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STATUTORY INSTRUMENTS

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**2001 No. 2188**

**FINANCIAL SERVICES AND MARKETS**

**The Financial Services and Markets Act 2000 (Disclosure  
of Confidential Information) Regulations 2001**

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|-------------------------------|---------|-----------------------|
| <i>Made</i>                   | - - - - | <i>15th June 2001</i> |
| <i>Laid before Parliament</i> |         | <i>15th June 2001</i> |
| <i>Coming into force</i>      | - -     | <i>18th June 2001</i> |

The Treasury, in exercise of the powers conferred on them by sections 349(1)(b), (2) and (3), 417(1)(1), 426, 427 and 428(3) of the Financial Services and Markets Act 2000(2), hereby make the following Regulations—

**PART I**  
**PRELIMINARY**

**Citation and Commencement**

1. These Regulations may be cited as the Financial Services and Markets Act 2000 (Disclosure of Confidential Information) Regulations 2001 and come into force on 18th June 2001.

**Interpretation**

2. In these Regulations—

“the Act” means the Financial Services and Markets Act 2000;

“Authority worker” means—

- (a) a person who is or has been employed by the Authority; or
- (b) an auditor or expert instructed by the Authority;

“criminal investigation” means an investigation of any crime, including an investigation of any alleged or suspected crime and an investigation of whether a crime has been committed;

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(1) See the definition of “prescribed”.  
(2) 2000 c. 8.

“dependent territory” means the Channel Islands, the Isle of Man and any territory outside the British Islands for whose external relations the United Kingdom is responsible;

“dependent territory regulatory authority” means an overseas regulatory authority which exercises its functions in, and in relation to, a dependent territory;

“directive restrictions” means the restrictions imposed on the disclosure of information by article 25 of the investment services directive, article 30 of the banking consolidation directive, article 15 of the third life insurance directive, article 16 of the third non-life insurance directive, article 50 of the UCITS directive and article 25 of the listing particulars directive;

“disciplinary proceedings authority” means a person responsible for initiating prescribed disciplinary proceedings or determining the outcome of such proceedings;

“EEA competent authority” means a competent authority of an EEA state other than the United Kingdom for the purposes of any of the single market directives, the UCITS directive or the listing particulars directive;

“EEA regulatory authority” means an EEA competent authority or an overseas regulatory authority which exercises its functions in, and in relation to, an EEA State other than the United Kingdom;

“former regulated activities” means activities carried on before the coming into force of section 19 of the Act and which constitute—

- (a) investment business within the meaning of the Financial Services Act 1986<sup>(3)</sup>;
- (b) deposit-taking business within the meaning of the Banking Act 1987<sup>(4)</sup>;
- (c) insurance business within the meaning of the Insurance Companies Act 1982<sup>(5)</sup>; or
- (d) insurance business within the meaning of the Friendly Societies Act 1992<sup>(6)</sup>;

“former regulated person” means a person who, at any time before the coming into force of section 19 of the Act, was—

- (a) authorised under section 3 or 4 of the Insurance Companies Act 1982;
- (b) an authorised person within the meaning of the Financial Services Act 1986, or an appointed representative within the meaning of section 44<sup>(7)</sup> (appointed representatives) of that Act;
- (c) an authorised institution within the meaning of the Banking Act 1987;
- (d) a European institution within the meaning of the Banking Coordination (Second Council Directive) Regulations 1992<sup>(8)</sup>;
- (e) a European investment firm within the meaning of the Investment Services Regulations 1995<sup>(9)</sup>;
- (f) an EC company within the meaning of the Insurance Companies Act 1982 able to carry on direct insurance business through a branch in the United Kingdom, or provide insurance in the United Kingdom by virtue of paragraph 1 or 8 of Schedule 2F to that Act<sup>(10)</sup>;
- (g) a friendly society authorised or treated as authorised for the purposes of Part IV of the Friendly Societies Act 1992, or permitted by virtue of section 31(2) or (3) of that Act to carry on activities without authorisation under that Part; or

(3) 1986 c. 60.

(4) 1987 c. 22.

(5) 1982 c. 50.

(6) 1992 c. 40.

(7) Modified by S.I. 1992/3218 and S.I. 1995/3275.

(8) S.I. 1992/3218; relevant amendments were made by S.I. 1999/2094.

(9) S.I. 1995/3275; to which there are amendments not relevant to these Regulations.

(10) Inserted by S.I. 1994/1696 and amended by S.I. 1997/2781.

(h) a building society authorised or treated as authorised for the purposes of the Building Societies Act 1986<sup>(11)</sup>;

“listing particulars directive” means Council Directive 80/390/EEC<sup>(12)</sup>;

“non-EEA regulatory authority” means an overseas regulatory authority other than an EEA regulatory authority or a dependent territory regulatory authority;

“overseas regulatory authority” means—

(a) an authority in a country or territory outside the United Kingdom which exercises any function of a kind mentioned in section 195(4) of the Act; or

(b) an overseas investment exchange or overseas clearing house;

“prescribed disciplinary proceedings” means the disciplinary proceedings prescribed in Schedule 3;

“Secretary of State worker” means—

(a) a person who is or has been employed by the Secretary of State; or

(b) an auditor or expert instructed by the Secretary of State;

“single market directive information” means confidential information received by the Authority in the course of discharging its functions as the competent authority under any of the single market directives;

“the UCITS directive” means Council Directive 85/611/EEC<sup>(13)</sup>;

“UCITS directive information” means confidential information received by the Authority in the course of discharging its functions as the competent authority under the UCITS directive.

