



Financial Services and Markets Act 2000

2000 CHAPTER 8

PART XIII

INCOMING FIRMS: INTERVENTION BY AUTHORITY

Powers of Director General of Fair Trading

203 Power to prohibit the carrying on of Consumer Credit Act business.

- (1) If it appears to the Director General of Fair Trading (“the Director”) that subsection (4) has been, or is likely to be, contravened as respects a consumer credit EEA firm, he may by written notice given to the firm impose on the firm a consumer credit prohibition.
- (2) If it appears to the Director that a restriction imposed under section 204 on an EEA consumer credit firm has not been complied with, he may by written notice given to the firm impose a consumer credit prohibition.
- (3) “Consumer credit prohibition” means a prohibition on carrying on, or purporting to carry on, in the United Kingdom any Consumer Credit Act business which consists of or includes carrying on one or more listed activities.
- (4) This subsection is contravened as respects a firm if—
 - (a) the firm or any of its employees, agents or associates (whether past or present),
or
 - (b) if the firm is a body corporate, any controller of the firm or an associate of any such controller,does any of the things specified in paragraphs (a) to (d) of section 25(2) of the^{M1}Consumer Credit Act 1974.
- (5) A consumer credit prohibition may be absolute or may be imposed—
 - (a) for such period,
 - (b) until the occurrence of such event, or
 - (c) until such conditions are complied with,

Status: Point in time view as at 01/04/2002.

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as may be specified in the notice given under subsection (1) or (2).

- (6) Any period, event or condition so specified may be varied by the Director on the application of the firm concerned.
- (7) A consumer credit prohibition may be withdrawn by written notice served by the Director on the firm concerned, and any such notice takes effect on such date as is specified in the notice.
- (8) Schedule 16 has effect as respects consumer credit prohibitions and restrictions under section 204.
- (9) A firm contravening a prohibition under this section is guilty of an offence and liable—
 - (a) on summary conviction, to a fine not exceeding the statutory maximum;
 - (b) on conviction on indictment, to a fine.
- (10) In this section and section 204—

“a consumer credit EEA firm” means an EEA firm falling within any of paragraphs (a) to (c) of paragraph 5 of Schedule 3 whose EEA authorisation covers any Consumer Credit Act business;

“Consumer Credit Act business” means consumer credit business, consumer hire business or ancillary credit business;

“consumer credit business”, “consumer hire business” and “ancillary credit business” have the same meaning as in the ^{M2}Consumer Credit Act 1974;

“listed activity” means an activity listed in [^{F1}Annex 1 to the banking consolidation directive] or the Annex to the investment services directive;

“associate” has the same meaning as in section 25(2) of the ^{M3}Consumer Credit Act 1974;

“controller” has the meaning given by section 189(1) of that Act.

Textual Amendments

F1 S. 203(10): words in definition of "listed activity" substituted (22.11.2000) by S.I. 2000/2952, reg. 8(2)

Modifications etc. (not altering text)

C1 S. 203(5) modified (1.12.2001) by S.I. 2001/2636, arts. 1(2)(b), 53(2); S.I. 2001/3538, art. 2(1)

Marginal Citations

M1 1974 c. 39.

M2 1974 c. 39.

M3 1974 c. 39.

204 Power to restrict the carrying on of Consumer Credit Act business.

- (1) In this section “restriction” means a direction that a consumer credit EEA firm may not carry on in the United Kingdom, otherwise than in accordance with such condition or conditions as may be specified in the direction, any Consumer Credit Act business which—
 - (a) consists of or includes carrying on any listed activity; and
 - (b) is specified in the direction.

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- (2) If it appears to the Director that the situation as respects a consumer credit EEA firm is such that the powers conferred by section 203(1) are exercisable, the Director may, instead of imposing a prohibition, impose such restriction as appears to him desirable.
- (3) A restriction—
- (a) may be withdrawn, or
 - (b) may be varied with the agreement of the firm concerned,
- by written notice served by the Director on the firm, and any such notice takes effect on such date as is specified in the notice.
- (4) A firm contravening a restriction is guilty of an offence and liable—
- (a) on summary conviction, to a fine not exceeding the statutory maximum;
 - (b) on conviction on indictment, to a fine.

Modifications etc. (not altering text)

C2 S. 204 extended (1.12.2001) by S.I. 2001/2636, arts. 1(2)(b), 53(3); S.I. 2001/3538, art. 2(1)

Status:

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