



# Financial Services and Markets Act 2000

## 2000 CHAPTER 8

### PART III

#### AUTHORISATION AND EXEMPTION

##### *Authorisation*

### 31 Authorised persons.

- (1) The following persons are authorised for the purposes of this Act—
- (a) a person who has a [<sup>F1</sup>Part 4A permission] to carry on one or more regulated activities;
  - <sup>F2</sup>(b) .....
  - <sup>F3</sup>(c) .....
  - (d) a person who is otherwise authorised by a provision of, or made under, this Act.
- (2) In this Act “authorised person” means a person who is authorised for the purposes of this Act.

#### Textual Amendments

- F1** Words in s. 31(1)(a) substituted (1.4.2013) by [Financial Services Act 2012 \(c. 21\), ss. 11\(1\), 122\(3\)](#) (with [Sch. 20](#)); [S.I. 2013/423, art. 3, Sch.](#)
- F2** [S. 31\(1\)\(b\)](#) omitted (31.12.2020) by virtue of [The EEA Passport Rights \(Amendment, etc., and Transitional Provisions\) \(EU Exit\) Regulations 2018 \(S.I. 2018/1149\), regs. 1\(3\), 2\(2\)](#) (with [reg. 4](#)); [2020 c. 1, Sch. 5 para. 1\(1\)](#)
- F3** [S. 31\(1\)\(c\)](#) omitted (31.12.2020) by virtue of [The EEA Passport Rights \(Amendment, etc., and Transitional Provisions\) \(EU Exit\) Regulations 2018 \(S.I. 2018/1149\), regs. 1\(3\), 2\(3\)](#) (with [reg. 4](#)); [2020 c. 1, Sch. 5 para. 1\(1\)](#)

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#### Modifications etc. (not altering text)

- C1** S. 31 applied (with modifications) (1.4.2013) by [The Financial Services Act 2012 \(Mutual Societies\) Order 2013 \(S.I. 2013/496\)](#), [art. 1\(1\)](#), [Sch. 1 para. 4](#) (with Sch. 12)

#### Commencement Information

- II** S. 31 wholly in force at 1.12.2001; s. 31 not in force at Royal Assent see s. 431(2); s. 31(1)(b) in force for specified purposes at 25.2.2001 by [S.I. 2001/516](#), [art. 2\(c\)](#), [Sch. Pt. 3](#); s. 31(1)(b) in force for specified purposes at 18.6.2001 by [S.I. 2001/1820](#), [art. 2](#), [Sch.](#); s. 31(1)(c) in force for specified purposes at 3.9.2001 by [S.I. 2001/2632](#), [art. 2\(2\)](#), [Sch. Pt. 2](#); s. 31 in force in so far as not already in force at 1.12.2001 by [S.I. 2001/3538](#), [art. 2\(1\)](#)

### 32 Partnerships and unincorporated associations.

- (1) If a firm is authorised—
- (a) it is authorised to carry on the regulated activities concerned in the name of the firm; and
  - (b) its authorisation is not affected by any change in its membership.
- (2) If an authorised firm is dissolved, its authorisation continues to have effect in relation to any [<sup>F4</sup>individual or] firm which succeeds to the business of the dissolved firm.
- [<sup>F5</sup>(3) For the purposes of this section, an individual or firm is to be regarded as succeeding to the business of a dissolved firm only if succession is to the whole or substantially the whole of the business of the former firm.]
- (4) “Firm” means—
- (a) a partnership; or
  - (b) an unincorporated association of persons.
- (5) “Partnership” does not include a partnership which is constituted under the law of any place outside the United Kingdom and is a body corporate.