## PART II

### DISCLOSURE OF CONFIDENTIAL INFORMATION GENERALLY

#### **Disclosure by and to the Authority, the Secretary of State and the Treasury etc.**

3.—(1) A disclosure of confidential information is permitted when it is made to any person—

(a) by the Authority or an Authority worker for the purpose of enabling or assisting the person making the disclosure to discharge any public functions of the Authority or (if different) of the Authority worker;

(b) by the Secretary of State or a Secretary of State worker for the purpose of enabling or assisting the person making the disclosure to discharge any public functions of the Secretary of State or (if different) of the Secretary of State worker;

(c) by the Treasury for the purpose of enabling or assisting the Treasury to discharge any of their public functions.

(2) A disclosure of confidential information is permitted when it is made by any primary recipient, or person obtaining the information directly or indirectly from a primary recipient, to the Authority, the Secretary of State or the Treasury for the purpose of enabling or assisting the Authority, the Secretary of State or the Treasury (as the case may be) to discharge any of its, his or their public functions.

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<sup>(11)</sup> 1986 c. 53.

<sup>(12)</sup> OJ No. L100, 17.04.80, p. 1, as last amended by Council Directive 87/345/EEC (OJ No. L185, 04.07.87, p. 81).

<sup>(13)</sup> OJ No. L375, 31.12.85, p. 3, as last amended by European Parliament and Council Directive 95/26/EC (OJ No. L168, 18.07.95, p. 7).

(3) Paragraphs (1) and (2) do not permit disclosure in contravention of any of the directive restrictions.

#### **Disclosure for the purposes of criminal proceedings and investigations**

4. A primary recipient of confidential information, or a person obtaining such information directly or indirectly from a primary recipient, is permitted to disclose such information to any person—

- (a) for the purposes of any criminal investigation whatever which is being or may be carried out, whether in the United Kingdom or elsewhere;
- (b) for the purposes of any criminal proceedings whatever which have been or may be initiated, whether in the United Kingdom or elsewhere; or
- (c) for the purpose of initiating or bringing to an end any such investigation or proceedings, or of facilitating a determination of whether it or they should be initiated or brought to an end.

#### **Disclosure for the purposes of certain other proceedings**

5.—(1) Subject to paragraphs (4) and (5), a primary recipient of confidential information, or a person obtaining such information directly or indirectly from a primary recipient, is permitted to disclose such information to—

- (a) a person mentioned in paragraph (3) for the purpose of initiating proceedings to which this regulation applies, or of facilitating a determination of whether they should be initiated; or
- (b) any person for the purposes of proceedings to which this regulation applies and which have been initiated, or for the purpose of bringing to an end such proceedings, or of facilitating a determination of whether they should be brought to an end.

(2) A person mentioned in paragraph (3) (or a person who is employed by the Authority or the Secretary of State) is permitted to disclose confidential information to any person for a purpose mentioned in paragraph (1)(a).

(3) The persons referred to in paragraphs (1)(a) and (2) are—

- (a) the Authority;
- (b) the Secretary of State; and
- (c) the Department of Enterprise, Trade and Investment in Northern Ireland.

(4) This regulation does not permit the disclosure of information with a view to the institution of, or in connection with, proceedings of the kind referred to in paragraph (6)(e) to the extent that—

- (a) the information relates to an authorised person, former authorised person or former regulated person (“A”);
- (b) the information also relates to another person (“B”) who, to the knowledge of the primary recipient (or person obtaining confidential information directly or indirectly from him), is or has been involved in an attempt to rescue A, or A’s business, from insolvency or impending insolvency; and
- (c) B is not a director, controller or manager of A.

(5) This regulation does not permit disclosure in contravention of any of the directive restrictions.

(6) The proceedings to which this regulation applies are—

- (a) civil proceedings arising under or by virtue of the Act, an enactment referred to in section 338 of the Act, the Banking Act 1979<sup>(14)</sup>, the Friendly Societies Act 1974<sup>(15)</sup>,

<sup>(14)</sup> 1979 c. 37.

