STATUTORY INSTRUMENTS

2016 No. 163

FINANCIAL SERVICES AND MARKETS

The Financial Services (Banking Reform) Act 2013 (Consequential Amendments) Order 2016

Made - - - -	*10th February 2016*
Laid before Parliament	*12th February 2016*
Coming into force - -	*7th March 2016*

The Treasury are designated(**1**) for the purposes of section 2(2) of the European Communities Act 1972(**2**) ("the 1972 Act") in relation to financial services.

The Treasury, in exercise of the powers conferred by section 2(2) of the 1972 Act and section 145 of the Financial Services (Banking Reform) Act 2013(**3**), make the following Order:

Citation and commencement

1. This Order may be cited as the Financial Services (Banking Reform) Act 2013 (Consequential Amendments) Order 2016 and comes into force on 7th March 2016.

Amendment to the Financial Services and Markets Act 2000 (Transitional Provisions and Savings) (Civil Remedies, Discipline, Criminal Offences etc.) (No. 2) Order 2001

2. In article 9(3) of the Financial Services and Markets Act 2000 (Transitional Provisions and Savings) (Civil Remedies, Discipline, Criminal Offences etc.) (No. 2) Order 2001(**4**) for "subsection (2) of that section" substitute "section 66A or section 66B".

Amendments to the Payment Services Regulations 2009

3. In Part 1 of Schedule 5 to the Payment Services Regulations 2009(**5**) for paragraph 1 substitute —

> "**1.** Sections 66 (disciplinary powers) to 70 (statements of policy: procedure) of the 2000 Act apply but as if for section 66A (misconduct: action by the FCA) there were substituted—

(**1**) The European Communities (Designation) Order 2012 (S.I. 2012/1759).
(**2**) 1972 c. 68. Section 2(2) was amended by section 27(1)(a) of the Legislative and Regulatory Reform Act 2006 (c. 51) and Part 1 of the Schedule to the European Union (Amendment) Act 2008 (c .7).
(**3**) 2013 c. 33.
(**4**) S.I. 2001/3083. Article 9 was amended by S.I. 2013/472.
(**5**) S.I. 2009/209. Paragraph 1 of Part 1 of Schedule 5 was amended by S.I. 2013/472.

"**66A.**—(1) For the purposes of action by the FCA, a person is guilty of misconduct if, while a relevant person, the person has been knowingly concerned in a contravention of the Payment Services Regulations 2009 by an authorised payment institution or a small payment institution.

(2) "Relevant person" means any person responsible for the management of the authorised payment institution or small payment institution or, where relevant, any person responsible for the management of the institution's payment services activities.".".

Amendments to the Electronic Money Regulations 2011

4. In Part 1 of Schedule 3 to the Electronic Money Regulations 2011(**6**) for paragraph 1 substitute —

"**1.** Sections 66 (disciplinary powers) to 70 (statements of policy: procedure) of the 2000 Act apply with the following modifications—

(a) in section 66 omit subsections (3)(aa) to (ac), (3A) to (3D), (5A), (8) and (9); and

(b) for section 66A substitute—

"**66A.**—(1) For the purpose of action by the FCA, a person is guilty of misconduct if, while a relevant person, the person has been knowingly concerned in a contravention of the Electronic Money Regulations 2011 by an electronic money issuer which is an electronic money institution, credit institution, credit union or municipal bank.

(2) "Relevant person" means any person responsible for the management of the electronic money issuer or, where relevant, any person responsible for the management of electronic money issuance by the electronic money issuer."; and

(c) in section 67—

(i) omit subsections (2A), (2B), (5A), (5B), (8) and (9);

(ii) in subsection (1) omit the words from "; and if it proposes" to the end;

(iii) in subsection (4) omit the words from "and if it decides" to the end; and

(iv) in subsection (7) omit the words "and if the regulator decides" to the end.".

Amendments to the Payments in Euro (Credit Transfers and Direct Debits) Regulations 2012

5.—(1) Paragraph 1 of Part 1 of the Schedule to the Payments in Euro (Credit Transfers and Direct Debits) Regulations 2012(**7**) is amended as follows.

(2) For sub-paragraph (a) substitute—

"(a) in section 66 omit subsections (1A)(b), (3)(aa) to (ac), (3A) to (3D), (5A), (8) and (9);

(aa) for section 66A substitute—

"**66A.**—(1) A person ("P") is guilty of misconduct if, while a relevant person, P has been knowingly concerned in a contravention by a payment service provider of either or both—

(**6**) S.I. 2011/99. Paragraph 1 of Part 1 of Schedule 3 was amended by S.I. 2013/472.
(**7**) S.I. 2012/3122. Paragraph 1 of Part 1 of the Schedule was amended by S.I. 2013/472.