



# Financial Services and Markets Act 2000

## 2000 CHAPTER 8

### PART V

#### PERFORMANCE OF REGULATED ACTIVITIES

*[<sup>F1</sup>Removal of directors and senior executives and appointment of temporary manager*

#### **[<sup>F1</sup>71I. Sections 71B to 71H: interpretation**

- (1) For the purposes of sections 71B to 71H “relevant firm” means—
  - (a) a bank as defined in section 2 of the Banking Act 2009,
  - (b) a building society as defined in section 119 of the Building Societies Act 1986, or
  - (c) an investment firm as defined in [<sup>F2</sup>Article 4(1)(2) of the capital requirements regulation].
- (2) For the purposes of sections 71C to 71H, “parent undertaking” means an institution, financial holding company or mixed financial holding company which—
  - (a) is incorporated in, or formed under the law of, any part of the United Kingdom,
  - (b) is [<sup>F3</sup>a UK parent], and
  - (c) either—
    - (i) has a subsidiary which is an institution, or
    - (ii) holds a participation (within the meaning given by Article 4.1(35) of the capital requirements regulation) in an institution.
- (3) For the purposes of subsection (2), an institution, financial holding company or mixed financial holding company is [<sup>F4</sup>a UK parent] if it is not itself the subsidiary of an institution, financial holding company or mixed financial holding company set up in [<sup>F5</sup>the United Kingdom].
- (4) In [<sup>F6</sup>sections 71B to 71H and this section]—

“institution” means a credit institution or an investment firm as defined in [<sup>F7</sup>article 2(1) of the Bank Recovery and Resolution (No. 2) Order 2014];

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“financial holding company” and “mixed financial holding company” have the meanings given in Article 4.1(20) and 4.1(21) of the capital requirements regulation.

(5) For the purposes of sections 71B to 71H—

“appropriate regulator” means—

- (a) in relation to a PRA-authorized person, the PRA,
- (b) in relation to any other authorised person, the FCA,
- (c) in relation to a parent undertaking that is not an authorised person—
  - (i) the PRA, where the PRA is the consolidating supervisor in relation to that undertaking;
  - (ii) the FCA, where the FCA is the consolidating supervisor in relation to that undertaking;
- (d) [<sup>F8</sup>in relation to a financial holding company or mixed financial holding company which is not a parent undertaking—
  - (i) the PRA, where the holding company is approved by the PRA under Part 12B;
  - (ii) the FCA in all other cases;]

“consolidating supervisor” means the competent authority responsible for the exercise of supervision on the basis of the consolidated situation (within the meaning of Article 4.1(47) of the capital requirements regulation) of an institution which is [<sup>F9</sup>a UK parent];

“director” includes, in relation to an undertaking which has no board of directors, a member of the equivalent management body responsible for the management of the undertaking concerned;

<sup>F10</sup>  
...

“senior executive”, in relation to a relevant firm or a parent undertaking, means a person who—

- (a) exercises executive functions within that firm or that undertaking; and
- (b) is responsible, and directly accountable to the directors, for the day to day management of that firm or that undertaking.]

#### Textual Amendments

- F1** Ss. 71B-71I and cross-heading inserted (16.12.2016) by [The Bank Recovery and Resolution Order 2016 \(S.I. 2016/1239\)](#), arts. 1(2), **32**
- F2** Words in s. 71I(1)(c) substituted (1.1.2022) by [The Financial Services Act 2021 \(Prudential Regulation of Credit Institutions and Investment Firms\) \(Consequential Amendments and Miscellaneous Provisions\) Regulations 2021 \(S.I. 2021/1376\)](#), regs. 1(3), **4(5)**
- F3** Words in s. 71I(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), **30(2)**; 2020 c. 1, Sch. 5 para. 1(1)
- F4** Words in s. 71I(3) substituted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **30(3)(a)**; 2020 c. 1, Sch. 5 para. 1(1)
- F5** Words in s. 71I(3) substituted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **30(3)(b)**; 2020 c. 1, Sch. 5 para. 1(1)

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- F6** Words in s. 711(4) substituted (29.12.2020) by [The Financial Holding Companies \(Approval etc.\) and Capital Requirements \(Capital Buffers and Macro-prudential Measures\) \(Amendment\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1406\)](#), regs. 1(4), **2(6)(a)** (with reg. 5)
- F7** Words in s. 711(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), **30(4)**; 2020 c. 1, Sch. 5 para. 1(1)
- F8** Words in s. 711(5) inserted (29.12.2020) by [The Financial Holding Companies \(Approval etc.\) and Capital Requirements \(Capital Buffers and Macro-prudential Measures\) \(Amendment\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1406\)](#), regs. 1(4), **2(6)(b)** (with reg. 5)
- F9** Words in s. 711(5) substituted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **30(5)(a)**; 2020 c. 1, Sch. 5 para. 1(1)
- F10** Words in s. 711(5) 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), **30(5)(b)**; 2020 c. 1, Sch. 5 para. 1(1)

**Changes to legislation:**

Financial Services and Markets Act 2000, Section 71I is up to date with all changes known to be in force on or before 05 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.

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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))