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## STATUTORY INSTRUMENTS

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# 2017 No. 1064

## The Central Securities Depositories Regulations 2017

### PART 2

#### Amendments to the Financial Services and Markets Act 2000

##### Amendments to the Financial Services and Markets Act 2000

2.—(1) The Financial Services and Markets Act 2000 is amended as follows.

(2) In section 3A <sup>F1</sup> (meaning of “regulator”), in subsection (3)(b) for “recognised investment exchanges and clearing houses” substitute “ recognised investment exchanges, clearing houses and CSDs ”.

(3) In section 55G <sup>F2</sup> (giving permission: special cases), in subsection (3)(a) omit “any of subsections (2) to (3C) of”.

(4) In section 128 <sup>F3</sup> (suspension of investigations)—

(a) in subsection (1) for “or recognised clearing house” substitute “ , recognised clearing house or recognised CSD ”;

(b) in subsections (1)(a) and (b) and (2)(a) for “or clearing house” substitute “ , clearing house or central securities depository ”.

(5) In section 133 <sup>F4</sup> (proceedings before Tribunal: general provision)—

(a) after subsection (1) insert—

“(1A) For the purposes of this section, in the case of a reference to the Tribunal under section 290(4A) (which relates to an application by a central securities depository under section 288A), the failure by the Bank of England to make a decision is treated as a decision to refuse the application (and accordingly is treated as falling within subsection (1)(b)).”;

(b) in subsection (7A)(m), after “312E” insert “ or 312FA ” and after “312F” insert “ or 312FA ”.

(6) In section 192B <sup>F5</sup> (meaning of “qualifying parent undertaking”), in subsection (3) for “or a recognised clearing house” substitute “ , a recognised clearing house or a recognised CSD ”.

(7) In section 192F (consultation between regulators), in subsection (3) after “recognised clearing house” insert “ or a recognised CSD ”.

(8) For the heading of Part 18 substitute “ Recognised investment exchanges, clearing houses and CSDs ”.

(9) In section 285 <sup>F6</sup> (exemption for recognised investment exchanges and clearing houses)—

(a) for the heading substitute “ Exemption for recognised bodies etc. ”;

(b) in subsection (1)—

(i) omit “and” after paragraph (c);

(ii) after paragraph (d) insert—

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- “(e) “recognised CSD” means a central securities depository in relation to which a recognition order is in force;
  - (f) “EEA CSD” means a person established in an EEA State other than the United Kingdom who has been authorised by the competent authority of that State as a central securities depository pursuant to Article 16 of the CSD regulation <sup>F7</sup>; and
  - (g) “third country CSD” means a central securities depository established in a State which is not an EEA State which has been recognised by ESMA pursuant to Article 25 of the CSD regulation.”;
- (c) after subsection (3C) insert—
  - “(3D) A recognised CSD is exempt from the general prohibition as respects any regulated activity which is carried on for the purposes of, or in connection with—
    - (a) the core services listed in Section A of the Annex to the CSD regulation which the central securities depository is authorised to provide pursuant to Article 16 or 19(1)(a) or (c) of that regulation, or
    - (b) any non-banking-type ancillary services listed in or permitted under Section B of that Annex which the central securities depository is authorised to provide, including services notified under Article 19 of the CSD regulation.
  - (3E) An EEA CSD is exempt from the general prohibition as respects any regulated activity which is carried on for the purposes of, or in connection with, the services and activities covered by its authorisation granted pursuant to Article 16 of the CSD regulation (including additional services authorised or notified under Article 19 of that regulation).
  - (3F) But where Article 23(2) of the CSD regulation applies to an EEA CSD, the EEA CSD is exempt from the general prohibition as mentioned in subsection (3E) only if Article 23(6) of that regulation is complied with.
  - (3G) A third country CSD is exempt from the general prohibition as respects any regulated activity which is carried on for the purposes of, or in connection with, the services and activities covered by its recognition by ESMA pursuant to Article 25 of the CSD regulation.
  - (3H) But a recognised CSD, an EEA CSD or a third country CSD is not exempt from the general prohibition as respects any regulated activity which is carried on for the purposes of, or in connection with, any banking-type ancillary service listed in or permitted under Section C of the Annex to the CSD regulation.”.
- (10) In section 285A <sup>F8</sup> (powers exercisable in relation to recognised investment exchanges and clearing houses)—
  - (a) for the heading substitute “ Powers exercisable in relation to recognised bodies ”;
  - (b) in subsection (2), after “recognised clearing houses” insert “ , recognised CSDs and EEA CSDs ”;
  - (c) in subsection (3)—
    - (i) in paragraph (a) for “investment exchanges and clearing houses” substitute “ bodies ”;
    - (ii) in paragraph (c) after “recognised clearing houses” insert “ and recognised CSDs ”.
- (11) In section 286 <sup>F9</sup> (qualification for recognition)—
  - (a) in subsection (1)(a) for “or clearing house” substitute “ , clearing house or central securities depository ”;