#### Textual Amendments

- F4** Words in s. 32(2) inserted (12.7.2007) by [The Regulatory Reform \(Financial Services and Markets Act 2000\) Order 2007 \(S.I. 2007/1973\)](#), [art. 3\(a\)](#)
- F5** S. 32(3) substituted (12.7.2007) by [The Regulatory Reform \(Financial Services and Markets Act 2000\) Order 2007 \(S.I. 2007/1973\)](#), [art. 3\(b\)](#)

#### *Ending of authorisation*

### 33 Withdrawal of authorisation <sup>F6</sup>....

- (1) This section applies if—
- (a) an authorised person’s [<sup>F7</sup>Part 4A permission] is cancelled; and
  - (b) as a result, there is no regulated activity for which he has permission.
- (2) The [<sup>F8</sup>appropriate regulator] must give a direction withdrawing that person’s status as an authorised person.
- [<sup>F9</sup>(2A) In subsection (2) “the appropriate regulator” means—

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- (a) in the case of a PRA-authorised person, the PRA, and
- (b) in any other case, the FCA.]

**Textual Amendments**

- F6** Words in s. 33 heading omitted (1.4.2013) by virtue of [Financial Services Act 2012 \(c. 21\)](#), s. 122(3), [Sch. 18 para. 2\(5\)](#) (with [Sch. 20](#)); S.I. 2013/423, art. 3, Sch.
- F7** Words in s. 33(1)(a) substituted (1.4.2013) by [Financial Services Act 2012 \(c. 21\)](#), s. 122(3), [Sch. 18 para. 2\(2\)](#) (with [Sch. 20](#)); S.I. 2013/423, art. 3, Sch.
- F8** Words in s. 33(2) substituted (1.4.2013) by [Financial Services Act 2012 \(c. 21\)](#), s. 122(3), [Sch. 18 para. 2\(3\)](#) (with [Sch. 20](#)); S.I. 2013/423, art. 3, Sch.
- F9** S. 33(2A) inserted (1.4.2013) by [Financial Services Act 2012 \(c. 21\)](#), s. 122(3), [Sch. 18 para. 2\(4\)](#) (with [Sch. 20](#)); S.I. 2013/423, art. 3, Sch.

**<sup>F10</sup>34 EEA firms.**

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**Textual Amendments**

- F10** S. 34 omitted (31.12.2020) by virtue of [The EEA Passport Rights \(Amendment, etc., and Transitional Provisions\) \(EU Exit\) Regulations 2018 \(S.I. 2018/1149\)](#), reg. 1(3), [Sch. para. 3](#) (with reg. 4); 2020 c. 1, Sch. 5 para. 1(1)

**<sup>F11</sup>35 Treaty firms.**

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**Textual Amendments**

- F11** S. 35 omitted (31.12.2020) by virtue of [The EEA Passport Rights \(Amendment, etc., and Transitional Provisions\) \(EU Exit\) Regulations 2018 \(S.I. 2018/1149\)](#), reg. 1(3), [Sch. para. 4](#) (with reg. 4); 2020 c. 1, Sch. 5 para. 1(1)

**[<sup>F12</sup>36 Authorised open-ended investment companies**

Schedule 5 makes provision about authorised open-ended investment companies.]

**Textual Amendments**

- F12** S. 36 substituted (31.12.2020) by [The Collective Investment Schemes \(Amendment etc.\) \(EU Exit\) Regulations 2019 \(S.I. 2019/325\)](#), regs. 1(2), [4](#) (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)

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### *Exercise of EEA rights by UK firms*

#### <sup>F13</sup>37 Exercise of EEA rights by UK firms.

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##### **Textual Amendments**

**F13** S. 37 omitted (31.12.2020) by virtue of The EEA Passport Rights (Amendment, etc., and Transitional Provisions) (EU Exit) Regulations 2018 (S.I. 2018/1149), regs. 1(3), **2(4)** (with reg. 4); 2020 c. 1, Sch. 5 para. 1(1)

### *Exemption*

#### **38 Exemption orders.**

- (1) The Treasury may by order (“an exemption order”) provide for—
  - (a) specified persons, or
  - (b) persons falling within a specified class,
 to be exempt from the general prohibition.
- (2) But a person cannot be an exempt person as a result of an exemption order if he has a [<sup>F14</sup>Part 4A permission].
- (3) An exemption order may provide for an exemption to have effect—
  - (a) in respect of all regulated activities;
  - (b) in respect of one or more specified regulated activities;
  - (c) only in specified circumstances;
  - (d) only in relation to specified functions;
  - (e) subject to conditions.
- (4) “Specified” means specified by the exemption order.

