



Financial Services and Markets Act 2000

2000 CHAPTER 8

PART IV

PERMISSION TO CARRY ON REGULATED ACTIVITIES

Connected persons

49 Persons connected with an applicant.

(1) In considering—

- (a) an application for a Part IV permission, or
- (b) whether to vary or cancel a Part IV permission,

the Authority may have regard to any person appearing to it to be, or likely to be, in a relationship with the applicant or person given permission which is relevant.

(2) Before—

- (a) giving permission in response to an application made by a person who is connected with an EEA firm [^{F1}(other than an EEA firm falling within paragraph 5(e) of Schedule 3 (insurance and reinsurance intermediaries))], or
- [^{F2}(b) varying any permission given by the Authority to such a person, where the effect of the variation is to grant permission for the purposes of a single market directive other than the one for the purposes of which the existing permission was granted,]

the Authority must consult the firm's home state regulator.

[^{F3}(2A) But subsection (2) does not apply to the extent that the permission relates to—

- (a) an insurance mediation activity (within the meaning given by paragraph 2(5) of Schedule 6); or
- (b) a regulated activity involving a regulated mortgage contract [^{F4}, a regulated home reversion plan or a regulated home purchase plan].]

(3) A person ("A") is connected with an EEA firm if—

- (a) A is a subsidiary undertaking of the firm; or

Status: Point in time view as at 12/07/2007.

Changes to legislation: Financial Services and Markets Act 2000, Cross Heading: Connected persons is up to date with all changes known to be in force on or before 15 April 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)

(b) A is a subsidiary undertaking of a parent undertaking of the firm.

Textual Amendments

- F1** Words in s. 49(2)(a) inserted (31.10.2004 for certain purposes, otherwise 14.1.2005) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) \(No. 2\) Order 2003 \(S.I. 2003/1476\)](#), **art. 20(2)**
- F2** S. 49(2)(b) substituted (12.7.2007) by [The Regulatory Reform \(Financial Services and Markets Act 2000\) Order 2007 \(S.I. 2007/1973\)](#), **art. 4**
- F3** S. 49(2A) inserted by [S.I. 2001/1544](#), **art. 97** (as inserted (15.7.2004) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) Order 2004 \(S.I. 2004/1610\)](#), **art. 3**)
- F4** Words in s. 49(2A)(b) inserted (6.11.2006 for certain purposes, otherwise 6.4.2007) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) \(No.2\) Order 2006 \(S.I. 2006/2383\)](#), **arts. 1(2), 28** (with arts. 36-39)

Modifications etc. (not altering text)

- C1** Ss. 46, 47, 48, 49, 50, 51(2) modified (temp.) (8.4.2002) by [The Financial Services and Markets Act 2000 \(Permission and Applications\) \(Credit Unions etc.\) Order 2002 \(S.I. 2002/704\)](#), **art. 7**
- C2** S. 49(2) excluded (10.8.2004) by [The Financial Conglomerates and Other Financial Groups Regulations 2004 \(S.I. 2004/1862\)](#), **reg. 3(2)**

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