



# Financial Services and Markets Act 2000

## 2000 CHAPTER 8

### PART XXIX

#### INTERPRETATION

#### 417 Definitions.

- (1) In this Act [<sup>F1</sup>and in any order or regulations made under this Act]—
- [<sup>F2</sup>“AIF” has the meaning given in regulation 3 of the Alternative Investment Fund Managers Regulations 2013;]
  - “appointed representative” has the meaning given in section 39(2);
  - “auditors and actuaries rules” means rules made under section 340;
  - “authorisation offence” has the meaning given in section 23(2);
  - “authorised open-ended investment company” has the meaning given in section 237(3);
  - “authorised person” has the meaning given in section 31(2);
  - [<sup>F3</sup>“Bank of England” is to be read in accordance with section 2A(4) to (6);]
  - <sup>F4</sup>...
  - “body corporate” includes a body corporate constituted under the law of a country or territory outside the United Kingdom;
  - [<sup>F5</sup>“capital requirements directive” means Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC [<sup>F6</sup>, as it had effect immediately before IP completion day].]
  - [<sup>F5</sup>“capital requirements regulation” means Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 [<sup>F7</sup>, as it [<sup>F8</sup>forms part of retained EU law]].]
  - [<sup>F9</sup>“central securities depository” [<sup>F10</sup>means a CSD or third-country CSD as defined in] Article 2(1) of the CSD regulation;]

*Status: Point in time view as at 29/08/2023.*

*Changes to legislation: Financial Services and Markets Act 2000, Part XXIX is up to date with all changes known to be in force on or before 13 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)*

“chief executive”—

- (a) in relation to a body corporate whose principal place of business is within the United Kingdom, means an employee of that body who, alone or jointly with one or more others, is responsible under the immediate authority of the directors, for the conduct of the whole of the business of that body; and
- (b) in relation to a body corporate whose principal place of business is outside the United Kingdom, means the person who, alone or jointly with one or more others, is responsible for the conduct of its business within the United Kingdom;

[<sup>F11</sup> “claim”, in relation to the Financial Services Compensation Scheme under Part XV, is to be construed in accordance with section 214(1B);]

“collective investment scheme” has the meaning given in section 235;

“the Commission” means the European Commission <sup>F12</sup>...;

“the compensation scheme” has the meaning given in section 213(2);

“control of information rules” has the meaning given in [<sup>F13</sup>section 137P];

[<sup>F14</sup>“core activities” has the meaning given in section 142B;]

[<sup>F14</sup>“core services” has the meaning given in section 142C;]

[<sup>F15</sup>“credit-related regulated activity” has the meaning given in section 23(1B);]

[<sup>F16</sup>“credit institution” means an undertaking the business of which is to take deposits or other repayable funds from the public and to grant credits for its own account;]

[<sup>F17</sup>“CRR rules” has the meaning given in section 144A;]

[<sup>F18</sup>“cryptoasset” means any cryptographically secured digital representation of value or contractual rights that—

- (a) can be transferred, stored or traded electronically, and
- (b) that uses technology supporting the recording or storage of data (which may include distributed ledger technology).]

[<sup>F19</sup>“the CSD regulation” means Regulation (EU) No 909/2014 of the European Parliament and of the Council of 23 July 2014 on improving securities settlement in the European Union and on central securities depositories [<sup>F20</sup>, as it [<sup>F21</sup>forms part of retained EU law]];]

[<sup>F22</sup>“the data protection legislation” has the same meaning as in the Data Protection Act 2018 (see section 3 of that Act);]

[<sup>F23</sup>“designated activity” has the meaning given in section 71K;]

“director”, in relation to a body corporate, includes—

- (a) a person occupying in relation to it the position of a director (by whatever name called); and
- (b) a person in accordance with whose directions or instructions (not being advice given in a professional capacity) the directors of that body are accustomed to act;

“documents” includes information recorded in any form and, in relation to information recorded otherwise than in legible form, references to its production include references to producing a copy of the information in legible form [<sup>F24</sup>, or in a form from which it can readily be produced in visible and legible form];

<sup>F25</sup>

...

<sup>F25</sup>

...

*Status: Point in time view as at 29/08/2023.*

*Changes to legislation: Financial Services and Markets Act 2000, Part XXIX is up to date with all changes known to be in force on or before 13 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)*

F26

...  
[<sup>F27</sup>“ESMA” means the European Securities and Markets Authority established by Regulation ( EU ) No. 1095/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Securities and Markets Authority);]

[<sup>F28</sup>“the EU Benchmarks Regulation 2016” means Regulation EU 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 [<sup>F29</sup>, as it forms part of retained EU law];]

[<sup>F30</sup>“excluded activities” has the meaning given in section 142D;]

“exempt person”, in relation to a regulated activity, means a person who is exempt from the general prohibition in relation to that activity as a result of an exemption order made under section 38(1) or as a result of section 39(1) or [<sup>F31</sup>[<sup>F32</sup> ... 285];

[<sup>F33</sup>“the FCA” means the Financial Conduct Authority;]

“financial promotion rules” means rules made under [<sup>F34</sup>section 137R];

[<sup>F35</sup>“Financial Stability Objective” means the objective set out in section 2A of the Bank of England Act 1998;]

“friendly society” means an incorporated or registered friendly society;

[<sup>F2</sup>“full-scope UKAIFM” has the meaning given in regulation 2(1) of the Alternative Investment Fund Managers Regulations 2013;]

“general prohibition” has the meaning given in section 19(2);

[<sup>F36</sup>“general rules”—

(a) in relation to the FCA, has the meaning given in section 137A(2), and

(b) in relation to the PRA, has the meaning given in section 137G(2);]

“incorporated friendly society” means a society incorporated under the <sup>M1</sup>Friendly Societies Act 1992;

F37

...

F26

...

[<sup>F38</sup>“insurance undertaking” means an undertaking which—

(a) has its head office in the United Kingdom,

(b) has a Part 4A permission to carry on one or more regulated activities, and

(c) would require authorisation in accordance with Article 14 of the Solvency 2 Directive if the United Kingdom were a member State;]

[<sup>F39</sup>“investment services and activities” means any of the services and activities listed in Part 3 of Schedule 2 to the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (S.I. 2001/544), relating to any of the instruments listed in Part 1 of that Schedule;]

F40

...

[<sup>F41</sup>“market abuse regulation” means Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC [<sup>F42</sup>, as it [<sup>F43</sup>forms part of retained EU law]];]

[<sup>F44</sup>“markets in financial instruments regulation” means Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial [<sup>F45</sup>instruments, as it forms part of retained EU law;]]

*Status: Point in time view as at 29/08/2023.*

*Changes to legislation: Financial Services and Markets Act 2000, Part XXIX is up to date with all changes known to be in force on or before 13 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)*

[<sup>F46</sup>“minimum capital requirement” means—

- (a) in relation to an insurance undertaking or reinsurance undertaking, requirements imposed by or under this Act in pursuance of Section 5 of Chapter 6 of Title 1 of the Solvency 2 Directive;
- (b) in relation to a third-country insurance undertaking, requirements imposed by or under this Act in pursuance of those provisions and Article 166 of the Solvency 2 Directive.]

“Minister of the Crown” has the same meaning as in the Ministers of the Crown Act 1975;

[<sup>F47</sup>“MMF Regulation” means Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on money market funds [<sup>F48</sup>, as it forms part of retained EU law];]

<sup>F25</sup>

...

<sup>F25</sup>

...

<sup>F49</sup>

...

<sup>F50</sup>

...

“the ombudsman scheme” has the meaning given in section 225(3);

“open-ended investment company” has the meaning given in section 236;

[<sup>F51</sup>“Part 4A permission” has the meaning given in section 55A(5);]

[<sup>F52</sup>“Part 9C prohibition order” has the meaning given in section 143S;]

[<sup>F52</sup>“Part 9C rules” has the meaning given in section 143F;]

[<sup>F53</sup>“Part 18 prohibition order” has the meaning given in section 309B;]

“partnership” includes a partnership constituted under the law of a country or territory outside the United Kingdom;

[<sup>F54</sup>“the Payment Systems Regulator” means the body established under section 40(1) of the Financial Services (Banking Reform) Act 2013;]

[<sup>F55</sup>“the PRA” means the Prudential Regulation Authority;

“PRA-authorized person” has the meaning given in section 2B(5);

“PRA-regulated activity” has the meaning given in section 22A;]

“prescribed” (where not otherwise defined) means prescribed in regulations made by the Treasury;

“price stabilising rules” means rules made under [<sup>F56</sup> section 137Q];

[<sup>F57</sup>“principal” in relation to an appointed representative, is to be read in accordance with section 39;]

“private company” has [<sup>F58</sup> the same meaning as in the Companies Acts (see section 4 of the Companies Act 2006)];

“prohibition order” [<sup>F59</sup>(except in the expression “Part 9C prohibition order” [<sup>F60</sup>or “Part 18C prohibition order”])] has the meaning given in section 56(2);

[<sup>F61</sup>“qualifying credit institution” means a credit institution which—

- (a) is a person who—
  - (i) has Part 4A permission to carry on the regulated activity of accepting deposits, or
  - (ii) satisfies the conditions for being given permission under Part 4A to carry on that activity, or
  - (iii) is a body corporate incorporated in the United Kingdom and would satisfy those conditions—
    - aa were its head office in the United Kingdom, or

*Status: Point in time view as at 29/08/2023.*

*Changes to legislation: Financial Services and Markets Act 2000, Part XXIX is up to date with all changes known to be in force on or before 13 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)*

- bb if it has a registered office, were its registered office, or its registered office and its head office, in the United Kingdom,
- (b) is not a friendly society, and
- (c) is not a society registered as a credit union under—
  - (i) the Co-operative and Community Benefit Societies Act 2014,
  - (ii) the Credit Unions (Northern Ireland) Order 1985 (S.I. 1985/1205 (N.I. 12)), or
  - (iii) the Co-operative and Community Benefit Societies Act (Northern Ireland) 1969 (c. 24 (N.I.));]
- [<sup>F62</sup>“recognised CSD”,] “recognised clearing house” and “recognised investment exchange” have the meaning given in section 285;
- “registered friendly society” means a society which is—
  - (a) a friendly society within the meaning of section 7(1)(a) of the <sup>M2</sup> Friendly Societies Act 1974; and
  - (b) registered within the meaning of that Act;
- [<sup>F63</sup>“registered society” (except where otherwise indicated) means—
  - (a) a registered society within the meaning of the Co-operative and Community Benefit Societies Act 2014, or
  - (b) a society registered or deemed to be registered under the Industrial and Provident Societies Act (Northern Ireland) 1969;]
- “regulated activity” has the meaning given in section 22;
- [<sup>F64</sup>“regulated claims management activity” means activity of a kind specified in an order under section 22(1B) (regulated activities: claims management services);]
- “regulating provisions” has the meaning given in [<sup>F65</sup>section 140A];
- [<sup>F66</sup>“regulator” has the meaning given in section 3A(2);]
- [<sup>F67</sup>“reinsurance undertaking” means an undertaking which—
  - (a) has its head office in the United Kingdom,
  - (b) has a Part 4A permission to carry on one or more regulated activities,
  - (c) effects or carries out contracts of insurance that are limited to reinsurance contracts, and
  - (d) would require authorisation in accordance with Article 14 of the Solvency 2 Directive if the United Kingdom were a member State;]
- [<sup>F68</sup>“ring-fencing rules” has the meaning given in section 142H;]
- [<sup>F68</sup>“ring-fenced body” has the meaning given in section 142A;]
- <sup>F69</sup>  
...  
<sup>F69</sup>  
...
- [<sup>F70</sup>“rule” means a rule made by the FCA or the PRA under this Act;]
- “rule-making instrument” has the meaning given in [<sup>F71</sup>section 138G];
- “the scheme manager” has the meaning given in section 212(1);
- “the scheme operator” has the meaning given in section 225(2);
- “scheme particulars rules” has the meaning given in section 248(1);
- “Seventh Company Law Directive” means the European Council Seventh Company Law Directive of 13 June 1983 on consolidated accounts (No. 83/349/ EEC);

