
STATUTORY INSTRUMENTS

1995 No. 2049

**The Financial Markets and Insolvency
(Money Market) Regulations 1995**

**APPLICATION OF CERTAIN PROVISIONS OF THE
1986 ACT IN RELATION TO A LISTED PERSON**

Application of certain provisions of the 1986 Act in relation to a listed person

6. In relation to a listed person, the provisions of the 1986 Act mentioned in regulations 7 to 18 of these Regulations shall apply with the exceptions, additions and adaptations specified in relation to those provisions.

Compliance orders

- 7.** Section 12 of the 1986 Act (compliance orders) shall apply in relation to a listed person as if—
- (a) the circumstances specified in subsection (1) of that section as those in which an application may be made to the court were the following, that is to say that it appears to the Bank of England that the circumstances are such that it could take action to remove a person from the list in accordance with the arrangements made by it for that purpose;
 - (b) functions under the section(1)were exercisable by the Bank of England and not by any other person;
 - (c) the references to a recognised organisation were references to a listed person;
 - (d) the references to subsection (3) of section 10 of the 1986 Act (grant and refusal of recognition) to any requirement of Schedule 2 to that Act and to any obligation to which a recognised organisation is subject by virtue of that Act were references to the matters mentioned in sub-paragraph (a) of this paragraph;
 - (e) the reference in subsection (1) to the revocation of a recognition order under section 11 of the 1986 Act (revocation of recognition) were a reference to the removal of a person from the list; and
 - (f) the power conferred on the court by subsection (2) were a power to direct the listed person concerned to take such steps as the court may direct for securing that he ceases to be eligible for removal from the list.

Powers of intervention

8. Section 64 of the 1986 Act (scope of powers of intervention) shall apply in relation to a listed person as if—

- (a) subsections (2) to (4) were omitted;
- (b) the exception in subsection (1) and the related reference in that subsection to an appointed representative were omitted;

(1) The functions of the Secretary of State under section 12 of the Financial Services Act 1986 have been transferred to the Securities and Investments Board—see the Financial Services Act 1986 (Delegation) Order 1987 (S.I. 1987/942).

- (c) the reference in subsection (1) to the powers conferred by Chapter VI of Part I of the 1986 Act was a reference to the powers conferred on the Bank of England by virtue of regulations 9 to 12 of these Regulations;
- (d) the circumstances mentioned in subsection (1) as those in which the relevant powers are exercisable were the following, that is to say that it appears to the Bank of England that the circumstances are such that it could take action to remove a person from the list in accordance with the arrangements made by it for that purpose; and
- (e) the first reference in subsection (1) to any authorised person was a reference to any listed person.
- 9.** Section 65 of the 1986 Act (restriction of business) shall apply in relation to a listed person as if—
- (a) functions under that section(2)were exercisable by the Bank of England and not by any other person;
- (b) the reference to an authorised person was a reference to a listed person;
- (c) the references to investment business were references to the provision of settlement arrangements in relation to money market contracts; and
- (d) the reference to the United Kingdom was a reference to Great Britain.
- 10.** Section 66 of the 1986 Act (restriction on dealing with assets) shall apply in relation to a listed person as if—
- (a) functions under that section(3)were exercisable by the Bank of England and not by any other person;
- (b) the references to an appointed representative were omitted;
- (c) the references to an authorised person were references to a listed person; and
- (d) the reference to the United Kingdom was a reference to Great Britain.
- 11.** Section 68 of the 1986 Act (maintenance of assets in United Kingdom) shall apply in relation to a listed person as if—
- (a) functions under that section(4)were exercisable by the Bank of England and not by any other person;
- (b) the reference to an appointed representative was omitted;
- (c) the references to an authorised person were references to a listed person
- (d) the references to liabilities in respect of investment business were references to liabilities arising from the provision of settlement arrangements; and
- (e) the references to the United Kingdom were references to Great Britain.
- 12.** Section 69 of the 1986 Act (rescission and variation) shall apply in relation to a listed person as if—
- (a) functions under that section(5)were exercisable by the Bank of England and not by any other person; and

(2) The functions of the Secretary of State under section 65 of the Financial Services Act 1986 have been transferred to the Securities and Investments Board—see the Financial Services Act 1986 (Delegation) Order 1987 (S.I. 1987/942).

(3) The functions of the Secretary of State under section 66 of the Financial Services Act 1986 have been transferred to the Securities and Investments Board—see the Financial Services Act 1986 (Delegation) Order 1987 (S.I. 1987/942).

(4) The functions of the Secretary of State under section 68 of the Financial Services Act 1986 have been transferred to the Securities and Investments Board—see the Financial Services Act 1986 (Delegation) Order 1987 (S.I. 1987/942).

