

## SCHEDULES

### SCHEDULE 2

Section 22(2).

#### REGULATED ACTIVITIES

#### PART I

#### REGULATED ACTIVITIES

##### *General*

- 1 The matters with respect to which provision may be made under section 22(1) in respect of activities include, in particular, those described in general terms in this Part of this Schedule.

##### *Dealing in investments*

- 2 (1) Buying, selling, subscribing for or underwriting investments or offering or agreeing to do so, either as a principal or as an agent.
- (2) In the case of an investment which is a contract of insurance, that includes carrying out the contract.

##### *Arranging deals in investments*

- 3 Making, or offering or agreeing to make—
- (a) arrangements with a view to another person buying, selling, subscribing for or underwriting a particular investment;
  - (b) arrangements with a view to a person who participates in the arrangements buying, selling, subscribing for or underwriting investments.

##### *Deposit taking*

- 4 Accepting deposits.

##### *Safekeeping and administration of assets*

- 5 (1) Safeguarding and administering assets belonging to another which consist of or include investments or offering or agreeing to do so.
- (2) Arranging for the safeguarding and administration of assets belonging to another, or offering or agreeing to do so.

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*Managing investments*

- 6 Managing, or offering or agreeing to manage, assets belonging to another person where—
- (a) the assets consist of or include investments; or
  - (b) the arrangements for their management are such that the assets may consist of or include investments at the discretion of the person managing or offering or agreeing to manage them.

*Investment advice*

- 7 Giving or offering or agreeing to give advice to persons on—
- (a) buying, selling, subscribing for or underwriting an investment; or
  - (b) exercising any right conferred by an investment to acquire, dispose of, underwrite or convert an investment.

*Establishing collective investment schemes*

- 8 Establishing, operating or winding up a collective investment scheme, including acting as—
- (a) trustee of a unit trust scheme;
  - (b) depository of a collective investment scheme other than a unit trust scheme; or
  - (c) sole director of a body incorporated by virtue of regulations under section 262.

*Using computer-based systems for giving investment instructions*

- 9
- (1) Sending on behalf of another person instructions relating to an investment by means of a computer-based system which enables investments to be transferred without a written instrument.
  - (2) Offering or agreeing to send such instructions by such means on behalf of another person.
  - (3) Causing such instructions to be sent by such means on behalf of another person.
  - (4) Offering or agreeing to cause such instructions to be sent by such means on behalf of another person.

**PART II**

INVESTMENTS

*General*

- 10 The matters with respect to which provision may be made under section 22(1) in respect of investments include, in particular, those described in general terms in this Part of this Schedule.

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### *Securities*

- 11 (1) Shares or stock in the share capital of a company.
- (2) “Company” includes—
- (a) any body corporate (wherever incorporated), and
  - (b) any unincorporated body constituted under the law of a country or territory outside the United Kingdom,
- other than an open-ended investment company.

### *Instruments creating or acknowledging indebtedness*

- 12 Any of the following—
- (a) debentures;
  - (b) debenture stock;
  - (c) loan stock;
  - (d) bonds;
  - (e) certificates of deposit;
  - (f) any other instruments creating or acknowledging a present or future indebtedness.

### *Government and public securities*

- 13 (1) Loan stock, bonds and other instruments—
- (a) creating or acknowledging indebtedness; and
  - (b) issued by or on behalf of a government, local authority or public authority.
- (2) “Government, local authority or public authority” means—
- (a) the government of the United Kingdom, of Northern Ireland, or of any country or territory outside the United Kingdom;
  - (b) a local authority in the United Kingdom or elsewhere;
  - (c) any international organisation the members of which include the United Kingdom or another member State.

### *Instruments giving entitlement to investments*

- 14 (1) Warrants or other instruments entitling the holder to subscribe for any investment.
- (2) It is immaterial whether the investment is in existence or identifiable.

### *Certificates representing securities*

- 15 Certificates or other instruments which confer contractual or property rights—
- (a) in respect of any investment held by someone other than the person on whom the rights are conferred by the certificate or other instrument; and
  - (b) the transfer of which may be effected without requiring the consent of that person.

### *Units in collective investment schemes*

- 16 (1) Shares in or securities of an open-ended investment company.