*Status: Point in time view as at 29/08/2023.*

*Changes to legislation: Financial Services and Markets Act 2000, Part XXIX is up to date with all changes known to be in force on or before 13 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)*

[<sup>F72</sup>“SFT regulation” means Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012;]

[<sup>F73</sup>“short selling regulation” means Regulation (EU) No 236/2012 of the European Parliament and of the Council of 14 March 2012 on short selling and certain aspects of credit default swaps [<sup>F74</sup>, as it [<sup>F75</sup>forms part of retained EU law]];]

[<sup>F46</sup>“solvency capital requirement” means—

- (a) in relation to an insurance undertaking or reinsurance undertaking, requirements imposed by or under this Act in pursuance of Section 4 of Chapter 6 of Title 1 of the Solvency 2 Directive;
- (b) in relation to a third-country insurance undertaking, requirements imposed by or under this Act in pursuance of those provisions and Article 166 of the Solvency 2 Directive.]

[<sup>F76</sup>“Takeovers Directive” means Directive [2004/25/EC](#) of the European Parliament and of the Council;]

[<sup>F46</sup>“third-country insurance undertaking” means an undertaking that has received [<sup>F77</sup>from the PRA or the FCA authorisation under any enactment (including an enactment contained in subordinate legislation within the meaning of the Interpretation Act 1978), or any rule made under this Act by the PRA or the FCA, that implemented Article 162 of the Solvency 2 Directive];]

[<sup>F78</sup>“threshold conditions”, in relation to a regulated activity, has the meaning given in section 55B(1);]

[<sup>F25</sup>

...]

[<sup>F26</sup>

...]

[<sup>F79</sup>“the Tribunal” means the Upper Tribunal;]

“trust scheme rules” has the meaning given in section 247(1);

[<sup>F47</sup>“UCITS” has the meaning given in [<sup>F80</sup>section 236A];]

“UK authorised person” has the meaning given in [<sup>F81</sup>section 191G(1)];

[<sup>F82</sup>“the UK financial system” has the meaning given in [<sup>F83</sup>section 1I];] and

“unit trust scheme” has the meaning given in section 237.

<sup>F84</sup>(1A) .....

- (2) In the application of this Act to Scotland, references to a matter being actionable at the suit of a person are to be read as references to the matter being actionable at the instance of that person.
- (3) For the purposes of any provision of this Act [<sup>F85</sup>(other than a provision of Part 6)] authorising or requiring a person to do anything within a specified number of days no account is to be taken of any day which is a public holiday in any part of the United Kingdom.

<sup>F86</sup>(4) .....

[<sup>F87</sup>(5) The Treasury may by regulations amend the definition of “cryptoasset” in subsection (1).]



*Status: Point in time view as at 29/08/2023.*

*Changes to legislation: Financial Services and Markets Act 2000, Part XXIX is up to date with all changes known to be in force on or before 13 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)*

## Textual Amendments

- F1** Words in s. 417(1) inserted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **85(2)**; 2020 c. 1, Sch. 5 para. 1(1)
- F2** Words in s. 417(1) inserted (22.7.2013) by [The Alternative Investment Fund Managers Regulations 2013 \(S.I. 2013/1773\)](#), reg. 1, **Sch. 1 para. 31**
- F3** Words in s. 417(1) inserted (1.3.2017) by [Bank of England and Financial Services Act 2016 \(c. 14\)](#), s. 41(3), **Sch. 2 para. 49** (with Sch. 3); S.I. 2017/43, reg. 2(g)
- F4** Words in s. 417(1) omitted (1.4.2013) by virtue of [Financial Services Act 2012 \(c. 21\)](#), **ss. 48(1)(a)**, 122(3) (with Sch. 20); S.I. 2013/423, art. 3, Sch.
- F5** Words in s. 417(1) inserted (1.1.2014) by [The Capital Requirements Regulations 2013 \(S.I. 2013/3115\)](#), reg. 1(2), **Sch. 2 para. 24**
- F6** Words in s. 417(1) inserted (29.12.2020) by [The Financial Holding Companies \(Approval etc.\) and Capital Requirements \(Capital Buffers and Macro-prudential Measures\) \(Amendment\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1406\)](#), regs. 1(4), **2(10)** (with reg. 5)
- F7** Words in s. 417(1) inserted (23.3.2019) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(2)(b), **85(3)**
- F8** Words in s. 417(1) substituted (31.12.2020 immediately before IP completion day) by [The Securities Financing Transactions, Securitisation and Miscellaneous Amendments \(EU Exit\) Regulations 2020 \(S.I. 2020/1385\)](#), regs. 1(4), **38(3)(a)(i)**
- F9** Words in s. 417(1) inserted (28.11.2017) by [The Central Securities Depositories Regulations 2017 \(S.I. 2017/1064\)](#), regs. 1, **2(38)(a)** (with regs. 7(4), 9(1))
- F10** Words in s. 417(1) substituted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **85(4)**; 2020 c. 1, Sch. 5 para. 1(1)
- F11** S. 417(1): definition of "claim" inserted (17.2.2009 for certain purposes and 21.2.2009 otherwise) by [Banking Act 2009 \(c. 1\)](#), **ss. 174(2)**, 263(1) (with s. 247); S.I. 2009/296, **arts. 2, 3**, Sch. para. 4
- F12** Words in s. 417 omitted (1.4.2014) by virtue of [The Enterprise and Regulatory Reform Act 2013 \(Competition\) \(Consequential, Transitional and Saving Provisions\) Order 2014 \(S.I. 2014/892\)](#), art. 1(1), **Sch. 1 para. 131** (with art. 3)
- F13** Words in s. 417(1) substituted (1.4.2013) by [Financial Services Act 2012 \(c. 21\)](#), **ss. 48(1)(b)**, 122(3) (with Sch. 20); S.I. 2013/423, art. 3, Sch.
- F14** Words in s. 417(1) inserted (1.3.2014 for specified purposes, 1.1.2019 in so far as not already in force) by [Financial Services \(Banking Reform\) Act 2013 \(c. 33\)](#), **ss. 4(5)(a)**, 148(5); S.I. 2014/377, art. 2(1)(b), Sch. Pt. 2; S.I. 2018/1306, art. 2(d)
- F15** Words in s. 417(1) inserted (1.4.2013) by [Financial Services Act 2012 \(c. 21\)](#), **ss. 48(1)(c)**, 122(3) (with Sch. 20); S.I. 2013/423, art. 3, Sch.
- F16** Words in s. 417(1) inserted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **85(5)**; 2020 c. 1, Sch. 5 para. 1(1)
- F17** Words in s. 417(1) inserted (9.6.2021) by [Financial Services Act 2021 \(c. 22\)](#), s. 49(5), **Sch. 3 para. 18** (with Sch. 3 Pt. 4); S.I. 2021/671, reg. 2(d)
- F18** Words in s. 417(1) inserted (29.8.2023) by [Financial Services and Markets Act 2023 \(c. 29\)](#), **ss. 69(4)(a)**, 86(3); S.I. 2023/779, reg. 4(uu)
- F19** Words in s. 417(1) inserted (21.11.2014) by [The Central Securities Depositories Regulations 2014 \(S.I. 2014/2879\)](#), regs. 1(1), **6(3)**
- F20** Words in s. 417(1) inserted (23.3.2019) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(2)(b), **85(6)**
- F21** Words in s. 417(1) substituted (31.12.2020 immediately before IP completion day) by [The Securities Financing Transactions, Securitisation and Miscellaneous Amendments \(EU Exit\) Regulations 2020 \(S.I. 2020/1385\)](#), regs. 1(4), **38(3)(a)(ii)**

*Status: Point in time view as at 29/08/2023.*

*Changes to legislation: Financial Services and Markets Act 2000, Part XXIX is up to date with all changes known to be in force on or before 13 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)*

