



Financial Services and Markets Act 2000

2000 CHAPTER 8

PART V

PERFORMANCE OF REGULATED ACTIVITIES

Prohibition orders

56 Prohibition orders.

- [^{F1}(1) The FCA may make a prohibition order if it appears to it that an individual is not a fit and proper person to perform functions in relation to a regulated activity carried on by—
- (a) an authorised person,
 - (b) a person who is an exempt person in relation to that activity, or
 - (c) a person to whom, as a result of Part 20, the general prohibition does not apply in relation to that activity.
- (1A) The PRA may make a prohibition order if it appears to it that an individual is not a fit and proper person to perform functions in relation to a regulated activity carried on by—
- (a) a PRA-authorised person, or
 - (b) a person who is an exempt person in relation to a PRA-regulated activity carried on by the person.]
- (2) [^{F2}A “prohibition order” is an order] prohibiting the individual from performing a specified function, any function falling within a specified description or any function.
- (3) A prohibition order may relate to—
- (a) a specified regulated activity, any regulated activity falling within a specified description or all regulated activities;
 - [^{F3}(b) all persons falling within subsection (3A) or a particular paragraph of that subsection or all persons within a specified class of person falling within a particular paragraph of that subsection.]

Changes to legislation: Financial Services and Markets Act 2000, Section 56 is up to date with all changes known to be in force on or before 22 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) View outstanding changes

- [^{F4}(3A) A person falls within this subsection if the person is—
 - (a) an authorised person,
 - (b) an exempt person, or
 - (c) a person to whom, as a result of Part 20, the general prohibition does not apply in relation to a regulated activity.]
- (4) An individual who performs or agrees to perform a function in breach of a prohibition order is guilty of an offence and liable on summary conviction to a fine not exceeding level 5 on the standard scale.
- (5) In proceedings for an offence under subsection (4) it is a defence for the accused to show that he took all reasonable precautions and exercised all due diligence to avoid committing the offence.
- (6) [^{F5}A person falling within subsection (3A)] must take reasonable care to ensure that no function of his, in relation to the carrying on of a regulated activity, is performed by a person who is prohibited from performing that function by a prohibition order.
- (7) [^{F6}The regulator that has made a prohibition order] may, on the application of the individual named in [^{F7}the order], vary or revoke it.

- [^{F8}(7A) If—
 - (a) the FCA proposes to vary or revoke a prohibition order, and
 - (b) as a result of the proposed variation or revocation, an individual—
 - (i) will no longer be prohibited from performing a function of interest to the PRA, or
 - (ii) will be prohibited from performing such a function,
 the FCA must consult the PRA before varying or revoking the order.

- (7B) A function is of interest to the PRA if it is performed in relation to a regulated activity carried on by—
 - (a) a PRA-authorised person, or
 - (b) a person who is an exempt person in relation to a PRA-regulated activity carried on by the person.

(7C) The PRA must consult the FCA before varying or revoking a prohibition order.]

- [^{F9}(7D) If—
 - (a) the FCA proposes to vary or revoke a prohibition order which makes provision in relation to a recognised body, and
 - (b) the FCA is not the appropriate regulator in relation to recognised bodies of that type,
 the FCA must consult the appropriate regulator.

(7E) If the PRA proposes to vary or revoke a prohibition order which makes provision in relation to a recognised body, the PRA must consult the appropriate regulator in relation to recognised bodies of that type.]

^{F10}(8)

[^{F11}(9) In this section—
“the appropriate regulator”, in relation to a recognised body, has the meaning given by section 285A;

Changes to legislation: Financial Services and Markets Act 2000, Section 56 is up to date with all changes known to be in force on or before 22 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) View outstanding changes

“recognised body” has the meaning given by section 313;
“specified” means specified in the prohibition order.]

