
STATUTORY INSTRUMENTS

1997 No. 816

FINANCIAL SERVICES

The Financial Services Act 1986
(Corporate Debt Exemption) Order 1997

<i>Made</i>	- - - -	<i>13th March 1997</i>
<i>Laid before Parliament</i>		<i>13th March 1997</i>
<i>Coming into force</i>	- -	<i>3rd April 1997</i>

The Treasury in the exercise of powers conferred on them by section 46 of the Financial Services Act 1986⁽¹⁾ and of all other powers enabling them in that behalf hereby make the following Order:

Citation, commencement and interpretation

1.—(1) This Order may be cited as the Financial Services Act 1986 (Corporate Debt Exemption) Order 1997 and shall come into force on 3rd April 1997.

(2) In this Order “the Act” means the Financial Services Act 1986.

Corporate debt exemption

2. Part I of Schedule 5 to the Act shall be amended as follows:

(a) for paragraphs (a) and (b) of paragraph 2(2) there shall be substituted—

“(a) a debenture or other instrument falling within paragraph 2 of Schedule 1 to this Act which is issued on terms requiring repayment not later than five years from the date of issue;”

(b) in paragraphs (d), (e), (f)(i) and (g)(i) of paragraph 2(2), for “paragraph (a), (b) or (c)” there shall be substituted “paragraph (a) or (c)”.

3. In Part II of Schedule 5 to the Act, in paragraph 5(2), for “paragraph (2)(a), (b), (c) or (e)” there shall be substituted “paragraph (2)(a), (c) or (e) above”.

⁽¹⁾ 1986 c. 60. Certain functions of the Secretary of State under the Financial Services Act 1986, including the functions under section 46 of that Act, have been transferred to the Treasury by the Transfer of Functions (Financial Services) Order 1992 (S.I. 1992/1315).

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

Revocation

4. Articles 1(2) and 2 of the Financial Services Act 1986 (Listed Money Market Institutions and Miscellaneous Exemptions) Order 1990(2) are hereby revoked.

5. Paragraph 23 of Schedule 10 to the Banking Coordination (Second Council Directive) Regulations 1992(3) is hereby revoked.

13th March 1997

Roger Knapman
Patrick McLoughlin
Two of the Lord Commissioners of Her
Majesty's Treasury

(2) S.I. 1990/696.
(3) S.I. 1992/3218

EXPLANATORY NOTE

(This note is not part of the Order)

This Order extends the range of corporate debt instruments which can be the subject of transactions which fall within Schedule 5 of the Financial Services Act 1986 (c. 60) (“FSA”) and therefore benefit from the exemption granted in section 43 of the FSA. The order replaces the separate categories of investment currently set out in paragraphs 2(2)(a) and (b) of Schedule 5 of the FSA and in Article 2 of the Financial Services Act 1986 (Listed Money Market Institutions and Miscellaneous Exemptions) Order 1990 (S.I. 1990/696) with a single category of corporate debt instruments having a maturity date of not more than five years from the date of issue.