- (b) in subsection (2) for “or clearing house” substitute “, clearing house or central securities depository”;
  - (c) in subsection (3) for “or clearing house”, in both places, substitute “, clearing house or central securities depository”.
- (12) In section 288 <sup>F10</sup> (application by a clearing house), before subsection (1) insert—
- “(A1) This section applies only in relation to an application by a clearing house.”.
- (13) After section 288 insert—

**“288A Application by a central securities depository**

**288A.** Where a legal person which is established in the United Kingdom intends—

- (a) to operate a securities settlement system referred to in point (3) of Section A of the Annex to the CSD regulation, and
- (b) to provide at least one other core service listed in Section A of that Annex,

it may apply to the Bank of England in accordance with Article 17 of the CSD regulation and any directly applicable EU regulation made under that Article for an order granting authorisation for the purposes of Article 16 of that regulation and declaring it to be a recognised CSD for the purposes of this Act.”.

- (14) In section 289 <sup>F11</sup> (applications: supplementary), after subsection (4) insert—
- “(5) In relation to an application under section 288A, this section applies only in relation to information which the Bank of England may require in connection with recognition requirements which do not derive from the CSD regulation or any directly applicable EU regulation made under the CSD regulation.”.
- (15) In section 290 <sup>F12</sup> (recognition orders)—
- (a) in subsection (1)—
    - (i) omit “or” at the end of paragraph (b);
    - (ii) after paragraph (c) insert—

“; or
    - (d) where the application is made under section 288A, make a recognition order (a “CSD recognition order”) granting authorisation for the purposes of Article 16 of the CSD regulation and declaring the applicant to be a recognised CSD.”;
  - (b) after subsection (1D) insert—

“(1E) A CSD recognition order must specify—

    - (a) the core services listed in Section A of the Annex to the CSD regulation which the applicant is authorised to provide pursuant to Article 16 or 19(1)(a) or (c) of that regulation, and
    - (b) any non-banking-type ancillary services listed in or permitted under Section B of that Annex which the applicant is authorised to provide, including services notified under Article 19 of the CSD regulation.

(1F) A CSD recognition order must also record the terms of any of the following authorisations granted to the CSD under the CSD regulation or notifications made by the CSD under that regulation—

    - (a) an authorisation under Article 19(1) of the CSD regulation to outsource a core service under Article 30 of that regulation,

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- (b) an authorisation under Article 19(1)(d) of the CSD regulation (settlement of cash leg of securities settlement system in the books of another settlement agent),
  - (c) an authorisation under Article 19(1)(e) of the CSD regulation (setting up interoperable link),
  - (d) a notification under Article 19(5) of the CSD regulation (other CSD links),
  - (e) an authorisation under Article 54 or 56 of the CSD regulation to provide (in accordance with Article 54(2)(a) or (b)) any banking-type ancillary service listed in or permitted under Section C of the Annex to that regulation, and
  - (f) an authorisation to provide investment services and activities in addition to the services explicitly listed in Sections A and B of the Annex to the CSD regulation.”;
- (c) after subsection (4) insert—
- “(4A) If the Bank of England has not made a decision in relation to an application under section 288A within six months of that application being complete, the applicant may refer the matter to the Tribunal.
- (4B) For the purposes of subsection (4A), an application is “complete” when the Bank of England informs the applicant that it is complete pursuant to Article 17(3) of the CSD regulation.”;
- (d) after subsection (5) insert—
- “(5A) Section 298 has effect in relation to a decision to refuse an application under section 288A—
- (a) as it has effect in relation to a decision to make a revocation order under section 297(1B); and
  - (b) as if references to a recognised body were references to the applicant.”.

