
STATUTORY INSTRUMENTS

2001 No. 3649

**The Financial Services and Markets Act 2000
(Consequential Amendments and Repeals) Order 2001**

PART 2

AMENDMENTS TO THE COMPANIES LEGISLATION

Companies Act 1985 (c. 6)

Membership of holding company

4.—(1) Section 23 (membership of holding company) of the Companies Act 1985(1) is amended as follows.

(2) In paragraph (b) of subsection (3B), for “section 75 of the Financial Services Act 1986” substitute “section 236 of the Financial Services and Markets Act 2000”.

(3) For paragraphs (d) and (e) of that subsection substitute—

“(d) “insurance business” means business which consists of the effecting or carrying out of contracts of insurance;

(e) “securities” includes—

(i) options,

(ii) futures, and

(iii) contracts for differences,

and rights or interests in those investments;”.

(4) In paragraph (f) of that subsection, for “section 75(8) of the Financial Services Act 1986” substitute “section 237(2) of the Financial Services and Markets Act 2000”.

(5) After that subsection, insert—

“(3BA) Subsection (3B) must be read with—

(a) section 22 of the Financial Services and Markets Act 2000;

(b) any relevant order under that section; and

(c) Schedule 2 to that Act.”.

Meaning of “offer to the public”

5. Sections 59 and 60 of the 1985 Act(2) (so far as those sections continue to have effect) are repealed.

(1) Section 23 was substituted by the Companies Act 1989 (c. 40), section 129 and amended by S.I. 1990/1392, article 8; S.I. 1990/1707, article 8; S.I. 1997/2306, regulations 2 and 3.

(2) Repealed in part by the Financial Services Act 1986 (c. 60), Schedule 17; section 60 was amended by S.I. 1991/2000, regulation 5.

Purchase by company of its own shares: definition of “off-market” and “market” purchase

6.—(1) Section 163 of the 1985 Act (meaning of “off-market” and “market” purchase)(3) is amended as follows.

(2) In subsection (2)(a) for “Part IV of the Financial Services Act 1986” substitute “Part 6 of the Financial Services and Markets Act 2000”.

(3) For subsection (4) substitute—

“(4) “Recognised investment exchange” means a recognised investment exchange other than an overseas investment exchange.

(5) Expressions used in the definition contained in subsection (4) have the same meaning as in Part 18 of the Financial Services and Markets Act 2000.”.

Duty of company as to issue of certificates

7. For subsection (4) of section 185 of the 1985 Act (duty of company to issue certificates in relation to shares allotted or transferred)(4) substitute—

“(4) Subsection (4A) applies in relation to a company—

- (a) of which shares or debentures are allotted to a financial institution,
- (b) of which debenture stock is allotted to a financial institution, or
- (c) with which a transfer for transferring shares, debentures or debenture stock to a financial institution is lodged.

(4A) The company is not required, in consequence of that allotment or transfer, to comply with subsection (1).

(4B) “Financial institution” means—

- (a) a recognised clearing house acting in relation to a recognised investment exchange; or
- (b) a nominee of—
 - (i) a recognised clearing house acting in that way; or
 - (ii) a recognised investment exchange.

(4C) No person may be a nominee for the purposes of this section unless he is a person designated for those purposes in the rules of the recognised investment exchange in question.

(4D) Expressions used in subsections (4B) and (4C) have the same meaning as in Part 18 of the Financial Services and Markets Act 2000.”.

Disclosure of interests in shares: interests to be disclosed

8.—(1) Section 199 of the 1985 Act (interests in shares required to be disclosed)(5) is amended as follows.

(2) In subsection (2A), in paragraph (a) for “authorised to” substitute “who may lawfully”.

(3) For subsections (6) and (7) substitute—

“(6) For the purposes of subsection (2A), a person (“A”) may lawfully manage investments belonging to another if—

(3) Amended by the Financial Services Act 1986 (c. 60), Schedule 16, paragraph 17.

(4) Amended by the Financial Services Act 1986 (c. 60), section 194.

(5) Amended by S.I. 1993/1819, regulation 4; S.I. 1996/2827, Schedule 8, paragraph 5; S.I. 2001/1228, Schedule 7, paragraph 4.

- (a) A can manage those investments in accordance with a permission which A has under Part 4 of the Financial Services and Markets Act 2000;
 - (b) A is an EEA firm of the kind mentioned in sub-paragraph (a) or (b) of paragraph 5 of Schedule 3 to that Act, and can manage those investments in accordance with its EEA authorisation;
 - (c) A can, in accordance with section 327 of that Act, manage those investments without contravening the prohibition contained in section 19 of that Act; or
 - (d) A can lawfully manage those investments in another Member State and would, if he were to manage those investments in the United Kingdom, require permission under Part 4 of that Act.
- (7) References in this section to the management of investments must be read with—
- (a) section 22 of the Financial Services and Markets Act 2000;
 - (b) any relevant order under that section; and
 - (c) Schedule 2 to that Act.”.
- (4) In subsection (8)—
- (a) in paragraph (b) for the words from the beginning to “conferred” substitute “is certified by the competent authority in that member State as complying with the conditions imposed”; and
 - (b) for “subsection (8) of section 86 of the Financial Services Act 1986” substitute “subsection (5) of section 264 of the Financial Services and Markets Act 2000”.

Disclosure of interests in shares: interests to be disregarded

9. For section 209(2) of the 1985 Act (interests in shares to be disregarded for purposes of disclosure requirements)(6) substitute—

- “(2) An interest in shares is an exempt security interest for the purposes of subsection (1)
- (c) if the condition mentioned in subsection (2A) is satisfied and it is held by—
- (a) a person who has permission under Part 4 of the Financial Services and Markets Act 2000 to accept deposits;
 - (b) an EEA firm of the kind mentioned in paragraph 5(b) of Schedule 3 to that Act;
 - (c) a person authorised under the law of a member State other than the United Kingdom to accept deposits who—
 - (i) would not qualify for authorisation under paragraph 12 of Schedule 3 to that Act; and
 - (ii) would require permission under another provision of that Act to accept such deposits in the United Kingdom;
 - (d) an authorised insurance undertaking;
 - (e) a person authorised under the law of a member State to deal in securities or derivatives, who deals in securities or derivatives on a relevant stock exchange or a relevant investment exchange, whether as a member or otherwise;
 - (f) a relevant stock exchange;
 - (g) a relevant investment exchange;
 - (h) a recognised clearing house;
 - (i) the Bank of England; or

(6) Substituted by [S.I. 1993/1819](#), regulation 8; subsection (2) amended by [S.I. 1993/2689](#), regulation 3.

(j) the central bank of a member State other than the United Kingdom.

(2A) The condition is that the interest in the shares must be held by way of security only for the purposes of a transaction entered into in the ordinary course of his or its business as a person or other body falling within any of paragraphs (a) to (j) of subsection (2).

(2B) Paragraphs (a) to (c) of subsection (2) must be read with—

- (a) section 22 of the Financial Services and Markets Act 2000;
- (b) any relevant order under that section; and
- (c) Schedule 2 to that Act.

(2C) But paragraph (a) of subsection (2) does not include—

- (a) a building society incorporated, or deemed to be incorporated, under the Building Societies Act 1986; or
- (b) a credit union, within the meaning of the Credit Unions Act 1979 of the Credit Unions (Northern Ireland) Order 1985.”.

Disclosure of interests in shares: interpretation

10.—(1) Subsection (1) of section 220 of the 1985 Act (interpretation of Part 6)(7) is amended in accordance with paragraphs (2) to (8).

(2) The definitions of “authorised credit institution” and “designated agency” are repealed.

(3) In the definition of “authorised unit trust scheme” for “Chapter VIII of Part I of the Financial Services Act 1986” substitute “Part 17 of the Financial Services and Markets Act 2000”.

(4) For the definition of “derivatives” substitute—

““derivatives” means options and futures in relation to shares;”.

(5) After the definition of “derivatives” insert—

““EEA authorisation” has the same meaning as in paragraph 6 of Schedule 3 to the Financial Services and Markets Act 2000;”.

(6) In the definition of “operator” for “section 75(8) of the Financial Services Act 1986” substitute “section 237(2) of the Financial Services and Markets Act 2000”.

(7) For the definition which begins ““recognised clearing house”,” substitute—

““recognised clearing house” has the same meaning as in the Financial Services and Markets Act 2000;

““recognised scheme” has the same meaning as in Part 17 of the Financial Services and Markets Act 2000;”.

(8) In the definition of “units” for “section 75 of the Financial Services Act 1986” substitute “section 237(2) of the Financial Services and Markets Act 2000”.

(9) After section 220(1) of the 1985 Act insert—

“(1A) References in subsection (1) to contracts of insurance (of any description), options and futures must be read with—

- (a) section 22 of the Financial Services and Markets Act 2000;
- (b) any relevant order under that section; and
- (c) Schedule 2 to that Act.”.

(7) Subsection (1) was substituted by [S.I. 1993/1819](#), regulation 9; relevant amendments were made by [S.I. 2000/2952](#), regulation 2.

Limitations on exemptions for small and medium-sized companies in relation to accounts etc.

11.—(1) Section 247A of the 1985 Act (limitations on exemptions for small and medium-sized companies in relation to accounts etc.)(**8**) is amended as follows.

(2) In subsection (1), for paragraph (a) substitute—

“(a) the company is, or was at any time within the financial year to which the accounts relate—

(i) a public company,

(ii) a person who has permission under Part 4 of the Financial Services and Markets Act 2000 to carry on one or more regulated activities, or

(iii) a person who carries on insurance market activity;”.

(3) In subsection (2), for paragraphs (b) to (d) substitute—

“(b) a person who has permission under Part 4 of the Financial Services and Markets Act 2000 to carry on a regulated activity, or

(c) a person who carries on an insurance market activity.”.

Limitations on exemptions for small and medium-sized groups

12. In subsection (2) of section 248 of the Act (exemption for small and medium-sized groups), for paragraphs (b) to (d) substitute—

“(b) a person who has permission under Part 4 of the Financial Services and Markets Act 2000 to carry on a regulated activity, or

(c) a person who carries on an insurance market activity.”.

Limitations on exemptions for dormant companies

13 In subsection (3) of section 249AA of the Act (dormant companies)(**9**), for paragraphs (a) and (b) substitute—

“(a) a person who has permission under Part 4 of the Financial Services and Markets Act 2000 to carry on one or more regulated activities; or

(b) a person who carries on insurance market activity”.

Cases where exemptions not available

14.—(1) Subsection (1) of section 249B of the Act (cases where exemptions not available) is amended as follows.

(2) For paragraph (b) substitute—

“(b) it was a person who had permission under Part 4 of the Financial Services and Markets Act 2000 to carry on a regulated activity;”.

(3) After paragraph (b) insert—

“(bb) it carried on an insurance market activity;”.

(4) For paragraph (d) substitute—

“(d) it was an appointed representative, within the meaning of section 39 of the Financial Services and Markets Act 2000;”.

(**8**) Section 247A was inserted by [S.I. 1997/220](#), regulation 4.

(**9**) Section 249AA was inserted by [S.I. 2000/1430](#), regulation 3.

Summary financial statements by listed public companies

15. In section 251(1) of the 1985 Act (summary financial statements by listed public companies)(10), for the definition of “listed”, and the word “and” preceding it, substitute—

““listed” means included in the official list by the competent authority for the purposes of Part 6 of the Financial Services and Markets Act 2000 (official listing); and
“the official list” has the meaning given in section 103(1) of that Act.”.

Meaning of “banking partnership”

16.—(1) For subsection (2) of section 255D of the 1985 Act (power to apply provisions to banking)(11) substitute—

“(2) A “banking partnership” means a partnership which has permission under Part 4 of the Financial Services and Markets Act 2000.

(2A) But a partnership is not a banking partnership if it has permission to accept deposits only for the purpose of carrying on another regulated activity in accordance with that permission.”.

(2) After subsection (4) of that section insert—

“(5) Subsections (2) and (2A) must be read with—

- (a) section 22 of the Financial Services and Markets Act 2000;
- (b) any relevant order under that section; and
- (c) Schedule 2 to that Act.”.

Other distributions by investment companies

17.—(1) Section 265 of the 1985 Act (other distributions by investment companies)(12) is amended as follows.

(2) In subsection (4)(a) the words “within the meaning of the Financial Services Act 1986” are repealed.

(3) After subsection (4) insert—

“(4A) In subsection (4)(a) “recognised investment exchange” and “overseas investment exchange” have the same meaning as in Part 18 of the Financial Services and Markets Act 2000.”.

Realised profits of an insurance company with long term business

18.—(1) Section 268 of the 1985 Act (realised profits of insurance company with long term business) is amended as follows.

(2) In subsection (1)—

- (a) for “an insurance company to which Part II of the Insurance Companies Act 1982 applies” substitute “an authorised insurance company”; and
- (b) in paragraph (a), for “in accordance with section 30(1) of that Act or carried forward unappropriated as mentioned in section 30(7) of that Act” substitute “or, as the case may be, carried forward unappropriated, in accordance with asset identification rules made under section 142(2) of the Financial Services and Markets Act 2000”.