<sup>(15)</sup> 1974 c. 46.

the Insurance Companies Act 1982<sup>(16)</sup>, the Financial Services Act 1986<sup>(17)</sup>, the Building Societies Act 1986<sup>(18)</sup>, the Banking Act 1987<sup>(19)</sup>, the Friendly Societies Act 1992<sup>(20)</sup> or the Investment Services Regulations 1995<sup>(21)</sup>;

- (b) proceedings before the Tribunal;
- (c) any other civil proceedings to which the Authority is, or is proposed to be, a party;
- (d) proceedings under section 7 or 8 of the Company Directors Disqualification Act 1986<sup>(22)</sup> or article 10 or 11 of the Companies (Northern Ireland) Order 1989<sup>(23)</sup> in respect of a director or former director of an authorised person, former authorised person or former regulated person; or
- (e) proceedings under Parts I to VI or IX to X of the Insolvency Act 1986<sup>(24)</sup>, the Bankruptcy (Scotland) Act 1985<sup>(25)</sup> or Parts II to VII or IX or X of the Insolvency (Northern Ireland) Order 1989<sup>(26)</sup> in respect of an authorised person, former authorised person or former regulated person.

### **Disclosure in pursuance of a Community obligation**

6. A primary recipient of confidential information, or a person receiving such information directly or indirectly from a primary recipient, is permitted to disclose such information in pursuance of a Community obligation.

### **Restrictions on use of confidential information**

7. Where confidential information is disclosed under these Regulations to a person other than the Authority, the Secretary of State, the Treasury or the Bank of England, and the disclosure is made subject to any conditions as to the use to which the information may be put, the person to whom the information has been disclosed may not use the information in breach of any such condition, without the consent of the person who disclosed it to him.

## **PART III**

### **DISCLOSURE OF SINGLE MARKET DIRECTIVE INFORMATION AND UCITS DIRECTIVE INFORMATION**

#### **Application of this Part**

8. This Part applies to single market directive information and UCITS directive information.

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<sup>(16)</sup> 1982 c. 50.

<sup>(17)</sup> 1986 c. 60.

<sup>(18)</sup> 1986 c. 53.

<sup>(19)</sup> 1987 c. 22.

<sup>(20)</sup> 1992 c. 40.

<sup>(21)</sup> S.I. 1995/3275.

<sup>(22)</sup> 1986 c. 46. Section 7 was amended by the Insolvency Act 2000 (c. 39), Sch. 4, Part I, and s. 6. Section 8 was amended by the Financial Services Act 1986 (c. 60), s. 198; the Criminal Justice (Scotland) Act 1987 (s. 41), s. 55(b); the Criminal Justice Act 1988 (c. 33), s. 145(b); the Criminal Procedure (Consequential Provisions) (Scotland) Act 1995 (c. 40), s. 5, Sch. 4, para 62; the Companies Act 1989 (c. 40), s. 79; and the Insolvency Act 2000, s. 6.

<sup>(23)</sup> S.I. 1989/2402 (N.I. 18).

<sup>(24)</sup> 1986 c. 45.

<sup>(25)</sup> 1985 c. 66.

<sup>(26)</sup> S.I. 1989/2405 (N.I. 19).

**Disclosure by the Authority or Authority workers to certain other persons**

9.—(1) Subject to paragraphs (2) and (3), the Authority or an Authority worker is permitted to disclose information to which this Part applies to a person specified in the first column in Schedule 1 for the purpose of enabling or assisting that person to discharge any of the functions listed beside him in the second column in that Schedule.

(2) Paragraph (1) does not permit disclosure to a person specified in the first column in Part 3 of Schedule 1 unless the disclosure is provided for by a cooperation agreement of the kind referred to in—

- (a) article 25.3 of the investment services directive;
- (b) article 30.3 of the banking consolidation directive;
- (c) article 15.3 of the third life insurance directive;
- (d) article 16.3 of the third non-life insurance directive, or
- (e) article 50.4 of the UCITS directive.

(3) Paragraph (1) does not permit disclosure to a person specified in the first column in Part 4 of Schedule 1—

- (a) of information obtained from an EEA competent authority, unless that authority has given its express consent to the disclosure; or
- (b) of information obtained in the course of an on-the-spot verification of the kind referred to in—
  - (i) article 24 of the investment services directive,
  - (ii) article 29 of the banking consolidation directive,
  - (iii) article 16 of the first life insurance directive, or
  - (iv) article 14 of the first non-life insurance directive,
 unless the EEA competent authority of the state in which the on-the-spot verification was carried out has given its express consent to the disclosure.

**Disclosure by Schedule 1 person**

10. A person specified in the first column in Schedule 1 is permitted to disclose information to which this Part applies for the purpose of enabling or assisting him to discharge any of the functions listed beside him in that Schedule.

**PART IV****DISCLOSURE OF CONFIDENTIAL INFORMATION  
NOT SUBJECT TO DIRECTIVE RESTRICTIONS****Application of this Part**

11. This Part applies to confidential information other than—

- (a) single market directive information;
- (b) UCITS directive information; or
- (c) confidential information received by the Authority—
  - (i) in the course of discharging functions conferred by Part VI of the Act on the competent authority; and

- (ii) from another competent authority designated for the purpose of the listing particulars directive, in the course of cooperating with that authority as provided for in article 24c.1 of that directive.