(16) After section 290ZA <sup>F13</sup> (variation of central counterparty recognition order) insert—

**“290ZB Variation of CSD recognition order**

- (1) Where the Bank of England—
    - (a) grants an authorisation in accordance with Article 19(1), 54 or 56 of the CSD regulation,
    - (b) receives a notification under Article 19 of that regulation, or
    - (c) decides to withdraw authorisation for a service, activity or financial instrument in accordance with Article 20(4) or 57(4) of that regulation,
 the Bank of England must vary the CSD recognition order accordingly.
  - (2) Where an authorisation to provide investment services and activities in addition to the services explicitly listed in Sections A and B of the Annex to the CSD regulation is granted, varied or withdrawn, the Bank of England must vary the CSD recognition order accordingly.
  - (3) The Bank of England may at any time vary a CSD recognition order for the purpose of correcting an error in, or omission from, the order.”.
- (17) In section 290A <sup>F14</sup> (refusal of recognition on ground of excessive regulatory provision), in subsection (6) for “or a recognised central counterparty” substitute “ , a recognised central counterparty or a recognised CSD ”.
- (18) In section 293 <sup>F15</sup> (notification requirements)—

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- (a) in subsection (3), after “this Act” insert “ or under Directive 2016/1148/EU of the European Parliament and of the Council of 6 July 2016 concerning measures for a high common level of security network and information systems across the Union <sup>F16</sup> ”;
  - (b) after subsection (5) insert—
    - “(5A) In relation to a recognised CSD, in subsection (5), “guidance” means guidance issued, or any recommendation made, in writing or other legible form and intended to have continuing effect, by the recognised CSD to—
    - (a) all or any class of its members, or
    - (b) persons using or seeking to use its services,with respect to any of the services or activities specified in its recognition order.”;
  - (c) after subsection (7) insert—
    - “(7A) In subsections (1) and (2), “recognised body” includes an EEA CSD.”.
- (19) In section 293A <sup>F17</sup> (information: compliance with EU requirements)—
- (a) the existing text becomes subsection (1);
  - (b) after subsection (1) insert—
    - “(2) The Bank of England may require an EEA CSD which provides any services referred to in the Annex to the CSD regulation in the United Kingdom to give the Bank reports on those services and statistical information relating to those services, at such times or in respect of such periods as may be specified by the Bank.
    - (3) A requirement under subsection (2) extends only to information which the Bank may reasonably require for the exercise of its functions under the CSD regulation or any directly applicable EU regulation made under the CSD regulation.”.
- (20) In section 294 <sup>F18</sup> (modification or waiver of rules), after subsection (6) insert—
- “(7) In this section, “recognised body”, in relation to rules made under section 293, includes an EEA CSD.”.
- (21) After section 295 <sup>F19</sup> (notification: overseas investment exchanges and overseas clearing houses) insert—

#### **“295A On-site inspection of EEA CSDs**

- (1) For the purposes of Article 24(1) of the CSD regulation (co-operation in relation to branches of EEA CSDs), the Bank of England may, on giving reasonable notice and at any reasonable time, carry out an on-site inspection of any branch maintained by an EEA CSD in the United Kingdom.
  - (2) Before carrying out an on-site inspection under subsection (1), the Bank of England must inform the competent authority of the EEA State in which the EEA CSD is established.
  - (3) The Bank of England's power under subsection (1) is enforceable, on the application of the Bank of England, by an injunction or, in Scotland, by an order for specific performance under section 45 of the Court of Session Act 1988 <sup>F20</sup>.”.
- (22) In section 296 <sup>F21</sup> (appropriate regulator's power to give directions)—
- (a) in subsection (1A), after “on it by” insert “ or under ”;
  - (b) after subsection (1A) insert—
    - “(1B) This section also applies in the circumstances described in the second subparagraph of Article 24(5) of the CSD regulation if it appears to the Bank of England that it is appropriate to give a direction to an EEA CSD in relation to any services referred to