(10) Substituted for certain purposes by the Companies Act 1989 (c. 40) s.1-23; subsection (1) amended by S.I. 1992/3003, regulation 3.

(11) Inserted by the Companies Act 1989 (c. 40), section 18(2).

(12) Amended by the Financial Services Act 1986 (c. 60), Schedule 16, paragraph 19.

- (3) In subsection (3)—
- (a) for paragraph (a) substitute—
- “(a) “actuarial investigation” means—
- (i) an investigation made into the financial condition of an authorised insurance company in respect of its long term business, carried out once in every period of twelve months in accordance with rules made under Part 10 of the Financial Services and Markets Act 2000 by an actuary appointed as actuary to that company; or
- (ii) an investigation made into the financial condition of an authorised insurance company in respect of its long term business carried out in accordance with a requirement imposed under section 166 of that Act by an actuary appointed as actuary to that company;”;
- (b) for paragraph (b) substitute—
- “(b) “long term business” means business which consists of effecting or carrying out contracts of long term insurance.”.
- (4) After subsection (3) insert—
- “(4) The definition of “long term business” in subsection (3) must be read with—
- (a) section 22 of the Financial Services and Markets Act 2000;
- (b) any relevant order under that section; and
- (c) Schedule 2 to that Act.”.

Exceptions to rules relating to substantial property transactions involving directors

19. In section 321(4) of the 1985 Act (exceptions to rules in section 320: transactions through independent broker on recognised investment exchange)(**13**), for “Financial Services Act 1986” substitute “Financial Services and Markets Act 2000”.

Duty of company to notify recognised investment exchange of certain matters concerning directors notified to the company

20.—(1) Section 329 of the 1985 Act (duty of company to notify recognised investment exchange of matters notified to it under sections 324 or 328)(**14**) is amended as follows.

(2) In subsection (1) the words “within the meaning of the Financial Services Act 1986” are repealed.

(3) After subsection (3) insert—

 “(4) In subsection (1) “recognised investment exchange” and “overseas investment exchange” have the same meaning as in Part 18 of the Financial Services and Markets Act 2000.”.

Investigation of share dealing

21. In section 446 of the 1985 Act (investigation of share dealing)(**15**), for subsection (4) substitute—

(13) Subsection (4) inserted by the Companies Act 1989 (c. 40), Schedule 19, paragraph 8.

(14) Amended by the Financial Services Act 1986 (c. 60), Schedule 16, paragraph 20.

(15) Subsection (4) was amended by the Financial Services Act 1986 (c. 60), Schedule 16, paragraph 21.

“(4) Sections 434 to 436 apply for the purposes of an investigation under this section to the following persons as they apply to officers of the company or of the other body corporate—

- (a) an authorised person;
- (b) a relevant professional;
- (c) a person not falling within paragraph (a) or (b) who may carry on a regulated activity without contravening the prohibition imposed by section 19 of the Financial Services and Markets Act 2000; and
- (d) in relation to an authorised person, to a relevant professional or to a person falling within paragraph (c)—
 - (i) if it is a body corporate, any person who is or has been an officer of it;
 - (ii) if it is a partnership, any person who is or has been a partner in it;
 - (iii) if it is an unincorporated association, any person who is or has been a member of its governing body or an officer of it.

(4A) In subsection (4)—

“authorised person” has the meaning given in section 31(2) of the Financial Services and Markets Act 2000;

“relevant professional” means a member of a profession in relation to which a body has been designated under section 326(1) of that Act, and, in relation to such a profession, “member” has the meaning given in section 325(2) of that Act.”.

Provision for security of information obtained

22.—(1) Section 449 of the 1985 Act (provision for security of information obtained under section 447 of that Act)(**16**) is amended as follows.

(2) In subsection (1), the following are repealed—

- (a) in paragraph (c), the words “, or under section 94 or 177 of the Financial Services Act 1986,”;
- (b) in paragraph (d), the words “the Insurance Companies Act 1982,”;
- (c) paragraphs (de) and (df); and
- (d) paragraph (i).

(3) In subsection (1)(cc), for the words from “or appointed” to “Financial Services Act 1986” substitute “section 447 of this Act”.

(4) After subsection (1)(cc) insert—

- “(cd) for the purposes of enabling or assisting a person appointed under—
- (i) section 167 of the Financial Services and Markets Act 2000 (general investigations),
 - (ii) section 168 of that Act (investigations in particular cases),
 - (iii) section 169(1)(b) of that Act (investigation in support of overseas regulator),
 - (iv) section 284 of that Act (investigations into affairs of certain collective investment schemes), or

(16) Amended by the Financial Services Act 1986 (c. 60), Schedule 13, paragraph 9 and Schedule 17; the Companies Act 1989 (c. 60), section 65 and Schedule 24; the Friendly Societies Act 1992 (c. 40), Schedule 21, paragraph 7 and Schedule 22; the Bank of England Act 1998 (c. 11), Schedule 5, paragraph 62; S.I. 1992/1315, Schedule 4, paragraph 1; S.I. 1994/1696, Schedule 13, paragraph 9; and S.I. 1995/710, regulation 5.

- (v) regulations made as a result of section 262(2)(k) of that Act (investigations into open-ended investment companies),
to conduct an investigation to discharge his functions;”.
- (5) In subsection (1)(d), for words from “the Financial Services Act 1986” to the end substitute “, Part 2, 3 or 7 of the Companies Act 1989 or the Financial Services and Markets Act 2000;”.
- (6) For paragraphs (fa) to (h) of subsection (1) substitute—
- “(fa) for the purposes of enabling or assisting the Financial Services Authority to discharge its functions under the legislation relating to friendly societies or to industrial and provident societies, under the Building Societies Act 1986, under Part 7 of the Companies Act 1989 or under the Financial Services and Markets Act 2000;
 - (fb) for the purposes of enabling or assisting the competent authority for the purposes of Part 6 of the Financial Services and Markets Act 2000 to discharge its functions under that Part;
 - (g) for the purposes of enabling or assisting a body corporate established in accordance with section 212(1) of the Financial Services and Markets Act 2000 (compensation scheme manager) to discharge its functions;
 - (h) for the purposes of any proceedings before the Financial Services Tribunal by virtue of the Financial Services and Markets Act 2000 (Transitional Provisions) (Partly Completed Procedures) Order 2001;
 - (ha) with a view to the institution of, or otherwise for the purposes of, proceedings before the Financial Services and Markets Tribunal;
 - (hb) for the purpose of enabling or assisting a recognised investment exchange or a recognised clearing house to discharge its functions as such;
 - (hc) for the purpose of enabling or assisting a body designated under section 326(1) of the Financial Services and Markets Act 2000 (designated professional bodies) to discharge its functions in its capacity as a body designated under that section;”.
- (7) In subsection (1A), before paragraph (a) insert—
- “(aa) in paragraph (hb) “recognised investment exchange” and “recognised clearing house” has the same meaning as in section 285 of the Financial Services and Markets Act 2000;”.
- (8) Subsection (1D) is repealed.
- (9) In subsection (3)(b)(17), the words “or under section 94 or 177 of the Financial Services Act 1986” are repealed.
- (10) After subsection (3)(b) insert—
- “(ba) a person appointed under—
 - (i) section 167 of the Financial Services and Markets Act 2000 (general investigations),
 - (ii) section 168 of that Act (investigations in particular cases),
 - (iii) section 169(1)(b) of that Act (investigation in support of overseas regulator),
 - (iv) section 284 of that Act (investigations into affairs of certain collective investment schemes), or
 - (v) regulations made as a result of section 262(2)(k) of that Act (investigations into open-ended investment companies),

(17) Subsection (3) was substituted by the Financial Services Act 1986, and further substituted by the Companies Act 1989, section 65.

to conduct an investigation;”.

(11) In subsection (3), in paragraph (c), for the words from “under” to “Financial Services Act 1986” substitute “under section 447 of this Act”.

(12) In subsection (3), for paragraphs (ha) to (k)(18) substitute—

“(ha) the Financial Services Authority;”.

Punishment for destroying etc documents of an authorised insurance company

23.—(1) Section 450 of the 1985 Act (punishment for destroying, mutilating etc company documents) is amended as follows.

(2) In subsection (1)(19) the words “, or of an insurance company to which Part II of the Insurance Companies Act 1985 applies,” are repealed.

(3) After that subsection insert—

“(1A) Subsection (1) applies to an officer of an authorised insurance company which is not a body corporate as it applies to an officer of a company.”.

Disclosure of information by inspectors

24. For subsection (3) of section 451A of the 1985 Act (disclosure of information by inspectors)(20) substitute—

“(3) Information to which this section applies may also be disclosed by an inspector appointed under this Part to—

(a) another inspector appointed under this Part;

(b) a person appointed under—

(i) section 167 of the Financial Services and Markets Act 2000 (general investigations),

(ii) section 168 of that Act (investigations in particular cases),

(iii) section 169(1)(b) of that Act (investigation in support of overseas regulator),

(iv) section 284 of that Act (investigations into affairs of certain collective investment schemes), or

(v) regulations made as a result of section 262(2)(k) of that Act (investigations into open-ended investment companies),

to conduct an investigation; or

(c) a person authorised to exercise powers under—

(i) section 447 of this Act; or

(ii) section 84 of the Companies Act 1989 (exercise of powers to assist overseas regulatory authority).”.

Production of documents subject to customer confidentiality

25.—(1) Section 452 of the 1985 Act (privileged information) is amended as follows.

(18) Paragraph (ha) was inserted by the Bank of England Act 1998 (c. 11), section 23(1), Schedule 5, paragraph 62(1),(3), and paragraph (jj) was inserted by the Friendly Societies Act 1992 (c. 40), section 120(2), Schedule 22.

(19) Subsection (1) was amended by the Companies Act 1989 (c. 40), section 66(1).

(20) Inserted by the Financial Services Act 1986 (c. 60), Schedule 13, paragraph 10; substituted by the Companies Act 1989 (c. 40), section 68 and amended by S.I. 1994/1696, Schedule 8, paragraph 9.

(2) In subsection (3)(21), for the words from “or the customer is a person on whom a requirement has been imposed under that section,” to the end of that subsection, substitute

“or the customer is—

- (a) a person on whom a requirement has been imposed under that section, or
- (b) a person on whom a requirement to produce information or documents has been imposed by the Secretary of State, or by a person appointed by the Secretary of State to conduct an investigation, under section 171 or 173 of the Financial Services and Markets Act 2000.”.

Companies to which section 460 applies

26. For subsection (1) of section 460 of the 1985 Act (order on application of the Secretary of State) substitute—

“(1) If it appears to the Secretary of State that—

- (a) the affairs of a company to which this subsection applies are being or have been conducted in a manner which is unfairly prejudicial to the interests of its members generally or of some part of its members, or
- (b) any actual or proposed act or omission of a company to which this subsection applies, including an act or omission on its behalf, is or would be so prejudicial,

he may himself (in addition to or instead of presenting a petition for the winding up of the company) apply to the court by petition for an order under this Part.

(1A) Subsection (1) applies to a company in respect of which—

- (a) the Secretary of State has received a report under section 437 of this Act;
- (b) the Secretary of State has exercised his powers under section 447 or 448 of this Act;
- (c) the Secretary of State or the Financial Services Authority has exercised his or its powers under Part 11 of the Financial Services and Markets Act 2000; or
- (d) the Secretary of State has received a report from an investigator appointed by him or the Financial Services Authority under that Part.”.

Application of section 720 to insurers

27.—(1) Section 720 of the 1985 Act (certain companies to publish periodical statement) is amended as follows.

(2) In subsection (1) for “insurance company” substitute “insurer”.

(3) In subsection (5) for “insurance company” substitute “insurer”.

(4) For subsection (6) substitute—

“(6) This section does not apply to an insurer which is—

- (a) an insurance company which is subject to, and complies with, rules made by the Financial Services Authority under Part 10 of the Financial Services and Markets Act 2000 as to the accounts and balance sheet to be prepared annually and deposited; or
- (b) an EEA firm of the kind mentioned in paragraph 5(d) of Schedule 3 to the Financial Services and Markets Act 2000, if the firm complies with the provisions

(21) Subsection (3) was amended by the Companies Act 1989 (c. 40), section 69(4), and by S.I. 1994/1696, Schedule 8, paragraph 9(4).

of law of its home State as to the accounts and balance sheets to be prepared annually and deposited.”.

(5) After subsection (7) insert—

“(8) For the purposes of this section—

- (a) “insurer” means a person who effects or carries out contracts of insurance in the United Kingdom; and
- (b) “contract of insurance” includes a contract of insurance under which the benefits provided by the insurer are exclusively or primarily benefits in kind in the event of accident to or breakdown of a vehicle.

(9) Subsection (8) must be read with—

- (a) section 22 of the Financial Services and Markets Act 2000;
- (b) any relevant order under that Schedule; and
- (c) Schedule 2 to that Act.”.