#### **Disclosure by and to a Schedule 1 or 2 person or disciplinary proceedings authority**

**12.**—(1) A primary recipient of information to which this Part applies, or a person obtaining such information directly or indirectly from a primary recipient, is permitted to disclose such information to—

- (a) a person specified in the first column in Schedule 1 or 2 for the purpose of enabling or assisting that person to discharge any function listed beside him in the second column in Schedule 1 or 2; or
- (b) a disciplinary proceedings authority for the purposes of any prescribed disciplinary proceedings which have been or may be initiated, or for the purpose of initiating or bringing to an end any such proceedings, or of facilitating a determination of whether they should be initiated or brought to an end.

(2) A person specified in the first column in Schedule 1 or 2 is permitted to disclose information to which this Part applies to any person for the purpose of enabling or assisting the person making the disclosure to discharge any function listed beside him in the second column in Schedule 1 or 2.

(3) A disciplinary proceedings authority is permitted to disclose information to which this Part applies to any person for any of the purposes mentioned in paragraph (1)(b).

## **PART V**

### **TRANSITIONAL PROVISIONS**

#### **Interpretation**

**13.** In this Part—

“pre-commencement information” means information which is subject to restrictions (with or without qualifications or exceptions) on disclosure by virtue of a pre-commencement provision;

“pre-commencement provision” means—

- (a) any provision in—
  - (i) Schedule 2B to the Insurance Companies Act 1982<sup>(27)</sup>;
  - (ii) Part VIII of the Financial Services Act 1986<sup>(28)</sup>;
  - (iii) Part V of the Banking Act 1987<sup>(29)</sup>; or
  - (iv) SRO rules;

which imposes restrictions on the disclosure of information, or creates exceptions or qualifications to such restrictions; or

- (b) regulation 48 of the Investment Services Regulations 1995<sup>(30)</sup>;

“recognised self-regulating organisation” means a body which immediately before the coming into force of section 348 of the Act was a recognised self-regulating organisation within the

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<sup>(27)</sup> 1982 c. 50.

<sup>(28)</sup> 1986 c. 60.

<sup>(29)</sup> 1987 c. 22.

<sup>(30)</sup> S.I. 1995/3275. Regulation 48 was amended by Regulation 11 of S.I. 1996/1669.

meaning of section 8(1) of the Financial Services Act 1986, or a recognised self-regulating organisation for friendly societies within the meaning of Schedule 11 to that Act;

“SRO rules” means the rules of a recognised self-regulating organisation;

“transitional information” means information which immediately before the coming into force of section 19 of the Act was subject to restrictions on disclosure by virtue of a pre-commencement provision.

### **Disclosure of pre-commencement information**

**14.**—(1) Before the coming into force of section 19 of the Act, each pre-commencement provision is to be treated as permitting the disclosure of pre-commencement information—

- (a) in accordance with regulation 3(1) as if it were confidential information;
- (b) to the Authority, the Secretary of State or the Treasury for the purpose referred to in regulation 3(2);
- (c) to any person for the purposes referred to in regulation 4; and
- (d) to—
  - (i) a person mentioned in regulation 5(3) for the purpose referred to in regulation 5(1)(a); or
  - (ii) any person for the purposes referred to in regulation 5(1)(b), but only if the proceedings in question are of the kind referred to in regulation 5(6)(a), (b) or (c).

(2) Paragraph (1) is not to be taken as—

- (a) precluding disclosure of pre-commencement information where that is otherwise permitted under the pre-commencement provision in question; or
- (b) permitting disclosure in contravention of any of the directive restrictions.

### **Disclosure of transitional information**

**15.**—(1) After the coming into force of section 19 of the Act, sections 348, 349 and 352 of the Act apply in relation to transitional information in the same way as they apply in relation to confidential information within the meaning of section 348(2) of the Act.

(2) Paragraph (1) does not apply to transitional information which—

- (a) has been made available to the public by virtue of being disclosed in any circumstances in which, or for any purposes for which, disclosure is not precluded by section 348 of the Act or a pre-commencement provision; or
- (b) satisfies the criterion set out in section 348(4)(b) of the Act.

(3) For the purposes of sections 348 and 349 of the Act as they apply by virtue of paragraph (1)—

- (a) a person who holds transitional information is to be treated as a primary recipient of the information if he—
  - (i) obtained it as mentioned in paragraph 1(2) or 5(1)(a) of Schedule 2B to the Insurance Companies Act 1982<sup>(31)</sup>;
  - (ii) was a primary recipient of the information for the purposes of section 179 of the Financial Services Act 1986<sup>(32)</sup>;

<sup>(31)</sup> Paragraphs 1(2) and 5(1)(a) were modified by S.I. 1997/2781, art. 8, Sch. paras. 53 and 57(a)(i).

<sup>(32)</sup> Section 179 was amended by the Companies Act 1989 (c. 40), Sch. 24; the Friendly Societies Act 1992 (c. 40), Sch. 18, para. 4; the Bank of England Act 1998 (c. 11), Sch. 5, para. 65(1) and Sch. 9; and S.I. 1992/1315 art. 10(1), Sch. 4, para. 4; and modified by S.I. 1992/3218, Sch. 9, para. 40; S.I. 1995/3275, reg. 48; and S.I. 1996/1669, reg. 12.



