

Status: Point in time view as at 01/01/2022.

Changes to legislation: Financial Services and Markets Act 2000 is up to date with all changes known to be in force on or before 19 August 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)

SCHEDULES

^{F1}SCHEDULE 1

Section 1.

Textual Amendments

- F1** Schs. 1ZA, 1ZB substituted for Sch. 1 (24.1.2013 for specified purposes, 19.2.2013 for specified purposes, 1.4.2013 in so far as not already in force) by [Financial Services Act 2012 \(c. 21\)](#), s. 122(3), [Sch. 3](#) (with [Sch. 20](#)); S.I. 2013/113, art. 2(1)(b)(c)(2), Sch. Pts. 2, 3, 4; S.I. 2013/423, art. 3, Sch.

[^{F1}SCHEDULE 1ZA

Section 1A

THE FINANCIAL CONDUCT AUTHORITY

Modifications etc. (not altering text)

- C1** Sch. 1ZA applied (with modifications) (6.4.2018 immediately after 2016 c. 16 (N.I.), s. 8(2) comes into force) by [The Financial Services Act 2012 \(Mutual Societies\) Order 2018 \(S.I. 2018/323\)](#), art. 1, Sch. 1 paras. 2(2)(a), 5(1)(2) (with art. 3)

PART 1

GENERAL

Modifications etc. (not altering text)

- C2** Sch. 1ZA Pt. 1 modified by S.I. 2007/3298, reg. 4(4) (as amended) (1.4.2013) by [The Financial Services Act 2012 \(Consequential Amendments and Transitional Provisions\) Order 2013 \(S.I. 2013/472\)](#), [Sch. 2 para. 131\(c\)](#)
- C3** Sch. 1ZA Pt. 1 modified (26.6.2017) by [The Money Laundering, Terrorist Financing and Transfer of Funds \(Information on the Payer\) Regulations 2017 \(S.I. 2017/692\)](#), regs. 1(2), [46\(9\)](#), 63(8) (with regs. 8, 15)

Interpretation

- 1 In this Schedule—
- “the Bank” means the Bank of England;
 - “functions”, in relation to the FCA, means functions conferred on the FCA by or under any provision of this Act (see section 1A(6) which affects the meaning of references to such functions).

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Constitution

- 2 (1) The constitution of the FCA must provide for the FCA to have a governing body.
- (2) The governing body must consist of—
- (a) a chair appointed by the Treasury,
 - (b) a chief executive appointed by the Treasury,
 - (c) the Bank's Deputy Governor for prudential regulation,
 - (d) 2 members appointed jointly by the Secretary of State and the Treasury, and
 - (e) at least one other member appointed by the Treasury.
- (3) The members referred to in sub-paragraph (2)(a), (c) and (d) are to be non-executive members.
- (4) In exercising its powers under sub-paragraph (2)(e) to appoint executive or non-executive members, the Treasury must secure that the majority of members of the governing body are non-executive members.
- (5) An employee of the FCA may not be appointed as a non-executive member.
- (6) In the following provisions of this Schedule an “appointed member” means a member of the governing body appointed under sub-paragraph (2)(a), (b), (d) or (e).
- [^{F2}2A (1) The term of office of a person appointed as chief executive under paragraph 2(2)(b) must not begin before—
- (a) the person has, in connection with the appointment, appeared before the Treasury Committee of the House of Commons, or
 - (b) (if earlier) the end of the period of 3 months beginning with the day on which the appointment is made.
- [Appointment as chief executive under paragraph 2(2)(b) is to be for a period of 5^{F3}(1A) years.]
- (2) [^{F4}Sub-paragraphs (1) and (1A) do] not apply if the person is appointed as chief executive on an acting basis, pending a further appointment being made.
- (3) The reference to the Treasury Committee of the House of Commons—
- (a) if the name of that Committee is changed, is a reference to that Committee by its new name, and
 - (b) if the functions of that Committee (or substantially corresponding functions) become functions of a different Committee of the House of Commons, is to be treated as a reference to the Committee by which the functions are exercisable.
- (4) Any question arising under sub-paragraph (3) is to be determined by the Speaker of the House of Commons.]

Textual Amendments

- F2** Sch. 1ZA para. 2A inserted (6.7.2016) by [Bank of England and Financial Services Act 2016 \(c. 14\)](#), ss. 18, 41(3); S.I. 2016/627, reg. 2(1)(m)
- F3** Sch. 1ZA para. 2A(1A) inserted (29.6.2021) by [Financial Services Act 2021 \(c. 22\)](#), ss. 42(2)(a), 49(2)(d)
- F4** Words in Sch. 1ZA para. 2A(2) substituted (29.6.2021) by [Financial Services Act 2021 \(c. 22\)](#), ss. 42(2)(b), 49(2)(d)

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- [
F5 2B (1) A person may not be appointed as chief executive under paragraph 2(2)(b) more than twice.
(2) For this purpose an appointment as chief executive on an acting basis, pending a further appointment being made, is to be ignored.]

Textual Amendments

F5 Sch. 1ZA para. 2B inserted (29.6.2021) by Financial Services Act 2021 (c. 22), ss. 42(3), 49(2)(d)

- 3 (1) The terms of service of the appointed members are to be determined by the Treasury.
(2) In the case of a member appointed under paragraph 2(2)(d), the Treasury must consult the Secretary of State about the terms of service.
(3) Before appointing a person as an appointed member, the Treasury (or as the case requires the Treasury and the Secretary of State) must consider whether the person has any financial or other interests that could have a material effect on the extent of the functions as member that it would be proper for the person to discharge.
(4) The terms of service of an appointed member (“M”) must be such as—
(a) to secure that M is not subject to direction by the Treasury or the Secretary of State,
(b) to require M not to act in accordance with the directions of any other person, and
(c) to prohibit M from acquiring any financial or other interests that have a material effect on the extent of the functions as member that it would be proper for M to discharge.
(5) If an appointed member is an employee of the FCA, the member's interest as employee is to be disregarded for the purposes of sub-paragraphs (3) and (4)(c) and paragraph 4(1)(b).
(6) A person who is an employee of the PRA is disqualified for appointment as an appointed member.
(7) The FCA may pay expenses to the Bank's Deputy Governor for prudential regulation in respect of that person's service as a member.
- 4 (1) The Treasury may remove an appointed member from office—
(a) on the grounds of incapacity or serious misconduct, or
(b) on the grounds that in all the circumstances the member's financial or other interests are such as to have a material effect on the extent of the functions as member that it would be proper for the person to discharge.
(2) Before removing from office a member appointed under paragraph 2(2)(d), the Treasury must consult the Secretary of State.
- 5 The validity of any act of the FCA is not affected—
(a) by any vacancy in any of the offices mentioned in paragraph 2(2)(a), (b) or (c), or
(b) by a defect in the appointment of a person—
(i) to any of those offices, or
(ii) as an appointed member.

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- 6 The Bank's Deputy Governor for prudential regulation must not take part in any discussion by or decision of the FCA which relates to—
- (a) the exercise of the FCA's functions in relation to a particular person, or
 - (b) a decision not to exercise those functions.

Remuneration

- 7 The FCA must pay to the appointed members such remuneration as may be determined—
- (a) in the case of the non-executive members, by the Treasury;
 - (b) in the case of the executive members, by the FCA.

Arrangements for discharging functions

- 8 (1) The FCA may make arrangements for any of its functions to be discharged by a committee, sub-committee, officer or member of staff of the FCA, but subject to the following provisions.
- (2) In exercising its legislative functions, the FCA must act through its governing body.
- (3) For that purpose, the following are the FCA's legislative functions—
- (a) making rules [^{F6}under this Act or under retained direct EU legislation];
 - ^{F7}(b)
 - (c) issuing statements under—
 - (i) section [^{F8}63ZD,] 63C, ^{F9}... 69, 88C, 89S, 93, 124, 131J, 138N, [^{F10}142V,] 192H, 192N, 210 [^{F11}or 312J],
 - (ii) section 345D (whether as a result of section 345(2) [^{F12}, section 249(1) or 261K(1)]), or
 - (iii) section 80 of the Financial Services Act 2012;
 - (d) giving directions under section 316, 318 or 328.
 - ^{F13}(e)
 - [making technical standards in accordance with Chapter 2A of Part 9A;
 - ^{F14}(f) (g) making EU Exit instruments under the Financial Regulators' Powers (Technical Standards) (Amendment etc.) (EU Exit) Regulations 2018.]

[In exercising its functions under sections 9(2) and 10 of the Financial Guidance and ^{F15}(3A) Claims Act 2018 (approving and reviewing standards set by [^{F16}Money and Pensions Service]), the FCA must act through its governing body.]

- (4) The function of issuing general guidance (as defined in section 139B(5) ^{F17}...) may not be discharged by an officer or member of staff of the FCA.

[In respect of the exercise of a function under Part 1 of the Competition Act 1998, the ^{F18}(5) power in sub-paragraph (1) is subject to provision in rules made under section 51 of that Act by virtue of paragraph 1A of Schedule 9 to that Act.]

Textual Amendments

F6 Words in *Sch. 1ZA para. 8(3)(a)* inserted (1.7.2021) by *Financial Services Act 2021 (c. 22), ss. 43(3), 49(5); S.I. 2021/739, reg. 3(w)*

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- F7** Sch. 1ZA para. 8(3)(b) omitted (3.7.2016) by virtue of The Financial Services and Markets Act 2000 (Market Abuse) Regulations 2016 (S.I. 2016/680), regs. 1, **10(22)**
- F8** Word in Sch. 1ZA para. 8(3)(c)(i) inserted (25.7.2014) by Financial Services (Banking Reform) Act 2013 (c. 33), s. 148(5), **Sch. 3 para. 16(b)(i)**; S.I. 2014/1819, art. 2(4)(b)
- F9** Word in Sch. 1ZA para. 8(3)(c)(i) omitted (7.3.2016) by virtue of Financial Services (Banking Reform) Act 2013 (c. 33), s. 148(5), **Sch. 3 para. 16(b)(ii)**; S.I. 2015/490, art. 2(1)(b) (with savings and transitional provisions in S.I. 2015/492 (as amended by S.I. 2015/1660))
- F10** Word in Sch. 1ZA para. 8(3)(c)(i) inserted (1.1.2019) by Financial Services (Banking Reform) Act 2013 (c. 33), **ss. 4(6)**, 148(5); S.I. 2018/1306, art. 2(d)
- F11** Words in Sch. 1ZA para. 8(3)(c)(i) substituted (1.1.2019) by Financial Guidance and Claims Act 2018 (c. 10), s. 37(5), **Sch. 3 para. 21(2)(a)(i)**; S.I. 2018/1330, reg. 2(g)(vi)
- F12** Words in Sch. 1ZA para. 8(3)(c)(ii) substituted (6.6.2013) by The Collective Investment in Transferable Securities (Contractual Scheme) Regulations 2013 (S.I. 2013/1388), regs. 1, **3(21)** (with reg. 24)
- F13** Sch. 1ZA para. 8(3)(e) omitted (1.1.2019) by virtue of Financial Guidance and Claims Act 2018 (c. 10), s. 37(5), **Sch. 3 para. 21(2)(a)(ii)**; S.I. 2018/1330, reg. 2(g)(vi)
- F14** Sch. 1ZA para. 8(3)(f)(g) inserted (26.10.2018) by The Financial Regulators Powers (Technical Standards etc.) (Amendment etc.) (EU Exit) Regulations 2018 (S.I. 2018/1115), regs. 1(2), **7(9)(a)**
- F15** Sch. 1ZA para. 8(3A) inserted (1.10.2018) by Financial Guidance and Claims Act 2018 (c. 10), s. 37(5), **Sch. 3 para. 21(2)(b)**; S.I. 2018/1029, reg. 2(q) (with Sch. para. 2)
- F16** Words in Sch. 1ZA para. 8(3A) substituted (6.4.2019) by The Financial Guidance and Claims Act 2018 (Naming and Consequential Amendments) Regulations 2019 (S.I. 2019/383), reg. 1(1), **Sch. para. 7(d)**
- F17** Words in Sch. 1ZA para. 8(4) omitted (1.1.2019) by virtue of Financial Guidance and Claims Act 2018 (c. 10), s. 37(5), **Sch. 3 para. 21(2)(c)**; S.I. 2018/1330, reg. 2(g)(vi)
- F18** Sch. 1ZA para. 8(5) inserted (1.11.2014) by Financial Services (Banking Reform) Act 2013 (c. 33), s. 148(5), **Sch. 8 para. 7(2)**; S.I. 2014/2458, art. 2(b)(bb)(ii)

Modifications etc. (not altering text)

- C4** Sch. 1ZA para. 8(2) modified (20.2.2013) by The Financial Services Act 2012 (Transitional Provisions) (Rules and Miscellaneous Provisions) Order 2013 (S.I. 2013/161), arts. 1(1), **3(8)(a)(9)**
- C5** Sch. 1ZA para. 8(2) modified (26.7.2013 for specified purposes, 1.4.2014 in so far as not already in force) by The Financial Services and Markets Act 2000 (Regulated Activities) (Amendment) (No. 2) Order 2013 (S.I. 2013/1881), arts. 1(2)(6), **64(6)**
- C6** Sch. 1ZA para. 8(2) modified (E.W.S.) (29.11.2018 for specified purposes, 1.4.2019 in so far as not already in force) by The Financial Services and Markets Act 2000 (Claims Management Activity) Order 2018 (S.I. 2018/1253), arts. 1(2)(3), **85(8)**

Records

- 9 The FCA must maintain satisfactory arrangements for—
- recording decisions made in the exercise of its functions, and
 - the safe-keeping of those records which it considers ought to be preserved.

Publication of record of meetings of governing body

- 10 (1) The FCA must publish a record of each meeting of its governing body—
- before the end of the period of 6 weeks beginning with the day of the meeting, or
 - if no meeting of the governing body is subsequently held during that period, before the end of the period of 2 weeks beginning with the day of the next meeting.

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- (2) The record must specify any decision taken at the meeting (including decisions to take no action) and must set out, in relation to each decision, a summary of the deliberations of the governing body.
- (3) Sub-paragraphs (1) and (2) do not require the publication of information whose publication within the time required by sub-paragraph (1) would in the opinion of the governing body be against the public interest.
- (4) Publication under this section is to be in such manner as the FCA thinks fit.

Modifications etc. (not altering text)

C7 Sch. 1ZA para. 10 applied (20.2.2013) by [The Financial Services Act 2012 \(Transitional Provisions\) \(Rules and Miscellaneous Provisions\) Order 2013 \(S.I. 2013/161\)](#), arts. 1(1), **7(3)(a)**

Annual report

- 11 (1) At least once a year the FCA must make a report to the Treasury on—
- (a) the discharge of its functions,
 - (b) the extent to which, in its opinion, its operational objectives have been advanced,
 - (c) the extent to which, in its opinion, it has acted compatibly with its strategic objective,
 - (d) how, in its opinion, it has complied with the duty in section 1B(4),
 - (e) its consideration of the matter mentioned in section 1B(5)(b),
 - (f) its consideration of the principles in section 3B,
 - (g) how it has complied with section 3D,
 - (h) any direction received under section 3I or 3J during the period to which the report relates,
 - [any rules that it has made as a result of section 137C during the period to which the report relates and the kinds of regulated credit agreement (within the meaning of that section) to which the rules apply,]
 - ^{F19}(ha)
 - ^{F20}(hb)
 - (i) how it has complied with section 354A(1) so far as relating to co-operation with persons outside the United Kingdom, ^{F21}...
 - [how, in its opinion, it has complied with its duties under sections 9(2) and ^{F22}(ia) 10 of the Financial Guidance and Claims Act 2018, and]
 - (j) such other matters as the Treasury may from time to time direct.
- (2) Sub-paragraph (1) does not require the inclusion in the report of any information whose publication would in the opinion of the FCA be against the public interest.
- (3) The report must be accompanied by—
- (a) a statement of the remuneration of the appointed members of the governing body of the FCA during the period to which the report relates, and
 - (b) such other reports or information, prepared by such persons, as the Treasury may from time to time direct.
- (4) The Treasury must lay before Parliament a copy of each report received by them under this paragraph.

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Textual Amendments

- F19** Sch. 1ZA para. 11(1)(ha) inserted (18.2.2014) by [Financial Services \(Banking Reform\) Act 2013 \(c. 33\)](#), [ss. 131\(2\)](#), [148\(2\)](#)
- F20** Sch. 1ZA para. 11(1)(hb) omitted (1.1.2019) by virtue of [Financial Guidance and Claims Act 2018 \(c. 10\)](#), [s. 37\(5\)](#), [Sch. 3 para. 21\(3\)\(a\)](#); S.I. 2018/1330, [reg. 2\(g\)\(vi\)](#)
- F21** Word in Sch. 1ZA para. 11(1)(i) omitted (1.10.2018) by virtue of [Financial Guidance and Claims Act 2018 \(c. 10\)](#), [s. 37\(5\)](#), [Sch. 3 para. 21\(3\)\(b\)](#); S.I. 2018/1029, [reg. 2\(q\)](#) (with [Sch. para. 2](#))
- F22** Sch. 1ZA para. 11(1)(ia) inserted (1.10.2018) by [Financial Guidance and Claims Act 2018 \(c. 10\)](#), [s. 37\(5\)](#), [Sch. 3 para. 21\(3\)\(b\)](#); S.I. 2018/1029, [reg. 2\(q\)](#) (with [Sch. para. 2](#))

Annual public meeting

- 12 (1) Not later than 3 months after making a report under paragraph 11, the FCA must hold a public meeting (“the annual meeting”) for the purposes of enabling that report to be considered.
- (2) The FCA must organise the annual meeting so as to allow—
- (a) a general discussion of the contents of the report which is being considered, and
 - (b) a reasonable opportunity for those attending the meeting to put questions to the FCA about the way in which it discharged, or failed to discharge, its functions during the period to which the report relates.
- (3) But otherwise the annual meeting is to be organised and conducted in such a way as the FCA considers appropriate.
- (4) The FCA must give reasonable notice of its annual meeting.
- (5) That notice must—
- (a) give details of the time and place at which the meeting is to be held,
 - (b) set out the proposed agenda for the meeting,
 - (c) indicate the proposed duration of the meeting,
 - (d) give details of the FCA's arrangements for enabling persons to attend, and
 - (e) be published by the FCA in the way appearing to it to be best calculated to bring the notice to the attention of the public.
- (6) If the FCA proposes to alter any of the arrangements which have been included in the notice given under sub-paragraph (5), it must—
- (a) give reasonable notice of the alteration, and
 - (b) publish that notice in the way appearing to the FCA to be best calculated to bring it to the attention of the public.

Report of annual meeting

- 13 Not later than one month after its annual meeting, the FCA must publish a report of the proceedings of the meeting.

Accounts and audit

- 14 (1) The Treasury may—

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- (a) require the FCA to comply with any provisions of the Companies Act 2006 about accounts and their audit which would not otherwise apply to it, or
 - (b) direct that any provision of that Act about accounts and their audit is to apply to the FCA with such modifications as are specified in the direction, whether or not the provision would otherwise apply to the FCA.
- (2) Compliance with any requirement under sub-paragraph (1)(a) or (b) is enforceable by injunction or, in Scotland, an order for specific performance under section 45 of the Court of Session Act 1988.
- (3) Proceedings under sub-paragraph (2) may be brought only by the Treasury.
- 15 (1) The FCA must send a copy of its annual accounts to the Comptroller and Auditor General as soon as is reasonably practicable.
- (2) The Comptroller and Auditor General must—
- (a) examine, certify and report on accounts received under this paragraph, and
 - (b) send a copy of the certified accounts and the report to the Treasury.
- (3) The Treasury must lay the copy of the certified accounts and the report before Parliament.
- (4) Except as provided by paragraph 14(1), the FCA is exempt from the requirements of Part 16 of the Companies Act 2006 (audit), and its balance sheet must contain a statement to that effect.
- (5) In this paragraph “annual accounts” has the meaning given in section 471 of the Companies Act 2006.

PART 2

STATUS

Modifications etc. (not altering text)

- C8** Sch. 1ZA Pt. 2 modified (26.6.2017) by [The Money Laundering, Terrorist Financing and Transfer of Funds \(Information on the Payer\) Regulations 2017 \(S.I. 2017/692\)](#), regs. 1(2), **46(9)**, 63(8) (with regs. 8, 15)

Status

- 16 In relation to any of its functions—
- (a) the FCA is not to be regarded as acting on behalf of the Crown, and
 - (b) its members, officers and staff are not to be regarded as Crown servants.

Modifications etc. (not altering text)

- C9** Sch. 1ZA para. 16 applied (20.2.2013) by [The Financial Services Act 2012 \(Transitional Provisions\) \(Rules and Miscellaneous Provisions\) Order 2013 \(S.I. 2013/161\)](#), arts. 1(1), **7(3)(b)**

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Exemption from requirement for use of “limited” in name of FCA

- 17 The FCA is to continue to be exempt from the requirements of the Companies Act 2006 relating to the use of “limited” as part of its name.
- 18 If the Secretary of State is satisfied that any action taken by the FCA makes it inappropriate for the exemption given by paragraph 17 to continue, the Secretary of State may, after consulting the Treasury, give a direction removing it.

PART 3

PENALTIES AND FEES

Modifications etc. (not altering text)

- C10** Sch. 1ZA Pt. 3 modified (E.W.S.) (29.11.2018 for specified purposes, 1.4.2019 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Claims Management Activity\) Order 2018 \(S.I. 2018/1253\)](#), arts. 1(2)(3), **54(4)**
- C11** Sch. 1ZA Pt. 3 applied (with modifications) (31.5.2021) by [The Civil Liability Act 2018 \(Financial Conduct Authority\) \(Whiplash\) Regulations 2021 \(S.I. 2021/594\)](#), regs. 1, **2(2)(b)**

Penalties

- 19 In determining its policy with respect to the amounts of penalties to be imposed by it under this Act, the FCA must take no account of the expenses which it incurs, or expects to incur, in discharging its functions.

Modifications etc. (not altering text)

- C12** Sch. 1ZA para. 19 applied (with modifications) by S.I. 2008/346, reg. 37 (as substituted (1.4.2013) by [The Financial Services Act 2012 \(Consequential Amendments and Transitional Provisions\) Order 2013 \(S.I. 2013/472\)](#)), **Sch. 2 para. 134(b)**)
- C13** Sch. 1ZA paras. 19-22 applied (with modifications) (E.W.) (9.7.2013) by [The Legal Aid, Sentencing and Punishment of Offenders Act 2012 \(Referral Fees\) Regulations 2013 \(S.I. 2013/1635\)](#), regs. 1, **7(2)**
- C14** Sch. 1ZA paras. 19-22 applied (with modifications) (12.12.2014) by [The Immigration Act 2014 \(Bank Accounts\) Regulations 2014 \(S.I. 2014/3085\)](#), regs. 1, **6**
- C15** Sch. 1ZA paras. 19-23 applied (with modifications) (29.6.2017 for specified purposes, 3.7.2017 for specified purposes, 31.7.2017 for specified purposes, 3.1.2018 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Markets in Financial Instruments\) Regulations 2017 \(S.I. 2017/701\)](#), reg. 1(2)(3)(4)(6), **Sch. 1 para. 25(1)** (with reg. 7)
- C16** Sch. 1ZA paras. 19-23 applied (with modifications) (3.7.2017 for specified purposes, 3.1.2018 in so far as not already in force) by [The Data Reporting Services Regulations 2017 \(S.I. 2017/699\)](#), regs. 1(2) (a)(b), **40**
- C17** Sch. 1ZA paras. 19-23 applied (with modifications) (1.1.2018) by [The Packaged Retail and Insurance-based Investment Products Regulations 2017 \(S.I. 2017/1127\)](#), reg. 1, **Sch. 1 para. 9**
- C18** Sch. 1ZA paras. 19-23 applied (with modifications) (27.2.2018) by [The Financial Services and Markets Act 2000 \(Benchmarks\) Regulations 2018 \(S.I. 2018/135\)](#), regs. 1(2), **26**
- C19** Sch. 1ZA paras. 19-23 applied (with modifications) (1.1.2019) by [The Securitisation Regulations 2018 \(S.I. 2018/1288\)](#), reg. 1, **Sch. 1 para. 11** (with Sch. 1 paras. 13, 14)
- C20** Sch. 1ZA paras. 19-22 applied (with modifications) (10.6.2019) by [The Proxy Advisors \(Shareholders Rights\) Regulations 2019 \(S.I. 2019/926\)](#), regs. 1, **20, 28**

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- C21** Sch. 1ZA para. 19 modified (31.12.2020) by [The Credit Rating Agencies \(Amendment etc.\) \(EU Exit\) Regulations 2019 \(S.I. 2019/266\)](#), regs. 1(3), **14(2)** (with savings in S.I. 2019/680, [reg. 11](#)); 2020 c. 1, [Sch. 5 para. 1\(1\)](#)
- C22** Sch. 1ZA paras. 19-21 applied (with modifications) (31.12.2020) by [The Over the Counter Derivatives, Central Counterparties and Trade Repositories \(Amendment, etc., and Transitional Provision\) \(EU Exit\) Regulations 2019 \(S.I. 2019/335\)](#), regs. 1(1), **78** (with savings in S.I. 2019/680, [reg. 11](#)); 2020 c. 1, [Sch. 5 para. 1\(1\)](#)
- C23** Sch. 1ZA paras. 19-21 applied (with modifications) (31.12.2020) by [The Transparency of Securities Financing Transactions and of Reuse \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/542\)](#), regs. 1, **39** (with savings in S.I. 2019/680, [reg. 11](#)); 2020 c. 1, [Sch. 5 para. 1\(1\)](#)

- 20 (1) The FCA must in respect of each of its financial years pay to the Treasury its penalty receipts after deducting its enforcement costs.
- (2) The FCA's "penalty receipts" in respect of a financial year are any amounts received by it during the year by way of penalties imposed under this Act.
- (3) The FCA's "enforcement costs" in respect of a financial year are the expenses incurred by it during the year in connection with—
- (a) the exercise, or consideration of the possible exercise, of any of its enforcement powers in particular cases, or
 - (b) the recovery of penalties imposed under this Act [^{F23}or under a provision mentioned in sub-paragraph (4A)].
- (4) For this purpose the FCA's enforcement powers are—
- (a) its powers under any of the provisions mentioned in section 133(7A),
 - (b) its powers under section 56 (prohibition orders),
[its powers under section 143S (Part 9C prohibition orders),]
^{F24}(ba)
 - (c) its powers under Part 25 of this Act (injunctions and restitution),
[its powers under the relevant competition provisions (as applied by Part 16A
^{F25}(ca) of this Act),]
 - (d) its powers under any other enactment specified by the Treasury by order,
 - (e) its powers in relation to the investigation of relevant offences, and
 - (f) its powers in England and Wales or Northern Ireland in relation to the prosecution of relevant offences.
- [The relevant competition provisions" are—
- ^{F26}(4A) (a) section 31E of the Competition Act 1998 (enforcement of commitments);
- (b) section 34 of that Act (enforcement of directions);
 - (c) section 36 of that Act (penalties);
 - (d) section 40A of that Act (penalties: failure to comply with requirements);
 - (e) section 174A of the Enterprise Act 2002 (penalties).]

(5) "Relevant offences" are—

 - (a) offences under [^{F27}this Act],
 - (b) offences under subordinate legislation made under [^{F28}this Act],
 - (c) offences falling within section 402(1) ^{F29} ...,
[offences under Part 1 of the Competition Act 1998,
^{F30}(ca)

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- (cb) offences under Part 4 of the Enterprise Act 2002,]
 - (d) offences under Part 7 of the Financial Services Act 2012, and
 - (e) any other offences specified by the Treasury by order.
- (6) The Treasury may give directions to the FCA as to how the FCA is to comply with its duty under sub-paragraph (1).
- (7) The directions may in particular—
- (a) specify descriptions of expenditure that are, or are not, to be regarded as incurred in connection with either of the matters mentioned in sub-paragraph (3),
 - (b) relate to the calculation and timing of the deduction in respect of the FCA's enforcement costs, and
 - (c) specify the time when any payment is required to be made to the Treasury.
- (8) The directions may also require the FCA to provide the Treasury at specified times with specified information relating to—
- (a) penalties that the FCA has imposed under this Act, or
 - (b) the FCA's enforcement costs.
- (9) The Treasury must pay into the Consolidated Fund any sums received by them under this paragraph.

Textual Amendments

- F23** Words in Sch. 1ZA para. 20(3)(b) inserted (1.3.2014) by [Financial Services \(Banking Reform\) Act 2013 \(c. 33\), s. 148\(5\), Sch. 10 para. 4\(2\)](#); S.I. 2014/377, art. 2(1)(a), Sch. Pt. 1
- F24** Sch. 1ZA para. 20(4)(ba) inserted (1.7.2021) by [Financial Services Act 2021 \(c. 22\), s. 49\(5\), Sch. 2 para. 18](#) (with Sch. 2 Pt. 3); S.I. 2021/671, reg. 4(b)
- F25** Sch. 1ZA para. 20(4)(ca) inserted (1.3.2014) by [Financial Services \(Banking Reform\) Act 2013 \(c. 33\), s. 148\(5\), Sch. 10 para. 4\(3\)](#); S.I. 2014/377, art. 2(1)(a), Sch. Pt. 1
- F26** Sch. 1ZA para. 20(4A) inserted (1.3.2014) by [Financial Services \(Banking Reform\) Act 2013 \(c. 33\), s. 148\(5\), Sch. 10 para. 4\(4\)](#); S.I. 2014/377, art. 2(1)(a), Sch. Pt. 1
- F27** Words in Sch. 1ZA para. 20(5)(a) substituted (1.3.2014) by [Financial Services \(Banking Reform\) Act 2013 \(c. 33\), s. 148\(5\), Sch. 10 para. 4\(5\)\(a\)](#); S.I. 2014/377, art. 2(1)(a), Sch. Pt. 1
- F28** Words in Sch. 1ZA para. 20(5)(b) substituted (1.3.2014) by [Financial Services \(Banking Reform\) Act 2013 \(c. 33\), s. 148\(5\), Sch. 10 para. 4\(5\)\(b\)](#); S.I. 2014/377, art. 2(1)(a), Sch. Pt. 1
- F29** Words in Sch. 1ZA para. 20(5)(c) omitted (1.3.2014) by virtue of [Financial Services \(Banking Reform\) Act 2013 \(c. 33\), s. 148\(5\), Sch. 10 para. 4\(5\)\(c\)](#); S.I. 2014/377, art. 2(1)(a), Sch. Pt. 1
- F30** Sch. 1ZA para. 20(5)(ca)(cb) inserted (1.3.2014) by [Financial Services \(Banking Reform\) Act 2013 \(c. 33\), s. 148\(5\), Sch. 10 para. 4\(5\)\(d\)](#); S.I. 2014/377, art. 2(1)(a), Sch. Pt. 1

Modifications etc. (not altering text)

- C13** Sch. 1ZA paras. 19-22 applied (with modifications) (E.W.) (9.7.2013) by [The Legal Aid, Sentencing and Punishment of Offenders Act 2012 \(Referral Fees\) Regulations 2013 \(S.I. 2013/1635\), regs. 1, 7\(2\)](#)
- C14** Sch. 1ZA paras. 19-22 applied (with modifications) (12.12.2014) by [The Immigration Act 2014 \(Bank Accounts\) Regulations 2014 \(S.I. 2014/3085\), regs. 1, 6](#)
- C15** Sch. 1ZA paras. 19-23 applied (with modifications) (29.6.2017 for specified purposes, 3.7.2017 for specified purposes, 31.7.2017 for specified purposes, 3.1.2018 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Markets in Financial Instruments\) Regulations 2017 \(S.I. 2017/701\), reg. 1\(2\)\(3\)\(4\)\(6\), Sch. 1 para. 25\(1\)](#) (with reg. 7)

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Changes to legislation: Financial Services and Markets Act 2000 is up to date with all changes known to be in force on or before 19 August 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)

- C16** Sch. 1ZA paras. 19-23 applied (with modifications) (3.7.2017 for specified purposes, 3.1.2018 in so far as not already in force) by [The Data Reporting Services Regulations 2017 \(S.I. 2017/699\)](#), regs. 1(2)(a)(b), **40**
- C17** Sch. 1ZA paras. 19-23 applied (with modifications) (1.1.2018) by [The Packaged Retail and Insurance-based Investment Products Regulations 2017 \(S.I. 2017/1127\)](#), reg. 1, **Sch. 1 para. 9**
- C18** Sch. 1ZA paras. 19-23 applied (with modifications) (27.2.2018) by [The Financial Services and Markets Act 2000 \(Benchmarks\) Regulations 2018 \(S.I. 2018/135\)](#), regs. 1(2), **26**
- C19** Sch. 1ZA paras. 19-23 applied (with modifications) (1.1.2019) by [The Securitisation Regulations 2018 \(S.I. 2018/1288\)](#), reg. 1, **Sch. 1 para. 11** (with Sch. 1 paras. 13, 14)
- C20** Sch. 1ZA paras. 19-22 applied (with modifications) (10.6.2019) by [The Proxy Advisors \(Shareholders Rights\) Regulations 2019 \(S.I. 2019/926\)](#), regs. 1, **20, 28**
- C22** Sch. 1ZA paras. 19-21 applied (with modifications) (31.12.2020) by [The Over the Counter Derivatives, Central Counterparties and Trade Repositories \(Amendment, etc., and Transitional Provision\) \(EU Exit\) Regulations 2019 \(S.I. 2019/335\)](#), regs. 1(1), **78** (with savings in S.I. 2019/680, **reg. 11**); 2020 c. 1, **Sch. 5 para. 1(1)**
- C23** Sch. 1ZA paras. 19-21 applied (with modifications) (31.12.2020) by [The Transparency of Securities Financing Transactions and of Reuse \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/542\)](#), regs. 1, **39** (with savings in S.I. 2019/680, **reg. 11**); 2020 c. 1, **Sch. 5 para. 1(1)**
- C24** Sch. 1ZA para. 20 applied (22.7.2013) by [The Alternative Investment Fund Managers Regulations 2013 \(S.I. 2013/1773\)](#), regs. 1, **71(3)**
- C25** Sch. 1ZA para. 20 applied (20.4.2015 for specified purposes, 21.12.2015 for specified purposes, 21.3.2016 in so far as not already in force) by [The Mortgage Credit Directive Order 2015 \(S.I. 2015/910\)](#), arts. 1(5), **23(4)** (with Pt. 4)
- C26** Sch. 1ZA para. 20 modified (31.12.2020) by [The Credit Rating Agencies \(Amendment etc.\) \(EU Exit\) Regulations 2019 \(S.I. 2019/266\)](#), regs. 1(3), **14(3)** (with savings in S.I. 2019/680, **reg. 11**); 2020 c. 1, **Sch. 5 para. 1(1)**

- 21 (1) The FCA must prepare and operate a scheme (“the financial penalty scheme”) for ensuring that the amounts that, as a result of the deduction for which paragraph 20(1) provides, are retained by the FCA in respect of amounts paid to it by way of penalties imposed under this Act are applied for the benefit of regulated persons.
- (2) “Regulated persons” means—
- authorised persons,
 - recognised investment exchanges,
 - issuers of securities admitted to the official list, ^{F31}... [^{F32}and]
 - issuers who have requested or approved the admission of financial instruments to trading on a regulated market, ^{F33}...
 - ^{F33}(e)
- (3) The financial penalty scheme may, in particular, make different provision with respect to different classes of regulated person.
- (4) The financial penalty scheme must ensure that those who have become liable to pay a penalty to the FCA in any financial year of the FCA do not receive any benefit under the scheme in the following financial year.
- (5) Up-to-date details of the financial penalty scheme must be set out in a document (“the scheme details”).

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Textual Amendments

- F31** Word in Sch. 1ZA para. 21(2)(c) omitted (3.3.2015) by virtue of [Pension Schemes Act 2015 \(c. 8\)](#), s. 89(1)(a), [Sch. 3 para. 15\(a\)](#) (with s. 87)
- F32** Word in Sch. 1ZA para. 21(2)(c) inserted (1.1.2019) by [Financial Guidance and Claims Act 2018 \(c. 10\)](#), s. 37(5), [Sch. 3 para. 21\(4\)\(a\)](#); S.I. 2018/1330, reg. 2(g)(vi)
- F33** Sch. 1ZA para. 21(2)(e) and word omitted (1.1.2019) by virtue of [Financial Guidance and Claims Act 2018 \(c. 10\)](#), s. 37(5), [Sch. 3 para. 21\(4\)\(b\)](#); S.I. 2018/1330, reg. 2(g)(vi)

Modifications etc. (not altering text)

- C13** Sch. 1ZA paras. 19-22 applied (with modifications) (E.W.) (9.7.2013) by [The Legal Aid, Sentencing and Punishment of Offenders Act 2012 \(Referral Fees\) Regulations 2013 \(S.I. 2013/1635\)](#), regs. 1, [7\(2\)](#)
- C14** Sch. 1ZA paras. 19-22 applied (with modifications) (12.12.2014) by [The Immigration Act 2014 \(Bank Accounts\) Regulations 2014 \(S.I. 2014/3085\)](#), reg. 1, [6](#)
- C15** Sch. 1ZA paras. 19-23 applied (with modifications) (29.6.2017 for specified purposes, 3.7.2017 for specified purposes, 31.7.2017 for specified purposes, 3.1.2018 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Markets in Financial Instruments\) Regulations 2017 \(S.I. 2017/701\)](#), reg. 1(2)(3)(4)(6), [Sch. 1 para. 25\(1\)](#) (with reg. 7)
- C16** Sch. 1ZA paras. 19-23 applied (with modifications) (3.7.2017 for specified purposes, 3.1.2018 in so far as not already in force) by [The Data Reporting Services Regulations 2017 \(S.I. 2017/699\)](#), regs. 1(2) (a)(b), [40](#)
- C17** Sch. 1ZA paras. 19-23 applied (with modifications) (1.1.2018) by [The Packaged Retail and Insurance-based Investment Products Regulations 2017 \(S.I. 2017/1127\)](#), reg. 1, [Sch. 1 para. 9](#)
- C18** Sch. 1ZA paras. 19-23 applied (with modifications) (27.2.2018) by [The Financial Services and Markets Act 2000 \(Benchmarks\) Regulations 2018 \(S.I. 2018/135\)](#), regs. 1(2), [26](#)
- C19** Sch. 1ZA paras. 19-23 applied (with modifications) (1.1.2019) by [The Securitisation Regulations 2018 \(S.I. 2018/1288\)](#), reg. 1, [Sch. 1 para. 11](#) (with Sch. 1 paras. 13, 14)
- C20** Sch. 1ZA paras. 19-22 applied (with modifications) (10.6.2019) by [The Proxy Advisors \(Shareholders Rights\) Regulations 2019 \(S.I. 2019/926\)](#), regs. 1, [20](#), [28](#)
- C22** Sch. 1ZA paras. 19-21 applied (with modifications) (31.12.2020) by [The Over the Counter Derivatives, Central Counterparties and Trade Repositories \(Amendment, etc., and Transitional Provision\) \(EU Exit\) Regulations 2019 \(S.I. 2019/335\)](#), regs. 1(1), [78](#) (with savings in S.I. 2019/680, [reg. 11](#)); 2020 c. 1, [Sch. 5 para. 1\(1\)](#)
- C23** Sch. 1ZA paras. 19-21 applied (with modifications) (31.12.2020) by [The Transparency of Securities Financing Transactions and of Reuse \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/542\)](#), regs. 1, [39](#) (with savings in S.I. 2019/680, [reg. 11](#)); 2020 c. 1, [Sch. 5 para. 1\(1\)](#)
- C27** Sch. 1ZA para. 21 modified (20.4.2015 for specified purposes, 21.12.2015 for specified purposes, 21.3.2016 in so far as not already in force) by [The Mortgage Credit Directive Order 2015 \(S.I. 2015/910\)](#), arts. 1(5), [23\(5\)](#) (with Pt. 4)
- C28** Sch. 1ZA para. 21 modified (31.12.2020) by [The Credit Rating Agencies \(Amendment etc.\) \(EU Exit\) Regulations 2019 \(S.I. 2019/266\)](#), regs. 1(3), [14\(4\)](#) (with savings in S.I. 2019/680, [reg. 11](#)); 2020 c. 1, [Sch. 5 para. 1\(1\)](#)

- 22 (1) The scheme details must be published by the FCA in the way appearing to it to be best calculated to bring them to the attention of the public.
- (2) Before making the financial penalty scheme, the FCA must publish a draft of the proposed scheme in the way appearing to the FCA to be best calculated to bring it to the attention of the public.
- (3) The draft must be accompanied by notice that representations about the proposals may be made to the FCA within a specified time.

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- (4) Before making the scheme, the FCA must have regard to any representations made to it in accordance with sub-paragraph (3).
- (5) If the FCA makes the proposed scheme, it must publish an account, in general terms, of—
 - (a) the representations made to it in accordance with sub-paragraph (3), and
 - (b) its response to them.
- (6) If the scheme differs from the draft published under sub-paragraph (2) in a way which is, in the opinion of the FCA, significant, the FCA must (in addition to complying with sub-paragraph (5)) publish details of the difference.
- (7) The FCA must, without delay, give the Treasury a copy of any scheme details published by it.
- (8) The FCA may charge a reasonable fee for providing a person with a copy of—
 - (a) a draft published under sub-paragraph (2);
 - (b) scheme details.
- (9) Sub-paragraphs (2) to (6) and (8)(a) also apply to a proposal to alter or replace the financial penalty scheme.

Modifications etc. (not altering text)

- C13** Sch. 1ZA paras. 19-22 applied (with modifications) (E.W.) (9.7.2013) by [The Legal Aid, Sentencing and Punishment of Offenders Act 2012 \(Referral Fees\) Regulations 2013 \(S.I. 2013/1635\)](#), regs. 1, **7(2)**
- C14** Sch. 1ZA paras. 19-22 applied (with modifications) (12.12.2014) by [The Immigration Act 2014 \(Bank Accounts\) Regulations 2014 \(S.I. 2014/3085\)](#), regs. 1, **6**
- C15** Sch. 1ZA paras. 19-23 applied (with modifications) (29.6.2017 for specified purposes, 3.7.2017 for specified purposes, 31.7.2017 for specified purposes, 3.1.2018 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Markets in Financial Instruments\) Regulations 2017 \(S.I. 2017/701\)](#), reg. 1(2)(3)(4)(6), **Sch. 1 para. 25(1)** (with reg. 7)
- C16** Sch. 1ZA paras. 19-23 applied (with modifications) (3.7.2017 for specified purposes, 3.1.2018 in so far as not already in force) by [The Data Reporting Services Regulations 2017 \(S.I. 2017/699\)](#), regs. 1(2) (a)(b), **40**
- C17** Sch. 1ZA paras. 19-23 applied (with modifications) (1.1.2018) by [The Packaged Retail and Insurance-based Investment Products Regulations 2017 \(S.I. 2017/1127\)](#), reg. 1, **Sch. 1 para. 9**
- C18** Sch. 1ZA paras. 19-23 applied (with modifications) (27.2.2018) by [The Financial Services and Markets Act 2000 \(Benchmarks\) Regulations 2018 \(S.I. 2018/135\)](#), regs. 1(2), **26**
- C19** Sch. 1ZA paras. 19-23 applied (with modifications) (1.1.2019) by [The Securitisation Regulations 2018 \(S.I. 2018/1288\)](#), reg. 1, **Sch. 1 para. 11** (with Sch. 1 paras. 13, 14)
- C20** Sch. 1ZA paras. 19-22 applied (with modifications) (10.6.2019) by [The Proxy Advisors \(Shareholders Rights\) Regulations 2019 \(S.I. 2019/926\)](#), regs. 1, **20, 28**

Fees

- 23 (1) The FCA may make rules providing for the payment to it of such fees, in connection with the discharge of any of its qualifying functions, as it considers will (taking account of its expected income from fees and charges provided for by any other provision of this Act [^{F34} other than sections [^{F35} 137SA,][^{F36} 137SB]^{F37} ... [^{F38} and 333T]]) enable it—

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- (a) to meet expenses incurred in carrying out its functions [^{F39}, other than its excepted functions,] or for any incidental purpose,
- (b) to repay the principal of, and pay any interest on, any relevant borrowing and to meet relevant commencement expenses, and
- (c) to maintain adequate reserves.

(2) The “qualifying functions” of the FCA are—

- (a) its functions under or as a result of this Act or any of the [^{F40}other enactments mentioned in section 1A(6)(a) to (ca)][^{F41}and (e)][^{F42}but not its excepted functions], and
- (b) its functions under or as a result of a [^{F43}qualifying provision] that is specified, or of a description specified, for the purposes of this sub-paragraph by the Treasury by order.

[The “excepted functions” of the FCA are—

- ^{F44}(2ZA) ^{F45}(a)
- (b) its functions under [^{F46}section 333T] so far as relating to the collection of payments. [^{F47}, and
- (c) its functions under [^{F48}sections 137SA and 137SB].]

[The functions referred to in sub-paragraph (1)(a) include functions of the FCA under ^{F49}(2A) the Competition Act 1998 or the Enterprise Act 2002 as a result of Part 16A of this Act; but this sub-paragraph is not to be regarded as limiting the effect of the definition of “functions” in paragraph 1.]

(3) In sub-paragraph (1)(b)—

“relevant borrowing” means any money borrowed by the FCA which has been used for the purpose of meeting expenses incurred in relation to its assumption of functions under this Act, and

“relevant commencement expenses” means expenses incurred by the FCA—

- (a) in preparation for the exercise of functions by the FCA under this Act, or
- (b) for the purpose of facilitating the exercise by the FCA of those functions or otherwise in connection with their exercise by it.

(4) Neither section 1A(6)(d) nor the definition of “functions” in paragraph 1 applies for the purposes of sub-paragraph (2).