- F22** Words in s. 417(1) inserted (25.5.2018) by Data Protection Act 2018 (c. 12), s. 212(1), **Sch. 19 para. 53** (with ss. 117, 209, 210); S.I. 2018/625, reg. 2(1)(g)
- F23** Words in s. 417 inserted (29.8.2023) by Financial Services and Markets Act 2023 (c. 29), **ss. 8(7), 86(3)**; S.I. 2023/779, reg. 4(e)
- F24** S. 417(1): words in definition of "documents" inserted (1.4.2003) by 2001 c. 16, ss. 70, 138(2), Sch. 2 Pt. 2 para. 16(2)(f); S.I. 2003/708, **art. 2(c)(k)**
- F25** Words in s. 417(1) omitted (31.12.2020) by virtue of The Financial Services and Markets Act 2000 (Amendment) (EU Exit) Regulations 2019 (S.I. 2019/632), regs. 1(3), **85(13)**; 2020 c. 1, Sch. 5 para. 1(1)
- F26** Words in s. 417(1) omitted (31.12.2020) by virtue of The Electronic Commerce and Solvency 2 (Amendment etc.) (EU Exit) Regulations 2019 (S.I. 2019/1361), regs. 1(2), **3(a)** (as amended by S.I. 2019/1390, regs. 1(2), 6); 2020 c. 1, Sch. 5 para. 1(1)
- F27** Words in s. 417(1) inserted (16.4.2012) by The Financial Services (Omnibus 1 Directive) Regulations 2012 (S.I. 2012/916), regs. 1, **2(14)(b)**
- F28** Words in s. 417(1) inserted (27.2.2018) by The Financial Services and Markets Act 2000 (Benchmarks) Regulations 2018 (S.I. 2018/135), regs. 1(2), **49(1)**
- F29** Words in s. 417(1) inserted (31.12.2020 immediately before IP completion day) by The Securities Financing Transactions, Securitisation and Miscellaneous Amendments (EU Exit) Regulations 2020 (S.I. 2020/1385), regs. 1(4), **38(3)(a)(iii)**
- F30** Words in s. 417(1) inserted (1.3.2014 for specified purposes, 1.1.2019 in so far as not already in force) by Financial Services (Banking Reform) Act 2013 (c. 33), **ss. 4(5)(b)**, 148(5); S.I. 2014/377, art. 2(1)(b), Sch. Pt. 2; S.I. 2018/1306, art. 2(d)
- F31** Words in s. 417(1) omitted (28.11.2017) by virtue of The Central Securities Depositories Regulations 2017 (S.I. 2017/1064), regs. 1, **2(38)(b)** (with regs. 7(4), 9(1))
- F32** Words in s. 417(1) substituted (1.4.2013) by The Financial Services and Markets Act 2000 (Over the Counter Derivatives, Central Counterparties and Trade Repositories) Regulations 2013 (S.I. 2013/504), regs. 1(2), **3(15)** (with regs. 52-58)
- F33** S. 417(1): definition of "the FCA" inserted (24.1.2013) by Financial Services Act 2012 (c. 21), **ss. 48(1)(d)**, 122(3) (with Sch. 20); S.I. 2013/113, art. 2(1)(a), Sch. Pt. 1
- F34** Words in s. 417(1) substituted (1.4.2013) by Financial Services Act 2012 (c. 21), **ss. 48(1)(e)**, 122(3) (with Sch. 20); S.I. 2013/423, art. 3, Sch.
- F35** Words in s. 417(1) inserted (29.8.2023) by Financial Services and Markets Act 2023 (c. 29), **ss. 9(6), 86(3)**; S.I. 2023/779, reg. 4(f)
- F36** Words in s. 417(1) substituted (1.4.2013) by Financial Services Act 2012 (c. 21), **ss. 48(1)(f)**, 122(3) (with Sch. 20); S.I. 2013/423, art. 3, Sch.
- F37** Words in s. 417(1) omitted (1.8.2014) by virtue of Co-operative and Community Benefit Societies Act 2014 (c. 14), s. 154, **Sch. 4 para. 71(1)** (with Sch. 5)
- F38** Words in s. 417(1) substituted (31.12.2020) by The Financial Services and Markets Act 2000 (Amendment) (EU Exit) Regulations 2019 (S.I. 2019/632), regs. 1(3), **85(7)**; 2020 c. 1, Sch. 5 para. 1(1)
- F39** Words in s. 417(1) substituted (31.12.2020 immediately before IP completion day) by The Securities Financing Transactions, Securitisation and Miscellaneous Amendments (EU Exit) Regulations 2020 (S.I. 2020/1385), regs. 1(4), **38(3)(a)(iv)**
- F40** Words in s. 417(1) omitted (3.7.2016) by virtue of The Financial Services and Markets Act 2000 (Market Abuse) Regulations 2016 (S.I. 2016/680), regs. 1, **10(21)(a)**
- F41** Words in s. 417(1) inserted (3.7.2016) by The Financial Services and Markets Act 2000 (Market Abuse) Regulations 2016 (S.I. 2016/680), regs. 1, **10(21)(b)**
- F42** Words in s. 417(1) inserted (23.3.2019) by The Financial Services and Markets Act 2000 (Amendment) (EU Exit) Regulations 2019 (S.I. 2019/632), regs. 1(2)(b), **85(8)**
- F43** Words in s. 417(1) substituted (31.12.2020 immediately before IP completion day) by The Securities Financing Transactions, Securitisation and Miscellaneous Amendments (EU Exit) Regulations 2020 (S.I. 2020/1385), regs. 1(4), **38(3)(a)(v)**



*Status: Point in time view as at 29/08/2023.*

*Changes to legislation: Financial Services and Markets Act 2000, Part XXIX is up to date with all changes known to be in force on or before 13 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)*

- F44** Words in s. 417(1) inserted (29.6.2017 for specified purposes, 3.7.2017 for specified purposes, 31.7.2017 for specified purposes, 3.1.2018 in so far as not already in force) by The Financial Services and Markets Act 2000 (Markets in Financial Instruments) Regulations 2017 (S.I. 2017/701), reg. 1(2)(3)(4)(6), **Sch. 2 para. 51(3)** (with reg. 7)
- F45** Words in s. 417(1) substituted (31.12.2020 immediately before IP completion day) by The Securities Financing Transactions, Securitisation and Miscellaneous Amendments (EU Exit) Regulations 2020 (S.I. 2020/1385), regs. 1(4), **38(3)(a)(vi)**
- F46** Words in s. 417(1) inserted (31.3.2015) by The Solvency 2 Regulations 2015 (S.I. 2015/575), reg. 1(3), **Sch. 1 para. 15** (with reg. 1(4))
- F47** Words in s. 417(1) inserted (28.6.2018 for specified purposes, 21.7.2018 in so far as not already in force) by The Money Market Funds Regulations 2018 (S.I. 2018/698), regs. 1(2), **2(17)**
- F48** Words in s. 417(1) inserted (31.12.2020 immediately before IP completion day) by The Securities Financing Transactions, Securitisation and Miscellaneous Amendments (EU Exit) Regulations 2020 (S.I. 2020/1385), regs. 1(4), **38(3)(a)(vii)**
- F49** Words in s. 417(1) omitted (1.4.2013) by virtue of Financial Services Act 2012 (c. 21), **ss. 48(1)(g)**, 122(3) (with Sch. 20); S.I. 2013/423, art. 3, Sch.
- F50** Words in s. 417(1) omitted (1.4.2013) by virtue of Financial Services Act 2012 (c. 21), **ss. 48(1)(h)**, 122(3) (with Sch. 20); S.I. 2013/423, art. 3, Sch.
- F51** Words in s. 417(1) substituted (1.4.2013) by Financial Services Act 2012 (c. 21), **ss. 48(1)(i)**, 122(3) (with Sch. 20); S.I. 2013/423, art. 3, Sch.
- F52** Words in s. 417(1) inserted (1.7.2021) by Financial Services Act 2021 (c. 22), s. 49(5), **Sch. 2 para. 15(2)** (with Sch. 2 Pt. 3); S.I. 2021/671, reg. 4(b)
- F53** Words in s. 417(1) inserted (29.6.2023 for specified purposes) by Financial Services and Markets Act 2023 (c. 29), s. 86(1)(e), **Sch. 10 para. 16(2)**
- F54** Words in s. 417(1) inserted (29.8.2023) by Financial Services and Markets Act 2023 (c. 29), **ss. 52(2)**, 86(2)(b)
- F55** S. 417(1): definitions of "the PRA", "PRA-authorized person" and "PRA-regulated activity" inserted (24.1.2013) by Financial Services Act 2012 (c. 21), **ss. 48(1)(j)**, 122(3) (with Sch. 20); S.I. 2013/113, art. 2(1)(a), Sch. Pt. 1
- F56** Words in s. 417(1) substituted (1.4.2013) by Financial Services Act 2012 (c. 21), **ss. 48(1)(k)**, 122(3) (with Sch. 20); S.I. 2013/423, art. 3, Sch.
- F57** Words in s. 417(1) inserted (1.4.2013) by Financial Services Act 2012 (c. 21), **ss. 48(1)(l)**, 122(3) (with Sch. 20); S.I. 2013/423, art. 3, Sch.
- F58** S. 417(1): words in definition of "private company" substituted (1.10.2009) by The Companies Act 2006 (Consequential Amendments, Transitional Provisions and Savings) Order 2009 (S.I. 2009/1941), art. 2(1), **Sch. 1 para. 181(4)** (with art. 10)
- F59** Words in s. 417(1) inserted (1.7.2021) by Financial Services Act 2021 (c. 22), s. 49(5), **Sch. 2 para. 15(3)** (with Sch. 2 Pt. 3); S.I. 2021/671, reg. 4(b)
- F60** Words in s. 417(1) inserted (29.6.2023 for specified purposes) by Financial Services and Markets Act 2023 (c. 29), s. 86(1)(e), **Sch. 10 para. 16(3)**
- F61** Words in s. 417(1) inserted (31.12.2020) by The Financial Services and Markets Act 2000 (Amendment) (EU Exit) Regulations 2019 (S.I. 2019/632), regs. 1(3), **85(9)**; 2020 c. 1, Sch. 5 para. 1(1)
- F62** Words in s. 417(1) inserted (28.11.2017) by The Central Securities Depositories Regulations 2017 (S.I. 2017/1064), regs. 1, **2(38)(c)** (with regs. 7(4), 9(1))
- F63** Words in s. 417(1) inserted (1.8.2014) by Co-operative and Community Benefit Societies Act 2014 (c. 14), s. 154, **Sch. 4 para. 71(2)** (with Sch. 5)
- F64** Words in s. 417(1) inserted (E.W.S.) (6.10.2018) by Financial Guidance and Claims Act 2018 (c. 10), **ss. 27(10)**, 37(5); S.I. 2018/1045, reg. 2(a)
- F65** Words in s. 417(1) substituted (1.4.2013) by Financial Services Act 2012 (c. 21), **ss. 48(1)(m)**, 122(3) (with Sch. 20); S.I. 2013/423, art. 3, Sch.
- F66** S. 417(1): definition of "regulator" inserted (24.1.2013) by Financial Services Act 2012 (c. 21), **ss. 48(1)(n)**, 122(3) (with Sch. 20); S.I. 2013/113, art. 2(1)(a), Sch. Pt. 1

*Status: Point in time view as at 29/08/2023.*

*Changes to legislation: Financial Services and Markets Act 2000, Part XXIX is up to date with all changes known to be in force on or before 13 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)*

