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STATUTORY INSTRUMENTS

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**2006 No. 3384**

**The Financial Services and Markets Act 2000  
(Regulated Activities) (Amendment No. 3) Order 2006**

**PART 2**

**AMENDMENTS OF THE PRINCIPAL ORDER**

**Amendments of the principal Order**

**28.** In article 85 (contracts for differences etc.) after paragraph (2) insert—

“(3) Subject to paragraph (4), derivative instruments for the transfer of credit risk—

- (a) to which neither article 83 nor paragraph (1) applies; and
- (b) to which paragraph 8 of Section C of Annex I to the markets in financial instruments directive applies.

(4) Paragraph (3) only applies to derivatives in relation to which—

- (a) an investment firm or credit institution is providing or performing investment services and activities on a professional basis,
- (b) a management company is providing, in accordance with Article 5(3) of the UCITS directive, the investment service specified in paragraph 4 or 5 of Section A, or the ancillary service specified in paragraph 1 of Section B, of Annex I to the markets in financial instruments directive, or
- (c) a market operator is providing the investment service specified in paragraph 8 of Section A of Annex I to the markets in financial instruments directive.

(5) “Derivative instruments for the transfer of credit risk” has the same meaning as in the markets in financial instruments directive.”.