(5) For the purposes of sub-paragraph (3) it is irrelevant when the borrowing of the money, the incurring of the expenses or the assumption of functions took place (and, in particular, it is irrelevant if any of those things were done at a time when the FCA was known as the Financial Services Authority).

(6) In the case of rules made under Part 6 of this Act, the rules may, in particular, require the payment of fees in respect of—

- (a) the continued inclusion of securities or persons in any list or register required to be kept by the FCA as a result of any provision made by or under that Part,
- (b) access to any list or register within paragraph (a), and
- (c) the continued admission of financial instruments to trading on a regulated market.

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- (7) In fixing the amount of any fee which is to be payable to the FCA, no account is to be taken of any sums which the FCA receives, or expects to receive, by way of penalties imposed by it under this Act.
- (8) Any fee which is owed to the FCA under any provision made by or under this Act may be recovered as a debt due to the FCA.

Textual Amendments

- F34** Words in Sch. 1ZA para. 23(1) inserted (3.3.2015) by Pension Schemes Act 2015 (c. 8), s. 89(1)(a), **Sch. 3 para. 16(a)** (with s. 87)
- F35** Word in Sch. 1ZA para. 23(1) inserted (10.5.2018) by Financial Guidance and Claims Act 2018 (c. 10), s. 37(1)(e)(iv), **Sch. 3 para. 21(5)(a)(i)**
- F36** Word in Sch. 1ZA para. 23(1) inserted (1.10.2018) by Financial Guidance and Claims Act 2018 (c. 10), s. 37(5), **Sch. 3 para. 21(5)(a)(ii)**; S.I. 2018/1029, reg. 2(q)
- F37** Words in Sch. 1ZA para. 23(1) omitted (1.1.2019) by virtue of Financial Guidance and Claims Act 2018 (c. 10), s. 37(5), **Sch. 3 para. 21(5)(a)(iii)**; S.I. 2018/1330, reg. 2(g)(vi)
- F38** Words in Sch. 1ZA para. 23(1) substituted (6.7.2016) by Bank of England and Financial Services Act 2016 (c. 14), **ss. 29(6)(a)**, 41(3); S.I. 2016/627, reg. 2(1)(w)
- F39** Words in Sch. 1ZA para. 23(1)(a) inserted (3.3.2015) by Pension Schemes Act 2015 (c. 8), s. 89(1)(a), **Sch. 3 para. 16(b)** (with s. 87)
- F40** Words in Sch. 1ZA para. 23(2)(a) substituted (22.7.2013) by The Alternative Investment Fund Managers Regulations 2013 (S.I. 2013/1773), reg. 1, **Sch. 1 para. 33**
- F41** Words in Sch. 1ZA para. 23(2)(a) inserted (26.10.2018) by The Financial Regulators Powers (Technical Standards etc.) (Amendment etc.) (EU Exit) Regulations 2018 (S.I. 2018/1115), regs. 1(2), **7(9)(b)**
- F42** Words in Sch. 1ZA para. 23(2)(a) inserted (3.3.2015) by Pension Schemes Act 2015 (c. 8), s. 89(1)(a), **Sch. 3 para. 16(c)** (with s. 87)
- F43** Words in Sch. 1ZA para. 23(2)(b) substituted (31.12.2020) by The Financial Services and Markets Act 2000 (Amendment) (EU Exit) Regulations 2019 (S.I. 2019/632), regs. 1(3), **93**; 2020 c. 1, Sch. 5 para. 1(1)
- F44** Sch. 1ZA para. 23(2ZA) inserted (3.3.2015) by Pension Schemes Act 2015 (c. 8), s. 89(1)(a), **Sch. 3 para. 16(d)** (with s. 87)
- F45** Sch. 1ZA para. 23(2ZA)(a) omitted (1.1.2019) by virtue of Financial Guidance and Claims Act 2018 (c. 10), s. 37(5), **Sch. 3 para. 21(5)(b)(i)**; S.I. 2018/1330, reg. 2(g)(vi)
- F46** Words in Sch. 1ZA para. 23(2ZA)(b) substituted (1.1.2019) by Financial Guidance and Claims Act 2018 (c. 10), s. 37(5), **Sch. 3 para. 21(5)(b)(ii)**; S.I. 2018/1330, reg. 2(g)(vi)
- F47** Sch. 1ZA para. 23(2ZA)(c) and word inserted (10.5.2018) by Financial Guidance and Claims Act 2018 (c. 10), s. 37(1)(e)(iv), **Sch. 3 para. 21(5)(b)(iii)**
- F48** Words in Sch. 1ZA para. 23(2ZA)(c) substituted (1.10.2018) by Financial Guidance and Claims Act 2018 (c. 10), s. 37(5), **Sch. 3 para. 21(5)(b)(iv)**; S.I. 2018/1029, reg. 2(q)
- F49** Sch. 1ZA para. 23(2A) inserted (1.11.2014) by Financial Services (Banking Reform) Act 2013 (c. 33), s. 148(5), **Sch. 8 para. 7(3)**; S.I. 2014/2458, art. 2(b)(bb)(ii)

Modifications etc. (not altering text)

- C15** Sch. 1ZA paras. 19-23 applied (with modifications) (29.6.2017 for specified purposes, 3.7.2017 for specified purposes, 31.7.2017 for specified purposes, 3.1.2018 in so far as not already in force) by The Financial Services and Markets Act 2000 (Markets in Financial Instruments) Regulations 2017 (S.I. 2017/701), reg. 1(2)(3)(4)(6), **Sch. 1 para. 25(1)** (with reg. 7)
- C16** Sch. 1ZA paras. 19-23 applied (with modifications) (3.7.2017 for specified purposes, 3.1.2018 in so far as not already in force) by The Data Reporting Services Regulations 2017 (S.I. 2017/699), regs. 1(2)(a)(b), **40**

Status: Point in time view as at 01/01/2022.

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- C17 Sch. 1ZA paras. 19-23 applied (with modifications) (1.1.2018) by [The Packaged Retail and Insurance-based Investment Products Regulations 2017 \(S.I. 2017/1127\)](#), reg. 1, **Sch. 1 para. 9**
- C18 Sch. 1ZA paras. 19-23 applied (with modifications) (27.2.2018) by [The Financial Services and Markets Act 2000 \(Benchmarks\) Regulations 2018 \(S.I. 2018/135\)](#), regs. 1(2), **26**
- C19 Sch. 1ZA paras. 19-23 applied (with modifications) (1.1.2019) by [The Securitisation Regulations 2018 \(S.I. 2018/1288\)](#), reg. 1, **Sch. 1 para. 11** (with Sch. 1 paras. 13, 14)
- C29 Sch. 1ZA para. 23 extended (with modifications) by S.I. 2012/3122, reg. 14 (as amended) (1.4.2013) by [The Financial Services Act 2012 \(Consequential Amendments and Transitional Provisions\) Order 2013 \(S.I. 2013/472\)](#), **Sch. 2 para. 248(3)**
- C30 Sch. 1ZA para. 23 modified by S.I. 2009/209, reg. 92(1) (as amended) (1.4.2013) by [The Financial Services Act 2012 \(Consequential Amendments and Transitional Provisions\) Order 2013 \(S.I. 2013/472\)](#), **Sch. 2 para. 155(3)(a)** (with Sch. 2 para. 156)
- C31 Sch. 1ZA para. 23 applied (with modifications) by S.I. 2008/346, Sch. para. 5 (as substituted) (1.4.2013) by [The Financial Services Act 2012 \(Consequential Amendments and Transitional Provisions\) Order 2013 \(S.I. 2013/472\)](#), **Sch. 2 para. 134(g)(iii)**
- C32 Sch. 1ZA para. 23 extended (with modifications) by S.I. 2011/99, reg. 59(1) (as amended) (1.4.2013) by [The Financial Services Act 2012 \(Consequential Amendments and Transitional Provisions\) Order 2013 \(S.I. 2013/472\)](#), **Sch. 2 para. 196(3)**
- C33 Sch. 1ZA para. 23 applied (with modifications) (12.12.2014) by [The Immigration Act 2014 \(Bank Accounts\) Regulations 2014 \(S.I. 2014/3085\)](#), regs. 1, **7**
- C34 Sch. 1ZA para. 23 modified (20.4.2015 for specified purposes, 21.12.2015 for specified purposes, 21.3.2016 in so far as not already in force) by [The Mortgage Credit Directive Order 2015 \(S.I. 2015/910\)](#), arts. 1(5), **25(a)** (with Pt. 4)
- C35 Sch. 1ZA para. 23 modified (1.1.2016) by [The Small and Medium Sized Business \(Credit Information\) Regulations 2015 \(S.I. 2015/1945\)](#), regs. 1(2), **21(1)(2)** (with reg. 21(3)(4))
- C36 Sch. 1ZA para. 23 applied (with modifications) (1.1.2016) by [The Small and Medium Sized Business \(Finance Platforms\) Regulations 2015 \(S.I. 2015/1946\)](#), regs. 1(2), **18(1)(2)** (with reg. 18(3)(4))
- C37 Sch. 1ZA para. 23 modified (18.9.2016) by [The Payment Accounts Regulations 2015 \(S.I. 2015/2038\)](#), regs. 1(2)(b), **39**
- C38 Sch. 1ZA para. 23 modified (13.8.2017) by [The Payment Services Regulations 2017 \(S.I. 2017/752\)](#), regs. 1(2)(a), **118(1)** (with reg. 3)
- C39 Sch. 1ZA para. 23 modified (10.5.2018) by [Financial Guidance and Claims Act 2018 \(c. 10\)](#), s. 37(1)(f), **Sch. 5 para. 13**
- C40 Sch. 1ZA para. 23 modified (E.W.) (6.10.2018) by [Financial Guidance and Claims Act 2018 \(c. 10\)](#), s. 37(5), **Sch. 4 para. 8(2)**; S.I. 2018/1045, reg. 2(b)
- C41 Sch. 1ZA para. 23 applied (with modifications) (10.6.2019) by [The Proxy Advisors \(Shareholders Rights\) Regulations 2019 \(S.I. 2019/926\)](#), regs. 1, **20, 28**
- C42 Sch. 1ZA para. 23(6) applied by 2009 c. 1, s. 39B(2) (as inserted (1.1.2015) by [The Bank Recovery and Resolution Order 2014 \(S.I. 2014/3329\)](#)), arts. 1(2), **39**)
- C43 Sch. 1ZA para. 23(6) applied by 2009 c. 1, s. 48L(6A) (as inserted (1.1.2015) by [The Bank Recovery and Resolution Order 2014 \(S.I. 2014/3329\)](#)), arts. 1(2), **53(6)**

Services for which fees may not be charged

- 24 The power conferred by paragraph 23 may not be used to require—
- ^{F50}(a)
 - (b) a fee to be paid by any person whose application for approval under section 59 has been granted.

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Textual Amendments

- F50** Sch. 1ZA para. 24(a) omitted (31.12.2020) by virtue of [The EEA Passport Rights \(Amendment, etc., and Transitional Provisions\) \(EU Exit\) Regulations 2018 \(S.I. 2018/1149\)](#), reg. 1(3), **Sch. para. 21** (with reg. 4); 2020 c. 1, Sch. 5 para. 1(1)

PART 4

MISCELLANEOUS

Modifications etc. (not altering text)

- C44** Sch. 1ZA Pt. 4 modified (26.6.2017) by [The Money Laundering, Terrorist Financing and Transfer of Funds \(Information on the Payer\) Regulations 2017 \(S.I. 2017/692\)](#), regs. 1(2), **46(9)**, 63(8) (with regs. 8, 15)

Exemption from liability in damages

- 25 (1) None of the following is to be liable in damages for anything done or omitted in the discharge, or purported discharge, of the FCA's functions—
- (a) the FCA;
 - (b) any person (“P”) who is, or is acting as, a member, officer or member of staff of the FCA;
 - (c) any person who could be held vicariously liable for things done or omitted by P, but only in so far as the liability relates to P's conduct.
- [In sub-paragraph (1) the reference to the FCA's functions includes its functions under ^{F51}(1A) Part 5 of the Financial Services (Banking Reform) Act 2013 (regulation of payment systems).]
- (2) Anything done or omitted by a person mentioned in sub-paragraph (1)(a) or (b) while acting, or purporting to act, as a result of an appointment under any of sections 166 to 169 is to be taken for the purposes of sub-paragraph (1) to have been done or omitted in the discharge, or as the case may be purported discharge, of the FCA's functions.
- (3) Sub-paragraph (1) does not apply—
- (a) if the act or omission is shown to have been in bad faith, or
 - (b) so as to prevent an award of damages made in respect of an act or omission on the ground that the act or omission was unlawful as a result of section 6(1) of the Human Rights Act 1998.

Textual Amendments

- F51** Sch. 1ZA para. 25(1A) inserted (1.3.2014) by [Financial Services \(Banking Reform\) Act 2013 \(c. 33\)](#), **ss. 109(1)**, 148(5); S.I. 2014/377, art. 2(1)(a), Sch. Pt. 1

Modifications etc. (not altering text)

- C45** Sch. 1ZA para. 25 applied (20.2.2013) by [The Financial Services Act 2012 \(Transitional Provisions\) \(Rules and Miscellaneous Provisions\) Order 2013 \(S.I. 2013/161\)](#), arts. 1(1), **7(3)(c)**

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- C46** Sch. 1ZA para. 25 modified by S.I. 2008/346, reg. 45 (as amended) (1.4.2013) by [The Financial Services Act 2012 \(Consequential Amendments and Transitional Provisions\) Order 2013 \(S.I. 2013/472\)](#), **Sch. 2 para. 134(f)**
- C47** Sch. 1ZA para. 25 applied by S.I. 2012/3122, reg. 16 (as amended) (1.4.2013) by [The Financial Services Act 2012 \(Consequential Amendments and Transitional Provisions\) Order 2013 \(S.I. 2013/472\)](#), **Sch. 2 para. 248(4)**
- C48** Sch. 1ZA para. 25 extended by S.I. 2011/99, reg. 61 (as amended) (1.4.2013) by [The Financial Services Act 2012 \(Consequential Amendments and Transitional Provisions\) Order 2013 \(S.I. 2013/472\)](#), **Sch. 2 para. 196(4)**
- C49** Sch. 1ZA para. 25 modified by S.I. 2009/209, reg. 94 (as amended) (1.4.2013) by [The Financial Services Act 2012 \(Consequential Amendments and Transitional Provisions\) Order 2013 \(S.I. 2013/472\)](#), **Sch. 2 para. 155(4)** (with Sch. 2 para. 156)
- C50** Sch. 1ZA para. 25 modified (E.W.) (9.7.2013) by [The Legal Aid, Sentencing and Punishment of Offenders Act 2012 \(Referral Fees\) Regulations 2013 \(S.I. 2013/1635\)](#), regs. 1, **8**
- C51** Sch. 1ZA para. 25 applied (with modifications) (12.12.2014) by [The Immigration Act 2014 \(Bank Accounts\) Regulations 2014 \(S.I. 2014/3085\)](#), regs. 1, **8**
- C52** Sch. 1ZA para. 25 modified (20.4.2015 for specified purposes, 21.12.2015 for specified purposes, 21.3.2016 in so far as not already in force) by [The Mortgage Credit Directive Order 2015 \(S.I. 2015/910\)](#), arts. 1(5), **25(b)** (with Pt. 4)
- C53** Sch. 1ZA para. 25 modified (1.1.2016) by [The Small and Medium Sized Business \(Credit Information\) Regulations 2015 \(S.I. 2015/1945\)](#), regs. 1(2), **22**
- C54** Sch. 1ZA para. 25 modified (18.9.2016) by [The Payment Accounts Regulations 2015 \(S.I. 2015/2038\)](#), regs. 1(2)(b), **41**
- C55** Sch. 1ZA para. 25 applied (with modifications) (29.6.2017 for specified purposes, 3.7.2017 for specified purposes, 31.7.2017 for specified purposes, 3.1.2018 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Markets in Financial Instruments\) Regulations 2017 \(S.I. 2017/701\)](#), reg. 1(2)(3)(4)(6), **Sch. 1 para. 25** (with reg. 7)
- C56** Sch. 1ZA para. 25 applied (with modifications) (3.7.2017 for specified purposes, 3.1.2018 in so far as not already in force) by [The Data Reporting Services Regulations 2017 \(S.I. 2017/699\)](#), regs. 1(2)(a)(b), **40**
- C57** Sch. 1ZA para. 25 modified (13.8.2017) by [The Payment Services Regulations 2017 \(S.I. 2017/752\)](#), regs. 1(2)(a), **121** (with reg. 3)
- C58** Sch. 1ZA para. 25 modified (1.1.2018) by [The Packaged Retail and Insurance-based Investment Products Regulations 2017 \(S.I. 2017/1127\)](#), reg. 1, **Sch. 1 para. 10**
- C59** Sch. 1ZA para. 25 applied (with modifications) (27.2.2018) by [The Financial Services and Markets Act 2000 \(Benchmarks\) Regulations 2018 \(S.I. 2018/135\)](#), regs. 1(2), **26**
- C60** Sch. 1ZA para. 25 modified by S.I. 2018/1149, reg. 65 (as inserted) (1.3.2019) by [The Financial Services Contracts \(Transitional and Saving Provision\) \(EU Exit\) Regulations 2019 \(S.I. 2019/405\)](#), regs. 1(2), **3**
- C61** Sch. 1ZA para. 25 applied (with modifications) (10.6.2019) by [The Proxy Advisors \(Shareholders Rights\) Regulations 2019 \(S.I. 2019/926\)](#), regs. 1, **20, 28**

Accredited financial investigators

- 26 For the purposes of this Act anything done by an accredited financial investigator within the meaning of the Proceeds of Crime Act 2002 who—
- (a) is, or is acting as, an officer of, or member of the staff of, the FCA, or
 - (b) is appointed by the FCA under section 97, 167 or 168 to conduct an investigation,
- is to be treated as done in the exercise or discharge of a function of the FCA.

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Amounts required by rules to be paid to the FCA

27 Any amount (other than a fee) which is required by rules to be paid to the FCA may be recovered as a debt due to the FCA.

SCHEDULE 1ZB

Section [F52AB]

THE PRUDENTIAL REGULATION AUTHORITY

Textual Amendments

F52 Word in Sch. 1ZB shoulder note substituted (1.3.2017) by Bank of England and Financial Services Act 2016 (c. 14), s. 41(3), **Sch. 2 para. 50(2)** (with Sch. 3); S.I. 2017/43, reg. 2(g)

PART 1

GENERAL

Interpretation

1 In this Schedule—

F53
...

“functions”, in relation to the PRA, means functions conferred on the PRA by or under any provision of this Act (see section [F542AB(3)] which affects the meaning of references to such functions).

Textual Amendments

F53 Words in Sch. 1ZB para. 1 omitted (1.3.2017) by virtue of Bank of England and Financial Services Act 2016 (c. 14), s. 41(3), **Sch. 2 para. 50(3)(a)** (with Sch. 3); S.I. 2017/43, reg. 2(g)

F54 Word in Sch. 1ZB para. 1 substituted (1.3.2017) by Bank of England and Financial Services Act 2016 (c. 14), s. 41(3), **Sch. 2 para. 50(3)(b)** (with Sch. 3); S.I. 2017/43, reg. 2(g)

Constitution

F55₂

Textual Amendments

F55 Sch. 1ZB paras. 2-16 omitted (1.3.2017) by virtue of Bank of England and Financial Services Act 2016 (c. 14), s. 41(3), **Sch. 2 para. 50(4)** (with Sch. 3); S.I. 2017/43, reg. 2(g)

F55₃

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Textual Amendments

F55 Sch. 1ZB paras. 2-16 omitted (1.3.2017) by virtue of [Bank of England and Financial Services Act 2016](#) (c. 14), s. 41(3), **Sch. 2 para. 50(4)** (with [Sch. 3](#)); S.I. 2017/43, reg. 2(g)

F55₄

Textual Amendments

F55 Sch. 1ZB paras. 2-16 omitted (1.3.2017) by virtue of [Bank of England and Financial Services Act 2016](#) (c. 14), s. 41(3), **Sch. 2 para. 50(4)** (with [Sch. 3](#)); S.I. 2017/43, reg. 2(g)

F55₅

Textual Amendments

F55 Sch. 1ZB paras. 2-16 omitted (1.3.2017) by virtue of [Bank of England and Financial Services Act 2016](#) (c. 14), s. 41(3), **Sch. 2 para. 50(4)** (with [Sch. 3](#)); S.I. 2017/43, reg. 2(g)

Appointed members of governing body

F55₆

Textual Amendments

F55 Sch. 1ZB paras. 2-16 omitted (1.3.2017) by virtue of [Bank of England and Financial Services Act 2016](#) (c. 14), s. 41(3), **Sch. 2 para. 50(4)** (with [Sch. 3](#)); S.I. 2017/43, reg. 2(g)

F55₇

Textual Amendments

F55 Sch. 1ZB paras. 2-16 omitted (1.3.2017) by virtue of [Bank of England and Financial Services Act 2016](#) (c. 14), s. 41(3), **Sch. 2 para. 50(4)** (with [Sch. 3](#)); S.I. 2017/43, reg. 2(g)

F55₈

Textual Amendments

F55 Sch. 1ZB paras. 2-16 omitted (1.3.2017) by virtue of [Bank of England and Financial Services Act 2016](#) (c. 14), s. 41(3), **Sch. 2 para. 50(4)** (with [Sch. 3](#)); S.I. 2017/43, reg. 2(g)

F55₉

Textual Amendments

F55 Sch. 1ZB paras. 2-16 omitted (1.3.2017) by virtue of [Bank of England and Financial Services Act 2016](#) (c. 14), s. 41(3), **Sch. 2 para. 50(4)** (with [Sch. 3](#)); S.I. 2017/43, reg. 2(g)

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F55¹⁰

Textual Amendments

F55 Sch. 1ZB paras. 2-16 omitted (1.3.2017) by virtue of [Bank of England and Financial Services Act 2016](#) (c. 14), s. 41(3), [Sch. 2 para. 50\(4\)](#) (with Sch. 3); S.I. 2017/43, reg. 2(g)

F55¹¹

Textual Amendments

F55 Sch. 1ZB paras. 2-16 omitted (1.3.2017) by virtue of [Bank of England and Financial Services Act 2016](#) (c. 14), s. 41(3), [Sch. 2 para. 50\(4\)](#) (with Sch. 3); S.I. 2017/43, reg. 2(g)

F55¹²

Textual Amendments

F55 Sch. 1ZB paras. 2-16 omitted (1.3.2017) by virtue of [Bank of England and Financial Services Act 2016](#) (c. 14), s. 41(3), [Sch. 2 para. 50\(4\)](#) (with Sch. 3); S.I. 2017/43, reg. 2(g)

F55¹³

Textual Amendments

F55 Sch. 1ZB paras. 2-16 omitted (1.3.2017) by virtue of [Bank of England and Financial Services Act 2016](#) (c. 14), s. 41(3), [Sch. 2 para. 50\(4\)](#) (with Sch. 3); S.I. 2017/43, reg. 2(g)

F55¹⁴

Textual Amendments

F55 Sch. 1ZB paras. 2-16 omitted (1.3.2017) by virtue of [Bank of England and Financial Services Act 2016](#) (c. 14), s. 41(3), [Sch. 2 para. 50\(4\)](#) (with Sch. 3); S.I. 2017/43, reg. 2(g)

Terms of service

F55¹⁵

Textual Amendments

F55 Sch. 1ZB paras. 2-16 omitted (1.3.2017) by virtue of [Bank of England and Financial Services Act 2016](#) (c. 14), s. 41(3), [Sch. 2 para. 50\(4\)](#) (with Sch. 3); S.I. 2017/43, reg. 2(g)

Arrangements for discharging functions

F55¹⁶

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Textual Amendments

F55 Sch. 1ZB paras. 2-16 omitted (1.3.2017) by virtue of [Bank of England and Financial Services Act 2016](#) (c. 14), s. 41(3), **Sch. 2 para. 50(4)** (with [Sch. 3](#)); S.I. 2017/43, reg. 2(g)

Records

- 17 The PRA must maintain satisfactory arrangements for—
- (a) recording decisions made in the exercise of its functions, and
 - (b) the safe-keeping of those records which it considers ought to be preserved.

Budget

^{F56}18

Textual Amendments

F56 Sch. 1ZB para. 18 omitted (1.3.2017) by virtue of [Bank of England and Financial Services Act 2016](#) (c. 14), s. 41(3), **Sch. 2 para. 50(4)** (with [Sch. 3](#)); S.I. 2017/43, reg. 2(g)

Annual report

- 19 (1) At least once a year the PRA must make a report to the [^{F57}Chancellor of the Exchequer] on—
- (a) the discharge of its functions,
 - (b) the extent to which, in its opinion, its objectives have been advanced,
[how it has complied with section 2H(1),]
 - ^{F58}(ba)
 - (c) its consideration of the principles in section 3B ^{F59}...,
 - (d) how it has complied with section 3D,
 - (e) any direction given under section 3I or 3J during the period to which the report relates,
 - (f) how it has complied with section 354B(1) so far as relating to co-operation with persons outside the United Kingdom, and
 - (g) such other matters as the Treasury may from time to time direct.

[In the report the PRA must also report in general terms on—

- ^{F60}(1A)
- (a) the extent to which, in its opinion, ring-fenced bodies have complied with the ring-fencing provisions,
 - (b) steps taken by ring-fenced bodies in order to comply with the ring-fencing provisions,
 - (c) steps taken by it to enforce the ring-fencing provisions,
 - (d) the extent to which ring-fenced bodies are carrying on the regulated activity of dealing in investments as principal (whether in the United Kingdom or elsewhere) in circumstances where as a result of an order under section 142D(2) that activity is not an excluded activity,

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- (e) the extent to which ring-fenced bodies are carrying on activities that would be excluded activities by virtue of an order under section 142D(4) but for an exemption or exclusion made by such an order,
 - (f) the extent to which ring-fenced bodies are doing things that they would be prohibited from doing by an order under section 142E but for an exemption made by such an order, and
 - (g) the extent to which ring-fenced bodies appear to it to have acted in accordance with any guidance which it has given to ring-fenced bodies and which relates to the operation of the ring-fencing provisions.
- (1B) In sub-paragraph (1A)—
- (a) references to “ring-fenced bodies” relate only to ring-fenced bodies that are PRA-authorized persons, and
 - (b) “the ring-fencing provisions” means ring-fencing rules and the duty imposed as a result of section 142G.]
- (2) [^{F61}Sub-paragraphs (1) and (1A) do not] require the inclusion in the report of any information whose publication would in the opinion of the PRA be against the public interest.
- (3) The report must be accompanied by—
- ^{F62}(a)
 - (b) such other reports or information, prepared by such persons, as the Treasury may from time to time direct.
- (4) The [^{F63}Chancellor of the Exchequer] must lay before Parliament a copy of each report received by [^{F64}the Chancellor] under this paragraph.
- [The Chancellor may comply with sub-paragraph (4) by laying a document containing ^{F65}(5) a report under this paragraph together with a report under section 4 of the Bank of England Act 1998.]

Textual Amendments

- F57** Words in Sch. 1ZB para. 19(1) substituted (1.3.2017) by [Bank of England and Financial Services Act 2016 \(c. 14\), s. 41\(3\), Sch. 2 para. 50\(5\)\(a\)](#) (with Sch. 3); S.I. 2017/43, reg. 2(g)
- F58** Sch. 1ZB para. 19(1)(ba) inserted (1.3.2014) by [Financial Services \(Banking Reform\) Act 2013 \(c. 33\), ss. 130\(3\)\(a\)\(i\)](#), 148(5); S.I. 2014/377, art. 2(1)(a), Sch. Pt. 1
- F59** Words in Sch. 1ZB para. 19(1)(c) omitted (1.3.2014) by virtue of [Financial Services \(Banking Reform\) Act 2013 \(c. 33\), ss. 130\(3\)\(a\)\(ii\)](#), 148(5); S.I. 2014/377, art. 2(1)(a), Sch. Pt. 1
- F60** Sch. 1ZB para. 19(1A)(1B) inserted (1.1.2019) by [Financial Services \(Banking Reform\) Act 2013 \(c. 33\), ss. 5\(2\)](#), 148(5); S.I. 2018/1306, art. 2(e)
- F61** Words in Sch. 1ZB para. 19(2) substituted (1.1.2019) by [Financial Services \(Banking Reform\) Act 2013 \(c. 33\), ss. 5\(3\)](#), 148(5); S.I. 2018/1306, art. 2(e)
- F62** Sch. 1ZB para. 19(3)(a) omitted (1.3.2017) by virtue of [Bank of England and Financial Services Act 2016 \(c. 14\), s. 41\(3\), Sch. 2 para. 50\(5\)\(b\)](#) (with Sch. 3); S.I. 2017/43, reg. 2(g)
- F63** Words in Sch. 1ZB para. 19(4) substituted (1.3.2017) by [Bank of England and Financial Services Act 2016 \(c. 14\), s. 41\(3\), Sch. 2 para. 50\(5\)\(c\)\(i\)](#) (with Sch. 3); S.I. 2017/43, reg. 2(g)
- F64** Words in Sch. 1ZB para. 19(4) substituted (1.3.2017) by [Bank of England and Financial Services Act 2016 \(c. 14\), s. 41\(3\), Sch. 2 para. 50\(5\)\(c\)\(ii\)](#) (with Sch. 3); S.I. 2017/43, reg. 2(g)
- F65** Sch. 1ZB para. 19(5) inserted (1.3.2017) by [Bank of England and Financial Services Act 2016 \(c. 14\), s. 41\(3\), Sch. 2 para. 50\(5\)\(d\)](#) (with Sch. 3); S.I. 2017/43, reg. 2(g)

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Modifications etc. (not altering text)

- C62** Sch. 1ZB para. 19 applied (14.11.2018) by [The Central Counterparties \(Amendment, etc., and Transitional Provision\) \(EU Exit\) Regulations 2018 \(S.I. 2018/1184\)](#), regs. 1(3), **25**
- C63** Sch. 1ZB para. 19 applied (with modifications) (30.9.2020) by [The Equivalence Determinations for Financial Services \(Amendment etc.\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1055\)](#), regs. 1(2), **6(1)(2)(6)**
- C64** Sch. 1ZB para. 19(1) applied (with modifications) (1.4.2013) by [The Financial Services Act 2012 \(Transitional Provisions\) \(Miscellaneous Provisions\) Order 2013 \(S.I. 2013/442\)](#), arts. 1(3), **4(2)**

Consultation about annual report

- 20 (1) In relation to each report made under paragraph 19, the PRA must publish at the same time as the report an invitation to members of the public to make representations to the PRA, within the 3 months beginning with the date of publication—
- (a) about the report,
 - (b) about the way in which the PRA has discharged, or failed to discharge, its functions during the period to which the report relates, and
 - (c) about the extent to which, in their opinion, the PRA's objectives have been advanced [^{F66}and the PRA has facilitated effective competition in accordance with section 2H and has considered the regulatory principles in section 3B] .
- (2) The invitation must be published in the way appearing to it to be best calculated to bring the invitation to the attention of the public.

Textual Amendments

- F66** Words in Sch. 1ZB para. 20(1)(c) substituted (1.3.2014) by [Financial Services \(Banking Reform\) Act 2013 \(c. 33\)](#), **ss. 130(3)(b)**, 148(5); S.I. 2014/377, art. 2(1)(a), Sch. Pt. 1

Report on consultation

- 21 (1) The PRA must publish a report about its consultation in accordance with paragraph 20.
- (2) The report must contain an account, in general terms, of any representations received in pursuance of the invitation published under that paragraph.
- (3) The report must be published not later than 4 months after the date on which the report under paragraph 19 was published.

Accounts and audit

^{F67}22

Textual Amendments

- F67** Sch. 1ZB paras. 22-26 omitted (1.3.2017) by virtue of [Bank of England and Financial Services Act 2016 \(c. 14\)](#), s. 41(3), **Sch. 2 para. 50(6)** (with Sch. 3); S.I. 2017/43, reg. 3(1) (with reg. 3(2)(3))

^{F67}23

Status: Point in time view as at 01/01/2022.

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Textual Amendments

F67 Sch. 1ZB paras. 22-26 omitted (1.3.2017) by virtue of [Bank of England and Financial Services Act 2016](#) (c. 14), s. 41(3), [Sch. 2 para. 50\(6\)](#) (with [Sch. 3](#)); S.I. 2017/43, reg. 3(1) (with reg. 3(2)(3))

PART 2

STATUS

Status

^{F67}24

Textual Amendments

F67 Sch. 1ZB paras. 22-26 omitted (1.3.2017) by virtue of [Bank of England and Financial Services Act 2016](#) (c. 14), s. 41(3), [Sch. 2 para. 50\(6\)](#) (with [Sch. 3](#)); S.I. 2017/43, reg. 3(1) (with reg. 3(2)(3))

Exemption from requirement for use of “limited” in name of PRA

^{F67}25

Textual Amendments

F67 Sch. 1ZB paras. 22-26 omitted (1.3.2017) by virtue of [Bank of England and Financial Services Act 2016](#) (c. 14), s. 41(3), [Sch. 2 para. 50\(6\)](#) (with [Sch. 3](#)); S.I. 2017/43, reg. 3(1) (with reg. 3(2)(3))

^{F67}26

Textual Amendments

F67 Sch. 1ZB paras. 22-26 omitted (1.3.2017) by virtue of [Bank of England and Financial Services Act 2016](#) (c. 14), s. 41(3), [Sch. 2 para. 50\(6\)](#) (with [Sch. 3](#)); S.I. 2017/43, reg. 3(1) (with reg. 3(2)(3))

PART 3

PENALTIES AND FEES

Penalties

27 In determining its policy with respect to the amounts of penalties to be imposed by it under this Act, the PRA must take no account of the expenses which it incurs, or expects to incur, in discharging its functions.

Status: Point in time view as at 01/01/2022.

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Modifications etc. (not altering text)

- C65** Sch. 1ZB paras. 27-31 applied (with modifications) (29.6.2017 for specified purposes, 3.7.2017 for specified purposes, 31.7.2017 for specified purposes, 3.1.2018 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Markets in Financial Instruments\) Regulations 2017 \(S.I. 2017/701\)](#), reg. 1(2)(3)(4)(6), [Sch. 1 para. 26](#) (with reg. 7)
- C66** Sch. 1ZB paras. 27-31 applied (with modifications) (1.1.2019) by [The Securitisation Regulations 2018 \(S.I. 2018/1288\)](#), reg. 1, [Sch. 1 para. 12](#) (with Sch. 1 paras. 13, 14)

- 28 (1) The PRA must in respect of each of its financial years pay to the Treasury its penalty receipts after deducting its enforcement costs.
- (2) The PRA's "penalty receipts" in respect of a financial year are any amounts received by it during the year by way of penalties imposed under this Act.
- (3) The PRA's "enforcement costs" in respect of a financial year are the expenses incurred by it during the year in connection with—
- the exercise, or consideration of the possible exercise, of any of its enforcement powers in particular cases, or
 - the recovery of penalties imposed under this Act.
- (4) For this purpose the PRA's enforcement powers are—
- its powers under any of the provisions mentioned in section 133(7A),
 - its powers under section 56 (prohibition orders),
 - its powers under Part 25 of this Act (injunctions and restitution),
 - its powers under any other enactment specified by the Treasury by order,
 - its powers in relation to the investigation of relevant offences, and
 - its powers in England and Wales or Northern Ireland in relation to the prosecution of relevant offences.
- (5) "Relevant offences" are—
- offences under FSMA 2000,
 - offences under subordinate legislation made under that Act, and
 - any other offences specified by the Treasury by order.
- (6) The Treasury may give directions to the PRA as to how the PRA is to comply with its duty under sub-paragraph (1).
- (7) The directions may in particular—
- specify descriptions of expenditure that are, or are not, to be regarded as incurred in connection with either of the matters mentioned in sub-paragraph (3),
 - relate to the calculation and timing of the deduction in respect of the PRA's enforcement costs, and
 - specify the time when any payment is required to be made to the Treasury.
- (8) The directions may also require the PRA to provide the Treasury at specified times with information relating to—
- penalties that the PRA has imposed under FSMA 2000, or
 - the PRA's enforcement costs.

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- (9) The Treasury must pay into the Consolidated Fund any sums received by them under this paragraph.

Modifications etc. (not altering text)

- C65** Sch. 1ZB paras. 27-31 applied (with modifications) (29.6.2017 for specified purposes, 3.7.2017 for specified purposes, 31.7.2017 for specified purposes, 3.1.2018 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Markets in Financial Instruments\) Regulations 2017 \(S.I. 2017/701\)](#), [reg. 1\(2\)\(3\)\(4\)\(6\)](#), [Sch. 1 para. 26](#) (with [reg. 7](#))
- C66** Sch. 1ZB paras. 27-31 applied (with modifications) (1.1.2019) by [The Securitisation Regulations 2018 \(S.I. 2018/1288\)](#), [reg. 1](#), [Sch. 1 para. 12](#) (with [Sch. 1 paras. 13, 14](#))

- 29 (1) The PRA must prepare and operate a scheme (“the financial penalty scheme”) for ensuring that the amounts that, as a result of the deduction for which paragraph 28(1) provides, are retained by the PRA in respect of amounts paid to it by way of penalties imposed under this Act are applied for the benefit of PRA-authorized persons.
- (2) The financial penalty scheme may, in particular, make different provision with respect to different classes of PRA-authorized person.
- (3) The financial penalty scheme must ensure that those who have become liable to pay a penalty to the PRA in any financial year of the PRA do not receive any benefit under the scheme in the following financial year.
- (4) Up-to-date details of the financial penalty scheme must be set out in a document (“the scheme details”).

Modifications etc. (not altering text)

- C65** Sch. 1ZB paras. 27-31 applied (with modifications) (29.6.2017 for specified purposes, 3.7.2017 for specified purposes, 31.7.2017 for specified purposes, 3.1.2018 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Markets in Financial Instruments\) Regulations 2017 \(S.I. 2017/701\)](#), [reg. 1\(2\)\(3\)\(4\)\(6\)](#), [Sch. 1 para. 26](#) (with [reg. 7](#))
- C66** Sch. 1ZB paras. 27-31 applied (with modifications) (1.1.2019) by [The Securitisation Regulations 2018 \(S.I. 2018/1288\)](#), [reg. 1](#), [Sch. 1 para. 12](#) (with [Sch. 1 paras. 13, 14](#))

- 30 (1) The scheme details must be published by the PRA in the way appearing to it to be best calculated to bring them to the attention of the public.
- (2) Before making the financial penalty scheme, the PRA must publish a draft of the proposed scheme in the way appearing to the PRA to be best calculated to bring it to the attention of the public.
- (3) The draft must be accompanied by notice that representations about the proposals may be made to the PRA within a specified time.
- (4) Before making the scheme, the PRA must have regard to any representations made to it in accordance with sub-paragraph (3).
- (5) If the PRA makes the proposed scheme, it must publish an account, in general terms, of—
- (a) the representations made to it in accordance with sub-paragraph (3), and
 - (b) its response to them.

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- (6) If the scheme differs from the draft published under sub-paragraph (2) in a way which is, in the opinion of the PRA, significant, the PRA must (in addition to complying with sub-paragraph (5)) publish details of the difference.
- (7) The PRA must, without delay, give the Treasury a copy of any scheme details published by it.
- (8) The PRA may charge a reasonable fee for providing a person with a copy of—
 - (a) a draft published under sub-paragraph (2);
 - (b) scheme details.
- (9) Sub-paragraphs (2) to (6) and (8)(a) also apply to a proposal to alter or replace the financial penalty scheme.

Modifications etc. (not altering text)

- C65** Sch. 1ZB paras. 27-31 applied (with modifications) (29.6.2017 for specified purposes, 3.7.2017 for specified purposes, 31.7.2017 for specified purposes, 3.1.2018 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Markets in Financial Instruments\) Regulations 2017 \(S.I. 2017/701\)](#), reg. 1(2)(3)(4)(6), [Sch. 1 para. 26](#) (with reg. 7)
- C66** Sch. 1ZB paras. 27-31 applied (with modifications) (1.1.2019) by [The Securitisation Regulations 2018 \(S.I. 2018/1288\)](#), reg. 1, [Sch. 1 para. 12](#) (with Sch. 1 paras. 13, 14)

Fees

- 31 (1) The PRA may make rules providing for the payment to it of such fees, in connection with the discharge of any of its qualifying functions, as it considers will (taking account of its expected income from fees and charges provided for by any other provision of this Act) enable it—
- (a) to meet expenses incurred in carrying out its functions or for any incidental purpose,
 - (b) to repay the principal of, and pay any interest on, any relevant borrowing and to meet relevant commencement expenses, and
 - (c) to maintain adequate reserves.
- (2) The “qualifying functions” of the PRA are—
- (a) its functions under or as a result of this Act or any of the ^{F68}other enactments] mentioned in section ^{F69}2AB(3)], and
 - (b) its functions under or as a result of a ^{F70}qualifying provision] that is specified, or of a description specified, for the purposes of this sub-paragraph by the Treasury by order.
- (3) In sub-paragraph (1)(b)—
- “relevant borrowing” means any money borrowed by the PRA which has been used for the purpose of meeting expenses incurred in relation to its assumption of functions under this Act, and
- “relevant commencement expenses” means expenses incurred by the PRA, the FCA or the Bank—
- (a) in preparation for the exercise of functions by the PRA under this Act,
- or

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- (b) for the purpose of facilitating the exercise by the PRA of those functions or otherwise in connection with their exercise by it.
- (4) Neither section [F71 2AB(3)(d)] nor the definition of “functions” in paragraph 1 applies for the purposes of sub-paragraph (2).
- (5) For the purposes of sub-paragraph (3) it is irrelevant when the borrowing of the money, the incurring of the expenses or the assumption of functions took place (and, in particular, it is irrelevant if expenses were incurred by the FCA at a time when it was known as the Financial Services Authority).
- (6) In fixing the amount of any fee which is to be payable to the PRA, no account is to be taken of any sums which the PRA receives, or expects to receive, by way of penalties imposed by it under this Act.
- (7) Any fee which is owed to the PRA under any provision made by or under this Act may be recovered as a debt due to the PRA.

Textual Amendments

- F68** Words in Sch. 1ZB para. 31(2)(a) substituted (26.10.2018) by [The Financial Regulators Powers \(Technical Standards etc.\) \(Amendment etc.\) \(EU Exit\) Regulations 2018](#) (S.I. 2018/1115), regs. 1(2), **7(10)**
- F69** Word in Sch. 1ZB para. 31(2) substituted (1.3.2017) by [Bank of England and Financial Services Act 2016](#) (c. 14), s. 41(3), **Sch. 2 para. 50(7)(a)** (with Sch. 3); S.I. 2017/43, reg. 2(g)
- F70** Words in Sch. 1ZB para. 31(2)(b) substituted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019](#) (S.I. 2019/632), regs. 1(3), **94**; 2020 c. 1, Sch. 5 para. 1(1)
- F71** Word in Sch. 1ZB para. 31(4) substituted (1.3.2017) by [Bank of England and Financial Services Act 2016](#) (c. 14), s. 41(3), **Sch. 2 para. 50(7)(b)** (with Sch. 3); S.I. 2017/43, reg. 2(g)

Modifications etc. (not altering text)

- C65** Sch. 1ZB paras. 27-31 applied (with modifications) (29.6.2017 for specified purposes, 3.7.2017 for specified purposes, 31.7.2017 for specified purposes, 3.1.2018 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Markets in Financial Instruments\) Regulations 2017](#) (S.I. 2017/701), reg. 1(2)(3)(4)(6), **Sch. 1 para. 26** (with reg. 7)
- C66** Sch. 1ZB paras. 27-31 applied (with modifications) (1.1.2019) by [The Securitisation Regulations 2018](#) (S.I. 2018/1288), reg. 1, **Sch. 1 para. 12** (with Sch. 1 paras. 13, 14)

Services for which fees may not be charged

- 32 The power conferred by paragraph 31 may not be used to require—
- ^{F72}(a)
- (b) a fee to be paid by any person whose application for approval under section 59 has been granted.

Textual Amendments

- F72** Sch. 1ZB para. 32(a) omitted (31.12.2020) by virtue of [The EEA Passport Rights \(Amendment, etc., and Transitional Provisions\) \(EU Exit\) Regulations 2018](#) (S.I. 2018/1149), reg. 1(3), **Sch. para. 22** (with reg. 4); 2020 c. 1, Sch. 5 para. 1(1)

Status: Point in time view as at 01/01/2022.

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PART 4

MISCELLANEOUS

Exemption from liability in damages

- 33 (1) None of the following is to be liable in damages for anything done or omitted in the discharge, or purported discharge, of the PRA's functions—
- (a) the PRA;
 - (b) any person (“P”) who is, or is acting as, a member, officer or member of staff of the PRA;
 - (c) any person who could be held vicariously liable for things done or omitted by P, but only in so far as the liability relates to P's conduct.
- [In sub-paragraph (1) the reference to the PRA's functions includes its functions under ^{F73}(1A) Part 5 of the Financial Services (Banking Reform) Act 2013 (regulation of payment systems).]
- (2) Anything done or omitted by a person mentioned in sub-paragraph (1)(a) or (b) while acting, or purporting to act, as a result of an appointment under any of sections 97, 166 to 169 and 284 is to be taken for the purposes of sub-paragraph (1) to have been done or omitted in the discharge, or as the case may be purported discharge, of the PRA's functions.
- (3) Sub-paragraph (1) does not apply—
- (a) if the act or omission is shown to have been in bad faith, or
 - (b) so as to prevent an award of damages made in respect of an act or omission on the ground that the act or omission was unlawful as a result of section 6(1) of the Human Rights Act 1998.

