
DRAFT STATUTORY INSTRUMENTS

2019 No.

The Financial Services and Markets Act 2000
(Amendment) (EU Exit) Regulations 2019

PART 2

Amendments to the Act

CHAPTER 8

Part 12 of the Act: control over authorised persons

Introduction

48. Part 12 of the Act (control over authorised persons) is amended as follows.

Section 184 (disregarded holdings)

49. In section 184(1) (disregarded holdings)—

(a) in subsection (4)—

(i) in paragraph (a)(2), for the words from “article 4.1.7” to “directive” substitute “article 2.1.6 of the markets in financial instruments regulation”;

(ii) for paragraph (b), substitute—

“(b) has a Part 4A permission to carry on one or more investment services and activities;”;

(b) in subsection (5), for “credit institution” substitute “qualifying credit institution”;

(c) in subsection (6)—

(i) in the opening words and in paragraph (b)), for “credit institution” substitute “qualifying credit institution”;

(ii) in paragraph (a)(ii), omit the words from “in accordance with” to the end;

(d) in subsection (7)(3), for “Article 2.1(b) of the UCITS Directive” substitute “section 237(2)”;

(e) in subsection (9A)(4), for the words from “Commission” to “financial instruments” substitute “the market abuse regulation and the Commission Delegated Regulation (EU) No. 1052/2016 of 8 March 2016 supplementing Regulation (EU) No. 596/2014 of the European Parliament and the Council with regard to the regulatory technical standards for conditions applicable to buy-back programmes and stabilisation measures”.

(1) Section 184 was substituted by [S.I. 2009/534](#).
(2) Section 184(4)(a) was substituted by [S.I. 2017/701](#).
(3) Section 184(7) was amended by [S.I. 2011/1613](#).
(4) Section 184(9A) was inserted by [S.I. 2015/1755](#).

Section 186 (assessment criteria)

50. In section 186(5) (assessment criteria), in paragraph (f)(i), for the words from “within the” to “terrorist financing” substitute “as defined in regulation 3(1) of the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017”(6).

Section 188 (assessment: consultation with EC competent authorities)

51. Omit section 188 (assessment: consultation with EC competent authorities)(7).

Section 189 (assessment: procedure)

52. In section 189(8) (assessment: procedure), in subsections (1A), (1ZB)(a) and (1ZB)(b), for “credit institution” substitute “qualifying credit institution”.

Section 190 (requests for further information)

53. In section 190 (requests for further information)(9), in subsection (4)—

(a) in paragraph (a)(10), for “European Union” substitute “United Kingdom”;

(b) for paragraph (b)(11), substitute—

“(b) is not subject to supervision under the laws of the United Kingdom (or any part of the United Kingdom) relied on immediately before exit day to implement—

(i) the UCITS directive;

(ii) the Solvency 2 Directive;

(iii) the markets in financial instruments directive; or

(iv) the capital requirements directive,

including rules made by the appropriate regulator under this Act, in force on exit day, and, as amended from time to time, in all other cases.”.

Section 190A (assessment and resolution)

54. In section 190A(12) (assessment and resolution), in subsections (1)(a), (1)(c) and (7), for “credit institution” substitute “qualifying credit institution”.

Section 191A (objection by the appropriate regulator)

55. In section 191A (objection by the appropriate regulator), omit subsection (5)(13).

Section 191G (interpretation of Part 12)

56. In section 191G(14) (interpretation), in subsection (1)—

(5) Section 186 was substituted by S.I. 2009/534.

(6) S.I. 2017/692.

(7) Section 188(1) was substituted by section 26(2) of the Financial Services Act 2012 (c. 21) and S.I. 2009/534 and 2013/3115.

(8) Section 189 was inserted by S.I. 2009/534. Subsection (1A) was inserted by S.I. 2014/3329, and subsection (1ZB) by paragraph 39 of Schedule 2 to the Bank of England and Financial Services Act 2016.

(9) Section 190 was substituted by S.I. 2009/534.

(10) Section 190(4)(a) was amended by S.I. 2011/1043.

(11) Section 190(4)(b) was substituted by S.I. 2015/575.

(12) Section 190A was inserted by S.I. 2016/1239.

(13) Section 191A was substituted by S.I. 2009/534; subsection (5) was amended by section 26(2) of the Financial Services Act 2012.

(14) Section 191G was substituted by S.I. 2009/534.

- (a) omit the definition of “credit institution”(15);
- (b) in the definition of “UK authorised person”, in paragraph (b), after “Schedule 5” insert “, or a person treated as having a Part 4A permission to carry on a regulated activity by virtue of regulation 71 of the Collective Investment Scheme (Amendment etc.) (EU Exit) Regulations 2019”(16).

(15) The definition of “credit institution” in section 191G(1) was amended by S.I. 2013/3115.

(16) S.I. 2019/XXX.