

**1987 No. 907 (C.24)**

**FINANCIAL SERVICES**

**The Financial Services Act 1986 (Commencement) (No. 5) Order 1987**

*Made* - - - - *14th May 1987*

The Secretary of State, in exercise of his powers under section 211(1) of the Financial Services Act 1986(a), hereby makes the following Order.

1. This Order may be cited as the Financial Services Act 1986 (Commencement) (No. 5) Order 1987.
2. Section 206(4) of the Financial Services Act 1986 shall come into force on 15th May 1987.
3. The provisions of the Financial Services Act 1986 specified in the first column of the Schedule hereto shall come into force on 4th June 1987.

*Michael Howard*  
Parliamentary Under Secretary of State,  
Department of Trade and Industry

14th May 1987

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**SCHEDULE**

**ARTICLE 3**

**PROVISIONS OF FINANCIAL SERVICES ACT 1986 COMING INTO FORCE  
ON 4TH JUNE 1987**

<i>Provisions of Act</i>	<i>Subject matter of provisions</i>
Section 8	Self-regulating organisations.
Section 9	Applications for recognition by self-regulating organisations.
Section 10	Grant and refusal of recognition of self-regulating organisations.
Section 11	Revocation of recognition of self-regulating organisations.
Section 13	Alteration of rules of recognised self-regulating organisations for protection of investors.

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(a) 1986 c.60.

SCHEDULE

ARTICLE 3

PROVISIONS OF FINANCIAL SERVICES ACT 1986 COMING INTO FORCE  
ON 4TH JUNE 1987

<i>Provisions of Act</i>	<i>Subject matter of provisions</i>
Section 14	Notification requirements.
Section 15 except insofar as it has the effect of conferring authorisation	Certification by professional bodies.
Section 16	Professional bodies.
Section 17	Applications for recognition by professional bodies.
Section 18	Grant and refusal of recognition of professional bodies.
Section 19	Revocation of recognition of professional bodies.
Section 21	Notification requirements.
Section 36(2) and (3)	Investment exchanges.
Section 37 except insofar as it has effect in relation to a body or association of the kind described in section 40(1) of the Act	Grant and revocation of recognition of investment exchanges other than overseas investment exchanges.
Section 38(2) and (3)	Clearing houses.
Section 39 except insofar as it has effect in relation to a body or association of the kind described in section 40(1) of the Act	Grant and revocation of recognition of clearing houses other than overseas clearing houses.
Section 41	Notification requirements.
Section 46	Power to extend or restrict exemptions.
Section 48	Conduct of business rules.
Section 49	Financial resources rules.
Section 50	Modification of conduct of business and financial resources rules for particular cases.
Section 51	Cancellation rules.
Section 52	Notification regulations.
Section 54	Compensation Fund.
Section 55	Clients money.
Section 56 insofar as it is necessary in order to enable regulations to be made under section 56(1)	Unsolicited calls.
Section 102	Register of authorised persons and recognised organisations etc.
Section 103	Inspection of register.
Section 104(2) and (3)	Power to call for information.
Section 107	Appointment of auditors.
Section 110	Auditors for overseas business.
Section 112(1) to (4)	Application fees for recognition orders under Chapter III or IV of Part I of the Act.
Section 113(1)	Periodical fees – recognised self-regulating organisations, professional bodies, investment exchanges and clearing houses.
Section 119	Prevention of restrictive trade practices – recognised self-regulating organisations, investment exchanges, clearing houses.

**SCHEDULE**

**ARTICLE 3**

**PROVISIONS OF FINANCIAL SERVICES ACT 1986 COMING INTO FORCE  
ON 4TH JUNE 1987**

<i>Provisions of Act</i>	<i>Subject matter of provisions</i>
Section 120	Modification of section 119 where recognition function is transferred.
Section 122	Reports by Director-General of Fair Trading.
Section 123	Investigations by Director-General of Fair Trading.
Section 124 5(1) to (7)	Consequential exemption from competition law – The Restrictive Trade Practices Act 1976(a).
Section 127	Modifications of Restrictive Trade Practices Act 1976 in relation to recognised professional bodies.
Section 129 insofar as is necessary to bring into force paragraphs 3(1), (2) and (4) and 4(1) to (4) of Schedule 10 to the Act, and those paragraphs of that Schedule	Application of investment business provisions to regulated insurance companies.
Section 138(1), (2) and (6)	Insurance brokers.
Section 140 insofar as is necessary to bring into force paragraphs 2 to 5, 7 to 16, 18 to 20, 24, 38 and 42 of Schedule 11 to the Act and those paragraphs of that Schedule	Friendly Societies.
Section 187 insofar as not yet in force	Exemption from liability in damages.
Section 190	Data Protection Act 1984(b).
Section 191	Occupational Pension Schemes.
Section 198(3)(b)	Power to petition for winding-up on information obtained under Act – Northern Ireland.
Section 200(1)(a) insofar as it has effect in relation to an application for a recognition order under Chapter III or IV of Part I of the Act	False and misleading statements in connection with applications.
Section 200(1)(b) insofar as it has effect in relation to a requirement imposed by or under any provision brought into force by this Order	False and misleading statements in purported compliance with requirements imposed by or under Act.
Section 200(3) and (4)	False and misleading statements as to recognised status.
Section 200(5) to (8) insofar as it has effect in relation to any provision brought into force by this Order	False and misleading statements – supplementary provisions.
Section 206(1) to (3)	Publication of information or advice.
Section 211(3) insofar as is necessary to bring into force paragraphs 4, 5, and 6 of Schedule 15 to the Act, and those paragraphs of that Schedule	Transitional provisions.
Section 212(2) insofar as is necessary to bring into force paragraph 27(b) of Schedule 16, and that paragraph of that Schedule	Consequential amendment.
Schedule 2	Requirements for recognition of self-regulating organisations.
Schedule 3	Requirements for recognition of recognised professional body.
Schedule 4	Requirements for recognition of recognised investment exchange.