##### **Textual Amendments**

**F14** Words in s. 38(2) substituted (1.4.2013) by Financial Services Act 2012 (c. 21), s. 122(3), **Sch. 18 para. 4** (with Sch. 20); S.I. 2013/423, art. 3, Sch.

##### **Modifications etc. (not altering text)**

- C2** S. 38(2) modified (31.10.2001) by S.I. 2001/3374, art. 1, **Sch. para. 3**
- C3** S. 38(2) modified (31.10.2004) by The Financial Services and Markets Act 2000 (Transitional Provisions) (Mortgages) Order 2004 (S.I. 2004/2615), arts. 1(2)(b), 5, **Sch. para. 3**
- C4** S. 38(2) modified (14.1.2005) by The Financial Services and Markets Act 2000 (Transitional Provisions) (General Insurance Intermediaries) Order 2004 (S.I. 2004/3351), arts. 1(2)(b), 5, **Sch. para. 3**
- C5** S. 38(2) modified (6.4.2007) by The Financial Services and Markets Act 2000 (Regulated Activities) (Amendment) Order 2006 (S.I. 2006/1969), arts. 1(3), 7, **Sch. para. 3(a)**
- C6** S. 38(2) modified (30.6.2008 for certain purposes, otherwise 1.1.2009) by The Financial Services and Markets Act 2000 (Regulated Activities) (Amendment) (No. 2) Order 2007 (S.I. 2007/3510), arts. 1(2), **7(1)(3)**

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- C7** S. 38(2) modified (1.7.2009 for certain purposes, otherwise 30.6.2010) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) Order 2009 \(S.I. 2009/1342\)](#), **arts. 1(2), 34**, {Sch. paras. 1, 3}
- C8** S. 38(2) modified (2.4.2013) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) Order 2013 \(S.I. 2013/655\)](#), arts. 1, **10(5)(a)**
- C9** S. 38(2) modified (26.7.2013 for specified purposes, 2.9.2013 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) \(No.2\) Order 2013 \(S.I. 2013/1881\)](#), arts. 1(2)(5), **59(2)(a)**
- C10** S. 38(2) modified (1.4.2015) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) Order 2015 \(S.I. 2015/369\)](#), arts. 1, **7(6)(a)**
- C11** S. 38(2) modified (E.W.S.) (29.11.2018 for specified purposes, 1.4.2019 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Claims Management Activity\) Order 2018 \(S.I. 2018/1253\)](#), arts. 1(2)(3), **83(3)**

### 39 Exemption of appointed representatives.

(1) If a person (other than an authorised person)—

- (a) is a party to a contract with an authorised person (“his principal”) which—
- (i) permits or requires him to carry on business of a prescribed description, and
- (ii) complies with such requirements as may be prescribed, and
- (b) is someone for whose activities in carrying on the whole or part of that business his principal has accepted responsibility in writing,

he is exempt from the general prohibition in relation to any regulated activity comprised in the carrying on of that business for which his principal has accepted responsibility.

[<sup>F15</sup>(1ZA) But a person is not exempt as a result of subsection (1) if subsection (1A) [<sup>F16</sup>, (1AA)] or (1BA) applies to the person.]