References to the Companies Acts in certain provisions to include references to the Financial Services and Markets Act 2000

28. In section 735B of the 1985 Act (construction of certain references to the Companies Acts)(22) for “Parts IV and V of the Financial Services Act 1986” substitute “Part 6 of the Financial Services and Markets Act 2000”.

Meaning of “offer to the public”, “banking company”, “insurance company” and “authorised insurance company”

29. After section 742 of the 1985 Act, insert—

“Meaning of “offer to the public”

742A.—(1) Any reference in Part IV (allotment of shares and debentures) or Part VII (accounts) to offering shares or debentures to the public is to be read as including a reference to offering them to any section of the public, however selected.

(2) This section does not require an offer to be treated as made to the public if it can properly be regarded, in all the circumstances—

- (a) as not being calculated to result, directly or indirectly, in the shares or debentures becoming available for subscription or purchase by persons other than those receiving the offer; or
- (b) as being a domestic concern of the persons receiving and making it.

(3) An offer of shares in or debentures of a private company (other than an offer to which subsection (5) applies) is to be regarded (unless the contrary is proved) as being a domestic concern of the persons making and receiving it if—

- (a) it is made to—
 - (i) an existing member of the company making the offer,
 - (ii) an existing employee of that company,
 - (iii) the widow or widower of a person who was a member or employee of that company,

(22) Inserted by the Companies Act 1989 (c. 40), section 127 and amended by the Deregulation and Contracting Out Act 1994 (c. 40), Schedule 16, paragraph 10.

- (iv) a member of the family of a person who is or was a member or employee of that company, or
- (v) an existing debenture holder; or
- (b) it is an offer to subscribe for shares or debentures to be held under an employee's share scheme.
- (4) Subsection (5) applies to an offer—
 - (a) which falls within paragraph (a) or (b) of subsection (3); but
 - (b) which is made on terms which permit the person to whom it is made to renounce his right to the allotment of shares or issue of debentures.
- (5) The offer is to be regarded (unless the contrary is proved) as being a domestic concern of the persons making and receiving it if the terms are such that the right may be renounced only in favour—
 - (a) of any person mentioned in subsection (3)(a); or
 - (b) in the case of an employee's share scheme, of a person entitled to hold shares or debentures under the scheme.
- (6) For the purposes of subsection (3)(a)(iv), the members of a person's family are—
 - (a) the person's spouse and children (including step-children) and their descendants, and
 - (b) any trustee (acting in his capacity as such) of a trust the principal beneficiary of which is the person him or herself or of any of those relatives.
- (7) Where an application has been made to the competent authority in any EEA State for the admission of any securities to official listing, then an offer of those securities for subscription or sale to a person whose ordinary business it is to buy or sell shares or debentures (whether as principal or agent) is not to be regarded as an offer to the public for the purposes of this Part.
- (8) For the purposes of subsection (7)—
 - (a) "competent authority" means a competent authority appointed for the purposes of the Council Directive of 28 May 2001 on the admission of securities to official stock exchange listing and on information to be published on those securities; and
 - (b) "official listing" means official listing pursuant to that directive.

Meaning of "banking company"

- 742B.**—(1) Subject to subsection (2), "banking company" means a person who has permission under Part 4 of the Financial Services and Markets Act 2000 to accept deposits.
- (2) A banking company does not include—
 - (a) a person who is not a company, and
 - (b) a person who has permission to accept deposits only for the purpose of carrying on another regulated activity in accordance with that permission.
 - (3) This section must be read with—
 - (a) section 22 of the Financial Services and Markets Act 2000;
 - (b) any relevant order under that section; and
 - (c) Schedule 2 to that Act.

Meaning of “insurance company” and “authorised insurance company”

742C.—(1) For the purposes of this Act, “insurance company” has the meaning given in subsection (2) and “authorised insurance company” has the meaning given in subsection (4).

(2) Subject to subsection (3), “insurance company” means a person (whether incorporated or not)—

- (a) who has permission under Part 4 of the Financial Services and Markets Act 2000 to effect or carry out contracts of insurance; or
- (b) who carries on insurance market activity; or
- (c) who may effect or carry out contracts of insurance under which the benefits provided by that person are exclusively or primarily benefits in kind in the event of accident to or breakdown of a vehicle, and does not fall within paragraph (a).

(3) An insurance company does not include a friendly society, within the meaning of section 116 of the Friendly Societies Act 1992.

(4) An “authorised insurance company” means a person falling within paragraph (a) of subsection (2).

(5) References in this section to contracts of insurance and the effecting or carrying out of such contracts must be read with -

- (a) section 22 of the Financial Services and Markets Act 2000;
- (b) any relevant order under that section; and
- (c) Schedule 2 to that Act.”.

Interpretation of the 1985 Act

30. In section 744 of the 1985 Act (interpretation)(**23**)—

- (a) the definitions of “banking company” and “insurance company” are repealed;
- (b) after the definition of “the insider dealing legislation” insert—
 - ““insurance market activity” has the meaning given in section 316(3) of the Financial Services and Markets Act 2000;”;
 - and
- (c) before the definition of “the registrar of companies” insert—
 - ““regulated activity” has the meaning given in section 22 of the Financial Services and Markets Act 2000;”.

Table of defined expressions

31. In the Table in section 744A (index of defined expressions)(**24**)—

- (a) after the entry relating to “articles” insert—

“authorised insurance company	section 742C”
(b) in the second column of the entry relating to “banking company”, for “section 744” substitute “section 742B”;	
(c) in the second column of the entry relating to “insurance company”, for “section 744” substitute “section 742C”;	
(d) after the entry relating to “insurance company” insert—	

(23) Relevant amendments made by the Companies Act 1989 (c. 40), Schedule 10, paragraph 16.

(24) Inserted by the Companies Act 1989 (c. 40), section 145, Schedule 19, paragraph 20.

“insurance market activity section 744”;

(e) after the entry relating to “registrar and registrar of companies” insert—

“regulated activity section 744”.

Form and content of company accounts

32. For paragraph 84 of Schedule 4 to the 1985 Act (form and content of company accounts: listed investments)(25) substitute—

“**84.**—(1) “Listed investment” means an investment as respects which there has been granted a listing on—

- (a) a recognised investment exchange other than an overseas investment exchange; or
- (b) a stock exchange of repute outside Great Britain.

(2) “Recognised investment exchange” and “overseas investment exchange” have the meaning given in Part 18 of the Financial Services and Markets Act 2000.”.

Disclosure of information: emoluments and other benefits of directors and others

33.—(1) Paragraph 1(5) of Schedule 6 to the 1985 Act (disclosure of information: emoluments and other benefits of directors and others)(26) is amended as follows.

(2) For the definition of “listed company” substitute—

““listed company” means a company—

- (a) whose securities have been admitted to the official list in accordance with the provisions of Part 6 of the Financial Services and Markets Act 2000; or
- (b) dealings in whose securities are permitted on any recognised investment exchange approved by the Treasury in accordance with regulations made under section 2(2) of the European Communities Act 1972 with respect to dealings in unlisted securities;”.

(3) After the definition of “net value” insert—

““the official list” has the meaning given in section 103(1) of the Financial Services and Markets Act 2000;”.

(4) After the definition of “qualifying services” insert—

““recognised investment exchange” has the same meaning as in the Financial Services and Markets Act 2000;”.

Form and content of company accounts: small companies

34. For paragraph 54 of Schedule 8 to the 1985 Act (form and content of company accounts for small companies: listed investments)(27) substitute—

“**54.**—(1) “Listed investment” means an investment as respects which there has been granted a listing on—

- (a) a recognised investment exchange other than an overseas investment exchange; or

(25) Amended by the Financial Services Act 1986 (c. 40), Schedule 16, paragraph 23.

(26) Schedule 6 was inserted by the Companies Act 1989 (c. 40), Schedule 4, paragraph 3; paragraph 1 of Schedule 6 was substituted by S.I. 1997/570, paragraph 4.

(27) Substituted by S.I. 1997/220, Schedule 1.

(b) a stock exchange of repute outside Great Britain.

(2) “Recognised investment exchange” and “overseas investment exchange” have the meaning given in Part 18 of the Financial Services and Markets Act 2000.”.

Meaning of “deposit-taking business”, “chief executive” and “manager”

35.—(1) Schedule 9 to the 1985 Act (special provisions for banking companies and groups) is amended as follows.

(2) In Part II (consolidated accounts)(**28**), in paragraph 1 (undertakings to be included in consolidation)—

- (a) in sub-paragraph (1) for “banking business” substitute “deposit-taking business”; and
- (b) for sub-paragraph (2) substitute—

“(2) For the purposes of this paragraph “deposit-taking business” means the activity of accepting deposits by way of business, but does not include accepting deposits only for the purpose of carrying on another regulated activity.”;

- (c) after sub-paragraph (2) insert—

“(3) References in sub-paragraph (2) to deposits and their acceptance, and to regulated activities must be read with—

- (a) section 22 of the Financial Services and Markets Act 2000;
- (b) any relevant order under that section; and
- (c) Schedule 2 to that Act.”.

(3) In Part IV of that Schedule (additional disclosure: emoluments and other benefits of directors and others), in sub-paragraph (1)(b) of paragraph 3 (other transactions and agreements) for “within the meaning of the Banking Act 1987” substitute “within the meaning of the Financial Services and Markets Act 2000”.

Form and content of accounts of insurance companies and groups

36.—(1) Schedule 9A to the 1985 Act (form and content of accounts of insurance companies and groups)(**29**) is amended in Part I (individual accounts) as follows.

(2) In paragraph 6—

- (a) the existing text is numbered sub-paragraph (1);
- (b) for “to business within Classes 1 and 2 of Schedule 2 to the 1982 Act” substitute “to business which consists of effecting or carrying out relevant contracts of general insurance”;
- (c) after sub-paragraph (1) insert—

“(2) For the purposes of paragraph (1), a contract of general insurance is a relevant contract if the risk insured against relates to—

- (a) accident; or
- (b) sickness.

(3) Sub-paragraph (2) must be read with—

- (a) section 22 of the Financial Services and Markets Act 2000;
- (b) any relevant order under that section; and

(28) Part II was inserted by the Companies Act 1989 (c. 40), section 18, Schedule 7.

(29) Substituted for Parts I and II of Schedule 9, as originally enacted, by S.I. 1993/3246, regulation 4, Schedule 1.

- (c) Schedule 2 to that Act.”.
- (3) In Part I, in paragraph 9—
- (a) the existing text is numbered sub-paragraph (1);
 - (b) in sub-paragraph (1)(a), for “business within the classes of insurance specified in Schedule 2 to the 1982 Act” substitute “business which consists of effecting or carrying out contracts of general insurance”;
 - (c) in sub-paragraph (1)(b), for “business within the classes of insurance specified in Schedule 1 to that Act” substitute “business which consists of effecting or carrying out contracts of long term insurance”; and
 - (d) after sub-paragraph (1) insert—
 - “(2) In sub-paragraph (1), references to—
 - (a) contracts of general or long term insurance; and
 - (b) the effecting or carrying out of such contracts,must be read with section 22 of the Financial Services and Markets Act 2000, any relevant order under that section, and Schedule 2 to that Act.”.
- (4) In Section B (the required format for accounts), in note (24) (Equalisation provision)(**30**) of the Notes on the balance sheet format for “the amount of any reserve maintained by the company under section 34A of the Insurance Companies Act 1982” substitute “the amount of any equalisation reserve maintained in respect of general business by the company, in accordance with rules made by the Financial Services Authority under Part X of the Financial Services and Markets Act 2000”.
- (5) In paragraph 11 (managed funds), for sub-paragraph (1)(a) substitute—
- “(a) the management of which constitutes long term insurance business, and”.
- (6) In Part I, for paragraph 50 (equalisation reserves)(**31**) substitute—
- “**50.** The amount of any equalisation reserve maintained in respect of general business, in accordance with rules made by the Financial Services Authority under Part X of the Financial Services and Markets Act 2000, shall be determined in accordance with such rules.”.
- (7) In paragraph 81 (interpretations of Part I), in sub-paragraph (1)—
- (a) omit the definition of “the 1982 Act”;
 - (b) for the definition of “general business” substitute—

““general business” means business which consists of effecting or carrying out contracts of general insurance;”;
 - (c) for the definition of “long term business” substitute—

““long term business” means business which consists of effecting or carrying out contracts of long term insurance;”;
 - (d) in the definition of “long term fund” for “in accordance with the provisions of the 1982 Act” substitute “in accordance with rules made by the Financial Services Authority under Part X of the Financial Services and Markets Act 2000”; and
 - (e) for the definition of “policy holder” substitute—

(30) Note (24) was amended (and the words substituted by this Order inserted) by the Insurance Companies (Reserves) Act 1995, section 3(1), (2).

(31) Paragraph 50 was substituted by the Insurance Companies (Reserves) Act 1995 (c. 29), section 3(1), (3), and further substituted by S.I. 1996/946, regulation 13.

““policy holder” has the meaning given in any relevant order under section 424(2) of the Financial Services and Markets Act 2000;”.