Textual Amendments

F73 Sch. 1ZB para. 33(1A) inserted (1.3.2014) by [Financial Services \(Banking Reform\) Act 2013 \(c. 33\), ss. 109\(2\), 148\(5\); S.I. 2014/377, art. 2\(1\)\(a\), Sch. Pt. 1](#)

Modifications etc. (not altering text)

C67 Sch. 1ZB para. 33 applied (with modifications) (29.6.2017 for specified purposes, 3.7.2017 for specified purposes, 31.7.2017 for specified purposes, 3.1.2018 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Markets in Financial Instruments\) Regulations 2017 \(S.I. 2017/701\), reg. 1\(2\)\(3\)\(4\)\(6\), Sch. 1 para. 26 \(with reg. 7\)](#)

C68 Sch. 1ZB para. 33 modified by S.I. 2018/1149, reg. 65 (as inserted (1.3.2019) by [The Financial Services Contracts \(Transitional and Saving Provision\) \(EU Exit\) Regulations 2019 \(S.I. 2019/405\), regs. 1\(2\), 3](#))

Accredited financial investigators

- 34 For the purposes of this Act anything done by an accredited financial investigator within the meaning of the Proceeds of Crime Act 2002 who—
- (a) is, or is acting as, an officer of, or member of the staff of, the PRA, or
 - (b) is appointed by the PRA under section 167 or 168 to conduct an investigation,
- is to be treated as done in the exercise or discharge of a function of the PRA.

Status: Point in time view as at 01/01/2022.

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Amounts required by rules to be paid to the PRA

- 35 Any amount (other than a fee) which is required by rules to be paid to the PRA may be recovered as a debt due to the PRA.]

F74 SCHEDULE 1A

Section 3S

Textual Amendments

- F74** Sch. 1A omitted (6.4.2021) by virtue of [Financial Guidance and Claims Act 2018 \(c. 10\)](#), s. 37(5), [Sch. 3 para. 22](#); S.I. 2021/433, reg. 2(b)(iv)

SCHEDULE 2

Section 22(2).

REGULATED ACTIVITIES

Modifications etc. (not altering text)

- C69** Sch. 2 applied by [1974 c. 39, s. 16\(6E\)\(c\)](#) (as inserted (1.9.2002) by [S.I. 2001/544](#), [arts. 2\(1\)\(2\)\(b\)](#), [90\(2\)](#); [S.I. 2001/3538](#), [art. 2\(1\)](#))
- C70** Sch. 2 applied by [S.I. 2008/570](#), Sch. para. 11(2) (as substituted (26.7.2013 for specified purposes, 1.4.2014 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) \(No. 2\) Order 2013 \(S.I. 2013/1881\)](#), art. 1(2)(6), [Sch. para. 35](#))
- C71** Sch. 2 applied by [S.I. 2012/2079](#) reg. 2(1A) (as inserted (26.7.2013 for specified purposes, 1.4.2014 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) \(No. 2\) Order 2013 \(S.I. 2013/1881\)](#), art. 1(2)(6), [Sch. para. 44\(a\)\(ii\)](#))
- C72** Sch. 2 applied by [S.I. 2001/497](#), reg. 113(6) (as inserted (26.7.2013 for specified purposes, 1.4.2014 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) \(No. 2\) Order 2013 \(S.I. 2013/1881\)](#), art. 1(2)(6), [Sch. para. 23\(b\)](#))
- C73** Sch. 2 applied by [S.S.I. 2011/141](#), Sch. 4 para. 1(2) (as substituted (26.7.2013 for specified purposes, 1.4.2014 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) \(No. 2\) Order 2013 \(S.I. 2013/1881\)](#), art. 1(2)(6), [Sch. para. 43\(a\)](#))
- C74** Sch. 2 applied by [S.I. 2001/341](#), reg. 114(6) (as inserted (26.7.2013 for specified purposes, 1.4.2014 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) \(No. 2\) Order 2013 \(S.I. 2013/1881\)](#), art. 1(2)(6), [Sch. para. 22\(b\)](#))
- C75** Sch. 2 applied by [S.I. 2004/400](#), reg. 5(7) (as inserted (26.7.2013 for specified purposes, 1.4.2014 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) \(No. 2\) Order 2013 \(S.I. 2013/1881\)](#), art. 1(2)(6), [Sch. para. 25\(b\)](#))
- C76** Sch. 2 applied by [S.I. 2008/1741](#), reg. 112(5) (as inserted (26.7.2013 for specified purposes, 1.4.2014 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) \(No. 2\) Order 2013 \(S.I. 2013/1881\)](#), art. 1(2)(6), [Sch. para. 37\(b\)](#))
- C77** Sch. 2 applied by [S.I. 2007/2157](#), reg. 23(6) (as inserted (26.7.2013 for specified purposes, 1.4.2014 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) \(No. 2\) Order 2013 \(S.I. 2013/1881\)](#), art. 1(2)(6), [Sch. para. 31\(5\)\(b\)](#))

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- C78** Sch. 2 applied by 2003 c. 1, s. 554O(6) (as inserted (26.7.2013 for specified purposes, 1.4.2014 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) \(No. 2\) Order 2013 \(S.I. 2013/1881\)](#), art. 1(2)(6), **Sch. para. 9(c)**)
- C79** Sch. 2 applied by S.I. 2013/380, Sch. 6 para. 11(9) (as inserted (26.7.2013 for specified purposes, 1.4.2014 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) \(No.2\) Order 2013 \(S.I. 2013/1881\)](#), art. 1(2)(6), **Sch. para. 45(b)**)
- C80** Sch. 2 applied by S.I. 2008/700, Sch. para. 12(2) (as substituted (26.7.2013 for specified purposes, 1.4.2014 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) \(No. 2\) Order 2013 \(S.I. 2013/1881\)](#), art. 1(2)(6), **Sch. para. 36**)
- C81** Sch. 2 applied by 2007 c. 3, s. 564B(1A) (as inserted (26.7.2013 for specified purposes, 1.4.2014 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) \(No. 2\) Order 2013 \(S.I. 2013/1881\)](#), art. 1(2)(6), **Sch. para. 12(b)**)
- C82** Sch. 2 applied by 2009 c. 4, s. 502(1A) (as inserted (26.7.2013 for specified purposes, 1.4.2014 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) \(No. 2\) Order 2013 \(S.I. 2013/1881\)](#), art. 1(2)(6), **Sch. para. 16(b)**)
- C83** Sch. 2 applied (16.8.2013) by [The Democratic People's Republic of Korea \(European Union Financial Sanctions\) Regulations 2013 \(S.I. 2013/1877\)](#), regs. 1(1), **2(2)(c)** (with reg. 21)
- C84** Sch. 2 applied (8.8.2018) by [The Republic of Maldives \(Asset-Freezing\) Regulations 2018 \(S.I. 2018/861\)](#), regs. 1(1), **2(2)(c)** (with reg. 17)
- C85** Sch. 2 applied (31.12.2020) by [The Syria \(Sanctions\) \(EU Exit\) Regulations 2019 \(S.I. 2019/792\)](#), regs. 1(3), **23(2)**, 55(8), 70(4); 2020 c. 1, Sch. 5 para. 1(1)
- C86** Sch. 2 applied (31.12.2020) by [The Russia \(Sanctions\) \(EU Exit\) Regulations 2019 \(S.I. 2019/855\)](#), regs. 1(2), **58(8)**, 71(4); 2020 c. 1, Sch. 5 para. 1(1)

PART I

[^{F75}REGULATED ACTIVITIES: GENERAL]

Textual Amendments

- F75** Sch. 2 Pt. 1 heading substituted (12.3.2009) by [Dormant Bank and Building Society Accounts Act 2008 \(c. 31\)](#), ss. 15, 31(1), **Sch. 2 para. 1(2)**; S.I. 2009/490, **art. 2** (with art. 3)

General

- 1 The matters with respect to which provision may be made under section 22(1) in respect of activities include, in particular, those described in general terms in this Part of this Schedule.

Dealing in investments

- 2 (1) Buying, selling, subscribing for or underwriting investments or offering or agreeing to do so, either as a principal or as an agent.
- (2) In the case of an investment which is a contract of insurance, that includes carrying out the contract.

Arranging deals in investments

- 3 Making, or offering or agreeing to make—

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- (a) arrangements with a view to another person buying, selling, subscribing for or underwriting a particular investment;
- (b) arrangements with a view to a person who participates in the arrangements buying, selling, subscribing for or underwriting investments.

Deposit taking

- 4 Accepting deposits.

Safekeeping and administration of assets

- 5 (1) Safeguarding and administering assets belonging to another which consist of or include investments or offering or agreeing to do so.
- (2) Arranging for the safeguarding and administration of assets belonging to another, or offering or agreeing to do so.

Managing investments

- 6 Managing, or offering or agreeing to manage, assets belonging to another person where—
- (a) the assets consist of or include investments; or
 - (b) the arrangements for their management are such that the assets may consist of or include investments at the discretion of the person managing or offering or agreeing to manage them.

Investment advice

- 7 Giving or offering or agreeing to give advice to persons on—
- (a) buying, selling, subscribing for or underwriting an investment; or
 - (b) exercising any right conferred by an investment to acquire, dispose of, underwrite or convert an investment.

Establishing collective investment schemes

- 8 Establishing, operating or winding up a collective investment scheme, including acting as—
- (a) trustee of a unit trust scheme;
 - (b) depositary of a collective investment scheme other than a unit trust scheme; or
 - (c) sole director of a body incorporated by virtue of regulations under section 262.

Using computer-based systems for giving investment instructions

- 9 (1) Sending on behalf of another person instructions relating to an investment by means of a computer-based system which enables investments to be transferred without a written instrument.
- (2) Offering or agreeing to send such instructions by such means on behalf of another person.

Status: Point in time view as at 01/01/2022.

Changes to legislation: Financial Services and Markets Act 2000 is up to date with all changes known to be in force on or before 19 August 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)

- (3) Causing such instructions to be sent by such means on behalf of another person.
- (4) Offering or agreeing to cause such instructions to be sent by such means on behalf of another person.

[^{F76}PART 1A

REGULATED ACTIVITIES: RECLAIM FUNDS

Textual Amendments

F76 Sch. 2 Pt. 1A inserted (12.3.2009) by [Dormant Bank and Building Society Accounts Act 2008 \(c. 31\)](#), ss. 15, 31(1), [Sch. 2 para. 1\(3\)](#); S.I. 2009/490, [art. 2](#) (with [art. 3](#))

Activities of reclaim funds

- 9A (1) The matters with respect to which provision may be made under section 22(1) in respect of activities include, in particular, any of the activities of a reclaim fund.
- (2) “Reclaim fund” has the meaning given by section 5(1) of the Dormant Bank and Building Society Accounts Act 2008.]

PART II

INVESTMENTS

General

- 10 The matters with respect to which provision may be made under section 22(1) in respect of investments include, in particular, those described in general terms in this Part of this Schedule.

Securities

- 11 (1) Shares or stock in the share capital of a company.
- (2) “Company” includes—
 - (a) any body corporate (wherever incorporated), and
 - (b) any unincorporated body constituted under the law of a country or territory outside the United Kingdom,other than an open-ended investment company.

Instruments creating or acknowledging indebtedness

- 12 Any of the following—
 - (a) debentures;
 - (b) debenture stock;
 - (c) loan stock;
 - (d) bonds;

Status: Point in time view as at 01/01/2022.

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- (e) certificates of deposit;
- (f) any other instruments creating or acknowledging a present or future indebtedness.

Modifications etc. (not altering text)

C87 Sch. 2 para. 12(f) extended (24.6.2003) by [The Uncertificated Securities \(Amendment\) \(Eligible Debt Securities\) Regulations 2003 \(S.I. 2003/1633\)](#), regs. 1(1), 15, **Sch. 2 para. 8(2)(h)**

Government and public securities

- 13 (1) Loan stock, bonds and other instruments—
- (a) creating or acknowledging indebtedness; and
 - (b) issued by or on behalf of a government, local authority or public authority.
- (2) “Government, local authority or public authority” means—
- (a) the government of the United Kingdom, of Northern Ireland, or of any country or territory outside the United Kingdom;
 - (b) a local authority in the United Kingdom or elsewhere;
 - (c) any international organisation the members of which include the United Kingdom ^{F77}

Textual Amendments

F77 Words in Sch. 2 para. 13(2)(c) omitted (31.12.2020) by virtue of [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **95**; 2020 c. 1, Sch. 5 para. 1(1)

Instruments giving entitlement to investments

- 14 (1) Warrants or other instruments entitling the holder to subscribe for any investment.
- (2) It is immaterial whether the investment is in existence or identifiable.

Certificates representing securities

- 15 Certificates or other instruments which confer contractual or property rights—
- (a) in respect of any investment held by someone other than the person on whom the rights are conferred by the certificate or other instrument; and
 - (b) the transfer of which may be effected without requiring the consent of that person.

Units in collective investment schemes

- 16 (1) Shares in or securities of an open-ended investment company.
- (2) Any right to participate in a collective investment scheme.

Status: Point in time view as at 01/01/2022.

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Options

- 17 Options to acquire or dispose of property.

Futures

- 18 Rights under a contract for the sale of a commodity or property of any other description under which delivery is to be made at a future date.

Contracts for differences

- 19 Rights under—
- (a) a contract for differences; or
 - (b) any other contract the purpose or pretended purpose of which is to secure a profit or avoid a loss by reference to fluctuations in—
 - (i) the value or price of property of any description; or
 - (ii) an index or other factor designated for that purpose in the contract.

Contracts of insurance

- 20 Rights under a contract of insurance, including rights under contracts falling within head C of Schedule 2 to the ^{M1}Friendly Societies Act 1992.

Marginal Citations

M1 1992 c. 40.

Participation in Lloyd's syndicates

- 21 (1) The underwriting capacity of a Lloyd's syndicate.
(2) A person's membership (or prospective membership) of a Lloyd's syndicate.

Deposits

- 22 Rights under any contract under which a sum of money (whether or not denominated in a currency) is paid on terms under which it will be repaid, with or without interest or a premium, and either on demand or at a time or in circumstances agreed by or on behalf of the person making the payment and the person receiving it.

[^{F78}Loans and other forms of credit]

Textual Amendments

F78 Sch. 2 para. 23 and crossheading substituted (24.1.2013) by [Financial Services Act 2012 \(c. 21\), ss. 7\(3\), 122\(3\)](#) (with [Sch. 20](#)); [S.I. 2013/113, art. 2\(1\)\(a\)](#), [Sch. Pt. 1](#)

- [^{F78}23 (1) Rights under any contract under which one person provides another with credit.
(2) "Credit" includes any cash loan or other financial accommodation.
(3) "Cash" includes money in any form.

Status: Point in time view as at 01/01/2022.

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- (4) It is immaterial for the purposes of sub-paragraph (1) whether or not the obligation of the borrower is secured on property of any kind.]

[^{F79}Other finance arrangements involving land

Textual Amendments

F79 Sch. 2 para. 23A inserted (19.2.2006) by [Regulation of Financial Services \(Land Transactions\) Act 2005 \(c. 24\), ss. 1, 2\(2\)](#)

- 23A (1) Rights under any arrangement for the provision of finance under which the person providing the finance either—
- (a) acquires a major interest in land from the person to whom the finance is provided, or
 - (b) disposes of a major interest in land to that person, as part of the arrangement.
- (2) References in sub-paragraph (1) to a “major interest” in land are to—
- (a) in relation to land in England or Wales—
 - (i) an estate in fee simple absolute, or
 - (ii) a term of years absolute, whether subsisting at law or in equity;
 - (b) in relation to land in Scotland—
 - (i) the interest of an owner of land, or
 - (ii) the tenant's right over or interest in a property subject to a lease;
 - (c) in relation to land in Northern Ireland—
 - (i) any freehold estate, or
 - (ii) any leasehold estate, whether subsisting at law or in equity.
- (3) It is immaterial for the purposes of sub-paragraph (1) whether either party acquires or (as the case may be) disposes of the interest in land—
- (a) directly, or
 - (b) indirectly.]

[^{F80}Contracts for hire of goods

Textual Amendments

F80 Sch. 2 para. 23B and crossheading inserted (24.1.2013) by [Financial Services Act 2012 \(c. 21\), ss. 7\(4\), 122\(3\)](#) (with [Sch. 20](#)); [S.I. 2013/113, art. 2\(1\)\(a\)](#), [Sch. Pt. 1](#)

- 23B (1) Rights under a contract for the bailment or (in Scotland) hiring of goods to a person other than a body corporate.
- (2) “Goods” has the meaning given in section 61(1) of the Sale of Goods Act 1979.
- (3) It is immaterial for the purposes of sub-paragraph (1) whether the rights of the person to whom the goods are bailed or hired have been assigned to a body corporate.]

Status: Point in time view as at 01/01/2022.

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Rights in investments

- 24 Any right or interest in anything which is an investment as a result of any other provision made under section 22(1).

[^{F81}PART 2A

REGULATED ACTIVITIES RELATING TO INFORMATION ABOUT PERSONS' FINANCIAL STANDING

Textual Amendments

- F81** Sch. 2 Pts. 2A, 2B inserted (24.1.2013) by [Financial Services Act 2012 \(c. 21\), ss. 7\(5\), 122\(3\)](#) (with [Sch. 20](#)); [S.I. 2013/113, art. 2\(1\)\(a\)](#), [Sch. Pt. 1](#)

General

- 24A The matters with respect to which provision may be made under section 22(1A)(a) include, in particular, those described in general terms in this Part of this Schedule.

Providing credit reference services

- 24B Furnishing persons with information that—
- (a) is relevant to the financial standing of persons other than bodies corporate, and
 - (b) is collected for that purpose by the person furnishing it.

Providing credit information services

- 24C (1) Taking steps on behalf of a person other than a body corporate in connection with information relevant to that person's financial standing that is or may be held by a [^{F82}person who is carrying on a regulated activity].

^{F83}(2)

Textual Amendments

- F82** Words in Sch. 2 para. 24C(1) substituted (26.7.2013 for specified purposes, 1.4.2014 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) \(No. 2\) Order 2013 \(S.I. 2013/1881\), arts. 1\(2\)\(6\), 10\(17\)\(a\)](#)
- F83** Sch. 2 para. 24C(2) omitted (26.7.2013 for specified purposes, 1.4.2014 in so far as not already in force) by virtue of [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) \(No. 2\) Order 2013 \(S.I. 2013/1881\), arts. 1\(2\)\(6\), 10\(17\)\(b\)](#)

- 24D Giving advice to a person other than a body corporate in relation to the taking of any steps of the kind mentioned in paragraph 24C(1).]

Status: Point in time view as at 01/01/2022.

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Textual Amendments

- F82** Words in Sch. 2 para. 24C(1) substituted (26.7.2013 for specified purposes, 1.4.2014 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) \(No. 2\) Order 2013 \(S.I. 2013/1881\)](#), arts. 1(2)(6), **10(17)(a)**
- F83** Sch. 2 para. 24C(2) omitted (26.7.2013 for specified purposes, 1.4.2014 in so far as not already in force) by virtue of [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) \(No. 2\) Order 2013 \(S.I. 2013/1881\)](#), arts. 1(2)(6), **10(17)(b)**

^{F84}PART 2B

REGULATED ACTIVITIES RELATING TO THE SETTING OF BENCHMARKS

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Textual Amendments

- F84** Sch. 2 Pt. 2B omitted (1.5.2020) by virtue of [The Financial Services and Markets Act 2000 \(Benchmarks\) Regulations 2018 \(S.I. 2018/135\)](#), regs. 1(2)(b), **50**

PART III

SUPPLEMENTAL PROVISIONS

The order-making power

- 25 (1) An order under section 22(1) [^{F85}[^{F86}or (1A)]] [^{F85}to (1B)] may—
- (a) provide for exemptions;
 - (b) confer powers on the Treasury or [^{F87}either regulator];
 - (c) authorise the making of regulations or other instruments by the Treasury for purposes of, or connected with, any relevant provision;
 - (d) authorise the making of rules or other instruments by [^{F87}either regulator] for purposes of, or connected with, any relevant provision;
 - (e) make provision in respect of any information or document which, in the opinion of the Treasury or [^{F87}either regulator], is relevant for purposes of, or connected with, any relevant provision;
 - (f) make such consequential, transitional or supplemental provision as the Treasury consider appropriate for purposes of, or connected with, any relevant provision [^{F88}, including provision which applies (with or without modification) provision in this Act or other primary or subordinate legislation that relates to investment activity or financial services to a regulated activity that does not relate to investment activity or financial services].
- (2) Provision made as a result of sub-paragraph (1)(f) may amend any primary or subordinate legislation, including any provision of, or made under, this Act.
- (3) “Relevant provision” means any provision—

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- (a) of section 22 or this Schedule; or
- (b) made under that section or this Schedule.

Textual Amendments

- F85** Words in Sch. 2 para. 25(1) substituted (E.W.S.) (6.10.2018) by [Financial Guidance and Claims Act 2018 \(c. 10\), ss. 27\(13\)\(a\)\(i\), 37\(5\)](#); S.I. 2018/1045, reg. 2(a)
- F86** Words in Sch. 2 para. 25(1) inserted (24.1.2013) by [Financial Services Act 2012 \(c. 21\), ss. 8\(2\)\(a\), 122\(3\)](#) (with [Sch. 20](#)); S.I. 2013/113, art. 2(1)(a), Sch. Pt. 1
- F87** Words in Sch. 2 para. 25(1) substituted (24.1.2013) by [Financial Services Act 2012 \(c. 21\), ss. 8\(2\)\(b\), 122\(3\)](#) (with [Sch. 20](#)); S.I. 2013/113, art. 2(1)(a), Sch. Pt. 1
- F88** Words in Sch. 2 para. 25(1)(f) inserted (E.W.S.) (6.10.2018) by [Financial Guidance and Claims Act 2018 \(c. 10\), ss. 27\(13\)\(a\)\(ii\), 37\(5\)](#); S.I. 2018/1045, reg. 2(a)

[^{F89}Parliamentary control]

Textual Amendments

- F89** Sch. 2 para. 26 and crossheading substituted (24.1.2013) by [Financial Services Act 2012 \(c. 21\), ss. 8\(3\), 122\(3\)](#) (with [Sch. 20](#)); S.I. 2013/113, art. 2(1)(a), Sch. Pt. 1

- [^{F89}26 (1) This paragraph applies to any order made under section 22(1) [^{F90}or (1A)] [^{F90}to (1B)] which contains a statement by the Treasury that, in their opinion, the effect (or one of the effects) of the proposed order would be that an activity which is not a regulated activity would become a regulated activity.
- (2) No order to which this paragraph applies may be made unless—
 - (a) a draft of the order has been laid before Parliament and approved by a resolution of each House, or
 - (b) sub-paragraph (4) applies.
 - (3) Sub-paragraph (4) applies if an order to which this paragraph applies also contains a statement that the Treasury are of the opinion that, by reason of urgency, it is necessary to make the order without a draft being so laid and approved.
 - (4) Where this sub-paragraph applies the order—
 - (a) must be laid before Parliament after being made, and
 - (b) ceases to have effect at the end of the relevant period unless before the end of that period the order is approved by a resolution of each House of Parliament (but without that affecting anything done under the order or the power to make a new order).
 - (5) The “relevant period” is a period of 28 days beginning with the day on which the order is made.
 - (6) In calculating the relevant period no account is to be taken of any time during which Parliament is dissolved or prorogued or during which both Houses are adjourned for more than 4 days.]

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Textual Amendments

F90 Words in Sch. 2 para. 26(1) substituted (E.W.S.) (6.10.2018) by [Financial Guidance and Claims Act 2018](#) (c. 10), [ss. 27\(13\)\(b\)](#), 37(5); S.I. 2018/1045, [reg. 2\(a\)](#)

Interpretation

- 27 (1) In this Schedule—
- “buying” includes acquiring for valuable consideration;
 - “offering” includes inviting to treat;
 - “property” includes currency of the United Kingdom or any other country or territory; and
 - “selling” includes disposing for valuable consideration.
- (2) In sub-paragraph (1) “disposing” includes—
- (a) in the case of an investment consisting of rights under a contract—
 - (i) surrendering, assigning or converting those rights; or
 - (ii) assuming the corresponding liabilities under the contract;
 - (b) in the case of an investment consisting of rights under other arrangements, assuming the corresponding liabilities under the contract or arrangements;
 - (c) in the case of any other investment, issuing or creating the investment or granting the rights or interests of which it consists.
- (3) In this Schedule references to an instrument include references to any record (whether or not in the form of a document).

SCHEDULE 3

Sections 31(1)(b) and 37.

EEA PASSPORT RIGHTS

Modifications etc. (not altering text)

C88 Sch. 3 extended (with modifications) (1.12.2001) by [S.I. 2001/2636](#), [arts. 1\(2\)\(b\)](#), 25-27; [S.I. 2001/3538](#), [art. 2\(1\)](#)

Sch. 3 extended (with modifications) (Gibraltar) (5.10.2001 for specified purposes, 1.12.2001 in so far as not already in force) by [S.I. 2001/3084](#), [arts. 1\(1\)](#), [2-4](#) (as amended (16.6.2014) by [The Alternative Investment Fund Managers Order 2014](#) (S.I. 2014/1292), [arts. 1\(2\)](#), [3](#) (which amending S.I. is itself amended by [S.I. 2014/1313](#), [arts. 1](#), [2\(a\)](#)); and as amended (31.12.2020) by [S.I. 2019/589](#), [regs. 1\(3\)](#), [5-9](#) (with [reg. 12](#)) (as amended by [S.I. 2020/1274](#), [regs. 1](#), [2](#)); [S.I. 2001/3538](#), [art. 2\(1\)](#)

Sch. 3 modified (1.12.2001) by [S.I. 2001/3592](#), [arts. 1\(2\)](#), 114(3)(b), 128(3)(b) (with [art. 23\(2\)](#))

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PART I

DEFINED TERMS

The single market directives

- 1 “The single market directives” means—
- ^{F91}(a) the ^{F92}capital requirements directive];
 - ^{F93}(c) the Solvency 2 Directive;]
 - ^{F94}(ca)
 - (d) the ^{F95}markets in financial instruments directive]]^{F96, F97}
 - (e) [^{F98}the insurance distribution directive]]^{F99, F100}
 - (f) the UCITS directive]]^{F101, F102}
 - (g) the alternative investment fund managers directive]]^{F103}; and
 - (h) the mortgages directive.]

Textual Amendments

- F91** Sch. 3 para. 1(a) substituted (22.11.2000) for Sch. 3 para. 1(a)(b) by S.I. 2000/2952, **reg. 8(5)(a)**
- F92** Words in Sch. 3 para. 1(a) substituted (1.1.2014) by [The Capital Requirements Regulations 2013](#) (S.I. 2013/3115), **reg. 1(2)**, **Sch. 2 para. 29(2)**
- F93** Sch. 3 para. 1(c) substituted (1.1.2016) by [The Solvency 2 Regulations 2015](#) (S.I. 2015/575), **reg. 1(2)**, **Sch. 1 para. 17(2)(a)**
- F94** Sch. 3 para. 1(ca) omitted (1.1.2016) by virtue of [The Solvency 2 Regulations 2015](#) (S.I. 2015/575), **reg. 1(2)**, **Sch. 1 para. 17(2)(b)**
- F95** Words in Sch. 3 para. 1(d) substituted (1.4.2007 for certain purposes, otherwise 1.11.2007) by [The Financial Services and Markets Act 2000 \(Markets in Financial Instruments\) Regulations 2007](#) (S.I. 2007/126), **regs. 1(2), 3(4)**, **Sch. 4 para. 2**
- F96** Sch. 3 para. 1(e) and preceding word inserted (14.1.2005) by [The Insurance Mediation Directive \(Miscellaneous Amendments\) Regulations 2003](#) (S.I. 2004/1473), **reg. 2(2)(a)(ii)**
- F97** Word in Sch. 3 para. 1(d) omitted (13.2.2004) by virtue of [The Collective Investment Schemes \(Miscellaneous Amendments\) Regulations 2003](#) (S.I. 2003/2066), **reg. 2(2)(a)(i)**
- F98** Words in Sch. 3 para. 1(e) substituted (1.10.2018) by [The Insurance Distribution \(Regulated Activities and Miscellaneous Amendments\) Order 2018](#) (S.I. 2018/546), **arts. 1(2), 17(2)**
- F99** Sch. 3 para. 1(f) and preceding word inserted (13.2.2004) after Sch. 3 para. 1(e) by [The Collective Investment Schemes \(Miscellaneous Amendments\) Regulations 2003](#) (S.I. 2003/2066), **reg. 2(2)(a)(i)**
- F100** Word in Sch. 3 para. 1(e) omitted (22.7.2013) by virtue of [The Alternative Investment Fund Managers Regulations 2013](#) (S.I. 2013/1773), **reg. 1**, **Sch. 1 para. 34(2)**
- F101** Sch. 3 para. 1(g) and word inserted (22.7.2013) by [The Alternative Investment Fund Managers Regulations 2013](#) (S.I. 2013/1773), **reg. 1**, **Sch. 1 para. 34(2)**
- F102** Word in Sch. 3 para. 1(f) omitted (20.4.2015 for specified purposes, 21.12.2015 for specified purposes, 21.3.2016 in so far as not already in force) by virtue of [The Mortgage Credit Directive Order 2015](#) (S.I. 2015/910), **art. 1(5)**, **Sch. 1 para. 1(10)(a)(i)** (with Pt. 4)
- F103** Sch. 3 para. 1(h) and word inserted (20.4.2015 for specified purposes, 21.12.2015 for specified purposes, 21.3.2016 in so far as not already in force) by [The Mortgage Credit Directive Order 2015](#) (S.I. 2015/910), **art. 1(5)**, **Sch. 1 para. 1(10)(a)(ii)** (with Pt. 4)

Commencement Information

- II** Sch. 3 Pt. I para. 1 wholly in force at 1.12.2001; Sch. 3 Pt. I para. 1 not in force at Royal Assent see s. 431(2); Sch. 3 Pt. I para. 1 in force for certain purposes at 25.2.2001 by S.I. 2001/516, **art. 2(b)(c)**, **Sch.**

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Pts. 2, 3; Sch. 3 Pt. I para. 1 in force for specified purposes at 18.6.2001 by S.I. 2001/1820, art. 2, Sch.; Sch. 3 Pt. I para. 1 in force in so far as not already in force at 1.12.2001 by S.I. 2001/3538, art. 2(1)

The banking co-ordination directives

F104 2

Textual Amendments

F104 Sch. 3 para. 2 omitted (1.1.2014) by virtue of [The Capital Requirements Regulations 2013](#) (S.I. 2013/3115), reg. 1(2), [Sch. 2 para. 29\(3\)](#)

[^{F105}The Solvency 2 Directive

Textual Amendments

F105 Sch. 3 para. 3 and cross-heading substituted (1.1.2016) by [The Solvency 2 Regulations 2015](#) (S.I. 2015/575), reg. 1(2), [Sch. 1 para. 17\(3\)](#)

3 “The Solvency 2 Directive” means [Directive 2009/138/EC](#) of the European Parliament and of the Council of 25 November 2009 on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II).]

[^{F106}The reinsurance directive]

Textual Amendments

F106 Sch. 3 para. 3A and cross-heading inserted (10.12.2007) by [The Reinsurance Directive Regulations 2007](#) (S.I. 2007/3253), reg. 2(1), [Sch. 1 para. 6\(b\)](#)

F107 3A

Textual Amendments

F107 Sch. 3 para. 3A omitted (1.1.2016) by virtue of [The Solvency 2 Regulations 2015](#) (S.I. 2015/575), reg. 1(2), [Sch. 1 para. 17\(4\)](#)

The investment services directive

4 F108

Textual Amendments

F108 Sch. 3 para. 4 repealed (1.4.2007 for certain purposes and 1.11.2007 otherwise) by [The Financial Services and Markets Act 2000 \(Markets in Financial Instruments\) Regulations 2007](#) (S.I. 2007/126), regs. 1(2), 3(4), [Sch. 4 para. 3](#)

Status: Point in time view as at 01/01/2022.

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[^{F109}The insurance distribution directive

Textual Amendments

F109 Sch. 3 para. 4A and cross-heading substituted (1.10.2018) by [The Insurance Distribution \(Regulated Activities and Miscellaneous Amendments\) Order 2018 \(S.I. 2018/546\)](#), arts. 1(2), **17(3)**

4A “The insurance distribution directive” means Directive (EU) 2016/97 of the European Parliament and of the Council of 20 January 2016 on insurance distribution (recast) as amended by Directive (EU) 2018/411 of the European Parliament and of the Council of 14 March 2018].

[^{F110}The UCITS directive

Textual Amendments

F110 Sch. 3 para. 4B and cross-heading inserted (13.2.2004) by [The Collective Investment Schemes \(Miscellaneous Amendments\) Regulations 2003 \(S.I. 2003/2066\)](#), **reg. 2(2)(b)**

[^{F111}4B “The UCITS directive ” means the Directive of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (No [2009/65/EC](#)) [^{F112}, as amended by [Directive 2014/91/EU](#) of the European Parliament and of the Council of 23rd July 2014].]

Textual Amendments

F111 Sch. 3 para. 4B substituted (1.7.2011) by [The Undertakings for Collective Investment in Transferable Securities Regulations 2011 \(S.I. 2011/1613\)](#), **reg. 2(33)(a)**

F112 Words in Sch. 3 para. 4B inserted (18.3.2016) by [The Undertakings for Collective Investment in Transferable Securities Regulations 2016 \(S.I. 2016/225\)](#), regs. 1, **2(9)**

[^{F113}The markets in financial instruments directive]

Textual Amendments

F113 Sch. 3 para. 4C and preceding cross-heading inserted (6.12.2006) by [The Financial Services and Markets Act 2000 \(Markets in Financial Instruments\) \(Modification of Powers\) Regulations 2006 \(S.I. 2006/2975\)](#), **reg. 13**

[^{F114}4C “The markets in financial instruments directive” means [Directive 2014/65/EU](#) of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments.]

Textual Amendments

F114 Sch. 3 para. 4C substituted (29.6.2017 for specified purposes, 3.7.2017 for specified purposes, 31.7.2017 for specified purposes, 3.1.2018 in so far as not already in force) by [The Financial Services and Markets](#)

Status: Point in time view as at 01/01/2022.

Changes to legislation: Financial Services and Markets Act 2000 is up to date with all changes known to be in force on or before 19 August 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)

Act 2000 (Markets in Financial Instruments) Regulations 2017 (S.I. 2017/701), reg. 1(2)(3)(4)(6), **Sch. 2 para. 54(2)** (with reg. 7)

The emission allowance auctioning regulation

- [^{F115}4D. “The emission allowance auctioning regulation” means Commission Regulation (EU) No 1031/2010 of 12 November 2010 on the timing, administration and other aspects of auctioning of greenhouse gas emission allowances pursuant to Directive 2003/87/EC of the European Parliament and of the Council of 13 October 2003 establishing a scheme for greenhouse gas emission allowance trading within the Community.]

Textual Amendments

F115 Sch. 3 para. 4D inserted (20.7.2012) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) Order 2012 \(S.I. 2012/1906\)](#), arts. 1, **4(2)**

[^{F116}The alternative investment fund managers directive

Textual Amendments

F116 Sch. 3 para. 4E and cross-heading inserted (22.7.2013) by [The Alternative Investment Fund Managers Regulations 2013 \(S.I. 2013/1773\)](#), reg. 1, **Sch. 1 para. 34(3)**

- 4E. “The alternative investment fund managers directive” means Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers.]

[^{F117}The mortgages directive

Textual Amendments

F117 Sch. 3 para. 4F and cross-heading inserted (20.4.2015 for specified purposes, 21.12.2015 for specified purposes, 21.3.2016 in so far as not already in force) by [The Mortgage Credit Directive Order 2015 \(S.I. 2015/910\)](#), art. 1(5), **Sch. 1 para. 1(10)(b)** (with Pt. 4)

- 4F. “The mortgages directive” means Directive 2014/17/EU of the European Parliament and of the Council of 4th February 2014 on credit agreements for consumers relating to residential immovable property and amending Directives 2008/48/EC and 2013/36/EU and Regulation (EU) No 1093/2010.]

EEA firm

- 5 “EEA firm” means any of the following if it does not have its [^{F118}relevant office] in the United Kingdom—
- (a) an investment firm (as defined in [^{F119}Article 4.1.1 of the markets in financial instruments directive]) which is authorised (within the meaning of [^{F120}Article 5]) by its home state regulator;

Status: Point in time view as at 01/01/2022.

Changes to legislation: Financial Services and Markets Act 2000 is up to date with all changes known to be in force on or before 19 August 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)

- [^{F121}(b) a credit institution (as defined in Article 4(1)(1) of the capital requirements regulation) which is authorised (within the meaning of Article 8 of the capital requirements directive) by its home state regulator;]
- [^{F122}(c) a financial institution (as defined in Article 4(1)(26) of the capital requirements regulation) which is a subsidiary of the kind mentioned in Article 34 of the capital requirements directive and which fulfils the conditions of that Article;]
- [^{F123}(d) an undertaking pursuing the activity of direct insurance (within the meaning of Article 2 of the Solvency 2 Directive) which has received authorisation under Article 14 of that directive from its home state regulator;
- (da) an undertaking pursuing the activity of reinsurance (within the meaning of Article 2 of the Solvency 2 Directive) as a reinsurance undertaking which has received authorisation under Article 14 of that directive from its home state regulator;]
- [^{F124}(e) an insurance intermediary (as defined in Article 2.1(3) of the insurance distribution directive), an ancillary insurance intermediary (as defined in Article 2.1(4) of that directive) or a reinsurance intermediary (as defined in Article 2.1(5) of that directive), which is registered with its home state regulator under Article 3 of that directive;]
- [^{F125}(f) a management company (as defined in paragraph 11B) which is authorised (within the meaning of Article 6 of the UCITS directive) by its home state regulator][^{F126, F127} ...
- (g) a person who has received authorisation under Article 18.2 of the emission allowance auctioning regulation][^{F128, F129} ...
- (h) an AIFM (as defined in Article 4.1(b) of the alternative investment fund managers directive) which is authorised (in accordance with [^{F130}Article 6.1 of] that directive) by its home state regulator][^{F131}; or
- (i) a mortgage intermediary which is admitted (in accordance with Article 29(1) of the mortgages directive) by its home state regulator to carry out all or part of the credit intermediation activities set out in Article 4(5) of that directive or to provide advisory services (as defined in Article 4(21) of that directive).]

Textual Amendments

- F118** Words in Sch. 3 para. 5 substituted (14.1.2005) by [The Insurance Mediation Directive \(Miscellaneous Amendments\) Regulations 2003 \(S.I. 2003/1473\)](#). {reg. 2(c)(i)}
- F119** Words in Sch. 3 para. 5(a) substituted (1.4.2007 for certain purposes, otherwise 1.11.2007) by [The Financial Services and Markets Act 2000 \(Markets in Financial Instruments\) Regulations 2007 \(S.I. 2007/126\)](#), regs. 1(2), 3(4), **Sch. 4 para. 4(a)**
- F120** Words in Sch. 3 para. 5(a) substituted (1.4.2007 for certain purposes, otherwise 1.11.2007) by [The Financial Services and Markets Act 2000 \(Markets in Financial Instruments\) Regulations 2007 \(S.I. 2007/126\)](#), regs. 1(2), 3(4), **Sch. 4 para. 4(b)**
- F121** Sch. 3 para. 5(b) substituted (1.1.2014) by [The Capital Requirements Regulations 2013 \(S.I. 2013/3115\)](#), reg. 1(2), **Sch. 2 para. 29(4)**
- F122** Sch. 3 para. 5(c) substituted (1.1.2014) by [The Capital Requirements Regulations 2013 \(S.I. 2013/3115\)](#), reg. 1(2), **Sch. 2 para. 29(5)**
- F123** Sch. 3 para. 5(d)(da) substituted for Sch. 3 para. 5(d)(da) (1.1.2016) by [The Solvency 2 Regulations 2015 \(S.I. 2015/575\)](#), reg. 1(2), **Sch. 1 para. 17(5)**

Status: Point in time view as at 01/01/2022.

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- F124** Sch. 3 para. 5(e) substituted (1.10.2018) by [The Insurance Distribution \(Regulated Activities and Miscellaneous Amendments\) Order 2018 \(S.I. 2018/546\)](#), arts. 1(2), **17(4)**
- F125** Sch. 3 para. 5(f) substituted (1.7.2011) by [The Undertakings for Collective Investment in Transferable Securities Regulations 2011 \(S.I. 2011/1613\)](#), **reg. 2(33)(b)**
- F126** Sch. 3 para. 5(g) and preceding word inserted (20.7.2012) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) Order 2012 \(S.I. 2012/1906\)](#), arts. 1, **4(3)(b)**
- F127** Word in Sch. 3 para. 5(f) omitted (22.7.2013) by virtue of [The Alternative Investment Fund Managers Regulations 2013 \(S.I. 2013/1773\)](#), **reg. 1, Sch. 1 para. 34(4)**
- F128** Sch. 3 para. 5(h) and word inserted (22.7.2013) by [The Alternative Investment Fund Managers Regulations 2013 \(S.I. 2013/1773\)](#), **reg. 1, Sch. 1 para. 34(4)**
- F129** Word in Sch. 3 para. 5(g) omitted (20.4.2015 for specified purposes, 21.12.2015 for specified purposes, 21.3.2016 in so far as not already in force) by virtue of [The Mortgage Credit Directive Order 2015 \(S.I. 2015/910\)](#), art. 1(5), **Sch. 1 para. 1(10)(c)(i)** (with Pt. 4)
- F130** Words in Sch. 3 para. 5(h) omitted (coming into force in accordance with reg. 1(3) of the amending S.I.) by [The Alternative Investment Fund Managers \(Amendment\) Regulations 2013 \(S.I. 2013/1797\)](#), **reg. 1(3), Sch. 1 para. 1(5)(a)**
- F131** Sch. 3 para. 5(i) and word inserted (20.4.2015 for specified purposes, 21.12.2015 for specified purposes, 21.3.2016 in so far as not already in force) by [The Mortgage Credit Directive Order 2015 \(S.I. 2015/910\)](#), art. 1(5), **Sch. 1 para. 1(10)(c)(ii)** (with Pt. 4)

Commencement Information

- I2** Sch. 3 Pt. I para. 5 wholly in force at 1.12.2001; Sch. 3 Pt. I para. 5 not in force at Royal Assent see s. 431(2); Sch. 3 Pt. I para. 5 in force for certain purposes at 25.2.2001 by [S.I. 2001/516](#), art. 2(b)(c), **Sch. Pts. 2, 3**; Sch. 3 Pt. I para. 5 in force for specified purposes at 18.6.2001 by [S.I. 2001/1820](#), **art. 2 Sch.**; Sch. 3 Pt. I para. 5 in force in so far as not already in force at 1.12.2001 by [S.I. 2001/3538](#), **art. 2(1)**

- [^{F132}5A In paragraph 5, “relevant office” means—
- (a) in relation to a firm falling within sub-paragraph (e) [^{F133}or (i)] of that paragraph which has a registered office, its registered office;
- [in relation to a firm falling within sub-paragraph (h) of that paragraph, its
- ^{F134}(aa) registered office;]
- (b) in relation to any other firm, its head office.]

Textual Amendments

- F132** Sch. 3 para. 5A inserted (14.1.2005) by [The Insurance Mediation Directive \(Miscellaneous Amendments\) Regulations 2003 \(S.I. 2003/1473\)](#), **reg. 2(2)(d)**
- F133** Words in Sch. 3 para. 5A(a) inserted (20.4.2015 for specified purposes, 21.12.2015 for specified purposes, 21.3.2016 in so far as not already in force) by [The Mortgage Credit Directive Order 2015 \(S.I. 2015/910\)](#), art. 1(5), **Sch. 1 para. 1(10)(d)** (with Pt. 4)
- F134** Sch. 3 para. 5A(aa) inserted (22.7.2013) by [The Alternative Investment Fund Managers Regulations 2013 \(S.I. 2013/1773\)](#), **reg. 1, Sch. 1 para. 34(5)**

EEA authorisation

^{F135} 6

Status: Point in time view as at 01/01/2022.

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Textual Amendments

- F135** Sch. 3 para. 6 omitted (31.12.2020) by virtue of [The Financial Services \(Miscellaneous\) \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/710\)](#), regs. 1(3), **3(3)** (with regs. 36, 37, Sch.); 2020 c. 1, Sch. 5 para. 1(1)

EEA right

- 7 “EEA right” means the entitlement of a person to establish a branch, or provide services, in an EEA State other than that in which he has his ^{F136}relevant office]—
- (a) in accordance with the Treaty as applied in the EEA; and
 - (b) subject to the conditions of the relevant single market directive ^{F137}or, as the case may be, the emission allowance auctioning regulation].

Textual Amendments

- F136** Words in Sch. 3 para. 7 substituted (14.1.2005) by [The Insurance Mediation Directive \(Miscellaneous Amendments\) Regulations 2003 \(S.I. 2003/1473\)](#), **reg. 2(2)(f)**
- F137** Words in Sch. 3 para. 7(b) inserted (20.7.2012) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) Order 2012 \(S.I. 2012/1906\)](#), arts. 1, **4(4)**

Commencement Information

- I3** Sch. 3 Pt. I para. 7 wholly in force at 1.12.2001; Sch. 3 Pt. I para. 7 not in force at Royal Assent see s. 431(2); Sch. 3 Pt. I para. 7 in force for certain purposes at 25.2.2001 by [S.I. 2001/516](#), art. 2(b)(c), [Sch. Pts. 2, 3](#); Sch. 3 Pt. I para. 7 in force for specified purposes at 18.6.2001 by [S.I. 2001/1820](#), art. 2, [Sch.](#); Sch. 3 Pt. I para. 7 in force in so far as not already in force at 1.12.2001 by [S.I. 2001/3538](#), **art. 2(1)**

- ^{F138}7A In paragraph 7, “relevant office” means—
- (a) in relation to a person who has a registered office and whose entitlement is subject to the conditions of the ^{F139}insurance distribution directive]^{F140}or the mortgages directive], his registered office;
 - ^{F141}(aa) [
 - ^{F142}(aa) [in relation to a person whose entitlement derives from the alternative investment fund managers directive—
 - (i) if the person’s registered office is in an EEA State, its registered office;
 - (ii) if the person’s registered office is not in an EEA State, the registered office or branch of its legal representative (as defined in Article 4(1)(u) of the alternative investment fund managers directive);]
 - (b) in relation to any other person, his head office.]

