

Changes to legislation: There are currently no known outstanding effects for the Financial Services and Markets Act 2023, SCHEDULE 4. (See end of Document for details)

SCHEDULES

SCHEDULE 4

Section 13

FMI SANDBOXES

Participation

- 1 (1) Eligibility for participation in the FMI sandbox arrangements for FMI entities and persons other than FMI entities.
- (2) The requirements mentioned in sub-paragraph (1) may be framed by reference to—
 - (a) the description of persons who carry on activities;
 - (b) the description of activities carried on by persons;
 - (c) the relationship of persons with FMI entities.
- (3) Application or other procedures for participating in the FMI sandbox arrangements.
- (4) Information to be supplied by persons wishing to participate in the FMI sandbox arrangements for the purposes of assessing eligibility.
- (5) Information to be supplied by persons participating in the FMI sandbox arrangements for the purposes of notifying other persons of their participation.

Commencement Information

- I1** Sch. 4 para. 1 not in force at Royal Assent, see **s. 86(3)**
I2 Sch. 4 para. 1 in force at 29.8.2023 by S.I. 2023/779, **reg. 4(bbb)**

Technology

- 2 The particular kinds of technology that may be used under the FMI sandbox arrangements for the purposes of assessing their efficiency or effectiveness.

Commencement Information

- I3** Sch. 4 para. 2 not in force at Royal Assent, see **s. 86(3)**
I4 Sch. 4 para. 2 in force at 29.8.2023 by S.I. 2023/779, **reg. 4(bbb)**

Practices

- 3 (1) The particular kinds of practices that may be adopted under the FMI sandbox arrangements for the purposes of assessing their efficiency or effectiveness.
- (2) The practices referred to in sub-paragraph (1) include practices adopted in the issuance, trading or settlement of financial instruments in a way not otherwise possible or practicable as a result of requirements imposed by relevant enactments.

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Commencement Information

- I5** Sch. 4 para. 3 not in force at Royal Assent, see **s. 86(3)**
I6 Sch. 4 para. 3 in force at 29.8.2023 by S.I. 2023/779, **reg. 4(bbb)**

Financial instruments

- 4 (1) Descriptions of financial instrument (“the FMI sandbox instruments”) that may be traded under the FMI sandbox arrangements.
- (2) The forms that the FMI sandbox instruments may take for the purposes of trading as part of the FMI sandbox arrangements.
- (3) Limitations or prohibitions on the trading of the FMI sandbox instruments, or of other instruments that are converted from, or are otherwise linked to, the FMI sandbox instruments.
- (4) Limitations (whether by reference to number, value or another metric) on the amount of FMI sandbox instruments permitted for trading under the FMI sandbox arrangements.
- (5) References in this paragraph to the trading of FMI sandbox instruments include references to their settlement.

Commencement Information

- I7** Sch. 4 para. 4 not in force at Royal Assent, see **s. 86(3)**
I8 Sch. 4 para. 4 in force at 29.8.2023 by S.I. 2023/779, **reg. 4(bbb)**

Settlement of payments

- 5 (1) How payments are to be settled in respect of transactions taking place under the FMI sandbox arrangements.
- (2) Provision under sub-paragraph (1) includes provision as to cash settlement or whatever other forms of settlement the provision may specify.

Commencement Information

- I9** Sch. 4 para. 5 not in force at Royal Assent, see **s. 86(3)**
I10 Sch. 4 para. 5 in force at 29.8.2023 by S.I. 2023/779, **reg. 4(bbb)**

Requirements

- 6 (1) Requirements applicable—
- (a) to persons participating in the FMI sandbox arrangements, and
 - (b) to other persons in connection with such arrangements.
- (2) Provision under this paragraph includes provision conferring powers on the appropriate regulator to make rules or technical standards applicable for the purposes of the FMI sandbox arrangements.

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Commencement Information

- I11** Sch. 4 para. 6 not in force at Royal Assent, see **s. 86(3)**
I12 Sch. 4 para. 6 in force at 29.8.2023 by S.I. 2023/779, **reg. 4(bbb)**

Cooperation

- 7 Duties of the appropriate regulators to cooperate with each other for the purposes of implementing and operating the FMI sandbox arrangements.

Commencement Information

- I13** Sch. 4 para. 7 not in force at Royal Assent, see **s. 86(3)**
I14 Sch. 4 para. 7 in force at 29.8.2023 by S.I. 2023/779, **reg. 4(bbb)**

Transparency and reporting

- 8 (1) Publication of specified details of the FMI sandbox arrangements by the Treasury or the appropriate regulator (or both).
(2) Duties of appropriate regulators to provide the Treasury with information about the operation of the FMI sandbox arrangements.
(3) Requirements imposed by virtue of this paragraph are in addition to the requirement imposed by section 14.

Commencement Information

- I15** Sch. 4 para. 8 not in force at Royal Assent, see **s. 86(3)**
I16 Sch. 4 para. 8 in force at 29.8.2023 by S.I. 2023/779, **reg. 4(bbb)**

Enforcement

- 9 (1) How requirements imposed by or under the FMI sandbox arrangements are to be enforced.
(2) Provision under sub-paragraph (1) may be made by—
(a) conferring powers on the appropriate regulator;
(b) applying provisions of FSMA 2000 in relation to enforcement;
(c) imposing other means of enforcement set out in the arrangements.
(3) The powers mentioned in sub-paragraph (2)(a) include powers to—
(a) suspend or terminate a person's participation in the FMI sandbox arrangements;
(b) impose civil penalties.

Commencement Information

- I17** Sch. 4 para. 9 not in force at Royal Assent, see **s. 86(3)**
I18 Sch. 4 para. 9 in force at 29.8.2023 by S.I. 2023/779, **reg. 4(bbb)**

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