Share dealing by directors etc.: supplementary provision

37.—(1) Paragraph 11 of Schedule 13 to the 1985 Act (share dealing by directors etc.: provision supplementary to sections 324 to 328)(**32**) is amended as follows.

(2) The existing provision becomes sub-paragraph (1).

(3) In that sub-paragraph, in paragraph (a), the words “within the meaning of the Financial Services Act 1986” are repealed.

(4) After that sub-paragraph, insert—

“(2) “Unit trust scheme” and “authorised unit trust scheme” have the meaning given in section 237 of the Financial Services and Markets Act 2000.”.

Companies Consolidation (Consequential Provisions) Act 1985 (c. 9)

Repeal of spent provisions

38. The following provisions of the Companies Consolidation (Consequential Provisions) Act 1985 are repealed—

- (a) section 25; and
- (b) in Schedule 2, the entries relating to—
 - (i) the Policyholders Protection Act 1975;
 - (ii) the Insurance Brokers (Registration) Act 1977; and
 - (iii) the Insurance Companies Act 1982.

Company Directors Disqualification Act 1986 (c. 46)

Disqualification after investigation of company

39. In section 8 of the Company Directors Disqualification Act 1986 (disqualification after company investigation)(**33**), for subsection (1) substitute—

“(1) If it appears to the Secretary of State from investigative material that it is expedient in the public interest that a disqualification order should be made against a person who is, or has been, a director or shadow director of a company, he may apply to the court for such an order.

(1A) “Investigative material” means—

- (a) a report made by inspectors under—
 - (i) section 437 of the Companies Act 1985;
 - (ii) section 167, 168, 169 or 284 of the Financial Services and Markets Act 2000; or

(32) Amended by the Financial Services Act 1986 (c. 60), Schedule 16, paragraph 25.

(33) Amended by the Financial Services Act 1986 (s. 60), section 198; the Criminal Justice (Scotland) Act 1987 (c.), section 55; the Companies Act 1989 (c. 40), section 79; the Criminal Procedure (Consequential Provisions) (Scotland) Act 1995 (c.), Schedule 4, paragraph 62.

- (iii) where the company is an open-ended investment company (within the meaning of that Act) regulations made as a result of section 262(2)(k) of that Act; and
- (b) information or documents obtained under—
 - (i) section 447 or 448 of the Companies Act 1985;
 - (ii) section 2 of the Criminal Justice Act 1987;
 - (iii) section 28 of the Criminal Law (Consolidation)(Scotland) Act 1995;
 - (iv) section 83 of the Companies Act 1989; or
 - (v) section 165, 171, 172, 173 or 175 of the Financial Services and Markets Act 2000.”.

Companies (Northern Ireland) Order 1986 (S.I. 1986/1032 (N.I. 6))

Interpretation of the 1986 Order

40. In Article 2(3) of the Companies (Northern Ireland) Order 1986 (“the 1986 Order”) (interpretation)(34)—

- (a) the definitions of “banking company” and “insurance company” are revoked; and
- (b) after the definition of “the insider dealing legislation” insert—
 - ““insurance market activity” has the meaning given in section 316(3) of the Financial Services and Markets Act 2000;”
- (c) before the definition of “the registrar of companies” insert—
 - “regulated activity has the meaning given in section 22 of the Financial Services and Markets Act 2000;”.

Table of defined expressions

41. In the Table in Article 2A of the 1986 Order (index of defined expressions)(35)—

- (a) after the entry relating to “articles” insert—

“authorised insurance company	Article 10C”
(b) in the second column of the entry relating to “banking company”, for “Article 2(3)” substitute “Article 10B”;	
(c) in the second column of the entry relating to “insurance company”, for “Article 2(3)” substitute “Article 10C”;	
(d) after the entry relating to “insurance company” insert—	
“insurance market activity	Article 2(3)”;
(e) after the entry relating to “registrar and registrar of companies” insert—	
“regulated activity	Article 2(3)”.

(34) Relevant amendments made by the Companies (Northern Ireland) Order 1990 (S.I. 1990/593 (NI 5)), Schedule 10, paragraph 2 and the Criminal Justice Act 1993 (c. 36) section 79(13), Schedule 5, paragraph 18(1).

(35) Inserted by the Companies (No.2) (Northern Ireland) Order 1990 (S.I. 1990/1504 (N.I. 10)), Article 78, Schedule 5, paragraph 1.

References to the Companies Orders in certain provisions to include references to the Financial Services and Markets Act 2000

42. In Article 2B of the 1986 Order (construction of certain references to the Companies Orders)⁽³⁶⁾ for “Parts IV and V of the Financial Services Act 1986” substitute “Part 6 of the Financial Services and Markets Act 2000”.

Meaning of “offer to the public”, “banking company”, “insurance company” and “authorised insurance company”

43. After Article 10⁽³⁷⁾ of the 1986 Order, insert—

“Meaning of “offer to the public”

10A.—(1) Any reference in Part V (allotment of shares and debentures) or Part VIII (accounts) to offering shares or debentures to the public is to be read as including a reference to offering them to any section of the public, however selected.

(2) This Article does not require an offer to be treated as made to the public if it can properly be regarded, in all the circumstances—

- (a) as not being calculated to result, directly or indirectly, in the shares or debentures becoming available for subscription or purchase by persons other than those receiving the offer; or
- (b) as being a domestic concern of the persons receiving and making it.

(3) An offer of shares in or debentures of a private company (other than an offer to which paragraph (5) applies) is to be regarded (unless the contrary is proved) as being a domestic concern of the persons making and receiving it if—

- (a) it is made to—
 - (i) an existing member of the company making the offer;
 - (ii) an existing employee of that company;
 - (iii) the widow or widower of a person who was a member or employee of that company;
 - (iv) a member of the family of a person who is or was a member or employee of that company; or
 - (v) an existing debenture holder; or
- (b) it is an offer to subscribe for shares or debentures to be held under an employee’s share scheme.

(4) Paragraph (5) applies to an offer—

- (a) which falls within sub-paragraph (a) or (b) of paragraph (3); but
- (b) which is made on terms which permit the person to whom it is made to renounce his right to the allotment of shares or issue of debentures.

(5) The offer is to be regarded (unless the contrary is proved) as being a domestic concern of the persons making and receiving it if the terms are such that the right may be renounced only in favour—

- (a) of any person mentioned in paragraph (3)(a); or

⁽³⁶⁾ Inserted by the [Companies \(No. 2\) \(NI\) Order 1990 \(NI 10\)](#), article 62(1).

⁽³⁷⁾ Article 10 was substituted by the [Companies \(Northern Ireland\) Order 1990 \(S.I. 1990/593 \(N.I. 5\)\)](#), Article 25, Schedule 10, Part I.

- (b) in the case of an employee’s share scheme, of a person entitled to hold shares or debentures under the scheme.
- (6) For the purposes of paragraph (3)(a)(iv), the members of a person’s family are—
 - (a) the person’s spouse and children (including step-children) and their descendants, and
 - (b) any trustee (acting in his capacity as such) of a trust the principal beneficiary of which is the person him or herself or of any of those relatives.
- (7) Where an application has been made to the competent authority in any EEA State for the admission of any securities to official listing, then an offer of those securities for subscription or sale to a person whose ordinary business it is to buy or sell shares or debentures (whether as principal or agent) is not to be regarded as an offer to the public for the purposes of this Part.
- (8) For the purposes of paragraph (7)—
 - (a) “competent authority” means a competent authority appointed for the purposes of the Council Directive of 28 May 2001 on the admission of securities to official stock exchange listing and on information to be published on those securities; and
 - (b) “official listing” means official listing pursuant to that directive.

Meaning of “banking company”

- 10B.**—(1) Subject to paragraph (2), “banking company” means a person who has permission under Part 4 of the Financial Services and Markets Act 2000 to accept deposits.
- (2) A banking company does not include—
 - (a) a person who is not a company, and
 - (b) a person who has permission to accept deposits only for the purpose of carrying on another regulated activity in accordance with that permission.
 - (3) This Article must be read with—
 - (a) section 22 of the Financial Services and Markets Act 2000;
 - (b) any relevant order under that section; and
 - (c) Schedule 2 to that Act.

Meaning of “insurance company” and “authorised insurance company”

- 10C.**—(1) For the purposes of this Order, “insurance company” has the meaning given in paragraph (2) and “authorised insurance company” has the meaning given in paragraph (4).
- (2) Subject to paragraph (3), “insurance company” means a person (whether incorporated or not)—
 - (a) who has permission under Part 4 of the Financial Services and Markets Act 2000 to effect or carry out contracts of insurance;
 - (b) who carries on insurance market activity; or
 - (c) who may effect or carry out contracts of insurance under which the benefits provided by that person are exclusively or primarily benefits in kind in the event of accident to or breakdown of a vehicle, and does not fall within sub-paragraph (a).
 - (3) An insurance company does not include a friendly society, within the meaning of section 116 of the Friendly Societies Act 1992.

(4) An “authorised insurance company” means a person falling within sub-paragraph (a) of paragraph (2).

(5) References in this Article to contracts of insurance and the effecting or carrying out of such contracts must be read with—

- (a) section 22 of the Financial Services and Markets Act 2000;
- (b) any relevant order under that section; and
- (c) Schedule 2 to that Act.”.

Membership of holding company

44.—(1) Article 33 of the 1986 Order (membership of holding company)(**38**) is amended as follows.

(2) In paragraph (3)(a) the words “(within the meaning of the Financial Services Act 1986)” are repealed.

(3) After paragraph (3) insert—

“(3A) In paragraph (3)(a) “recognised investment exchange” and “overseas investment exchange” have the same meaning as in Part 18 of the Financial Services and Markets Act 2000.”.

Repeal of unnecessary provisions

45. Articles 69 and 70 of the 1986 Order (so far as those Articles continue to have effect) are repealed.

Purchase by company of its own shares: definition of “off-market” and “market” purchase

46.—(1) Article 173 of the 1986 Order (meaning of “off-market” and “market” purchase) is amended as follows.

(2) In paragraph (2)(a)(**39**) for “Part IV of the Financial Services Act 1986” substitute “Part 6 of the Financial Services and Markets Act 2000”.

(3) For paragraph (4)(**40**) substitute—

“(4) “Recognised investment exchange” means a recognised investment exchange other than an overseas investment exchange.

(5) Expressions used in the definition contained in paragraph (4) have the same meaning as in Part 18 of the Financial Services and Markets Act 2000.”.

Duty of company as to issue of certificates

47. For paragraph (4) of Article 195 of the 1986 Order (duty of company to issue certificates in relation to shares allotted or transferred)(**41**) substitute—

“(4) Paragraph (4A) applies in relation to a company—

- (a) of which shares or debentures are allotted to a financial institution,
- (b) of which debenture stock is allotted to a financial institution, or

(38) Substituted by the [Companies \(No. 2\) \(NI\) Order 1990 \(NI 10\)](#), Article 64(1).

(39) Amended by the [Financial Services Act 1986 \(c. 60\)](#), Schedule 16 paragraph 32.

(40) Inserted by the [Financial Services Act 1986 \(c. 60\)](#), Schedule 16 paragraph 32.

(41) Amended by the [Financial Services Act 1986 \(c. 60\)](#) section 194(6).

- (c) with which a transfer for transferring shares, debentures or debenture stock to a financial institution is lodged.
- (4A) The company is not required, in consequence of that allotment or transfer, to comply with paragraph (1).
- (4B) “Financial institution” means—
 - (a) a recognised clearing house acting in relation to a recognised investment exchange; or
 - (b) a nominee of—
 - (i) a recognised clearing house acting in that way; or
 - (ii) a recognised investment exchange.
- (4C) No person may be a nominee for the purposes of this Article unless he is a person designated for those purposes in the rules of the recognised investment exchange in question.
- (4D) Expressions used in paragraphs (4B) and (4C) have the same meaning as in Part 18 of the Financial Services and Markets Act 2000.”.

Disclosure of interests in shares: interests to be disclosed

48.—(1) Article 207 of the 1986 Order (interests in shares required to be disclosed) is amended as follows.

(2) In paragraph (2A)(**42**), in sub-paragraph (a) for “authorised to” substitute “who may lawfully”.

(3) In that paragraph, in sub-paragraph (b), for paragraphs (ii) and (iii) substitute—

“or

(ii) a recognised scheme;”.

(4) For paragraphs (6) and (7)(**43**) substitute—

“(6) For the purposes of paragraph (2A), a person (“A”) may lawfully manage investments belonging to another if—

- (a) A can manage those investments in accordance with the permission which A has under Part 4 of the Financial Services and Markets Act 2000;
 - (b) A is an EEA firm of the kind mentioned in sub-paragraph (a) or (b) of paragraph 5 of Schedule 3 to that Act, and can manage those investments in accordance with its EEA authorisation;
 - (c) A can, in accordance with section 327 of that Act, manage those investments without contravening the prohibition contained in section 19 of that Act; or
 - (d) A can lawfully manage those investments in another Member State and would, if he were to manage those investments in the United Kingdom, require permission under Part 4 of that Act.
- (7) References in this Article to the management of investments must be read with—
- (a) section 22 of the Financial Services and Markets Act 2000;
 - (b) any relevant order under that section; and
 - (c) Schedule 2 to that Act.”.