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- (2) Any right to participate in a collective investment scheme.

*Options*

- 17 Options to acquire or dispose of property.

*Futures*

- 18 Rights under a contract for the sale of a commodity or property of any other description under which delivery is to be made at a future date.

*Contracts for differences*

- 19 Rights under—
- (a) a contract for differences; or
  - (b) any other contract the purpose or pretended purpose of which is to secure a profit or avoid a loss by reference to fluctuations in—
    - (i) the value or price of property of any description; or
    - (ii) an index or other factor designated for that purpose in the contract.

*Contracts of insurance*

- 20 Rights under a contract of insurance, including rights under contracts falling within head C of Schedule 2 to the Friendly Societies Act 1992.

*Participation in Lloyd's syndicates*

- 21 (1) The underwriting capacity of a Lloyd's syndicate.  
(2) A person's membership (or prospective membership) of a Lloyd's syndicate.

*Deposits*

- 22 Rights under any contract under which a sum of money (whether or not denominated in a currency) is paid on terms under which it will be repaid, with or without interest or a premium, and either on demand or at a time or in circumstances agreed by or on behalf of the person making the payment and the person receiving it.

*Loans secured on land*

- 23 (1) Rights under any contract under which—
- (a) one person provides another with credit; and
  - (b) the obligation of the borrower to repay is secured on land.
- (2) "Credit" includes any cash loan or other financial accommodation.  
(3) "Cash" includes money in any form.

*Rights in investments*

- 24 Any right or interest in anything which is an investment as a result of any other provision made under section 22(1).

### PART III

#### SUPPLEMENTAL PROVISIONS

##### *The order-making power*

- 25 (1) An order under section 22(1) may—
- (a) provide for exemptions;
  - (b) confer powers on the Treasury or the Authority;
  - (c) authorise the making of regulations or other instruments by the Treasury for purposes of, or connected with, any relevant provision;
  - (d) authorise the making of rules or other instruments by the Authority for purposes of, or connected with, any relevant provision;
  - (e) make provision in respect of any information or document which, in the opinion of the Treasury or the Authority, is relevant for purposes of, or connected with, any relevant provision;
  - (f) make such consequential, transitional or supplemental provision as the Treasury consider appropriate for purposes of, or connected with, any relevant provision.
- (2) Provision made as a result of sub-paragraph (1)(f) may amend any primary or subordinate legislation, including any provision of, or made under, this Act.
- (3) “Relevant provision” means any provision—
- (a) of section 22 or this Schedule; or
  - (b) made under that section or this Schedule.

##### *Parliamentary control*

- 26 (1) This paragraph applies to the first order made under section 22(1).
- (2) This paragraph also applies to any subsequent order made under section 22(1) which contains a statement by the Treasury that, in their opinion, the effect (or one of the effects) of the proposed order would be that an activity which is not a regulated activity would become a regulated activity.
- (3) An order to which this paragraph applies—
- (a) must be laid before Parliament after being made; and
  - (b) ceases to have effect at the end of the relevant period unless before the end of that period the order is approved by a resolution of each House of Parliament (but without that affecting anything done under the order or the power to make a new order).
- (4) “Relevant period” means a period of twenty-eight days beginning with the day on which the order is made.
- (5) In calculating the relevant period no account is to be taken of any time during which Parliament is dissolved or prorogued or during which both Houses are adjourned for more than four days.

##### *Interpretation*

- 27 (1) In this Schedule—

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“buying” includes acquiring for valuable consideration;  
“offering” includes inviting to treat;  
“property” includes currency of the United Kingdom or any other country or territory; and  
“selling” includes disposing for valuable consideration.

- (2) In sub-paragraph (1) “disposing” includes—
- (a) in the case of an investment consisting of rights under a contract—
    - (i) surrendering, assigning or converting those rights; or
    - (ii) assuming the corresponding liabilities under the contract;
  - (b) in the case of an investment consisting of rights under other arrangements, assuming the corresponding liabilities under the contract or arrangements;
  - (c) in the case of any other investment, issuing or creating the investment or granting the rights or interests of which it consists.
- (3) In this Schedule references to an instrument include references to any record (whether or not in the form of a document).