Textual Amendments

- F138** Sch. 3 para. 7A inserted (14.1.2005) by [The Insurance Mediation Directive \(Miscellaneous Amendments\) Regulations 2003 \(S.I. 2003/1473\)](#), **reg. 2(2)(g)**
- F139** Words in Sch. 3 para. 7A(a) substituted (1.10.2018) by [The Insurance Distribution \(Regulated Activities and Miscellaneous Amendments\) Order 2018 \(S.I. 2018/546\)](#), arts. 1(2), **17(6)**

Status: Point in time view as at 01/01/2022.

Changes to legislation: Financial Services and Markets Act 2000 is up to date with all changes known to be in force on or before 19 August 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)

- F140** Words in Sch. 3 para. 7A(a) inserted (20.4.2015 for specified purposes, 21.12.2015 for specified purposes, 21.3.2016 in so far as not already in force) by [The Mortgage Credit Directive Order 2015 \(S.I. 2015/910\)](#), art. 1(5), **Sch. 1 para. 1(10)(e)** (with Pt. 4)
- F141** Sch. 3 para. 7A(aa) inserted (22.7.2013) by [The Alternative Investment Fund Managers Regulations 2013 \(S.I. 2013/1773\)](#), reg. 1, **Sch. 1 para. 34(6)**
- F142** Sch. 3 para. 7AA(aa) substituted (coming into force in accordance with reg. 1(3) of the amending S.I.) by [The Alternative Investment Fund Managers \(Amendment\) Regulations 2013 \(S.I. 2013/1797\)](#), reg. 1(3), **Sch. 1 para. 1(5)(b)** (as amended by S.I. 2019/328, regs. 1(3), **20(2)(d)** (as amended by S.I. 2019/325, reg. 58))

EEA State

[^{F143}8 “EEA State ” has the meaning given by Schedule 1 to the Interpretation Act 1978.]

Textual Amendments

- F143** Sch. 3 para. 8 substituted (13.2.2007) by [The Financial Services \(EEA State\) Regulations 2007 \(S.I. 2007/108\)](#), reg. 2

Commencement Information

- I4** Sch. 3 Pt. I para. 8 wholly in force at 1.12.2001; Sch. 3 Pt. I para. 8 not in force at Royal Assent see s. 431(2); Sch. 3 Pt. I para. 8 in force for certain purposes at 25.2.2001 by S.I. 2001/516, art. 2(b)(c), **Sch. Pts. 2, 3**; Sch. 3 Pt. I para. 8 in force for specified purposes at 18.6.2001 by S.I. 2001/1820, art. 2, **Sch.**; Sch. 3 Pt. I para. 8 in force in so far as not already in force at 1.12.2001 by S.I. 2001/3538, **art. 2(1)**

Home state regulator

9 “Home state regulator” means the competent authority (within the meaning of the relevant single market directive [^{F144}or, as the case may be, the emission allowance auctioning regulation]) of an EEA State (other than the United Kingdom) in relation to the EEA firm concerned.

Textual Amendments

- F144** Words in Sch. 3 para. 9 inserted (20.7.2012) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) Order 2012 \(S.I. 2012/1906\)](#), arts. 1, **4(4)**

Commencement Information

- I5** Sch. 3 Pt. I para. 9 wholly in force at 1.12.2001; Sch. 3 Pt. I para. 9 not in force at Royal Assent see s. 431(2); Sch. 3 Pt. I para. 9 in force for certain purposes at 25.2.2001 by S.I. 2001/516, art. 2(b)(c), **Sch. Pts. 2, 3**; Sch. 3 Pt. I para. 9 in force for specified purposes at 18.6.2001 by S.I. 2001/1820, art. 2, **Sch.**; Sch. 3 Pt. I para. 9 in force in so far as not already in force at 1.12.2001 by S.I. 2001/3538, **art. 2(1)**

UK firm

10 “UK firm” means a person whose [^{F145}relevant office] is in the UK and who has an EEA right to carry on activity in an EEA State other than the United Kingdom.

Status: Point in time view as at 01/01/2022.

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Textual Amendments

F145 Words in Sch. 3 para. 10 substituted (14.1.2005) by [The Insurance Mediation Directive \(Miscellaneous Amendments\) Regulations 2003 \(S.I. 2003/1473\)](#), **reg. 2(2)(h)**

Commencement Information

I6 Sch. 3 Pt. I para. 10 wholly in force at 1.12.2001; Sch. 3 Pt. I para. 10 not in force at Royal Assent see s. 431(2); Sch. 3 Pt. I para. 10 in force for certain purposes at 25.2.2001 by [S.I. 2001/516](#), **art. 2(b)(c)**, **Sch. Pts. 2, 3** Sch. 3 Pt. I para. 10 in force for specified purposes at 18.6.2001 by [S.I. 2001/1820](#), **art. 2 Sch.**; Sch. 3 para. 10 in force in so far as not already in force at 1.12.2001 by [S.I. 2001/3538](#), **art. 2(1)**

[^{F146}10A In paragraph 10, “relevant office” means—

(a) in relation to a firm whose EEA right derives from the [^{F147}insurance distribution directive] and which has a registered office, its registered office;

[^{F149}(aa) in relation to a firm whose EEA right derives from the alternative investment fund managers directive—

(i) if the firm’s registered office is in an EEA State, its registered office;

(ii) if the firm’s registered office is not in an EEA State, the registered office or branch of its legal representative (as defined in Article 4(1)(u) of the alternative investment fund managers directive);]

(b) in relation to any other firm, its head office.]

Textual Amendments

F146 Sch. 3 para. 10A inserted (14.1.2005) by [The Insurance Mediation Directive \(Miscellaneous Amendments\) Regulations 2003 \(S.I. 2003/1473\)](#), **reg. 2(2)(i)**

F147 Words in Sch. 3 para. 10A(a) substituted (1.10.2018) by [The Insurance Distribution \(Regulated Activities and Miscellaneous Amendments\) Order 2018 \(S.I. 2018/546\)](#), arts. 1(2), **17(7)**

F148 Sch. 3 para. 10A(aa) inserted (22.7.2013) by [The Alternative Investment Fund Managers Regulations 2013 \(S.I. 2013/1773\)](#), **reg. 1, Sch. 1 para. 34(7)**

F149 Sch. 3 para. 10A(aa) substituted (coming into force in accordance with reg. 1(3) of the amending S.I.) by [The Alternative Investment Fund Managers \(Amendment\) Regulations 2013 \(S.I. 2013/1797\)](#), reg. 1(3), Sch. 1 para. 1(5)(c)

[^{F150}UK investment firm

Textual Amendments

F150 Sch. 3 para. 10B inserted (1.4.2007 for certain purposes, otherwise 1.11.2007) by [The Financial Services and Markets Act 2000 \(Markets in Financial Instruments\) Regulations 2007 \(S.I. 2007/126\)](#), regs. 1(2), 3(4), **Sch. 4 para. 5**

10B “UK investment firm” means a UK firm—

(a) which is an investment firm, and

(b) whose EEA right derives from the markets in financial instruments directive.]

Status: Point in time view as at 01/01/2022.

Changes to legislation: Financial Services and Markets Act 2000 is up to date with all changes known to be in force on or before 19 August 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)

Host state regulator

11 “Host state regulator” means the competent authority (within the meaning of the relevant single market directive [^{F151}or, as the case may be, the emission allowance auctioning regulation]) of an EEA State (other than the United Kingdom) in relation to a UK firm’s exercise of EEA rights there.

Textual Amendments
F151 Words in Sch. 3 para. 11 inserted (20.7.2012) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) Order 2012 \(S.I. 2012/1906\)](#), arts. 1, **4(4)**

Commencement Information
I7 Sch. 3 Pt. I para. 11 wholly in force at 1.12.2001; Sch. 3 Pt. I para. 11 not in force at Royal Assent see s. 431(2); Sch. 3 Pt. I para. 11 in force for certain purposes (25.2.2001) by [S.I. 2001/516](#), **art. 2 Sch. Pts. 2, 3**; Sch. 3 Pt. I para. 11 in force for specified purposes (18.6.2001) by [S.I. 2001/1820](#), **art. 2 Sch.**; Sch. 3 Pt. I para. 11 in force in so far as not already in force at 1.12.2001 by [S.I. 2001/3538](#), **art. 2(1)**

[^{F152}Tied agent

Textual Amendments
F152 Sch. 3 para. 11A inserted (1.4.2007 for certain purposes, otherwise 1.11.2007) by [The Financial Services and Markets Act 2000 \(Markets in Financial Instruments\) Regulations 2007 \(S.I. 2007/126\)](#), regs. 1(2), 3(4), **Sch. 4 para. 6**

11A ”Tied agent” has the meaning given in Article [^{F153}4.1.29] of the markets in financial instruments directive.]

Textual Amendments
F153 Word in Sch. 3 para. 11A substituted (29.6.2017 for specified purposes, 3.7.2017 for specified purposes, 31.7.2017 for specified purposes, 3.1.2018 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Markets in Financial Instruments\) Regulations 2017 \(S.I. 2017/701\)](#), reg. 1(2)(3)(4)(6), **Sch. 2 para. 54(3)** (with reg. 7)

[^{F154}Management company

Textual Amendments
F154 Sch. 3 paras. 11B, 11C inserted (1.7.2011) by [The Undertakings for Collective Investment in Transferable Securities Regulations 2011 \(S.I. 2011/1613\)](#), **reg. 2(33)(c)**

11B “Management company” has the meaning given in Article 2.1(b) of the UCITS directive.

UCITS]

^{F155}11C

Status: Point in time view as at 01/01/2022.

Changes to legislation: Financial Services and Markets Act 2000 is up to date with all changes known to be in force on or before 19 August 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)

Textual Amendments

F155 Sch. 3 para. 11C omitted (28.6.2018 for specified purposes, 21.7.2018 in so far as not already in force) by virtue of [The Money Market Funds Regulations 2018 \(S.I. 2018/698\)](#), regs. 1(2), **2(19)**

[^{F156}EEAAIFM]

Textual Amendments

F156 Sch. 3 para. 11D and cross-heading inserted (22.7.2013) by [The Alternative Investment Fund Managers Regulations 2013 \(S.I. 2013/1773\)](#), reg. 1, **Sch. 1 para. 34(8)**

^{F157}11D.

Textual Amendments

F157 Sch. 3 para. 11D omitted (31.12.2020) by virtue of [The Financial Services \(Miscellaneous\) \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/710\)](#), regs. 1(3), **3(3)** (with regs. 36, 37, Sch.); 2020 c. 1, Sch. 5 para. 1(1)

^{F158}**PART II**

EXERCISE OF PASSPORT RIGHTS BY EEA FIRMS

Textual Amendments

F158 Sch. 3 Pt. 2 omitted (31.12.2020) by virtue of [The EEA Passport Rights \(Amendment, etc., and Transitional Provisions\) \(EU Exit\) Regulations 2018 \(S.I. 2018/1149\)](#), regs. 1(3), **2(5)(a)** (with reg. 4); 2020 c. 1, **Sch. 5 para. 1(1)**

^{F159}**PART III**

EXERCISE OF PASSPORT RIGHTS BY UK FIRMS

Textual Amendments

F159 Sch. 3 Pt. 3 omitted (31.12.2020) by virtue of [The EEA Passport Rights \(Amendment, etc., and Transitional Provisions\) \(EU Exit\) Regulations 2018 \(S.I. 2018/1149\)](#), regs. 1(3), **2(5)(b)** (with reg. 4); 2020 c. 1, **Sch. 5 para. 1(1)**

Status: Point in time view as at 01/01/2022.

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^{F160}SCHEDULE 4

Section 31(1)(c).

Textual Amendments

F160 Sch. 4 omitted (31.12.2020) by virtue of [The EEA Passport Rights \(Amendment, etc., and Transitional Provisions\) \(EU Exit\) Regulations 2018](#) (S.I. 2018/1149), regs. 1(3), **2(6)** (with reg. 4); 2020 c. 1, Sch. 5 para. 1(1)

SCHEDULE 5

Section 36.

PERSONS CONCERNED IN COLLECTIVE INVESTMENT SCHEMES

Authorisation

1 ^{F161}(1)

^{F161}(2)

(3) An authorised open-ended investment company is an authorised person.

[^{F162}(4) A body—

(a) incorporated by virtue of regulations made under section 1 of the Open-Ended Investment Companies Act (Northern Ireland) 2002 in respect of which an authorisation order is in force, and

[^{F163}(b) which is a UCITS as defined in section 236A,]
is an authorised person.

(5) “Authorisation order” means an order made under (or having effect as made under) any provision of those regulations which is made by virtue of section 1(2)(1) of that Act (provision corresponding to Chapter 3 of Part 17 of the Act).]

Textual Amendments

F161 Sch. 5 para. 1(1)(2) omitted (31.12.2020) by virtue of [The Collective Investment Schemes \(Amendment etc.\) \(EU Exit\) Regulations 2019](#) (S.I. 2019/325), regs. 1(2), **32(2)(a)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)

F162 Sch. 5 para. 1(4)(5) inserted (13.2.2004) by [The Collective Investment Schemes \(Miscellaneous Amendments\) Regulations 2003](#) (S.I. 2003/2066), **reg 10(a)**

F163 Sch. 5 para. 1(4)(b) substituted (31.12.2020) by [The Collective Investment Schemes \(Amendment etc.\) \(EU Exit\) Regulations 2019](#) (S.I. 2019/325), regs. 1(2), **32(2)(b)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)

Permission

2 ^{F164}(1)

Status: Point in time view as at 01/01/2022.

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- (2) A person authorised as a result of paragraph 1(3) [^{F165}or (4)] has permission to carry on, so far as it is a regulated activity [^{F166}other than the activity of managing an AIF]—
- (a) the operation of the scheme;
 - (b) any activity in connection with, or for the purposes of, the operation of the scheme.

Textual Amendments

- F164** Sch. 5 para. 2(1) omitted (31.12.2020) by virtue of [The Collective Investment Schemes \(Amendment etc.\) \(EU Exit\) Regulations 2019 \(S.I. 2019/325\)](#), regs. 1(2), **32(3)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F165** Words in Sch. 5 para. 2(2) inserted (13.2.2004) by [The Collective Investment Schemes \(Miscellaneous Amendments\) Regulations 2003 \(S.I. 2003/2066\)](#), **reg 10(b)**
- F166** Words in Sch. 5 para. 2(2) inserted (22.7.2013) by [The Alternative Investment Fund Managers Regulations 2013 \(S.I. 2013/1773\)](#), reg. 1, **Sch. 1 para. 35**

SCHEDULE 6

[^{F167}Section 55B]

THRESHOLD CONDITIONS

Textual Amendments

- F167** Words in Sch. 6 substituted (1.4.2013) by [The Financial Services and Markets Act 2000 \(Threshold Conditions\) Order 2013 \(S.I. 2013/555\)](#), arts. 1, **2(1)**

Modifications etc. (not altering text)

- C89** Sch. 6 modified (3.9.2001) by [S.I. 2001/2507](#), arts. **1(1)**, 3(1); [S.I. 2001/2632](#), art. 2(2), **Sch. Pt. 2**

[^{F168}PART 1

INTRODUCTION

Textual Amendments

- F168** Sch. 6 Pts. 1-1G substituted for Sch. 6 Pts. 1, 2 (1.4.2013) by [The Financial Services and Markets Act 2000 \(Threshold Conditions\) Order 2013 \(S.I. 2013/555\)](#), arts. 1, **2(2)**

1A. (1) In this Schedule—

- “assets” includes contingent assets;
- “consolidated supervision” has the same meaning as in section 3M;
- “consumers” has the meaning given in section 425A;
- “financial crime” is to be read with section 1H(3);
- “functions”, in relation to the FCA or the PRA, means functions conferred on that regulator by or under this Act;
- [^{F169}“implementing provisions” has the same meaning as in section 3M;]

Status: Point in time view as at 01/01/2022.

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- “liabilities” includes contingent liabilities;
- “relevant directives” has the same meaning as in section 3M;
- [^{F170}“relevant implementing provisions” means—
- ((a) any implementing provision contained in subordinate legislation (within the meaning of the Interpretation Act 1978) made otherwise than by any of the following—
- (i) statutory instrument, and
- (ii) statutory rule for the purposes of the Statutory Rules (Northern Ireland) Order 1979 (S.I. 1979/1573 (N.I. 12)); or
- ((b) any other implementing provision (as amended from time to time));]
- “Society” means the society incorporated by Lloyd’s Act 1871 by the name of Lloyd’s;
- “subsidiary undertaking” includes all the instances mentioned in Article 1(1) and (2) of the Seventh Company Law Directive in which an entity may be a subsidiary of an undertaking.
- (2) For the purposes of this Schedule, the “non-financial resources” of a person include any systems, controls, plans or policies that the person maintains, any information that the person holds and the human resources that the person has available.
- (3) In this Schedule, References to “integrity” of the UK financial system are to be read in accordance section 1D(2).
- (4) References to the failure of a person are to be read in accordance with section 2J(3) and (4).

Textual Amendments

- F169** Words in Sch. 6 para. 1A(1) inserted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **97(2)**; 2020 c. 1, Sch. 5 para. 1(1)
- F170** Words in Sch. 6 para. 1A(1) inserted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **97(3)**; 2020 c. 1, Sch. 5 para. 1(1)

PART 1B

PART 4A PERMISSION: AUTHORISED PERSONS WHO ARE NOT PRA-AUTHORISED PERSONS

Introduction

- 2A. If the person concerned (“A”) carries on, or is seeking to carry on, regulated activities which do not consist of or include a PRA-regulated activity, the threshold conditions that are relevant to the discharge by the FCA of its functions in relation to A are the conditions set out in paragraphs 2B to 2F.

Location of offices

- 2B. (1) Unless sub-paragraph (3) [^{F171}, (4)(a) or (7)] applies, if A is a body corporate incorporated in the United Kingdom—
- (a) A’s head office, and
- (b) if A has a registered office, that office,

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must be in the United Kingdom.

(2) If A is not a body corporate but A's head office is in the United Kingdom, A must carry on business in the United Kingdom.

(3) If—

- (a) A is seeking to carry on, or is carrying on, a regulated activity which is any of the investment services and activities,
- (b) A is a body corporate with no registered office, and
- (c) A's head office is in the United Kingdom,

A must carry on business in the United Kingdom.

(4) If A is seeking to carry on, or is carrying on, an insurance [^{F172}distribution] activity—

- (a) where A is a body corporate incorporated in the United Kingdom, A's registered office, or if A has no registered office, A's head office, must be in the United Kingdom;
- (b) where A is an individual, A is to be treated for the purposes of sub-paragraph (2) as having a head office in the United Kingdom if A is resident in the United Kingdom.

(5) “Insurance [^{F173}distribution] activity” means any of the following activities—

- (a) dealing in rights under a contract of insurance as agent;
- (b) arranging deals in rights under a contract of insurance;
- (c) assisting in the administration and performance of a contract of insurance;
- (d) advising on buying or selling rights under a contract of insurance;
- (e) agreeing to do any of the activities specified in paragraphs (a) to (d).

(6) Sub-paragraph (5) must be read with—

- (a) section 22,
- (b) any relevant order under that section, and
- (c) Schedule 2.

[^{F174}(7) If A is seeking to carry on, or is carrying on, the regulated activity of managing an AIF and is, or upon being granted Part 4A permission to carry on that regulated activity would be, [^{F175}a full-scope UKAIFM, A's head office and registered office must be in the United Kingdom][^{F175}a full-scope UKAIFM—

- (a) A's head office and registered office must be in the United Kingdom, or
- (b) A's registered office must be in a third country].]

Textual Amendments

F171 Words in Sch. 6 para. 2B(1) substituted (22.7.2013) by [The Alternative Investment Fund Managers Regulations 2013 \(S.I. 2013/1773\)](#), reg. 1, **Sch. 1 para. 36(a)**

F172 Word in Sch. 6 para. 2B(4) substituted (1.10.2018) by [The Insurance Distribution \(Regulated Activities and Miscellaneous Amendments\) Order 2018 \(S.I. 2018/546\)](#), arts. 1(2), **18(4)**

F173 Word in Sch. 6 para. 2B(5) substituted (1.10.2018) by [The Insurance Distribution \(Regulated Activities and Miscellaneous Amendments\) Order 2018 \(S.I. 2018/546\)](#), arts. 1(2), **18(4)**

F174 Sch. 6 para. 2B(7) inserted (22.7.2013) by [The Alternative Investment Fund Managers Regulations 2013 \(S.I. 2013/1773\)](#), reg. 1, **Sch. 1 para. 36(b)**

F175 Words in Sch. 6 para. 2B(7) substituted (coming into force in accordance with reg. 1(3) of the amending S.I.) by [The Alternative Investment Fund Managers \(Amendment\) Regulations 2013 \(S.I. 2013/1797\)](#),

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reg. 1(3), **Sch. 2 para. 1(6)** (as amended by S.I. 2019/328, regs. 1(3), **20(2)(e)** (as amended by S.I. 2019/325, **reg. 58**))

Effective supervision

2C. (1) A must be capable of being effectively supervised by the FCA having regard to all the circumstances including—

- (a) the nature (including the complexity) of the regulated activities that A carries on or seeks to carry on;
- (b) the complexity of any products that A provides or will provide in carrying on those activities;
- (c) the way in which A's business is organised;
- (d) if A is a member of a group, whether membership of the group is likely to prevent the FCA's effective supervision of A;
- (e) whether A is subject to consolidated supervision required under any ^{F176}relevant implementing provisions];
- (f) if A has close links with another person ("CL")—
 - (i) the nature of the relationship between A and CL,
 - (ii) whether those links are or that relationship is likely to prevent the FCA's effective supervision of A, and
 - (iii) if CL is subject to the laws, regulations or administrative provisions of a ^{F177}country or territory outside the United Kingdom] ("the foreign provisions"), whether those foreign provisions, or any deficiency in their enforcement, would prevent the FCA's effective supervision of A.

^{F178}(1A) Paragraphs (a), (b) and (e) of sub-paragraph (1) do not apply where the only regulated activities that the person carries on, or seeks to carry on, are—

- (a) relevant credit activities, and
- (b) if any, activities to which, by virtue of section 39(1D), sections 20(1) and (1A) and 23(1A) do not apply when carried on by the person.]

(2) A has close links with CL if—

- (a) CL is a parent undertaking of A,
- (b) CL is a subsidiary undertaking of A,
- (c) CL is a parent undertaking of a subsidiary undertaking of A,
- (d) CL is a subsidiary undertaking of a parent undertaking of A,
- (e) CL owns or controls 20% or more of the voting rights or capital of A, or
- (f) A owns or controls 20% or more of the voting rights or capital of CL.

Textual Amendments

F176 Words in Sch. 6 para. 2C(1)(e) substituted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **98(a)**; 2020 c. 1, Sch. 5 para. 1(1)

F177 Words in Sch. 6 para. 2C(1)(f)(iii) substituted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **98(b)**; 2020 c. 1, Sch. 5 para. 1(1)

F178 Sch. 6 para. 2C(1A) substituted (14.2.2014 for specified purposes) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) Order 2014 \(S.I. 2014/366\)](#), arts. 1(3)(4), **5(2)**

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Appropriate resources

- 2D. (1) The resources of A must be appropriate in relation to the regulated activities that A carries on or seeks to carry on.
- (2) The matters which are relevant in determining whether A has appropriate resources include—
- (a) the nature and scale of the business carried on, or to be carried on, by A;
 - (b) the risks to the continuity of the services provided by, or to be provided by, A;
 - (c) A's membership of a group and any effect which that membership may have.
- (3) ^{F179}Except in a case within sub-paragraph (3A), the matters] which are relevant in determining whether A has appropriate financial resources include—
- (a) the provision A makes and, if A is a member of a group, which other members of the group make, in respect of liabilities;
 - (b) the means by which A manages and, if A is a member of a group, by which other members of the group manage, the incidence of risk in connection with A's business.
- ^{F180}(3A) Where the only regulated activities that A carries on or seeks to carry on are—
- (a) relevant credit activities, and
 - (b) if any, activities to which, by virtue of section 39(1D), sections 20(1) and (1A) and 23(1A) do not apply when carried on by A,
- A has adequate financial resources if A is capable of meeting A's debts as they fall due.]
- (4) The matters which are relevant in determining whether A has appropriate non-financial resources include—
- (a) the skills and experience of those who manage A's affairs;
 - (b) whether A's non-financial resources are sufficient to enable A to comply with—
 - (i) requirements imposed or likely to be imposed on A by the FCA in the exercise of its functions, or
 - (ii) any other requirement in relation to whose contravention the FCA would be the appropriate regulator for the purpose of any provision of Part 14 of this Act.

Textual Amendments

F179 Words in Sch. 6 para. 2D(3) substituted (26.7.2013 for specified purposes, 1.4.2014 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) \(No.2\) Order 2013](#) (S.I. 2013/1881), arts. 1(2)(6), **10(19)(b)(i)**

F180 Sch. 6 para. 2D(3A) substituted (14.2.2014 for specified purposes, 1.4.2014 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) Order 2014](#) (S.I. 2014/366), arts. 1(3)(4), **5(3)**

Suitability

- 2E. A must be a fit and proper person having regard to all the circumstances, including—
- (a) A's connection with any person;

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- (b) the nature (including the complexity) of the regulated activities that A carries on or seeks to carry on;
- (c) the need to ensure that A's affairs are conducted in an appropriate manner, having regard in particular to the interests of consumers and the integrity of the UK financial system;
- (d) whether A has complied and is complying with requirements imposed by the FCA in the exercise of its functions, or requests made by the FCA, relating to the provision of information to the FCA and, where A has so complied or is so complying, the manner of that compliance;
- (e) whether those who manage A's affairs have adequate skills and experience and have acted and may be expected to act with probity;
- (f) whether A's business is being, or is to be, managed in such a way as to ensure that its affairs will be conducted in a sound and prudent manner;
- (g) the need to minimise the extent to which it is possible for the business carried on by A, or to be carried on by A, to be used for a purpose connected with financial crime.

Business model

- 2F. (1) A's business model (that is, A's strategy for doing business) must be suitable for a person carrying on the regulated activities that A carries on or seeks to carry on.
- (2) The matters which are relevant in determining whether A satisfies the condition in sub-paragraph (1) include—
- (a) whether the business model is compatible with A's affairs being conducted, and continuing to be conducted, in a sound and prudent manner;
 - (b) the interests of consumers;
 - (c) the integrity of the UK financial system.
- (3) ^{F181}This paragraph does not apply where the only regulated activities that the person carries on, or seeks to carry on, are—
- (a) relevant credit activities, and
 - (b) if any, activities to which, by virtue of section 39(1D), sections 20(1) and (1A) and 23(1A) do not apply when carried on by the person.]

Textual Amendments

F181 Sch. 6 para. 2F(3) substituted (14.2.2014 for specified purposes, 1.4.2014 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) Order 2014 \(S.I. 2014/366\)](#), arts. 1(3)(4), **5(4)**

Interpretation

- ^{F182}2G(1) In this Part of this Schedule, each of the following is a “relevant credit activity”—
- (a) an activity of the kind specified by article 36A of the Regulated Activities Order (credit broking) when carried on in the case specified in sub-paragraph (3), (4) or (5),
 - (b) an activity of the kind specified by article 39D of that Order (debt adjusting) when carried on—

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- (i) in the case specified in sub-paragraph (3), by a person who also carries on an activity of the kind specified by paragraph (a),
 - ^{F183}(ii) by a person in connection with an activity of the kind specified by paragraph (d) or (e) which the person also carries on,
 - (iii) by a not-for-profit body,
 - (c) an activity of the kind specified by article 39E of that Order (debt-counselling) when carried on—
 - (i) in the case specified in sub-paragraph (3), by a person who also carries on an activity of the kind specified by paragraph (a),
 - ^{F184}(ii) by a person in connection with an activity of the kind specified by paragraph (d) or (e) which the person also carries on,
 - (iii) by a not-for-profit body,
 - (d) an activity of the kind specified by article 60B of that Order (regulated credit agreements) if—
 - (i) it is carried on by a supplier,
 - (ii) no charge (by way of interest or otherwise) is payable by the borrower in connection with the provision of credit under the regulated credit agreement, and
 - (iii) the regulated credit agreement is not a hire-purchase agreement or a conditional sale agreement,
 - ^{F185}[(da) an activity of the kind specified by article 60B of that Order (regulated credit agreements) if carried on by a local authority,
 - (e) an activity of the kind specified by article 60N of that Order (regulated consumer hire agreements),
 - (f) an activity of the kind specified by article 89A of that Order (providing credit information services) where carried on by a person ^{F186}in connection with an activity of the kind specified by any of paragraphs (a) to (e) which the person also carries on], or
 - (g) an activity of the kind specified by article 64 of that Order (agreeing to carry on specified kinds of activity) so far as relevant to any of the activities specified in paragraphs (a) to (f).
 - (2) ^{F187}Except where the activity is carried on by a not-for-profit body,] an activity is not a relevant credit activity for the purposes of—
 - (a) paragraph (a) to (e) of sub-paragraph (1), and
 - (b) paragraph (g) of that sub-paragraph so far as it relates to activities of the kind specified by any of those paragraphs,if it relates to an agreement under which the obligation of the borrower to repay ^{F188}or the hirer to pay] is secured, or is to be secured, by a legal mortgage on land.
 - (3) The case specified in this sub-paragraph is where a supplier (other than a domestic premises supplier) carries on the activity for the purposes of, or in connection with, the sale of goods or supply of services by the supplier to a customer (who need not be the borrower under the credit agreement or the hirer under the consumer hire agreement).
- [For the purposes of sub-paragraph (3), “domestic premises supplier” means a ^{F189}(3A) supplier who—
- (a) sells, offers to sell or agrees to sell goods, or
 - (b) offers to supply services or contracts to supply services,

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to customers who are individuals while the supplier, or the supplier’s representative, is physically present at the dwelling of the individual (but see sub-paragraph (3B)).

- (3B) A supplier who acts as described in sub-paragraph (3A) on an occasional basis only will not be a domestic premises supplier unless the supplier indicates to the public at large, or any section of the public, the supplier’s willingness to attend (in person or through a representative) the dwelling of potential customers in order to carry on any of the activities mentioned in sub-paragraph (3A)(a) or (b).]
- (4) The case specified in this sub-paragraph is where the activity relates to a green deal plan.
- [^{F190}(5) The case specified in this sub-paragraph is where the activity relates to a consumer hire agreement or a hire-purchase agreement.]
- (6) For the purposes of this paragraph—
- “borrower” includes—
- (a) any person providing a guarantee or indemnity under an agreement, and
 - (b) a person to whom the rights and duties of the borrower under an agreement or a person falling within paragraph (a) have passed by assignment or operation of law;
- “conditional sale agreement” has the meaning given by article 60L of the Regulated Activities Order;
- [^{F191}“consumer hire agreement” has the meaning given by article 60N(3) of the Regulated Activities Order;]
- “customer” means a person to whom a supplier sells goods or supplies services or agrees to do so;
- ^{F192} ...
- “green deal plan” has the meaning given by section 1 of the Energy Act 2011;
- “hire-purchase agreement” has the meaning given by the Regulated Activities Order;
- [^{F193}“local authority” means—
- (a) in England and Wales, a local authority within the meaning of the Local Government Act 1972, 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; and
 - (c) in Northern Ireland, a district council within the meaning of the Local Government Act (Northern Ireland) 1972;]

“not-for-profit body” means a body which, by virtue of its constitution or any enactment—

 - (a) is required (after payment of outgoings) to apply the whole of its income and any capital it expends for charitable or public purposes, and
 - (b) is prohibited from directly or indirectly distributing amongst its members any part of its assets (otherwise than for charitable or public purposes);

“Regulated Activities Order” means the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001;

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“regulated credit agreement” has the meaning given by the Regulated Activities Order;

“supplier” means a person whose main business is to sell goods or supply services and not to carry on a regulated activity, other than an activity of the kind specified by article 60N of the Regulated Activities Order (regulated consumer hire agreements).]

Textual Amendments

- F182** Sch. 6 para. 2G inserted (26.7.2013 for specified purposes, 1.4.2014 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) \(No.2\) Order 2013 \(S.I. 2013/1881\)](#), arts. 1(2)(6), **10(19)(d)**
- F183** Sch. 6 para. 2G(1)(b)(ii) substituted (14.2.2014 for specified purposes, 1.4.2014 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) Order 2014 \(S.I. 2014/366\)](#), arts. 1(3)(4), **5(5)(a)(i)**
- F184** Sch. 6 para. 2G(1)(c)(ii) substituted (14.2.2014 for specified purposes, 1.4.2014 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) Order 2014 \(S.I. 2014/366\)](#), arts. 1(3)(4), **5(5)(a)(ii)**
- F185** Sch. 6 para. 2G(1)(da) inserted (14.2.2014 for specified purposes, 1.4.2014 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) Order 2014 \(S.I. 2014/366\)](#), arts. 1(3)(4), **5(5)(a)(iii)**
- F186** Words in Sch. 6 para. 2G(1)(f) substituted (14.2.2014 for specified purposes, 1.4.2014 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) Order 2014 \(S.I. 2014/366\)](#), arts. 1(3)(4), **5(5)(a)(iv)**
- F187** Words in Sch. 6 para. 2G(2) substituted (14.2.2014 for specified purposes, 1.4.2014 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) Order 2014 \(S.I. 2014/366\)](#), arts. 1(3)(4), **5(5)(b)(i)**
- F188** Words in Sch. 6 para. 2G(2) inserted (14.2.2014 for specified purposes, 1.4.2014 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) Order 2014 \(S.I. 2014/366\)](#), arts. 1(3)(4), **5(5)(b)(ii)**
- F189** Sch. 6 para. 2G(3A)(3B) inserted (24.3.2015) by [The Financial Services and Markets Act 2000 \(Miscellaneous Provisions\) Order 2015 \(S.I. 2015/853\)](#), arts. 1(2), **2(2)**
- F190** Sch. 6 para. 2G(5) substituted (24.3.2015) by [The Financial Services and Markets Act 2000 \(Miscellaneous Provisions\) Order 2015 \(S.I. 2015/853\)](#), arts. 1(2), **2(3)**
- F191** Words in Sch. 6 para. 2G(6) inserted (24.3.2015) by [The Financial Services and Markets Act 2000 \(Miscellaneous Provisions\) Order 2015 \(S.I. 2015/853\)](#), arts. 1(2), **2(4)(a)**
- F192** Words in Sch. 6 para. 2G(6) omitted (24.3.2015) by virtue of [The Financial Services and Markets Act 2000 \(Miscellaneous Provisions\) Order 2015 \(S.I. 2015/853\)](#), arts. 1(2), **2(4)(b)**
- F193** Words in Sch. 6 para. 2G(6) inserted (14.2.2014 for specified purposes, 1.4.2014 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) Order 2014 \(S.I. 2014/366\)](#), arts. 1(3)(4), **5(5)(c)**

PART 1C

PART 4A PERMISSION: CONDITIONS FOR WHICH FCA IS RESPONSIBLE IN RELATION TO PRA-AUTHORISED PERSONS

Introduction

- 3A. If the person concerned (“B”) carries on, or is seeking to carry on, regulated activities which consist of or include a PRA-regulated activity, the threshold conditions which

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are relevant to the discharge by the FCA of its functions in relation to B are the conditions set out in paragraphs 3B to 3E.

Effective supervision

- 3B. (1) B must be capable of being effectively supervised by the FCA having regard to all the circumstances including—
- (a) the nature (including the complexity) of the regulated activities that B carries on or seeks to carry on;
 - (b) the complexity of any products that B provides or will provide in carrying on those activities;
 - (c) the way in which B’s business is organised;
 - (d) if B is a member of a group, whether membership of the group is likely to prevent the FCA’s effective supervision of B;
 - (e) whether B is subject to consolidated supervision required under any [^{F194}relevant implementing provisions];
 - (f) if B has close links with another person (“CL”)—
 - (i) the nature of the relationship between B and CL,
 - (ii) whether those links are or that relationship is likely to prevent the FCA’s effective supervision of B, and
 - (iii) if CL is subject to the laws, regulations or administrative provisions of a [^{F195}country or territory outside the United Kingdom] (“the foreign provisions”), whether those foreign provisions, or any deficiency in their enforcement, would prevent the FCA’s effective supervision of B.
- (2) B has close links with CL if—
- (a) CL is a parent undertaking of B,
 - (b) CL is a subsidiary undertaking of B,
 - (c) CL is a parent undertaking of a subsidiary undertaking of B,
 - (d) CL is a subsidiary undertaking of a parent undertaking of B,
 - (e) CL owns or controls 20% or more of the voting rights or capital of B, or
 - (f) B owns or controls 20% or more of the voting rights or capital of CL.

Textual Amendments

F194 Words in Sch. 6 para. 3B(1)(e) substituted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **99(a)**; 2020 c. 1, Sch. 5 para. 1(1)

F195 Words in Sch. 6 para. 3B(1)(f)(iii) substituted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **99(b)**; 2020 c. 1, Sch. 5 para. 1(1)

Appropriate non-financial resources

- 3C. (1) The non-financial resources of B must be appropriate in relation to the regulated activities that B carries on or seeks to carry on, having regard to the operational objectives of the FCA.
- (2) The matters which are relevant in determining whether the condition in subparagraph (1) is met include—

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- (a) the nature and scale of the business carried on, or to be carried on, by B;
- (b) the risks to the continuity of the services provided by, or to be provided by, B;
- (c) B's membership of a group and any effect which that membership may have;
- (d) the skills and experience of those who manage B's affairs;
- (e) whether B's non-financial resources are sufficient to enable B to comply with—
 - (i) requirements imposed or likely to be imposed on B by the FCA in the exercise of its functions, or
 - (ii) any other requirement in relation to whose contravention the FCA would be the appropriate regulator for the purpose of any provision of Part 14 of this Act.

Suitability

- 3D. (1) B must be a fit and proper person, having regard to the operational objectives of the FCA.
- (2) The matters which are relevant in determining whether B satisfies the condition in sub-paragraph (1) include—
- (a) B's connection with any person;
 - (b) the nature (including the complexity) of the regulated activities that B carries on or seeks to carry on;
 - (c) the need to ensure that B's affairs are conducted in an appropriate manner, having regard in particular to the interests of consumers and the integrity of the UK financial system;
 - (d) whether B has complied and is complying with requirements imposed by the FCA in the exercise its functions, or requests made by the FCA, relating to the provision of information to the FCA and, where B has so complied or is so complying, the manner of that compliance;
 - (e) whether those who manage B's affairs have adequate skills and experience and have acted and may be expected to act with probity;
 - (f) the need to minimise the extent to which it is possible for the business carried on by B, or to be carried on by B, to be used for a purpose connected with financial crime.

Business model

- 3E. B's business model (that is, B's strategy for doing business) must be suitable for a person carrying on the regulated activities that B carries on or seeks to carry on, having regard to the FCA's operational objectives.

PART 1D

PART 4A PERMISSION: CONDITIONS FOR WHICH THE
PRA IS RESPONSIBLE IN RELATION TO INSURERS ETC.

Introduction

- 4A. (1) If the person concerned ("C") carries on, or is seeking to carry on, regulated activities which consist of or include a PRA-regulated activity relating to the effecting or

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carrying out of contracts of insurance, the threshold conditions which are relevant to the discharge by the PRA of its functions in relation to C are the conditions set out in paragraphs 4B to 4F.

- (2) If the person concerned (“C”) carries on, or is seeking to carry on, regulated activities which consist of or include a PRA-regulated activity relating to managing the underwriting capacity of a Lloyd’s syndicate as a managing agent at Lloyd’s, the conditions which are relevant to the discharge by the PRA of its functions in relation to C are the conditions set out in paragraphs 4C to 4F except for sub-paragraphs (5) (d) and (5)(e) of paragraph 4D which are not relevant for that purpose.
- (3) If the person concerned (“C”) carries on, or is seeking to carry on, regulated activities which consist of or include a PRA-regulated activity relating to the arranging, by the Society, of deals in contracts of insurance written at Lloyd’s, the conditions which are relevant to the discharge by the PRA of its functions in relation to C are the conditions set out in paragraphs 4C to 4F, subject to sub-paragraph (4).
- (4) Paragraph 4D has effect in relation to persons of the kind specified by sub-paragraph (3) as if—
 - (a) for paragraph (d) and (e) of sub-paragraph (5) there were substituted—
 - “(d) the effect that the carrying on of business by C might be expected to have on the stability of the UK financial system or on those who are or may become policyholders of members of C;
 - (e) the effect that the failure of C might be expected to have on the stability of the UK financial system or on those who are or may become policyholders of members of C;”, and
 - (b) sub-paragraph (6) were omitted.
- ^{F196}(5) If the person concerned (“C”) carries on, or is seeking to carry on, regulated activities which consist of or include a PRA-regulated activity relating to an assumption of risk falling within article 13A of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001, the threshold conditions which are relevant to the discharge by the PRA of its functions in relation to C are the conditions set out in paragraphs 4B to 4F, subject to sub-paragraph (6).
- (6) Paragraphs 4B to 4F have effect in relation to persons of the kind specified by sub-paragraph (5) as if—
 - ^{F197}(a) the persons are undertakings, whether incorporated or not, other than an existing insurance or reinsurance undertaking, which assume risks from insurance or reinsurance undertakings and which fully fund their exposure to such risks through the proceeds of a debt issuance or any other financing mechanism where the repayment rights of the providers of such debt or financing mechanism are subordinated to the reinsurance obligations of such an undertaking;]
 - ^{F198}(b) the persons are not insurance undertakings;]
 - (c) references to contracts of insurance are references to contracts for the assumption of risk; and
 - (d) references to C’s policyholders are references to undertakings from whom C assumes a risk.]
- ^{F199}(7) In paragraph (6)(a), references to undertakings which assume risks from insurance or reinsurance undertakings include references to undertakings which assume risks

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from third country insurance or reinsurance undertakings and Gibraltarian insurance or reinsurance undertakings; and for these purposes “third country insurance undertakings”, “third country reinsurance undertakings”, “Gibraltarian insurance undertakings” and “Gibraltarian reinsurance undertakings” have the same meaning as in the Solvency 2 Regulations 2015 (S.I. 2015/575), as amended under the European Union (Withdrawal) Act 2018 (see, in particular, regulation 2(1)).]

Textual Amendments

- F196** Sch. 6 para. 4A(5)(6) inserted (8.12.2017) by [The Risk Transformation Regulations 2017 \(S.I. 2017/1212\)](#), regs. 1(2), **4(2)(a)**
- F197** Sch. 6 para. 4A(6)(a) substituted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **100(a)**; 2020 c. 1, Sch. 5 para. 1(1)
- F198** Sch. 6 para. 4A(6)(b) substituted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **100(b)**; 2020 c. 1, Sch. 5 para. 1(1)
- F199** Sch. 6 para. 4A(7) inserted by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **100(c)** (as inserted by [S.I. 2019/1233](#), regs. 1(3), **5(d)**); 2020 c. 1, Sch. 5 para. 1(1))

Legal status

- 4B. C must be—
- a body corporate (other than a limited liability partnership),
 - a registered friendly society, or
 - a member of Lloyd’s.

Location of offices

- 4C. (1) If C is a body corporate incorporated in the United Kingdom—
- C’s head office, and
 - if C has a registered office, that office, must be in the United Kingdom.
- (2) If C is not a body corporate but C’s head office is in the United Kingdom, C must carry on business in the United Kingdom.

Business to be conducted in a prudent manner

- 4D. (1) The business of C must be conducted in a prudent manner.
- (2) To satisfy the condition in sub-paragraph (1), C must in particular have appropriate financial and non-financial resources.
- (3) To have appropriate financial resources C must satisfy the following conditions—
- C’s assets must be appropriate given C’s liabilities, and
 - the liquidity of C’s resources must be appropriate given C’s liabilities and when they fall due or may fall due.
- (4) To have appropriate non-financial resources C must satisfy the following conditions—
- C must be willing and able to value C’s assets and liabilities appropriately,

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- (b) C must have resources to identify, monitor, measure and take action to remove or reduce risks to the safety and soundness of C,
 - (c) C must have resources to identify, monitor, measure and take action to remove or reduce risks to the accuracy of C's valuation of C's assets and liabilities,
 - (d) the effectiveness with which C's business is managed must meet a reasonable standard of effectiveness, and
 - (e) C's non-financial resources must be sufficient to enable C to comply with—
 - (i) requirements imposed or likely to be imposed on C by the PRA in the exercise of its functions, and
 - (ii) any other requirement in relation to whose contravention the PRA would be the appropriate regulator for the purpose of any provision of Part 14 of this Act.
- (5) The matters which are relevant in determining whether C satisfies the condition in sub-paragraph (1) or (2) include—
- (a) the nature (including the complexity) of the regulated activities that C carries on or seeks to carry on;
 - (b) the nature and scale of the business carried on or to be carried on by C;
 - (c) the risks to the continuity of the services provided by, or to be provided by, C;
 - (d) the effect that the carrying on of the business of effecting or carrying out contracts of insurance by C might be expected to have on the stability of the UK financial system or on those who are or may become C's policyholders;
 - (e) the effect that C's failure or C being closed to new business might be expected to have on the stability of the UK financial system or on those who are or may become C's policyholders;
 - (f) C's membership of a group and any effect which that membership may have.
- (6) C is "closed to new business" for the purposes of this paragraph if C has ceased to effect contracts of insurance or has substantially reduced the number of such contracts which C effects.