[<sup>F17</sup>(1A) [<sup>F18</sup>This subsection applies to a person] —

- (a) if his principal is an investment firm [<sup>F19</sup>, a [<sup>F20</sup>qualifying credit institution], or [<sup>F21</sup>a firm which has a Part 4A permission to carry on regulated activities as an exempt investment firm within the meaning of regulation 8 of the Financial Services and Markets Act 2000 (Markets in Financial Instruments) Regulations 2017 (S.I. 2017/701)]], and
- (b) so far as the business for which his principal has accepted responsibility is investment services business,

unless he is entered on the applicable register.

[ This subsection applies to a person—

- <sup>F22</sup>(1AA) (a) if the person’s principal is an investment firm [<sup>F23</sup>, a [<sup>F24</sup>qualifying credit institution], or a person mentioned in Article 3.1 (optional exemptions) of the markets in financial instruments directive], and
- (b) so far as the business for which the person’s principal has accepted responsibility is selling, or advising clients on, structured deposits <sup>F25</sup>...,
- unless the person is entered on the applicable register.]

(1B) [<sup>F26</sup>In subsections (1A) and (1AA)] The “applicable register” is [<sup>F27</sup>the record maintained by the FCA by virtue of section 347(1)(ha)].

[ This subsection applies to a person (“A”)—

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- <sup>F28</sup>(1BA) (a) if A's principal is a mortgage intermediary, and  
 (b) so far as the business for which A's principal has accepted responsibility is of a kind [<sup>F29</sup>that]—  
 (i) [<sup>F30</sup>is] specified in article 25A (arranging regulated mortgage contracts), article 36A (credit broking), article 53A (advising on regulated mortgage contracts) or article 53DA (advising on regulated credit agreements the purpose of which is to acquire land) of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001; and  
 [<sup>F31</sup>(ii) relates to mortgage agreements entered into on or after 21st March 2016,]  
 unless A meets the requirements of subsection (1BB).

(1BB) The requirements of this subsection are—

- (a) that A is entered on the record maintained by the FCA by virtue of section 347(1)(hb);  
 (b) that A's principal is a person who has a Part 4A permission to carry on one or more of the regulated activities mentioned in subsection (1BA)(b)(i); and  
 (c) that A's principal is not a tied mortgage intermediary.]

[ Subsection (1D) applies where an authorised person (“A”)—

- <sup>F32</sup>(1C) (a) has permission under Part 4A, or permission resulting from any other provision of this Act, only in relation to one or more qualifying activities,  
 (b) is a party to a contract with another authorised person (A's “principal”) which—  
 (i) permits or requires A to carry on business of a prescribed description (“the relevant business”), and  
 (ii) complies with such requirements as may be prescribed, and  
 (c) is someone for whose activities in carrying on the whole or part of the relevant business A's principal has accepted responsibility in writing.

(1D) Sections 20(1) and (1A) and 23(1A) do not apply in relation to the carrying on by A of a relevant additional activity.

(1E) In subsections (1C) and (1D)—

- (a) “qualifying activity” means a regulated activity which is of a prescribed kind and relates—  
 (i) to rights under a contract of the kind mentioned in paragraph 23 of Schedule 2, other than one under which the obligation of the borrower to repay is secured on land, or  
 (ii) to rights under a contract of the kind mentioned in paragraph 23B of that Schedule;  
 (b) “relevant additional activity” means a regulated activity which—  
 (i) is not one to which A's permission relates, and  
 (ii) is comprised in the carrying on of the business for which A's principal has accepted responsibility.]

[<sup>F33</sup>(2) In this Act “appointed representative” means—

- (a) a person who is exempt as a result of subsection (1), or  
 (b) a person carrying on a regulated activity in circumstances where, as a result of subsection (1D), sections 20(1) and (1A) and 23(1A) do not apply.]