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in the Annex to the CSD regulation which the EEA CSD provides in the United Kingdom, in order to ensure its compliance with obligations arising from the CSD regulation or any directly applicable EU regulation made under the CSD regulation.”;

(c) in subsection (2), for “the body” substitute “ the recognised body or EEA CSD ”;

(d) after subsection (2A) insert—

“(2B) In the case of an EEA CSD, the steps mentioned in subsection (2) may include—

(a) the granting to the Bank of England of access to any premises of the EEA CSD situated in the United Kingdom for the purpose of inspecting—

(i) those premises; or

(ii) any documents on the premises which appear to the Bank of England to be relevant for the purpose mentioned in subsection (2)(b);

(b) the suspension for the period specified in the direction of the carrying on in the United Kingdom by the EEA CSD of any activity in respect of which the EEA CSD is exempt from the general prohibition.”.

(23) In section 297 <sup>F22</sup> (revoking recognition)—

(a) after subsection (1A) insert—

“(1B) A CSD recognition order may be revoked by an order made by the Bank of England in accordance with Article 20 of the CSD regulation.”;

(b) in subsections (2), (2A) and (2D) after “recognised central counterparty” insert “ or a recognised CSD ”.

(24) In section 298 <sup>F23</sup> (directions and revocation: procedure)—

(a) in subsection (1), for “297(2),” substitute “ 297(1B), (2), ”;

(b) in subsection (6), after paragraph (a) insert—

“and

(aa) in the case of a direction under section 296 given to a recognised CSD or an EEA CSD or a revocation order under section 297(1B), give the recognised CSD or EEA CSD reasons for its decision.”;

(c) in subsection (6A), after paragraph (a) insert—

“(aa) gives any other direction under section 296 to a recognised CSD;

(ab) gives a direction under section 296 to an EEA CSD;

(ac) makes a revocation order under section 297(1B);”;

(d) after subsection (7) insert—

“(7A) Subsection (7) does not apply in relation to a direction given to a recognised CSD or EEA CSD under section 296.

(7B) But in the circumstances described in the second sub-paragraph of Article 24(5) of the CSD regulation, the Bank of England may give a direction to an EEA CSD under section 296 without following the procedure set out in subsections (1) to (5).”;

(e) after subsection (8) insert—

“(9) In this section, “recognised body” includes an EEA CSD.”.

(25) In section 300 <sup>F24</sup> (extension of functions of Tribunal)—

(a) in subsection (1)—

(i) omit “or” at the end of paragraph (a);

(ii) after paragraph (b) insert—

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“or

(c) of one or more central securities depositories in relation to which a recognition order under that section is in force or of such central securities depositories generally.”;

(b) in subsection (4), for “or clearing house” substitute “, clearing house or central securities depository”.

(26) In section 300E <sup>F25</sup> (power to disallow excessive regulatory provision: supplementary), in subsection (3) for “or recognised central counterparty” substitute “, recognised central counterparty or recognised CSD”.

(27) In section 312E <sup>F26</sup> (public censure)—

(a) after subsection (1) insert—

“(1A) In the circumstances described in the second sub-paragraph of Article 24(5) of the CSD regulation, if the Bank of England considers that an EEA CSD has contravened a relevant requirement imposed on it, it may publish a statement to that effect.”;

(b) in subsection (3)—

(i) in paragraph (a), after “recognised clearing house” insert “, a recognised CSD or an EEA CSD”;

(ii) in paragraph (c), after “imposed by” insert “ or under”.

(28) In section 312F (financial penalties)—

(a) the existing text becomes subsection (1);

(b) after subsection (1) insert—

“(2) In the circumstances described in the second sub-paragraph of Article 24(5) of the CSD regulation, if the Bank of England considers that an EEA CSD has contravened a relevant requirement imposed on it, it may impose on it a penalty, in respect of the contravention, of such amount as it considers appropriate.”.

(29) After section 312F (financial penalties) insert—

#### **“312FA Central securities depositories: further disciplinary measures**

(1) If the Bank of England considers that a contravention by a recognised CSD of a relevant requirement occurred with the consent or connivance of, or was attributable to any neglect on the part of, a member of the management body or other person who effectively controls the business of the recognised CSD, the Bank of England may do one or both of the following—

(a) publish a statement to that effect;

(b) impose on that person a penalty, in respect of the contravention, of such amount as it considers appropriate.

