
STATUTORY INSTRUMENTS

2001 No. 2256

**The Financial Services and Markets Act
2000 (Rights of Action) Regulations 2001**

Authority rules

6.—(1) The definition of “private person” in regulation 3 is prescribed for the purposes of section 150(5) of the Act (and so the contravention by an authorised person of a rule is actionable at the suit of a person who falls within that definition and who suffers loss as a result of that contravention).

(2) A case where any of the conditions specified by paragraph (3) is satisfied is prescribed for the purposes of section 150(3) of the Act (and so in such a case the contravention of a rule is actionable at the suit of a person who is not a private person).

(3) The conditions specified by this paragraph are that—

- (a) the rule that has been contravened prohibits an authorised person from seeking to make provision excluding or restricting any duty or liability;
- (b) the rule that has been contravened is directed at ensuring that transactions in any security or contractually based investment (within the meaning of the Regulated Activities Order) are not effected with the benefit of unpublished information that, if made public, would be likely to affect the price of that security or investment;
- (c) the action would be brought at the suit of a person (who is not a private person) acting in a fiduciary or representative capacity on behalf of a private person and any remedy would be exclusively for the benefit of that private person and could not be effected through an action brought otherwise than at the suit of the fiduciary or representative.

(4) In this regulation, “rule” has the meaning given by section 150(4) of the Act.