- (iii) received it as mentioned in section 82(1)(a) of the Banking Act 1987<sup>(33)</sup>; or
- (iv) received it as mentioned in regulation 48(1) of the Investment Services Regulations 1995<sup>(34)</sup>;

(b) any other person who holds transitional information is to be treated as having obtained the information directly or indirectly from a primary recipient.

(4) Transitional information which is subject to directive restrictions imposed by the single market directives or the UCITS directive is to be treated for the purposes of these Regulations as single market directive information or UCITS directive information respectively.

(5) Part IV of these Regulations does not apply to transitional information which is subject to directive restrictions imposed by article 25.3 of the listing particulars directive.

#### **Disclosure by recognised self-regulating organisations**

**16.** If a recognised self-regulating organisation discloses any information to the Authority for the purpose of enabling or assisting the Authority to discharge functions corresponding to functions of the organisation, the disclosure is not to be taken as a contravention of any duty to which the organisation is subject.

*Gordon Brown*

*David Jamieson*

Two of the Lords Commissioners of Her  
Majesty's Treasury

15th June 2001

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<sup>(33)</sup> Section 82 was modified by S.I. [1992/3218](#), Sch. 8, para 22.

<sup>(34)</sup> S.I. [1995/3275](#). Regulation 48 was amended by Regulation 11 of S.I. [1996/1669](#).

## SCHEDULE 1

Regulations 9, 10 and 12

DISCLOSURE OF CONFIDENTIAL INFORMATION WHETHER  
OR NOT SUBJECT TO DIRECTIVE RESTRICTIONS

## PART 1

| <i>Person</i>  | <i>Functions</i>   |
|--|--|
| The Bank of England, the European Central Bank or the central bank of any country or territory outside the United Kingdom  | (a) (a) Its functions as a monetary authority<br>(b) Its functions in relation to overseeing payment systems   |
| A body (other than a central bank) in a country or territory outside the United Kingdom having (a) functions as a monetary authority or (b) responsibility for overseeing payments systems | Its functions as such  |
| A recognised investment exchange (other than an overseas investment exchange)  | Its functions as such  |
| The body known as the Panel on Takeovers and Mergers   | All of its functions   |
| The Society of Lloyd's   | Its regulatory functions   |
| The Director General of Fair Trading   | (a) (a) His functions under the Act<br>(b) His functions under any other enactment in so far as they relate to the supervision of:<br>(i) former authorised persons or persons who have carried on former regulated activities; or<br>(ii) persons carrying on, or who have carried on, regulated activities |
| The Competition Commission   | (a) (a) Its functions under the Act<br>(b) Its functions under any other enactment in so far as they relate to the supervision of:<br>(i) former authorised persons or persons who have carried on former regulated activities; or<br>(ii) persons carrying on, or who have carried on, regulated activities |
| An official receiver appointed under section 399 of the Insolvency Act 1986 <sup>(35)</sup> ,  | His functions under enactments relating to insolvency, in so far as they relate to:  |

<sup>(35)</sup> 1986 c. 45.

| <i>Person</i>   | <i>Functions</i>   |
|---|--|
| or an official receiver for Northern Ireland appointed under article 355 of the Insolvency (Northern Ireland) Order 1989 <sup>(36)</sup>  | (i) former authorised persons or persons who have carried on former regulated activities; or<br>(ii) persons carrying on, or who have carried on, regulated activities |
| The scheme manager  | Its functions under Part XV of the Act   |
| A body responsible, in an EEA State other than the United Kingdom, for administering a deposit-guarantee scheme recognised in accordance with directive 94/19/EC <sup>(37)</sup> , or an investor-compensation scheme recognised in accordance with Directive 97/9/EC <sup>(38)</sup> | Its functions as such  |
| A designated professional body within the meaning of Part XX of the Act   | Its functions as such  |
| A body which was, immediately before the coming into force of section 19 of the Act, a recognised professional body within the meaning of the Financial Services Act 1986 <sup>(39)</sup>   | Its functions as such under that Act or under the Act  |
| A person appointed to make a report under section 166 of the Act  | His functions as such  |
| A person appointed to conduct an investigation under section 167 or section 168(3) or (5) of the Act  | His functions as such  |
| An auditor exercising functions conferred by or under the Act   | Those functions  |
| An auditor of an authorised person appointed under or as a result of an enactment (other than the Act)  | His functions as such  |
| An actuary exercising functions conferred by or under the Act   | Those functions  |
| A person appointed as an inspector under section 49 of the Industrial and Provident Societies Act 1965 <sup>(40)</sup>  | His functions as such  |
| A person appointed as an inspector under section 18 of the Credit Unions Act 1979 <sup>(41)</sup>   | His functions as such  |
| A person appointed to make a report under section 52(5)(d) of the Building Societies Act 1986 <sup>(42)</sup>   | His functions as such  |

<sup>(36)</sup> S.I. 1989/2405 (N.I. 19).<sup>(37)</sup> OJ No. L135, 31.5.1994, p. 5.<sup>(38)</sup> OJ No. L084, 26.3.1997, p. 22.<sup>(39)</sup> 1986 c. 60.<sup>(40)</sup> 1965 c. 12.<sup>(41)</sup> 1979 c. 34.<sup>(42)</sup> 1986 c. 53. Section 52 was amended by the Building Societies Act 1997 (c. 32), Sch. 7, para. 17.

