



# Financial Services and Markets Act 2000

## 2000 CHAPTER 8

### [<sup>F1</sup>PART 1A

#### THE REGULATORS

### CHAPTER 3

#### FURTHER PROVISIONS RELATING TO FCA AND PRA

##### *Power of PRA to restrain proposed action by FCA*

#### [<sup>F1</sup>31] **Power of PRA to require FCA to refrain from specified action**

- (1) Where the first, second and third conditions are met, the PRA may give a direction under this section to the FCA.
- (2) The first condition is that the FCA is proposing—
  - (a) to exercise any of its regulatory powers in relation to PRA-authorized persons generally, a class of PRA-authorized persons or a particular PRA-authorized person, or
  - (b) to exercise any of its insolvency powers in relation to—
    - (i) a PRA-authorized person,
    - (ii) an appointed representative whose principal, or one of whose principals, is a PRA-authorized person, or
    - (iii) a person who is carrying on a PRA-regulated activity in contravention of the general prohibition.
- (3) In subsection (2)—
  - (a) “regulatory powers”, in relation to the FCA, means
    - [ its powers in relation to the regulation of authorised persons, other
    - <sup>F2</sup>(i)] than its powers in relation to consent for the purposes of section 55F

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**Changes to legislation:** *Financial Services and Markets Act 2000, Section 3I is up to date with all changes known to be in force on or before 03 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes*

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- or 55I <sup>F3</sup>, a power conferred on it by sections 234I to 234M] or its powers under Part 24 <sup>F4</sup>, or
- (ii) its powers in relation to designated activities under Part 5A;]
- (b) “insolvency powers”, in relation to the FCA, means its powers under Part 24.
- (4) The second condition is that the PRA is of the opinion that the exercise of the power in the manner proposed may—
- (a) threaten the stability of the UK financial system, <sup>F5</sup>...
- (b) result in the failure of a PRA-authorized person in a way that would adversely affect the UK financial system <sup>F6</sup>, or
- (c) threaten the continuity of core services provided in the United Kingdom].
- (5) The third condition is that the PRA is of the opinion that the giving of the direction is necessary in order to avoid the possible consequence falling within subsection (4).
- (6) A direction under this section is a direction requiring the FCA not to exercise the power or not to exercise it in a specified manner.
- (7) The direction may be expressed to have effect during a specified period or until revoked.
- (8) The FCA is not required to comply with a direction under this section if or to the extent that in the opinion of the FCA compliance would be incompatible with any <sup>F7</sup>... international obligation of the United Kingdom.
- (9) The reference in subsection (4)(b) to the “failure” of a PRA-authorized person is to be read in accordance with section 2J(3) and (4).]

#### Textual Amendments

- F1** Pt. 1A substituted for Pt. 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 \(c. 21\)](#), **ss. 6(1)**, 122(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.](#)
- F2** Words in s. 3I(3)(a) renumbered as s. 3I(3)(a)(i) (29.8.2023) by [Financial Services and Markets Act 2023 \(c. 29\)](#), **ss. 8(5)(a)**, 86(3); [S.I. 2023/779](#), reg. 4(e)
- F3** Words in s. 3I(3)(a) inserted (1.11.2014) by [Financial Services \(Banking Reform\) Act 2013 \(c. 33\)](#), s. 148(5), **Sch. 8 para. 4**; [S.I. 2014/2458](#), art. 2(b)(bb)(ii)
- F4** S. 3I(3)(a)(ii) and word inserted (29.8.2023) by [Financial Services and Markets Act 2023 \(c. 29\)](#), **ss. 8(5)(b)**, 86(3); [S.I. 2023/779](#), reg. 4(e)
- F5** Word in s. 3I(4)(a) omitted (1.1.2019) by virtue of [Financial Services \(Banking Reform\) Act 2013 \(c. 33\)](#), **ss. 3(a)**, 148(5); [S.I. 2018/1306](#), art. 2(c)
- F6** S. 3I(4)(c) and word inserted (1.1.2019) by [Financial Services \(Banking Reform\) Act 2013 \(c. 33\)](#), **ss. 3(b)**, 148(5); [S.I. 2018/1306](#), art. 2(c)
- F7** Words in s. 3I(8) 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), **8**; 2020 c. 1, [Sch. 5 para. 1\(1\)](#)

#### Modifications etc. (not altering text)

- C1** Ss. 3I-3K 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\(2\)\(e\)](#), **3** (with art. 3)

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### Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

