



Financial Services Act 2012

2012 CHAPTER 21

PART 2 U.K.

AMENDMENTS OF FINANCIAL SERVICES AND MARKETS ACT 2000

Performance of regulated activities

13 Prohibition orders U.K.

- (1) Section 56 of FSMA 2000 (performance of regulated activities: prohibition orders) is amended as follows.
- (2) For subsection (1) substitute—
 - “(1) The FCA may make a prohibition order if it appears to it that an individual is not a fit and proper person to perform functions in relation to a regulated activity carried on by—
 - (a) an authorised person,
 - (b) a person who is an exempt person in relation to that activity, or
 - (c) a person to whom, as a result of Part 20, the general prohibition does not apply in relation to that activity.
 - (1A) The PRA may make a prohibition order if it appears to it that an individual is not a fit and proper person to perform functions in relation to a regulated activity carried on by—
 - (a) a PRA-authorised person, or
 - (b) a person who is an exempt person in relation to a PRA-regulated activity carried on by the person.”
- (3) In subsection (2), for “The Authority may make an order (“a prohibition order”)” substitute “A “prohibition order” is an order”.
- (4) In subsection (3), for paragraph (b) substitute—

Changes to legislation: *Financial Services Act 2012, Section 13 is up to date with all changes known to be in force on or before 15 June 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*

“(b) all persons falling within subsection (3A) or a particular paragraph of that subsection or all persons within a specified class of person falling within a particular paragraph of that subsection.”

(5) After subsection (3) insert—

“(3A) A person falls within this subsection if the person is—

- (a) an authorised person,
- (b) an exempt person, or
- (c) a person to whom, as a result of Part 20, the general prohibition does not apply in relation to a regulated activity.”

(6) In subsection (6), for “An authorised person” substitute “ A person falling within subsection (3A) ”.

(7) In subsection (7)—

- (a) for “The Authority” substitute “ The regulator that has made a prohibition order ”, and
- (b) for “a prohibition order” substitute “ the order ”.

(8) After subsection (7) insert—

“(7A) If—

- (a) the FCA proposes to vary or revoke a prohibition order, and
- (b) as a result of the proposed variation or revocation, an individual—
 - (i) will no longer be prohibited from performing a function of interest to the PRA, or
 - (ii) will be prohibited from performing such a function,
 the FCA must consult the PRA before varying or revoking the order.

(7B) A function is of interest to the PRA if it is performed in relation to a regulated activity carried on by—

- (a) a PRA-authorised person, or
- (b) a person who is an exempt person in relation to a PRA-regulated activity carried on by the person.

(7C) The PRA must consult the FCA before varying or revoking a prohibition order.”

(9) Omit subsection (8).

(10) Section 57 of FSMA 2000 (prohibition orders: procedure and right to refer to Tribunal) is amended as follows.

(11) In subsections (1) and (3), for “the Authority” substitute “ a regulator ”.

(12) At the end insert—

“(6) If—

- (a) the FCA proposes to make a prohibition order, and
- (b) as a result of the proposed order, an individual will be prohibited from performing a function of interest to the PRA,

the FCA must consult the PRA before giving a warning notice under this section.

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- (7) A function is of interest to the PRA if it is performed in relation to a regulated activity carried on by—
- (a) a PRA-authorised person, or
 - (b) a person who is an exempt person in relation to a PRA-regulated activity carried on by the person.
- (8) The PRA must consult the FCA before giving a warning notice under this section.”

Commencement Information

II S. 13 in force at 1.4.2013 by [S.I. 2013/423](#), art. 3, [Sch.](#)

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