(a) 1976 c.34.

(b) 1984 c.35.

## EXPLANATORY NOTE

*(This note is not part of the Order)*

This Order brings into force on 15th May 1987 those provisions of the Financial Service Act 1986 which enable the Secretary of State to transfer the function of publishing information and advice to a designated agency.

This Order brings into force on 4th June 1987 those provisions of the Financial Services Act 1986 which are necessary to enable recognition to be granted to self-regulating organisations (including self-regulating organisations for friendly societies), professional bodies and to investment exchanges and clearing houses whose head offices are situated in the United Kingdom. The Order also brings into force on the same date the provisions of the Act relating to withdrawal of recognition from organisations of the kind just described, to information to be supplied by them, to fees payable by them and to their position under competition law and the Data Protection Act 1984. Provisions of the Act concerning immunity from actions in damages and false and misleading statements made in connection with applications for recognition, recognised status and requirements imposed on recognised organisations are also brought into force on that date.

The Order also brings into force on the same date provisions which will enable rules and regulations to be made under Chapter V of Part I of and Schedule 11 to the Act.

The Order also brings into force on the same date the provisions of the Act relating to the maintenance and inspection of the register of authorised persons and recognised organisations etc, to the giving of information and advice, to the appointment of auditors by authorised persons and to communications by auditors with supervisory authorities.

The Order also brings into force on 4th June 1987 provisions concerning rules which may be made under the Insurance Brokers (Registration) Act 1977 (c.46) and the meaning of the expression 'authorised insurer' in that Act. Provisions concerning the position under the Act of managers of occupational pension schemes are also brought into force on that date.

## NOTE AS TO EARLIER COMMENCEMENT ORDERS

*(This note is not part of the Order)*

The following provisions of the Financial Service Act 1986 have been brought into force by commencement orders made before the date of this Order;

<i>Provision</i>	<i>S.I. No</i>
ss.1 and 2	1986/2246
s.5 (partially)	1986/2246
ss.35, 42 and 45 (partially)	1986/2246
s.63	1987/623
ss.105 and 106	1986/2246
ss.114 to 118	1986/2246
s.121	1986/2246

<i>Provision</i>	<i>S.I. No</i>
s.122 and 123 (partially)	1986/2246
ss.124, 126 and 128	1986/2246
ss.129, 132 and 134 (partially)	1986/2246
s.137	1986/2246
s.138, 139 and 140 (partially)	1986/2246
s.141	1986/2246
s.142 to 153	1986/2246
s.154 (partially)	1986/2246
ss.155 to 157	1986/2246
s.172	1986/2246
s.173	1986/2246
s.174 (partially)	1986/2246
s.176	1986/2246
177	1986/1940
s.178 (partially)	1986/1940 1986/2246
s.179	1986/1940 1986/2246
s.180	1986/1940
s.181	1986/2246
s.182	1986/1940 1986/2031
s.183 (partially)	1987/623
s.184 (partially)	1987/623
s.185	1987/623
s.186 (partially)	1987/623
s.187 (partially)	1986/2246
s.188	1986/2246
s.189 (partially)	1986/2246

<i>Provision</i>	<i>S.I. No</i>
s.192	1986/2246
s.198 (partially)	1986/1940 1986/2246
s.199	1986/1940 1986/2246
s.200 (partially)	1986/1940 1986/2246
s.201 (partially)	1986/1940 1986/2246 1987/623
ss. 202 and 203	1986/1940 1986/2246
s.204	1986/2246
ss.205, 207, 209 and 210	1986/1940 1986/2246
s.211 (partially)	1986/2031 1986/2246
s.212	1986/2031 1986/2246
Schedule 1 (partially)	1986/2246
Schedules 7, 8 and 9	1986/2246
Schedules 10 and 11 (partially)	1986/2246
Schedule 12	1986/2246
Schedule 13	1986/1940 1986/2031 1986/2246
Schedule 14 (partially)	1986/2246
Schedule 15 (partially)	1986/2031 1986/2246
Schedule 16 (partially)	1986/2246
Schedule 17 (partially)	1986/2031 1986/2246

The word ("partially") is used where the provision has been brought into force in part, or for a limited purpose or for a limited area.

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