Suitability

- 4E. (1) C must be a fit and proper person, having regard to the PRA's objectives.
- (2) The matters which are relevant in determining whether C satisfies the condition in sub-paragraph (1) include—
- (a) whether C has complied and is complying with requirements imposed by the PRA in the exercise of its functions, or requests made by the PRA relating to the provision of information to the PRA and, if C has so complied or is so complying, the manner of that compliance;
 - (b) whether those who manage C's affairs have adequate skills and experience and have acted and may be expected to act with probity.

Effective supervision

- 4F. (1) C must be capable of being effectively supervised by the PRA.
- (2) The matters which are relevant in determining whether C satisfies the condition in sub-paragraph (1) include—

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- (a) the nature (including the complexity) of the regulated activities that C carries on or seeks to carry on;
 - (b) the complexity of any products that C provides or will provide in carrying on those activities;
 - (c) the way in which C's business is organised;
 - (d) if C is a member of a group, whether membership of the group is likely to prevent the PRA's effective supervision of C;
 - (e) whether C is subject to consolidated supervision required under any [F200 relevant implementing provisions];
 - (f) if C has close links with another person ("CL")—
 - (i) the nature of the relationship between C and CL,
 - (ii) whether those links are or that relationship is likely to prevent the PRA's effective supervision of C, and
 - (iii) if CL is subject to the laws, regulations or administrative provisions of a [F201 country or territory outside the United Kingdom] ("the foreign provisions"), whether those foreign provisions, or any deficiency in their enforcement, would prevent the PRA's effective supervision of C.
- (3) C has close links with CL if—
- (a) CL is a parent undertaking of C,
 - (b) CL is a subsidiary undertaking of C,
 - (c) CL is a parent undertaking of a subsidiary undertaking of C,
 - (d) CL is a subsidiary undertaking of a parent undertaking of C,
 - (e) CL owns or controls 20% or more of the voting rights or capital of C, or
 - (f) C owns or controls 20% or more of the voting rights or capital of CL.

Textual Amendments

F200 Words in Sch. 6 para. 4F(2)(e) substituted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **101(a)**; 2020 c. 1, Sch. 5 para. 1(1)

F201 Words in Sch. 6 para. 4F(2)(f)(iii) substituted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **101(b)**; 2020 c. 1, Sch. 5 para. 1(1)

PART 1E

PART 4A PERMISSION: CONDITIONS FOR WHICH THE PRA IS RESPONSIBLE IN RELATION TO OTHER PRA-AUTHORISED PERSONS

Introduction

- 5A. If the person concerned ("D") carries on, or is seeking to carry on, PRA-regulated activities which do not consist of or include a regulated activity relating to—
- (a) the effecting or carrying out of contracts of insurance,
 - (b) managing the underwriting capacity of a Lloyd's syndicate as a managing agent at Lloyds, ^{F202}...

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- (c) arranging, by the Society, of deals in contracts of insurance written at Lloyd's, [^{F203}or]
- [^{F204}(d) an assumption of risk falling within article 13A of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001,]
- the threshold conditions which are relevant to the discharge by the PRA of its functions in relation to D are the conditions set out in paragraphs 5B to 5F.

Textual Amendments

- F202** Word in Sch. 6 para. 5A(b) omitted (8.12.2017) by virtue of [The Risk Transformation Regulations 2017 \(S.I. 2017/1212\)](#), regs. 1(2), **4(2)(b)(i)**
- F203** Word in Sch. 6 para. 5A(c) inserted (8.12.2017) by [The Risk Transformation Regulations 2017 \(S.I. 2017/1212\)](#), regs. 1(2), **4(2)(b)(ii)**
- F204** Sch. 6 para. 5A(d) inserted (8.12.2017) by [The Risk Transformation Regulations 2017 \(S.I. 2017/1212\)](#), regs. 1(2), **4(2)(b)(iii)**

Legal status

- 5B. If D carries on or is seeking to carry on a regulated activity which consists of or includes accepting deposits or issuing electronic money, D must be—
- (a) a body corporate, or
 - (b) a partnership.

Location of offices

- 5C. (1) If D is a body corporate incorporated in the United Kingdom—
- (a) D's head office, and
 - (b) if D has a registered office, that office,
- must be in the United Kingdom.
- (2) If D is not a body corporate but D's head office is in the United Kingdom, D must carry on business in the United Kingdom.

Business to be conducted in a prudent manner

- 5D. (1) The business of D must be conducted in a prudent manner.
- (2) To satisfy the condition in sub-paragraph (1), D must in particular have appropriate financial and non-financial resources.
- (3) To have appropriate financial resources D must satisfy the following conditions—
- (a) D's assets must be appropriate given D's liabilities, and
 - (b) the liquidity of D's resources must be appropriate given D's liabilities and when they fall due or may fall due.
- (4) To have appropriate non-financial resources D must satisfy the following conditions—
- (a) D must be willing and able to value D's assets and liabilities appropriately,
 - (b) D must have resources to identify, monitor, measure and take action to remove or reduce risks to the safety and soundness of D,

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- (c) D must have resources to identify, monitor, measure and take action to remove or reduce risks to the accuracy of D's valuation of D's assets and liabilities,
 - (d) the effectiveness with which D's business is managed must meet a reasonable standard of effectiveness, and
 - (e) D's non-financial resources must be sufficient to enable D to comply with—
 - (i) requirements imposed or likely to be imposed on D by the PRA in the exercise of its functions, and
 - (ii) any other requirement in relation to whose contravention the PRA would be the appropriate regulator for the purpose of any provision of Part 14 of this Act.
- (5) The matters which are relevant in determining whether D satisfies the condition in sub-paragraph (1) or (2) include—
- (a) the nature (including the complexity) of the regulated activities that D carries on or seeks to carry on;
 - (b) the nature and scale of the business carried on or to be carried on by D;
 - (c) the risks to the continuity of the services provided or to be provided by D;
 - (d) the effect that the carrying on of the business carried on or to be carried on by D might be expected to have on the stability of the UK financial system;
 - (e) the effect that D's failure might be expected to have on the stability of the UK financial system;
 - (f) D's membership of a group and any effect which that membership may have.

Suitability

- 5E. (1) D must be a fit and proper person, having regard to the PRA's objectives.
- (2) The matters which are relevant in determining whether D satisfies the condition in sub-paragraph (1) include—
- (a) whether D has complied and is complying with requirements imposed by the PRA in the exercise of its functions, or requests made by the PRA relating to the provision of information to the PRA and, if D has so complied or is so complying, the manner of that compliance;
 - (b) whether those who manage D's affairs have adequate skills and experience and have acted and may be expected to act with probity.

Effective supervision

- 5F. (1) D must be capable of being effectively supervised by the PRA.
- (2) The matters which are relevant in determining whether D satisfies the condition in sub-paragraph (1) include—
- (a) the nature (including the complexity) of the regulated activities that D carries on or seeks to carry on;
 - (b) the complexity of any products that D provides or will provide in carrying on those activities;
 - (c) the way in which D's business is organised;
 - (d) if D is a member of a group, whether membership of the group is likely to prevent the PRA's effective supervision of D;

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- (e) whether D is subject to consolidated supervision required under any [^{F205}relevant implementing provisions];
 - (f) if D has close links with another person (“CL”)—
 - (i) the nature of the relationship between D and CL,
 - (ii) whether those links are or that relationship is likely to prevent the PRA’s effective supervision of D, and
 - (iii) if CL is subject to the laws, regulations or administrative provisions of a [^{F206}country or territory outside the United Kingdom] (“the foreign provisions”), whether those foreign provisions, or any deficiency in their enforcement, would prevent the PRA’s effective supervision of D.
- (3) D has close links with CL if—
- (a) CL is a parent undertaking of D,
 - (b) CL is a subsidiary undertaking of D,
 - (c) CL is a parent undertaking of a subsidiary undertaking of D,
 - (d) CL is a subsidiary undertaking of a parent undertaking of D,
 - (e) CL owns or controls 20% or more of the voting rights or capital of D, or
 - (f) D owns or controls 20% or more of the voting rights or capital of CL.]

Textual Amendments

F205 Words in Sch. 6 para. 5F(2)(e) substituted (31.12.2020) by The Financial Services and Markets Act 2000 (Amendment) (EU Exit) Regulations 2019 (S.I. 2019/632), regs. 1(3), **102(a)**; 2020 c. 1, Sch. 5 para. 1(1)

F206 Words in Sch. 6 para. 5F(2)(f)(iii) substituted (31.12.2020) by The Financial Services and Markets Act 2000 (Amendment) (EU Exit) Regulations 2019 (S.I. 2019/632), regs. 1(3), **102(b)**; 2020 c. 1, Sch. 5 para. 1(1)

^{F207}PART 1F

AUTHORISATION UNDER SCHEDULE 3

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Textual Amendments

F207 Sch. 6 Pt. 1F omitted (31.12.2020) by virtue of The EEA Passport Rights (Amendment, etc., and Transitional Provisions) (EU Exit) Regulations 2018 (S.I. 2018/1149), reg. 1(3), **Sch. para. 23(2)** (with reg. 4); 2020 c. 1, Sch. 5 para. 1(1)

^{F208}PART 1G

AUTHORISATION UNDER SCHEDULE 4

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Textual Amendments

F208 Sch. 6 Pt. 1G omitted (31.12.2020) by virtue of [The EEA Passport Rights \(Amendment, etc., and Transitional Provisions\) \(EU Exit\) Regulations 2018 \(S.I. 2018/1149\)](#), reg. 1(3), **Sch. para. 23(3)** (with reg. 4); 2020 c. 1, Sch. 5 para. 1(1)

PART II

AUTHORISATION

Authorisation under Schedule 3

F168 ...

Textual Amendments

F168 Sch. 6 Pts. 1-1G substituted for Sch. 6 Pts. 1, 2 (1.4.2013) by [The Financial Services and Markets Act 2000 \(Threshold Conditions\) Order 2013 \(S.I. 2013/555\)](#), arts. 1, **2(2)**

PART III

ADDITIONAL CONDITIONS

- 8 (1) If this paragraph applies to the person concerned, he must, for the purposes of such provisions of this Act as may be specified, satisfy specified additional conditions.
- (2) This paragraph applies to a person who—
- (a) has his head office outside the [^{F209}United Kingdom]; and
 - (b) appears to [^{F210}such of the FCA or the PRA as may be specified,] to be seeking to carry on a regulated activity relating to insurance business.
- (3) “Specified” means specified in, or in accordance with, an order made by the Treasury.

Textual Amendments

F209 Words in Sch. 6 para. 8(2)(a) substituted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **103**; 2020 c. 1, Sch. 5 para. 1(1)

F210 Words in Sch. 6 para. 8(2)(b) substituted (1.4.2013) by [Financial Services Act 2012 \(c. 21\)](#), s. 122(3), **Sch. 18 para. 26** (with Sch. 20); S.I. 2013/423, art. 3, Sch.

Commencement Information

I8 Sch. 6 Pt. III para. 8 wholly in force at 3.9.2001; Sch. 6 Pt. III para. 8 not in force at Royal Assent see s. 431(2); Sch. 6 Pt. III para. 8 in force for certain purposes at 25.2.2001 by [S.I. 2001/516](#), art. 2(b), **Sch. Pt. 2**; Sch. 6 Pt. III para. 8 in force in so far as not already in force at 3.9.2001 by [S.I. 2001/2632](#), art. 2(2), **Sch. Pt. 2**

F211g

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Textual Amendments

F211 Sch. 6 para. 9 omitted (1.4.2013) by virtue of [Financial Services Act 2012 \(c. 21\)](#), **ss. 11(3)**, 122(3) (with [Sch. 20](#)); [S.I. 2013/423](#), art. 3, Sch.

[^{F212}SCHEDULE 6A

Section 55JA

VARIATION OR CANCELLATION OF PART 4A PERMISSION ON INITIATIVE OF FCA: ADDITIONAL POWER

Textual Amendments

F212 Sch. 6A inserted (1.7.2021) by [Financial Services Act 2021 \(c. 22\)](#), s. 49(5), **Sch. 11 para. 3**; [S.I. 2021/739](#), reg. 3(p)

Additional power

- 1 (1) If it appears to the FCA that an FCA-*authorised* person with a Part 4A permission is carrying on no regulated activity to which the permission relates, the FCA may exercise its power under this paragraph.
- (2) The FCA's power under this paragraph is the power—
- (a) to vary the Part 4A permission by—
 - (i) removing a regulated activity from those to which the permission relates, or
 - (ii) varying the description of a regulated activity to which the permission relates, or
 - (b) to cancel the Part 4A permission.
- (3) The circumstances in which the FCA may form the view that an authorised person is carrying on no regulated activity include (but are not limited to) circumstances where the person fails—
- (a) to pay any periodic fee or levy as is required by the FCA Handbook, or
 - (b) to provide such information to the FCA as is required by the FCA Handbook.
- (4) “The FCA Handbook” means the Handbook made by the FCA under this Act (as that Handbook is amended from time to time).
- (5) If, as a result of a variation of a permission under this paragraph, there are no longer any regulated activities for which the person has permission, the FCA must, once it is satisfied that it is no longer necessary to keep the permission in force, cancel it.
- (6) The power to vary a permission under this paragraph extends to including in the permission as varied any provision that could be included if a fresh permission were being given in response to an application to the FCA under section 55A.
- (7) The FCA's power under this paragraph must be exercised in accordance with paragraph 2.

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Procedure etc

- 2 (1) The FCA may exercise its power under paragraph 1 in relation to an authorised person with a Part 4A permission only if the following conditions are met.
- (2) The first condition is that the FCA has given a notice in writing to the person—
 - (a) stating that it appears to the FCA that the person is carrying on no regulated activity to which the permission relates,
 - (b) inviting the person to respond in a specified manner, and
 - (c) warning of the potential consequences that may arise under this Schedule of a failure to do so.
- (3) The second condition is that—
 - (a) at least 14 days beginning with the date on which the notice was given have elapsed, and
 - (b) the person has failed to respond in the specified manner.
- (4) The third condition is that the FCA has given a further notice in writing to the person setting out—
 - (a) in a case where the FCA proposes to vary the permission—
 - (i) the proposed variation,
 - (ii) the date on which the FCA proposes to vary the permission (and, if different, the date on which the variation is to take effect), and
 - (iii) any specified steps the person may take that would (if taken) result in the FCA deciding not to vary the permission as proposed;
 - (b) in a case where the FCA proposes to cancel the permission—
 - (i) the date on which the FCA proposes to cancel the permission (and, if different, the date on which the cancellation is to take effect), and
 - (ii) any specified steps the person may take that would (if taken) result in the FCA deciding not to cancel the permission.
- (5) The fourth condition is that the date specified in the notice under sub-paragraph (4) is not earlier than the end of the period of 14 days beginning with the date on which the notice is given.
- (6) Where the FCA decides to publicise a notice given under this paragraph (or any details relating to it), it may do so in such manner as it considers appropriate.

Notice of decision

- 3 (1) Where the FCA decides to vary or cancel an authorised person's Part 4A permission under paragraph 1, the FCA must give the person a notice in writing setting out—
 - (a) in a case where the FCA varies the permission, the variation,
 - (b) the date on which the variation or cancellation takes effect, and
 - (c) the person's power to make an application under paragraph 4.
- (2) Where the FCA—
 - (a) has given the person a notice under paragraph 2(4), but
 - (b) decides not to vary or cancel the permission (whether or not because the specified steps referred to in that notice have been taken),the FCA must give the person a notice in writing of that decision.

Status: Point in time view as at 01/01/2022.

Changes to legislation: Financial Services and Markets Act 2000 is up to date with all changes known to be in force on or before 19 August 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)

- (3) A notice given under this paragraph may include such other information as the FCA considers appropriate.
- (4) Where the FCA decides to publicise a notice given under this paragraph (or any details relating to it), it may do so in such manner as it considers appropriate.

Application for decision to be annulled

- 4 (1) This paragraph applies where the FCA decides to vary or cancel an authorised person's Part 4A permission under paragraph 1.
- (2) If the person is aggrieved by the FCA's decision, the person may apply to the FCA to have the decision annulled.
- (3) An application under this paragraph must be made before the end of the period of 12 months beginning with the day on which the variation or cancellation took effect.
- (4) An application under this paragraph must be determined before the end of the period of 6 months beginning with the date on which the FCA received the completed application.
- (5) The applicant may withdraw the application, by giving the FCA written notice, at any time before the FCA determines it.
- (6) The FCA may direct that an application under this paragraph must—
 - (a) contain specified information, or
 - (b) take a specified form.

Annulment etc

- 5 (1) This paragraph applies where the FCA receives an application under paragraph 4 in relation to a decision to vary or cancel an authorised person's Part 4A permission under paragraph 1.
- (2) The FCA may—
 - (a) annul the decision unconditionally,
 - (b) annul the decision subject to such conditions as it considers appropriate, or
 - (c) refuse to annul the decision.
- (3) The FCA may annul the decision (unconditionally or subject to conditions) only if satisfied that, in all the circumstances, it is just and reasonable to do so.
- (4) The FCA's power under sub-paragraph (2)(b) includes the power—
 - (a) to remove or describe differently a regulated activity specified in the permission, and
 - (b) to withdraw or vary an approval given under section 59 that has effect in relation to the carrying on of a regulated activity specified in the permission, provided that the activity in question was one to which the permission related immediately before the decision was taken.
- (5) Where the FCA annuls the decision it must give the person a notice in writing setting out—
 - (a) where the annulment is subject to conditions, the conditions, and
 - (b) the date on which the annulment takes effect.

Status: Point in time view as at 01/01/2022.

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- (6) If the FCA proposes to refuse to annul the decision it must give the person a warning notice.
- (7) If the FCA decides to refuse to annul the decision it must give the person a decision notice.

Effect

- 6 (1) Where the FCA—
 - (a) varies or cancels an authorised person's Part 4A permission under paragraph 1, but
 - (b) that decision is subsequently annulled under paragraph 5,the variation or cancellation is treated as if it had not taken place, subject as follows.
- (2) The FCA does not become subject to any statutory obligation by virtue of sub-paragraph (1).
- (3) Where, by virtue of sub-paragraph (1)—
 - (a) a person becomes subject to a statutory obligation, and
 - (b) the FCA has functions in relation to the obligation,the FCA may, in exercising those functions, treat the person as if the person had not become subject to the obligation.
- (4) If the FCA treats a person as not having become subject to an obligation, it must notify the person of that fact in such manner as it considers appropriate.
- (5) In a case where paragraph 5(4)(a) applies—
 - (a) the permission is treated as if it had been varied in accordance with the FCA's own-initiative variation power, and
 - (b) that variation is treated as if it took effect on the date on which the annulment took effect.
- (6) In a case where paragraph 5(4)(b) applies—
 - (a) the approval is treated as if it had been withdrawn in accordance with section 63 or varied in accordance with section 63ZB (as the case may be), and
 - (b) that withdrawal or variation is treated as if it took effect on the date on which the annulment took effect.
- (7) In this paragraph “statutory obligation” means any obligation arising under or by virtue of this Act or any other enactment.
- (8) In sub-paragraph (7) “enactment” includes—
 - (a) the enactments listed in section 3T, and
 - (b) any retained direct EU legislation.

Right to refer matter to Tribunal

- 7 (1) This paragraph applies where the FCA—
 - (a) decides to vary or cancel an authorised person's Part 4A permission under paragraph 1,

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- (b) receives an application from the person under paragraph 4 in respect of that decision, and
 - (c) has disposed of that application under paragraph 5(2).
- (2) Either party may refer the matter to the Tribunal.
- (3) In determining a reference made under this paragraph, the Tribunal may give such directions, and may make such provision, as it considers reasonable for placing the person and other persons in the same position (as nearly as may be) as if the permission had not been varied or cancelled.

Supplementary

- 8 (1) Nothing in this Schedule affects the generality of any other provision made under or by virtue of this Act that confers power on the FCA to vary or cancel an authorised person's Part 4A permission.
- (2) Nothing in paragraph 6(5) and (6) gives rise to a right to make a reference to the Tribunal.
- (3) Sections 55U to 55X (applications made under Part 4A: procedure) do not apply in relation to an application made under paragraph 4.
- (4) Section 55Z (cancellation of Part 4A permission: procedure) does not apply in relation to a proposal, or decision, to cancel an authorised person's Part 4A permission under paragraph 1.
- (5) Section 55Z3(1) (right to refer matters to the Tribunal) does not apply in relation to the determination of an application under paragraph 4.
- (6) In this Schedule “specified” means specified in a direction given by the FCA under this Schedule.
- (7) A direction made by the FCA under this Schedule may make different provision for different cases.
- (8) The FCA may revoke or amend a direction it makes under this Schedule.]

F213 SCHEDULE 7

Section 72(2).

Textual Amendments

F213 Sch. 7 omitted (24.1.2013 for specified purposes, 1.4.2013 in so far as not already in force) by virtue of Financial Services Act 2012 (c. 21), ss. 16(14)(k), 122(3) (with Sch. 20); S.I. 2013/113, art. 2(1)(c), Sch. Pt. 3; S.I. 2013/423, art. 3, Sch.

Status: Point in time view as at 01/01/2022.

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F214 SCHEDULE 8

Section 72(3).

Textual Amendments

F214 Sch. 8 omitted (24.1.2013 for specified purposes, 1.4.2013 in so far as not already in force) by virtue of Financial Services Act 2012 (c. 21), ss. 16(14)(f), 122(3) (with Sch. 20); S.I. 2013/113, art. 2(1)(c), Sch. Pt. 3; S.I. 2013/423, art. 3, Sch.

F215 SCHEDULE 9

Textual Amendments

F215 Sch. 9 repealed (1.7.2005) by The Prospectus Regulations 2005 (S.I. 2005/1433), reg. 2(1), Sch. 1 para. 16

SCHEDULE 10

Section 90(2) and (5).

COMPENSATION: EXEMPTIONS

Modifications etc. (not altering text)

C90 Sch. 10 restricted (1.12.2001) by S.I. 2001/2957, arts. 1, 7(3); S.I. 2001/3538, art. 2(1)

Statements believed to be true

- 1 (1) In this paragraph “statement” means—
- (a) any untrue or misleading statement in listing particulars; or
 - (b) the omission from listing particulars of any matter required to be included by section 80 or 81.
- (2) A person does not incur any liability under section 90(1) for loss caused by a statement if he satisfies the court that, at the time when the listing particulars were submitted to the [F216 FCA], he reasonably believed (having made such enquiries, if any, as were reasonable) that—
- (a) the statement was true and not misleading, or
 - (b) the matter whose omission caused the loss was properly omitted,
- and that one or more of the conditions set out in sub-paragraph (3) are satisfied.
- (3) The conditions are that—
- (a) he continued in his belief until the time when the securities in question were acquired;

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- (b) they were acquired before it was reasonably practicable to bring a correction to the attention of persons likely to acquire them;
- (c) before the securities were acquired, he had taken all such steps as it was reasonable for him to have taken to secure that a correction was brought to the attention of those persons;
- (d) he continued in his belief until after the commencement of dealings in the securities following their admission to the official list and they were acquired after such a lapse of time that he ought in the circumstances to be reasonably excused.

Textual Amendments

F216 Word in Sch. 10 substituted (24.1.2013 for specified purposes, 1.4.2013 in so far as not already in force) by *Financial Services Act 2012 (c. 21), ss. 16(13), 122(3)* (with *Sch. 20*); *S.I. 2013/113, art. 2(1)(c), Sch. Pt. 3*; *S.I. 2013/423, art. 3, Sch.*

Statements by experts

- 2 (1) In this paragraph “statement” means a statement included in listing particulars which—
- (a) purports to be made by, or on the authority of, another person as an expert; and
 - (b) is stated to be included in the listing particulars with that other person’s consent.
- (2) A person does not incur any liability under section 90(1) for loss in respect of any securities caused by a statement if he satisfies the court that, at the time when the listing particulars were submitted to the [^{F216}FCA], he reasonably believed that the other person—
- (a) was competent to make or authorise the statement, and
 - (b) had consented to its inclusion in the form and context in which it was included,
- and that one or more of the conditions set out in sub-paragraph (3) are satisfied.
- (3) The conditions are that—
- (a) he continued in his belief until the time when the securities were acquired;
 - (b) they were acquired before it was reasonably practicable to bring the fact that the expert was not competent, or had not consented, to the attention of persons likely to acquire the securities in question;
 - (c) before the securities were acquired he had taken all such steps as it was reasonable for him to have taken to secure that that fact was brought to the attention of those persons;
 - (d) he continued in his belief until after the commencement of dealings in the securities following their admission to the official list and they were acquired after such a lapse of time that he ought in the circumstances to be reasonably excused.

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Textual Amendments

F216 Word in Sch. 10 substituted (24.1.2013 for specified purposes, 1.4.2013 in so far as not already in force) by [Financial Services Act 2012 \(c. 21\)](#), [ss. 16\(13\), 122\(3\)](#) (with [Sch. 20](#)); [S.I. 2013/113](#), [art. 2\(1\)\(c\)](#), [Sch. Pt. 3](#); [S.I. 2013/423](#), [art. 3](#), [Sch.](#)

Corrections of statements

- 3
- (1) In this paragraph “statement” has the same meaning as in paragraph 1.
 - (2) A person does not incur liability under section 90(1) for loss caused by a statement if he satisfies the court—
 - (a) that before the securities in question were acquired, a correction had been published in a manner calculated to bring it to the attention of persons likely to acquire the securities; or
 - (b) that he took all such steps as it was reasonable for him to take to secure such publication and reasonably believed that it had taken place before the securities were acquired.
 - (3) Nothing in this paragraph is to be taken as affecting paragraph 1.

Corrections of statements by experts

- 4
- (1) In this paragraph “statement” has the same meaning as in paragraph 2.
 - (2) A person does not incur liability under section 90(1) for loss caused by a statement if he satisfies the court—
 - (a) that before the securities in question were acquired, the fact that the expert was not competent or had not consented had been published in a manner calculated to bring it to the attention of persons likely to acquire the securities; or
 - (b) that he took all such steps as it was reasonable for him to take to secure such publication and reasonably believed that it had taken place before the securities were acquired.
 - (3) Nothing in this paragraph is to be taken as affecting paragraph 2.

Official statements

- 5
- A person does not incur any liability under section 90(1) for loss resulting from—
- (a) a statement made by an official person which is included in the listing particulars, or
 - (b) a statement contained in a public official document which is included in the listing particulars,
- if he satisfies the court that the statement is accurately and fairly reproduced.

False or misleading information known about

- 6
- A person does not incur any liability under section 90(1) or (4) if he satisfies the court that the person suffering the loss acquired the securities in question with knowledge—
- (a) that the statement was false or misleading,

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- (b) of the omitted matter, or
 - (c) of the change or new matter,
- as the case may be.

Belief that supplementary listing particulars not called for

- 7 A person does not incur any liability under section 90(4) if he satisfies the court that he reasonably believed that the change or new matter in question was not such as to call for supplementary listing particulars.

Meaning of “expert”

- 8 “Expert” includes any engineer, valuer, accountant or other person whose profession, qualifications or experience give authority to a statement made by him.

[^{F217}SCHEDULE 10A

Section 90A

LIABILITY OF ISSUERS IN CONNECTION WITH PUBLISHED INFORMATION

Textual Amendments

F217 Sch. 10A inserted (1.10.2010 with effect in accordance with reg. 3(1) of the amending S.I.) by [The Financial Services and Markets Act 2000 \(Liability of Issuers\) Regulations 2010 \(S.I. 2010/1192\)](#), reg. 2(3), [Sch.](#)

PART 1

SCOPE OF THIS SCHEDULE

Securities to which this Schedule applies

- 1 (1) This Schedule applies to securities that are, with the consent of the issuer, admitted to trading on a securities market, where—
- (a) the market is situated or operating in the United Kingdom, or
 - (b) the United Kingdom is the issuer's home State.
- (2) For the purposes of this Schedule—
- (a) an issuer of securities is not taken to have consented to the securities being admitted to trading on a securities market by reason only of having consented to their admission to trading on another market as a result of which they are admitted to trading on the first-mentioned market;
 - (b) an issuer who has accepted responsibility (to any extent) for any document prepared for the purposes of the admission of the securities to trading on a securities market (such as a prospectus or listing particulars) is taken to have consented to their admission to trading on that market.

[^{F218}(3) For the purposes of this Schedule the United Kingdom is the home State of an issuer if—

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- (a) the transparency rules impose requirements on the issuer in relation to the securities, or
- (b) the issuer has its registered office (or, if it does not have a registered office, its head office) in the United Kingdom.]

Textual Amendments

F218 Sch. 10A para. 1(3) substituted (31.12.2020) by The Official Listing of Securities, Prospectus and Transparency (Amendment etc.) (EU Exit) Regulations 2019 (S.I. 2019/707), regs. 1(2), **37(2)** (with savings in S.I. 2019/680, reg. 11 (as amended by S.I. 2019/1234, regs. 1(3), 29(2))); 2020 c. 1, Sch. 5 para. 1(1)

Published information to which this Schedule applies

- 2 (1) This Schedule applies to information published by the issuer of securities to which this Schedule applies—
- (a) by recognised means, or
 - (b) by other means where the availability of the information has been announced by the issuer by recognised means.
- (2) It is immaterial whether the information is required to be published (by recognised means or otherwise).
- (3) The following are “recognised means”—
- (a) a recognised information service;
 - (b) other means required or authorised to be used to communicate information to the market in question, or to the public, when a recognised information service is unavailable.
- (4) A “recognised information service” means—
- (a) in relation to a securities market situated or operating in the [^{F219}United Kingdom], a service used for the dissemination of information in accordance with [^{F220}transparency rules];
 - (b) in relation to a securities market situated or operating outside the [^{F221}United Kingdom], a service used for the dissemination of information corresponding to that required to be disclosed under [^{F222}transparency rules]; or
 - (c) in relation to any securities market, any other service used by issuers of securities for the dissemination of information required to be disclosed by the rules of the market.

Textual Amendments

F219 Words in Sch. 10A para. 2(4)(a) substituted (31.12.2020) by The Official Listing of Securities, Prospectus and Transparency (Amendment etc.) (EU Exit) Regulations 2019 (S.I. 2019/707), regs. 1(2), **37(3)(a)(i)** (with savings in S.I. 2019/680, reg. 11 (as amended by S.I. 2019/1234, regs. 1(3), 29(2))); 2020 c. 1, Sch. 5 para. 1(1)

F220 Words in Sch. 10A para. 2(4)(a) substituted (31.12.2020) by The Official Listing of Securities, Prospectus and Transparency (Amendment etc.) (EU Exit) Regulations 2019 (S.I. 2019/707), regs. 1(2), **37(3)(a)(ii)** (with savings in S.I. 2019/680, reg. 11 (as amended by S.I. 2019/1234, regs. 1(3), 29(2))); 2020 c. 1, Sch. 5 para. 1(1)

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- F221** Words in Sch. 10A para. 2(4)(b) substituted (31.12.2020) by *The Official Listing of Securities, Prospectus and Transparency (Amendment etc.) (EU Exit) Regulations 2019* (S.I. 2019/707), regs. 1(2), **37(3)(b)(i)** (with savings in S.I. 2019/680, reg. 11 (as amended by S.I. 2019/1234, regs. 1(3), 29(2))); 2020 c. 1, Sch. 5 para. 1(1)
- F222** Words in Sch. 10A para. 2(4)(b) substituted (31.12.2020) by *The Official Listing of Securities, Prospectus and Transparency (Amendment etc.) (EU Exit) Regulations 2019* (S.I. 2019/707), regs. 1(2), **37(3)(b)(ii)** (with savings in S.I. 2019/680, reg. 11 (as amended by S.I. 2019/1234, regs. 1(3), 29(2))); 2020 c. 1, Sch. 5 para. 1(1)

PART 2

LIABILITY IN CONNECTION WITH PUBLISHED INFORMATION

Liability of issuer for misleading statement or dishonest omission

- 3 (1) An issuer of securities to which this Schedule applies is liable to pay compensation to a person who—
- (a) acquires, continues to hold or disposes of the securities in reliance on published information to which this Schedule applies, and
 - (b) suffers loss in respect of the securities as a result of—
 - (i) any untrue or misleading statement in that published information, or
 - (ii) the omission from that published information of any matter required to be included in it.
- (2) The issuer is liable in respect of an untrue or misleading statement only if a person discharging managerial responsibilities within the issuer knew the statement to be untrue or misleading or was reckless as to whether it was untrue or misleading.
- (3) The issuer is liable in respect of the omission of any matter required to be included in published information only if a person discharging managerial responsibilities within the issuer knew the omission to be a dishonest concealment of a material fact.
- (4) A loss is not regarded as suffered as a result of the statement or omission unless the person suffering it acquired, continued to hold or disposed of the relevant securities—
- (a) in reliance on the information in question, and
 - (b) at a time when, and in circumstances in which, it was reasonable for him to rely on it.
- 4 An issuer of securities to which this Schedule applies is not liable under paragraph 3 to pay compensation to a person for loss suffered as a result of an untrue or misleading statement in, or omission from, published information to which this Schedule applies if—
- (a) the published information is contained in listing particulars or a prospectus (or supplementary listing particulars or a supplementary prospectus), and
 - (b) the issuer is liable under section 90 (compensation for statements in listing particulars or prospectus) to pay compensation to the person in respect of the statement or omission.

Status: Point in time view as at 01/01/2022.

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Liability of issuer for dishonest delay in publishing information

- 5 (1) An issuer of securities to which this Schedule applies is liable to pay compensation to a person who—
- (a) acquires, continues to hold or disposes of the securities, and
 - (b) suffers loss in respect of the securities as a result of delay by the issuer in publishing information to which this Schedule applies.
- (2) The issuer is liable only if a person discharging managerial responsibilities within the issuer acted dishonestly in delaying the publication of the information.

Meaning of dishonesty

- 6 For the purposes of paragraphs 3(3) and 5(2) a person's conduct is regarded as dishonest if (and only if)—
- (a) it is regarded as dishonest by persons who regularly trade on the securities market in question, and
 - (b) the person was aware (or must be taken to have been aware) that it was so regarded.

Exclusion of certain other liabilities

- 7 (1) The issuer is not subject—
- (a) to any liability other than that provided for by paragraph 3 in respect of loss suffered as a result of reliance by any person on—
 - (i) an untrue or misleading statement in published information to which this Schedule applies, or
 - (ii) the omission from any such published information of any matter required to be included in it;
 - (b) to any liability other than that provided for by paragraph 5 in respect of loss suffered as a result of delay in the publication of information to which this Schedule applies.
- (2) A person other than the issuer is not subject to any liability, other than to the issuer, in respect of any such loss.
- (3) This paragraph does not affect—
- (a) civil liability—
 - (i) under section 90 (compensation for statements in listing particulars or prospectus),
 - (ii) under rules made by virtue of section 954 of the Companies Act 2006 (compensation),
 - (iii) for breach of contract,
 - (iv) under the Misrepresentation Act 1967, or
 - (v) arising from a person's having assumed responsibility, to a particular person for a particular purpose, for the accuracy or completeness of the information concerned;
 - (b) liability to a civil penalty; or
 - (c) criminal liability.
- (4) This paragraph does not affect the powers conferred by sections 382 and 384 (powers of the court to make a restitution order and of the Authority to require restitution).

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- (5) References in this paragraph to liability, in relation to a person, include a reference to another person being entitled as against that person to be granted any civil remedy or to rescind or repudiate an agreement.

PART 3

SUPPLEMENTARY PROVISIONS

Interpretation

- 8 (1) In this Schedule—
- [^{F223}(a) “securities” means transferable securities as defined in Article 2(1)(24) of the markets in financial instruments regulation, other than money market instruments as defined in Article 2(1)(25A) of that regulation that have a maturity of less than 12 months (and includes instruments outside the United Kingdom);]
 - (b) “securities market” means—
 - [^{F224}(i) a regulated market as defined in Article 2(1)(13) of the markets in financial instruments regulation, or
 - (ii) a multilateral trading facility as defined in Article 2(1)(14) of that regulation.]
- (2) References in this Schedule to the issuer of securities are—
- (a) in relation to a depositary receipt, derivative instrument or other financial instrument representing securities where the issuer of the securities represented has consented to the admission of the instrument to trading as mentioned in paragraph 1(1), to the issuer of the securities represented;
 - (b) in any other case, to the person who issued the securities.
- (3) References in this Schedule to the acquisition or disposal of securities include—
- (a) acquisition or disposal of any interest in securities, or
 - (b) contracting to acquire or dispose of securities or of any interest in securities, except where what is acquired or disposed of (or contracted to be acquired or disposed of) is a depositary receipt, derivative instrument or other financial instrument representing securities.
- (4) References to continuing to hold securities have a corresponding meaning.
- (5) For the purposes of this Schedule the following are persons “discharging managerial responsibilities” within an issuer—
- (a) any director of the issuer (or person occupying the position of director, by whatever name called);
 - (b) in the case of an issuer whose affairs are managed by its members, any member of the issuer;
 - (c) in the case of an issuer that has no persons within paragraph (a) or (b), any senior executive of the issuer having responsibilities in relation to the information in question or its publication.
- (6) The following definitions (which apply generally for the purposes of Part 6 of this Act) do not apply for the purposes of this Schedule:
- (a) section 102A(1), (2) and (6) (meaning of “securities” and “issuer”);

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F225 (b)

Textual Amendments

- F223** Sch. 10A para. 8(1)(a) substituted (31.12.2020) by [The Official Listing of Securities, Prospectus and Transparency \(Amendment etc.\) \(EU Exit\) Regulations 2019 \(S.I. 2019/707\)](#), regs. 1(2), **37(4)(a)(i)** (with savings in [S.I. 2019/680](#), reg. 11 (as amended by [S.I. 2019/1234](#), regs. 1(3), 29(2))); 2020 c. 1, Sch. 5 para. 1(1)
- F224** Sch. 10A para. 8(1)(b)(i)(ii) substituted for Sch. 10A para. 8(1)(b)(i)-(iii) (31.12.2020) by [The Official Listing of Securities, Prospectus and Transparency \(Amendment etc.\) \(EU Exit\) Regulations 2019 \(S.I. 2019/707\)](#), regs. 1(2), **37(4)(a)(ii)** (with savings in [S.I. 2019/680](#), reg. 11 (as amended by [S.I. 2019/1234](#), regs. 1(3), 29(2))); 2020 c. 1, Sch. 5 para. 1(1)
- F225** Sch. 10A para. 8(6)(b) omitted (31.12.2020) by virtue of [The Official Listing of Securities, Prospectus and Transparency \(Amendment etc.\) \(EU Exit\) Regulations 2019 \(S.I. 2019/707\)](#), regs. 1(2), **37(4)(b)** (with savings in [S.I. 2019/680](#), reg. 11 (as amended by [S.I. 2019/1234](#), regs. 1(3), 29(2))); 2020 c. 1, Sch. 5 para. 1(1)

F226 SCHEDULE 11

Textual Amendments

- F226** Sch. 11 repealed (1.7.2005) by [The Prospectus Regulations 2005 \(S.I. 2005/1433\)](#), reg. 2(1), **Sch. 1 para. 16**

[F231] SCHEDULE 11A

Section [F232]85(6A)]

TRANSFERABLE SECURITIES

Textual Amendments

- F231** Sch. 11A inserted (1.7.2005) by [The Prospectus Regulations 2005 \(S.I. 2005/1433\)](#), reg. 2(2), **Sch. 2**
- F232** Word in [Sch. 11A](#) shoulder reference substituted (21.7.2019) by [The Financial Services and Markets Act 2000 \(Prospectus\) Regulations 2019 \(S.I. 2019/1043\)](#), regs. 1(1), **35(4)** (with reg. 40)

F233 PART 1

Textual Amendments

- F233** Sch. 11A Pt. 1 omitted (21.7.2019) by virtue of [The Financial Services and Markets Act 2000 \(Prospectus\) Regulations 2019 \(S.I. 2019/1043\)](#), regs. 1(1), **35(2)** (with reg. 40)

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Changes to legislation: Financial Services and Markets Act 2000 is up to date with all changes known to be in force on or before 19 August 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)

PART 2

- 7 ^{F234}(1)
- (2) [^{F235}The bodies recognised for the purposes of Article 1(2)(e) of the prospectus regulation are]
- (a) a charity
 - [^{F236}(i) as defined by section 1(1) of the Charities Act 2011, or
 - (ii) within the meaning of] section 35 of the Charities Act (Northern Ireland) 1964 (c. 33 (N.I.));
 - [^{F237}(b) a body entered in the Scottish Charity Register;]
 - (c) a housing association within the meaning of—
 - (i) section 5(1) of the Housing Act 1985 (c. 68),
 - (ii) section 1 of the Housing Associations Act 1985 (c. 69), or
 - (iii) Article 3 of the Housing (Northern Ireland) Order 1992 (S.I. 1992/1725 (N.I. 15));
 - [^{F238}(d) a registered society that—
 - (i) is registered under the Co-operative and Community Benefit Societies Act 2014 as a community benefit society,
 - (ii) is a pre-commencement society within the meaning of that Act that was registered in accordance with section 2(2)(a)(ii) of that Act, or
 - (iii) is registered in accordance with section 1(2)(b) of the Industrial and Provident Societies Act (Northern Ireland) 1969;]
 - ^{F239}(e)

Textual Amendments

F234 Sch. 11A para. 7(1) omitted (21.7.2019) by virtue of [The Financial Services and Markets Act 2000 \(Prospectus\) Regulations 2019 \(S.I. 2019/1043\)](#), regs. 1(1), **35(3)(a)** (with reg. 40)

F235 Words in Sch. 11A para. 7(2) substituted (21.7.2019) by [The Financial Services and Markets Act 2000 \(Prospectus\) Regulations 2019 \(S.I. 2019/1043\)](#), regs. 1(1), **35(3)(b)** (with reg. 40)

F236 Words in Sch. 11A para. 7(2)(a) substituted (14.3.2012) by [Charities Act 2011 \(c. 25\)](#), ss. 354(1)(2), 355, **Sch. 7 para. 86** (with s. 20(2), Sch. 8)

F237 Sch. 11A para. 7(2)(b) substituted (1.4.2006) by [The Charities and Trustee Investment \(Scotland\) Act 2005 \(Consequential Provisions and Modifications\) Order 2006 \(S.I. 2006/242\)](#), arts. 1(3), 5, **Sch. para. 7**

F238 Sch. 11A para. 7(2)(d) substituted (1.8.2014) by [Co-operative and Community Benefit Societies Act 2014 \(c. 14\)](#), s. 154, **Sch. 4 para. 72** (with Sch. 5)

F239 Sch. 11A para. 7(2)(e) omitted (31.12.2020) by virtue of [The Official Listing of Securities, Prospectus and Transparency \(Amendment etc.\) \(EU Exit\) Regulations 2019 \(S.I. 2019/707\)](#), regs. 1(2), **38(6)** (with savings in S.I. 2019/680, reg. 11 (as amended by S.I. 2019/1234, regs. 1(3), 29(2))); 2020 c. 1, Sch. 5 para. 1(1)

F240^g

Textual Amendments

F240 Sch. 11A para. 8 omitted (21.7.2019) by virtue of [The Financial Services and Markets Act 2000 \(Prospectus\) Regulations 2019 \(S.I. 2019/1043\)](#), regs. 1(1), **35(3)(c)** (with reg. 40)

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F241⁹

Textual Amendments

F241 Sch. 11A para. 9 omitted (21.7.2019) by virtue of [The Financial Services and Markets Act 2000 \(Prospectus\) Regulations 2019 \(S.I. 2019/1043\)](#), regs. 1(1), **35(3)(c)** (with reg. 40)

F242 SCHEDULE 11B

Section 96B(2)

Textual Amendments

F242 Sch. 11B omitted (3.7.2016) by virtue of [The Financial Services and Markets Act 2000 \(Market Abuse\) Regulations 2016 \(S.I. 2016/680\)](#), regs. 1, **8(10)**

SCHEDULE 12

Sections 111(2) and 115.

TRANSFER SCHEMES: CERTIFICATES

PART I

INSURANCE BUSINESS TRANSFER SCHEMES

Modifications etc. (not altering text)

C92 Sch. 12 Pt. I (paras. 1-6) applied (1.12.2001) by [S.I. 2001/3626](#), **arts. 1, 3(c)**

[^{F243}1 For the purposes of section 111(2) the appropriate certificate, in relation to an insurance business transfer scheme, is a certificate under paragraph 2.]