- F67** Words in s. 417(1) substituted (31.12.2020) by The Financial Services and Markets Act 2000 (Amendment) (EU Exit) Regulations 2019 (S.I. 2019/632), regs. 1(3), **85(10)**; 2020 c. 1, Sch. 5 para. 1(1)
- F68** Words in s. 417(1) inserted (1.3.2014 for specified purposes, 21.4.2016 for specified purposes, 1.1.2019 in so far as not already in force) by Financial Services (Banking Reform) Act 2013 (c. 33), **ss. 4(5)(c), 148(5)**; S.I. 2014/377, art. 2(1)(b), Sch. Pt. 2; S.I. 2016/512, art. 2(a); S.I. 2018/1306, art. 2(d)
- F69** Words in s. 417(1) omitted (1.4.2013) by virtue of Financial Services Act 2012 (c. 21), **ss. 48(1)(o), 122(3)** (with Sch. 20); S.I. 2013/423, art. 3, Sch.
- F70** Words in s. 417(1) substituted (1.4.2013) by Financial Services Act 2012 (c. 21), **ss. 48(1)(p), 122(3)** (with Sch. 20); S.I. 2013/423, art. 3, Sch.
- F71** Words in s. 417(1) substituted (1.4.2013) by Financial Services Act 2012 (c. 21), **ss. 48(1)(q), 122(3)** (with Sch. 20); S.I. 2013/423, art. 3, Sch.
- F72** Words in s. 417(1) inserted (13.7.2016) by The Financial Services and Markets Act 2000 (Transparency of Securities Financing Transactions and of Reuse) Regulations 2016 (S.I. 2016/715), reg. 1(2), **Sch. 1 para. 1(5)**
- F73** Words in s. 417(1) inserted (1.11.2012) by The Financial Services and Markets Act 2000 (Short Selling) Regulations 2012 (S.I. 2012/2554), regs. 1(1), **2(15)**
- F74** Words in s. 417(1) inserted (23.3.2019) by The Financial Services and Markets Act 2000 (Amendment) (EU Exit) Regulations 2019 (S.I. 2019/632), regs. 1(2)(b), **85(11)**
- F75** Words in s. 417(1) substituted (31.12.2020 immediately before IP completion day) by The Securities Financing Transactions, Securitisation and Miscellaneous Amendments (EU Exit) Regulations 2020 (S.I. 2020/1385), regs. 1(4), **38(3)(a)(viii)**
- F76** S. 417(1): definition inserted (6.4.2007) by Companies Act 2006 (c. 46), **ss. 964(6), 1300(2)**; S.I. 2007/1093, **art. 2(1)(b)** (with arts. 4, 11)
- F77** Words in s. 417(1) substituted (31.12.2020) by The Financial Services and Markets Act 2000 (Amendment) (EU Exit) Regulations 2019 (S.I. 2019/632), regs. 1(3), **85(12)**; 2020 c. 1, Sch. 5 para. 1(1)
- F78** Words in s. 417(1) substituted (1.4.2013) by Financial Services Act 2012 (c. 21), **ss. 48(1)(r), 122(3)** (with Sch. 20); S.I. 2013/423, art. 3, Sch.
- F79** S. 417: definition of "the Tribunal" inserted (6.4.2010) by The Transfer of Tribunal Functions Order 2010 (S.I. 2010/22), arts. 1(2)(e), 5(1), **Sch. 2 para. 48**
- F80** Words in s. 417(1) substituted (31.12.2020) by The Collective Investment Schemes (Amendment etc.) (EU Exit) Regulations 2019 (S.I. 2019/325), regs. 1(2), **30** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F81** Words in s. 417(1) substituted (1.4.2013) by Financial Services Act 2012 (c. 21), **ss. 48(1)(s), 122(3)** (with Sch. 20); S.I. 2013/423, art. 3, Sch.
- F82** S. 417(1): definition of "the UK financial system" inserted (8.4.2010) by Financial Services Act 2010 (c. 28), **ss. 24(1), 26(1)(l), Sch. 2 para. 31**
- F83** Words in s. 417(1) substituted (1.4.2013) by Financial Services Act 2012 (c. 21), **ss. 48(1)(t), 122(3)** (with Sch. 20); S.I. 2013/423, art. 3, Sch.
- F84** S. 417(1A) omitted (31.12.2020 immediately before IP completion day) by virtue of The Securities Financing Transactions, Securitisation and Miscellaneous Amendments (EU Exit) Regulations 2020 (S.I. 2020/1385), regs. 1(4), **38(3)(b)**
- F85** Words in s. 417(3) inserted (1.7.2005) by The Prospectus Regulations 2005 (S.I. 2005/1433), reg. 2(1), **Sch. 1 para. 15**
- F86** S. 417(4) omitted (31.12.2020) by virtue of The Electronic Commerce and Solvency 2 (Amendment etc.) (EU Exit) Regulations 2019 (S.I. 2019/1361), regs. 1(2), **3(b)** (as amended by S.I. 2019/1390, regs. 1(2), 6); 2020 c. 1, Sch. 5 para. 1(1)
- F87** S. 417(5) inserted (29.8.2023) by Financial Services and Markets Act 2023 (c. 29), **ss. 69(4)(b), 86(3)**; S.I. 2023/779, reg. 4(uu)

#### Modifications etc. (not altering text)

- C1** S. 417 modified (22.2.2008) by The Northern Rock plc Transfer Order 2008 (S.I. 2008/432), **art. 17**

*Status: Point in time view as at 29/08/2023.*

*Changes to legislation: Financial Services and Markets Act 2000, Part XXIX is up to date with all changes known to be in force on or before 13 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)*

- C2** S. 417 modified (29.9.2008 at 8.00 a.m.) by The Bradford & Bingley plc [Transfer of Securities and Property etc. Order 2008 \(S.I. 2008/2546\)](#), **art. 13**
- C3** S. 417 excluded (1.3.2016) by The NRAM plc (formerly Northern Rock plc) [Consequential and Supplementary Provisions Order 2016 \(S.I. 2016/114\)](#), arts. 1(1), **7**
- C4** S. 417 applied (with modifications) (31.5.2021) by The Civil Liability Act 2018 (Financial Conduct Authority) (Whiplash) [Regulations 2021 \(S.I. 2021/594\)](#), regs. 1, **2(11)**
- C5** S. 417(1) modified (30.3.2009 at 8.00 a.m.) by The Amendments to Law (Resolution of Dunfermline Building Society) [Order 2009 \(S.I. 2009/814\)](#), **art. 7(2)-(4)**

**Marginal Citations**

- M1** 1992 c. 40.
- M2** 1992 c. 40.

**418 Carrying on regulated activities in the United Kingdom.**

- (1) [<sup>F88</sup>In the cases] described in this section, a person who—
  - (a) is carrying on a regulated activity, but
  - (b) would not otherwise be regarded as carrying it on in the United Kingdom,is, for the purposes of this Act, to be regarded as carrying it on in the United Kingdom.

<sup>F89</sup>(2) .....

<sup>F90</sup>(3) .....

- (4) The third case is where—
  - (a) his registered office (or if he does not have a registered office his head office) is in the United Kingdom;
  - (b) the day-to-day management of the carrying on of the regulated activity is the responsibility of—
    - (i) his registered office (or head office); or
    - (ii) another establishment maintained by him in the United Kingdom.

- (5) The fourth case is where—
  - (a) his head office is not in the United Kingdom; but
  - (b) the activity is carried on from an establishment maintained by him in the United Kingdom.

<sup>F91</sup>(5A) .....

- [<sup>F92</sup>(5AA) The sixth case is where—
  - (a) the regulated activity being carried on by the person is the regulated activity of managing an AIF;
  - (b) the AIF being managed—
    - (i) has its registered office in [<sup>F93</sup>the United Kingdom]; or
    - (ii) is marketed in [<sup>F94</sup>the United Kingdom];
  - (c) the person’s registered office is in the United Kingdom or, if the person does not have a registered office, the person’s head office is in the United Kingdom; and
  - (d) the activity is carried on from an establishment maintained in a country or territory outside [<sup>F95</sup>the United Kingdom].]

[<sup>F96</sup>(5B) The seventh case is where—

*Status: Point in time view as at 29/08/2023.*

*Changes to legislation: Financial Services and Markets Act 2000, Part XXIX is up to date with all changes known to be in force on or before 13 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)*

- (a) the regulated activity being carried on by the person is the regulated activity of managing an AIF,
  - (b) the AIF being managed—
    - (i) has its registered office in the United Kingdom, or
    - (ii) is marketed in the United Kingdom,
  - (c) [<sup>F97</sup>if the AIF being managed is marketed in the United Kingdom, it is marketed otherwise than in accordance with regulation 59 of the Alternative Investment Fund Managers Regulations 2013, and]
  - (d) the person does not have a registered office in the United Kingdom.]
- (6) [<sup>F98</sup>For the purposes of the preceding subsections] it is irrelevant where the person with whom the activity is carried on is situated.

<sup>F99</sup>(7) .....

[<sup>F100</sup>(8) For the purposes of this section, an AIF is “marketed” when—

- (a) the person managing the AIF (“the AIFM”) makes a direct or indirect offering or placement of units or shares of the AIF to or with an investor domiciled or with a registered office in the United Kingdom, or
- (b) another person makes such an offering or placement at the initiative of, or on behalf of, the AIFM.]

#### Textual Amendments

- F88** Words in s. 418(1) substituted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **86(2)**; 2020 c. 1, Sch. 5 para. 1(1)
- F89** S. 418(2) omitted (31.12.2020) by virtue of [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **86(3)**; 2020 c. 1, Sch. 5 para. 1(1)
- F90** S. 418(3) omitted (31.12.2020) by virtue of [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **86(3)**; 2020 c. 1, Sch. 5 para. 1(1)
- F91** S. 418(5A) omitted (31.12.2020) by virtue of [The Electronic Commerce and Solvency 2 \(Amendment etc.\) \(EU Exit\) Regulations 2019 \(S.I. 2019/1361\)](#), regs. 1(2), **4** (as amended by S.I. 2019/1390, regs. 1(2), 6); 2020 c. 1, Sch. 5 para. 1(1)
- F92** S. 418(5AA) inserted (16.6.2014) by [The Alternative Investment Fund Managers Order 2014 \(S.I. 2014/1292\)](#), arts. 1(2), **2(b)** (as amended by S.I. 2014/1313, arts. 1, 2(a))
- F93** Words in s. 418(5AA)(b)(i) substituted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **86(4)(a)**; 2020 c. 1, Sch. 5 para. 1(1)
- F94** Words in s. 418(5AA)(b)(ii) substituted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **86(4)(a)**; 2020 c. 1, Sch. 5 para. 1(1)
- F95** Words in s. 418(5AA)(d) substituted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **86(4)(b)**; 2020 c. 1, Sch. 5 para. 1(1)
- F96** S. 418(5B) inserted (coming into force in accordance with reg. 1(3) of the amending S.I.) by [The Alternative Investment Fund Managers \(Amendment\) Regulations 2013 \(S.I. 2013/1797\)](#), reg. 1(3), **Sch. 1 para. 1(4)(b)** (as amended by: S.I. 2014/1292, **art. 5(b)**; S.I. 2019/328, regs. 1(3), **20(2)(c)**; and S.I. 2019/325, **reg. 58**); 2020 c. 1, **Sch. 5 para. 1(1)**)

*Status: Point in time view as at 29/08/2023.*

*Changes to legislation: Financial Services and Markets Act 2000, Part XXIX is up to date with all changes known to be in force on or before 13 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)*

- F97** S. 418(5B)(c) repealed (coming into force in accordance with reg. 1(4) of the amending S.I.) by [The Alternative Investment Fund Managers \(Amendment\) Regulations 2013 \(S.I. 2013/1797\)](#), reg. 1(4), [Sch. 2 para. 1](#)
- F98** Words in s. 418(6) substituted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), [86\(5\)](#); 2020 c. 1, Sch. 5 para. 1(1)
- F99** S. 418(7) omitted (31.12.2020) by virtue of [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), [86\(6\)](#); 2020 c. 1, Sch. 5 para. 1(1)
- F100** S. 418(8) substituted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), [86\(7\)](#); 2020 c. 1, Sch. 5 para. 1(1)

#### **419 Carrying on regulated activities by way of business.**

- (1) The Treasury may by order make provision—
- (a) as to the circumstances in which a person who would otherwise not be regarded as carrying on a regulated activity by way of business is to be regarded as doing so;
  - (b) as to the circumstances in which a person who would otherwise be regarded as carrying on a regulated activity by way of business is to be regarded as not doing so.
- (2) An order under subsection (1) may be made so as to apply—
- (a) generally in relation to all regulated activities;
  - (b) in relation to a specified category of regulated activity; or
  - (c) in relation to a particular regulated activity.
- (3) An order under subsection (1) may be made so as to apply—
- (a) for the purposes of all provisions;
  - (b) for a specified group of provisions; or
  - (c) for a specified provision.
- (4) “Provision” means a provision of, or made under, this Act.
- (5) Nothing in this section is to be read as affecting the provisions of section 428(3).

