Draft Order laid before Parliament under section 235(5) of the Banking Act 2009, for approval by resolution of each House of Parliament

DRAFT STATUTORY INSTRUMENTS

2011 No.

FINANCIAL SERVICES AND MARKETS

The Investment Bank (Amendment of Definition) Order 2011

Made - - - - ***

Coming into force in accordance with article 1

The Treasury make the following Order in exercise of the powers conferred by section 232(6) of the Banking Act 2009(**1**).

A draft of this Order has been laid before and approved by resolution of each House of Parliament in accordance with section 235(5) of that Act.

Citation, commencement and interpretation

1.—(1) This Order may be cited as the Investment Bank (Amendment of Definition) Order 2011 and comes into force on the day after the day on which it is made.

(2) In this Order, "the Act" means the Banking Act 2009.

Meaning of "client assets"

2.—(1) For the purposes of sections 232 to 236 of the Act, "client assets"—

(a) includes money, but

(b) does not include anything which an institution holds for the purposes of carrying on an insurance mediation activity unless—

(i) the activity arises in the course of carrying on an investment activity, or

(ii) the institution has elected, in relation to the thing, to comply with rules that would apply in relation to it if the activity were not an insurance mediation activity.

(2) In this article, the definitions in section 232(5B) of the Act, (inserted by article 3(2)), apply.

Amendments consequential on article 2

3.—(1) Section 232 of the Act (definition of "investment bank") is amended as follows.

(**1**) 2009 c.1.