Textual Amendments

F243 Sch. 12 para. 1 substituted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **105** (with transitional provisions in [S.I. 2019/710](#), regs. 1(4), 36, Sch. para. 3); 2020 c. 1, Sch. 5 para. 1(1)

Modifications etc. (not altering text)

C93 Sch. 12 para. 1 modified (31.12.2020) by [The Financial Services \(Miscellaneous\) \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/710\)](#), reg. 1(3), Sch. para. 4, 5, **7(2)** (as amended by [S.I. 2020/1301](#), regs. 1, 3, **Sch. para. 43(m)(iv)**); 2020 c. 1, Sch. 5 para. 1(1)

Certificates as to margin of solvency

2 (1) A certificate under this paragraph is to be given—

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- (a) by the relevant authority; or
 - (b) in a case in which there is no relevant authority, by the [^{F244}appropriate regulator].
- (2) A certificate given under sub-paragraph (1)(a) is one certifying that, taking the proposed transfer into account—
- (a) the transferee possesses, or will possess before the scheme takes effect, the necessary margin of solvency; or
 - (b) there is no necessary margin of solvency applicable to the transferee.
- (3) A certificate under sub-paragraph (1)(b) is one certifying that the [^{F245}appropriate regulator] has received from the authority which it considers to be the authority responsible for supervising persons who effect or carry out contracts of insurance in the place to which the business is to be transferred [^{F246}certification] that, taking the proposed transfer into account—
- (a) the transferee possesses or will possess before the scheme takes effect the margin of solvency required under the law applicable in that place; or
 - (b) there is no such margin of solvency applicable to the transferee .
- (4) “Necessary margin of solvency” means the margin of solvency required in relation to the transferee, taking the proposed transfer into account, under the law which it is the responsibility of the relevant authority to apply.
- (5) “Margin of solvency” means the excess of the value of the assets of the transferee over the amount of its liabilities.
- (6) “Relevant authority” means—
- ^{F247}(a)
 - ^{F248}(aa)
 - (b) if the transferee is a Swiss general insurer, the authority responsible in Switzerland for supervising persons who effect or carry out contracts of insurance;
 - (c) if the transferee is an authorised person not falling within [^{F249}paragraph ^{F250}...] (b) [^{F251}—
 - (i) the PRA, if the transferee is a PRA-authorised person with a Part 4A permission ^{F252}...;
 - (ii) the FCA, if the transferee is a person with a Part 4A permission ^{F253} ... but is not a PRA-authorised person.]
- (7) In sub-paragraph (6), any reference to a transferee of a particular description includes a reference to a transferee who will be of that description if the proposed scheme takes effect.
- ^{F254}(7A)
- (8) “Swiss general insurer” means a body—
- (a) whose head office is in Switzerland;
 - (b) which has permission to carry on regulated activities consisting of the effecting and carrying out of contracts of general insurance; and
 - (c) whose permission is not restricted to the effecting or carrying out of contracts of reinsurance.

Status: Point in time view as at 01/01/2022.

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F255 (9)

Textual Amendments

- F244** Words in Sch. 12 para. 2(1)(b) substituted (1.4.2013) by [Financial Services Act 2012 \(c. 21\)](#), s. 122(3), [Sch. 6 para. 11\(2\)\(a\)](#) (with [Sch. 20](#)); S.I. 2013/423, art. 3, Sch.
- F245** Words in Sch. 12 para. 2(3) substituted (1.4.2013) by [Financial Services Act 2012 \(c. 21\)](#), s. 122(3), [Sch. 6 para. 11\(2\)\(b\)](#) (with [Sch. 20](#)); S.I. 2013/423, art. 3, Sch.
- F246** Word in Sch. 12 para. 2(3) inserted (1.4.2013) by [Financial Services Act 2012 \(c. 21\)](#), s. 122(3), [Sch. 6 para. 11\(3\)](#) (with [Sch. 20](#)); S.I. 2013/423, art. 3, Sch.
- F247** Sch. 12 para. 2(6)(a) omitted (31.12.2020) by virtue of [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), [106\(3\)\(a\)](#) (with transitional provisions in S.I. 2019/710, regs. 1(4), 36, Sch. para. 3); 2020 c. 1, Sch. 5 para. 1(1)
- F248** Sch. 12 para. 2(6)(aa) omitted (31.12.2020) by virtue of [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), [106\(3\)\(a\)](#) (with transitional provisions in S.I. 2019/710, regs. 1(4), 36, Sch. para. 3); 2020 c. 1, Sch. 5 para. 1(1)
- F249** Words in Sch. 12 para. 2(6)(c) substituted (10.12.2007) by [The Reinsurance Directive Regulations 2007 \(S.I. 2007/3253\)](#), reg. 2(1), [Sch. 1 para. 2\(5\)\(e\)\(iii\)](#)
- F250** Words in Sch. 12 para. 2(6)(c) omitted (31.12.2020) by virtue of [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), [106\(3\)\(b\)](#) (with transitional provisions in S.I. 2019/710, regs. 1(4), 36, Sch. para. 3); 2020 c. 1, Sch. 5 para. 1(1)
- F251** Sch. 12 para. 2(6)(c)(i)(ii) substituted for words (1.4.2013) by [Financial Services Act 2012 \(c. 21\)](#), s. 122(3), [Sch. 6 para. 11\(4\)](#) (with [Sch. 20](#)); S.I. 2013/423, art. 3, Sch.
- F252** Words in Sch. 12 para. 2(6)(c)(i) omitted (31.12.2020) by virtue of [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), [106\(3\)\(c\)](#) (with transitional provisions in S.I. 2019/710, regs. 1(4), 36, Sch. para. 3); 2020 c. 1, Sch. 5 para. 1(1)
- F253** Words in Sch. 12 para. 2(6)(c)(ii) omitted (31.12.2020) by virtue of [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), [106\(3\)\(c\)](#) (with transitional provisions in S.I. 2019/710, regs. 1(4), 36, Sch. para. 3); 2020 c. 1, Sch. 5 para. 1(1)
- F254** Sch. 12 para. 2(7A) omitted (31.12.2020) by virtue of [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), [106\(4\)](#) (with transitional provisions in S.I. 2019/710, regs. 1(4), 36, Sch. para. 3); 2020 c. 1, Sch. 5 para. 1(1)
- F255** Sch. 12 para. 2(9) omitted (31.12.2020) by virtue of [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), [106\(4\)](#) (with transitional provisions in S.I. 2019/710, regs. 1(4), 36, Sch. para. 3); 2020 c. 1, Sch. 5 para. 1(1)

Modifications etc. (not altering text)

- C94** Sch. 12 paras. 2, 3 applied (with modifications) by S.I. 2001/3626, art. 5(2A) (as inserted (1.9.2013) by [The Financial Services Act 2012 \(Consequential Amendments and Transitional Provisions\) \(No. 3\) Order 2013 \(S.I. 2013/1765\)](#), arts. 1, [5\(4\)\(c\)](#))
- C95** Sch. 12 para. 2 modified (31.12.2020) by [The Financial Services \(Miscellaneous\) \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/710\)](#), reg. 1(3), Sch. para. 4, 5, [7\(3\)](#) (as amended by S.I. 2020/1301, regs. 1, 3, [Sch. para. 43\(m\)\(v\)\(vii\)](#)); 2020 c. 1, [Sch. 5 para. 1\(1\)](#))

Certificates as to ^{F256}consultation]

Textual Amendments

- F256** Word in Sch. 12 para. 3 heading substituted (1.1.2016) by [The Solvency 2 Regulations 2015 \(S.I. 2015/575\)](#), reg. 1(2), [Sch. 1 para. 18\(4\)](#))

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F257₃

Textual Amendments

F257 Sch. 12 paras. 3-6 omitted (31.12.2020) by virtue of [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **107** (with transitional provisions in S.I. 2019/710, regs. 1(4), 36, Sch. paras. 3, 4, 5, 7(4)); 2020 c. 1, Sch. 5 para. 1(1)

Certificates as to consent

F257_{3A}

Textual Amendments

F257 Sch. 12 paras. 3-6 omitted (31.12.2020) by virtue of [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **107** (with transitional provisions in S.I. 2019/710, regs. 1(4), 36, Sch. paras. 3, 4, 5, 7(4)); 2020 c. 1, Sch. 5 para. 1(1)

Certificates as to long-term business

F257₄

Textual Amendments

F257 Sch. 12 paras. 3-6 omitted (31.12.2020) by virtue of [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **107** (with transitional provisions in S.I. 2019/710, regs. 1(4), 36, Sch. paras. 3, 4, 5, 7(4)); 2020 c. 1, Sch. 5 para. 1(1)

Certificates as to general business

F257₅

Textual Amendments

F257 Sch. 12 paras. 3-6 omitted (31.12.2020) by virtue of [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **107** (with transitional provisions in S.I. 2019/710, regs. 1(4), 36, Sch. paras. 3, 4, 5, 7(4)); 2020 c. 1, Sch. 5 para. 1(1)

Certificates as to legality and as to consent

F257_{5A}

Textual Amendments

F257 Sch. 12 paras. 3-6 omitted (31.12.2020) by virtue of [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **107** (with transitional provisions in S.I. 2019/710, regs. 1(4), 36, Sch. paras. 3, 4, 5, 7(4)); 2020 c. 1, Sch. 5 para. 1(1)

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Interpretation of Part I

F257⁶

Textual Amendments

F257 Sch. 12 paras. 3-6 omitted (31.12.2020) by virtue of [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **107** (with transitional provisions in S.I. 2019/710, regs. 1(4), 36, Sch. paras. 3, 4, 5, 7(4)); 2020 c. 1, Sch. 5 para. 1(1)

PART II

BANKING BUSINESS TRANSFER SCHEMES

[^{F258}7 For the purposes of section 111(2) the appropriate certificate, in relation to a banking business transfer scheme, is a certificate under paragraph 8.]

Textual Amendments

F258 Sch. 12 para. 7 substituted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **108**; 2020 c. 1, Sch. 5 para. 1(1)

Certificates as to financial resources

- 8 (1) A certificate under this paragraph is one given by the relevant authority and certifying that, taking the proposed transfer into account, the transferee possesses, or will possess before the scheme takes effect, adequate financial resources.
- (2) “Relevant authority” means—
- [^{F259}(a) if the transferee is a PRA-authorised person with a Part 4A permission ^{F260}..., the PRA;
 - (aa) if the transferee is a person with Part 4A permission ^{F261}... but is not a PRA-authorised person, the FCA;]
 - ^{F262}(b)
 - (c) if the transferee does not fall within paragraph [^{F263}(a) or (aa)], the authority responsible for the supervision of the transferee’s business in the place in which the transferee has its head office.
- (3) In sub-paragraph (2), any reference to a transferee of a particular description of person includes a reference to a transferee who will be of that description if the proposed banking business transfer scheme takes effect.

Textual Amendments

F259 Sch. 12 para. 8(2)(a)(aa) substituted for Sch. 12 para. 8(2)(a) (1.4.2013) by [Financial Services Act 2012 \(c. 21\)](#), s. 122(3), **Sch. 6 para. 16(a)** (with Sch. 20); S.I. 2013/423, art. 3, Sch.

F260 Words in Sch. 12 para. 8(2)(a) omitted (31.12.2020) by virtue of [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **109(a)**; 2020 c. 1, Sch. 5 para. 1(1)

Status: Point in time view as at 01/01/2022.

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- F261** Words in Sch. 12 para. 8(2)(aa) omitted (31.12.2020) by virtue of [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **109(a)**; 2020 c. 1, Sch. 5 para. 1(1)
- F262** Sch. 12 para. 8(2)(b) omitted (31.12.2020) by virtue of [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **109(b)**; 2020 c. 1, Sch. 5 para. 1(1)
- F263** Words in Sch. 12 para. 8(2)(c) substituted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **109(c)**; 2020 c. 1, Sch. 5 para. 1(1)

Certificates as to consent of home state regulator

F264⁹

Textual Amendments

- F264** Sch. 12 para. 9 omitted (31.12.2020) by virtue of [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **110**; 2020 c. 1, Sch. 5 para. 1(1)

[^{F265}PART 2A

RECLAIM FUND BUSINESS TRANSFER SCHEMES

Textual Amendments

- F265** Sch. 12 Pt. 2A inserted (12.3.2009) by [Dormant Bank and Building Society Accounts Act 2008 \(c. 31\)](#), ss. 15, 31(1)(2), **Sch. 2 para. 5**; S.I. 2009/490, **art. 2** (with art. 3)

Certificate as to financial resources

9A [For the purposes of section 111(2) the appropriate certificate, in relation to a reclaim ^{F266}(1) fund business transfer scheme, is a certificate given by the [^{F267}relevant regulator] certifying that, taking the proposed transfer into account, the transferee possesses, or will possess before the scheme takes effect, adequate financial resources.

[In this paragraph the “relevant regulator” means—

- ^{F268}(2) (a) if the transferee is a PRA-authorised person, the PRA;
(b) in any other case, the FCA.]

Textual Amendments

- F266** Sch. 12 para. 9A renumbered as Sch. 12 para. 9A(1) (1.4.2013) by [Financial Services Act 2012 \(c. 21\)](#), s. 122(3), **Sch. 6 para. 18(2)** (with Sch. 20); S.I. 2013/423, art. 3, Sch.
- F267** Words in Sch. 12 para. 9A(1) substituted (1.4.2013) by [Financial Services Act 2012 \(c. 21\)](#), s. 122(3), **Sch. 6 para. 18(3)** (with Sch. 20); S.I. 2013/423, art. 3, Sch.
- F268** Sch. 12 para. 9A(2) inserted (1.4.2013) by [Financial Services Act 2012 \(c. 21\)](#), s. 122(3), **Sch. 6 para. 18(4)** (with Sch. 20); S.I. 2013/423, art. 3, Sch.

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[^{F269}PART 2B

RING-FENCING TRANSFER SCHEMES

Textual Amendments

F269 Sch. 12 Pt. 2B inserted (1.3.2014) by [Financial Services \(Banking Reform\) Act 2013 \(c. 33\), s. 148\(5\), Sch. 1 para. 13; S.I. 2014/377, art. 2\(1\)\(a\), Sch. Pt. 1](#)

Appropriate certificates

- [^{F270}9B For the purposes of section 111(2) the appropriate certificates, in relation to a ring-fencing transfer scheme, are—
- (a) a certificate given by the PRA certifying its approval of the application, and
 - (b) a certificate under paragraph 9C.]

Textual Amendments

F270 Sch. 12 para. 9B substituted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\), regs. 1\(3\), 111; 2020 c. 1, Sch. 5 para. 1\(1\)](#)

Certificate as to financial resources

- 9C (1) A certificate under this paragraph is one given by the relevant authority and certifying that, taking the proposed transfer into account, the transferee possesses, or will possess before the scheme takes effect, adequate financial resources.
- (2) “Relevant authority” means—
- (a) if the transferee is a PRA-authorized person with a Part 4A permission ^{F271}..., the PRA;
 - ^{F272}(b)
 - (c) if the transferee does not fall within paragraph (a) ^{F273}... but is subject to regulation in a country or territory outside the United Kingdom, the authority responsible for the supervision of the transferee's business in the place in which the transferee has its head office;
 - (d) in any other case, the FCA.
- (3) In sub-paragraph (2), any reference to a transferee of a particular description includes a reference to a transferee who will be of that description if the proposed ring-fencing transfer scheme takes effect.]

Textual Amendments

F271 Words in Sch. 12 para. 9C(2)(a) omitted (31.12.2020) by virtue of [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\), regs. 1\(3\), 112\(a\); 2020 c. 1, Sch. 5 para. 1\(1\)](#)

F272 Sch. 12 para. 9C(2)(b) omitted (31.12.2020) by virtue of [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\), regs. 1\(3\), 112\(b\); 2020 c. 1, Sch. 5 para. 1\(1\)](#)

Status: Point in time view as at 01/01/2022.

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F273 Words in Sch. 12 para. 9C(2)(c) omitted (31.12.2020) by virtue of [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **112(c)**; 2020 c. 1, Sch. 5 para. 1(1)

Certificate as to consent of home state regulator

F2749D

Textual Amendments
F274 Sch. 12 para. 9D omitted (31.12.2020) by virtue of [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **113**; 2020 c. 1, Sch. 5 para. 1(1)

PART III

INSURANCE BUSINESS TRANSFERS EFFECTED OUTSIDE THE UNITED KINGDOM

10 (1) This paragraph applies to a proposal to execute under provisions corresponding to Part VII in a country or territory other than the United Kingdom an instrument transferring all the rights and obligations of the transferor under general or long-term insurance policies, or under such descriptions of such policies as may be specified in the instrument, to the transferee if [^{F275}the condition in sub-paragraph (4)] is met in relation to it.

^{F276}(2)

^{F277}(3)

[^{F278}(4) The transferor is a Swiss general insurer and the transferee is [^{F279}a UK authorised person as defined in section 105(8)].]

(5) In relation to a proposed transfer to which this paragraph applies, the [^{F280}regulator which supervises the transferee's margin of solvency] may, if it is satisfied that the transferee possesses the necessary margin of solvency, issue a certificate to that effect.

(6) “Necessary margin of solvency” means the margin of solvency which the transferee, taking the proposed transfer into account, is required by the [^{F281}FCA or the PRA] to maintain.

(7) “Swiss general insurer” has the same meaning as in paragraph 2.

(8) “General policy” means a policy evidencing a contract which, if it had been effected by the transferee, would have constituted the carrying on of a regulated activity consisting of the effecting of contracts of general insurance.

(9) “Long-term policy” means a policy evidencing a contract which, if it had been effected by the transferee, would have constituted the carrying on of a regulated activity consisting of the effecting of contracts of long-term insurance.

Status: Point in time view as at 01/01/2022.

Changes to legislation: Financial Services and Markets Act 2000 is up to date with all changes known to be in force on or before 19 August 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)

Textual Amendments

- F275** Words in Sch. 12 para. 10(1) substituted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **114(a)**; 2020 c. 1, Sch. 5 para. 1(1)
- F276** Sch. 12 para. 10(2) omitted (31.12.2020) by virtue of [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **114(b)**; 2020 c. 1, Sch. 5 para. 1(1)
- F277** Sch. 12 para. 10(3) omitted (31.12.2020) by virtue of [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **114(b)**; 2020 c. 1, Sch. 5 para. 1(1)
- F278** Sch. 12 para. 10(4) substituted (1.1.2016) by [The Solvency 2 Regulations 2015 \(S.I. 2015/575\)](#), reg. 1(2), **Sch. 1 para. 18(7)(b)**
- F279** Words in Sch. 12 para. 10(4) substituted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **114(c)**; 2020 c. 1, Sch. 5 para. 1(1)
- F280** Words in Sch. 12 para. 10(5) substituted (1.4.2013) by [Financial Services Act 2012 \(c. 21\)](#), s. 122(3), **Sch. 6 para. 19(3)** (with Sch. 20); S.I. 2013/423, art. 3, Sch.
- F281** Words in Sch. 12 para. 10(6) substituted (1.4.2013) by [Financial Services Act 2012 \(c. 21\)](#), s. 122(3), **Sch. 6 para. 19(4)** (with Sch. 20); S.I. 2013/423, art. 3, Sch.

F282 SCHEDULE 13

Textual Amendments

- F282** Sch. 13 omitted (6.4.2010) by virtue of [The Transfer of Tribunal Functions Order 2010 \(S.I. 2010/22\)](#), art. 1(2)(e), 5(1), **Sch. 2 para. 49**

F292 SCHEDULE 14

Section 162.

Textual Amendments

- F292** Sch. 14 omitted (1.4.2013) by virtue of [Financial Services Act 2012 \(c. 21\)](#), **ss. 24(4)**, 122(3) (with Sch. 20); S.I. 2013/423, art. 3, Sch.

Status: Point in time view as at 01/01/2022.

Changes to legislation: Financial Services and Markets Act 2000 is up to date with all changes known to be in force on or before 19 August 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)

SCHEDULE 15

Sections 165(11) and 171(4).

INFORMATION AND INVESTIGATIONS: CONNECTED PERSONS

PART I

RULES FOR SPECIFIC BODIES

Modifications etc. (not altering text)

C104 Sch. 15 Pt. I (paras. 1-7) modified (1.12.2001) by [S.I. 2001/2657, arts. 1\(1\), 15\(2\)](#) (which was revoked (8.10.2001) by [S.I. 2001/3083, arts. 1\(2\), 23](#)); [S.I. 2001/3538, art. 2\(1\)](#)

Sch. 15 Pt. I (paras. 1-7) modified (1.12.2001) by [S.I. 2001/3083, arts. 1\(2\), 15\(2\)](#); [S.I. 2001/3538, art. 2\(1\)](#)

Sch. 15 Pt. I (paras. 1-7) amended (*temp.* from 11.8.2001 to 1.12.2001) by [S.I. 2001/2659, arts. 1\(2\), 2\(2\)](#); [S.I. 2001/3538, art. 2\(1\)](#)

C105 Sch. 15 Pt. I modified (8.4.2002) by [The Financial Services and Markets Act 2000 \(Permission and Applications\) \(Credit Unions etc.\) Order 2002 \(S.I. 2002/704\), art. 8\(2\)](#)

C106 Sch. 15 Pt. 1 modified (31.12.2011) by [The Financial Services and Markets Act 2000 \(Permissions, Transitional Provisions and Consequential Amendments\) \(Northern Ireland Credit Unions\) Order 2011 \(S.I. 2011/2832\), art. 9\(2\)](#)

C107 Sch. 15 Pt. I modified (31.12.2013) by [The Financial Services and Markets Act 2000 \(Consumer Credit\) \(Transitional Provisions\) Order 2013 \(S.I. 2013/3128\), arts. 1\(1\), 4\(4\)](#)

Corporate bodies

- 1 If the authorised person (“BC”) is a body corporate, a person who is or has been—
- (a) an officer or manager of BC or of a parent undertaking of BC;
 - (b) an employee of BC;
 - (c) an agent of BC or of a parent undertaking of BC.

Partnerships

- 2 If the authorised person (“PP”) is a partnership, a person who is or has been a member, manager, employee or agent of PP.

Unincorporated associations

- 3 If the authorised person (“UA”) is an unincorporated association of persons which is neither a partnership nor an unincorporated friendly society, a person who is or has been an officer, manager, employee or agent of UA.

Friendly societies

- 4 (1) If the authorised person (“FS”) is a friendly society, a person who is or has been an officer, manager or employee of FS.
- (2) In relation to FS, “officer” and “manager” have the same meaning as in section 119(1) of the ^{M15}Friendly Societies Act 1992.

Status: Point in time view as at 01/01/2022.

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Marginal Citations

M15 1992 c. 40.

Building societies

- 5 (1) If the authorised person (“BS”) is a building society, a person who is or has been an officer or employee of BS.
- (2) In relation to BS, “officer” has the same meaning as it has in section 119(1) of the ^{M16}Building Societies Act 1986.

Marginal Citations

M16 1986 c. 53.

Individuals

- 6 If the authorised person (“IP”) is an individual, a person who is or has been an employee or agent of IP.

Application to sections 171 and 172

- 7 For the purposes of sections 171 and 172, if the person under investigation is not an authorised person the references in this Part of this Schedule to an authorised person are to be taken to be references to the person under investigation.

PART II

ADDITIONAL RULES

- 8 A person who is, or at the relevant time was, the partner, manager, employee, agent, appointed representative, banker, auditor, actuary or solicitor of—
- (a) the person under investigation (“A”);
 - (b) a parent undertaking of A;
 - (c) a subsidiary undertaking of A;
 - (d) a subsidiary undertaking of a parent undertaking of A; or
 - (e) a parent undertaking of a subsidiary undertaking of A.

Status: Point in time view as at 01/01/2022.

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Textual Amendments

- F293** Sch. 16 omitted (26.7.2013 for specified purposes, 1.4.2014 in so far as not already in force) by virtue of [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) \(No.2\) Order 2013](#) (S.I. 2013/1881), arts. 1(2)(6), **10(20)** (with art. 11(4))

SCHEDULE 17

Section 225(4).

THE OMBUDSMAN SCHEME

Modifications etc. (not altering text)

- C108** Sch. 17 applied (1.5.2009 for certain purposes and 1.11.2009 otherwise) by [The Payment Services Regulations 2009](#) (S.I. 2009/209), regs. 1(2), **125** (with reg. 3)
- C109** Sch. 17 applied (30.4.2011) by [The Electronic Money Regulations 2011](#) (S.I. 2011/99), **reg. 76(2)** (with reg. 3)

PART I

GENERAL

Interpretation

1 In this Schedule—

F294
...

[^{F295}“ADR entity” means [^{F296}a person whose name appears on a list maintained in accordance with regulation 10 of the Alternative Dispute Resolution for Consumer Disputes (Competent Authorities and Information) Regulations 2015];]

“ombudsman” means a person who is a member of the panel; and

“the panel” means the panel established under paragraph 4.

Textual Amendments

- F294** Words in Sch. 17 para. 1 omitted (31.12.2020) by virtue of [The Deposit Guarantee Scheme and Miscellaneous Provisions \(Amendment\) \(EU Exit\) Regulations 2018](#) (S.I. 2018/1285), regs. 1(3), **3(2)(a)**; 2020 c. 1, Sch. 5 para. 1(1)
- F295** Words in Sch. 17 para. 1 inserted (7.4.2015) by [The Alternative Dispute Resolution for Consumer Disputes \(Competent Authorities and Information\) Regulations 2015](#) (S.I. 2015/542), reg. 1(2), **Sch. 7 para. 1(3)(a)** (with reg. 7)
- F296** Words in Sch. 17 para. 1 substituted (31.12.2020) by [The Deposit Guarantee Scheme and Miscellaneous Provisions \(Amendment\) \(EU Exit\) Regulations 2018](#) (S.I. 2018/1285), regs. 1(3), **3(2)(b)**; 2020 c. 1, Sch. 5 para. 1(1)

Status: Point in time view as at 01/01/2022.

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PART II

THE SCHEME OPERATOR

[^{F297} Duty of FCA

Textual Amendments

F297 Sch. 17 para. 2 and cross-heading substituted (24.1.2013 for specified purposes, 1.4.2013 in so far as not already in force) by [Financial Services Act 2012 \(c. 21\)](#), s. 122(3), **Sch. 11 para. 14** (with [Sch. 20](#)); [S.I. 2013/113](#), art. 2(1)(c), [Sch. Pt. 3](#); [S.I. 2013/423](#), art. 3, [Sch.](#)

- 2 [^{F298}(1)] The FCA must take such steps as are necessary to ensure that the body corporate established by the Financial Services Authority under this Schedule as originally enacted is, at all times, capable of exercising the functions conferred on the scheme operator by or under this Act.
- [^{F299}(2)] The FCA must exercise any function falling within sub-paragraph (3) in a way which is consistent with enabling the scheme operator, at all times, to qualify as an ADR entity and to meet the [^{F300}requirements in Schedule 3 to the Alternative Dispute Resolution for Consumer Disputes (Competent Authorities and Information) Regulations 2015].
- (3) The following functions of the FCA fall within this sub-paragraph—
- (a) making rules for the purposes of section 226;
 - (b) approving rules made for the purposes of section 227;
 - (c) specifying an amount under section 229(4);
 - (d) approving rules made under section 230;
 - (e) taking steps under sub-paragraph (1);
 - (f) appointing or removing members of the board under paragraph 3(2);
 - (g) taking steps under paragraph 3A(1);
 - (h) making rules under paragraph 7(3);
 - (i) making rules under paragraph 13;
 - (j) consenting to scheme rules under paragraph 14(7), other than rules relating to fees;
 - (k) approving the fixing, variation, addition or removal of standard terms under paragraph 18, other than terms relating to the making of payments to the scheme operator; and
 - (l) approving arrangements under paragraph 19(3).]]

Textual Amendments

F298 Sch. 17 para. 2(1): Sch. 17 para. 2 renumbered as Sch. 17 para. 2(1) (7.4.2015) by [The Alternative Dispute Resolution for Consumer Disputes \(Competent Authorities and Information\) Regulations 2015 \(S.I. 2015/542\)](#), reg. 1(2), **Sch. 7 para. 1(3)(b)(i)** (with reg. 7)

F299 Sch. 17 para. 2(2)(3) inserted (7.4.2015) by [The Alternative Dispute Resolution for Consumer Disputes \(Competent Authorities and Information\) Regulations 2015 \(S.I. 2015/542\)](#), reg. 1(2), **Sch. 7 para. 1(3)(b)(ii)** (with reg. 7)

Status: Point in time view as at 01/01/2022.

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F300 Words in Sch. 17 para. 2(2) substituted (31.12.2020) by The Deposit Guarantee Scheme and Miscellaneous Provisions (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1285), regs. 1(3), 3(3); 2020 c. 1, Sch. 5 para. 1(1)

Constitution

- 3 (1) The constitution of the scheme operator must provide for it to have—
- (a) a chairman; and
 - (b) a board (which must include the chairman) whose members are the scheme operator's directors.
- (2) The chairman and other members of the board must be persons appointed, and liable to removal from office, by the ^{F301}FCA] (acting, in the case of the chairman, with the approval of the Treasury).
- (3) But the terms of their appointment (and in particular those governing removal from office) must be such as to secure their independence from the ^{F301}FCA] in the operation of the scheme.
- (4) The function of making voluntary jurisdiction rules under section 227 ^{F302}... and the functions conferred by paragraphs 4, 5, 7, 9 ^{F303}, 9A] or 14 may be exercised only by the board.
- (5) The validity of any act of the scheme operator is unaffected by—
- (a) a vacancy in the office of chairman; or
 - (b) a defect in the appointment of a person as chairman or as a member of the board.

Textual Amendments

- F301** Word in Sch. 17 para. 3 substituted (24.1.2013 for specified purposes, 1.4.2013 in so far as not already in force) by Financial Services Act 2012 (c. 21), s. 122(3), Sch. 11 para. 15(a) (with Sch. 20); S.I. 2013/113, art. 2(1)(c), Sch. Pt. 3; S.I. 2013/423, art. 3, Sch.
- F302** Words in Sch. 17 para. 3(4) omitted (26.7.2013 for specified purposes, 1.4.2014 in so far as not already in force) by virtue of The Financial Services and Markets Act 2000 (Regulated Activities) (Amendment) (No. 2) Order 2013 (S.I. 2013/1881), arts. 1(2)(6), 10(21)(a)
- F303** Word in Sch. 17 para. 3(4) inserted (24.1.2013 for specified purposes, 1.4.2013 in so far as not already in force) by Financial Services Act 2012 (c. 21), s. 122(3), Sch. 11 para. 15(b) (with Sch. 20); S.I. 2013/113, art. 2(1)(c), Sch. Pt. 3; S.I. 2013/423, art. 3, Sch.

^{F304}Relationship with FCA

Textual Amendments

- F304** Sch. 17 para. 3A and crossheading inserted (24.1.2013 for specified purposes, 1.4.2013 in so far as not already in force) by Financial Services Act 2012 (c. 21), s. 122(3), Sch. 11 para. 16 (with Sch. 20); S.I. 2013/113, art. 2(1)(c), Sch. Pt. 3; S.I. 2013/423, art. 3, Sch.

- 3A (1) The scheme operator and the FCA must each take such steps as it considers appropriate to co-operate with the other in the exercise of their functions under this Part of this Act.

Status: Point in time view as at 01/01/2022.

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- (2) The scheme operator and the FCA must prepare and maintain a memorandum describing how they intend to comply with sub-paragraph (1).
- (3) The scheme operator must ensure that the memorandum as currently in force is published in the way appearing to the scheme operator to be best calculated to bring it to the attention of the public.]

The panel of ombudsmen

- 4 (1) The scheme operator must appoint and maintain a panel of persons, appearing to it to have appropriate qualifications and experience, to act as ombudsmen for the purposes of the scheme.
- (2) A person's appointment to the panel is to be on such terms (including terms as to the duration and termination of his appointment and as to remuneration) as the scheme operator considers—
 - (a) consistent with the independence of the person appointed; and
 - (b) otherwise appropriate.

The Chief Ombudsman

- 5 (1) The scheme operator must appoint one member of the panel to act as Chief Ombudsman.
- (2) The Chief Ombudsman is to be appointed on such terms (including terms as to the duration and termination of his appointment) as the scheme operator considers appropriate.

Status

- 6 (1) The scheme operator is not to be regarded as exercising functions on behalf of the Crown.
- (2) The scheme operator's ^{F305}... officers and staff are not to be regarded as Crown servants.
- (3) Appointment as Chief Ombudsman or to the panel or as a deputy ombudsman does not confer the status of Crown servant.

Textual Amendments

F305 Words in Sch. 17 para. 6(2) omitted (24.1.2013 for specified purposes, 1.4.2013 in so far as not already in force) by virtue of [Financial Services Act 2012 \(c. 21\)](#), s. 122(3), [Sch. 11 para. 17](#) (with [Sch. 20](#)); [S.I. 2013/113](#), art. 2(1)(c), [Sch. Pt. 3](#); [S.I. 2013/423](#), art. 3, [Sch.](#)

Annual reports

- 7 (1) At least once a year—
 - (a) the scheme operator must make a report to the [^{F306}FCA] on the discharge of its functions; and
 - (b) the Chief Ombudsman must make a report to the [^{F306}FCA] on the discharge of his functions.

Status: Point in time view as at 01/01/2022.

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- (2) Each report must distinguish between functions in relation to the scheme's compulsory jurisdiction ^{F307} ... and functions in relation to its voluntary jurisdiction.
- (3) Each report must also comply with any requirements specified in rules made by the [^{F306}FCA].
- (4) The scheme operator must publish each report in the way it considers appropriate.
- ^{F308}(5) The Treasury may—
 - (a) require the scheme operator to comply with any provisions of the Companies Act 2006 about accounts and their audit which would not otherwise apply to it, or
 - (b) direct that any provision of that Act about accounts and their audit is to apply to the scheme operator with such modifications as are specified in the direction, whether or not the provision would otherwise apply to the scheme manager.
- (6) Compliance with any requirement under sub-paragraph (5)(a) or (b) is enforceable by injunction or, in Scotland, an order for specific performance under section 45 of the Court of Session Act 1988.
- (7) Proceedings under sub-paragraph (6) may be brought only by the Treasury.]

Textual Amendments

- F306** Word in Sch. 17 para. 7 substituted (24.1.2013 for specified purposes, 1.4.2013 in so far as not already in force) by [Financial Services Act 2012 \(c. 21\), s. 122\(3\)](#), [Sch. 11 para. 18\(a\)](#) (with [Sch. 20](#)); [S.I. 2013/113, art. 2\(1\)\(c\)](#), [Sch. Pt. 3](#); [S.I. 2013/423, art. 3](#), [Sch.](#)
- F307** Words in Sch. 17 para. 7(2) omitted (26.7.2013 for specified purposes, 1.4.2014 in so far as not already in force) by virtue of [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) \(No. 2\) Order 2013 \(S.I. 2013/1881\)](#), [arts. 1\(2\)\(6\)](#), [10\(21\)\(b\)](#)
- F308** Sch. 17 para. 7(5)-(7) inserted (24.1.2013 for specified purposes, 1.4.2013 in so far as not already in force) by [Financial Services Act 2012 \(c. 21\), s. 122\(3\)](#), [Sch. 11 para. 18\(b\)](#) (with [Sch. 20](#)); [S.I. 2013/113, art. 2\(1\)\(c\)](#), [Sch. Pt. 3](#); [S.I. 2013/423, art. 3](#), [Sch.](#)

^{F309}Audit of accounts

Textual Amendments

- F309** Sch. 17 para. 7A and crossheading inserted (24.1.2013 for specified purposes, 1.4.2013 in so far as not already in force) by [Financial Services Act 2012 \(c. 21\), s. 122\(3\)](#), [Sch. 11 para. 19](#) (with [Sch. 20](#)); [S.I. 2013/113, art. 2\(1\)\(c\)](#), [Sch. Pt. 3](#); [S.I. 2013/423, art. 3](#), [Sch.](#)

- 7A (1) The scheme operator must send a copy of its annual accounts to the Comptroller and Auditor General as soon as is reasonably practicable.
- (2) The Comptroller and Auditor General must—
 - (a) examine, certify and report on accounts received under this paragraph, and
 - (b) send a copy of the certified accounts and the report to the Treasury.
- (3) The Treasury must lay the copy of the certified accounts and the report before Parliament.

Status: Point in time view as at 01/01/2022.

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- (4) The scheme operator must send a copy of the certified accounts and the report to the FCA.
- (5) Except as provided by paragraph 7(5), the scheme operator is exempt from the requirements of Part 16 of the Companies Act 2006 (audit), and its balance sheet must contain a statement to that effect.
- (6) In this paragraph “annual accounts” has the meaning given by section 471 of the Companies Act 2006.]

[^{F310}Information, advice and guidance]

Textual Amendments

F310 Sch. 17 para. 8 crossheading substituted (24.1.2013 for specified purposes, 1.4.2013 in so far as not already in force) by [Financial Services Act 2012 \(c. 21\)](#), s. 122(3), **Sch. 11 para. 20** (with [Sch. 20](#)); [S.I. 2013/113](#), art. 2(1)(c), [Sch. Pt. 3](#); [S.I. 2013/423](#), art. 3, [Sch.](#)

^{F310g} The scheme operator may publish [^{F311}such information, guidance or advice] as it considers appropriate and may charge for it or distribute it free of charge.

Textual Amendments

F311 Words in Sch. 17 para. 8 substituted (24.1.2013 for specified purposes, 1.4.2013 in so far as not already in force) by [Financial Services Act 2012 \(c. 21\)](#), s. 122(3), **Sch. 11 para. 21** (with [Sch. 20](#)); [S.I. 2013/113](#), art. 2(1)(c), [Sch. Pt. 3](#); [S.I. 2013/423](#), art. 3, [Sch.](#)

Budget

- 9 (1) The scheme operator must, before the start of each of its financial years, adopt an annual budget which has been approved by the [^{F312}FCA].
- (2) The scheme operator may, with the approval of the [^{F312}FCA], vary the budget for a financial year at any time after its adoption.
- (3) The annual budget must include an indication of—
 - (a) the distribution of resources deployed in the operation of the scheme, and
 - (b) the amounts of income of the scheme operator arising or expected to arise from the operation of the scheme,distinguishing between the scheme’s compulsory ^{F313}... and voluntary jurisdiction.

Textual Amendments

F312 Word in Sch. 17 para. 9 substituted (24.1.2013 for specified purposes, 1.4.2013 in so far as not already in force) by [Financial Services Act 2012 \(c. 21\)](#), s. 122(3), **Sch. 11 para. 22** (with [Sch. 20](#)); [S.I. 2013/113](#), art. 2(1)(c), [Sch. Pt. 3](#); [S.I. 2013/423](#), art. 3, [Sch.](#)

F313 Words in Sch. 17 para. 9(3) omitted (26.7.2013 for specified purposes, 1.4.2014 in so far as not already in force) by virtue of [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) \(No. 2\) Order 2013 \(S.I. 2013/1881\)](#), arts. 1(2)(6), **10(21)(c)**

Status: Point in time view as at 01/01/2022.

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Modifications etc. (not altering text)

C110 Sch. 17 para. 9(3) excluded (18.6.2001) by S.I. 2001/1821, arts. 1(1), 4(1)

f^{F314} Annual plan

Textual Amendments

F314 Sch. 17 para. 9A and crossheading inserted (24.1.2013 for specified purposes, 1.4.2013 in so far as not already in force) by Financial Services Act 2012 (c. 21), s. 122(3), Sch. 11 para. 23 (with Sch. 20); S.I. 2013/113, art. 2(1)(c), Sch. Pt. 3; S.I. 2013/423, art. 3, Sch.

- 9A (1) The scheme operator must in respect of each of its financial years prepare an annual plan.
- (2) The plan must be prepared before the start of the financial year.
- (3) An annual plan in respect of a financial year must make provision about the use of the resources of the scheme operator.
- (4) The plan may include material relating to periods longer than the financial year in question.
- (5) Before preparing an annual plan, the scheme operator must consult such persons (if any) as the scheme operator considers appropriate.
- (6) The scheme operator must publish each annual plan in the way it considers appropriate.]

Exemption from liability in damages

- 10 (1) No person is to be liable in damages for anything done or omitted in the discharge, or purported discharge, of any functions under this Act in relation to the compulsory jurisdiction ^{F315}....
- (2) Sub-paragraph (1) does not apply—
- (a) if the act or omission is shown to have been in bad faith; or
- (b) so as to prevent an award of damages made in respect of an act or omission on the ground that the act or omission was unlawful as a result of section 6(1) of the ^{M17}Human Rights Act 1998.

Textual Amendments

F315 Words in Sch. 17 para. 10(1) omitted (26.7.2013 for specified purposes, 1.4.2014 in so far as not already in force) by virtue of The Financial Services and Markets Act 2000 (Regulated Activities) (Amendment) (No. 2) Order 2013 (S.I. 2013/1881), arts. 1(2)(6), 10(21)(d)

Modifications etc. (not altering text)

C111 Sch. 17 para. 10(1) amended (19.7.2001 for specified purposes otherwise 1.12.2001) by S.I. 2001/2326, arts. 1(1), 13; S.I. 2001/3538, art. 2(1)

C112 Sch. 17 para. 10(1) extended (31.10.2004 for certain purposes and 14.1.2005 otherwise) by The Financial Services and Markets Act 2000 (Transitional Provisions) (Complaints Relating to General Insurance and Mortgages) Order 2004 (S.I. 2004/454), arts. 1(2), 7

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C113 Sch. 17 para. 10(1) applied (with modifications) (E.W.S.) (29.11.2018 for specified purposes, 1.4.2019 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Claims Management Activity\) Order 2018 \(S.I. 2018/1253\)](#), arts. 1(2)(3), **76**

C114 Sch. 17 para. 10(1) applied (with modifications) (28.1.2021 for specified purposes) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) Order 2021 \(S.I. 2021/90\)](#), arts. 1(2)(3), **11**

Marginal Citations

M17 1998 c. 42.

Privilege

- 11 For the purposes of the law relating to defamation, proceedings in relation to a complaint which is subject to the compulsory jurisdiction ^{F316} ... are to be treated as if they were proceedings before a court.

Textual Amendments

F316 Words in Sch. 17 para. 11 omitted (26.7.2013 for specified purposes, 1.4.2014 in so far as not already in force) by virtue of [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) \(No.2\) Order 2013 \(S.I. 2013/1881\)](#), arts. 1(2)(6), **10(21)(e)**

Modifications etc. (not altering text)

C115 Sch. 17 para. 11 amended (19.7.2001 for specified purposes otherwise 1.12.2001) by [S.I. 2001/2326](#), arts. **1(1)**, 14; [S.I. 2001/3538](#), art. **2(1)**

C116 Sch. 17 para. 11 extended (31.10.2004 for certain purposes and 14.1.2005 otherwise) by [The Financial Services and Markets Act 2000 \(Transitional Provisions\) \(Complaints Relating to General Insurance and Mortgages\) Order 2004 \(S.I. 2004/454\)](#), arts. 1(2), **8**

C117 Sch. 17 para. 11 applied (with modifications) (E.W.S.) (29.11.2018 for specified purposes, 1.4.2019 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Claims Management Activity\) Order 2018 \(S.I. 2018/1253\)](#), arts. 1(2)(3), **77**

C118 Sch. 17 para. 11 modified (28.1.2021 for specified purposes) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) Order 2021 \(S.I. 2021/90\)](#), arts. 1(2)(3), **13**

PART III

THE COMPULSORY JURISDICTION

Introduction

- 12 This Part of this Schedule applies only in relation to the compulsory jurisdiction.

^{F317} [^{F318} FCA's] ... rules

Textual Amendments

F317 Word in Sch. 17 para. 13 heading omitted (7.4.2015) by virtue of [The Alternative Dispute Resolution for Consumer Disputes \(Competent Authorities and Information\) Regulations 2015 \(S.I. 2015/542\)](#), reg. 1(2), **Sch. 7 para. 1(3)(c)** (with reg. 7)

Status: Point in time view as at 01/01/2022.

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F318 Word in Sch. 17 para. 13 cross-heading substituted (24.1.2013 for specified purposes, 1.4.2013 in so far as not already in force) by [Financial Services Act 2012 \(c. 21\), s. 122\(3\)](#), [Sch. 11 para. 24\(b\)](#) (with [Sch. 20](#)); [S.I. 2013/113, art. 2\(1\)\(c\)](#), [Sch. Pt. 3](#); [S.I. 2013/423, art. 3](#), [Sch.](#)

- 13 (1) The ^{F319}FCA] must make rules providing that a complaint is not to be entertained unless ^{F320}—
- (a) the complainant has referred it under the ombudsman scheme before the applicable time limit (determined in accordance with the rules) has expired ^{F321}, or
 - (b) in the case of a complaint other than a relevant complaint within the meaning of section 404B, the respondent agrees that the complaint should be entertained despite the complainant having referred it under the ombudsman scheme after the applicable time limit has expired.]
- (2) The rules may provide that an ombudsman may extend that time limit in specified circumstances.
- (3) The ^{F319}FCA] may make rules providing that a complaint is not to be entertained (except in specified circumstances) if the complainant has not previously communicated its substance to the respondent and given him a reasonable opportunity to deal with it.
- (4) The ^{F319}FCA] may make rules requiring an authorised person ^{F322}, ^{F323}an electronic money issuer within the meaning of the Electronic Money Regulations 2011] or a payment service provider within the meaning of the Payment Services Regulations ^{F324}2017],] who may become subject to the compulsory jurisdiction as a respondent to establish such procedures as the ^{F319}FCA] considers appropriate for the resolution of complaints which—
- (a) may be referred to the scheme; and
 - (b) arise out of activity to which the ^{F325}FCA's] powers under ^{F326}Part 9A] do not apply.