(42) Inserted by [SR \(NI\) 1997/251](#).

(43) Paragraphs (6) and (7) inserted by [SR \(NI\) 1994/2](#).

- (5) In paragraph (8)—
- (a) in sub-paragraph (b) for the words from the beginning to “conferred” substitute “is certified by the competent authority in that member State as complying with the conditions imposed”; and
 - (b) for “subsection (8) of section 86 of the Financial Services Act 1986” substitute “subsection (5) of section 264 of the Financial Services and Markets Act 2000”.

Disclosure of interests in shares: interests to be disregarded

49. For paragraph (2) of Article 217(44) of the 1986 Order (interests in shares to be disregarded for purposes of disclosure requirements) substitute—

- “(2) An interest in shares is an exempt security interest for the purposes of paragraph (1)
- (c) if the condition mentioned in paragraph (2A) is satisfied and the interest is held by—
- (a) a person who has permission under Part 4 of the Financial Services and Markets Act 2000 to accept deposits;
 - (b) an EEA firm of the kind mentioned in paragraph 5(b) of Schedule 3 to that Act which has permission under paragraph 15 of that Schedule (as a result of qualifying for authorisation under paragraph 12 of that Schedule) to accept deposits;
 - (c) a person authorised under the law of a member State other than the United Kingdom to accept deposits who—
 - (i) would not qualify for authorisation under paragraph 12 of Schedule 3 to that Act, and
 - (ii) would require permission under another provision of that Act to accept such deposits in the United Kingdom;
 - (d) an authorised insurance undertaking;
 - (e) a person authorised under the law of a member State to deal in securities or derivatives, who deals in securities or derivatives on a relevant stock exchange or a relevant investment exchange, whether as a member or otherwise;
 - (f) a relevant stock exchange;
 - (g) a relevant investment exchange;
 - (h) a recognised clearing house;
 - (i) the Bank of England; or
 - (j) the central bank of a member State other than the United Kingdom.

(2A) The condition is that the interest in the shares must be held by way of security only for the purposes of a transaction entered into in the ordinary course of his or its business as a person or other body falling within any of sub-paragraphs (a) to (j) of paragraph (2).

(2B) Sub-paragraphs (a) to (c) of paragraph (2) must be read with—

- (a) section 22 of the Financial Services and Markets Act 2000;
- (b) any relevant order under that section; and
- (c) Schedule 2 to that Act.

(2C) But sub-paragraph (a) of paragraph (2) does not include—

- (a) a building society incorporated, or deemed to be incorporated, under the Building Societies Act 1986; or

- (b) a credit union, within the meaning of the Credit Unions Act 1979 or the Credit Unions (Northern Ireland) Order 1985.”.

Disclosure of interests in shares: interpretation

50.—(1) Paragraph (1) of Article 228(**45**) of the 1986 Order (interpretation of Part 7) is amended in accordance with sub-paragraphs (2) to (8).

(2) The definitions of “authorised credit institution” and “designated agency” are repealed.

(3) In the definition of “authorised unit trust scheme” for “Chapter VIII of Part I of the Financial Services Act 1986” substitute “Part 17 of the Financial Services and Markets Act 2000”.

(4) For the definition of “derivatives” substitute—

““derivatives” means options and futures in relation to shares;”.

(5) After the definition of “derivatives” insert—

““EEA authorisation” has the meaning given in paragraph 6 of Schedule 3 to the Financial Services and Markets Act 2000;”

(6) In the definition of “operator” for “section 75(8) of the Financial Services Act 1986” substitute “section 237(2) of the Financial Services and Markets Act 2000”.

(7) For the definition which begins ““recognised clearing house”, substitute—

““recognised clearing house” has the same meaning as in the Financial Services and Markets Act 2000;

“recognised scheme” has the same meaning as in Part 17 of the Financial Services and Markets Act 2000;”.

(8) In the definition of “units” for “section 75 of the Financial Services Act 1986” substitute “section 237(2) of the Financial Services and Markets Act 2000”.

(9) After paragraph (1) of Article 228 of the 1986 Order insert—

“(1A) References in paragraph (1) to contracts of insurance (of any description), options and futures must be read with—

- (a) section 22 of the Financial Services and Markets Act 2000;
- (b) any relevant order under that section; and
- (c) Schedule 2 to that Act.”.

Limitations on exemptions for small and medium-sized companies in relation to accounts etc.

51.—(1) Article 255A of the 1986 Order (limitations on exemptions for small and medium-sized companies in relation to accounts etc.)(**46**) is amended as follows.

(2) In paragraph (1), for sub-paragraph (a) substitute—

“(a) the company is, or was at any time within the financial year to which the accounts relate—

- (i) a public company,
- (ii) a person who has permission under Part 4 of the Financial Services and Markets Act 2000 to carry on one or more regulated activities, or
- (iii) a person who carries on insurance market activity;”.

(45) Substituted by [SR \(NI\) 1994/2](#).

(46) Article 255A was inserted by [SR \(N.I.\) 1997/436](#).

(3) In paragraph (2), for sub-paragraphs (b) to (d) substitute—

- “(b) a person who has permission under Part 4 of the Financial Services and Markets Act 2000 to carry on a regulated activity, or
- (c) a person who carries on insurance market activity.”.

Limitations on exemptions for small and medium-sized groups

52. In paragraph (2) of Article 256 of the 1986 Order (exemption for small and medium-sized groups)(47), for sub-paragraphs (b) to (d) substitute—

- “(b) a person who has permission under Part 4 of the Financial Services and Markets Act 2000 to carry on a regulated activity,
- (c) a person who carries on insurance market activity.”.

Limitations on exemptions for dormant companies

53. In paragraph (3) of Article 257AA of the 1986 Order (dormant companies)(48), for sub-paragraphs (a) and (b) substitute—

- “(a) a person who has permission under Part 4 of the Financial Services and Markets Act 2000 to carry on one or more regulated activities;
- (b) a person who carries on insurance market activity.”.

Cases where exemptions not available

54.—(1) Paragraph (1) of Article 257B of the 1986 Order (cases where exemptions not available)(49) is amended as follows.

(2) For sub-paragraph (b) substitute—

- “(b) it was a person who had permission under Part 4 of the Financial Services and Markets Act 2000 to carry on a regulated activity,”.

(3) After sub-paragraph (b) insert—

- “(bb) it carried on an insurance market activity,”.

(4) For sub-paragraph (d) substitute—

- “(d) it was an appointed representative, within the meaning of section 39 of the Financial Services and Markets Act 2000,”.

Summary financial statements by listed public companies

55. In Article 259(1) of the 1986 Order (summary financial statements by listed public companies)(50), for the definition of “listed”, and the word “and” preceding it, substitute—

- ““listed” means included in the official list by the competent authority for the purposes of Part 6 of the Financial Services and Markets Act 2000 (official listing); and
- “the official list” has the meaning given in section 103(1) of that Act.”.

(47) Article 256 was inserted by the Companies (Northern Ireland) Order 1990 (S.I. 1990/593 (N.I. 5)), Articles 3(a), 15(3).

(48) Article 257AA was inserted by SR (N.I.) 2001/154.

(49) Article 257B was inserted by SR (N.I.) 1995/128.

(50) Article 259 was inserted by the Companies (Northern Ireland) Order 1990 (S.I. 1990/593 (NI 5)), Articles 3(a), 17; paragraph (1) amended by S.R.(N.I.) 1993/220.

Meaning of “banking partnership”

56.—(1) For paragraph (2) of Article 263D of the 1986 Order (power to apply provisions to banking)(51) substitute—

“(2) A “banking partnership” means a partnership which has permission under Part 4 of the Financial Services and Markets Act 2000.

(2A) But a partnership is not a banking partnership if it has permission to accept deposits only for the purpose of carrying on another regulated activity in accordance with that permission.”.

(2) After paragraph (4) of that Article insert—

“(5) Paragraphs (2) and (2A) must be read with—

- (a) section 22 of the Financial Services and Markets Act 2000;
- (b) any relevant order under that section; and
- (c) Schedule 2 to that Act.”.

Other distributions by investment companies

57.—(1) Article 273 of the 1986 Order (other distributions by investment companies) is amended as follows.

(2) In paragraph (4)(a) the words “within the meaning of the Financial Services Act 1986” are repealed.

(3) After paragraph (4)(52) insert—

“(4A) In paragraph (4)(a) “recognised investment exchange” and “overseas investment exchange” have the same meaning as in Part 18 of the Financial Services and Markets Act 2000.”.

Realised profits of an insurance company with long term business

58.—(1) Article 276 of the 1986 Order (realised profits of insurance company with long term business) is amended as follows.

(2) In paragraph (1)—

- (a) for “an insurance company to which Part II of the Insurance Companies Act 1982 applies” substitute “an authorised insurance company”; and
- (b) in sub-paragraph (a), for “in accordance with section 30(1) of that Act or carried forward unappropriated as mentioned in section 30(7) of that Act” substitute “or, as the case may be, carried forward unappropriated, in accordance with asset identification rules made under section 142(2) of the Financial Services and Markets Act 2000”.

(3) In paragraph (3)—

(a) for sub-paragraph (a) substitute—

“(a) “actuarial investigation” means—

- (i) an investigation made into the financial condition of an authorised insurance company in respect of its long term business, carried out once in every period of twelve months in accordance with rules made under Part 10 of the Financial Services and Markets Act 2000 by an actuary appointed as actuary to that company; or

(51) Article 263D was inserted by the Companies (Northern Ireland) Order 1990 (S.I. 1990/593 (NI 5)), Articles 3(a), 20(2).

(52) Amended by the Financial Services Act 1986 (c. 60), Schedule 16 paragraph 34.

- (ii) an investigation made into the financial condition of an authorised insurance company in respect of its long term business carried out in accordance with a requirement imposed by the Financial Services Authority under section 166 of that Act by an actuary appointed as actuary to that company;”
- (b) for sub-paragraph (b) substitute—
 - “(b) “long term business” means business which consists of effecting or carrying out contracts of long term insurance.”.
- (4) After paragraph (3) insert—
 - “(4) The definition of “long term business” in paragraph (3) must be read with—
 - (a) section 22 of the Financial Services and Markets Act 2000;
 - (b) any relevant order under that section; and
 - (c) Schedule 2 to that Act.”.

Exceptions to rules relating to substantial property transactions involving directors

59. In Article 329(4)(53) of the 1986 Order (exceptions to rules in Article 328: transactions through independent broker on recognised investment exchange), for “Financial Services Act 1986” substitute “Financial Services and Markets Act 2000.”.

Duty of company to notify recognised investment exchange of certain matters concerning directors notified to the company

60. In Article 337 of the 1986 Order (duty of company to notify recognised investment exchange of matters notified to it under Articles 332 or 336), after paragraph (3) insert—

“(4) In paragraph (1) “recognised investment exchange” has the same meaning as in Part 18 of the Financial Services and Markets Act 2000.”.

Investigation of share dealing

61. In Article 439 of the 1986 Order (investigation of share dealing), for paragraph (3)(54) substitute—

“(3) Articles 427 to 429 apply for the purposes of an investigation under this Article to the following persons as they apply to officers of the company or of the other body corporate—

- (a) an authorised person;
- (b) a relevant professional;
- (c) a person not falling within sub-paragraph (a) or (b) who may carry on a regulated activity without contravening the prohibition imposed by section 19 of the Financial Services and Markets Act 2000; and
- (d) in relation to an authorised person, to a relevant professional or to a person falling within sub-paragraph (c)—
 - (i) if it is a body corporate, any person who is or has been an officer of it,
 - (ii) if it is a partnership, any person who is or has been a partner in it,
 - (iii) if it is an unincorporated association, any person who is or has been a member of its governing body or an officer of it.

(53) Inserted by the [Companies \(No. 2\) \(NI\) Order 1990 \(NI 10\)](#) article 78, Schedule 5.

(54) Section 439(3) was amended by the [Financial Services Act 1986 \(c. 60\)](#) Schedule 13 paragraph 12(a) and [Companies \(no. 2\) \(NI\) Order \(NI 10\)](#), article 113, Schedule 6.

(3A) In paragraph (3)—

“authorised person” has the meaning given in section 31(2) of the Financial Services and Markets Act 2000;

“relevant professional” means a member of a profession if a body has been designated under section 326(1) of that Act in relation to that profession, and, in relation to such a profession, “member” has the meaning given in section 325(2) of that Act.”

Provision for security of information obtained

62.—(1) Article 442 of the 1986 Order (provision for security of information obtained under Article 440 of that Order) is amended as follows.

(2) In paragraph (1), the following are repealed—

- (a) in sub-paragraph (c), the words “or section 94 of the Financial Services Act 1986”;
- (b) in sub-paragraph (d), the words “the Insurance Companies Act 1982”;
- (c) sub-paragraphs (de) and (df);
- (d) sub-paragraph (i).

