

2004 No. 1610

FINANCIAL SERVICES AND MARKETS

**The Financial Services and Markets Act 2000
(Regulated Activities) (Amendment) Order 2004**

Made - - - - - 24th June 2004

Laid before Parliament 24th June 2004

Coming into force - - 15th July 2004

The Treasury, in exercise of the powers conferred upon them by sections 22(1) and (5), 428(3) and paragraph 25 of Schedule 2 to the Financial Services and Markets Act 2000(a), hereby make the following Order:

Citation, commencement and interpretation

1.—(1) This Order may be cited as the Financial Services and Markets Act 2000 (Regulated Activities) (Amendment) Order 2004.

(2) This Order comes into force on 15th July 2004.

(3) In this Order—

“the Insurance Mediation Order” means the Financial Services and Markets Act 2000 (Regulated Activities) (Amendment) (No. 2) Order 2003(b);

“the Regulated Activities Order” means the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001(c).

Amendment of the Insurance Mediation Order

2. In article 20 of the Insurance Mediation Order (amendment of section 49 of the Act), paragraph (3) shall be revoked(d).

Amendment of the Regulated Activities Order

3. After article 96 of the Regulated Activities Order (exclusion from the record where Authority has exercised its powers under Part 20 of the Act), insert—

(a) 2000 c. 8.

(b) S.I. 2003/1476.

(c) S.I. 2001/544. Relevant amendments are S.I. 2001/1777, S.I. 2003/1475 and S.I. 2003/1476.

(d) Article 20(3) of the Order was due to be commenced on 14th January 2005, except in relation to contracts of long-term care insurance, in respect of which it was due to be commenced on 31st October 2003 (see Article 1(3), S.I. 2003/1476).

“PART 6
MISCELLANEOUS

Disapplication of section 49(2) of the Act

97. In section 49 of the Act (persons connected with an applicant for Part 4 permission), after subsection (2) insert—

- “(2A) But subsection (2) does not apply to the extent that the permission relates to—
- (a) an insurance mediation activity (within the meaning given by paragraph 2(5) of Schedule 6); or
 - (b) a regulated activity involving a regulated mortgage contract.”.

Jim Murphy
Joan Ryan

24th June 2004

Two of the Lords Commissioners of Her Majesty’s Treasury

EXPLANATORY NOTE

(This note is not part of the Order)

This Order amends the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (S.I. 2001/544, “the Regulated Activities Order”) and the Financial Services and Markets Act 2000 (Regulated Activities) (Amendment) (No. 2) Order 2003 (S.I. 2003/1476, “the Insurance Mediation Order”).

The Regulated Activities Order, specifies regulated activities for the purposes of the Financial Services and Markets Act 2000 (“the Act”). These include: activities involving regulated mortgage contracts (entering as lender, arranging, advising on, and administering regulated mortgage contracts) and insurance mediation activities (dealing as agent in contracts of insurance, arranging deals in contracts of insurance, assisting in the performance and administration of a contract of insurance and advising on the merits of buying or selling a contract of insurance).

Section 49(2) of the Act requires the Financial Services Authority to consult other EEA competent authorities prior to giving or varying a permission in respect of a person who is connected with an EEA firm.

Article 20(3) of the Insurance Mediation Order disapplied section 49(2) of the Act to the extent that the permission in question related to an insurance mediation activity. It was due to be commenced on 14th January 2005 (except in relation to contracts of long-term care insurance, in respect of which it was due to be commenced on 31st October 2004). Article 3 of this Order adds Article 97 to the Regulated Activities Order in order to make similar supplemental provision disapplying section 49(2) of the Act in respect of activities involving regulated mortgage contracts and revokes and re-enacts the disapplication of section 49(2) to the extent that the permission in question relates to an insurance mediation activity.

A full regulatory impact assessment has not been produced for this instrument as it has no impact on the costs of business.

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