STATUTORY INSTRUMENTS

# 2015 No. 1865

# FINANCIAL SERVICES AND MARKETS

## The Financial Services and Markets Act 2000 (Relevant Authorised Persons) Order 2015

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| *Made - - - -* | *4th November 2015* |
| *Coming into force - -* | *9th November 2015* |

The Treasury, in exercise of the powers conferred by section 71A(4) and section 428(3) of the Financial Services and Markets Act 2000(**1**), section 146 of the Financial Services (Banking Reform) Act 2013(**2**), and section 28(2)(a) of the Small Business, Enterprise and Employment Act 2015(**3**) make the following Order.

In accordance with section 71A(5) of the Financial Services and Markets Act 2000 the Treasury has consulted the Financial Conduct Authority, the Prudential Regulation Authority, organisations that appeared to the Treasury to be representative of interests substantially affected by this Order and other organisations that the Treasury considered appropriate to consult.

In accordance with section 429(1) of that Act(**4**), a draft of this Order has been laid before Parliament and approved by a resolution of each House of Parliament.

### Citation, commencement and interpretation

**1.**—(1) This Order may be cited as the Financial Services and Markets Act 2000 (Relevant Authorised Persons) Order 2015 and comes into force on 9th November 2015.

(2) In this Order —

"the Act" means the Financial Services and Markets Act 2000; and

"branch" means a place of business that forms a legally dependent part of a non-UK institution(**5**) and conducts directly all or some of the operations inherent in its business.

(**1**) 2000 c.8. Section 71A was inserted by section 33 of the Financial Services (Banking Reform) Act 2013 (c. 33) (the "2013 Act").
(**2**) 2013 c.33.
(**3**) 2015 c. 26.
(**4**) Section 429(1) was amended by section 136 of the 2013 Act. There are other amendments but none are relevant to this Order.
(**5**) "non-UK institution" is defined section 71A(6)(b) of the Act.

**Relevant authorised persons**

**2.**—(1) For the purposes of Part 5 of the Act and for the purposes of the Financial Services (Banking Reform) Act 2013 (Transitional and Savings Provisions) Order 2015(**6**), a non-UK institution is a relevant authorised person if it—

(a) meets condition A or B;

(b) has a branch in the United Kingdom; and

(c) is not an insurer.

(2) Condition A is that the non-UK institution is a credit institution which has permission under Part 4A of the Act or resulting from Schedule 3 or 4 to the Act to carry on the regulated activity of accepting deposits(**7**).

(3) Condition B is that—

(a) the non-UK institution is an investment firm(**8**);

(b) it has permission under Part 4A of the Act or resulting from Schedule 3 or 4 to the Act to carry on the regulated activity of dealing in investments as principal(**9**); and

(c) when carried on by it, that activity is a PRA-regulated activity(**10**).

(4) In this article "insurer" means an institution which is authorised under the Act to carry on the regulated activity of effecting or carrying out contracts of insurance as principal(**11**).

**Review**

**3.**—(1) The Treasury must from time to time—

(a) carry out a review of article 2,

(b) set out the conclusions of the review in a report, and

(c) publish the report.

(2) The report must in particular—

(a) set out the objectives intended to be achieved by the regulatory provision made by article 2,

(b) assess the extent to which those objectives are achieved, and

(c) assess whether those objectives remain appropriate and, if so, the extent to which they could be achieved with a system that imposes less regulation.

(3) The first report under this article must be published before the end of the period of five years beginning with the day on which this Order comes into force.

(4) Reports under this article are afterwards to be published at intervals not exceeding five years.

(**6**) S.I. 2015/492.
(**7**) "regulated activity" is defined in section 22 of the Financial Services and Markets Act 2000 (the "Act").
(**8**) "investment firm" is defined in section 424A of the Act. Section 424A was inserted by S.I. 2006/2975.
(**9**) The activity of dealing in investments as principal is specified in article 14 of S.I. 2001/544.
(**10**) "PRA-regulated activity" is defined in section 22A of the Act, inserted by section 9 of the Financial Services Act 2012 (c. 21). The Treasury has specified PRA-regulated activities in S.I. 2013/556.
(**11**) The activity of effecting and carrying out contracts of insurance as principal is specified in article 10 of S.I. 2001/544.