



Financial Services and Markets Act 2000

2000 CHAPTER 8

[^{F1}PART 17A

TRANSFORMER VEHICLES

Textual Amendments

F1 Pt. 17A inserted (4.5.2016) by [Bank of England and Financial Services Act 2016 \(c. 14\)](#), ss. **31(2)**, 41(1)

284A Transformer vehicles

- (1) In this section “transformer vehicle” means an undertaking (“A”) which—
 - (a) is established for the purposes of carrying on the activities mentioned in subsection (2), or
 - (b) carries on those activities.
- (2) The activities referred to in subsection (1) are—
 - (a) assuming risk from another undertaking (“B”), and
 - (b) fully funding A's exposure to that risk by issuing investments where the repayment rights of the investors are subordinated to A's obligations to B in respect of the risk.
- (3) The Treasury may by regulations make provision for facilitating, and provision for regulating—
 - (a) the establishment and operation of transformer vehicles;
 - (b) the activities mentioned in subsection (2);
 - (c) the trading of investments issued by transformer vehicles.
- (4) Regulations under subsection (3) may (amongst other things) make provision—
 - (a) for the incorporation and registration in the United Kingdom of bodies corporate;

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- (b) for a body incorporated by virtue of the regulations to take such form and name as may be determined in accordance with the regulations;
 - (c) as to the purposes for which such a body may exist and the investments which it may issue;
 - (d) as to the constitution, ownership, management and operation of such a body;
 - (e) for such a body to comprise different parts;
 - (f) for such parts to have legal personality distinct from that of the body;
 - (g) as to the holding and management of the assets and liabilities of such a body, including provision for the segregation of assets and liabilities relating to different risks;
 - (h) as to the powers, duties, rights and liabilities of such a body and of other persons, including—
 - (i) its directors and other officers;
 - (ii) its shareholders, and persons who hold the beneficial title to shares in it without holding the legal title;
 - (iii) its auditor;
 - (iv) any persons holding assets for it;
 - (v) any persons who act or purport to act on its behalf;
 - (i) as to the merger of one or more such bodies and the division of such a body;
 - (j) for the appointment and removal of an auditor for such a body;
 - (k) as to the winding up and dissolution of such a body;
 - (l) enabling the FCA or the PRA to apply to a court for an order removing or replacing any director of, or person holding assets for, such a body;
 - (m) for the carrying out of investigations by persons appointed by the FCA or the PRA.
- (5) If regulations under subsection (3) make the provision mentioned in subsection (4)(e) references in subsection (4) to a body include its constituent parts.
- (6) Regulations under subsection (3) may—
- (a) impose criminal liability;
 - (b) confer functions on the FCA or the PRA (including the functions of making rules and giving directions);
 - (c) authorise the FCA or the PRA to require the Council of Lloyd's to exercise functions on its behalf (including functions conferred otherwise than by the regulations);
 - (d) confer jurisdiction on any court or on the Tribunal;
 - (e) provide for fees to be charged by the FCA or the PRA in connection with the carrying out of any of their functions under the regulations (including fees payable on a periodical basis);
 - (f) modify, exclude or apply (with or without modifications) any primary or subordinate legislation (including any provision of, or made under, this Act);
 - (g) make consequential amendments, repeals and revocations of any such legislation;
 - (h) modify or exclude any rule of law.
- (7) Regulations under subsection (3) may make the provision mentioned in subsection (6) (c) only with the consent of the Council of Lloyd's.

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- (8) The provision that may be made by virtue of subsection (6)(f) includes provision extending or adapting any power to make subordinate legislation.
- (9) Regulations under subsection (3) may provide that a reference in the regulations to, or to any provision of, legislation (including ^{F2}... legislation of a country or territory outside the United Kingdom) is to be construed as a reference to that legislation or that provision as amended from time to time.
- (10) In this section—
- “investment” includes any asset, right or interest;
 - “primary legislation” means an Act, an Act of the Scottish Parliament, a Measure or Act of the National Assembly for Wales, or Northern Ireland legislation;
 - “subordinate legislation” means an instrument made under primary legislation.
- (11) If a statutory instrument containing regulations under this section would, apart from this subsection, be treated as a hybrid instrument for the purposes of the Standing Orders of either House of Parliament, it is to proceed in that House as if it were not a hybrid instrument.]