Textual Amendments

F319 Word in Sch. 17 para. 13 substituted (24.1.2013 for specified purposes, 1.4.2013 in so far as not already in force) by [Financial Services Act 2012 \(c. 21\), s. 122\(3\)](#), [Sch. 11 para. 24\(a\)](#) (with [Sch. 20](#)); [S.I. 2013/113, art. 2\(1\)\(c\)](#), [Sch. Pt. 3](#); [S.I. 2013/423, art. 3](#), [Sch.](#)

F320 Words in Sch. 17 para. 13(1) inserted (7.4.2015) by [The Alternative Dispute Resolution for Consumer Disputes \(Competent Authorities and Information\) Regulations 2015 \(S.I. 2015/542\), reg. 1\(2\)](#), [Sch. 7 para. 1\(3\)\(d\)\(i\)](#) (with [reg. 7](#))

F321 Sch. 17 para. 13(1)(b) and word inserted (7.4.2015) by [The Alternative Dispute Resolution for Consumer Disputes \(Competent Authorities and Information\) Regulations 2015 \(S.I. 2015/542\), reg. 1\(2\)](#), [Sch. 7 para. 1\(3\)\(d\)\(ii\)](#) (with [reg. 7](#))

F322 Words in Sch. 17 para. 13(4) inserted (2.3.2009 for certain purposes, 1.5.2009 for certain further purposes and 1.11.2009 otherwise) by [The Payment Services Regulations 2009 \(S.I. 2009/209\), regs. 1\(2\), 126, Sch. 6 para. 1\(2\)](#) (with [reg. 3](#))

F323 Words in Sch. 17 para. 13(4) inserted (9.2.2011 for certain purposes and 30.4.2011 otherwise) by [The Electronic Money Regulations 2011 \(S.I. 2011/99\), regs. 1\(2\)\(a\)\(xv\)\(b\), 79, Sch. 4 para. 2\(8\)](#) (with [reg. 3](#))

F324 Word in Sch. 17 para. 13(4) substituted (13.1.2018) by [The Payment Services Regulations 2017 \(S.I. 2017/752\), reg. 1\(6\)](#), [Sch. 8 para. 2\(10\)](#) (with [reg. 3](#))

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F325 Word in Sch. 17 para. 13 substituted (24.1.2013 for specified purposes, 1.4.2013 in so far as not already in force) by [Financial Services Act 2012 \(c. 21\)](#), s. 122(3), [Sch. 11 para. 24\(b\)](#) (with [Sch. 20](#)); [S.I. 2013/113](#), art. 2(1)(c), [Sch. Pt. 3](#); [S.I. 2013/423](#), art. 3, [Sch.](#)

F326 Words in Sch. 17 para. 13(4)(b) substituted (24.1.2013 for specified purposes, 1.4.2013 in so far as not already in force) by [Financial Services Act 2012 \(c. 21\)](#), s. 122(3), [Sch. 11 para. 24\(c\)](#) (with [Sch. 20](#)); [S.I. 2013/113](#), art. 2(1)(c), [Sch. Pt. 3](#); [S.I. 2013/423](#), art. 3, [Sch.](#)

Modifications etc. (not altering text)

C119 Sch. 17 para. 13 amended (19.7.2001 for specified purposes otherwise 1.12.2001) by [S.I. 2001/2326](#), [arts. 1\(1\)](#), 4; [S.I. 2001/3538](#), [art. 2\(1\)](#)

C120 Sch. 17 para. 13 modified (31.10.2004 for certain purposes and 14.1.2005 otherwise) by [The Financial Services and Markets Act 2000 \(Transitional Provisions\) \(Complaints Relating to General Insurance and Mortgages\) Order 2004 \(S.I. 2004/454\)](#), [arts. 1\(2\)](#), [3](#)

C121 Sch. 17 para. 13 modified (28.1.2021 for specified purposes) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) Order 2021 \(S.I. 2021/90\)](#), [arts. 1\(2\)\(3\)](#), [8](#)

The scheme operator's rules

- 14 (1) The scheme operator must make rules, to be known as “scheme rules”, which are to set out the procedure for reference of complaints and for their investigation, consideration and determination by an ombudsman.
- (2) Scheme rules may, among other things—
- (a) specify matters which are to be taken into account in determining whether an act or omission was fair and reasonable;
 - (b) provide that a complaint may, in specified circumstances, be dismissed without consideration of its merits;
 - (c) provide for the reference of a complaint, in specified circumstances and with the consent of the complainant, to another body with a view to its being determined by that body instead of by an ombudsman;
 - (d) make provision as to the evidence which may be required or admitted, the extent to which it should be oral or written and the consequences of a person's failure to produce any information or document which he has been required (under section 231 or otherwise) to produce;
 - (e) allow an ombudsman to fix time limits for any aspect of the proceedings and to extend a time limit;
 - (f) provide for certain things in relation to the reference, investigation or consideration (but not determination) of a complaint to be done by a member of the scheme operator's staff instead of by an ombudsman;
 - [^{F327}(fa) allow the correction of any clerical mistake in the written statement of a determination made by an ombudsman;
 - (fb) provide that any irregularity arising from a failure to comply with any provisions of the scheme rules does not of itself render a determination void;]
 - (g) make different provision in relation to different kinds of complaint.
- (3) The circumstances specified under sub-paragraph (2)(b) may include the following—
- (a) the ombudsman considers the complaint frivolous or vexatious;
 - (b) legal proceedings have been brought concerning the subject-matter of the complaint and the ombudsman considers that the complaint is best dealt with in those proceedings; or

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- (c) the ombudsman is satisfied that there are other compelling reasons why it is inappropriate for the complaint to be dealt with under the ombudsman scheme.

[^{F328}(3A) The scheme operator must exercise the function of making scheme rules in a way which is consistent with enabling the scheme operator to qualify as an ADR entity and to meet the [^{F329}requirements in Schedule 3 to the Alternative Dispute Resolution for Consumer Disputes (Competent Authorities and Information) Regulations 2015].]

- (4) If the scheme operator proposes to make any scheme rules it must publish a draft of the proposed rules in the way appearing to it to be best calculated to bring them to the attention of persons appearing to it to be likely to be affected.
- (5) The draft must be accompanied by a statement that representations about the proposals may be made to the scheme operator within a time specified in the statement.
- (6) Before making the proposed scheme rules, the scheme operator must have regard to any representations made to it under sub-paragraph (5).
- (7) The consent of the [^{F330}FCA] is required before any scheme rules may be made.

Textual Amendments

- F327** Sch. 17 para. 14(2)(fa)(fb) inserted (24.1.2013 for specified purposes, 1.4.2013 in so far as not already in force) by [Financial Services Act 2012 \(c. 21\)](#), s. 122(3), **Sch. 11 para. 25(a)** (with Sch. 20); S.I. 2013/113, art. 2(1)(c), Sch. Pt. 3; S.I. 2013/423, art. 3, Sch.
- F328** Sch. 17 para. 14(3A) inserted (7.4.2015) by [The Alternative Dispute Resolution for Consumer Disputes \(Competent Authorities and Information\) Regulations 2015 \(S.I. 2015/542\)](#), reg. 1(2), **Sch. 7 para. 1(3)(e)** (with reg. 7)
- F329** Words in Sch. 17 para. 14(3A) substituted (31.12.2020) by [The Deposit Guarantee Scheme and Miscellaneous Provisions \(Amendment\) \(EU Exit\) Regulations 2018 \(S.I. 2018/1285\)](#), regs. 1(3), **3(4)**; 2020 c. 1, Sch. 5 para. 1(1)
- F330** Word in Sch. 17 para. 14(7) substituted (24.1.2013 for specified purposes, 1.4.2013 in so far as not already in force) by [Financial Services Act 2012 \(c. 21\)](#), s. 122(3), **Sch. 11 para. 25(b)** (with Sch. 20); S.I. 2013/113, art. 2(1)(c), Sch. Pt. 3; S.I. 2013/423, art. 3, Sch.

Modifications etc. (not altering text)

- C122** Sch. 17 para. 14 amended (19.7.2001 for specified purposes otherwise 1.12.2001) by S.I. 2001/2326, **arts. 1(1), 5**; S.I. 2001/3538, **art. 2(1)**
- C123** Sch. 17 para. 14 modified (31.10.2004 for certain purposes and 14.1.2005 otherwise) by [The Financial Services and Markets Act 2000 \(Transitional Provisions\) \(Complaints Relating to General Insurance and Mortgages\) Order 2004 \(S.I. 2004/454\)](#), arts. 1(2), **4**
- C124** Sch. 17 para. 14 modified by [The Payment Services Regulations 2009 \(S.I. 2009/209\)](#), Sch. 7 para. 3(2) (as inserted (1.10.2009 for certain purposes and 1.11.2009 otherwise) by S.I. 2009/2475, **reg. 13**)
- C125** Sch. 17 para. 14 modified (13.1.2018) by [The Payment Services Regulations 2017 \(S.I. 2017/752\)](#), reg. 1(6), **Sch. 7 para. 3(2)** (with reg. 3)
- C126** Sch. 17 para. 14 modified by S.I. 2011/99, Sch. 5 para. 3(2) (as inserted (13.1.2018) by [The Payment Systems and Services and Electronic Money \(Miscellaneous Amendments\) Regulations 2017 \(S.I. 2017/1173\)](#), regs. 1(4), **5(d)**)
- C127** Sch. 17 para. 14 modified (28.1.2021 for specified purposes) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) Order 2021 \(S.I. 2021/90\)](#), arts. 1(2)(3), **8**

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- C128** Sch. 17 para. 14(4)(5) amended (19.7.2001) by S.I. 2001/2326, **arts. 1(1)(a), 16(a)**; S.I. 2001/3538, **art. 2(1)**
- C129** Sch. 17 para. 14(4)-6) excluded by S.I. 2004/454, **art. 12(2)** (as inserted (15.7.2004) by The Financial Services and Markets Act 2000 (Transitional Provisions) (Complaints Relating to General Insurance and Mortgages) (Amendment) Order 2004 (S.I. 2004/1609), **art. 6**)

Fees

- 15 (1) Scheme rules may require a respondent to pay to the scheme operator such fees as may be specified in the rules.
- (2) The rules may, among other things—
- provide for the scheme operator to reduce or waive a fee in a particular case;
 - set different fees for different stages of the proceedings on a complaint;
 - provide for fees to be refunded in specified circumstances;
 - make different provision for different kinds of complaint.

Modifications etc. (not altering text)

- C130** Sch. 17 para. 15 amended (19.7.2001 for specified purposes otherwise 1.12.2001) by S.I. 2001/2326, **arts. 1(1), 12(2)(3)**; S.I. 2001/3538, **art. 2(1)**
- C131** Sch. 17 para. 15 extended (31.10.2004 for certain purposes and 14.1.2005 otherwise) by The Financial Services and Markets Act 2000 (Transitional Provisions) (Complaints Relating to General Insurance and Mortgages) Order 2004 (S.I. 2004/454), **arts. 1(2), 6(2)(3)**

Enforcement of money awards

- 16 A money award, including interest, which has been registered in accordance with scheme rules may—
- if ^{F331}the county court] so orders in England and Wales, be recovered ^{F332}under section 85 of the County Courts Act 1984] (or otherwise) as if it were payable under an order of that court;
 - be enforced in Northern Ireland as a money judgment under the ^{M18}Judgments Enforcement (Northern Ireland) Order 1981;
 - be enforced in Scotland by the sheriff, as if it were a judgment or order of the sheriff and whether or not the sheriff could himself have granted such judgment or order.

Textual Amendments

- F331** Words in Sch. 17 para. 16(a) substituted (22.4.2014) by Crime and Courts Act 2013 (c. 22), s. 61(3), **Sch. 9 para. 52**; S.I. 2014/954, **art. 2(c)** (with **art. 3**) (with transitional provisions and savings in S.I. 2014/956, arts. 3-11)
- F332** Words in Sch. 17 para. 16(a) substituted (6.4.2014) by Tribunals, Courts and Enforcement Act 2007 (c. 15), s. 148, **Sch. 13 para. 134** (with s. 89) (as amended by Crime and Courts Act 2013 (c. 22), **ss. 25(9)(e), 61(3)**; S.I. 2014/830, **art. 2**); S.I. 2014/768, **art. 2(1)(b)**

Modifications etc. (not altering text)

- C132** Sch. 17 para. 16 applied (19.7.2001 for specified purposes otherwise 1.12.2001) by S.I. 2001/2326, **arts. 1(1), 16(4)(6)**; S.I. 2001/3538, **art. 2(1)**

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C133 Sch. 17 para. 16 applied (E.W.S.) (29.11.2018 for specified purposes, 1.4.2019 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Claims Management Activity\) Order 2018 \(S.I. 2018/1253\)](#), arts. 1(2)(3), **72(5)(b)**

Marginal Citations

M18 [S.I. 1981/226 \(N.I.6\)](#).

^{F333}PART 3A

THE CONSUMER CREDIT JURISDICTION

Textual Amendments

F333 Sch. 17 Pt. 3A omitted (26.7.2013 for specified purposes, 1.4.2014 in so far as not already in force) by virtue of [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) \(No.2\) Order 2013 \(S.I. 2013/1881\)](#), arts. 1(2)(6), **10(21)(f)**

PART IV

THE VOLUNTARY JURISDICTION

Introduction

17 This Part of this Schedule applies only in relation to the voluntary jurisdiction.

Terms of reference to the scheme

- 18 (1) Complaints are to be dealt with and determined under the voluntary jurisdiction on standard terms fixed by the scheme operator with the approval of the [^{F334}FCA].
- (2) Different standard terms may be fixed with respect to different matters or in relation to different cases.
- (3) The standard terms may, in particular—
- (a) require the making of payments to the scheme operator by participants in the scheme of such amounts, and at such times, as may be determined by the scheme operator;
 - (b) make provision as to the award of costs on the determination of a complaint.
- (4) The scheme operator may not vary any of the standard terms or add or remove terms without the approval of the [^{F334}FCA].
- (5) The standard terms may include provision to the effect that (unless acting in bad faith) none of the following is to be liable in damages for anything done or omitted in the discharge or purported discharge of functions in connection with the voluntary jurisdiction—
- (a) the scheme operator;
 - (b) any member of its governing body;

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- (c) any member of its staff;
- (d) any person acting as an ombudsman for the purposes of the scheme.

Textual Amendments

F334 Word in Sch. 17 para. 18 substituted (24.1.2013 for specified purposes, 19.3.2013 for specified purposes, 1.4.2013 in so far as not already in force) by [Financial Services Act 2012 \(c. 21\)](#), s. 122(3), [Sch. 11 para. 28](#) (with [Sch. 20](#)); [S.I. 2013/113](#), art. 2(1)(c), [Sch. Pt. 3](#); [S.I. 2013/423](#), art. 3, [Sch.](#); [S.I. 2013/651](#), art. 2(b)

Delegation by and to other schemes

- 19 (1) The scheme operator may make arrangements with a relevant body—
- (a) for the exercise by that body of any part of the voluntary jurisdiction of the ombudsman scheme on behalf of the scheme; or
 - (b) for the exercise by the scheme of any function of that body as if it were part of the voluntary jurisdiction of the scheme.
- (2) A “relevant body” is one which the scheme operator is satisfied—
- (a) is responsible for the operation of a broadly comparable scheme (whether or not established by statute) for the resolution of disputes; and
 - (b) in the case of arrangements under sub-paragraph (1)(a), will exercise the jurisdiction in question in a way compatible with the requirements imposed by or under this Act in relation to complaints of the kind concerned.
- (3) Such arrangements require the approval of the [^{F335}FCA].

Textual Amendments

F335 Word in Sch. 17 para. 19(3) substituted (24.1.2013 for specified purposes, 1.4.2013 in so far as not already in force) by [Financial Services Act 2012 \(c. 21\)](#), s. 122(3), [Sch. 11 para. 29](#) (with [Sch. 20](#)); [S.I. 2013/113](#), art. 2(1)(c), [Sch. Pt. 3](#); [S.I. 2013/423](#), art. 3, [Sch.](#)

Voluntary jurisdiction rules: procedure

- 20 (1) If the scheme operator makes voluntary jurisdiction rules, it must give a copy to the [^{F336}FCA] without delay.
- (2) If the scheme operator revokes any such rules, it must give written notice to the [^{F336}FCA] without delay.
- (3) The power to make voluntary jurisdiction rules is exercisable in writing.
- (4) Immediately after making voluntary jurisdiction rules, the scheme operator must arrange for them to be printed and made available to the public.
- (5) The scheme operator may charge a reasonable fee for providing a person with a copy of any voluntary jurisdiction rules.

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Textual Amendments

F336 Word in Sch. 17 para. 20 substituted (24.1.2013 for specified purposes, 1.4.2013 in so far as not already in force) by [Financial Services Act 2012 \(c. 21\)](#), s. 122(3), [Sch. 11 para. 30](#) (with [Sch. 20](#)); S.I. 2013/113, art. 2(1)(c), [Sch. Pt. 3](#); S.I. 2013/423, art. 3, [Sch.](#)

Verification of the rules

- 21 (1) The production of a printed copy of voluntary jurisdiction rules purporting to be made by the scheme operator—
- (a) on which is endorsed a certificate signed by a member of the scheme operator's staff authorised by the scheme operator for that purpose, and
 - (b) which contains the required statements,
- is evidence (or in Scotland sufficient evidence) of the facts stated in the certificate.
- (2) The required statements are—
- (a) that the rules were made by the scheme operator;
 - (b) that the copy is a true copy of the rules; and
 - (c) that on a specified date the rules were made available to the public in accordance with paragraph 20(4).
- (3) A certificate purporting to be signed as mentioned in sub-paragraph (1) is to be taken to have been duly signed unless the contrary is shown.

Consultation

- 22 (1) If the scheme operator proposes to make voluntary jurisdiction rules, it must publish a draft of the proposed rules in the way appearing to it to be best calculated to bring them to the attention of the public.
- (2) The draft must be accompanied by—
- (a) an explanation of the proposed rules; and
 - (b) a statement that representations about the proposals may be made to the scheme operator within a specified time.
- (3) Before making any voluntary jurisdiction rules, the scheme operator must have regard to any representations made to it in accordance with sub-paragraph (2)(b).
- (4) If voluntary jurisdiction rules made by the scheme operator differ from the draft published under sub-paragraph (1) in a way which the scheme operator considers significant, the scheme operator must publish a statement of the difference.

Modifications etc. (not altering text)

C134 Sch. 17 para. 22(1)(2) amended (19.7.2001) by [S.I. 2001/2326](#), [arts. 1\(1\)\(a\)](#), 16(b); [S.I. 2001/3538](#), [art. 2\(1\)](#)

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^{F337}SCHEDULE 17A

Section 285A

FURTHER PROVISION IN RELATION TO EXERCISE OF PART 18 FUNCTIONS BY BANK OF ENGLAND

Textual Amendments

F337 Sch. 17A inserted (24.1.2013 for specified purposes, 1.4.2013 in so far as not already in force) by Financial Services Act 2012 (c. 21), ss. 29(2), 122(3), **Sch. 7** (with Sch. 20); S.I. 2013/113, art. 2(1)(b)(c), Sch. Pts. 2, 3; S.I. 2013/423, art. 3, Sch.

PART 1

CO-OPERATION BETWEEN APPROPRIATE REGULATORS

Memorandum of understanding between appropriate regulators and PRA

- 1 (1) The appropriate regulators must prepare and maintain a memorandum describing how they intend to work together in exercising their functions in relation to persons who are recognised bodies.
- (2) The memorandum must in particular make provision about—
 - (a) the need for each party when exercising a function in relation to any person (“A”) who is a recognised body, or any member of A’s group, to have regard to the exercise (or possible exercise) of any function by the other party in relation to A or any member of A’s group;
 - (b) the role of each party in cases where they are both exercising functions in relation to the same persons;
 - (c) the obtaining and disclosure of information;
 - (d) the co-ordination by the parties of the exercise of their powers to appoint competent persons under Part 11 (information gathering and investigations) to conduct investigations on their behalf.
- (3) In this paragraph any reference to a function is to any function whether conferred by or under any provision of this Part of this Act or any other provision of this Act or otherwise.
- 2 (1) The [^{F338}FCA] and the PRA must prepare and maintain a memorandum describing how they intend to work together in exercising their functions in relation to persons who are recognised bodies and who—
 - (a) are PRA-authorised persons; or
 - (b) are members of a group of which a member is a PRA-authorised person.
- (2) The memorandum must in particular make provision about—
 - (a) the need for each party when exercising a function in relation to any person (“A”) who is a recognised body, or any member of A’s group, to have regard to the exercise (or possible exercise) of any function by the other party in relation to A or any member of A’s group;
 - (b) the role of each party in cases where they are both exercising functions in relation to the same persons;
 - (c) the obtaining and disclosure of information;

Status: Point in time view as at 01/01/2022.

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- (d) the co-ordination by the parties of the exercise of their powers to appoint competent persons under Part 11 (information gathering and investigations) to conduct investigations on their behalf.
- (3) In this paragraph any reference to a function is to any function whether conferred by or under any provision of this Part of this Act or any other provision of this Act or otherwise.

Textual Amendments

F338 Word in Sch. 17A para. 2(1) substituted (1.3.2017) by [Bank of England and Financial Services Act 2016](#) (c. 14), s. 41(3), [Sch. 2 para. 51\(2\)](#) (with [Sch. 3](#)); S.I. 2017/43, [reg. 2\(g\)](#)

- 3 The parties to a memorandum under paragraph 1 or 2 must review the memorandum at least once in each calendar year.
- 4 The parties to a memorandum under paragraph 1 or 2 must give the Treasury a copy of the memorandum and any revised memorandum.
- 5 The Treasury must lay before Parliament a copy of any document received by them under paragraph 4.
- 6 The parties to a memorandum under paragraph 1 or 2 must ensure that the memorandum as currently in force is published in the way appearing to them to be best calculated to bring it to the attention of the public.

Notification by FCA of action in relation to recognised clearing houses

- 7 The FCA must notify the Bank of England of any direction given by it under section 128 to a recognised clearing house [^{F339}or a recognised CSD] (market abuse: suspension of investigations).

Textual Amendments

F339 Words in Sch. 17A para. 7 inserted (28.11.2017) by [The Central Securities Depositories Regulations 2017](#) (S.I. 2017/1064), [regs. 1, 2\(39\)\(a\)](#) (with [regs. 7\(4\), 9\(1\)](#))

- 8 The FCA must notify the Bank of England of any requirement imposed by it under section 313A on a recognised clearing house (power to require suspension or removal of financial instruments from trading).

PART 2

APPLICATION OF PROVISIONS OF THIS ACT IN RELATION TO BANK OF ENGLAND

Introduction

- 9 (1) The provisions of this Act mentioned in this Part of this Schedule are to apply in relation to the Bank of England in accordance with the provision made by this Part of this Schedule.
- (2) In any case where sub-paragraph (1) applies—

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- (a) any reference in this Act to the FCA or the PRA which is contained in, or relates to, any of those provisions (however expressed) is to be read as a reference to the Bank; and
- (b) this Act has effect with any other necessary modifications.

Rules

- 10 (1) The following provisions of Part 9A of this Act are to apply in relation to rules made by the Bank under any provision made by or under this Act—
- (a) section 137T (general supplementary powers);
 - (b) sections 138A and 138B (modification or waiver of rules), but with the omission of subsection (4)(b) of section 138A and subsection (4) of section 138B;
 - (c) section 138C (evidential provisions);
 - (d) section 138D (actions for damages), but with the omission of subsection (2);
 - (e) section 138E (limits on effect of contravening rules);
 - (f) section 138F (notification of rules);
 - (g) section 138G (rule-making instruments);
 - (h) section 138H (verification of rules);
 - (i) section 138J (consultation), but with the omission of subsections (1)(a), (2)(c) and (5)(b); and
 - (j) section 138L (consultation: general exemptions), but with the omission of ^{F340}subsection (1)].
- (2) Any reference in any of those provisions to an authorised person is to be read as a reference to a recognised clearing house [^{F341F342}...or a recognised CSD].
- (3) Section 138J(2)(d) has effect in relation to rules proposed to be made by the Bank as if the reference to the compatibility of the proposed rules with the provisions mentioned in section 138J(2)(d) were a reference to their compatibility with the Bank's financial stability objective.
- (4) Section 138L(2) has effect as if for paragraphs (a) and (b) there were substituted “be prejudicial to financial stability”.
- [Rules made by the Bank under any provision made by or under this Act may not ^{F343}(5) modify, amend or revoke any retained direct EU legislation (except retained direct EU legislation which takes the form of rules made by the Bank).]

Textual Amendments

- F340** Words in Sch. 17A para. 10(1)(j) substituted (1.3.2014) by [Financial Services \(Banking Reform\) Act 2013 \(c. 33\)](#), s. 148(5), Sch. 10 para. 5; S.I. 2014/377, art. 2(1)(a), **Sch. Pt. 1**
- F341** Words in Sch. 17A para. 10(2) inserted (28.11.2017) by [The Central Securities Depositories Regulations 2017 \(S.I. 2017/1064\)](#), regs. 1, 2(39)(b) (with regs. 7(4), 9(1))
- F342** Words in Sch. 17A para. 10(2) omitted (31.12.2020) by virtue of [The Investment Exchanges, Clearing Houses and Central Securities Depositories \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/662\)](#), regs. 1(3), **12** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F343** Sch. 17A para. 10(5) inserted (26.10.2018) by [The Financial Regulators Powers \(Technical Standards etc.\) \(Amendment etc.\) \(EU Exit\) Regulations 2018 \(S.I. 2018/1115\)](#), **regs. 1(2), 7(11)(a)**

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Information gathering and investigations

- 11 (1) The powers conferred by section 165(1) and (3) (power to require information) are exercisable by the Bank or (as the case may be) its officers to impose requirements on—
- (a) a recognised clearing house;
 - ^{F344} [a recognised CSD;
 - ^{F345}(aa) a third country CSD, in relation to any services referred to in the Annex to the CSD regulation which the third country CSD provides in the United Kingdom;]
 - ^{F346} [a third country central counterparty and any person to whom that central counterparty has outsourced operational functions, services or activities.]
 - (b) a person who for the purposes of section 165 is connected with a recognised clearing house [^{F347}, a third country central counterparty][^{F348} [^{F349} or a recognised CSD] (as the case may be)].
- (2) The information or documents that the Bank may require to be provided or produced are limited to—
- (a) information or documents reasonably required in connection with the exercise by the Bank of functions conferred on it by or under this Part of this Act;
 - (b) information or documents reasonably required in connection with the exercise by the Bank of any of its other functions in pursuance of its financial stability objective; ^{F350} ...
 - (c) information or documents which the Bank reasonably considers may enable or assist the FCA in discharging functions conferred on the FCA by or under this Act [^{F351}, and
 - ^{F352}(d) information or documents reasonably required in connection with the exercise by the Bank of its functions—
 - (i) under—
 - (aa) the EMIR regulation,
 - (bb) the CSD regulation,
 - (cc) any EU regulation originally made under the CSD Regulation which is retained direct EU legislation, or
 - (dd) any subordinate legislation made under the CSD Regulation on or after IP completion day;
 - (ii) in connection with Article 4 or 15 of the SFT regulation; or
 - (iii) under any subordinate legislation made under the SFT regulation on or after IP completion day.]
- (3) In consequence of the provision made by sub-paragraph (2), section 165(4) is not to apply in relation to section 165(1) and (3) as applied by this paragraph.]

Textual Amendments

F344 Sch. 17A para. 11(1)(aa)(ab) inserted (28.11.2017) by [The Central Securities Depositories Regulations 2017 \(S.I. 2017/1064\)](#), regs. 1, 2(39)(c)(i) (with regs. 7(4), 9(1))

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- F345** Sch. 17A para. 11(1)(ab) substituted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **116(a)(i)**; 2020 c. 1, Sch. 5 para. 1(1)
- F346** Sch. 17A para. 11(1)(ac) inserted (31.12.2020) by [The Over the Counter Derivatives, Central Counterparties and Trade Repositories \(Amendment, etc., and Transitional Provision\) \(EU Exit\) Regulations 2020 \(S.I. 2020/646\)](#), regs. 1(3), **2(5)(a)(i)** (with savings in S.I. 2019/680, reg. 11 as amended by S.I. 2020/646, reg. 12)
- F347** Sch. 17A para. 11(2)(d) substituted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **116(b)** (as amended by S.I. 2020/1301, regs. 1, 3, [Sch. para. 33\(j\)](#)); 2020 c. 1, [Sch. 5 para. 1\(1\)](#)
- F348** Words in Sch. 17A para. 11(1)(b) inserted (28.11.2017) by [The Central Securities Depositories Regulations 2017 \(S.I. 2017/1064\)](#), regs. 1, 2(39)(c)(ii) (with regs. 7(4), 9(1))
- F349** Words in Sch. 17A para. 11(1)(b) substituted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **116(a)(ii)**; 2020 c. 1, Sch. 5 para. 1(1)
- F350** Word in Sch. 17A para. 11(2)(b) omitted (1.4.2013) by [The Financial Services and Markets Act 2000 \(Over the Counter Derivatives, Central Counterparties and Trade Repositories\) Regulations 2013 \(S.I. 2013/504\)](#), [regs. 1\(2\)](#), 3(16)(a)(i) (with regs. 52-58)
- F351** Sch. 17A para. 11(2)(d) and word inserted (1.4.2013) by [The Financial Services and Markets Act 2000 \(Over the Counter Derivatives, Central Counterparties and Trade Repositories\) Regulations 2013 \(S.I. 2013/504\)](#), [regs. 1\(2\)](#), 3(16)(a)(ii) (with regs. 52-58)
- F352** Sch. 17A para. 11(2)(d) substituted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **116(b)** (as amended by S.I. 2020/1301, regs. 1, 3, [Sch. para. 33\(j\)](#)); 2020 c. 1, Sch. 5 para. 1(1)

- 12 The power conferred by section 166 (reports by skilled person) is exercisable by the Bank as if references in that section to an authorised person were to a ^{F353}recognised clearing house, third country central counterparty or a recognised CSD].

Textual Amendments

- F353** Words in Sch. 17A para. 12 substituted (31.12.2020) by [The Investment Exchanges, Clearing Houses and Central Securities Depositories \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/662\)](#), [reg. 13\(1\)](#) (as substituted by S.I. 2020/646, regs. 1(2)(c), [11\(3\)](#) (with savings in S.I. 2019/680, [reg. 11](#) as amended by S.I. 2020/646, [reg. 12](#)))

- 13 (1) The powers conferred by section 167 (appointment of persons to carry out general investigations) are exercisable by the Bank as if references in that section to an authorised person were to any recognised clearing house other than an overseas clearing house [^{F354}or to any Tier 2 third country central counterparty]^{F355}or to any recognised CSD].

^{F356}(1A)

- (2) In addition to the powers conferred by section 171, a person conducting an investigation under section 167 as a result of this paragraph is to have the powers conferred by sections 172 and 173 (and for this purpose the references in those sections to an investigator are to be read accordingly).

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Textual Amendments

- F354** Words in Sch. 17A para. 13(1) inserted (31.12.2020) by [The Over the Counter Derivatives, Central Counterparties and Trade Repositories \(Amendment, etc., and Transitional Provision\) \(EU Exit\) Regulations 2020 \(S.I. 2020/646\)](#), regs. 1(3), **2(5)(b)** (with savings in S.I. 2019/680, reg. 11 as amended by S.I. 2020/646, reg. 12)
- F355** Words in Sch. 17A para. 13(1) inserted (28.11.2017) by [The Central Securities Depositories Regulations 2017 \(S.I. 2017/1064\)](#), regs. 1, 2(39)(e)(i) (with regs. 7(4), 9(1))
- F356** Sch. 17A para. 13(1A) omitted (31.12.2020) by virtue of [The Investment Exchanges, Clearing Houses and Central Securities Depositories \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/662\)](#), regs. 1(3), **13(2)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)

- 14 (1) The power conferred by section 168(5) (appointment of persons to carry out investigations in particular cases) is exercisable by the Bank.
- (2) That power is exercisable if it appears to the Bank that there are circumstances suggesting that—
- (a) a clearing house [^{F357}or a central securities depository] may be guilty of an offence under section 398(1) or an offence under prescribed regulations relating to money laundering;
 - (b) a clearing house [^{F357}or a central securities depository] may have contravened a rule made by the Bank under this Part of this Act;
 - (c) a clearing house [^{F357}or a central securities depository] may have contravened the recognition requirements;
 - (d) a clearing house [^{F357}or a central securities depository] may have contravened any [^{F358}qualifying provision] that is specified, or of a description specified, for the purposes of this sub-paragraph by the Treasury by order;
 - (e) a clearing house [^{F357}or a central securities depository] may have breached the general prohibition.
 - ^{F359}(f)
 - [a third country central counterparty may be guilty of an offence under
 - ^{F360}(g) section 398(1);
 - (h) a Tier 2 third country central counterparty may have contravened the requirements of the EMIR regulation.]
- (3) In addition to the powers conferred by section 171, a person conducting an investigation under section 168(5) as a result of this paragraph is to have the powers conferred by sections 172 and 173 (and for this purpose the references in those sections to an investigator are to be read accordingly).

Textual Amendments

- F357** Words in Sch. 17A para. 14(2)(a)-(e) inserted (28.11.2017) by [The Central Securities Depositories Regulations 2017 \(S.I. 2017/1064\)](#), regs. 1, 2(39)(f)(i) (with regs. 7(4), 9(1))
- F358** Words in Sch. 17A para. 14(2)(d) substituted (31.12.2020) by [The Investment Exchanges, Clearing Houses and Central Securities Depositories \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/662\)](#), regs. 1(3), **13(3)(a)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F359** Sch. 17A para. 14(2)(f) omitted (31.12.2020) by virtue of [The Investment Exchanges, Clearing Houses and Central Securities Depositories \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/662\)](#), regs. 1(3), **13(3)(b)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)

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F360 Sch. 17A para. 14(2)(g)(h) inserted (31.12.2020) by The Over the Counter Derivatives, Central Counterparties and Trade Repositories (Amendment, etc., and Transitional Provision) (EU Exit) Regulations 2020 (S.I. 2020/646), regs. 1(3), 2(5)(c) (with savings in S.I. 2019/680, reg. 11 as amended by S.I. 2020/646, reg. 12)

- 15 An overseas regulator may, in accordance with section 169, request the Bank to exercise the power conferred by section 165 (as applied by paragraph 11 of this Schedule).
- 16 The power to give information under section 176(1) (entry of premises under warrant) is exercisable by the Bank, or an investigator appointed by the Bank, as if the reference to the second set of conditions were omitted.

Powers in relation to parent undertakings

- 17 (1) The following provisions of Part 12A of this Act are to apply in relation to the Bank—
- (a) section 192C (power to direct qualifying parent undertaking);
 - (b) section 192D (requirements that may be imposed);
 - (c) section 192E (direction: procedure);
 - (d) section 192G (references to Tribunal);
 - (e) section 192H (statement of policy);
 - (f) section 192I (statement of policy: procedure);
 - (g) section 192J (rules requiring provision of information);
 - (h) sections 192K to 192N (enforcement).
- (2) For the purposes of those provisions section 192B (meaning of “qualifying parent undertaking”) is to apply as if the reference in subsection (1) to a qualifying authorised person or recognised UK investment exchange were a reference to a recognised clearing house other than an overseas clearing house ^{F361}or to a recognised CSD].
- (3) Section 192C has effect as if—
- (a) the general condition in subsection (2) were that the Bank considers that it is desirable to give the direction for the purpose of the effective regulation of one or more recognised clearing houses ^{F362}or recognised CSDs] in the group of the qualifying parent undertaking,
 - (b) subsections (3) and (4) were omitted, and
 - (c) the reference in subsection (5)(a) to authorised persons or recognised investment exchanges were a reference to recognised clearing houses ^{F363}or recognised CSDs].
- (4) Section 192E has effect as if the reference in subsection (1) to an authorised person or recognised investment exchange were a reference to a recognised clearing house ^{F364}or a recognised CSD].
- (5) Section 192I has effect as if ^{F365}subsection (1)(a) required consultation with the FCA.]
- (6) Before the Bank gives a notice under section 192E(1) or (8)(b)—
- (a) if the notice relates to the parent undertaking of an authorised person or recognised investment exchange, the Bank must consult the FCA, and
 - ^{F366}(b)

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Textual Amendments

- F361** Words in Sch. 17A para. 17(2) inserted (28.11.2017) by [The Central Securities Depositories Regulations 2017 \(S.I. 2017/1064\)](#), **regs. 1, 2(39)(g)(i)** (with **regs. 7(4), 9(1)**)
- F362** Words in Sch. 17A para. 17(3)(a) inserted (28.11.2017) by [The Central Securities Depositories Regulations 2017 \(S.I. 2017/1064\)](#), **regs. 1, 2(39)(g)(ii)** (with **regs. 7(4), 9(1)**)
- F363** Words in Sch. 17A para. 17(3)(c) inserted (28.11.2017) by [The Central Securities Depositories Regulations 2017 \(S.I. 2017/1064\)](#), **regs. 1, 2(39)(g)(ii)** (with **regs. 7(4), 9(1)**)
- F364** Words in Sch. 17A para. 17(4) inserted (28.11.2017) by [The Central Securities Depositories Regulations 2017 \(S.I. 2017/1064\)](#), **regs. 1, 2(39)(g)(iii)** (with **regs. 7(4), 9(1)**)
- F365** Words in Sch. 17A para. 17(5) substituted (1.3.2017) by [Bank of England and Financial Services Act 2016 \(c. 14\)](#), s. 41(3), **Sch. 2 para. 51(3)(a)** (with **Sch. 3**); S.I. 2017/43, reg. 2(g)
- F366** Sch. 17A para. 17(6)(b) omitted (1.3.2017) by [Bank of England and Financial Services Act 2016 \(c. 14\)](#), s. 41(3), **Sch. 2 para. 51(3)(b)** (with **Sch. 3**); S.I. 2017/43, **reg. 2(g)**

Auditors

- 18 (1) Section 342 (information given by auditor to a regulator) applies in relation to a relevant auditor as if—
- the references in that section to a recognised investment exchange were to a recognised clearing house [^{F367}or a recognised CSD],
 - in the case of an auditor of a recognised clearing house [^{F367}or a recognised CSD] which is also an authorised person or recognised investment exchange, the references to a regulator included the Bank, and
 - in the case of an auditor of a recognised clearing house [^{F367}or a recognised CSD] not falling within paragraph (b), the references to a regulator were to the Bank.
- (2) A “relevant auditor” is a person who is, or has been, an auditor of a recognised clearing house [^{F367}or a recognised CSD] appointed under or as a result of a statutory provision [^{F368}, the EMIR regulation or the CSD regulation].

Textual Amendments

- F367** Words in Sch. 17A para. 18 inserted (28.11.2017) by [The Central Securities Depositories Regulations 2017 \(S.I. 2017/1064\)](#), **regs. 1, 2(39)(h)(i)** (with **regs. 7(4), 9(1)**)
- F368** Words in Sch. 17A para. 18(2) substituted (28.11.2017) by [The Central Securities Depositories Regulations 2017 \(S.I. 2017/1064\)](#), **regs. 1, 2(39)(h)(ii)** (with **regs. 7(4), 9(1)**)

- 19 (1) Section 343 (information given by auditor: person with close links) applies in relation to a relevant auditor as if—
- the references in that section to a recognised investment exchange were to a recognised clearing house [^{F369}or a recognised CSD],
 - in the case of an auditor of a recognised clearing house [^{F369}or a recognised CSD] which is an authorised person or which is a recognised investment exchange, the references to a regulator included the Bank, and
 - in the case of an auditor of a recognised clearing house [^{F369}or a recognised CSD] not falling within paragraph (b), the references to a regulator were to the Bank.

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- (2) A “relevant auditor” is a person who—
- (a) is, or has been, an auditor of a recognised clearing house [^{F369}or a recognised CSD] appointed under or as a result of a statutory provision [^{F370}, the EMIR regulation or the CSD regulation], and
 - (b) is, or has been, an auditor of a person who has close links with the recognised clearing house [^{F371}or the recognised CSD].

Textual Amendments

F369 Words in Sch. 17A para. 19 inserted (28.11.2017) by [The Central Securities Depositories Regulations 2017 \(S.I. 2017/1064\)](#), [regs. 1, 2\(39\)\(i\)\(i\)](#) (with [regs. 7\(4\), 9\(1\)](#))

F370 Words in Sch. 17A para. 19(2)(a) substituted (28.11.2017) by [The Central Securities Depositories Regulations 2017 \(S.I. 2017/1064\)](#), [regs. 1, 2\(39\)\(i\)\(ii\)](#) (with [regs. 7\(4\), 9\(1\)](#))

F371 Words in Sch. 17A para. 19(2)(b) inserted (28.11.2017) by [The Central Securities Depositories Regulations 2017 \(S.I. 2017/1064\)](#), [regs. 1, 2\(39\)\(i\)\(iii\)](#) (with [regs. 7\(4\), 9\(1\)](#))

- 20 Section 344 (duty of auditor resigning to give notice) applies to an auditor to whom section 342 applies (whether by virtue of paragraph 18 or otherwise) as if—
- (a) the references in that section to a recognised investment exchange were to a recognised clearing house [^{F372}or a recognised CSD],
 - (b) in the case of an auditor of a recognised clearing house [^{F372}or a recognised CSD] which is neither an authorised person nor a recognised investment exchange, the reference in the definition of “the appropriate regulator” to the FCA were a reference to the Bank,
 - (c) in the case of an auditor of a recognised clearing house [^{F372}or a recognised CSD] which is a PRA-authorised person, the reference in the definition of “the appropriate regulator” to the PRA were a reference to the PRA and the Bank, and
 - (d) in the case, not falling within paragraph (c), of an auditor of a recognised clearing house [^{F372}or a recognised CSD] which is an authorised person or which is a recognised investment exchange, the reference in the definition of “the appropriate regulator” to the FCA were a reference to the FCA and the Bank.

Textual Amendments

F372 Words in Sch. 17A para. 20 inserted (28.11.2017) by [The Central Securities Depositories Regulations 2017 \(S.I. 2017/1064\)](#), [regs. 1, 2\(39\)\(j\)](#) (with [regs. 7\(4\), 9\(1\)](#))

- 21 Sections 345A to 345E apply to auditors to whom section 342 applies only by virtue of paragraph 18 as if—
- (a) the references in those sections to an auditor or actuary to whom section 342 applies were to an auditor to whom section 342 applies by virtue of paragraph 18,
 - (b) the references in those sections to a PRA-authorised person were to a recognised clearing house [^{F373}or a recognised CSD],
 - (c) in a case where the Bank disqualifies a person from being an auditor of a recognised clearing house [^{F373}or a recognised CSD] that is also a

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- recognised investment exchange, section 345A(5)(a) required the Bank to notify the FCA, and
- (d) the references in sections 345D and 345E to a regulator included the Bank.

Textual Amendments

F373 Words in Sch. 17A para. 21 inserted (28.11.2017) by [The Central Securities Depositories Regulations 2017 \(S.I. 2017/1064\)](#), [regs. 1, 2\(39\)\(k\)](#) (with [regs. 7\(4\), 9\(1\)](#))

Public record and disclosure of information

- 22 Section 347 (record of authorised persons, recognised investment exchanges, etc), so far as it relates to recognised investment exchanges, applies in relation to the Bank as if references in that section to a recognised investment exchange were to a recognised clearing house [^{F374}, third country central counterparty][^{F375}, a third country CSD][^{F376} or a recognised CSD].

Textual Amendments

F374 Words in Sch. 17A para. 22 inserted (31.12.2020) by [The Central Counterparties \(Amendment, etc., and Transitional Provision\) \(EU Exit\) Regulations 2018 \(S.I. 2018/1184\)](#), [regs. 1\(2\), 5\(a\)](#) (with [arts. 11-20](#)) (as amended by: [S.I. 2019/405](#), [reg. 8](#); [S.I. 2020/56](#), [reg. 7](#); and [S.I. 2020/646](#), [reg. 4](#); and with savings in [S.I. 2019/680](#), [reg. 11](#)); [2020 c. 1](#), [Sch. 5 para. 1\(1\)](#))

F375 Words in Sch. 17A para. 22 inserted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), [regs. 1\(3\), 117\(1\)](#); [2020 c. 1](#), [Sch. 5 para. 1\(1\)](#))

F376 Words in Sch. 17A para. 22 inserted (28.11.2017) by [The Central Securities Depositories Regulations 2017 \(S.I. 2017/1064\)](#), [regs. 1, 2\(39\)\(l\)](#) (with [regs. 7\(4\), 9\(1\)](#))

- 23 [Sections 348 to 350 and 353 (disclosure of information) apply in relation to ^{F377}(1)] information received by the Bank for the purposes of, or in the discharge of, any of its functions relating to recognised clearing houses [^{F378} or recognised CSDs][^{F379} or any of its functions under the EMIR regulation][^{F380}, the CSD regulation [^{F381}, any EU regulation originally made under the CSD regulation which is retained direct EU legislation, or any subordinate legislation made under the CSD regulation on or after IP completion day]].

[Paragraph 9(2)(a) does not apply to the reference to the PRA in section 348(8).]
^{F382}(2)

Textual Amendments

F377 [Sch. 17A para. 23](#) renumbered as [Sch. 17A para. 23\(1\)](#) (1.3.2017) by [Bank of England and Financial Services Act 2016 \(c. 14\)](#), [s. 41\(3\)](#), [Sch. 2 para. 51\(4\)\(a\)](#) (with [Sch. 3](#)); [S.I. 2017/43](#), [reg. 2\(g\)](#))

F378 Words in [Sch. 17A para. 23\(1\)](#) inserted (28.11.2017) by [The Central Securities Depositories Regulations 2017 \(S.I. 2017/1064\)](#), [regs. 1, 2\(39\)\(m\)](#) (with [regs. 7\(4\), 9\(1\)](#))

F379 Words in [Sch. 17A para. 23](#) inserted (1.4.2013) by [The Financial Services and Markets Act 2000 \(Over the Counter Derivatives, Central Counterparties and Trade Repositories\) Regulations 2013 \(S.I. 2013/504\)](#), [regs. 1\(2\), 3\(16\)\(d\)](#) (with [regs. 52-58](#))

F380 Words in [Sch. 17A para. 23](#) inserted (21.11.2014) by [The Central Securities Depositories Regulations 2014 \(S.I. 2014/2879\)](#), [regs. 1\(1\), 6\(4\)\(b\)](#))

Status: Point in time view as at 01/01/2022.