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- (3) The principal of an appointed representative is responsible, to the same extent as if he had expressly permitted it, for anything done or omitted by the representative in carrying on the business for which he has accepted responsibility.
- [<sup>F34</sup>(4) In determining whether an authorised person has complied with—
- (a) a provision contained in or made under this Act, [<sup>F35</sup>or]
  - [<sup>F36</sup>(aa) a provision contained in or made under the Securitisation Regulations 2024, or]
  - (b) a [<sup>F37</sup>qualifying provision] that is specified, or of a description specified, for the purposes of this subsection by the Treasury by order,
- anything which a relevant person has done or omitted as respects business for which the authorised person has accepted responsibility is to be treated as having been done or omitted by the authorised person.]
- (5) “Relevant person” means a person who at the material time is or was an appointed representative by virtue of being a party to a contract with the authorised person.
- (6) Nothing in subsection (4) is to cause the knowledge or intentions of an appointed representative to be attributed to his principal for the purpose of determining whether the principal has committed an offence, unless in all the circumstances it is reasonable for them to be attributed to him.
- [<sup>F38</sup>(7) A person carries on “investment services business” if, under the full and unconditional responsibility of only one investment firm on whose behalf the person acts, the person—
- (a) promotes investment services or ancillary services to the firm's clients or prospective clients,
  - (b) receives and transmits instructions or orders from clients in respect of investment services or financial instruments,
  - (c) places financial instruments, or
  - (d) provides advice to clients or prospective clients in respect of investment services or financial instruments.]
- [<sup>F39</sup>(8) In this section—
- “ancillary services” means any of the services and activities listed in Part 3A of Schedule 2 to the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (S.I. 2001/544);
  - “financial instruments” means those instruments specified in Part 1 of Schedule 2 to the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001;
  - “investment services” means any of the services and activities listed in Part 3 of Schedule 2 to the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001, relating to any of the instruments listed in Part 1 of that Schedule;
  - “structured deposit” has the meaning given by Article 2.1.23 of the markets in financial instruments regulation.]]

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### Textual Amendments

- F15** S. 39(1ZA) inserted (20.4.2015 for specified purposes, 21.12.2015 for specified purposes, 21.3.2016 in so far as not already in force) by [The Mortgage Credit Directive Order 2015 \(S.I. 2015/910\)](#), art. 1(5), [Sch. 1 para. 1\(2\)\(a\)](#) (with Pt. 4)
- F16** Word in s. 39(1ZA) inserted (29.6.2017 for specified purposes, 3.7.2017 for specified purposes, 31.7.2017 for specified purposes, 3.1.2018 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Markets in Financial Instruments\) Regulations 2017 \(S.I. 2017/701\)](#), reg. 1(2)(3)(4)(6), [Sch. 2 para. 2\(2\)](#) (with reg. 7)
- F17** S. 39(1A)(1B) inserted (1.4.2007 for certain purposes, otherwise 1.11.2007) by [The Financial Services and Markets Act 2000 \(Markets in Financial Instruments\) Regulations 2007 \(S.I. 2007/126\)](#), regs. 1(2), 3(5), [Sch. 5 para. 2\(a\)](#)
- F18** Words in s. 39(1A) substituted (20.4.2015 for specified purposes, 21.12.2015 for specified purposes, 21.3.2016 in so far as not already in force) by [The Mortgage Credit Directive Order 2015 \(S.I. 2015/910\)](#), art. 1(5), [Sch. 1 para. 1\(2\)\(b\)](#) (with Pt. 4)
- F19** Words in s. 39(1A)(a) substituted (29.6.2017 for specified purposes, 3.7.2017 for specified purposes, 31.7.2017 for specified purposes, 3.1.2018 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Markets in Financial Instruments\) Regulations 2017 \(S.I. 2017/701\)](#), reg. 1(2)(3)(4)(6), [Sch. 2 para. 2\(3\)](#) (with reg. 7)
- F20** Words in s. 39(1A)(a) substituted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), [12\(2\)\(a\)](#) (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F21** Words in s. 39(1A)(a) substituted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), [12\(2\)\(b\)](#) (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F22** S. 39(1AA) inserted (29.6.2017 for specified purposes, 3.7.2017 for specified purposes, 31.7.2017 for specified purposes, 3.1.2018 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Markets in Financial Instruments\) Regulations 2017 \(S.I. 2017/701\)](#), reg. 1(2)(3)(4)(6), [Sch. 2 para. 2\(4\)](#) (with reg. 7)
- F23** Words in s. 39(1A)(a) substituted (29.6.2017 for specified purposes, 3.7.2017 for specified purposes, 31.7.2017 for specified purposes, 3.1.2018 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Markets in Financial Instruments\) Regulations 2017 \(S.I. 2017/701\)](#), reg. 1(2)(3)(4)(6), [Sch. 2 para. 2\(3\)](#) (with reg. 7)
- F24** Words in s. 39(1AA)(a) substituted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), [12\(3\)\(a\)](#) (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F25** Words in s. 39(1AA)(b) omitted (31.12.2020) by virtue of [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), [12\(3\)\(b\)](#) (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F26** Words in s. 39(1B) inserted (29.6.2017 for specified purposes, 3.7.2017 for specified purposes, 31.7.2017 for specified purposes, 3.1.2018 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Markets in Financial Instruments\) Regulations 2017 \(S.I. 2017/701\)](#), reg. 1(2)(3)(4)(6), [Sch. 2 para. 2\(5\)\(a\)](#) (with reg. 7)
- F27** Words in s. 39(1B) substituted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), [12\(4\)](#) (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F28** S. 39(1BA)(1BB) inserted (20.4.2015 for specified purposes, 21.12.2015 for specified purposes, 21.3.2016 in so far as not already in force) by [The Mortgage Credit Directive Order 2015 \(S.I. 2015/910\)](#), art. 1(5), [Sch. 1 para. 1\(2\)\(c\)](#) (with Pt. 4)
- F29** Word in s. 39(1BA)(b) inserted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), [12\(5\)\(a\)](#) (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)