(2) If the Bank of England considers that a member of the management body or other person who effectively controls the business of a recognised CSD is responsible for a contravention by the central securities depository of a relevant requirement, it may do one or more of the following—

(a) publish a statement to that effect;

(b) impose on that person a penalty, in respect of the contravention, of such amount as it considers appropriate;

(c) prohibit that person from holding an office or position involving responsibility for taking decisions about the management of the recognised CSD.

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- (3) A prohibition under subsection (2)(c) may apply—
  - (a) for a specified period,
  - (b) until further notice, or
  - (c) for repeated serious contraventions, permanently.
- (4) The Bank of England may, on the application of the person subject to a prohibition under subsection (2)(c), vary or revoke the prohibition.
- (5) In the circumstances described in the second sub-paragraph of Article 24(5) of the CSD regulation, this section applies in relation to an EEA CSD as it applies in relation to a recognised CSD.”.
- (30) In section 312G (proposal to take disciplinary measures)—
  - (a) for subsection (1) substitute—
    - “(1) If the appropriate regulator proposes to impose a sanction—
      - (a) on a recognised body under section 312E or 312F, or
      - (b) on a person under section 312FA,
 it must give the body or person (as the case may be) a warning notice.”;
  - (b) after subsection (3) insert—
    - “(4) A warning notice about a proposal to impose a prohibition must specify the extent of the prohibition.
    - (5) In this section, “recognised body” includes an EEA CSD.”.
- (31) In section 312H (decision notice)—
  - (a) for subsection (1) substitute—
    - “(1) If the appropriate regulator decides to impose a sanction—
      - (a) on a recognised body under section 312E or 312F, or
      - (b) on a person under section 312FA,
 it must give the body or person (as the case may be) a decision notice.”;
  - (b) after subsection (3) insert—
    - “(3A) In the case of a prohibition, the decision notice must specify the extent of the prohibition.
    - (3B) The sanction which the appropriate regulator decides to impose may differ from that proposed in the warning notice.”;
  - (c) for subsection (4) substitute—
    - “(4) If the appropriate regulator decides to impose a sanction—
      - (a) on a recognised body under section 312E or 312F, or
      - (b) on a person under section 312FA,
 the body or person (as the case may be) may refer the matter to the Tribunal.”;
  - (d) after subsection (4) insert—
    - “(5) In this section, “recognised body” includes an EEA CSD.”.
- (32) In section 312I (publication)—
  - (a) after “section 312E” insert “ or 312FA ”;
  - (b) in paragraph (a) after “recognised body” insert “ , EEA CSD or person ”.
- (33) In section 312J (statement of policy)—



- (a) in subsection (1)—
    - (i) in paragraph (a) for “section 312F” substitute “ sections 312F and 312FA and prohibitions under section 312FA ”;
    - (ii) omit “and” after paragraph (a);
    - (iii) in paragraph (b) for “that section” substitute “ those sections ”;
    - (iv) after paragraph (b) insert—
      - “; and
      - (c) the period for which prohibitions under section 312FA are to have effect.”;
  - (b) in subsection (2)—
    - (i) after “penalty should be” insert “ , or what the period for which a prohibition is to have effect should be, ”;
    - (ii) omit “and” after paragraph (a);
    - (iii) after paragraph (b) insert—
      - “; and
      - (c) whether the person against whom action is to be taken is an individual.”;
  - (c) in subsection (5) after “section 312F” insert “ or 312FA ”.
- (34) In section 313 <sup>F27</sup> (interpretation of Part 18)—
- (a) in subsection (1)—
    - (i) in the definition of “application”, for “or 288” substitute “ , 288 or 288A ”;
    - (ii) in the definition of “applicant”, for “body corporate or unincorporated association which” substitute “ person who ”;
    - (iii) in the definition of “recognised body”, for “or a recognised clearing house” substitute “ , a recognised clearing house or a recognised CSD ”;
    - (iv) at the appropriate places insert—
      - ““CSD recognition order” means a recognition order made under section 290(1)(d);”
      - ““EEA CSD” has the meaning given in section 285;”
      - ““recognised CSD” has the meaning given in section 285;”;
  - (b) after subsection (1) insert—
    - “(1A) For the purposes of this Part, a clearing house does not include a central securities depository.”;
  - (c) in subsection (2), after “clearing house”, in both places, insert “ or central securities depository ”.
- (35) In section 345 <sup>F28</sup> (disciplinary measures: FCA), in subsection (5) after “recognised clearing house” insert “ or a recognised CSD ”.
- (36) In section 410 <sup>F29</sup> (international obligations), in subsection (4) after paragraph (d) insert—
  - “(da) any recognised CSD;”.
- (37) In section 410A <sup>F30</sup> (fees to meet certain expenses of the Treasury), in subsection (8)(c) after “recognised clearing houses” insert “ and recognised CSDs ”.
- (38) In section 417 <sup>F31</sup> (definitions), in subsection (1)—
- (a) after the definition of the “capital requirements regulation” insert—

