
STATUTORY INSTRUMENTS

2001 No. 544

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

PART II

SPECIFIED ACTIVITIES

CHAPTER V

Dealing in Investments as Agent

Exclusions

Risk management

23.—(1) A person (“B”) does not carry on an activity of the kind specified by article 21 by entering as agent for a relevant person into a transaction with another person (“C”) if—

- (a) the transaction relates to investments of the kind specified by any of articles 83 to 85 (or article 89 so far as relevant to any of those articles);
- (b) neither B nor C is an individual;
- (c) the sole or main purpose for which B enters into the transaction (either by itself or in combination with other such transactions) is that of limiting the extent to which a relevant business will be affected by any identifiable risk arising otherwise than as a result of the carrying on of a regulated activity; and
- (d) the relevant business consists mainly of activities other than—
 - (i) regulated activities; or
 - (ii) activities which would be regulated activities but for any exclusion made by this Part.

(2) In paragraph (1), “relevant person” means—

- (a) a member of the same group as B; or
- (b) where B and another person are, or propose to become, participators in a joint enterprise, that other person;

and “relevant business” means a business carried on by a relevant person.