(3) In paragraph (1)(cc), for the words from “or appointed” to “Financial Services Act 1986” substitute “Article 440 of this Order”.

(4) After paragraph (1)(cc) insert—

“(cd) for the purposes of enabling or assisting a person appointed under—

- (i) section 167 of the Financial Services and Markets Act 2000 (general investigations),
- (ii) section 168 of that Act (investigations in particular cases),
- (iii) section 169(1)(b) of that Act (investigation in support of overseas regulator),
- (iv) section 284 of that Act (investigations into affairs of certain collective investment schemes), or
- (v) regulations made as a result of section 262(2)(k) of that Act (investigations into open-ended investment companies),

to conduct an investigation to discharge his functions;”.

(5) In paragraph (1)(d), for “the Insurance Companies Act 1982” substitute “the Financial Services and Markets Act 2000”.

(6) For sub-paragraphs (fa) to (i) of paragraph (1) substitute—

- “(fa) for the purposes of enabling or assisting the Financial Services Authority to discharge its functions under the legislation relating to friendly societies or to industrial and provident societies, under the Building Societies Act 1986, under Part 7 of the Companies Act 1989 or under the Financial Services and Markets Act 2000;
- (g) for the purposes of enabling or assisting a body corporate established in accordance with section 212(1) of the Financial Services and Markets Act 2000 (compensation scheme manager) to discharge its functions;
- (h) for the purposes of any proceedings before the Financial Services Tribunal by virtue of the Financial Services and Markets Act 2000 (Transitional Provisions) (Partly Completed Procedures) Order 2001;
- (ha) with a view to the institution of or otherwise for the purposes of proceedings before the Financial Services and Markets Tribunal;

- (hb) for the purpose of enabling or assisting a recognised investment exchange or a recognised clearing house to discharge its functions as such;
- (hc) for the purpose of enabling or assisting a body designated under section 326(1) of the Financial Services and Markets Act 2000 (designated professional bodies) to discharge its functions in its capacity as a body designated under that section;”.
- (7) In paragraph (1A)(55), before sub-paragraph (a) insert—
- “(aa) in sub-paragraph (hb) “recognised investment exchange” and “recognised clearing house” have the same meaning as in section 285 of the Financial Services and Markets Act 2000;”.
- (8) Paragraph (1D) is repealed.
- (9) In paragraph (3)(b)(56), the words “or section 94 of the Financial Services Act 1986” are repealed.
- (10) After paragraph (3)(b) insert—
- “(ba) a person appointed under—
- (i) section 167 of the Financial Services and Markets Act 2000 (general investigations),
- (ii) section 168 of that Act (investigations in particular cases),
- (iii) section 169(1)(b) of that Act (investigation in support of overseas regulator),
- (iv) section 284 of that Act (investigations into affairs of certain collective investment schemes), or
- (v) regulations made as a result of section 262(2)(k) of that Act (investigations into open-ended investment companies),
- to conduct an investigation;”.
- (11) In paragraph (3), in sub-paragraph (c), for the words from “under” to “Financial Services Act 1986” substitute “under Article 440 of this Order”.
- (12) In paragraph (3), for sub-paragraphs (ha) to (k) substitute—
- “(ha) the Financial Services Authority;”.

Punishment for destruction etc. of company documents

63.—(1) Article 443 of the 1986 Order (punishment for destroying, mutilating etc company documents) is amended as follows.

(2) In paragraph (1)(57) the words “, or of an insurance company to which Part II of the Insurance Companies Act 1982 applies,” are repealed.

(3) After that paragraph insert—

“(1A) Paragraph (1) applies to an officer of an authorised insurance company which is not a body corporate as it applies to an officer of a company.”.

(55) Inserted by [SR \(NI\) 1992/257](#).

(56) Paragraph (3) was substituted by the Financial Services Act 1986 (c. 60), section 182, Schedule 13, paragraph 13, and substituted again by the Companies (No.2) (NI) Order (NI 10), Article 13(1)(6). Sub-paragraph (b) of paragraph (3) was amended by the [Companies \(No. 2\) \(NI\) Order 1990 \(NI 10\)](#), Article 78 Schedule 5.

(57) Paragraph (1) was amended by the Companies (No.2) (Northern Ireland) Order 1990 ([S.I. 1990/1504 \(NI 10\)](#)), Article 14(1)(2).

Disclosure of information by inspectors

64. For paragraph (3) of Article 444A(**58**) of the 1986 Order (disclosure of information by inspectors) substitute—

“(3) Information to which this Article applies may also be disclosed by an inspector appointed under this Part to—

- (a) another inspector appointed under this Part;
- (b) a person appointed under—
 - (i) section 167 of the Financial Services and Markets Act 2000 (general investigations),
 - (ii) section 168 of that Act (investigations in particular cases),
 - (iii) section 169(1)(b) of that Act (investigation in support of overseas regulator),
 - (iv) section 284 of that Act (investigations into affairs of certain collective investment schemes), or
 - (v) regulations made as a result of section 262(2)(k) of that Act (investigations into open-ended investment companies),to conduct an investigation; or
- (c) a person authorised to exercise powers under—
 - (i) Article 440 of this Order; or
 - (ii) section 84 of the Companies Act 1989 (exercise of powers to assist overseas regulatory authority).”.

Production of documents subject to customer confidentiality

65.—(1) Article 445 of the 1986 Order (privileged information) is amended as follows.

(2) In paragraph (3)(**59**), for the words from “or the customer is a person on whom a requirement has been imposed under that Article,” to the end of that paragraph, substitute

“or the customer is—

- (a) a person on whom a requirement has been imposed under that Article, or
- (b) an authorised insurance company on whom a requirement to produce information or documents has been imposed by or on behalf of the Secretary of State under Part XI of the Financial Services and Markets Act 2000.”.

Companies to which Article 453 applies

66. For paragraph (1)(**60**) of section 453 of the 1986 Order (order on application of the Department) substitute—

“(1) If it appears to the Department that—

- (a) the affairs of a company to which this paragraph applies are being or have been conducted in a manner which is unfairly prejudicial to the interests of its members generally or of some part of its members, or

(58) Article 444A was substituted by the [Companies \(No. 2\) \(NI\) Order 1990 \(NI 10\)](#) Article 16 and has been amended by the [Criminal Justice Act 1993 \(c. 36\)](#) Schedule 5 part II paragraph 20 and [S.I. 1994/1696](#), Schedule 8 paragraph 13(3).

(59) Paragraph (3) was amended by the [Companies \(No.2\) \(Northern Ireland\) Order 1990 \(S.I. 1990/1504 \(NI 10\)\)](#), and by [S.I. 1994/1696](#), Schedule 8, paragraph 14(4).

(60) Paragraph (1) was amended by the [Companies \(No.2\) \(Northern Ireland\) Order 1990 \(S.I. 1990/1504 \(NI 10\)\)](#), Articles 78, 113 Schedules 5 and 6, and by [S.I. 1994/1696](#), Schedule 8 paragraph 13(5).

(b) any actual or proposed act or omission of a company to which this paragraph applies, including an act or omission on its behalf, is or would be so prejudicial, the Department may (in addition to or instead of presenting a petition for the winding up of the company) apply to the court by petition for an order under this Part.

(1A) Paragraph (1) applies to a company in respect of which—

- (a) the Department has received a report under Article 430;
- (b) the Department has exercised its powers under Article 440 or 441;
- (c) the Secretary of State or the Financial Services Authority has exercised his or its powers under Part 11 of the Financial Services and Markets Act 2000; or
- (d) the Secretary of State has received a report from an investigator appointed by him or by the Financial Services Authority under that Part.”.

Application of Article 669 to insurers

67.—(1) Article 669 of the 1986 Order (certain companies to publish periodical statement) is amended as follows.

(2) In paragraph (1) for “insurance company” substitute “insurer”.

(3) In paragraph (5) for “insurance company” substitute “insurer”.

(4) For paragraph (6) substitute—

“(6) This Article does not apply to an insurer which is—

- (a) an insurance company which is subject to, and complies with, rules made by the Financial Services Authority under Part 10 of the Financial Services and Markets Act 2000 as to the accounts and balance sheet to be prepared annually and deposited; or
- (b) an EEA firm of the kind mentioned in paragraph 5(d) of Schedule 3 to the Financial Services and Markets Act 2000, if the firm complies with the provisions of law of its home State as to the accounts and balance sheets to be prepared annually and deposited.”.

(5) After paragraph (7) insert—

“(8) For the purposes of this Article—

- (a) “insurer” means a person who effects or carries out contracts of insurance in the United Kingdom; and
- (b) “contract of insurance” includes a contract of insurance under which the benefits provided by the insurer are exclusively or primarily benefits in kind in the event of accident to or breakdown of a vehicle.

(9) Paragraph (8) must be read with—

- (a) section 22 of the Financial Services and Markets Act 2000;
- (b) any relevant order under that Schedule; and
- (c) Schedule 2 to that Act.”.

Form and content of company accounts

68. For paragraph 83(61) of Schedule 4 to the 1986 Order (form and content of company accounts: listed investments) substitute—

(61) Paragraph 83 has been amended by the Financial Services Act 1986 (c. 60) Schedule 16, paragraph 38.

83.—(1) “Listed investment” means an investment as respects which there has been granted a listing on—

- (a) a recognised investment exchange other than an overseas investment exchange; or
- (b) a stock exchange of repute outside Northern Ireland.

(2) “Recognised investment exchange” and “overseas investment exchange” have the meaning given in Part 18 of the Financial Services and Markets Act 2000.”.

Disclosure of information: emoluments and other benefits of directors and others

69.—(1) Paragraph 1(5) of Schedule 6(**62**) to the 1986 Order (disclosure of information: emoluments and other benefits of directors and others) is amended as follows.

(2) For the definition of “listed company” substitute—

““listed company” means a company—

- (a) whose securities have been admitted to the official list in accordance with the provisions of Part 6 of the Financial Services and Markets Act 2000; or
- (b) dealings in whose securities are permitted on any recognised investment exchange approved by the Treasury in accordance with regulations made under section 2(2) of the European Communities Act 1972 with respect to dealings in unlisted securities;”.

(3) After the definition of “net value” insert—

““the official list” has the meaning given in section 103(1) of the Financial Services and Markets Act 2000;”.

(4) After the definition of “qualifying services” insert—

““recognised investment exchange” has the same meaning as in the Financial Services and Markets Act 2000;”.

Form and content of company accounts: small companies

70. For paragraph 54 of Schedule 8(**63**) to the 1986 Order (form and content of company accounts for small companies: listed investments) substitute—

54.—(1) “Listed investment” means an investment as respects which there has been granted a listing on—

- (a) a recognised investment exchange other than an overseas investment exchange; or
- (b) a stock exchange of repute outside Northern Ireland.

(2) “Recognised investment exchange” and “overseas investment exchange” have the meaning given in Part 18 of the Financial Services and Markets Act 2000.”.

Meaning of deposit-taking business, chief executive and manager

71.—(1) Schedule 9 to the 1986 Order (special provisions for banking companies and groups) is amended as follows.

(2) In Part II (consolidated accounts)(**64**), in paragraph 1 (undertakings to be included in consolidation)—

- (a) in sub-paragraph (1) for “banking business” substitute “deposit-taking business”;

(62) Part I of Schedule 6 was inserted by the [Companies \(NI\) Order 1990 \(NI 5\)](#) Articles 3(b), 8(4) and Schedule 4 and paragraph 1 was substituted by [SR \(NI\) 1997/545](#).

(63) Schedule 8 was substituted by [SR \(NI\) 1997/436](#).

(64) Part II was inserted by [SR \(NI\) 1992/258](#), regulation 5, Schedule 1.

(b) for sub-paragraph (2) substitute—

“(2) For the purposes of this paragraph “deposit-taking business” means the activity of accepting deposits by way of business, but does not include accepting deposits only for the purpose of carrying on another regulated activity.”;

(c) after sub-paragraph (2) insert—

“(3) References in sub-paragraph (2) to deposits and their acceptance, and to regulated activities must be read with—

- (a) section 22 of the Financial Services and Markets Act 2000;
- (b) any relevant order under that section; and
- (c) Schedule 2 to that Act.”.

(3) In Part IV of that Schedule (additional disclosure: emoluments and other benefits of directors and others)(65), in sub-paragraph (1)(b) of paragraph 3 (other transactions and agreements) for “within the meaning of the Banking Act 1987” substitute “within the meaning of the Financial Services and Markets Act 2000”.

Form and content of accounts of insurance companies and groups

72.—(1) In Schedule 9A to the 1986 Order (form and content of accounts of insurance companies and groups)(66) Part I (individual accounts) is amended as follows.

(2) In paragraph 6—

- (a) the existing text is numbered sub-paragraph (1);
- (b) for “to business within Classes 1 and 2 of Schedule 2 to the 1982 Act” substitute “to business which consists of effecting or carrying out relevant contracts of general insurance”;

(c) after sub-paragraph (1) insert—

“(2) For the purposes of sub-paragraph (1), a contract of general insurance is a relevant contract if the risk insured against relates to—

- (a) accident; or
- (b) sickness.