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““central securities depository” has the meaning given by point (1) of Article 2(1) of the CSD regulation;”;

- (b) in the definition of “exempt person” omit “any of subsections (2) to (3C) of section”;
- (c) in the definition of “recognised clearing house” and “recognised investment exchange” before “ “recognised clearing house”” insert “ “recognised CSD”, ”.

(39) In Schedule 17A <sup>F32</sup> (further provision in relation to the exercise of Part 18 functions by the Bank of England)—

- (a) in paragraph 7 after “recognised clearing house” insert “ or a recognised CSD ”;
- (b) in paragraph 10(2) after “recognised clearing house” insert “ , an EEA CSD or a recognised CSD ”;
- (c) in paragraph 11, in sub-paragraph (1)—
  - (i) after paragraph (a) insert—
    - “(aa) a recognised CSD;
    - (ab) an EEA CSD, in relation to any services referred to in the Annex to the CSD regulation which the EEA CSD provides in the United Kingdom, in the circumstances described in Article 24(4) or (5) of the CSD regulation;”;
  - (ii) in paragraph (b) after “recognised clearing house” insert “ , a recognised CSD or an EEA CSD (as the case may be) ”;
- (d) in paragraph 12, after “recognised clearing house” insert “ , a recognised CSD or an EEA CSD ”;
- (e) in paragraph 13—
  - (i) in sub-paragraph (1) after “overseas clearing house” insert “ or to any recognised CSD ”;
  - (ii) after sub-paragraph (1) insert—
    - “(1A) In relation to an EEA CSD, those powers are exercisable only in the circumstances described in Article 24(4) or (5) of the CSD regulation and in relation to any services referred to in the Annex to the CSD regulation which the EEA CSD provides in the United Kingdom.”;
- (f) in paragraph 14, in sub-paragraph (2)—
  - (i) in paragraphs (a) to (e) after “clearing house” insert “ or a central securities depository ”;
  - (ii) after paragraph (e) insert—
    - “(f) in the circumstances described in Article 24(4) or (5) of the CSD regulation, an EEA CSD providing any services referred to in the Annex to the CSD regulation in the United Kingdom may have contravened the CSD regulation.”;
- (g) in paragraph 17—
  - (i) in sub-paragraph (2) after “overseas clearing house” insert “ or to a recognised CSD ”;
  - (ii) in sub-paragraph (3)(a) and (c) after “recognised clearing houses” insert “ or recognised CSDs ”;
  - (iii) in sub-paragraph (4) after “recognised clearing house” insert “ or a recognised CSD ”;

- (h) in paragraph 18—
  - (i) after “recognised clearing house”, in each place, insert “ or a recognised CSD ”;
  - (ii) in sub-paragraph (2), for “or the EMIR regulation” substitute “ , the EMIR regulation or the CSD regulation ”;
- (i) in paragraph 19—
  - (i) after “a recognised clearing house”, in each place, insert “ or a recognised CSD ”;
  - (ii) in sub-paragraph (2)(a), for “or the EMIR regulation” substitute “ , the EMIR regulation or the CSD regulation ”;
  - (iii) in sub-paragraph (2)(b), after “the recognised clearing house” insert “ or the recognised CSD ”;
- (j) in paragraph 20 after “recognised clearing house”, in each place, insert “ or a recognised CSD ”;
- (k) in paragraph 21 after “recognised clearing house”, in both places, insert “ or a recognised CSD ”;
- (l) in paragraph 22 after “recognised clearing house” insert “ or a recognised CSD ”;
- (m) in paragraph 23(1) after “recognised clearing houses” insert “ or recognised CSDs ”;
- (n) in paragraph 24(2) after “recognised clearing house” insert “ or a recognised CSD ”;
- (o) in paragraph 25—
  - (i) the existing text becomes sub-paragraph (1);
  - (ii) after sub-paragraph (1) insert—

