
STATUTORY INSTRUMENTS

2003 No. 1675

FINANCIAL SERVICES AND MARKETS

**The Financial Services and Markets Act 2000
(Exemption) (Amendment) (No. 2) Order 2003**

Made - - - - 3rd July 2003

Coming into force in accordance with article 1

Whereas this Order contains a provision removing an exemption provided by an earlier order made under section 38 of the Financial Services and Markets Act 2000⁽¹⁾;

And whereas a draft of this Order has been approved by a resolution of each House of Parliament pursuant to section 429(3) and (5) of that Act;

The Treasury, in exercise of the powers conferred on them by sections 38 and 428(3) of that Act, hereby make the following Order:

Citation and commencement

1.—(1) This Order may be cited as the Financial Services and Markets Act 2000 (Exemption) (Amendment) (No. 2) Order 2003.

(2) Article 2(4)(a) comes into force on the tenth day after the day on which this Order is made.

(3) Otherwise, this Order comes into force—

(a) in so far as it provides for an exemption in relation to any mortgage activity, on 31st October 2004;

(b) otherwise, on 14th January 2005.

(4) In this article, “mortgage activity” means any regulated activity of the kind specified by article 25A, 53A or 61 of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001⁽²⁾, or article 64 of that Order, so far as relevant to any such activity.

Amendment to the Exemption Order

2.—(1) This Order amends the Financial Services and Markets Act 2000 (Exemption) Order 2001⁽³⁾.

(1) 2000 c. 8.

(2) S.I. 2001/544; amended by S.I. 2001/3544, S.I. 2002/682, S.I. 2002/1310, S.I. 2002/1776, S.I. 2002/1777 and S.I. 2003/1475 and S.I. 2003/1476.

(3) S.I. 2001/1201; amended by S.I. 2001/3623, S.I. 2002/1310 and S.I. 2003/47.

- (2) In article 2 (interpretation), after the definition of “local authority”, insert—
- ““non-qualifying contract of insurance” means a contract of insurance (within the meaning of the Regulated Activities Order) which is not a qualifying contract of insurance (within the meaning of that Order);”.
- (3) In article 5(1) (persons exempt in respect of particular regulated activities), after subparagraph (d), insert—
- “(da) article 39A (assisting in the administration and performance of a contract of insurance);”.
- (4) In the Schedule to the Order—
- (a) for paragraph 27 (Treasury Taskforce), substitute—
- “**27.** Partnerships UK.”;
- (b) for paragraph 47 (local authorities), substitute—
- “**47.** A local authority is exempt from the general prohibition in respect of any regulated activity of the kind specified by—
- (a) article 21, 25(1) or (2), 39A or 53 of the Regulated Activities Order (dealing in investments as agent, arranging deals in investments, assisting in the administration and performance of a contract of insurance or advising on investments) which relates to a non-qualifying contract of insurance; or
- (b) article 25A, 53A or 61 of that Order (arranging, advising on, entering into or administering a regulated mortgage contract).”; and
- (c) for paragraph 48 (social housing), substitute—
- “**48.—**(1) A relevant housing body is exempt from the general prohibition in respect of any regulated activity of the kind specified by—
- (a) article 21, 25(1) or (2), 39A or 53 of the Regulated Activities Order (dealing in investments as agent, arranging deals in investments, assisting in the administration and performance of a contract of insurance or advising on investments) which relates to a non-qualifying contract of insurance; or
- (b) article 25A, 53A or 61 of that Order (arranging, advising on, entering into or administering a regulated mortgage contract).
- (2) In this paragraph, “relevant housing body” means any of the following—
- (a) a registered social landlord within the meaning of Part I of the Housing Act 1996(4);
- (b) a registered social landlord within the meaning of the Housing (Scotland) Act 2001(5);
- (c) the Housing Corporation;
- (d) Scottish Homes;
- (e) the body established under article 9 of the Housing (Northern Ireland) Order 1981(6) known as the Northern Ireland Housing Executive.”.

(4) 1996 c. 52; amended by the Government of Wales Act 1998 (c. 38) Schedule 16, paragraph 83.

(5) 2001 asp. 10.

(6) S.I. 1981/156 (N.I. 3); substituted by the Housing (Northern Ireland) Order 1983 (S.I. 1983/1118) (N.I. 15), article 85.

3rd July 2003

Jim Murphy
Nick Ainger
Two of the Lords Commissioners of Her
Majesty's Treasury

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

EXPLANATORY NOTE

(This note is not part of the Order)

This Order amends the Financial Services and Markets Act 2000 (Exemption) Order 2001 (S.I.2001/1201) (“the Exemption Order”). The Exemption Order provides for certain persons to be exempt from the general prohibition which is imposed by section 19 of the Financial Services and Markets Act 2000 on carrying on a regulated activity in the United Kingdom unless authorised under that Act.

This Order includes the regulated activity of assisting in the administration and performance of a contract of insurance as an activity for which those persons listed in Part III of the Schedule to the Exemption Order are exempt.

This Order provides that Partnerships UK is exempt in relation to the carrying on of regulated activities relating to investment services. The Order revokes the exemption of Treasury Taskforce.

This Order extends the exemptions of local authorities and certain bodies involved with the provision of social housing to include the carrying on of regulated activities relating to the arranging of, and advice in relation to, regulated mortgage contracts and activities relating to certain insurance contracts.