



Financial Services and Markets Act 2000

2000 CHAPTER 8

PART II

REGULATED AND PROHIBITED ACTIVITIES

Offences

23 Contravention of the general prohibition [^{F1}or section 20(1) or (1A)].

- (1) A person who contravenes the general prohibition is guilty of an offence and liable—
- (a) on summary conviction, to imprisonment for a term not exceeding six months or a fine not exceeding the statutory maximum, or both;
 - (b) on conviction on indictment, to imprisonment for a term not exceeding two years or a fine, or both.
- [^{F2}(1A) An authorised person (“A”) is guilty of an offence if A carries on a credit-related regulated activity in the United Kingdom, or purports to do so, otherwise than in accordance with permission—
- (a) given to that person under Part 4A, or
 - (b) resulting from any other provision of this Act.
- (1B) In this Act “credit-related regulated activity” means a regulated activity of a kind designated by the Treasury by order.
- (1C) The Treasury may designate a regulated activity under subsection (1B) only if the activity involves a person—
- (a) entering into or administering an agreement under which the person provides another person with credit,
 - (b) exercising or being able to exercise the rights of the lender under an agreement under which another person provides a third party with credit, or
 - (c) taking steps to procure payment of debts due under an agreement under which another person is provided with credit.

Status: Point in time view as at 07/02/2023.

Changes to legislation: Financial Services and Markets Act 2000, Section 23 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)

- (1D) But a regulated activity may not be designated under subsection (1B) if the agreement in question is one under which the obligation of the borrower is secured on land.
- (1E) “Credit” includes any cash loan or other financial accommodation.
- (1F) A person guilty of an offence under subsection (1A) is liable—
- (a) on summary conviction, to imprisonment for a term not exceeding the applicable maximum term or a fine not exceeding the statutory maximum, or both;
 - (b) on conviction on indictment, to imprisonment for a term not exceeding two years, or a fine, or both.
- (1G) The “applicable maximum term” is—
- (a) in England and Wales, [^{F3}the general limit in a magistrates’ court] (or 6 months, if the offence was committed before the commencement of [^{F4}2 May 2022]);
 - (b) in Scotland, 12 months;
 - (c) in Northern Ireland, 6 months.]
- (2) In this Act “an authorisation offence” means an offence under this section.
- (3) In proceedings for an authorisation offence 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.
- [^{F5}(4) Subsection (1A) is subject to section 39(1D).
- (5) No proceedings may be brought against a person in respect of an offence under subsection (1A) in a case where either regulator has taken action under section 205, 206 or 206A in relation to the alleged contravention within section 20(1) or (1A).]

Textual Amendments

- F1** Words in s. 23 heading inserted (1.4.2013) by [Financial Services Act 2012 \(c. 21\), s. 122\(3\), Sch. 9 para. 3\(4\)](#) (with [Sch. 20](#)); [S.I. 2013/423, art. 3, Sch.](#)
- F2** S. 23(1A)-(1G) inserted (1.4.2013) by [Financial Services Act 2012 \(c. 21\), s. 122\(3\), Sch. 9 para. 3\(2\)](#) (with [Sch. 20](#)); [S.I. 2013/423, art. 3, Sch.](#)
- F3** Words in s. 23(1G)(a) substituted (7.2.2023 at 12.00 p.m.) by [The Judicial Review and Courts Act 2022 \(Magistrates’ Court Sentencing Powers\) Regulations 2023 \(S.I. 2023/149\), regs. 1\(2\), 2\(1\), Sch. Pt. 1 table](#)
- F4** Words in s. 23(1G)(a) substituted (28.4.2022) by [The Criminal Justice Act 2003 \(Commencement No. 33\) and Sentencing Act 2020 \(Commencement No. 2\) Regulations 2022 \(S.I. 2022/500\), regs. 1\(2\), 5\(1\), Sch. Pt. 1](#)
- F5** S. 23(4)(5) inserted (1.4.2013) by [Financial Services Act 2012 \(c. 21\), s. 122\(3\), Sch. 9 para. 3\(3\)](#) (with [Sch. 20](#)); [S.I. 2013/423, art. 3, Sch.](#)

Status:

Point in time view as at 07/02/2023.

Changes to legislation:

Financial Services and Markets Act 2000, Section 23 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.