Textual Amendments

- F2** Words in s. 284A(9) omitted (31.12.2020) by virtue of [The Solvency 2 and Insurance \(Amendment, etc.\) \(EU Exit\) Regulations 2019 \(S.I. 2019/407\)](#), regs. 1(2), **5(2)** (as amended by [S.I. 2020/1385](#), regs. 1(2), 54(2))

Changes to legislation:

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

- Act applied (with modifications) by [S.I. 2023/1347 reg. 8](#)
- Act power to apply conferred (temp. until 15.5.2039) by [2014 c. 21 s. 79\(4\)](#)
- Act power to apply conferred (temp. until 15.5.2039) by [2014 c. 21 s. 81\(10\)](#)

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- Pt. 17 Ch. 3B inserted by [2023 c. 29 s. 64\(3\)](#)
- Pt. 20C inserted by [2016 c. 14 s. 30\(3\)](#)
- s. 31(1)(aa) inserted by [2021 c. 22 s. 22\(2\)](#)
- s. 32A inserted by [2021 c. 22 s. 22\(3\)](#)
- s. 32A power to apply (with modifications) conferred by [2021 c. 22 s. 23\(10\)](#)
- s. 36A and cross-heading inserted by [2021 c. 22 s. 22\(4\)](#)
- s. 71J and cross-heading inserted by [2021 c. 22 Sch. 8 para. 4](#)
- s. 86(9A) inserted by [S.I. 2019/707 reg. 8\(9\)](#) (This amendment not applied to legislation.gov.uk. Reg. 8(6)-(10) omitted (6.9.2019) by virtue of S.I. 2019/1234, regs. 1(2), 13(c))
- s. 87A(11) inserted by [S.I. 2019/707 reg. 10\(5\)](#) (This amendment not applied to legislation.gov.uk. Reg. 10(4)(5) omitted (6.9.2019) by virtue of S.I. 2019/1234, regs. 1(2), 15(b))
- s. 124(10)(c)(i) word omitted by [S.I. 2019/310 reg. 5\(11\)\(b\)](#) (This amendment not applied to legislation.gov.uk. Reg. 5(11)(b) omitted immediately before IP completion day by virtue of S.I. 2020/1385, regs. 1(4), 51(2)(e))
- s. 129(7)(a) word inserted by [S.I. 2019/310 reg. 5\(12\)\(a\)\(i\)](#) (This amendment not applied to legislation.gov.uk. Reg. 5(12)(a)(b) omitted immediately before IP completion day by virtue of S.I. 2020/1385, regs. 1(4), 51(2)(f))
- s. 129(7)(c) omitted and word by [S.I. 2019/310 reg. 5\(12\)\(a\)\(ii\)](#) (This amendment not applied to legislation.gov.uk. Reg. 5(12)(a)(b) omitted immediately before IP completion day by virtue of S.I. 2020/1385, regs. 1(4), 51(2)(f))
- s. 214(5A) inserted by [2021 c. 22 Sch. 8 para. 8](#)
- s. 261E(A1) inserted by [2023 c. 29 s. 64\(2\)\(a\)](#)
- s. 367A inserted by [2021 c. 22 Sch. 8 para. 10](#)
- s. 395(13)(h)(i) inserted by [2021 c. 22 Sch. 8 para. 12\(2\)\(c\)](#)
- s. 395(13)(bc)-(be) word inserted by [2021 c. 22 Sch. 8 para. 12\(2\)\(b\)](#)
- s. 395(14) inserted by [2021 c. 22 Sch. 8 para. 12\(3\)](#)
- s. 427A(3) words substituted by [2002 c. 40 Sch. 17 para. 59](#) (This amendment not applied to legislation.gov.uk. The Financial Services and Markets Act 2000 does not contain a section 427A.)
- Sch. 1ZA para. 32(c) and word inserted by [2021 c. 22 Sch. 8 para. 18](#)
- Sch. 2A para. 19(2)(b)(iia) inserted by [2023 c. 29 Sch. 10 para. 19\(a\)](#)
- Sch. 2A2B power to apply (with modifications) conferred by [2021 c. 22 s. 23\(10\)](#)
- Sch. 2A power to apply (with modifications) conferred by [2021 c. 22 s. 23\(10\)](#)
- Sch. 2B inserted by [2021 c. 22 Sch. 7](#)
- Sch. 2B power to apply (with modifications) conferred by [2021 c. 22 s. 23\(10\)](#)
- Sch. 11A para. 5(3) inserted by [S.I. 2019/707 reg. 38\(5\)\(b\)](#) (This amendment not applied to legislation.gov.uk. Reg. 38(2)-(5)(7)(8) omitted (6.9.2019) by virtue of S.I. 2019/1234, regs. 1(2), 20)

- Sch. 17A para. 12 words substituted by [S.I. 2019/662 reg. 13\(1\)](#) (This amendment not applied to [legislation.gov.uk](#). Reg. 13(1) substituted (25.6.2020) by S.I. 2020/646, regs. 1(2)(c), 11(3))