Textual Amendments

- F1** S. 56(1)(1A) substituted for s. 56(1) (1.4.2013) by Financial Services Act 2012 (c. 21), **ss. 13(2), 122(3)** (with Sch. 20); S.I. 2013/423, art. 3, Sch.
- F2** Words in s. 56(2) substituted (1.4.2013) by Financial Services Act 2012 (c. 21), **ss. 13(3), 122(3)** (with Sch. 20); S.I. 2013/423, art. 3, Sch.
- F3** S. 56(3)(b) substituted (1.4.2013) by Financial Services Act 2012 (c. 21), **ss. 13(4), 122(3)** (with Sch. 20); S.I. 2013/423, art. 3, Sch.
- F4** S. 56(3A) inserted (1.4.2013) by Financial Services Act 2012 (c. 21), **ss. 13(5), 122(3)** (with Sch. 20); S.I. 2013/423, art. 3, Sch.
- F5** Words in s. 56(6) substituted (1.4.2013) by Financial Services Act 2012 (c. 21), **ss. 13(6), 122(3)** (with Sch. 20); S.I. 2013/423, art. 3, Sch.
- F6** Words in s. 56(7) substituted (1.4.2013) by Financial Services Act 2012 (c. 21), **ss. 13(7)(a), 122(3)** (with Sch. 20); S.I. 2013/423, art. 3, Sch.
- F7** Words in s. 56(7) substituted (1.4.2013) by Financial Services Act 2012 (c. 21), **ss. 13(7)(b), 122(3)** (with Sch. 20); S.I. 2013/423, art. 3, Sch.
- F8** S. 56(7A)-(7C) inserted (1.4.2013) by Financial Services Act 2012 (c. 21), **ss. 13(8), 122(3)** (with Sch. 20); S.I. 2013/423, art. 3, Sch.
- F9** S. 56(7D)(7E) inserted (29.6.2023 for specified purposes) by Financial Services and Markets Act 2023 (c. 29), s. 86(1)(e), **Sch. 10 para. 3(2)**
- F10** S. 56(8) omitted (1.4.2013) by virtue of Financial Services Act 2012 (c. 21), **ss. 13(9), 122(3)** (with Sch. 20); S.I. 2013/423, art. 3, Sch.
- F11** S. 56(9) substituted (29.6.2023 for specified purposes) by Financial Services and Markets Act 2023 (c. 29), s. 86(1)(e), **Sch. 10 para. 3(3)**

Modifications etc. (not altering text)

- C1** S. 56 amended (*temp.* from 3.9.2001 to 1.12.2001) by S.I. 2001/2659, **arts. 1(2), 3(3)**; S.I. 2001/3538, **art. 2(1)**
S. 56 modified (*temp.* from 31.10.2001) by S.I. 2001/3374, **arts. 1, 11**
S. 56 extended (1.12.2001) by S.I. 2001/2636, **arts. 1(2)(b), 79(1)**; S.I. 2001/3538, **art. 2(1)**
- C2** Ss. 56, 60 modified (*temp.*) (8.4.2002) by The Financial Services and Markets Act 2000 (Permission and Applications) (Credit Unions etc.) Order 2002 (S.I. 2002/704), **art. 7**
- C3** Ss. 56-58 applied (with modifications) (31.12.2011) by The Financial Services and Markets Act 2000 (Permissions, Transitional Provisions and Consequential Amendments) (Northern Ireland Credit Unions) Order 2011 (S.I. 2011/2832), **art. 8**
- C4** S. 56(7) extended (1.12.2001) by S.I. 2001/3592, **arts. 1(2), 55(5)** (with art. 23(2))

Commencement Information

- I1** S. 56 wholly in force at 1.12.2001; s. 56 not in force at Royal Assent see s. 431(2); s. 56 in force for specified purposes at 3.9.2001 by S.I. 2001/2632, art. 2(2), **Sch. Pt. 2**; s. 56 in force in so far as not already in force at 1.12.2001 by S.I. 2001/3538, **art. 2(1)**

Changes to legislation:

Financial Services and Markets Act 2000, Section 56 is up to date with all changes known to be in force on or before 22 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.

