

## SCHEDULES

### SCHEDULE 23

#### CONSEQUENTIAL AMENDMENTS OF THE FINANCIAL SERVICES ACT 1986

##### PART I

###### GENERAL AMENDMENTS

- 1 (1) Section 13 of the Financial Services Act 1986 (power to direct alteration of rules of recognised self-regulating organisation) is amended as follows.
  - (2) Omit subsection (1).
  - (3) For subsection (2) substitute—

“(2) If at any time it appears to the Secretary of State that—

    - (a) a recognised self-regulating organisation is concerned with two or more kinds of investment business, and
    - (b) the requirement in paragraph 3(1) of Schedule 2 to this Act is not satisfied in respect of investment business of one or more but not all of those kinds,

he may, instead of revoking the recognition order or making an application under section 12 above, direct the organisation to alter, or himself alter, its rules so that they preclude a member from carrying on investment business of a kind in respect of which that requirement is not satisfied, unless he is an authorised person otherwise than by virtue of membership of the organisation or is an exempted person in respect of that business.”.
  - (4) For subsection (3) substitute—

“(3) A direction under this section is enforceable on the application of the Secretary of State by injunction or, in Scotland, by an order under section 45 of the Court of Session Act 1988.”.
  - (5) Omit subsections (4) to (6).