*Status: This is the original version (as it was originally made).*

| <i>Person</i>  | <i>Functions</i>  |
|--|---|
| A person appointed as an investigator under section 55 of the Building Societies Act 1986 or as an inspector under section 56 of that Act <sup>(43)</sup>                        | His functions as such   |
| A person appointed to make a report under section 62(3)(d) of the Friendly Societies Act 1992 <sup>(44)</sup>  | His functions as such   |
| A person appointed as an investigator under section 65 of the Friendly Societies Act 1992 <sup>(45)</sup> or as an inspector under 66 of that Act                                | His functions as such   |
| A recognised supervisory body within the meaning of Part II of the Companies Act 1989 <sup>(46)</sup> or Part III of the Companies (Northern Ireland) Order 1990 <sup>(47)</sup> | <p>(a) (a) Its functions as such a body under that Part</p> <p>(b) Its functions in relation to disciplinary proceedings against auditors</p>   |
| A qualifying body as defined by section 32 of the Companies Act 1989 <sup>(48)</sup>   | Its functions as such   |
| The Institute of Actuaries or the Faculty of Actuaries   | Supervisory functions in relation to actuaries exercising functions conferred by or under the Act   |
| A recognised professional body within the meaning of section 391 of the Insolvency Act 1986 or article 350 of the Insolvency (Northern Ireland) Order 1989                       | <p>(a) (a) Its functions as such a body under that Act or that Order</p> <p>(b) Its functions in relation to disciplinary proceedings against insolvency practitioners</p>  |
| The Department of Enterprise, Trade and Investment in Northern Ireland   | <p>(a) (a) Its functions under Part V of the Companies (No. 2) (Northern Ireland) Order 1990 (financial markets and insolvency)<sup>(49)</sup></p> <p>(b) Its functions under Part XII of the Insolvency (Northern Ireland) Order 1989</p> <p>(c) Its functions under any other enactment in so far as they relate to the supervision of:</p> <p>(i) former authorised persons or persons who have carried on former regulated activities; or</p> |

<sup>(43)</sup> Sections 55 and 56 were amended by the Building Societies Act 1997, Sch. 7, paras 21 and 22 (respectively).

<sup>(44)</sup> Section 62 was amended by S.I. 1994/1984, reg. 17.

<sup>(45)</sup> Section 65 was amended by S.I. 1994/1984, reg. 19.

<sup>(46)</sup> 1989 c. 40.

<sup>(47)</sup> S.I. 1990/593 (N.I. 5).

<sup>(48)</sup> 1989 c. 40.

<sup>(49)</sup> S.I. 1990/1504 (N.I. 10).

| <i>Person</i>   | <i>Functions</i>  |
|---|---|
|   | (ii) persons carrying on, or who have carried on, regulated activities  |
| The Occupational Pensions Regulatory Authority  | <p>Its functions under:</p> <p>(a) the Pension Schemes Act 1993<sup>(50)</sup></p> <p>(b) the Pensions Act 1995<sup>(51)</sup>; or</p> <p>(c) any enactment in force in Northern Ireland corresponding to an enactment referred to in (a) or (b), in so far as they relate to the supervision of:</p> <p>(i) former authorised persons or persons who have carried on former regulated activities; or</p> <p>(ii) persons carrying on, or who have carried on, regulated activities</p> |
| The Charity Commissioners for England and Wales   | <p>Their functions under any enactment in so far as they relate to the supervision of:</p> <p>(i) former authorised persons or persons who have carried on former regulated activities; or</p> <p>(ii) persons carrying on, or who have carried on, regulated activities</p>  |
| The investigator appointed by the Authority in accordance with paragraph 7 of Schedule 1 to the Act | His functions as such   |

## PART 2

| <i>Person</i>               | <i>Functions</i>  |
|-----------------------------|---|
| An EEA regulatory authority | <p>(a) (a) Its functions as an EEA competent authority</p> <p>(b) Its functions corresponding to any of the functions specified in the second column of Part 1 of this Schedule</p> |

## PART 3

| <i>Person</i>                              | <i>Functions</i>      |
|--|-----------------------|
| A dependent territory regulatory authority | Its functions as such |
| A non-EEA regulatory authority             | Its functions as such |

<sup>(50)</sup> 1993 c. 48.

<sup>(51)</sup> 1995 c. 26.