“(2) In the case of any regulated activity which is carried on for the purposes of, or in connection with, the provision of any service mentioned in section 285(3D), the reference to the FCA in section 375(1) is to be read as including a reference to the Bank.”.
- (p) in paragraph 26(2)(a) after “recognised clearing house” insert “ , a recognised CSD or an EEA CSD (and for this purpose a prohibition imposed under section 312FA(2)(c) (prohibition on person holding office etc. with a central securities depository) is treated as a requirement) ”;
- (q) in paragraph 28—
  - (i) in sub-paragraph (2), in the words before paragraph (a), after “recognised clearing house” insert “ , a recognised CSD or an EEA CSD ”;
  - (ii) in sub-paragraph (2), in paragraph (a), after “recognised clearing house” insert “ , the recognised CSD or the EEA CSD ”;
  - (iii) in sub-paragraph (4)(a) after “recognised clearing house” insert “ , the recognised CSD or the EEA CSD ”;
- (r) in paragraph 30(a) after “recognised clearing house” insert “ , a recognised CSD or an EEA CSD ”;
- (s) in paragraph 32 after “recognised clearing houses” insert “ , recognised CSDs and EEA CSDs ”;
- (t) in paragraph 33(a) after “recognised clearing houses” insert “ , recognised CSDs and EEA CSDs ”;
- (u) in paragraph 34—
  - (i) after “a recognised clearing house”, in each place, insert “ or a recognised CSD ”;

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- (ii) in sub-paragraph (5)(c) after “the recognised clearing house” insert “ or the recognised CSD ”;
- (iii) in sub-paragraph (8) after “recognised clearing house's” insert “or a recognised CSD's”;
- (v) in paragraph 35—
  - (i) in sub-paragraph (1) after “recognised clearing house” insert “ or a recognised CSD ”;
  - (ii) in sub-paragraph (2)—
    - (aa) omit “and” at the end of paragraph (b);
    - (bb) at the beginning of paragraph (c) insert “ in the case of a company which is, or has been, a recognised clearing house, ”;
    - (cc) insert “ and ” at the end of paragraph (c);
    - (dd) after paragraph (c) insert—
      - “(d) in the case of a company which is, or has been, a recognised CSD, maintaining the continuity of the services referred to in section 285(3D).”;
- (w) in paragraph 36—
  - (i) in sub-paragraph (1) for “or third country central counterparties” substitute “ , third country central counterparties, recognised CSDs, EEA CSDs or settlement internalisers (as defined in point (11) of Article 2(1) of the CSD regulation) ”;
  - (ii) in sub-paragraph (3)—
    - (aa) omit “or” at the end of paragraph (a);
    - (bb) insert “ or ” at the end of paragraph (b);
    - (cc) after paragraph (b) insert—
      - “(c) in preparation for the exercise of functions by the Bank under Article 9(1) of the CSD regulation.”.