#### **[<sup>F101</sup>419A] Claims management services**

- (1) In this Act “claims management services” means advice or other services in relation to the making of a claim.
- (2) In subsection (1) “other services” includes—
- (a) financial services or assistance,
  - (b) legal representation,
  - (c) referring or introducing one person to another, and
  - (d) making inquiries,
- but giving, or preparing to give, evidence (whether or not expert evidence) is not, by itself, a claims management service.
- (3) In this section “claim” means a claim for compensation, restitution, repayment or any other remedy or relief in respect of loss or damage or in respect of an obligation, whether the claim is made or could be made—



*Status: Point in time view as at 29/08/2023.*

*Changes to legislation: Financial Services and Markets Act 2000, Part XXIX is up to date with all changes known to be in force on or before 13 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)*

- (a) by way of legal proceedings,
  - (b) in accordance with a scheme of regulation (whether voluntary or compulsory), or
  - (c) in pursuance of a voluntary undertaking.
- (4) The Treasury may by order provide that a claim for a specified benefit is to be treated as a claim for the purposes of this section.
- (5) The Treasury may specify a benefit under subsection (4) only if it appears to the Treasury to be a social security benefit, payable under the law of any part of the United Kingdom, designed to provide compensation for industrial injury.

#### Textual Amendments

**F101** Ss. 419A, 419B inserted (E.W.S.) (6.10.2018) by [Financial Guidance and Claims Act 2018 \(c. 10\)](#), ss. [27\(11\)](#), [37\(5\)](#); S.I. 2018/1045, reg. 2(a)

### 419B Carrying on claims management activity in Great Britain

- (1) The Treasury may by order make provision as to the circumstances in which a person is, or is not, to be treated as carrying on—
- (a) a regulated claims management activity, or
  - (b) an activity of a kind specified in an order under section 21(10B), in Great Britain.
- (2) Subsections (2) to (5) of section 419 apply in relation to an order under subsection (1) as they apply in relation to an order under subsection (1) of that section, but as if the references to regulated activities in subsection (2) of that section were references to regulated claims management activities or, as the case may be, to activities of a kind specified in an order under section 21(10B).]

#### Textual Amendments

**F101** Ss. 419A, 419B inserted (E.W.S.) (6.10.2018) by [Financial Guidance and Claims Act 2018 \(c. 10\)](#), ss. [27\(11\)](#), [37\(5\)](#); S.I. 2018/1045, reg. 2(a)

### 420 Parent and subsidiary undertaking.

- (1) In this Act, except in relation to an incorporated friendly society, “parent undertaking” and “subsidiary undertaking” have the same meaning as in [<sup>F102</sup>the Companies Acts (see section 1162 of, and Schedule 7 to, the Companies Act 2006)].
- (2) But—
- (a) “parent undertaking” also includes an individual who would be a parent undertaking for the purposes of those provisions if he were taken to be an undertaking (and “subsidiary undertaking” is to be read accordingly);
  - (b) “subsidiary undertaking” also includes, in relation to a body incorporated in or formed under the law of an EEA State <sup>F103</sup>..., an undertaking which is a subsidiary undertaking within the meaning of any rule of law in force in that State for purposes connected with implementation of the [<sup>F104</sup>[Directive 2013/34/EU](#) of the European Parliament and of the Council of 26 June 2013



*Status: Point in time view as at 29/08/2023.*

*Changes to legislation: Financial Services and Markets Act 2000, Part XXIX is up to date with all changes known to be in force on or before 13 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)*

on the annual financial statements, consolidated financial statements and related reports of certain types of undertakings, amending [Directive 2006/43/EC](#) of the European Parliament and of the Council and repealing Council Directives [78/660/EEC](#) and [83/349/EEC](#)] (and “parent undertaking” is to be read accordingly).

- (3) In this Act “subsidiary undertaking”, in relation to an incorporated friendly society, means a body corporate of which the society has control within the meaning of section 13(9)(a) or (aa) of the <sup>M3</sup>Friendly Societies Act 1992 (and “parent undertaking” is to be read accordingly).

#### Textual Amendments

- F102** Words in s. 420(1) substituted (6.4.2008) by [The Companies Act 2006 \(Consequential Amendments etc\) Order 2008 \(S.I. 2008/948\)](#), arts. 2(2), 3(1), **Sch. 1 para. 212(1)** (with arts. 6, 11, 12)
- F103** Words in s. 420(2)(b) omitted (31.12.2020) by virtue of [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **87(a)**; 2020 c. 1, Sch. 5 para. 1(1)
- F104** Words in s. 420(2)(b) substituted (23.3.2019) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(2)(c), **87(b)**

#### Marginal Citations

- M3** 1992 c. 40.

## 421 Group.

- (1) In this Act “group”, in relation to a person (“A”), means A and any person who is—
- a parent undertaking of A;
  - a subsidiary undertaking of A;
  - a subsidiary undertaking of a parent undertaking of A;
  - a parent undertaking of a subsidiary undertaking of A;
  - an undertaking in which A or an undertaking mentioned in paragraph (a), (b), (c) or (d) has a participating interest;
  - if A or an undertaking mentioned in paragraph (a) or (d) is a building society, an associated undertaking of the society; or
  - if A or an undertaking mentioned in paragraph (a) or (d) is an incorporated friendly society, a body corporate of which the society has joint control (within the meaning of section 13(9)(c) or (cc) of the <sup>M4</sup>Friendly Societies Act 1992).
- (2) “Participating interest” [<sup>F105</sup>has the meaning given in section 421A]; but also includes an interest held by an individual which would be a participating interest for the purposes of those provisions if he were taken to be an undertaking.
- (3) “Associated undertaking” has the meaning given in section 119(1) of the <sup>M5</sup>Building Societies Act 1986.

#### Textual Amendments

- F105** Words in s. 421(2) substituted (6.4.2008) by [The Companies Act 2006 \(Consequential Amendments etc\) Order 2008 \(S.I. 2008/948\)](#), arts. 2(2), 3(1), **Sch. 1 para. 212(2)** (with arts. 6, 11, 12)

*Status: Point in time view as at 29/08/2023.*

*Changes to legislation: Financial Services and Markets Act 2000, Part XXIX is up to date with all changes known to be in force on or before 13 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)*

#### Marginal Citations

**M4** 1992 c. 40.

**M5** 1986 c. 53.

#### [<sup>F106</sup>421ZA] Immediate group

In this Act “immediate group”, in relation to a person (“A”), means—

- (a) A;
- (b) a parent undertaking of A;
- (c) a subsidiary undertaking of A;
- (d) a subsidiary undertaking of a parent undertaking of A;
- (e) a parent undertaking of a subsidiary undertaking of A.]

#### Textual Amendments

**F106** S. 421ZA inserted (24.1.2013) by [Financial Services Act 2012 \(c. 21\)](#), **ss. 48(2)**, 122(3) (with [Sch. 20](#)); [S.I. 2013/113](#), art. 2(1)(a), [Sch. Pt. 1](#)

#### [<sup>F107</sup>421A] Meaning of “participating interest”

- (1) In section 421 a “participating interest” means an interest held by an undertaking in the shares of another undertaking which it holds on a long-term basis for the purpose of securing a contribution to its activities by the exercise of control or influence arising from or related to that interest.
- (2) A holding of 20% or more of the shares of an undertaking is presumed to be a participating interest unless the contrary is shown.
- (3) The reference in subsection (1) to an interest in shares includes—
  - (a) an interest which is convertible into an interest in shares, and
  - (b) an option to acquire shares or any such interest;
 and an interest or option falls within paragraph (a) or (b) notwithstanding that the shares to which it relates are, until the conversion or the exercise of the option, unissued.
- (4) For the purposes of this section an interest held on behalf of an undertaking shall be treated as held by it.
- (5) In this section “undertaking” has the same meaning as in the Companies Acts (see section 1161(1) of the Companies Act 2006).]

#### Textual Amendments

**F107** S. 421A inserted (6.4.2008) by [The Companies Act 2006 \(Consequential Amendments etc\) Order 2008 \(S.I. 2008/948\)](#), arts. 2(2), 3(1), **Sch. 1 para. 212(3)** (with arts. 6, 11, 12)

*Status: Point in time view as at 29/08/2023.*

*Changes to legislation: Financial Services and Markets Act 2000, Part XXIX is up to date with all changes known to be in force on or before 13 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)*

## **[<sup>F108</sup>422 Controller.**

- (1) In this Act “controller”, in relation to an undertaking (“B”), means a person (“A”) who falls within any of the cases in subsection (2).
- (2) The cases are where A holds—
  - (a) 10% or more of the shares in B or in a parent undertaking of B (“P”);
  - (b) 10% or more of the voting power in B or P; or
  - (c) shares or voting power in B or P as a result of which A is able to exercise significant influence over the management of B.
- (3) For the purposes of calculations relating to this section, the holding of shares or voting power by a person (“A1”) includes any shares or voting power held by another (“A2”) if A1 and A2 are acting in concert.
- (4) In this section “shares”—
  - (a) in relation to an undertaking with a share capital, means allotted shares;
  - (b) in relation to an undertaking with capital but no share capital, means rights to share in the capital of the undertaking;
  - (c) in relation to an undertaking without capital, means interests—
    - (i) conferring any right to share in the profits, or liability to contribute to the losses, of the undertaking; or
    - (ii) giving rise to an obligation to contribute to the debts or expenses of the undertaking in the event of a winding up.
- (5) In this section “voting power”—
  - (a) includes, in relation to a person (“H”)—
    - (i) voting power held by a third party with whom H has concluded an agreement, which obliges H and the third party to adopt, by concerted exercise of the voting power they hold, a lasting common policy towards the management of the undertaking in question;
    - (ii) voting power held by a third party under an agreement concluded with H providing for the temporary transfer for consideration of the voting power in question;
    - (iii) voting power attaching to shares which are lodged as collateral with H, provided that H controls the voting power and declares an intention to exercise it;
    - (iv) voting power attaching to shares in which H has a life interest;
    - (v) voting power which is held, or may be exercised within the meaning of subparagraphs (i) to (iv), by a [<sup>F109</sup>controlled undertaking] of H;
    - (vi) voting power attaching to shares deposited with H which H has discretion to exercise in the absence of specific instructions from the shareholders;
    - (vii) voting power held in the name of a third party on behalf of H;
    - (viii) voting power which H may exercise as a proxy where H has discretion about the exercise of the voting power in the absence of specific instructions from the shareholders; and
  - (b) in relation to an undertaking which does not have general meetings at which matters are decided by the exercise of voting rights, means the right under the constitution of the undertaking to direct the overall policy of the undertaking or alter the terms of its constitution.