(5) The functions of the Secretary of State under section 69 of the Financial Services Act 1986 have been transferred to the Securities and Investments Board—see the Financial Services Act 1986 (Delegation) Order 1987 (S.I. 1987/942).

- (b) the reference to a prohibition or requirement imposed under Chapter VI of Part I of the 1986 Act were a reference to a prohibition or requirement imposed under those provisions of that Chapter which apply in relation to a listed person by virtue of these Regulations.

13. Section 70 of the 1986 Act (notices) shall apply in relation to a listed person as if—

- (a) the reference to a prohibition or requirement imposed under Chapter VI of Part I of the 1986 Act were a reference to a prohibition or requirement imposed under those provisions of that Chapter which apply in relation to a listed person by virtue of these Regulations;
- (b) functions under that section(6)were exercisable by the Bank of England and not by any other person; and
- (c) subsection (5) was omitted.

14. Section 72 of the 1986 Act (winding up orders) shall apply in relation to a listed person as if—

- (a) the powers conferred on the court were exercisable only on the presentation of a petition by the Bank of England(7);
- (b) the references to an appointed representative were omitted;
- (c) references to an authorised person, to any person whose authorisation is suspended under section 28 of the 1986 Act or who is the subject of a direction under section 33(1)(b) of that Act were references to a listed person; and
- (d) the provisions of subsections (2)(d) and (3) to (5) were omitted.

15. Section 74 of the 1986 Act (administration orders) shall apply in relation to a listed person as if it enabled the Bank of England to present a petition under section 9 of the Insolvency Act 1986(8)(applications for administration orders) in relation to a company to which section 8 of that Act applies which is a listed person.

16. Section 105 of the 1986 Act (investigation powers)(9)shall apply in relation to a listed person as if—

- (a) functions under that section(10)were exercisable by the Bank of England and not by any other person;
- (b) the circumstances mentioned in subsection (1) as those in which the powers under that section are exercisable were that it appeared to the Bank of England that there is good reason to exercise those powers for the purpose of investigating the affairs, or any aspect of the affairs, of any listed person so far as relevant to settlement arrangements provided by that person in relation to money market contracts or related contracts; and
- (c) subsections (2) and (9)(11)were omitted.

17. Section 106 of the 1986 Act (exercise of investigation powers by officer etc.)(12)shall apply in connection with the application, by regulation 16 of these Regulations, of section 105 of that Act in relation to a listed person as if—

(6) The functions of the Secretary of State under section 70 of the Financial Services Act 1986 have been transferred to the Securities and Investments Board—see the Financial Services Act 1986 (Delegation) Order 1987 (S.I. 1987/942).

(7) The powers conferred by section 72 of the Financial Services Act 1986 are exercisable concurrently by the Secretary of State and the Securities and Investments Board—see the Financial Services Act 1986 (Delegation) Order 1987 (S.I. 1987/942).

(8) 1986 c. 45.

(9) Section 105 of the Financial Services Act 1986 has been amended by sections 73 and 212 of, and Schedule 24 to, the Companies Act 1989.

(10) The powers conferred by section 105 of the Financial Services Act 1986 are exercisable concurrently by the Secretary of State and the Securities and Investments Board—see the Financial Services Act 1986 (Delegation Order) 1987 (S.I. 1987/942).

(11) Section 106 of the Financial Services Act 1986 has been amended by section 73 of the Companies Act 1989.

(12) Section 199 of the Financial Services Act 1986 has been amended by section 76 of the Companies Act 1989 and by section 79 of, and Schedule 25 to, the Criminal Justice Act 1993 (c. 36).

- (a) the references to the powers conferred by section 105 were references to the powers conferred by that section as it applies by virtue of these Regulations;
- (b) functions under section 106 were functions of the Bank of England and not of any other person;
- (c) the references to any officer of a person exercising functions under the section were references to any officer of the Bank of England; and
- (d) the person to whom a report must be made by virtue of subsection (3) were the Bank of England.

18. Section 199 of the 1986 Act (powers of entry)(13) shall apply in connection with the application, by regulation 16 of these Regulations, of section 105 of that Act in relation to a listed person as if—

- (a) the circumstances mentioned in subsections (1) and (2) as those in which a justice of the peace may issue a warrant were that he is satisfied on information given on oath by or on behalf of the Bank of England, or by a person authorised to exercise powers under section 105 of the 1986 Act as that section applies by virtue of these Regulations, that there are reasonable grounds for believing that there are on any premises documents whose production has been required under section 105 as it applies by virtue of these Regulations and which have not been produced in compliance with the requirement; and
- (b) subsection (7) was omitted.

(13) By virtue of section 168 of the Companies Act 1989, the functions of the Secretary of State under sections 157, 162, 166 and 167 of that Act in relation to recognised UK investment exchanges and recognised UK clearing houses have been transferred to the Securities and Investments Board.