
STATUTORY INSTRUMENTS

2001 No. 3544

**The Financial Services and Markets Act 2000
(Regulated Activities) (Amendment) Order 2001**

Regulated mortgage contracts

- 8.** In article 61 of the principal Order—
- (a) in paragraph (2), after “entered into” insert “by way of business”;
 - (b) for paragraph (3)(a) substitute—
 - “(a) a contract is a “regulated mortgage contract” if, at the time it is entered into, the following conditions are met—
 - (i) the contract is one under which a person (“the lender”) provides credit to an individual or to trustees (“the borrower”);
 - (ii) the contract provides for the obligation of the borrower to repay to be secured by a first legal mortgage on land (other than timeshare accommodation) in the United Kingdom;
 - (iii) at least 40% of that land is used, or is intended to be used, as or in connection with a dwelling by the borrower or (in the case of credit provided to trustees) by an individual who is a beneficiary of the trust, or by a related person;”;
 - (c) in paragraph (4), for “paragraph (3)(a)(ii)” substitute “paragraph 3(a)”.