

## EXPLANATORY NOTE

*(This note does not form part of the Order)*

This Order amends the Financial Services and Markets Act 2000 (Financial Promotion) Order 2001 (S.I.2001/1335) (“the Financial Promotion Order”) by providing for two further exemptions from the financial promotion restriction in section 21 of the Financial Services and Markets Act 2000 (c. 8) (“the Act”). The first extends the exemption given to one off communications in article 28 of the Financial Promotion Order to cover certain unsolicited real time communications made to a recipient who understands the risks involved in engaged in the activity being promoted and who would expect to receive the communication. The second new article allows professional firms falling within Part XX of the Act to make non-real time communications to promote the activities that they are entitled to do because of Part XX. This exemption applies only where the communication does not go beyond the wording set out in the article.

Article 2(c) of the Order expands the existing exemption for promotions relating to the sale of a company so that it covers communications made on behalf of a person listed in article 62(1) of the Financial Promotion Order as well as communications made by such a person himself.

Article 3 of the Order adds a corresponding new exemption in respect of unsolicited one off real time communications to the Financial Services and Markets Act 2000 (Promotion of Collective Investment Schemes) (Exemptions) Order 2001 (S.I. 2001/1060).