- Act power to apply conferred (temp. until 15.5.2039) by [2014 c. 21 s. 79\(4\)](#)
- Act power to apply conferred (temp. until 15.5.2039) by [2014 c. 21 s. 81\(10\)](#)

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- Pt. 17 Ch. 3B inserted by [2023 c. 29 s. 64\(3\)](#)
- Pt. 20C inserted by [2016 c. 14 s. 30\(3\)](#)
- s. 31(1)(aa) inserted by [2021 c. 22 s. 22\(2\)](#)
- s. 32A inserted by [2021 c. 22 s. 22\(3\)](#)
- s. 32A power to apply (with modifications) conferred by [2021 c. 22 s. 23\(10\)](#)
- s. 36A and cross-heading inserted by [2021 c. 22 s. 22\(4\)](#)
- s. 71J and cross-heading inserted by [2021 c. 22 Sch. 8 para. 4](#)
- s. 86(9A) inserted by [S.I. 2019/707 reg. 8\(9\)](#) (This amendment not applied to legislation.gov.uk. Reg. 8(6)-(10) omitted (6.9.2019) by virtue of S.I. 2019/1234, regs. 1(2), 13(c))
- s. 87A(11) inserted by [S.I. 2019/707 reg. 10\(5\)](#) (This amendment not applied to legislation.gov.uk. Reg. 10(4)(5) omitted (6.9.2019) by virtue of S.I. 2019/1234, regs. 1(2), 15(b))
- s. 124(10)(c)(i) word omitted by [S.I. 2019/310 reg. 5\(11\)\(b\)](#) (This amendment not applied to legislation.gov.uk. Reg. 5(11)(b) omitted immediately before IP completion day by virtue of S.I. 2020/1385, regs. 1(4), 51(2)(e))
- s. 129(7)(a) word inserted by [S.I. 2019/310 reg. 5\(12\)\(a\)\(i\)](#) (This amendment not applied to legislation.gov.uk. Reg. 5(12)(a)(b) omitted immediately before IP completion day by virtue of S.I. 2020/1385, regs. 1(4), 51(2)(f))
- s. 129(7)(c) omitted and word by [S.I. 2019/310 reg. 5\(12\)\(a\)\(ii\)](#) (This amendment not applied to legislation.gov.uk. Reg. 5(12)(a)(b) omitted immediately before IP completion day by virtue of S.I. 2020/1385, regs. 1(4), 51(2)(f))
- s. 204A(3)(fa) inserted by [S.I. 2024/705 Sch. 2 para. 1](#)
- s. 214(5A) inserted by [2021 c. 22 Sch. 8 para. 8](#)
- s. 261E(A1) inserted by [2023 c. 29 s. 64\(2\)\(a\)](#)
- s. 367A inserted by [2021 c. 22 Sch. 8 para. 10](#)
- s. 395(13)(h)(i) inserted by [2021 c. 22 Sch. 8 para. 12\(2\)\(c\)](#)
- s. 395(13)(bc)-(be) word inserted by [2021 c. 22 Sch. 8 para. 12\(2\)\(b\)](#)
- s. 395(14) inserted by [2021 c. 22 Sch. 8 para. 12\(3\)](#)
- s. 427A(3) words substituted by [2002 c. 40 Sch. 17 para. 59](#) (This amendment not applied to legislation.gov.uk. The Financial Services and Markets Act 2000 does not contain a section 427A.)
- Sch. 1ZA para. 32(c) and word inserted by [2021 c. 22 Sch. 8 para. 18](#)
- Sch. 2A para. 19(2)(b)(iia) inserted by [2023 c. 29 Sch. 10 para. 19\(a\)](#)
- Sch. 2A2B power to apply (with modifications) conferred by [2021 c. 22 s. 23\(10\)](#)
- Sch. 2A power to apply (with modifications) conferred by [2021 c. 22 s. 23\(10\)](#)
- Sch. 2B inserted by [2021 c. 22 Sch. 7](#)
- Sch. 2B power to apply (with modifications) conferred by [2021 c. 22 s. 23\(10\)](#)
- Sch. 11A para. 5(3) inserted by [S.I. 2019/707 reg. 38\(5\)\(b\)](#) (This amendment not applied to legislation.gov.uk. Reg. 38(2)-(5)(7)(8) omitted (6.9.2019) by virtue of S.I. 2019/1234, regs. 1(2), 20)

- Sch. 17A para. 12 words substituted by [S.I. 2019/662 reg. 13\(1\)](#) (This amendment not applied to [legislation.gov.uk](#). Reg. 13(1) substituted (25.6.2020) by S.I. 2020/646, regs. 1(2)(c), 11(3))