- F1** [Section 3A](#) was inserted by section 6 of the [Financial Services Act 2012 \(c.21\)](#) and amended by section 135 of the [Financial Services \(Banking Reform\) Act 2013 \(c.33\)](#).
- F2** [Section 55G](#) was inserted by section 11 of the Financial Services Act 2012 and amended by [S.I. 2013/504](#).
- F3** [Section 128](#) was amended by paragraph 9 of Schedule 9 to the Financial Services Act 2012 and [S.I. 2016/680](#). There are other amendments but none is relevant.
- F4** [Section 133](#) was substituted by [S.I. 2010/22](#); subsection (7A) was inserted by section 23 of the Financial Services Act 2012.
- F5** [Sections 192B](#) and [192F](#) were inserted by section 27 of the Financial Services Act 2012. [Section 192F](#) was amended by paragraph 41 of Schedule 2 to the [Bank of England and Financial Services Act 2016 \(c.14\)](#).
- F6** [Section 285](#) was amended by section 28 of the Financial Services Act 2012, and [S.I. 2013/504](#).
- F7** OJ No L257, 28.8.2014, p1.
- F8** [Section 285A](#) was inserted by section 29 of the Financial Services Act 2012 and amended by paragraph 43 of Schedule 2 to the Bank of England and Financial Services Act 2016 and [S.I. 2013/504](#).
- F9** [Section 286](#) was amended by paragraph 2 of Schedule 8 to the Financial Services Act 2012. There are other amendments but none is relevant.
- F10** [Section 288](#) was amended by paragraph 4 of Schedule 8 to the Financial Services Act 2012 and [S.I. 2013/504](#).

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- F11** [Section 289](#) was amended by paragraph 5 of Schedule 8 to the Financial Services Act 2012 and [S.I. 2013/504](#).
- F12** [Section 290](#) was amended by paragraph 6 of Schedule 8 to the Financial Services Act 2012 and [S.I. 2007/126](#), 2013/504 and 2017/701.
- F13** [Section 290ZA](#) was inserted by [S.I. 2013/504](#).
- F14** [Section 290A](#) was inserted by section 4 of the Investment Exchanges and Clearing Houses Act 2006(c.55) and amended by paragraph 7 of Schedule 8 to the Financial Services Act 2012 and [S.I. 2013/504](#).
- F15** [Section 293](#) was amended by paragraph 10 of Schedule 8 to the Financial Services Act 2012.
- F16** OJ No L194, 19.7.2016, p1.
- F17** [Section 293A](#) was inserted by [S.I. 2007/126](#) and substituted by paragraph 11 of Schedule 8 to the Financial Services Act 2012.
- F18** [Section 294](#) was amended by paragraph 12 of Schedule 8 to the Financial Services Act 2012.
- F19** [Section 295](#) was amended by paragraph 13 of Schedule 8 to the Financial Services Act 2012.
- F20** 1988 c.36.
- F21** [Section 296](#) was amended by paragraph 14 of Schedule 8 to the Financial Services Act 2012 and [S.I. 2007/126](#).
- F22** [Section 297](#) was amended by paragraph 15 of Schedule 8 to the Financial Services Act 2012 and [S.I. 2007/126](#), 2012/916, 2013/504 and 2016/715.
- F23** [Section 298](#) was amended by section 32 of, and paragraph 16 of Schedule 8 to, the Financial Services Act 2012 and [S.I. 2007/126](#) and 2016/715.
- F24** [Section 300](#) was amended by [S.I. 2016/680](#).
- F25** [Section 300E](#) was inserted by section 2 of the Investment Exchanges and Clearing Houses Act 2006 and amended by [S.I. 2013/504](#).
- F26** [Sections 312E to 312K](#) were inserted by section 33 of the Financial Services Act 2012.
- F27** [Section 313](#) was amended by paragraph 36 of Schedule 8 to the Financial Services Act 2012 and [S.I. 2007/126](#), 2013/504, 2014/892 and 2017/701.
- F28** [Section 345](#) was substituted by paragraph 7 of Schedule 13 to the Financial Services Act 2012.
- F29** [Section 410\(4\)](#) was amended by sections 16 and 47 of the Financial Services Act 2012.
- F30** [Section 410A](#) was inserted by section 135 of the Financial Services (Banking Reform) Act 2013.
- F31** In section 417(1), the definition of “capital requirements regulation” was inserted by [S.I. 2013/3115](#) and the definition of “exempt person” was amended by [S.I. 2013/504](#).
- F32** [Schedule 17A](#) was inserted by Schedule 7 to the Financial Services Act 2012, and was amended by paragraph 5 of Schedule 10 to the Financial Services (Banking Reform) Act 2013, paragraph 51 of Schedule 2 to the Bank of England and Financial Services Act 2016 and [S.I. 2013/504](#), 2014/2879 and 2016/715.

**Changes to legislation:**

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**Changes and effects yet to be applied to :**

- Regulations revoked by [2023 c. 29 Sch. 1 Pt. 2](#)