(3) Sub-paragraph (2) must be read with—

- (a) section 22 of the Financial Services and Markets Act 2000;
- (b) any relevant order under that section; and
- (c) Schedule 2 to that Act.”.

(3) In paragraph 9—

- (a) the existing text is numbered sub-paragraph (1);
- (b) in paragraph (a) of that sub-paragraph, for “business within the classes of insurance specified in Schedule 2 to the 1982 Act” substitute “business which consists of effecting or carrying out contracts of general insurance”;
- (c) in paragraph (b) of that sub-paragraph, for “business within the classes of insurance specified in Schedule 1 to that Act” substitute “business which consists of effecting or carrying out contracts of long term insurance”;
- (d) after sub-paragraph (1) insert—

(65) As inserted by the Companies (Northern Ireland) Order 1990 (S.I. 1990/593 (NI 5)), Schedule 7 Part IV.

(66) Substituted for Parts I and II of Schedule 9, as originally enacted, by S.R. 1992/258.

“(2) In sub-paragraph (1), references to—

- (a) contracts of general or long term insurance; and
- (b) the effecting or carrying out of such contracts,

must be read with section 22 of the Financial Services and Markets Act 2000, any relevant order under that section, and Schedule 2 to that Act.”.

(4) In Section B (the required format for accounts), in note (24) (Equalisation provision)(**67**) of the Notes on the balance sheet format for “the amount of any reserve maintained by the company under section 34A of the Insurance Companies Act 1982” substitute “the amount of any equalisation reserve maintained in respect of general business by the company, in accordance with rules made by the Financial Services Authority under Part X of the Financial Services and Markets Act 2000”.

(5) In paragraph 11 (managed funds), for sub-paragraph (1)(a) substitute—

“(a) the management of which constitutes long term insurance business, and”.

(6) For paragraph 50 (equalisation reserves)(**68**) substitute—

“**50.** The amount of any equalisation reserve maintained in respect of general business, in accordance with rules made by the Financial Services Authority under Part X of the Financial Services and Markets Act 2000, shall be determined in accordance with such rules.”.

(7) In paragraph 81 (interpretations of Part I), in sub-paragraph (1)—

(a) omit the definition of “the 1982 Act”;

(b) for the definition of “general business” substitute—

““general business” means business which consists of effecting or carrying out contracts of general insurance;”;

(c) for the definition of “long term business” substitute—

““long term business” means business which consists of effecting or carrying out contracts of long term insurance;”;

(d) in the definition of “long term fund” for “in accordance with the provisions of the 1982 Act” substitute “in accordance with rules made by the Financial Services Authority under Part X of the Financial Services and Markets Act 2000”; and

(e) for the definition of “policy holder” substitute—

““policy holder” has the meaning given in any relevant order under section 424(2) of the Financial Services and Markets Act 2000;”.

Share dealing by directors etc.: supplementary provision

73.—(1) Paragraph 11 of Schedule 13 to the 1986 Order (share dealing by directors etc.: provision supplementary to Articles 332 to 336) is amended as follows.

(2) The existing provision becomes sub-paragraph (1).

(3) In that sub-paragraph, in paragraph (a), the words “within the meaning of the Financial Services Act 1986” are repealed.

(4) After that sub-paragraph, insert—

(67) Note (24) was amended (and the words substituted by this Order inserted) by the Insurance Companies (Reserves) Act 1995 (c. 29), section 3(1), (2).

(68) Paragraph 50 was substituted by the Insurance Companies (Reserves) Act 1995 (c. 29), section 3(1), (3), and further substituted by S.I. 1996/946, regulation 13.

“(2) “Unit trust scheme” and “authorised unit trust scheme” have the meaning given in section 237 of the Financial Services and Markets Act 2000.”.

*Companies Consolidation (Consequential Provisions)
(Northern Ireland) Order 1986 (S.I. 1986/1035 (N.I. 9))*

Repeal of spent provisions

74. The following provisions of the Companies Consolidation (Consequential Provisions) (Northern Ireland) Order 1986 are repealed—

- (a) Article 22; and
- (b) in Part 2 of Schedule 1, the entries relating to
 - (i) the Policyholders Protection Act 1975;
 - (ii) the Insurance Brokers (Registration) Act 1977; and
 - (iii) the Insurance Companies Act 1982.

The Companies' Act 1989 (c. 40)

Repeal of spent or unnecessary provisions

75. The following provisions of the Companies Act 1989 are repealed—

- (a) sections 72 to 77;
- (b) section 79;
- (c) section 81;
- (d) section 119(3);
- (e) section 156;
- (f) section 168;
- (g) section 169(1) and (4);
- (h) section 171;
- (i) sections 192 to 197;
- (j) section 200(1);
- (k) sections 201 to 206;
- (l) in section 213, subsections (5)(b) and (6);
- (m) section 214;
- (n) in Schedule 10, paragraphs 36 and 37;
- (o) in Schedule 20, paragraph 26;
- (p) Schedule 21;
- (q) Schedule 22; and
- (r) Schedule 23.

Requests for assistance by overseas regulatory authorities

76.—(1) Section 82 of the Companies Act 1989 (requests for assistance by overseas regulatory authorities) is amended as follows.

- (2) In subsection (2), for paragraph (a)(69) substitute—
- “(a) any function corresponding to—
- (i) any function of the Secretary of State under the Companies Act 1985;
 - (ii) any function of the Financial Services Authority under the Financial Services and Markets Act 2000;
 - (iii) any function exercised by the competent authority under Part VI of that Act in relation to the listing of shares;”.
- (3) In subsection (3), for “he is” substitute “he and the Financial Services Authority are”.
- (4) In subsection (5)(70), in the definition of “banking supervisor”, for “under the Banking Act 1987” substitute “in relation to authorised persons with permission under the Financial Services and Markets Act 2000 to accept deposits”.
- (5) After that subsection, insert—
- “(5A) In subsection (5), “authorised person” has the meaning given in the Financial Services and Markets Act 2000 and the references to deposits and their acceptance must be read with—
- (a) section 22 of that Act;
 - (b) any relevant order under that section; and
 - (c) Schedule 2 to that Act.”.

Exceptions from restrictions on disclosure of information

77.—(1) Section 87 of the Companies Act 1989 (exceptions from restrictions on disclosure of information) is amended as follows.

- (2) In subsection (2), for paragraph (b) substitute—
- “(b) civil proceedings arising under or by virtue of the Financial Services and Markets Act 2000 and proceedings before the Financial Services and Markets Tribunal;”.
- (3) In subsection (4), the table is amended in accordance with paragraphs (4) to (11).
- (4) The entries relating to the following are repealed—
- A designated agency within the meaning of the Financial Services Act 1986;
 - A transferee body or the competent authority within the meaning of the Financial Services Act 1986;
 - The body administering a scheme under section 54 of the Financial Services Act 1986;
 - A recognised self-regulating organisation, recognised professional body, recognised investment exchange, recognised clearing house or recognised self-regulating organisation for friendly societies (within the meaning of the Financial Services Act 1986);
 - The Chief Registrar of friendly societies, and the Assistant Registrar of Friendly Societies for Scotland;
 - The Friendly Societies Commission(71);
 - The Deposit Protection Board;
 - The Industrial Assurance Commissioner and the Industrial Assurance Commissioner for Northern Ireland; and

(69) Amended by the Bank of England Act 1998 (c. 11) Schedule 5 paragraph 66(2)(a).

(70) Amended by the Bank of England Act 1998 (c. 11) Schedule 5 paragraph 66(2)(b)(i).

(71) The entry relating to the Friendly Societies Commission was inserted by the Friendly Societies Act 1992, Schedule 21 paragraph 11.

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

The Building Societies Commission.

(5) For the entry relating to the Secretary of State substitute—

“The Secretary of State	Functions under— (a) the enactments relating to companies or insolvency; (b) Part 2, this Part or Part 7 of this Act; (c) the Financial Services and Markets Act 2000.”.
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(6) For the entry relating to the Treasury(72) substitute—

“The Treasury.	Functions under— (a) this Part or Part 7 of this Act; (b) the Financial Services and Markets Act 2000.”.
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(7) For the entry relating to an inspector substitute—

“An inspector appointed under Part 14 of the Companies Act 1985.	Functions under that Part.”
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(8) For the entry which begins “A person authorised to exercise powers”(73) substitute—

“A person authorised to exercise powers under section 447 of the Companies Act 1985 or section 84 of this Act.	Functions under that section.
A person appointed under— (a) section 167 of the Financial Services and Markets Act 2000 (general investigations), (b) section 168 of that Act (investigations in particular cases), (c) section 169(1)(b) of that Act (investigation in support of overseas regulator), (d) section 284 of that Act (investigations into affairs of certain collective investment schemes), or (e) regulations made as a result of section 262(2) (k) of that Act (investigations into open-ended investment companies), to conduct an investigation.	Functions in relation to the investigation.”.

(9) For the entry relating to the Financial Services Authority(74) substitute—

(72) The entry relating to the Treasury was inserted by [S.I. 1992/1315](#), Schedule 4 paragraph 12 and amended by [S.I. 1997/2781](#) Schedule, paragraph 116.

(73) This entry was amended by [S.I. 1994/1696](#), Schedule 8 paragraph 18.

(74) The entry relating to the Financial Services Authority was inserted by the Bank of England Act 1998, Schedule 5 paragraph 66(3).

“The Financial Services Authority.	Functions under the enactments relating to friendly societies, under the Building Societies Act 1986 and under the Financial Services and Markets Act 2000.”.
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(10) After that entry insert—

“A body corporate established in accordance with section 212(1) of that Act.	Functions under the Financial Services Compensation Scheme, established in accordance with section 213 of that Act.
A recognised investment exchange or a recognised clearing house (as defined by section 285 of that Act).	Functions in its capacity as an exchange or clearing house recognised under that Act.
A body designated under section 326(1) of the Financial Services and Markets Act 2000.	Functions in its capacity as a body designated under that section.”.

(11) In the entry relating to the Director General of Fair Trading, for “Financial Services Act 1986” substitute “Financial Services and Markets Act 2000”.

Exercise of powers in relation to Northern Ireland

78. In section 88 of the Companies Act 1989 (exercise of powers in relation to Northern Ireland), in subsection (3), for paragraph (b) substitute—

“(b) section 449 of the Companies Act 1985 and sections 86 and 87 above (restrictions on disclosure of information);”.

Change in default rules of recognised investment exchange and clearing house

79. In section 157(1) of the Companies Act 1989 (notification of change in default rules), for “Secretary of State”, in both places, substitute “Authority”.

Duty to report on completion of default proceedings

80.—(1) Section 162 of the Companies Act 1989 (duty to report on completion of default proceedings) is amended as follows.

(2) In subsection (1)(**75**), for “Secretary of State” substitute “Authority”.

(3) In subsection (1A)(**76**), for “Secretary of State” substitute “Authority”.

(4) In subsection (4)—

(a) for “Secretary of State, he” substitute “Authority, it”;

(b) for “he”, in the second place where it occurs, substitute “it”; and

(c) for “it” substitute “the report”.

Power to give directions

81.—(1) Section 166 of the Companies Act 1989 (power to give directions to recognised investment exchanges and recognised clearing houses with head offices in the UK) is amended as follows.

(75) Amended by S.I. 1991/880 regulation 6(2).

(76) Inserted by S.I. 1991/880 regulation 6(3).

- (2) In subsection (2), in each of paragraphs (a) and (b)—
 - (a) for “Secretary of State” substitute “Authority”;
 - (b) for “he” substitute “the Authority”.
- (3) In subsection (3)—
 - (a) for “Secretary of State” substitute “Authority”; and
 - (b) for “he”, in both places, substitute “it”.
- (4) In subsection (7)—
 - (a) for “Secretary of State”, in both places, substitute “Authority”; and
 - (b) for “he is satisfied that it” substitute “it is satisfied that the direction”.
- (5) In subsection (8) for “Secretary of State” substitute “Authority”.

Application to determine whether default proceedings to be taken

82.—(1) Section 167 of the Companies Act 1989 (application to determine whether default proceedings to be taken) is amended as follows.

- (2) In subsection (1) for “Secretary of State” substitute “Authority”.
- (3) In subsection (3), for “Secretary of State”, in both places, substitute “Authority”.
- (4) In subsection (4) for “Secretary of State” substitute “Authority”.
- (5) In subsection (5) for “Secretary of State”, in both places, substitute “Authority”.

Application of certain provisions for purposes of Part 7

83.—(1) Section 169 of the Companies Act 1989 (Part 7: supplementary provisions) is amended as follows.