*Status: Point in time view as at 29/08/2023.*

*Changes to legislation: Financial Services and Markets Act 2000, Part XXIX is up to date with all changes known to be in force on or before 13 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)*

[<sup>F110</sup>(6) For the purposes of this section, an undertaking “B” is a controlled undertaking of H if any of the conditions in section 89J(4)(a) to (d) (read with section 89J(5)) is met (reading references in those provisions to A as references to H).]

#### Textual Amendments

**F108** Ss. 422, 422A substituted (21.3.2009) for s. 422 by virtue of [The Financial Services and Markets Act 2000 \(Controllers\) Regulations 2009 \(S.I. 2009/534\)](#), reg. 7, **Sch. 3** (with reg. 8)

**F109** Words in s. 422(5)(a)(v) substituted (1.1.2014) by [The Capital Requirements Regulations 2013 \(S.I. 2013/3115\)](#), reg. 1(2), **Sch. 2 para. 25(a)**

**F110** S. 422(6) inserted (1.1.2014) by [The Capital Requirements Regulations 2013 \(S.I. 2013/3115\)](#), reg. 1(2), **Sch. 2 para. 25(b)**

#### [<sup>F111</sup>422A] Disregarded holdings

- (1) For the purposes of section 422, shares and voting power that a person holds in an undertaking (“B”) or in a parent undertaking of B (“P”) are disregarded in the following circumstances.
- (2) Shares held only for the purposes of clearing and settling within a short settlement cycle are disregarded.
- (3) Shares held by a custodian or its nominee in a custodian capacity are disregarded, provided that the custodian or nominee is only able to exercise voting power attached to the shares in accordance with instructions given in writing.
- (4) Shares representing no more than 5% of the total voting power in B or P held by an investment firm are disregarded, provided that it—
  - (a) holds the shares in the capacity of a market maker (as defined in [<sup>F112</sup>article 2.1.6 of the markets in financial instruments regulation]);
  - [<sup>F113</sup>(b) has a Part 4A permission to carry on one or more investment services and activities;]
  - (c) neither intervenes in the management of B or P nor exerts any influence on B or P to buy the shares or back the share price.
- (5) Shares held by a [<sup>F114</sup>qualifying credit institution] or investment firm in its trading book are disregarded, provided that—
  - (a) the shares represent no more than 5% of the total voting power in B or P; and
  - (b) <sup>F115</sup>... the voting power is not used to intervene in the management of B or P.
- (6) Shares held by a [<sup>F116</sup>qualifying credit institution] or an investment firm are disregarded, provided that—
  - (a) the shares are held as a result of performing the investment services and activities of—
    - (i) underwriting shares; or
    - (ii) placing shares on a firm commitment basis <sup>F117</sup>...; and
  - (b) the [<sup>F118</sup>qualifying credit institution] or investment firm—
    - (i) does not exercise voting power represented by the shares or otherwise intervene in the management of the issuer; and
    - (ii) retains the holding for a period of less than one year.

*Status: Point in time view as at 29/08/2023.*

*Changes to legislation: Financial Services and Markets Act 2000, Part XXIX is up to date with all changes known to be in force on or before 13 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)*

- (7) Where a management company (as defined in <sup>F119</sup>section 237(2)) and its parent undertaking both hold shares or voting power, each may disregard holdings of the other, provided that each exercises its voting power independently of the other.
- (8) But subsection (7) does not apply if the management company—
- <sup>F120</sup>(a) manages holdings for its parent undertaking or a controlled undertaking of its parent undertaking;
  - (b) has no discretion to exercise the voting power attached to such holdings; and
  - (c) may only exercise the voting power in relation to such holdings under direct or indirect instruction from—
    - (i) its parent undertaking; or
    - <sup>F121</sup>(ii) a controlled undertaking of the parent undertaking.]
- (9) Where an investment firm and its parent undertaking both hold shares or voting power, the parent undertaking may disregard holdings managed by the investment firm on a client by client basis and the investment firm may disregard holdings of the parent undertaking, provided that the investment firm—
- (a) has permission to provide portfolio management;
  - (b) exercises its voting power independently from the parent undertaking; and
  - (c) may only exercise the voting power under instructions given in writing, or has appropriate mechanisms in place for ensuring that individual portfolio management services are conducted independently of any other services.
- <sup>F122</sup>(9A) [ Shares acquired for stabilisation purposes in accordance with <sup>F123</sup>the market abuse regulation and 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] are disregarded, provided that the voting power attached to those shares is not exercised or otherwise used to intervene in the management of B or P.]
- <sup>F124</sup>(10) For the purposes of this section “qualifying credit institution” includes a credit institution which is authorised under the law of Gibraltar relied on immediately before IP completion day to implement the capital requirements directive.]
- <sup>F125</sup>(11) [ For the purposes of this section, an undertaking is a controlled undertaking of the parent undertaking if it is controlled by the parent undertaking; and for this purpose the question of whether one undertaking controls another is to be determined in accordance with section 89J(4) and (5).]]

#### Textual Amendments

- F111** Ss. 422, 422A substituted (21.3.2009) for s. 422 by virtue of [The Financial Services and Markets Act 2000 \(Controllers\) Regulations 2009 \(S.I. 2009/534\)](#), reg. 7, **Sch. 3** (with reg. 8)
- F112** Words in s. 422A(4)(a) substituted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **88(a)(i)**; 2020 c. 1, Sch. 5 para. 1(1)
- F113** S. 422A(4)(b) substituted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **88(a)(ii)**; 2020 c. 1, Sch. 5 para. 1(1)
- F114** Words in s. 422A(5) substituted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **88(b)**; 2020 c. 1, Sch. 5 para. 1(1)

*Status: Point in time view as at 29/08/2023.*

*Changes to legislation: Financial Services and Markets Act 2000, Part XXIX is up to date with all changes known to be in force on or before 13 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)*

- F115** Words in s. 422A(5)(b) omitted (1.11.2015 for specified purposes, 31.5.2016 in so far as not already in force) by virtue of [The Transparency Regulations 2015](#) (S.I. 2015/1755), regs. 1(2)(4), **6(3)(a)**
- F116** Words in s. 422A(6) substituted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019](#) (S.I. 2019/632), regs. 1(3), **88(c)(i)**; 2020 c. 1, Sch. 5 para. 1(1)
- F117** Words in s. 422A(6)(a)(ii) omitted (31.12.2020) by virtue of [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019](#) (S.I. 2019/632), regs. 1(3), **88(c)(ii)**; 2020 c. 1, Sch. 5 para. 1(1)
- F118** Words in s. 422A(6)(b) substituted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019](#) (S.I. 2019/632), regs. 1(3), **88(c)(i)**; 2020 c. 1, Sch. 5 para. 1(1)
- F119** Words in s. 422A(7) substituted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019](#) (S.I. 2019/632), regs. 1(3), **88(d)**; 2020 c. 1, Sch. 5 para. 1(1)
- F120** S. 422A(8)(a) substituted (1.1.2014) by [The Capital Requirements Regulations 2013](#) (S.I. 2013/3115), reg. 1(2), **Sch. 2 para. 26(a)**
- F121** S. 422A(8)(c)(ii) substituted (1.1.2014) by [The Capital Requirements Regulations 2013](#) (S.I. 2013/3115), reg. 1(2), **Sch. 2 para. 26(b)**
- F122** S. 422A(9A) inserted (1.11.2015 for specified purposes, 31.5.2016 in so far as not already in force) by [The Transparency Regulations 2015](#) (S.I. 2015/1755), regs. 1(2)(4), **6(3)(b)**
- F123** Words in s. 422A(9A) substituted (23.3.2019) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019](#) (S.I. 2019/632), regs. 1(2)(d), **88(e)**
- F124** S. 422A(10) substituted (31.12.2020) by S.I. 2019/632, **reg. 88(f)** (as substituted by S.I. 2019/680, regs. 1(3), **9(5)** (as amended by S.I. 2020/1301, regs. 1, 3, **Sch. para. 40(d)(ii)**)); 2020 c. 1, **Sch. 5 para. 1(1)**
- F125** S. 422A(11) inserted (1.1.2014) by [The Capital Requirements Regulations 2013](#) (S.I. 2013/3115), reg. 1(2), **Sch. 2 para. 26(d)**

## 423 Manager.

- (1) In this Act, except in relation to a unit trust scheme or a registered friendly society, “manager” means an employee who—
- (a) under the immediate authority of his employer is responsible, either alone or jointly with one or more other persons, for the conduct of his employer’s business; or
  - (b) under the immediate authority of his employer or of a person who is a manager by virtue of paragraph (a) exercises managerial functions or is responsible for maintaining accounts or other records of his employer.
- (2) If the employer is not an individual, references in subsection (1) to the authority of the employer are references to the authority—
- (a) in the case of a body corporate, of the directors;
  - (b) in the case of a partnership, of the partners; and
  - (c) in the case of an unincorporated association, of its officers or the members of its governing body.
- (3) “Manager”, in relation to a body corporate, means a person (other than an employee of the body) who is appointed by the body to manage any part of its business and includes an employee of the body corporate (other than the chief executive) who, under the immediate authority of a director or chief executive of the body corporate, exercises managerial functions or is responsible for maintaining accounts or other records of the body corporate.



*Status: Point in time view as at 29/08/2023.*

*Changes to legislation: Financial Services and Markets Act 2000, Part XXIX is up to date with all changes known to be in force on or before 13 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)*

## [<sup>F126</sup>423A Mortgage agreements etc

(1) In this Act—

“mortgage agreement” means an agreement to which subsection (2) applies, but to which subsection (3) does not apply, under which a mortgage creditor grants or promises to grant, to a consumer, a credit in the form of a deferred payment, loan or other similar financial accommodation;

“mortgage creditor” means a person who grants or promises to grant—

- (a) in the course of the person's trade, business or profession, and
- (b) under an agreement to which subsection (2) applies but to which subsection (3) does not apply,

credit in the form of a deferred payment, loan or other similar financial accommodation;

“mortgage intermediary” means a person who, in the course of the person's trade, business or profession, and acting neither as a mortgage creditor or notary nor in an introductory capacity, does any of the following for any agreed form of financial consideration—

- (a) presenting or offering mortgage agreements to consumers;
- (b) assisting consumers by undertaking preparatory work or other pre-contractual administration in respect of mortgage agreements (otherwise than as referred to in paragraph (a));
- (c) concluding mortgage agreements with consumers on behalf of mortgage creditors;

“tied mortgage intermediary” means a mortgage intermediary who acts on behalf of and under the full and unconditional responsibility of—

- (a) only one mortgage creditor,
- (b) only one group of mortgage creditors, or
- (c) a number of mortgage creditors or groups of mortgage creditors which does not represent the majority of the market.