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- F381** Words in Sch. 17A para. 23(1) substituted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **117(2)** (as amended by S.I. 2020/1301, regs. 1, 3, [Sch. para. 33\(k\)](#)); 2020 c. 1, [Sch. 5 para. 1\(1\)](#)
- F382** Sch. 17A para. 23(2) inserted (1.3.2017) by [Bank of England and Financial Services Act 2016 \(c. 14\)](#), s. 41(3), [Sch. 2 para. 51\(4\)\(b\)](#) (with Sch. 3); S.I. 2017/43, [reg. 2\(g\)](#)

[^{F383}Co-operation

Textual Amendments

- F383** Sch. 17A para. 23A and cross-heading inserted (31.12.2020) by [The Investment Exchanges, Clearing Houses and Central Securities Depositories \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/662\)](#), regs. 1(3), **14** (as amended by S.I. 2020/1301, regs. 1, 3, [Sch. para. 37\(d\)](#)) (with savings in S.I. 2019/680, [reg. 11](#)); 2020 c. 1, [Sch. 5 para. 1\(1\)](#)

- 23A Section 354B (co-operation) applies in relation to the Bank for the purposes of, or in the discharge of, any of its functions under—
- (a) the EMIR regulation;
 - (b) the CSD regulation;
 - (c) the SFT regulation;
 - (d) any EU regulation, originally made under the CSD regulation or the SFT regulation, which is retained direct EU legislation; or
 - (e) any subordinate legislation (within the meaning of the Interpretation Act 1978) made under the CSD regulation, or the SFT regulation, on or after IP completion day.]

Insolvency

- 24 (1) The following provisions of Part 24 of this Act are to apply in relation to the Bank—
- [sections 355A and 355B (powers to participate in proceedings under Part ^{F384}(za) 26A of the Companies Act 2006);]
 - (a) section 356 (powers to participate in proceedings: company voluntary arrangements);
 - (b) section 358 (powers to participate in proceedings: trust deeds for creditors in Scotland);
 - (c) section 359 (administration order);
 - (d) section 362 (powers to participate in administration proceedings);
 - (e) section 362A (consent to appointment of administrator);
 - (f) section 363 (powers to participate in proceedings: receivership);
 - (g) section 365 (powers to participate in proceedings: voluntary winding-up);
 - (h) section 367 (winding-up petitions);
 - (i) section 371 (powers to participate in proceedings: winding-up).
- (2) Those provisions are to apply as if any reference to an authorised person or recognised investment exchange [^{F385}(other than the reference to “an authorised person” in section 355B(2)(a))] were a reference to a recognised clearing house [^{F386}or a recognised CSD].

Status: Point in time view as at 01/01/2022.

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Textual Amendments

- F384** Sch. 17A para. 24(1)(za) inserted (26.6.2020) by [Corporate Insolvency and Governance Act 2020 \(c. 12\)](#), s. 49(1), **Sch. 9 para. 19(a)** (with ss. 2(2), 5(2))
- F385** Words in Sch. 17A para. 24(2) inserted (26.6.2020) by [Corporate Insolvency and Governance Act 2020 \(c. 12\)](#), s. 49(1), **Sch. 9 para. 19(b)** (with ss. 2(2), 5(2))
- F386** Words in Sch. 17A para. 24(2) inserted (28.11.2017) by [The Central Securities Depositories Regulations 2017 \(S.I. 2017/1064\)](#), **regs. 1, 2(39)(n)** (with regs. 7(4), 9(1))

25 ^{F387} [In the case of any regulated activity which is carried on for the purposes of, or in connection with, the provision of clearing services, the reference to the FCA in section 375(1) is to be read as including a reference to the Bank.

^{F388} [In the case of any regulated activity which is carried on for the purposes of, or in connection with, the provision of any service mentioned in section 285(3D), the reference to the FCA in section 375(1) is to be read as including a reference to the Bank.]

Textual Amendments

- F387** Sch. 17A para. 25 renumbered as Sch. 17A para. 25(1) (28.11.2017) by [The Central Securities Depositories Regulations 2017 \(S.I. 2017/1064\)](#), **regs. 1, 2(39)(o)(i)** (with regs. 7(4), 9(1))
- F388** Sch. 17A para. 25(2) inserted (28.11.2017) by [The Central Securities Depositories Regulations 2017 \(S.I. 2017/1064\)](#), **regs. 1, 2(39)(o)(ii)** (with regs. 7(4), 9(1))

Injunctions and restitution

- 26 (1) The power to make an application under section 380(1), (2) or (3) (injunctions) is exercisable by the Bank.
- (2) For the purposes of the application, any reference in that section to a relevant requirement is to—
- (a) a requirement that is imposed by or under any provision of this Part of this Act that relates to a recognised clearing house [^{F389} or a recognised CSD] (and for this purpose a prohibition imposed under section 312FA(2)(c) (prohibition on person holding office etc. with a central securities depository) is treated as a requirement)];
 - (b) a requirement that is imposed under any other provision of this Act by the Bank;
 - (c) a requirement that is imposed by any [^{F391}qualifying provision] that is specified, or of a description specified, for the purposes of this sub-paragraph by the Treasury by order; or
 - (d) a requirement that is imposed by this Act and whose contravention constitutes an offence that the Bank has power to prosecute under this Act (see section 401, as applied by paragraph 31).

Textual Amendments

- F389** Words in Sch. 17A para. 26(2)(a) inserted (28.11.2017) by [The Central Securities Depositories Regulations 2017 \(S.I. 2017/1064\)](#), **regs. 1, 2(39)(p)** (with regs. 7(4), 9(1))

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F390 Words in Sch. 17A para. 26(2)(a) substituted (31.12.2020) by The Investment Exchanges, Clearing Houses and Central Securities Depositories (Amendment) (EU Exit) Regulations 2019 (S.I. 2019/662), regs. 1(3), **15(1)(a)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)

F391 Words in Sch. 17A para. 26(2)(c) substituted (31.12.2020) by The Investment Exchanges, Clearing Houses and Central Securities Depositories (Amendment) (EU Exit) Regulations 2019 (S.I. 2019/662), regs. 1(3), **15(1)(b)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)

27 (1) The power to make an application under section 382(1) (restitution order) is exercisable by the Bank.

(2) For the purposes of the application, any reference in that section to a relevant requirement is to be read in accordance with paragraph 26(2) of this Schedule [^{F392}(subject to sub-paragraph (3))].

[The power to make an application under section 382(1) is not exercisable by the
^{F393}(3) Bank in respect of the contravention of a requirement imposed by or under Article 4 or 15 of the SFT regulation.]

Textual Amendments

F392 Words in Sch. 17A para. 27(2) inserted (13.7.2016) by The Financial Services and Markets Act 2000 (Transparency of Securities Financing Transactions and of Reuse) Regulations 2016 (S.I. 2016/715), reg. 1(2), **Sch. 1 para. 1(6)(b)(i)**

F393 Sch. 17A para. 27(3) inserted (13.7.2016) by The Financial Services and Markets Act 2000 (Transparency of Securities Financing Transactions and of Reuse) Regulations 2016 (S.I. 2016/715), reg. 1(2), **Sch. 1 para. 1(6)(b)(ii)**

28 (1) The power conferred by section 384(5) (power of FCA to require restitution order) is exercisable by the Bank.

(2) That power is exercisable if the Bank is satisfied that a recognised clearing house [^{F394}or a recognised CSD] has contravened a relevant requirement, or been knowingly concerned in the contravention of a relevant requirement, and—

- (a) that profits have accrued to the recognised clearing house [^{F395}or the recognised CSD] as a result of the contravention; or
- (b) that one or more persons have suffered loss or been otherwise adversely affected as a result of the contravention.

(3) For the purposes of that power, “relevant requirement” is to be read in accordance with paragraph 26(2) of this Schedule [^{F396}(subject to sub-paragraph (3A))].

[The power conferred by section 384(5) is not exercisable by the Bank in respect of
^{F397}(3A) the contravention of a requirement imposed by or under Article 4 or 15 of the SFT regulation.]

(4) Where this paragraph applies, section 384(5) and (6) are to have effect as if—

- (a) any reference to the person concerned were a reference to the recognised clearing house [^{F398}or the recognised CSD]; and
- (b) any reference to subsection (1) were a reference to sub-paragraph (2) of this paragraph.

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Textual Amendments

- F394** Words in Sch. 17A para. 28(2) substituted (31.12.2020) by [The Investment Exchanges, Clearing Houses and Central Securities Depositories \(Amendment\) \(EU Exit\) Regulations 2019](#) (S.I. 2019/662), regs. 1(3), **15(2)(a)(i)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F395** Words in Sch. 17A para. 28(2)(a) substituted (31.12.2020) by [The Investment Exchanges, Clearing Houses and Central Securities Depositories \(Amendment\) \(EU Exit\) Regulations 2019](#) (S.I. 2019/662), regs. 1(3), **15(2)(a)(ii)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F396** Words in Sch. 17A para. 28(3) inserted (13.7.2016) by [The Financial Services and Markets Act 2000 \(Transparency of Securities Financing Transactions and of Reuse\) Regulations 2016](#) (S.I. 2016/715), reg. 1(2), **Sch. 1 para. 1(6)(c)(i)**
- F397** Sch. 17A para. 28(3A) inserted (13.7.2016) by [The Financial Services and Markets Act 2000 \(Transparency of Securities Financing Transactions and of Reuse\) Regulations 2016](#) (S.I. 2016/715), reg. 1(2), **Sch. 1 para. 1(6)(c)(ii)**
- F398** Words in Sch. 17A para. 28(4)(a) substituted (31.12.2020) by [The Investment Exchanges, Clearing Houses and Central Securities Depositories \(Amendment\) \(EU Exit\) Regulations 2019](#) (S.I. 2019/662), regs. 1(3), **15(2)(b)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)

Notices

- 29 The provisions of Part 26 of this Act (notices) apply in relation to a warning or decision notice given by the Bank under section 192L, 312G or 312H as they apply in relation to such a notice given by the FCA under that section.

Offences

- 30 Section 398 (misleading the FCA: residual cases) applies to information given to the Bank in purported compliance with—
- (a) a requirement that is imposed by or under any provision of Part 18 of this Act that relates to a recognised clearing house [^{F399}, a third country central counterparty][^{F400} or a recognised CSD];
 - (b) a requirement that is imposed under any other provision of this Act by the Bank; or
 - (c) a requirement that is imposed by any [^{F401}qualifying provision] specified, or of a description specified, for the purposes of this paragraph by the Treasury by order.

Textual Amendments

- F399** Words in Sch. 17A para. 30(a) inserted (31.12.2020) by [The Over the Counter Derivatives, Central Counterparties and Trade Repositories \(Amendment, etc., and Transitional Provision\) \(EU Exit\) Regulations 2020](#) (S.I. 2020/646), regs. 1(3), **2(5)(d)** (with savings in S.I. 2019/680, reg. 11 as amended by S.I. 2020/646, reg. 12)
- F400** Words in Sch. 17A para. 30(a) substituted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019](#) (S.I. 2019/632), regs. 1(3), **118(a)**; 2020 c. 1, Sch. 5 para. 1(1)
- F401** Words in Sch. 17A para. 30(c) substituted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019](#) (S.I. 2019/632), regs. 1(3), **118(b)**; 2020 c. 1, Sch. 5 para. 1(1)

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- 31 (1) Section 401 (proceedings for an offence) applies to the Bank as if for the purposes of subsections (2)(a) and (3)(a) of that section the Bank were an appropriate regulator in respect of each of the following offences—
- (a) an offence under section 177(3) where the investigation is being, or is likely to be, conducted on behalf of the Bank;
 - (b) an offence under section 177(4) where the requirement is imposed by the Bank;
 - (c) an offence under section 177(6) where the warrant is issued as a result of information on oath given by the Bank or a person appointed by it to conduct an investigation on its behalf;
 - (d) an offence under section 398(1) where the information was given to the Bank.
- (2) Section 401(3B) has effect subject to the provision made by this paragraph (so that the FCA is not the appropriate regulator for the purposes of subsections (2)(a) and (3)(a) in respect of the above offences).

Records

- 32 Paragraph 17 of Schedule 1ZB (records) applies in relation to the recording of decisions made by the Bank in the exercise of its functions relating to recognised clearing houses [^{F402}, [^{F403}third country central counterparties,] recognised CSDs and [^{F404}third country CSDs]].

Textual Amendments

- F402** Words in Sch. 17A para. 32 inserted (28.11.2017) by [The Central Securities Depositories Regulations 2017 \(S.I. 2017/1064\)](#), regs. 1, 2(39)(s) (with regs. 7(4), 9(1))
- F403** Words in Sch. 17A para. 32 inserted (31.12.2020) by [The Central Counterparties \(Amendment, etc., and Transitional Provision\) \(EU Exit\) Regulations 2018 \(S.I. 2018/1184\)](#), regs. 1(2), **5(b)** (with arts. 11-20) (as amended by: S.I. 2019/405, reg. 8; S.I. 2020/56, reg. 7; and S.I. 2020/646, reg. 4; and with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1))
- F404** Words in Sch. 17A para. 32 substituted (31.12.2020) by [The Investment Exchanges, Clearing Houses and Central Securities Depositories \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/662\)](#), regs. 1(3), **16** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1))

Annual report

- 33 Paragraph 19 of Schedule 1ZB (annual report by PRA) applies in relation to the Bank, but—
- (a) as if for paragraphs (a) to (f) of sub-paragraph (1) there were substituted—
 - “(a) the discharge of its functions relating to recognised clearing houses [^{F405}, [^{F406}third country central counterparties,] recognised CSDs and [^{F407}third country CSDs]],
 - (b) the extent to which, in its opinion, in discharging those functions its financial stability objective has been met,”
 - (b) as if sub-paragraph (3) were omitted.

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Textual Amendments

- F405** Words in Sch. 17A para. 33(a) inserted (28.11.2017) by [The Central Securities Depositories Regulations 2017 \(S.I. 2017/1064\)](#), regs. 1, 2(39)(t) (with regs. 7(4), 9(1))
- F406** Words in Sch. 17A para. 33(a) inserted (31.12.2020) by [The Central Counterparties \(Amendment, etc., and Transitional Provision\) \(EU Exit\) Regulations 2018 \(S.I. 2018/1184\)](#), regs. 1(2), **5(c)** (with arts. 11-20) (as amended by S.I. 2019/405, reg. 8; S.I. 2020/56, reg. 7; and S.I. 2020/646, reg. 4; and with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F407** Words in Sch. 17A para. 33 substituted (31.12.2020) by [The Investment Exchanges, Clearing Houses and Central Securities Depositories \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/662\)](#), regs. 1(3), **17** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)

PART 3

WINDING UP, ADMINISTRATION OR INSOLVENCY OF ^{F408}RECOGNISED CLEARING HOUSES]

Textual Amendments

- F408** Words in Sch. 17A Pt. III heading substituted (1.4.2013) by [The Financial Services and Markets Act 2000 \(Over the Counter Derivatives, Central Counterparties and Trade Repositories\) Regulations 2013 \(S.I. 2013/504\)](#), regs. 1(2), **3(16)(e)** (with regs. 52-58)

Notice to Bank of England of preliminary steps

- 34 (1) An application for an administration order in respect of a ^{F409}recognised clearing house]^{F410} or a recognised CSD] may not be determined unless the conditions below are satisfied.
- (2) A petition for a winding up order in respect of a ^{F409}recognised clearing house]^{F410} or a recognised CSD] may not be determined unless the conditions below are satisfied.
- (3) A resolution for voluntary winding up of a ^{F409}recognised clearing house]^{F410} or a recognised CSD] may not be made unless the conditions below are satisfied.
- (4) An administrator of a ^{F409}recognised clearing house]^{F410} or a recognised CSD] may not be appointed unless the conditions below are satisfied.
- (5) Condition 1 is that the Bank of England has been notified—
- by the applicant for an administration order, that the application has been made,
 - by the petitioner for a winding up order, that the petition has been presented,
 - by the ^{F409}recognised clearing house]^{F411} or the recognised CSD], that a resolution for voluntary winding up may be made, or
 - by the person proposing to appoint an administrator, of the proposed appointment.
- (6) Condition 2 is that a copy of the notice complying with Condition 1 has been filed (in Scotland, lodged) with the court (and made available for public inspection by the court).

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- (7) Condition 3 is that—
- (a) the period of 2 weeks, beginning with the day on which the notice is received, has ended, or
 - (b) the Bank of England has informed the person who gave the notice that—
 - (i) it has no objection to the order, resolution or appointment being made, and
 - (ii) it does not intend to exercise a stabilisation power under Part 1 of the Banking Act 2009.
- (8) Arranging for the giving of notice in order to satisfy Condition 1 can be a step with a view to minimising the potential loss to a [^{F409}recognised clearing house's][^{F412}or a recognised CSD's] creditors for the purpose of section 214 of the Insolvency Act 1986 (wrongful trading).
- (9) In this paragraph “the court” means—
- (a) in England and Wales, the High Court,
 - (b) in Scotland, the Court of Session, and
 - (c) in Northern Ireland, the High Court.

Textual Amendments

- F409** Words in Sch. 17A para. 34 substituted (1.4.2013) by [The Financial Services and Markets Act 2000 \(Over the Counter Derivatives, Central Counterparties and Trade Repositories\) Regulations 2013 \(S.I. 2013/504\)](#), [regs. 1\(2\), 3\(16\)\(f\)](#) (with [regs. 52-58](#))
- F410** Words in Sch. 17A para. 34 inserted (28.11.2017) by [The Central Securities Depositories Regulations 2017 \(S.I. 2017/1064\)](#), [regs. 1, 2\(39\)\(u\)\(i\)](#) (with [regs. 7\(4\), 9\(1\)](#))
- F411** Words in Sch. 17A para. 34(5)(c) inserted (28.11.2017) by [The Central Securities Depositories Regulations 2017 \(S.I. 2017/1064\)](#), [regs. 1, 2\(39\)\(u\)\(ii\)](#) (with [regs. 7\(4\), 9\(1\)](#))
- F412** Words in Sch. 17A para. 34(8) inserted (28.11.2017) by [The Central Securities Depositories Regulations 2017 \(S.I. 2017/1064\)](#), [regs. 1, 2\(39\)\(u\)\(iii\)](#) (with [regs. 7\(4\), 9\(1\)](#))

Power to give directions to insolvency practitioner

- 35 (1) This paragraph applies where a person has been appointed to act as an insolvency practitioner (within the meaning of section 388 of the Insolvency Act 1986 or Article 3 of the Insolvency (Northern Ireland) Order 1989) in relation to a company which is, or has been, a [^{F413}recognised clearing house][^{F414}or a recognised CSD].
- (2) The Bank of England may give directions to the person if satisfied that it is desirable to give the directions, having regard to the public interest in—
- (a) protecting and enhancing the stability of the UK financial system,
 - (b) protecting and enhancing public confidence in the stability of the UK financial system, ^{F415}...
 - (c) [^{F416}in the case of a company which is, or has been, a recognised clearing house,] maintaining the continuity of ^{F417}... clearing services [^{F418}and]
- [^{F419}(d) maintaining the continuity of the services referred to in section 285(3D)].
- (3) Before giving directions the Bank of England must consult—
- (a) the Treasury, [^{F420}and]

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^{F421}(b)
 (c) the FCA.

- (4) Directions are enforceable, on an application by the Bank of England, by an injunction or, in Scotland, by an order for specific performance under section 45 of the Court of Session Act 1988.
- (5) A person is not liable for damages in respect of action or inaction in accordance with directions.
- (6) The immunity does not extend to action or inaction—
- (a) in bad faith, or
 - (b) in contravention of section 6(1) of the Human Rights Act 1998.

Textual Amendments

- F413** Words in Sch. 17A para. 35(1) substituted (1.4.2013) by [The Financial Services and Markets Act 2000 \(Over the Counter Derivatives, Central Counterparties and Trade Repositories\) Regulations 2013 \(S.I. 2013/504\)](#), regs. 1(2), 3(16)(g)(i) (with regs. 52-58)
- F414** Words in Sch. 17A para. 35(1) inserted (28.11.2017) by [The Central Securities Depositories Regulations 2017 \(S.I. 2017/1064\)](#), [regs. 1, 2\(39\)\(v\)\(i\)](#) (with regs. 7(4), 9(1))
- F415** Word in Sch. 17A para. 35(2)(b) omitted (28.11.2017) by [The Central Securities Depositories Regulations 2017 \(S.I. 2017/1064\)](#), [regs. 1, 2\(39\)\(v\)\(ii\)\(aa\)](#) (with regs. 7(4), 9(1))
- F416** Words in Sch. 17A para. 35(2)(c) inserted (28.11.2017) by [The Central Securities Depositories Regulations 2017 \(S.I. 2017/1064\)](#), [regs. 1, 2\(39\)\(v\)\(ii\)\(bb\)](#) (with regs. 7(4), 9(1))
- F417** Words in Sch. 17A para. 35(2)(c) omitted (1.4.2013) by [The Financial Services and Markets Act 2000 \(Over the Counter Derivatives, Central Counterparties and Trade Repositories\) Regulations 2013 \(S.I. 2013/504\)](#), [regs. 1\(2\), 3\(16\)\(g\)\(ii\)](#) (with regs. 52-58)
- F418** Word in Sch. 17A para. 35(2)(c) inserted (28.11.2017) by [The Central Securities Depositories Regulations 2017 \(S.I. 2017/1064\)](#), [regs. 1, 2\(39\)\(v\)\(ii\)\(cc\)](#) (with regs. 7(4), 9(1))
- F419** Sch. 17A para. 35(2)(d) inserted (28.11.2017) by [The Central Securities Depositories Regulations 2017 \(S.I. 2017/1064\)](#), [regs. 1, 2\(39\)\(v\)\(ii\)\(dd\)](#) (with regs. 7(4), 9(1))
- F420** Word in Sch. 17A para. 35(3)(a) inserted (1.3.2017) by [Bank of England and Financial Services Act 2016 \(c. 14\)](#), s. 41(3), [Sch. 2 para. 51\(5\)\(a\)](#) (with Sch. 3); S.I. 2017/43, [reg. 2\(g\)](#)
- F421** Sch. 17A para. 35(3)(b) omitted (1.3.2017) by [Bank of England and Financial Services Act 2016 \(c. 14\)](#), s. 41(3), [Sch. 2 para. 51\(5\)\(b\)](#) (with Sch. 3); S.I. 2017/43, [reg. 2\(g\)](#)

PART 4

FEES

- 36 (1) The Bank of England may, in connection with the discharge of any of its qualifying functions, require recognised clearing houses^{F422}, ^{F423}... [^{F424}third country central counterparties, recognised CSDs^{F425}... or settlement internalisers (as defined in point (11) of Article 2(1) of the CSD regulation)] to pay fees to the Bank.
- (2) The “qualifying functions” of the Bank are—
- (a) its functions under or as a result of this Part of this Act,^{F426}...
 - (b) its functions under or as a result of a [^{F427}qualifying provision] that is specified, or of a description specified, for the purposes of this sub-paragraph by the Treasury by order^{F428}, ^{F429}...

Status: Point in time view as at 01/01/2022.

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- [its functions under or as a result of regulations made under section 8 of the
F430(ba) European Union (Withdrawal) Act 2018; and]
(c) its functions under or as a result of Part 7 of the Companies Act 1989.]
- (3) The power of the Bank to set fees includes power to set fees for the purpose of meeting expenses incurred by it or the FCA—
- (a) in preparation for the exercise of functions by the Bank under this Part of this Act, F431 ...
- (b) for the purpose of facilitating the exercise by the Bank of those functions or otherwise in connection with their exercise by it [F432 or]
- [in preparation for the exercise of functions by the Bank under Article 9(1)
F433(c) of the CSD regulation].
- (4) It is irrelevant when the expenses were incurred (and, in particular, it is irrelevant if expenses were incurred by the FCA at a time when it was known as the Financial Services Authority).

Textual Amendments

- F422** Words in Sch. 17A para. 36(1) inserted (1.4.2013) by [The Financial Services and Markets Act 2000 \(Over the Counter Derivatives, Central Counterparties and Trade Repositories\) Regulations 2013 \(S.I. 2013/504\)](#), regs. 1(2), 3(16)(h)(i) (with regs. 52-58)
- F423** Words in Sch. 17A para. 36(1) omitted (31.12.2020) by virtue of [The Central Counterparties \(Amendment, etc., and Transitional Provision\) \(EU Exit\) Regulations 2018 \(S.I. 2018/1184\)](#), regs. 1(2), **5(d)** (with arts. 11-20) (as amended by: [S.I. 2019/405](#), reg. 8; [S.I. 2020/56](#), reg. 7; and [S.I. 2020/646](#), reg. 4; and with savings in [S.I. 2019/680](#), reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F424** Words in Sch. 17A para. 36(1) substituted (28.11.2017) by [The Central Securities Depositories Regulations 2017 \(S.I. 2017/1064\)](#), regs. 1, 2(39)(w)(i) (with regs. 7(4), 9(1))
- F425** Words in Sch. 17A para. 36(1) omitted (31.12.2020) by virtue of [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **119(a)**; 2020 c. 1, Sch. 5 para. 1(1)
- F426** Word in Sch. 17A para. 36(2)(a) omitted (1.4.2013) by [The Financial Services and Markets Act 2000 \(Over the Counter Derivatives, Central Counterparties and Trade Repositories\) Regulations 2013 \(S.I. 2013/504\)](#), regs. 1(2), 3(16)(h)(ii) (with regs. 52-58)
- F427** Words in Sch. 17A para. 36(2)(b) substituted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **119(b)**; 2020 c. 1, Sch. 5 para. 1(1)
- F428** Sch. 17A para. 36(2)(c) and word inserted (1.4.2013) by [The Financial Services and Markets Act 2000 \(Over the Counter Derivatives, Central Counterparties and Trade Repositories\) Regulations 2013 \(S.I. 2013/504\)](#), **regs. 1(2), 3(16)(h)(iii)** (with regs. 52-58)
- F429** Word in Sch. 17A para. 36(2)(b) omitted (26.10.2018) by [The Financial Regulators Powers \(Technical Standards etc.\) \(Amendment etc.\) \(EU Exit\) Regulations 2018 \(S.I. 2018/1115\)](#), regs. 1(2), 7(11)(b)(i)
- F430** Sch. 17A para. 36(2)(ba) inserted (26.10.2018) by [The Financial Regulators Powers \(Technical Standards etc.\) \(Amendment etc.\) \(EU Exit\) Regulations 2018 \(S.I. 2018/1115\)](#), **regs. 1(2), 7(11)(b)(ii)**
- F431** Word in Sch. 17A para. 36(3)(a) omitted (28.11.2017) by [The Central Securities Depositories Regulations 2017 \(S.I. 2017/1064\)](#), regs. 1, 2(39)(w)(ii)(aa) (with regs. 7(4), 9(1))
- F432** Word in Sch. 17A para. 36(3)(b) inserted (28.11.2017) by [The Central Securities Depositories Regulations 2017 \(S.I. 2017/1064\)](#), regs. 1, 2(39)(w)(ii)(bb) (with regs. 7(4), 9(1))
- F433** Sch. 17A para. 36(3)(c) inserted (28.11.2017) by [The Central Securities Depositories Regulations 2017 \(S.I. 2017/1064\)](#), regs. 1, 2(39)(w)(ii)(cc) (with regs. 7(4), 9(1))

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- 37 Any fee which is owed to the Bank under paragraph 36 may be recovered as a debt due to the Bank.]

SCHEDULE 18

Sections 334, 336 and 338.

MUTUALS

PART I

FRIENDLY SOCIETIES

The Friendly Societies Act 1974 (c.46)

- 1 Omit sections 4 (provision for separate registration areas) and 10 (societies registered in one registration area carrying on business in another).
- 2 In section 7 (societies which may be registered), in subsection (2)(b), for “in the central registration area or in Scotland” substitute “ in the United Kingdom, the Channel Islands or the Isle of Man ”.
- 3 In section 11 (additional registration requirements for societies with branches), omit “and where any such society has branches in more than one registration area, section 10 above shall apply to that society”.
- 4 In section 99(4) (punishment of fraud etc and recovery of property misapplied), omit “in the central registration area”.

The Friendly Societies Act 1992 (c.40)

- 5 Omit sections 31 to 36A (authorisation of friendly societies business).
- 6 In section 37 (restrictions on combinations of business), omit subsections (1), (1A) and (7A) to (9).
- 7 Omit sections 38 to 43 (restrictions on business of certain authorised societies).
- 8 Omit sections 44 to 50 (regulation of friendly societies business).

PART II

FRIENDLY SOCIETIES: SUBSIDIARIES AND CONTROLLED BODIES

Interpretation

- 9 In this Part of this Schedule—
 “the 1992 Act” means the ^{M19}Friendly Societies Act 1992; and
 “section 13” means section 13 of that Act.

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Marginal Citations

M19 1992 c. 40.

Qualifying bodies

- 10 (1) Subsections (2) to (5) of section 13 (incorporated friendly societies allowed to form or acquire control or joint control only of qualifying bodies) cease to have effect.
- (2) As a result, omit—
- (a) subsections (8) and (11) of that section, and
 - (b) Schedule 7 to the 1992 Act (activities which may be carried on by a subsidiary of, or body jointly controlled by, an incorporated friendly society).

Bodies controlled by societies

- 11 In section 13(9) (defined terms), after paragraph (a) insert—
- “(aa) an incorporated friendly society also has control of a body corporate if the body corporate is itself a body controlled in one of the ways mentioned in paragraph (a)(i), (ii) or (iii) by a body corporate of which the society has control;”.

Joint control by societies

- 12 In section 13(9), after paragraph (c) insert—
- “(cc) an incorporated friendly society also has joint control of a body corporate if—
- (i) a subsidiary of the society has joint control of the body corporate in a way mentioned in paragraph (c)(i), (ii) or (iii);
 - (ii) a body corporate of which the society has joint control has joint control of the body corporate in such a way; or
 - (iii) the body corporate is controlled in a way mentioned in paragraph (a)(i), (ii) or (iii) by a body corporate of which the society has joint control;”.

Acquisition of joint control

- 13 In section 13(9), in the words following paragraph (d), after “paragraph (c)” insert “ or (cc) ”.

Amendment of Schedule 8 to the 1992 Act

- 14 (1) Schedule 8 to the 1992 Act (provisions supplementing section 13) is amended as follows.
- (2) Omit paragraph 3(2).
- (3) After paragraph 3 insert—
- “3A (1) A body is to be treated for the purposes of section 13(9) as having the right to appoint to a directorship if—

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- (a) a person’s appointment to the directorship follows necessarily from his appointment as an officer of that body; or
 - (b) the directorship is held by the body itself.
- (2) A body (“B”) and some other person (“P”) together are to be treated, for the purposes of section 13(9), as having the right to appoint to a directorship if—
- (a) P is a body corporate which has directors and a person’s appointment to the directorship follows necessarily from his appointment both as an officer of B and a director of P;
 - (b) P is a body corporate which does not have directors and a person’s appointment to the directorship follows necessarily from his appointment both as an officer of B and as a member of P’s managing body; or
 - (c) the directorship is held jointly by B and P.
- (3) For the purposes of section 13(9), a right to appoint (or remove) which is exercisable only with the consent or agreement of another person must be left out of account unless no other person has a right to appoint (or remove) in relation to that directorship.
- (4) Nothing in this paragraph is to be read as restricting the effect of section 13(9).”
- (4) In paragraph 9 (exercise of certain rights under instruction by, or in the interests of, incorporated friendly society) insert at the end “ or in the interests of any body over which the society has joint control ”.

Consequential amendments

- 15 (1) Section 52 of the 1992 Act is amended as follows.
- (2) In subsection (2), omit paragraph (d).
 - (3) In subsection (3), for “(4) below” substitute “ (2) ”.
 - (4) For subsection (4) substitute—
 - “(4) A court may not make an order under subsection (5) unless it is satisfied that one or more of the conditions mentioned in subsection (2) are satisfied.”
 - (5) In subsection (5), omit the words from “or, where” to the end.

References in other enactments

- 16 References in any provision of, or made under, any enactment to subsidiaries of, or bodies jointly controlled by, an incorporated friendly society are to be read as including references to bodies which are such subsidiaries or bodies as a result of any provision of this Part of this Schedule.

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PART III

BUILDING SOCIETIES

The Building Societies Act 1986 (c.53)

- 17 Omit section 9 (initial authorisation to raise funds and borrow money).
- 18 Omit Schedule 3 (supplementary provisions about authorisation).

^{F434}PART IV

INDUSTRIAL AND PROVIDENT SOCIETIES

.....

Textual Amendments

F434 Sch. 18 Pt. IV repealed (1.8.2014) by Co-operative and Community Benefit Societies Act 2014 (c. 14), s. 154, Sch. 7 (with Sch. 5)

PART V

CREDIT UNIONS

The Credit Unions Act 1979 (c.34)

- 21 In section 6 (minimum and maximum number of members), omit subsections (2) to (6).
- 22 In section 11 (loans), omit subsections (2) and (6).
- 23 Omit sections 11B (loans approved by credit unions), 11C (grant of certificates of approval) and 11D (withdrawal of certificates of approval).
- 24 In section 12, omit subsections (4) and (5).
- 25 In section 14, omit subsections (2), (3), (5) and (6).
- 26 In section 28 (offences), omit subsection (2).

^{F435}SCHEDULE 19

.....

Textual Amendments

F435 Sch. 19 repealed (20.6.2003) by Enterprise Act 2002 (c. 40), ss. 247(k), 278(2), 279, Sch. 26 (with s. 237); S.I. 2003/1397, art. 2(1), Sch.

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SCHEDULE 20

Section 432(1).

MINOR AND CONSEQUENTIAL AMENDMENTS

The House of Commons Disqualification Act 1975 (c. 24)

1 In Part III of Schedule 1 to the House of Commons Disqualification Act 1975 (disqualifying offices)—

(a) omit—

“Any member of the Financial Services Tribunal in receipt of remuneration”;

and

(b) ^{F436}

Textual Amendments
F436 Sch. 20 para. 1(b) repealed (6.4.2010) by [The Transfer of Tribunal Functions Order 2010 \(S.I. 2010/22\)](#), arts. 1(2)(g), 5(3), [Sch. 4 Pt. 2](#)

Commencement Information
I10 Sch. 20 para. 1 wholly in force at 1.12.2001; Sch. 20 para. 1 not in force at Royal Assent see s. 431(2); Sch. 20 para. 1(b) in force at 3.9.2001 by [S.I. 2001/2632, art. 2\(2\)](#), [Sch. Pt. 2](#); Sch. 20 para. 1 in force in so far as not already in force at 1.12.2001 by [S.I. 2001/3538, art. 2\(1\)](#)

The Northern Ireland Assembly Disqualification Act 1975 (c. 25)

2 In Part III of Schedule 1 to the Northern Ireland Assembly Disqualification Act 1975 (disqualifying offices)—

(a) omit—

“Any member of the Financial Services Tribunal in receipt of remuneration”;

and

(b) ^{F437}

Textual Amendments
F437 Sch. 20 para. 2(b) repealed (6.4.2010) by [The Transfer of Tribunal Functions Order 2010 \(S.I. 2010/22\)](#), arts. 1(2)(g), 5(3), [Sch. 4 Pt. 2](#)

Commencement Information
I11 Sch. 20 para. 2 wholly in force at 1.12.2001; Sch. 20 para. 2 not in force at Royal Assent see s. 431(2); Sch. 20 para. 2(b) in force at 3.9.2001 by [S.I. 2001/2632, art. 2\(2\)](#), [Sch. Pt. 2](#); Sch. 20 para. 2 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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The Civil Jurisdiction and Judgments Act 1982 (c. 27)

- 3 In paragraph 10 of Schedule 5 to the Civil Jurisdiction and Judgments Act 1982 (proceedings excluded from the operation of Schedule 4 to that Act), for “section 188 of the Financial Services Act 1986” substitute “ section 415 of the Financial Services and Markets Act 2000 ”.

The Income and Corporation Taxes Act 1988 (c. 1)

- 4 (1) The Income and Corporation Taxes Act 1988 is amended as follows.
- (2) In section 76 (expenses of management: insurance companies), in subsection (8), omit the definitions of—
- “the 1986 Act”;
 - “authorised person”;
 - “investment business”;
 - “investor”;
 - “investor protection scheme”;
 - “prescribed”; and
 - “recognised self-regulating organisation”.

- (3) F438
- (4) F439
- (5) F440
- (6) F441

Textual Amendments

- F438** Sch. 20 para. 4(3) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the amending Act) by [Corporation Tax Act 2010 \(c. 4\)](#), 1181(1), 1184(1)(3)(4), {Sch. 3 Pt. 1} (subject to Sch. 2)
- F439** Sch. 20 para. 4(4) repealed (6.4.2007 with effect in accordance with s. 1034(1) of the amending Act) by [Income Tax Act 2007 \(c. 3\)](#), ss. 1031, 1034(1), **Sch. 3 Pt. 1** (with transitional provisions and savings in Sch. 2)
- F440** Sch. 20 para. 4(5) omitted (13.8.2009) by virtue of The Finance Act 2009, Schedule 47 (Consequential Amendments) Order 2009 ([S.I. 2009/2035](#)), art. 2, {Sch. para. 60(h)}
- F441** Sch. 20 para. 4(6) repealed (19.7.2007) by [Finance Act 2007 \(c. 11\)](#), s. 114, **Sch. 27 Pt. 6(5)**

The Finance Act 1991 (c. 31)

- 5 (1) The Finance Act 1991 is amended as follows.
- (2) In section 47 (investor protection schemes), omit subsections (1), (2) and (4).
- (3) In section 116 (investment exchanges and clearing houses: stamp duty), in subsection (4)(b), for “Financial Services Act 1986” substitute “ Financial Services and Markets Act 2000 ”.

The Tribunals and Inquiries Act 1992 (c. 53)

- 6 F442

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Textual Amendments

F442 Sch. 20 para. 6 repealed (6.4.2010) by [The Transfer of Tribunal Functions Order 2010 \(S.I. 2010/22\)](#), arts. 1(2)(g), 5(3), [Sch. 4 Pt. 2](#)

Commencement Information

I12 Sch. 20 para. 6 in force at 3.7.2001; Sch. 20 para. 6 not in force at Royal Assent see s. 431(2); Sch. 20 para. 6 in force at 3.7.2001 by [S.I. 2001/2364](#), [art. 2\(a\)](#) (with transitional savings in [art. 3](#))

The Judicial Pensions and Retirement Act 1993 (c. 8)

- 7 (1) The Judicial Pensions and Retirement Act 1993 is amended as follows.
- (2) ^{F443}
- (3) In Schedule 5 (relevant offices in relation to retirement provisions)—
- (a) omit the entry—
- “Member of the Financial Services Tribunal appointed by the Lord Chancellor”;
- and
- (b) ^{F444}

Textual Amendments

F443 Sch. 20 para. 7(2) repealed (6.4.2010) by [The Transfer of Tribunal Functions Order 2010 \(S.I. 2010/22\)](#), arts. 1(2)(g), 5(3), [Sch. 4 Pt. 2](#)

F444 Sch. 20 para. 7(3)(b) repealed (6.4.2010) by [The Transfer of Tribunal Functions Order 2010 \(S.I. 2010/22\)](#), arts. 1(2)(g), 5(3), [Sch. 4 Pt. 2](#)

Commencement Information

I13 Sch. 20 para. 7 wholly in force at 1.12.2001; Sch. 20 para. 7 not in force at Royal Assent see s. 431(2); Sch. 20 para. 7(except sub-para. (3)(a)) in force at 3.9.2001 by [S.I. 2001/2632](#), [art. 2\(2\)](#), [Sch. Pt. 2](#); Sch. 20 para. 7 in force in so far as not already in force at 1.12.2001 by [S.I. 2001/3538](#), [art. 2\(1\)](#)

SCHEDULE 21

Section 432(2).

TRANSITIONAL PROVISIONS AND SAVINGS

Self-regulating organisations

- 1 (1) No new application under section 9 of the 1986 Act (application for recognition) may be entertained.
- (2) No outstanding application made under that section before the passing of this Act may continue to be entertained.
- (3) After the date which is the designated date for a recognised self-regulating organisation—

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- (a) the recognition order for that organisation may not be revoked under section 11 of the 1986 Act (revocation of recognition);
 - (b) no application may be made to the court under section 12 of the 1986 Act (compliance orders) with respect to that organisation.
- (4) The powers conferred by section 13 of the 1986 Act (alteration of rules for protection of investors) may not be exercised.
- (5) “Designated date” means such date as the Treasury may by order designate.
- (6) Sub-paragraph (3) does not apply to a recognised self-regulating organisation in respect of which a notice of intention to revoke its recognition order was given under section 11(3) of the 1986 Act before the passing of this Act if that notice has not been withdrawn.
- (7) Expenditure incurred by the Authority in connection with the winding up of any body which was, immediately before the passing of this Act, a recognised self-regulating organisation is to be treated as having been incurred in connection with the discharge by the Authority of functions under this Act.
- (8) “Recognised self-regulating organisation” means an organisation which, immediately before the passing of this Act, was such an organisation for the purposes of the 1986 Act.
- (9) “The 1986 Act” means the ^{M37}Financial Services Act 1986.

Marginal Citations

M37 1986 c. 60.

Self-regulating organisations for friendly societies

- 2
- (1) No new application under paragraph 2 of Schedule 11 to the 1986 Act (application for recognition) may be entertained.
 - (2) No outstanding application made under that paragraph before the passing of this Act may continue to be entertained.
 - (3) After the date which is the designated date for a recognised self-regulating organisation for friendly societies—
 - (a) the recognition order for that organisation may not be revoked under paragraph 5 of Schedule 11 to the 1986 Act (revocation of recognition);
 - (b) no application may be made to the court under paragraph 6 of that Schedule (compliance orders) with respect to that organisation.
 - (4) “Designated date” means such date as the Treasury may by order designate.
 - (5) Sub-paragraph (3) does not apply to a recognised self-regulating organisation for friendly societies in respect of which a notice of intention to revoke its recognition order was given under section 11(3) of the 1986 Act (as applied by paragraph 5(2) of that Schedule) before the passing of this Act if that notice has not been withdrawn.
 - (6) Expenditure incurred by the Authority in connection with the winding up of any body which was, immediately before the passing of this Act, a recognised self-

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regulating organisation for friendly societies is to be treated as having been incurred in connection with the discharge by the Authority of functions under this Act.

(7) “Recognised self-regulating organisation for friendly societies” means an organisation which, immediately before the passing of this Act, was such an organisation for the purposes of the 1986 Act.

(8) “The 1986 Act” means the ^{M38}Financial Services Act 1986.

Marginal Citations

M38 1986 c. 60.

SCHEDULE 22

Section 432(3).

REPEALS

Modifications etc. (not altering text)

C135 Sch. 22 applied (E.W.) (7.6.2013) by [The Energy Supply Company Administration Rules 2013 \(S.I. 2013/1046\)](#), rules 1, **10(7)(c)** (with rules 3, 208)

Commencement Information

I14 Sch. 22 wholly in force at 2.7.2002; Sch. 22 not in force at Royal Assent see s. 431(2); Sch. 22 in force for specified purposes at 30.4.2001 by [S.I. 2001/1282](#), **art. 2(b)**; Sch. 22 in force 2.7.2002 in relation to the Credit Union Act 1979 by [S.I. 2001/3538](#), **art. 2(5)(b)**; Sch. 22 in force at in so far as not already in force at 1.12.2001 by [S.I. 2001/3538](#), **art. 2(1)**

Chapter	Short title	Extent of repeal
1923 c. 8.	The Industrial Assurance Act 1923.	The whole Act.
1948 c. 39.	The Industrial Assurance and Friendly Societies Act 1948.	The whole Act.
1965 c. 12.	The Industrial and Provident Societies Act 1965.	Section 8. Section 70.
1974 c. 46.	The Friendly Societies Act 1974.	Section 4. Section 10. In section 11, from “and where” to “that society”. In section 99(4), “in the central registration area”.
1975 c. 24.	The House of Commons Disqualification Act 1975.	In Schedule 1, in Part III, “Any member of the

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		Financial Services Tribunal in receipt of remuneration”.
1975 c. 25.	The Northern Ireland Assembly Dis-qualification Act 1975.	In Schedule 1, in Part III, “Any member of the Financial Services Tribunal in receipt of remuneration”.
1977 c. 46.	The Insurance Brokers (Registration) Act 1977.	The whole Act.
1979 c. 34.	The Credit Unions Act 1979.	Section 6(2) to (6). Section 11(2) and (6). Sections 11B, 11C and 11D. Section 12(4) and (5). In section 14, subsections (2), (3), (5) and (6). Section 28(2).
1986 c. 53.	The Building Societies Act 1986.	Section 9. Schedule 3.
1988 c. 1.	The Income and Corporation Taxes Act 1988.	In section 76, in subsection (8), the definitions of “the 1986 Act”, “authorised person”, “investment business”, “investor”, “investor protection scheme”, “prescribed” and “recognised self-regulating organisation”.
1991 c. 31.	The Finance Act 1991.	In section 47, subsections (1), (2) and (4).
1992 c. 40.	The Friendly Societies Act 1992.	In section 13, subsections (2) to (5), (8) and (11). Sections 31 to 36. In section 37, subsections (1), (1A) and (7A) to (9). Sections 38 to 50. In section 52, subsection (2) (d) and, in subsection (5), the words from “or where” to the end. Schedule 7. In Schedule 8, paragraph 3(2).

Status: Point in time view as at 01/01/2022.

Changes to legislation: Financial Services and Markets Act 2000 is up to date with all changes known to be in force on or before 19 August 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)

1993 c. 8.

The Judicial Pensions and Retirement Act 1993.

In Schedule 5, “Member of the Financial Services Tribunal appointed by the Lord Chancellor”.

Status:

Point in time view as at 01/01/2022.

Changes to legislation:

Financial Services and Markets Act 2000 is up to date with all changes known to be in force on or before 19 August 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.