- (2) In subsection (2) for the words from the beginning to “apply” substitute “Sections 296 and 297 of the Financial Services and Markets Act 2000 apply”.
- (3) In subsection (3)—
 - (a) for “Financial Services Act 1986, the Secretary of State” substitute “Financial Services and Markets Act 2000, the appropriate authority”; and
 - (b) for “he” substitute “it”.
- (4) After that subsection insert—
 - “(3A) “The appropriate authority” means—
 - (a) in the case of an overseas investment exchange or clearing house, the Treasury; and
 - (b) in the case of a UK investment exchange or clearing house, the Authority.”.
- (5) In subsection (5)—
 - (a) for the words from the beginning to “applies” substitute “Regulations under section 414 of the Financial Services and Markets Act 2000 (service of notices) may make provision”; and
 - (b) for “Secretary of State” substitute “Treasury or the Authority”.

Application of Part 7 in relation to overseas investment exchanges and clearing houses

84.—(1) Section 170 of the Companies Act 1989 (power to make provision in relation to certain overseas investment exchanges and clearing houses) is amended as follows.

- (2) In subsection (1)—
 - (a) after “Secretary of State” insert “and the Treasury”; and
 - (b) for “him” substitute “the Treasury”.
- (3) In subsection (2)—
 - (a) for “Secretary of State” substitute “Treasury”; and
 - (b) for “he is” substitute “they are”.
- (4) In subsections (4), (5)(a) and (6) for “Financial Services Act 1986” substitute “Financial Services and Markets Act 2000”.

Power to make provision about certain charges other than market charges

85.—(1) Section 176 of the Companies Act 1989 (power to make provision about certain other charges) is amended as follows.

- (2) In paragraph (b) of subsection (2)—
 - (a) the words “Financial Services” are repealed⁽⁷⁷⁾; and
 - (b) for “section 171” substitute “section 301 of the Financial Services and Markets Act 2000”.
- (3) For paragraphs (d) and (e) of that subsection substitute—
 - “(d) a person who has permission under Part 4 of the Financial Services and Markets Act 2000 to carry on a relevant regulated activity, or
 - (e) an international securities self-regulating organisation approved for the purposes of an order made under section 22 of the Financial Services and Markets Act 2000.”.
- (4) In subsection (6)⁽⁷⁸⁾—
 - (a) the words “Financial Services” are repealed; and
 - (b) for “section 171” substitute “section 301 of the Financial Services and Markets Act 2000”.
- (5) After subsection (7) insert—
 - “(8) For the purposes of subsection (2)(d), “relevant regulated activity” means—
 - (a) dealing in investments as principal or as agent;
 - (b) arranging deals in investments;
 - (c) managing investments;
 - (d) safeguarding and administering investments;
 - (e) sending dematerialised instructions; or
 - (f) establishing etc. a collective investment scheme.
 - (9) Subsection (8) must be read with—
 - (a) section 22 of the Financial Services and Markets Act 2000;
 - (b) any relevant order under that section; and
 - (c) Schedule 2 to that Act.”.

Power to apply sections 177 to 180 to other cases

86.—(1) Section 181 of the Companies Act 1989 (power to apply sections 177 to 180 to other cases) is amended as follows.

⁽⁷⁷⁾ The words repealed were substituted by the Bank of England Act 1998 (c. 11), Schedule 5 paragraph 48(2).

⁽⁷⁸⁾ Subsection (6) was substituted by the Bank of England Act 1998 (c. 11), Schedule 5 paragraph 48(3).

(2) In subsection (1), for the words from the beginning to “includes” substitute “A power to which this subsection applies includes the”.

(3) After subsection (2) insert—

“(3) Subsection (1) applies to the powers of the Secretary of State and the Treasury to act jointly under—

(a) sections 170, 172 and 176 of this Act; and

(b) section 301 of the Financial Services and Markets Act 2000 (supervision of certain contracts).”.

Indemnity for certain acts

87. In section 184(5) of the Companies Act 1989 (indemnity for certain acts), for the words from “exercising” to “procedures” substitute “to whom the exercise of any function of a recognised investment exchange or recognised clearing house is delegated under its default rules”.

Power of Treasury and Secretary of State to make further provision for purposes of Part 7

88. After subsection (3) of section 185 of the Companies Act 1989 (power of Treasury and Secretary of State to make further provision for purposes of Part 7) insert—

“(4) References in this section to the provisions of this Part include any provision made under section 301 of the Financial Services and Markets Act 2000.”.

Definitions for purposes of Part 7

89.—(1) Section 190 of the Companies Act 1989 (definitions for purposes of Part 7) is amended in accordance with paragraphs (2) to (6).

(2) In subsection (1), after the definition of “administrative receiver”, insert—

““the Authority” means the Financial Services Authority;”.

(3) In that subsection, the definitions of “clearing house”, of “investment” and “investment exchange” and of “recognised” are repealed.

(4) In that subsection, after the definition of “overseas”, insert—

““recognised clearing house” and “recognised investment exchange” have the same meaning as in the Financial Services and Markets Act 2000;”.

(5) In that subsection, for the definition of “The Stock Exchange” substitute—

““The Stock Exchange” means the London Stock Exchange Limited;”.

(6) Subsection (4) is repealed.

(7) In the table in section 191 of that Act (table of defined expressions)—

(a) the entries relating to the following expressions are repealed—

clearing house;

ensuring the performance of a transaction;

investment;

investment exchange; and

recognised; and

(b) insert the following in the appropriate places—

“the Authority

section 190(1)”; and

“recognised clearing house and recognised investment exchange section 190(1)”.

Transfer of securities

90. In section 207(1) of the Companies Act 1989 (transfer of securities), in paragraph (a), for “Financial Services Act 1986” substitute “Financial Services and Markets Act 2000”.

The Companies (Northern Ireland) Order 1989 (S.I. 1989/2404 (N.I. 18))

Disqualification after investigation of company

91. In Article 11 of the Companies (Northern Ireland) Order 1989 (disqualification after company investigation), for paragraphs (1)(79) and (2) substitute—

“(1) If it appears to the Department from investigative material that it is expedient in the public interest that a disqualification order should be made against a person who is, or has been, a director or shadow director of a company, the Department may apply to the High Court for such an order.

(1A) “Investigative material” means—

- (a) a report made by inspectors under—
 - (i) Article 430 of the Companies Order; or
 - (ii) section 167, 168, 169 or 284 of the Financial Services and Markets Act 2000; or
 - (iii) where the company is an open-ended investment company (within the meaning of that Act) regulations made as a result of section 262(2)(k) of that Act; and
- (b) information or documents obtained under—
 - (i) Article 440 or 441 of the Companies Order;
 - (ii) section 2 of the Criminal Justice Act 1987;
 - (iii) section 28 of the Criminal Law (Consolidation)(Scotland) Act 1995;
 - (iv) section 83 of the Companies Act 1989; or
 - (v) section 165, 171, 172, 173 or 175 of the Financial Services and Markets Act 2000.”.

The Companies (No.2)(Northern Ireland) Order 1990 (S.I. 1990/1504 (N.I. 10))

Repeal of spent or unnecessary provisions

92. The following provisions of the Companies (No. 2) (Northern Ireland) Order 1990 are repealed—

- (a) Articles 24 to 26;
- (b) Article 54(3);
- (c) Article 91; and

(79) Paragraph (1) of Article 11 was amended by the Criminal Justice Act 1993 (c. 36) Schedule 6 Part II and Companies (No. 2) (NI) Order 1990 (NI 10) Article 26.

(d) Article 93.

Duty to report on completion of default proceedings

93.—(1) Article 85 of the Companies (No. 2)(Northern Ireland) Order 1990 (duty to report on completion of default proceedings) is amended as follows.

- (2) In paragraph (1)(**80**), for “Secretary of State” substitute “Authority”.
- (3) In paragraph (1A)(**81**), for “Secretary of State” substitute “Authority”.
- (4) In paragraph (4)—
 - (a) for “Secretary of State, he” substitute “Authority, it”;
 - (b) for “he”, in the second place where it occurs, substitute “it”; and
 - (c) for “it” substitute “the report”.

Power to give directions

94.—(1) Article 89 of the Companies (No. 2) (Northern Ireland) Order 1990 (power to give directions to recognised investment exchanges and recognised clearing houses with head offices in the UK) is amended as follows.

- (2) In paragraph (2), in each of sub-paragraphs (a) and (b)—
 - (a) for “Secretary of State” substitute “Authority”;
 - (b) for “he” substitute “the Authority”.
- (3) In paragraph (3)—
 - (a) for “Secretary of State” substitute “Authority”; and
 - (b) for “he”, in both places, substitute “it”.
- (4) In paragraph (7)—
 - (a) for “Secretary of State”, in both places, substitute “Authority”; and
 - (b) for “he is satisfied that it” substitute “it is satisfied that the direction”.
- (5) In paragraph (8) for “Secretary of State” substitute “Authority”.

Application to determine whether default proceedings to be taken

95.—(1) Article 90 of the Companies (No. 2) (Northern Ireland) Order 1990 (application to determine whether default proceedings to be taken) is amended as follows.

- (2) In paragraph (1) for “Secretary of State” substitute “Authority”.
- (3) In paragraph (3), for “Secretary of State”, in both places, substitute “Authority”.
- (4) In paragraph (4) for “Secretary of State” substitute “Authority”.
- (5) In paragraph (5) for “Secretary of State”, in both places, substitute “Authority”.

Application of Part 5 in relation to overseas investment exchanges and clearing houses

96. In Article 92(1) of the Companies (No. 2) (Northern Ireland) Order 1990 (power to make provision in relation to certain overseas investment exchanges and clearing houses)—

- (a) after “Department” insert “and the Treasury”; and

(80) Amended by [SR \(NI\) 1991/443](#).

(81) Inserted by [SR \(NI\) 1991/443](#).

- (b) for “Secretary of State” substitute “the Treasury”.

Power to make provision about certain charges other than market charges

97.—(1) Article 98 of the Companies (No.2) (Northern Ireland) Order 1990 (power to make provision about certain other charges) is amended as follows.

- (2) In sub-paragraph (b) of paragraph (2)—
- (a) the words “Financial Services” are repealed; and
 - (b) for “section 171” substitute “section 301 of the Financial Services and Markets Act 2000”.
- (3) For sub-paragraphs (d) and (e) of that paragraph substitute—
- “(d) a person who has permission under Part 4 of the Financial Services and Markets Act 2000 to carry on a relevant regulated activity, or
 - (e) an international securities self-regulating organisation approved for the purposes of an order made under section 22 of the Financial Services and Markets Act 2000,”.
- (4) In paragraph (6)—
- (a) the words “Financial Services” are repealed; and
 - (b) for “section 171” substitute “section 301 of the Financial Services and Markets Act 2000”.
- (5) After paragraph (7) insert—
- “(8) For the purposes of subsection (2)(d), “relevant regulated activity” means—
 - (a) dealing in investments as principal or as agent;
 - (b) arranging deals in investments;
 - (c) managing investments;
 - (d) safeguarding and administering investments;
 - (e) sending dematerialised instructions; or
 - (f) establishing etc. a collective investment scheme. - (9) Paragraph (8) must be read with—
 - (a) section 22 of the Financial Services and Markets Act 2000;
 - (b) any relevant order under that section; and
 - (c) Schedule 2 to that Act.”.

Power to apply Articles 99 to 102 to other cases

98. In Article 103(1)(a) of the Companies (No. 2) (Northern Ireland) Order 1990 (power to apply Articles 99 to 102 to other cases), the words “93” are repealed.

Indemnity for certain acts

99. In Article 105(5) of the Companies (No. 2) (Northern Ireland) Order 1990 (indemnity for certain acts), for the words from “exercising” to “procedures” substitute “to whom the exercise of any function of a recognised investment exchange or recognised clearing house is delegated under its default rules”.

Power of Secretary of State to make further provision for purposes of Part 5

100. After paragraph (3) of Article 106 of the Companies (No. 2) (Northern Ireland) Order 1990 (power of Secretary of State to make further provision for purposes of Part 5) insert—

“(4) References in paragraph (2) to the provisions of this Part include any provision made under section 301 of the Financial Services and Markets Act 2000.”.

Definitions for purposes of Part 5

101.—(1) Article 111 of the Companies (No. 2) (Northern Ireland) Order 1990 (definitions for purposes of Part 5) is amended in accordance with paragraphs (2) to (6).

(2) In paragraph (1), after the definition of “administrative receiver”, insert—

““the Authority” means the Financial Services Authority;”.

(3) In that paragraph, the definitions of “clearing house”, of “investment” and “investment exchange” and of “recognised” are repealed.

(4) In that paragraph, after the definition of “overseas”, insert—

““recognised clearing house” and “recognised investment exchange” have the same meaning as in the Financial Services and Markets Act 2000;”.

(5) In that paragraph, for the definition of “The Stock Exchange” substitute—

““The Stock Exchange” means the London Stock Exchange Limited;”.

(6) Paragraph (4) is repealed.

(7) In the table in Article 112 of that Order (table of defined expressions)—

(a) the entries relating to the following expressions are repealed—

- clearing house;
- ensuring the performance of a transaction;
- investment;
- investment exchange; and
- recognised; and

(b) insert the following in the appropriate places—

“the Authority	Article 111(1)”; and
“recognised clearing house and recognised investment exchange	Article 111(1)”. .”.
