Government \(Wales\) Act 1994 \(c. 19\)](#).
- M6** 1973 c. 65; the definition of "local authority" in section 235 was substituted by paragraph 92(66) of Schedule 13 to the [Local Government etc. \(Scotland\) Act 1994 \(c. 39\)](#).
- M7** 1972 c. 9 (N.I.).
- M8** [S.I. 2001/544](#).

Persons exempt in respect of any regulated activity other than insurance business

3. Each of the persons listed in Part I of the Schedule is exempt from the general prohibition in respect of any regulated activity other than an activity of the kind specified by article 10 of the Regulated Activities Order (effecting and carrying out contracts of insurance).

Persons exempt in respect of accepting deposits

4. Subject to the limitations, if any, expressed in relation to him, each of the persons listed in Part II of the Schedule is exempt from the general prohibition in respect of any regulated activity of the kind specified by article 5 of the Regulated Activities Order (accepting deposits).

Persons exempt in respect of particular regulated activities

5.—(1) Subject to the limitation, if any, expressed in relation to him, each of the persons listed in Part III of the Schedule is exempt from the general prohibition in respect of any regulated activity of the kind specified by any of the following provisions of the Regulated Activities Order, or article 64 of that Order (agreeing to carry on specified kinds of activity) so far as relevant to any such activity—

- (a) article 14 (dealing in investments as principal);
- (b) article 21 (dealing in investments as agent);
- (c) article 25 (arranging deals in investments);

[^{F6}(ca) article 25D (operating a multilateral trading facility);]

[^{F7}(cb) article 25DA (operating an organised trading facility);]

- (d) article 37 (managing investments);
- [^{F8}(da) article 39A (assisting in the administration and performance of a contract of insurance);
- (e) article 40 (safeguarding and administering investments);
- (f) article 45 (sending dematerialised instructions);
- [^{F9}(ga) article 51ZA (managing a UCITS);
- (gb) article 51ZB (acting as a trustee or depositary of a UCITS);
- (gc) article 51ZC (managing an AIF);
- (gd) article 51ZD (acting as a trustee or depositary of an AIF);
- (ge) article 51ZE (establishing etc. a collective investment scheme);]
- (h) article 52 (establishing etc. a ^{F10}... pension scheme);
- (i) article 53 (advising on investments).

(2) Subject to the limitation, if any, expressed in relation to him, each of the persons listed in Part IV of the Schedule is exempt from the general prohibition in respect of any regulated activity of the kind referred to in relation to him, or an activity of the kind specified by article 64 of the Regulated Activities Order so far as relevant to any such activity.

Textual Amendments

- F6** Art. 5(1)(ca) inserted (1.11.2007) by [The Financial Services and Markets Act 2000 \(Exemption\) \(Amendment\) Order 2007 \(S.I. 2007/125\)](#), arts. 1, **4**
- F7** Art. 5(1)(cb) inserted (1.4.2017 for specified purposes, 3.1.2018 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) Order 2017 \(S.I. 2017/488\)](#), art. 1(2), **Sch. para. 6(2)**
- F8** Art. 5(1)(da) inserted (14.1.2005) by [The Financial Services and Markets Act 2000 \(Exemption\) \(Amendment\) \(No. 2\) Order 2003 \(S.I. 2003/1675\)](#), arts. 1(3), **2(3)**
- F9** Art. 5(1)(ga)-(ge) substituted for art. 5(1)(g) (22.7.2013) by [The Alternative Investment Fund Managers Regulations 2013 \(S.I. 2013/1773\)](#), reg. 1, **Sch. 2 para. 8(2)**
- F10** Word in art. 5(1)(h) omitted (6.4.2007) by virtue of [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) Order 2006 \(S.I. 2006/1969\)](#), arts. 1(3), **10**

[^{F11}Persons exempt in respect of administering a benchmark

5A. Part 1 of the Schedule does not apply to the regulated activity specified in article 63S of the Regulated Activities Order (administering a benchmark). The persons exempt in respect of the regulated activity of administering a benchmark are those listed, or carrying out an activity listed, in Article 2(2) of Regulation EU 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 .]

Textual Amendments

- F11** Art. 5A inserted (27.2.2018) by [The Financial Services and Markets Act 2000 \(Benchmarks\) Regulations 2018 \(S.I. 2018/135\)](#), regs. 1(2), **54**

Transitional exemption for credit unions

6. A credit union, within the meaning ^{F12} ..., is exempt from the general prohibition in respect of any regulated activity of the kind specified by article 5 of the Regulated Activities Order, but only until 1st July 2002.

Textual Amendments

F12 Words in art. 6 omitted (1.12.2001) by virtue of [The Financial Services and Markets Act 2000 \(Exemption\) \(Amendment\) Order 2001 \(S.I. 2001/3623\)](#), arts. 1, 3

Jim Dowd
Greg Pope
Two of the Lords Commissioners of Her
Majesty's Treasury

Changes to legislation:

There are currently no known outstanding effects for the The Financial Services and Markets Act 2000 (Exemption) Order 2001.