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- F30** Word in s. 39(1BA)(b)(i) inserted (31.12.2020) by The Financial Services and Markets Act 2000 (Amendment) (EU Exit) Regulations 2019 (S.I. 2019/632), regs. 1(3), **12(5)(b)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F31** S. 39(1BA)(b)(ii) substituted (31.12.2020) by The Financial Services and Markets Act 2000 (Amendment) (EU Exit) Regulations 2019 (S.I. 2019/632), regs. 1(3), **12(5)(c)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F32** S. 39(1C)-(1E) inserted (1.4.2013) by Financial Services Act 2012 (c. 21), **ss. 10(2)**, 122(3) (with Sch. 20); S.I. 2013/423, art. 3, Sch.
- F33** S. 39(2) substituted (1.4.2013) by Financial Services Act 2012 (c. 21), **ss. 10(3)**, 122(3) (with Sch. 20); S.I. 2013/423, art. 3, Sch.
- F34** S. 39(4) substituted (24.1.2013 for specified purposes, 1.4.2013 in so far as not already in force) by Financial Services Act 2012 (c. 21), s. 122(3), **Sch. 18 para. 5(3)** (with Sch. 20); S.I. 2013/113, art. 2(1)(b), Sch. Pt. 2; S.I. 2013/423, art. 3, Sch.
- F35** Word in s. 39(4) omitted (30.1.2024 for specified purposes) by virtue of The Securitisation Regulations 2024 (S.I. 2024/102), reg. 2(1)(e)(2), **Sch. 1 para. 2(a)** (with Sch. 3)
- F36** S. 39(4)(aa) inserted (30.1.2024 for specified purposes) by The Securitisation Regulations 2024 (S.I. 2024/102), reg. 2(1)(e)(2), **Sch. 1 para. 2(b)** (with Sch. 3)
- F37** Words in s. 39(4) substituted (31.12.2020) by The Financial Services and Markets Act 2000 (Amendment) (EU Exit) Regulations 2019 (S.I. 2019/632), regs. 1(3), **12(6)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F38** S. 39(7) substituted (31.12.2020) by The Financial Services and Markets Act 2000 (Amendment) (EU Exit) Regulations 2019 (S.I. 2019/632), regs. 1(3), **12(7)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F39** S. 39(8) substituted (31.12.2020) by The Financial Services and Markets Act 2000 (Amendment) (EU Exit) Regulations 2019 (S.I. 2019/632), regs. 1(3), **12(8)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)

