



Financial Services Act 1986

1986 CHAPTER 60

PART I

REGULATION OF INVESTMENT BUSINESS

CHAPTER I

PRELIMINARY

1 Investments and investment business

- (1) In this Act, unless the context otherwise requires, "investment" means any asset, right or interest falling within any paragraph in Part I of Schedule 1 to this Act
- (2) In this Act "investment business" means the business of engaging in one or more of the activities which fall within the paragraphs in Part II of that Schedule and are not excluded by Part III of that Schedule.
- (3) For the purposes of this Act a person carries on investment business in the United Kingdom if he—
 - (a) carries on investment business from a permanent place of business maintained by him in the United Kingdom; or
 - (b) engages in the United Kingdom in one or more of the activities which fall within the paragraphs in Part II of that Schedule and are not excluded by Part III or IV of that Schedule and his doing so constitutes the carrying on by him of a business in the United Kingdom.
- (4) Parts I to IV of that Schedule shall be construed in accordance with Part V.

2 Power to extend or restrict scope of Act

- (1) The Secretary of State may by order amend Schedule 1 to this Act so as—

Status: *This is the original version (as it was originally enacted).*

- (a) to extend or restrict the meaning of investment for the purposes of all or any provisions of this Act; or
 - (b) to extend or restrict for the purposes of all or any of those provisions the activities that are to constitute the carrying on of investment business or the carrying on of such business in the United Kingdom.
- (2) The amendments that may be made for the purposes of subsection (1)(b) above include amendments conferring powers on the Secretary of State, whether by extending or modifying any provision of that Schedule which confers such powers or by adding further such provisions.
- (3) An order under this section which extends the meaning of investment or extends the activities that are to constitute the carrying on of investment business or the carrying on of such business in the United Kingdom shall be laid before Parliament after being made and shall cease to have effect at the end of the period of twenty-eight days beginning with the day on which it is made (but without prejudice to anything done under the order or to the making of a new order) unless before the end of that period the order is approved by a resolution of each House of Parliament
- (4) In reckoning the period mentioned in subsection (3) above no account shall be taken of any time during which Parliament is dissolved or prorogued or during which both Houses are adjourned for more than four days.
- (5) Any order under this section to which subsection (3) above does not apply shall be subject to annulment in pursuance of a resolution of either House of Parliament.
- (6) An order under this section may contain such transitional provisions as the Secretary of State thinks necessary or expedient