*Status: This is the original version (as it was originally made).*

## PART 4

| <i>Person</i>   | <i>Functions</i>  |
|---|---|
| An inspector appointed under Part XIV of the Companies Act 1985   | His functions as such   |
| A person authorised to exercise powers under section 447 of the Companies Act 1985 <sup>(52)</sup>  | His functions as such   |
| A person authorised under section 84 of the Companies Act 1989 to exercise on behalf of the Secretary of State powers conferred by section 83 of that Act <sup>(53)</sup> | His functions as such   |
| The Department of Enterprise, Trade and Investment in Northern Ireland  | <p>(a) (a) Its functions under Part XV of the Companies (Northern Ireland) Order 1986<sup>(54)</sup> (investigation of companies and their affairs; requisition of documents)</p> <p>(b) Its functions under Part III of the Companies (Northern Ireland) Order 1990 (eligibility for appointment as company auditor)</p> <p>(c) Its functions under the Companies (Northern Ireland) Order 1989<sup>(55)</sup> (disqualification of company directors)</p> |
| An inspector appointed under Part XV of the Companies (Northern Ireland) Order 1986   | His functions under that Part   |
| A person appointed to exercise powers under article 440 of the Companies (Northern Ireland) Order 1986 <sup>(56)</sup>  | His functions as such   |
| A recognised clearing house (other than an overseas clearing house)   | Its functions as a clearing house in so far as they are exercisable in relation to defaults or potential defaults by market participants  |
| A person included on the list maintained by the Authority for the purposes of section 301 of the Act  | His functions under settlement arrangements to which regulations made under that section relate   |
| A person approved under the Uncertificated Securities Regulations 1995 <sup>(57)</sup> as an operator of a relevant system (within the meaning of those Regulations)      | His functions as such in so far as they are exercisable in relation to defaults or potential defaults by market participants  |

<sup>(52)</sup> Section 447 was amended by the Companies Act 1989, s. 63 and Sch. 24, and by the Youth Justice and Criminal Evidence Act 1999 (c. 23), Sch. 3, paras. 4 and 6.

<sup>(53)</sup> Section 83 was amended by the Youth Justice and Criminal Evidence Act 1999, Sch. 3, para. 21.

<sup>(54)</sup> S.I. 1986/1032 (N.I. 6).

<sup>(55)</sup> S.I. 1989/2404 (N.I. 18).

<sup>(56)</sup> Article 440 was amended by article 11 of, and Schedule 6 to the Companies (No. 2) (Northern Ireland) Order 1990 (S.I. 1990/1504 (N.I. 10)).

<sup>(57)</sup> S.I. 1995/3272, amended by S.I. 1996/2827, 1997/251, 1999/506, 2000/311 and 2000/1682.

## SCHEDULE 2

Regulation 12

DISCLOSURE OF CONFIDENTIAL INFORMATION  
NOT SUBJECT TO DIRECTIVE RESTRICTIONS

| <i>Person</i>  | <i>Functions</i>   |
|--|--|
| The Bank of England  | All its public functions (so far as not mentioned in Schedule 1)   |
| The International Monetary Fund  | All its functions  |
| The Director General of Fair Trading   | His functions under any enactment (so far as not mentioned in Schedule 1)  |
| The Competition Commission   | Its functions under any enactment (so far as not mentioned in Schedule 1)  |
| The Gas and Electricity Markets Authority  | Its functions under any enactment  |
| A local weights and measures authority in Great Britain  | Its functions as such under any enactment  |
| An EEA regulatory authority  | Its functions as such (so far as not mentioned in Schedule 1)  |
| The Department of Enterprise, Trade and Investment in Northern Ireland   | <p>(a) (a) Its functions under Part V of the Companies (No. 2) (Northern Ireland) Order 1990<sup>(58)</sup> (Financial Markets and Insolvency)</p> <p>(b) Its functions under Part XII of the Insolvency (Northern Ireland) Order 1989<sup>(59)</sup></p> <p>(c) Its functions under any other enactment (so far as not mentioned in Schedule 1)</p> <p>(d) Its functions as a weights and measures authority for Northern Ireland</p> |
| A recognised clearing house (other than an overseas clearing house)  | Its functions as such (so far as not mentioned in Schedule 1)  |
| A person approved under the Uncertificated Securities Regulations 1995 as an operator of a relevant system (within the meaning of those regulations)   | His functions as such (so far as not mentioned in Schedule 1)  |
| The scheme operator  | Its functions as such  |
| The Chief Ombudsman appointed in accordance with paragraph 5 of Schedule 17 to the Act, and any other member of the panel of ombudsmen appointed in accordance with paragraph 4 of that Schedule | Their functions as such  |

<sup>(58)</sup> S.I. 1990/1504 (N.I. 10).<sup>(59)</sup> S.I. 1989/2405 (N.I. 19).