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**Modifications etc. (not altering text)**

- C12** S. 39 modified (26.7.2013 for specified purposes, 2.9.2013 in so far as not already in force) by The Financial Services and Markets Act 2000 (Regulated Activities) (Amendment) (No.2) Order 2013 (S.I. 2013/1881), arts. 1(2)(5), **59(4)**
- C13** S. 39 applied (with modifications) (20.4.2015 for specified purposes, 21.12.2015 for specified purposes, 21.3.2016 in so far as not already in force) by The Mortgage Credit Directive Order 2015 (S.I. 2015/910), arts. 1(5), **17** (with Pt. 4)
- C14** S. 39 modified in part (E.W.S.) (29.11.2018 for specified purposes, 1.4.2019 in so far as not already in force) by The Financial Services and Markets Act 2000 (Claims Management Activity) Order 2018 (S.I. 2018/1253), arts. 1(2)(3), **83(3)(6)**
- C15** S. 39(2) modified (31.10.2001) by S.I. 2001/3374, art. 1, **Sch. para. 7**
- C16** S. 39(2) modified (31.10.2004) by The Financial Services and Markets Act 2000 (Transitional Provisions) (Mortgages) Order 2004 (S.I. 2004/2615), arts. 1(2)(b), 5, **Sch. para. 7**
- C17** S. 39(2) modified (14.1.2005) by The Financial Services and Markets Act 2000 (Transitional Provisions) (General Insurance Intermediaries) Order 2004 (S.I. 2004/3351), arts. 1(2)(b), 5, **Sch. para. 7**
- C18** S. 39(2) modified (6.4.2007) by The Financial Services and Markets Act 2000 (Regulated Activities) (Amendment) Order 2006 (S.I. 2006/1969), arts. 1(3), 7, **Sch. para. 7**
- C19** S. 39(2) modified (30.6.2008 for certain purposes, otherwise 1.1.2009) by The Financial Services and Markets Act 2000 (Regulated Activities) (Amendment) (No. 2) Order 2007 (S.I. 2007/3510), arts. 1(2), **8(1)(4)**

*Changes to legislation: Financial Services and Markets Act 2000, Part III is up to date with all changes known to be in force on or before 11 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes*

### Commencement Information

**I2** S. 39 wholly in force at 1.12.2001; s. 39 not in force at Royal Assent see s. 431(2); s. 39(1) in force for certain purposes at 25.2.2001 by S.I. 2001/516, art. 2(b), Sch. Pt. 2; s. 39 in force in so far as not already in force at 1.12.2001 by S.I. 2001/3538, art. 2(1)

### [<sup>F40</sup>39A Certain tied agents operating outside United Kingdom

- (1) This section applies to an authorised person whose relevant office is in the United Kingdom if—
  - (a) he is a party to a contract with a person (other than an authorised person) who is [<sup>F41</sup>established in the United Kingdom; and]
  - (b) the contract is a relevant contract.
- (2) A contract is a “relevant contract” if it satisfies conditions A to C.
- (3) Condition A is that the contract permits or requires the person mentioned in subsection (1)(a) (the “agent”) to carry on investment services business.
- (4) Condition B is that [<sup>F42</sup>the FCA is satisfied that no such business is, or is likely to be, carried on by the agent in the United Kingdom.]
- (5) Condition C is that the business is of a description that, if carried on in the United Kingdom, would be prescribed for the purposes of section 39(1)(a)(i).
- (6) An authorised person to whom this section applies who—
  - (a) enters into or continues to perform a relevant contract with an agent which does not comply with the applicable requirements,
  - (b) enters into or continues to perform a relevant contract without accepting or having accepted responsibility in writing for the agent's activities in carrying on investment services business,
  - [<sup>F43</sup>(c) enters into a relevant contract with an agent who is not entered on—
    - (i) the record maintained by the FCA by virtue of section 347(1)(ha), or
    - <sup>F44</sup>(ii) . . . . .]
    - (d) continues to perform a relevant contract with an agent when he knows or ought to know that the agent is not entered on that record <sup>F45</sup> . . . ,

