
STATUTORY INSTRUMENTS

2001 No. 2657

The Financial Services and Markets Act 2000
(Transitional Provisions and Savings) (Civil Remedies,
Discipline, Criminal Offences etc.) Order 2001

PART 3

DISCIPLINARY POWERS

Imposition of penalties in respect of pre-commencement contraventions of the rules of self-regulating organisations

8.—(1) Paragraph (2) applies if the Authority considers that—

- (a) an authorised person (within the meaning of the Act) was, immediately before commencement, a member of a recognised self-regulating organisation or a recognised self-regulating organisation for friendly societies;
- (b) that person contravened a requirement imposed by a rule of that organisation which regulated the carrying on by him of investment business (“a relevant pre-commencement requirement”); and
- (c) that organisation had, immediately before commencement, a power to impose a penalty corresponding to the power of the Authority under section 206 (financial penalties) in relation to that contravention but had not exercised that power in relation to that contravention.

(2) The Authority may exercise the power conferred by section 206 as if the contravention of that relevant pre-commencement requirement were a contravention of a requirement imposed by or under the Act.

(3) The Authority may not, in the case of any particular contravention of a relevant pre-commencement requirement, impose under section 206 a penalty that exceeds the penalty which the relevant recognised self-regulating organisation or recognised self-regulating organisation for friendly societies could have imposed in relation to that contravention immediately before commencement.

(4) In exercising, or deciding whether to exercise, its powers under section 206 in relation to a contravention of a relevant pre-commencement requirement, the Authority must, in the case of any particular contravention, have regard to any statement issued by the relevant recognised self-regulating organisation or recognised self-regulating organisation for friendly societies of its policy with respect to the imposition of, and amount of, penalties which was in force at the time when the contravention in question occurred.