STATUTORY INSTRUMENTS

2001 No. 544

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

PART II

SPECIFIED ACTIVITIES

[F1CHAPTER XIA

PROVIDING BASIC ADVICE ON STAKEHOLDER PRODUCTS

[F1The activity

Textual Amendments

F1 Pt. 2 Ch. 11A inserted (6.4.2005) by The Financial Services and Markets Act 2000 (Regulated Activities) (Amendment) (No.2) Order 2004 (S.I. 2004/2737), arts. 1(1), **3**

Providing basic advice on stakeholder products

52B.—(1) Providing basic advice to a retail consumer on a stakeholder product is a specified kind of activity.

(2) For the purposes of paragraph (1), a person ("P") provides basic advice when—

(a) he asks a retail consumer questions to enable him to assess whether a stakeholder product is appropriate for that consumer; and

(b) relying on the information provided by the retail consumer P assesses that a stakeholder product is appropriate for the retail consumer and—

(i) describes that product to that consumer;

(ii) gives a recommendation of that product to that consumer; and

(c) the retail consumer has indicated to P that he has understood the description and the recommendation in sub-paragraph (b).

(3) In this article—

"retail consumer" means any person who is advised by P on the merits of opening or buying a stakeholder product in the course of a business carried on by P and who does not receive the advice in the course of a business carried on by him;

"stakeholder product" means—

(a) an account which qualifies as a stakeholder child trust fund within the meaning given by the Child Trust Funds Regulations 2004;

(b) **[**F2rights under a stakeholder pension scheme;**]**

"relevant stakeholder pension scheme" means a stakeholder pension scheme within the meaning given by section 1 of the Welfare Reform and Pensions Act 1999 and which is subject to lifestyling, and

"lifestyling" means the process, applied from a date at least five years before the member's retirement date, or, in the case of a member who joins the scheme less than five years before his retirement date, immediately after he becomes a member, and continuing until the member's retirement date, by which an investment strategy is adopted by the trustees or manager which aims progressively to minimise the variation or potential variation in the value of the member's rights caused by market conditions from time to time, and the words "member" and "scheme" have the same meaning as they have in the Welfare Reform and Pensions Act 1999;

(c) an investment of a kind specified in regulations made by the Treasury.**]**

Textual Amendments

F2 Words in art. 52B(3) substituted (6.4.2005) by The Financial Services and Markets Act 2000 (Regulated Activities) (Amendment) Order 2005 (S.I. 2005/593), arts. 1, **2(3)**

Changes to legislation:
The Financial Services and Markets Act 2000 (Regulated Activities) Order 2001, Cross Heading: The activity is up to date with all changes known to be in force on or before 21 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations.
View outstanding changes

Changes and effects yet to be applied to the whole Instrument associated Parts and Chapters:
Whole provisions yet to be inserted into this Instrument (including any effects on those provisions):

– Sch. 3 Pt. 1 para. 2(c) words substituted by S.I. 2023/548 art. 2(5)