(2) This subsection applies to the following agreements—

- (a) an agreement secured by a mortgage on, or (in Scotland) a heritable security over, residential immovable property, or by any other charge or right over or related to such property;
- (b) an agreement the purpose of which is to acquire or retain property rights in land or in an existing or projected building.

(3) This subsection applies to the following agreements—

- (a) an agreement under which the creditor—
  - (i) contributes a lump sum, periodic payments or other forms of credit disbursement in return for a sum deriving from the future sale of a residential immovable property or a right relating to residential immovable property, and
  - (ii) will not seek repayment of the credit until the occurrence of one or more specified life events of the consumer, unless the consumer breaches contractual obligations so as to allow the creditor to terminate the agreement;
- (b) an agreement under which credit is granted by an employer to its employees as a secondary activity where the agreement is offered free of interest or at

*Status: Point in time view as at 29/08/2023.*

*Changes to legislation: Financial Services and Markets Act 2000, Part XXIX is up to date with all changes known to be in force on or before 13 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)*

- an annual rate lower than that prevailing on the market and not offered to the public generally;
- (c) an agreement under which credit is granted free of interest and without any other charges except those that recover costs directly related to the securing of the credit;
  - (d) an agreement in the form of an overdraft facility under which the credit has to be repaid within one month;
  - (e) an agreement which is the outcome of a settlement reached in or before a court or other statutory authority;
  - (f) an agreement which—
    - (i) relates to the deferred payment, free of charge, of an existing debt, and
    - (ii) is not secured by a mortgage, by another comparable security commonly used in the United Kingdom on residential immovable property or by a right related to residential immovable property.
- (4) In this section—
- “acting in an introductory capacity” means merely introducing (directly or indirectly) a consumer to a mortgage creditor or mortgage intermediary;
  - “annual rate” means the total cost to the borrower expressed as an annual percentage of the total amount of credit;
  - “consumer” means an individual who is acting for purposes outside those of any trade, business or profession carried on by the individual;
  - “group of mortgage creditors” means a group of mortgage creditors that are to be consolidated for the purposes of drawing up consolidated accounts in accordance with—
    - (a) the requirements of Part 15 of the Companies Act 2006, if the parent undertaking (within the meaning of that Act) is a company, or
    - (b) if it is not, the legal requirements that apply to the drawing up of consolidated accounts for the parent undertaking;
  - “specified” means specified in rules made by the FCA.
- (5) A reference in this section to any immovable property, land or building—
- (a) in relation to an agreement entered into before IP completion day, is a reference to any immovable property, land or building in the United Kingdom or within the territory of an EEA State;
  - (b) in relation to an agreement entered into on or after IP completion day, is a reference to any immovable property, land or building in the United Kingdom.]

#### Textual Amendments

**F126** S. 423A inserted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **89** (as amended by [S.I. 2020/1301](#), regs. 1, 3, [Sch. para. 33\(i\)](#)); 2020 c. 1, [Sch. 5 para. 1\(1\)](#))

## 424 Insurance.

- (1) In this Act, references to—
- (a) contracts of insurance,
  - (b) reinsurance,

*Status: Point in time view as at 29/08/2023.*

*Changes to legislation: Financial Services and Markets Act 2000, Part XXIX is up to date with all changes known to be in force on or before 13 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)*

- (c) contracts of long-term insurance,
  - (d) contracts of general insurance,
- are to be read with section 22 and Schedule 2.

- (2) In this Act “policy” and “policyholder”, in relation to a contract of insurance, have such meaning as the Treasury may by order specify.
- (3) The law applicable to a contract of insurance, the effecting of which constitutes the carrying on of a regulated activity, is to be determined, if it is of a prescribed description, in accordance with regulations made by the Treasury.

#### Commencement Information

- II** S. 424 wholly in force at 1.12.2001; s. 424 not in force at Royal Assent see s. 431(2); s. 424(1)(2) in force and s. 424(3) in force for certain purposes at 25.2.2001 by [S.I. 2001/516](#), art. 2(a)(b), Sch. Pts. 1, 2; s. 424 in force in so far as not already in force at 1.12.2001 by [S.I. 2001/3538](#), art. 2(1)

#### [<sup>F127</sup>424A] Investment firm

- (1) In this Act [<sup>F128</sup>(except as otherwise provided)], “investment firm” has the meaning given in [<sup>F129</sup>paragraph 2.1A of the markets in financial instruments regulation].
- (2) Subsection (1) is subject to [<sup>F130</sup>subsection (5)].
- <sup>F131</sup>(3) .....
- <sup>F131</sup>(4) .....
- (5) References in this Act to an “investment firm” do not include references to—
  - [<sup>F132</sup>(a) a person excluded from the definition of “investment firm” in Article 3(1) of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (S.I. 2001/544) by paragraph (a) or (b) of that definition; or]
  - [<sup>F132</sup>(b) a firm which has a Part 4A permission to carry on regulated activities as an exempt investment firm within the meaning of regulation 8 of the Financial Services and Markets Act 2000 (Markets in Financial Instruments) Regulations 2017 (S.I. 2017/701).]

#### Textual Amendments

- F127** S. 424A inserted (6.12.2006) by [The Financial Services and Markets Act 2000 \(Markets in Financial Instruments\) \(Modification of Powers\) Regulations 2006](#) (S.I. 2006/2975), **reg. 10**
- F128** Words in s. 424A(1) inserted (1.7.2021) by [Financial Services Act 2021](#) (c. 22), s. 49(5), **Sch. 2 para. 16** (with Sch. 2 Pt. 3); S.I. 2021/671, reg. 4(b)
- F129** Words in s. 424A(1) substituted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019](#) (S.I. 2019/632), regs. 1(3), **90(2)**; 2020 c. 1, Sch. 5 para. 1(1)
- F130** Words in s. 424A(2) substituted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019](#) (S.I. 2019/632), regs. 1(3), **90(3)**; 2020 c. 1, Sch. 5 para. 1(1)
- F131** S. 424A(3)(4) omitted (31.12.2020) by virtue of [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019](#) (S.I. 2019/632), regs. 1(3), **90(4)**; 2020 c. 1, Sch. 5 para. 1(1)

*Status: Point in time view as at 29/08/2023.*

*Changes to legislation: Financial Services and Markets Act 2000, Part XXIX is up to date with all changes known to be in force on or before 13 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)*

**F132** S. 424A(5)(a)(b) substituted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **90(5)**; 2020 c. 1, Sch. 5 para. 1(1)

## 425 Expressions relating to authorisation <sup>F133</sup> ... in the single market.

(1) In this Act—

[<sup>F134</sup>(a) [<sup>F135</sup>“alternative investment fund managers directive”,] [<sup>F136</sup>“capital requirements directive”,] <sup>F137</sup> ... <sup>F138</sup> ... <sup>F138</sup> ... “EEA firm”, “EEA right”, “EEA State”, [<sup>F139</sup>“emission allowance auctioning regulation”,] <sup>F140</sup> ... <sup>F137</sup> ... [<sup>F141</sup>“insurance distribution directive”,] <sup>F142</sup> ... [<sup>F143</sup>“markets in financial instruments directive”,] [<sup>F144</sup>“mortgages directive”,] “single market directives” [<sup>F145</sup>“Solvency 2 Directive”] [<sup>F146</sup>“tied agent”] and “UCITS directive” have the meaning given in Schedule 3; <sup>F147</sup> ...]

(aa) <sup>F148</sup> ... and

(b) “home state regulator”, in relation to an EEA firm, has the meaning given in Schedule 3.

<sup>F149</sup>(2) .....

### Textual Amendments

**F133** Word in s. 425 heading omitted (31.12.2020) by virtue of [The EEA Passport Rights \(Amendment, etc., and Transitional Provisions\) \(EU Exit\) Regulations 2018 \(S.I. 2018/1149\)](#), reg. 1(3), **Sch. para. 20(3)** (with reg. 4); 2020 c. 1, Sch. 5 para. 1(1)

**F134** S. 425(1)(a) substituted (13.2.2004) by [The Collective Investment Schemes \(Miscellaneous Amendments\) Regulations 2003 \(S.I. 2003/2066\)](#), **reg. 2(1)**

**F135** Words in s. 425(1)(a) inserted (22.7.2013) by [The Alternative Investment Fund Managers Regulations 2013 \(S.I. 2013/1773\)](#), reg. 1, **Sch. 1 para. 32(a)**

**F136** Words in s. 425(1)(a) substituted (1.1.2014) by [The Capital Requirements Regulations 2013 \(S.I. 2013/3115\)](#), reg. 1(2), **Sch. 2 para. 27**

**F137** Words in s. 425(1)(a) omitted (1.1.2016) by virtue of [The Solvency 2 Regulations 2015 \(S.I. 2015/575\)](#), reg. 1(2), **Sch. 1 para. 16(a)**

**F138** Words in s. 425(1)(a) omitted (31.12.2020) by virtue of [The Financial Services \(Miscellaneous\) \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/710\)](#), regs. 1(3), **3(2)** (with regs. 36, 37, Sch.); 2020 c. 1, Sch. 5 para. 1(1)

**F139** Words in s. 425(1)(a) inserted (20.7.2012) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) Order 2012 \(S.I. 2012/1906\)](#), arts. 1, **3(16)**

**F140** Words in s. 425(1)(a) omitted (11.1.2005) by virtue of [The Life Assurance Consolidation Directive \(Consequential Amendments\) Regulations 2004 \(S.I. 2004/3379\)](#), **reg. 6(5)(b)**

**F141** Words in s. 425(1)(a) substituted (1.10.2018) by [The Insurance Distribution \(Regulated Activities and Miscellaneous Amendments\) Order 2018 \(S.I. 2018/546\)](#), arts. 1(2), **18(3)**

**F142** Words in s. 425(1)(a) omitted (1.4.2007 for certain purposes and 1.11.2007 otherwise) by virtue of [The Financial Services and Markets Act 2000 \(Markets in Financial Instruments\) Regulations 2007 \(S.I. 2007/126\)](#), regs. 1(2), 3(5), **Sch. 5 para. 22(a)**

**F143** Words in s. 425(1)(a) inserted (6.12.2006) by [The Financial Services and Markets Act 2000 \(Markets in Financial Instruments\) \(Modification of Powers\) Regulations 2006 \(S.I. 2006/2975\)](#), **reg. 11**

**F144** Words in s. 425(1)(a) inserted (20.4.2015 for specified purposes, 21.12.2015 for specified purposes, 21.3.2016 in so far as not already in force) by [The Mortgage Credit Directive Order 2015 \(S.I. 2015/910\)](#), art. 1(5), **Sch. 1 para. 1(9)** (with Pt. 4)

**F145** Words in s. 425(1)(a) inserted (1.1.2016) by [The Solvency 2 Regulations 2015 \(S.I. 2015/575\)](#), reg. 1(2), **Sch. 1 para. 16(b)**

*Status: Point in time view as at 29/08/2023.*

*Changes to legislation: Financial Services and Markets Act 2000, Part XXIX is up to date with all changes known to be in force on or before 13 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)*