*Status: This is the original version (as it was originally made).*

| <i>Person</i>  | <i>Functions</i>  |
|--|---|
| An inspector appointed under section 284 of the Act  | His functions as such   |
| A person appointed in accordance with regulations made under section 262(1) of the Act to carry out an investigation in relation to an open-ended investment company | His functions as such   |
| The Occupational Pensions Regulatory Authority   | Its functions under the Pension Schemes Act 1993 and the Pensions Act 1995 (so far as not mentioned in Schedule 1 to these Regulations) |
| The Charity Commissioners for England and Wales  | Their functions under any enactment (so far as not mentioned in Schedule 1)   |
| The Commissioners of Customs and Excise  | Their functions under any enactment   |
| The Postal Services Commission   | Its functions under the Postal Services Act 2000 <sup>(60)</sup>  |
| The Pensions Ombudsman   | His functions under the Pension Schemes Act 1993 and the Pensions Act 1995  |

### SCHEDULE 3

Regulation 2

#### PRESCRIBED DISCIPLINARY PROCEEDINGS

The following disciplinary proceedings are prescribed for the purposes of section 349(5)(d) of the Act—

- (a) disciplinary proceedings relating to the exercise by a barrister, solicitor, auditor, accountant, valuer or actuary of his professional duties;
- (b) disciplinary proceedings relating to the discharge of his duties by an officer or servant of—
  - (i) the Crown;
  - (ii) the Authority;
  - (iii) the body known as the Panel on Takeovers and Mergers;
  - (iv) the Charity Commissioners for England and Wales;
  - (v) the Director General of Fair Trading;
  - (vi) the Competition Commission;
  - (vii) the Insolvency Practitioners Tribunal in relation to its functions under the Insolvency Act 1986<sup>(61)</sup>;
  - (viii) the Occupational Pensions Board in relation to its functions under the Social Security Act 1973<sup>(62)</sup> and the Social Security Acts 1975 to 1986<sup>(63)</sup>;

<sup>(60)</sup> 2000 c. 26.

<sup>(61)</sup> 1986 c. 45.

<sup>(62)</sup> 1973 c. 38.

<sup>(63)</sup> 1986 c. 50; see s. 90(2).



- (ix) the organs of the Society of Lloyd's being organs constituted by or under Lloyd's Act 1982<sup>(64)</sup> in relation to their functions under Lloyd's Acts 1871–1982<sup>(65)</sup> and the byelaws made thereunder of the Society of Lloyd's;
- (x) the National Lottery Commission in relation to their functions under the National Lottery etc. Act 1993<sup>(66)</sup>.

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## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations specify the circumstances in which confidential information, within the meaning of the Financial Services and Markets Act 2000 (c. 8) (“the Act”), can be disclosed. Section 348 of the Act provides that—except as permitted by such regulations—confidential information must not be disclosed by a primary recipient, or by any person obtaining the information directly or indirectly from a primary recipient, without the consent of the person from whom the primary recipient obtained the information and (if different) the person to whom it relates. “Confidential information” is defined as information which—

- (a) relates to the business or other affairs of any person; and
- (b) was received by the primary recipient for the purposes of, or in the discharge of, any functions of the Financial Services Authority (“the FSA”), the competent authority for the purposes of Part VI of the Act (official listing—currently the FSA) or the Secretary of State, under any provision made by or under the Act.

But information is not “confidential information” if it has previously been lawfully made available to the public, or is in the form of a summary or collection of information which is so framed that it is not possible to ascertain from it information relating to any particular person.

“Primary recipients” of confidential information are the FSA, the Secretary of State; persons employed by them, or auditors or experts instructed by them; or a person appointed to make a report under section 166 of the Act (reports by skilled persons).

Disclosure of confidential information in breach of section 348, or use of such information in breach of the Regulations, is an offence under section 352 of the Act.

Part II of these Regulations sets out the circumstances in which confidential information may be disclosed by or to the FSA, the Secretary of State or the Treasury; for the purposes of criminal proceedings and investigations; for the purposes of certain civil proceedings; or in pursuance of a Community obligation. Regulation 7 provides that where information is disclosed subject to a restriction on use, it may not be used in breach of that condition without the consent of the person who disclosed it.

Part III makes provision for the disclosure of information which is subject to restrictions on disclosure in the EC directives relating to financial services. Such information—subject to the provisions of regulation 9—may be disclosed to or by the persons listed in Schedule 1, for the purposes of the functions indicated there.

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<sup>(64)</sup> 1982 c. 14.

<sup>(65)</sup> 34 Vict c. xxi, 1&2 Geo V c. lxii, 14&15 Geo VI c. viii, 1982 c. 14.

<sup>(66)</sup> 1993 c. 39.

**Status:** This is the original version (as it was originally made).

Part IV makes provision for the disclosure of information which is not subject to directive restrictions. Such information may be disclosed by or to the persons listed in Schedules 1 and 2, for the purposes of the functions indicated there; or for the purposes of certain disciplinary proceedings, as set out in Schedule 3.

Part V makes transitional provision about information obtained under former financial services legislation (to be repealed under the Act). Before the repeal of that legislation, information obtained under it may be disclosed for certain purposes permitted by these Regulations (regulation 14). After the repeal of that legislation, such information is to be treated in the same way as “confidential information” under the Act, and is to be subject to the provisions on disclosure in these Regulations (regulation 15).