is to be taken for the purposes of this Act to have contravened a requirement imposed on him by or under this Act.
- (7) The “applicable requirements” are the requirements prescribed for the purposes of subsection (1)(a)(ii) of section 39 which have effect in the case of a person to whom subsection (1A) of that section applies.
- [<sup>F46</sup>(8) Section 39(7) applies for the purposes of this section.]
- (9) In this section—
 

<sup>F47</sup>  
...

“relevant office” means—

  - (a) in relation to a body corporate, its registered office or, if it has no registered office, its head office, and
  - (b) in relation to a person other than a body corporate, the person's head office.]

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**Changes to legislation:** *Financial Services and Markets Act 2000, Part III is up to date with all changes known to be in force on or before 11 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes*

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### Textual Amendments

- F40** S. 39A inserted (1.4.2007 for certain purposes, otherwise 1.11.2007) by [The Financial Services and Markets Act 2000 \(Markets in Financial Instruments\) Regulations 2007 \(S.I. 2007/126\)](#), regs. 1(2), 3(5), [Sch. 5 para. 3](#)
- F41** Words in s. 39A(1)(a) substituted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), [13\(2\)](#); 2020 c. 1, [Sch. 5 para. 1\(1\)](#)
- F42** Words in s. 39A(4) substituted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), [13\(3\)](#) (with reg. 13(8)(10)) (as amended by [S.I. 2020/1301](#), regs. 1, 3, [Sch. para. 33\(b\)](#)); 2020 c. 1, [Sch. 5 para. 1\(1\)](#)
- F43** S. 39A(6)(c) substituted (29.6.2017 for specified purposes, 3.7.2017 for specified purposes, 31.7.2017 for specified purposes, 3.1.2018 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Markets in Financial Instruments\) Regulations 2017 \(S.I. 2017/701\)](#), reg. 1(2)(3)(4)(6), [Sch. 2 para. 3\(2\)\(a\)](#) (with reg. 7)
- F44** S. 39A(6)(c)(ii) omitted (31.12.2020) by virtue of [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), [13\(4\)](#) (with reg. 13(8)(10)) (as amended by [S.I. 2020/1301](#), regs. 1, 3, [Sch. para. 33\(b\)](#)); 2020 c. 1, [Sch. 5 para. 1\(1\)](#)
- F45** Words in s. 39A(6)(d) omitted (31.12.2020) by virtue of [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), [13\(5\)](#) (with reg. 13(9)(10)) (as amended by [S.I. 2020/1301](#), regs. 1, 3, [Sch. para. 33\(b\)](#)); 2020 c. 1, [Sch. 5 para. 1\(1\)](#)
- F46** S. 39A(8) substituted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), [13\(6\)](#); 2020 c. 1, [Sch. 5 para. 1\(1\)](#)
- F47** Words in s. 39A(9) omitted (31.12.2020) by virtue of [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), [13\(7\)](#) (with reg. 13(8)(10)) (as amended by [S.I. 2020/1301](#), regs. 1, 3, [Sch. para. 33\(b\)](#)); 2020 c. 1, [Sch. 5 para. 1\(1\)](#)

**Changes to legislation:**

Financial Services and Markets Act 2000, Part III is up to date with all changes known to be in force on or before 11 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. View outstanding changes

**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))