- F146** Words in s. 425(1)(a) inserted (1.4.2007 for certain purposes and 1.11.2007 otherwise) by [The Financial Services and Markets Act 2000 \(Markets in Financial Instruments\) Regulations 2007 \(S.I. 2007/126\)](#), regs. 1(2), 3(5), **Sch. 5 para. 22(b)**
- F147** Word in s. 425(1)(a) omitted (28.6.2018 for specified purposes, 21.7.2018 in so far as not already in force) by virtue of [The Money Market Funds Regulations 2018 \(S.I. 2018/698\)](#), regs. 1(2), **2(18)(a)**
- F148** S. 425(1)(aa) omitted (31.12.2020) by virtue of [The Collective Investment Schemes \(Amendment etc.\) \(EU Exit\) Regulations 2019 \(S.I. 2019/325\)](#), regs. 1(2), **31** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F149** S. 425(2) omitted (31.12.2020) by virtue of [The EEA Passport Rights \(Amendment, etc., and Transitional Provisions\) \(EU Exit\) Regulations 2018 \(S.I. 2018/1149\)](#), reg. 1(3), **Sch. para. 20(2)** (with reg. 4); 2020 c. 1, Sch. 5 para. 1(1)

### **[<sup>F150</sup>425A Consumers: regulated activities etc carried on by authorised persons**

- (1) This section has effect for the purposes of the provisions of this Act which apply this section.
- (2) “Consumers” means persons [<sup>F151</sup>who]—
- <sup>F152</sup> [<sup>F153</sup>who] use, have used or may use any of the services within subsection (3);
  - <sup>F152</sup> [<sup>F154</sup>who] have relevant rights or interests in relation to any of those services [<sup>F155</sup>or]
  - whose rights, interests or obligations are affected by the level of a regulated benchmark][<sup>F156</sup>; or
  - in respect of whom a person carries on an activity which is specified in article 89G of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (seeking out etc claims) whether that activity, as carried on by that person, is a regulated activity or is, by reason of an exclusion provided for under the 2001 Order or the 2000 Act, not a regulated activity.]
- (3) The services within this subsection are services provided by—
- authorised persons in carrying on regulated activities;
  - authorised persons who are investment firms, or [<sup>F157</sup>qualifying credit institutions], in providing relevant ancillary services; or
  - persons acting as appointed representatives.
- (4) A person (“P”) has a “relevant right or interest” in relation to any services within subsection (3) if P has a right or interest—
- which is derived from, or is otherwise attributable to, the use of the services by others; or
  - which may be adversely affected by the use of the services by persons acting on P's behalf or in a fiduciary capacity in relation to P.
- (5) If a person is providing a service within subsection (3) as a trustee, the persons who are, have been or may be beneficiaries of the trust are to be treated as persons who use, have used or may use the service.
- (6) A person who deals with another person (“A”) in the course of A providing a service within subsection (3) is to be treated as using the service.
- (7) In this section—
- <sup>F158</sup>  
...

*Status: Point in time view as at 29/08/2023.*

*Changes to legislation: Financial Services and Markets Act 2000, Part XXIX is up to date with all changes known to be in force on or before 13 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)*

<sup>F159</sup>“regulated benchmark” means a benchmark, as defined in section 22  
<sup>F160</sup>... <sup>F161</sup>[6A], in relation to which any provision made under section 22(1A)  
<sup>F162</sup>... <sup>F163</sup>[c] has effect.]

“relevant ancillary service” means any service of a kind mentioned in  
<sup>F164</sup>Part 3A of Schedule 2 to the Financial Services and Markets Act 2000  
(Regulated Activities) Order 2001 (S.I. 2001/544)] the provision of which  
does not involve the carrying on of a regulated activity.

### Textual Amendments

- F150** Ss. 425A, 425B inserted (8.4.2010) by [Financial Services Act 2010 \(c. 28\)](#), ss. 24(1), 26(1)(l), **Sch. 2 para. 32**
- F151** Word in s. 425A(2) omitted (E.W.S.) (29.11.2018 for specified purposes, 1.4.2019 in so far as not already in force) by virtue of [The Financial Services and Markets Act 2000 \(Claims Management Activity\) Order 2018 \(S.I. 2018/1253\)](#), arts. 1(2)(3), **91(7)(a)**
- F152** Word in s. 425A(2)(a)(b) inserted (E.W.S.) (29.11.2018 for specified purposes, 1.4.2019 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Claims Management Activity\) Order 2018 \(S.I. 2018/1253\)](#), arts. 1(2)(3), **91(7)(b)**
- F153** Word in s. 425A(2)(a) omitted (2.4.2013) by virtue of [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) Order 2013 \(S.I. 2013/655\)](#), arts. 1, **3(4)(a)**
- F154** S. 425A(2)(c) and word inserted (2.4.2013) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) Order 2013 \(S.I. 2013/655\)](#), arts. 1, **3(4)(b)**
- F155** Word in s. 425A(2)(b) omitted (E.W.S.) (29.11.2018 for specified purposes, 1.4.2019 in so far as not already in force) by virtue of [The Financial Services and Markets Act 2000 \(Claims Management Activity\) Order 2018 \(S.I. 2018/1253\)](#), arts. 1(2)(3), **91(7)(c)**
- F156** S. 425A(2)(d) and word inserted (E.W.S.) (29.11.2018 for specified purposes, 1.4.2019 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Claims Management Activity\) Order 2018 \(S.I. 2018/1253\)](#), arts. 1(2)(3), **91(7)(d)**
- F157** Words in s. 425A(3)(b) substituted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **91(2)**; 2020 c. 1, Sch. 5 para. 1(1)
- F158** Words in s. 425A(7) omitted (31.12.2020) by virtue of [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **91(3)(a)**; 2020 c. 1, Sch. 5 para. 1(1)
- F159** Words in s. 425A(7) inserted (2.4.2013) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) Order 2013 \(S.I. 2013/655\)](#), arts. 1, **3(4)(c)**
- F160** Words in s. 425A(7) omitted (1.5.2020) by virtue of [The Financial Services and Markets Act 2000 \(Benchmarks\) Regulations 2018 \(S.I. 2018/135\)](#), regs. 1(2)(b), **49(2)(c)**
- F161** Words in s. 425A(7) inserted (27.2.2018) by [The Financial Services and Markets Act 2000 \(Benchmarks\) Regulations 2018 \(S.I. 2018/135\)](#), regs. 1(2), **49(2)(a)**
- F162** Words in s. 425A(7) omitted (1.5.2020) by virtue of [The Financial Services and Markets Act 2000 \(Benchmarks\) Regulations 2018 \(S.I. 2018/135\)](#), regs. 1(2)(b), **49(2)(d)**
- F163** Words in s. 425A(7) inserted (27.2.2018) by [The Financial Services and Markets Act 2000 \(Benchmarks\) Regulations 2018 \(S.I. 2018/135\)](#), regs. 1(2), **49(2)(b)**
- F164** Words in s. 425A(7) substituted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **91(3)(b)**; 2020 c. 1, Sch. 5 para. 1(1)

### Modifications etc. (not altering text)

- C6** S. 425A modified by S.I. 2001/544, art. 60LA(1)(3) (as inserted (14.2.2014 for specified purposes, 1.4.2014 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) Order 2014 \(S.I. 2014/366\)](#), arts. 1(3)(4), **2(33)**)



*Status: Point in time view as at 29/08/2023.*

*Changes to legislation: Financial Services and Markets Act 2000, Part XXIX is up to date with all changes known to be in force on or before 13 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)*

- C7** S. 425A modified by S.I. 2001/544, art. 60S(1)(3) (as inserted (14.2.2014 for specified purposes, 1.4.2014 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) Order 2014](#) (S.I. 2014/366), arts. 1(3)(4), **2(37)**)
- C8** S. 425A modified (E.W.S.) (29.11.2018 for specified purposes, 1.4.2019 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Claims Management Activity\) Order 2018](#) (S.I. 2018/1253), arts. 1(2)(3), **89**
- C9** S. 425A applied (with modifications) (31.12.2020) by [The Credit Rating Agencies \(Amendment etc.\) \(EU Exit\) Regulations 2019](#) (S.I. 2019/266), regs. 1(3), **20** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)

## **425B Consumers: regulated activities carried on by others**

- (1) This section has effect for the purposes of the provisions of this Act which apply this section.
- (2) “ Consumers ” means persons who, in relation to regulated activities carried on otherwise than by authorised persons, would be consumers as defined by section 425A if the activities were carried on by authorised persons.]

### **Textual Amendments**

**F150** Ss. 425A, 425B inserted (8.4.2010) by [Financial Services Act 2010](#) (c. 28), ss. 24(1), 26(1)(l), **Sch. 2 para. 32**

### **Modifications etc. (not altering text)**

**C10** S. 425B applied (31.3.2012) by [The Financial Services and Markets Act 2000 \(Permissions, Transitional Provisions and Consequential Amendments\) \(Northern Ireland Credit Unions\) Order 2011](#) (S.I. 2011/2832), arts. 2(c), **11**

## **[<sup>F165</sup>425CQualifying provision”**

[<sup>F166</sup>(1)] In this Act “qualifying provision” means a provision of any of the following—

- (a) retained direct EU legislation;
- (b) technical standards made in accordance with Chapter 2A of Part 9A;
- [<sup>F167</sup>(ba) other subordinate legislation made under retained direct EU legislation;]
- (c) subordinate legislation <sup>F168</sup>... made by virtue of regulations made under section 8 of the European Union (Withdrawal) Act 2018.

[<sup>F169</sup>(2) In this section, “subordinate legislation” has the same meaning as in the Interpretation Act 1978 (see section 21 of that Act).]]

### **Textual Amendments**

**F165** S. 425C substituted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019](#) (S.I. 2019/632), regs. 1(3), **92**; 2020 c. 1, Sch. 5 para. 1(1)

**F166** S. 425C renumbered as s. 425C(1) (1.7.2021) by [Financial Services Act 2021](#) (c. 22), ss. **43(2)(a)**, 49(5); S.I. 2021/739, reg. 3(w)

**F167** S. 425C(1)(ba) inserted (1.7.2021) by [Financial Services Act 2021](#) (c. 22), ss. **43(2)(b)**, 49(5); S.I. 2021/739, reg. 3(w)

**F168** Words in s. 425C(1)(c) omitted (1.7.2021) by virtue of [Financial Services Act 2021](#) (c. 22), ss. **43(2)(c)**, 49(5); S.I. 2021/739, reg. 3(w)

---

*Status: Point in time view as at 29/08/2023.*

**Changes to legislation:** *Financial Services and Markets Act 2000, Part XXIX is up to date with all changes known to be in force on or before 13 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)*

---

**F169** S. 425C(2) inserted (1.7.2021) by [Financial Services Act 2021 \(c. 22\)](#), **ss. 43(2)(d)**, 49(5); S.I. 2021/739, reg. 3(w)

**Status:**

Point in time view as at 29/08/2023.

**Changes to legislation:**

Financial Services and Markets Act 2000, Part XXIX is up to date with all changes known to be in force on or before 13 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.