[View outstanding changes](#)

Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

- Act applied (with modifications) by [S.I. 2023/1347 reg. 8](#)
- Act power to apply conferred (temp. until 15.5.2039) by [2014 c. 21 s. 79\(4\)](#)
- Act power to apply conferred (temp. until 15.5.2039) by [2014 c. 21 s. 81\(10\)](#)

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- Pt. 17 Ch. 3B inserted by [2023 c. 29 s. 64\(3\)](#)
- Pt. 20C inserted by [2016 c. 14 s. 30\(3\)](#)
- s. 31(1)(aa) inserted by [2021 c. 22 s. 22\(2\)](#)
- s. 32A inserted by [2021 c. 22 s. 22\(3\)](#)
- s. 32A power to apply (with modifications) conferred by [2021 c. 22 s. 23\(10\)](#)
- s. 36A and cross-heading inserted by [2021 c. 22 s. 22\(4\)](#)
- s. 71J and cross-heading inserted by [2021 c. 22 Sch. 8 para. 4](#)
- s. 86(9A) inserted by [S.I. 2019/707 reg. 8\(9\)](#) (This amendment not applied to legislation.gov.uk. Reg. 8(6)-(10) omitted (6.9.2019) by virtue of S.I. 2019/1234, regs. 1(2), 13(c))
- s. 87A(11) inserted by [S.I. 2019/707 reg. 10\(5\)](#) (This amendment not applied to legislation.gov.uk. Reg. 10(4)(5) omitted (6.9.2019) by virtue of S.I. 2019/1234, regs. 1(2), 15(b))
- s. 124(10)(c)(i) word omitted by [S.I. 2019/310 reg. 5\(11\)\(b\)](#) (This amendment not applied to legislation.gov.uk. Reg. 5(11)(b) omitted immediately before IP completion day by virtue of S.I. 2020/1385, regs. 1(4), 51(2)(e))
- s. 129(7)(a) word inserted by [S.I. 2019/310 reg. 5\(12\)\(a\)\(i\)](#) (This amendment not applied to legislation.gov.uk. Reg. 5(12)(a)(b) omitted immediately before IP completion day by virtue of S.I. 2020/1385, regs. 1(4), 51(2)(f))
- s. 129(7)(c) omitted and word by [S.I. 2019/310 reg. 5\(12\)\(a\)\(ii\)](#) (This amendment not applied to legislation.gov.uk. Reg. 5(12)(a)(b) omitted immediately before IP completion day by virtue of S.I. 2020/1385, regs. 1(4), 51(2)(f))
- s. 214(5A) inserted by [2021 c. 22 Sch. 8 para. 8](#)
- s. 261E(A1) inserted by [2023 c. 29 s. 64\(2\)\(a\)](#)
- s. 367A inserted by [2021 c. 22 Sch. 8 para. 10](#)
- s. 395(13)(h)(i) inserted by [2021 c. 22 Sch. 8 para. 12\(2\)\(c\)](#)
- s. 395(13)(bc)-(be) word inserted by [2021 c. 22 Sch. 8 para. 12\(2\)\(b\)](#)
- s. 395(14) inserted by [2021 c. 22 Sch. 8 para. 12\(3\)](#)
- s. 427A(3) words substituted by [2002 c. 40 Sch. 17 para. 59](#) (This amendment not applied to legislation.gov.uk. The Financial Services and Markets Act 2000 does not contain a section 427A.)
- Sch. 1ZA para. 32(c) and word inserted by [2021 c. 22 Sch. 8 para. 18](#)
- Sch. 2A para. 19(2)(b)(iia) inserted by [2023 c. 29 Sch. 10 para. 19\(a\)](#)
- Sch. 2A2B power to apply (with modifications) conferred by [2021 c. 22 s. 23\(10\)](#)
- Sch. 2A power to apply (with modifications) conferred by [2021 c. 22 s. 23\(10\)](#)
- Sch. 2B inserted by [2021 c. 22 Sch. 7](#)
- Sch. 2B power to apply (with modifications) conferred by [2021 c. 22 s. 23\(10\)](#)
- Sch. 11A para. 5(3) inserted by [S.I. 2019/707 reg. 38\(5\)\(b\)](#) (This amendment not applied to legislation.gov.uk. Reg. 38(2)-(5)(7)(8) omitted (6.9.2019) by virtue of S.I. 2019/1234, regs. 1(2), 20)

- Sch. 17A para. 12 words substituted by [S.I. 2019/662 reg. 13\(1\)](#) (This amendment not applied to [legislation.gov.uk](#). Reg. 13(1) substituted (25.6.2020) by S.I. 2020/646, regs. 1(2)(c), 11(3))