

**2001 No. 516 (C. 21)**

**FINANCIAL SERVICES AND MARKETS**

**The Financial Services and Markets Act 2000  
(Commencement No. 1) Order 2001**

*Made - - - - - 22nd February 2001*

The Treasury, in exercise of the powers conferred on them by section 431(2) of the Financial Services and Markets 2000(a) (“the Act”), hereby make the following Order:

1. This Order may be cited as the Financial Services and Markets Act 2000 (Commencement No. 1) Order 2001.
2. 25th February 2001 is the day appointed for the coming into force of—
  - (a) the provisions of the Act listed in Part 1 of the Schedule to this Order;
  - (b) the provisions of the Act listed in Part 2 of that Schedule, for the purpose of making orders or regulations; and
  - (c) the provisions of the Act listed in Part 3 of that Schedule, for the purposes indicated there.

22nd February 2001

*Jim Dowd*  
*Clive Betts*  
Two of the Lords Commissioners of  
Her Majesty’s Treasury

---

(a) 2000 c. 8.

## PROVISIONS COMING INTO FORCE ON 25TH FEBRUARY 2001

## PART 1

## PROVISIONS COMING INTO FORCE FOR ALL PURPOSES

- Section 22 (regulated activities)
- Section 38 (exemption orders)
- Section 41(1) (meaning of “the threshold conditions”)
- Section 79(3) (persons responsible for listing particulars)
- Section 86 (application of Part VI to prospectuses)
- Subsections (4) and (5) of section 87 (approval of prospectuses where no application for listing)
- Section 103 (interpretation of Part VI)
- Section 118(3), (4) and (10) (prescribed markets and qualifying investments)
- Section 132(3) (Financial Services and Markets Tribunal rules)
- Section 134 and 135 (legal assistance scheme)
- Section 137(6) (Tribunal rules: appeals)
- Section 142 (insurance business: regulations supplementing Authority’s rules), except for subsection (5)
- Section 144(4) and (5) (order limiting Authority’s power to make price stabilising rules)
- Section 145(5) (order limiting Authority’s power to make financial promotion rules)
- Section 192(a) (power to provide exemptions from obligation to notify change of control)
- Subsections (6), (8) and (9) of section 215 (rights of compensation scheme in relevant person’s insolvency)
- Sections 235 to 237 (collective investment schemes—interpretation)
- Subsections (1) to (3) of section 239 (single property schemes)
- Section 262 (open-ended investment companies)
- Section 286 (recognition requirements for recognised investment exchanges and clearing houses)
- Section 313 (interpretation of Part XVIII)
- Section 326 (designation of professional bodies)
- Sections 334(1) and (2), 335, 336(1) and (2), 337, 338(1) and (2) and 339 (powers to transfer functions in relation to mutual societies)
- Subsection (5) of section 342 (information given by auditor or actuary to the Authority)
- Subsection (5) of section 343 (information given by auditor or actuary to the Authority: persons with close links)
- Section 351(7) (meaning of “specified enactment” for the purposes of restriction on disclosure of competition information)
- Section 353 (removal of other restrictions on disclosure)
- Subsections (9) to (14) of section 397 (misleading statements and practices: miscellaneous offences)
- Section 409 (Gibraltar)
- Subsections (1) to (3) of section 414 (service of notices)
- Subsections (4) and (5) of section 416 (provisions relating to industrial assurance etc.)

Section 417 (interpretation)  
Section 419 (carrying on regulated activities by way of business)  
Sections 420 to 423 (meaning of parent and subsidiary undertaking etc.)  
Subsections (1) and (2) of section 424 (meaning of expressions relating to insurance)  
Section 425 (meaning of expressions relating to authorisation elsewhere in the single market)(a)  
Sections 426 and 427 (consequential, supplementary and transitional provisions)  
Section 429 (Parliamentary control of statutory instruments)  
Schedule 2 (regulated activities)  
Schedule 9 (non-listing prospectuses), except for paragraph 7  
Schedule 11 (offers of securities)  
Paragraph 6(2) of Schedule 12 (meaning of “commitment” for purposes of insurance business transfer schemes)  
Paragraph 9 of Schedule 13 (Tribunal rules)

## PART 2

### PROVISIONS COMING INTO FORCE FOR THE PURPOSE OF MAKING ORDERS OR REGULATIONS

Section 20(3) (rights of action for breach of permission)  
Section 21 (restrictions on financial promotion)  
Subsection (1) of section 39 (exemption of appointed representatives)  
Subsections (1) and (3) of section 47 (exercise of Authority’s power in support of overseas regulator)  
Subsections (2) and (3) of section 71 (rights of action for breach of statutory duty)  
Subsection (3) of section 75 (application for listing)  
Section 108 (requirements of applicants for business transfer orders)  
Subsections (3) to (5) of section 150 (rights of action for contravention of rules)  
Subsection (4)(b) of section 168 (appointment of persons to carry out investigations in particular cases)  
Subsection (2) of section 183 (duty of Authority in relation to notice of control)  
Subsection (2) of section 188 (notices of objection to existing control: procedure)  
Subsection (2) of section 202 (rights of action for contravention of requirement imposed under Part XIII)  
Subsection (10) of section 213 (the compensation scheme)  
Subsection (5) of section 214 (provisions of the compensation scheme: general)  
Subsection (4) of section 224 (scheme manager’s power to inspect documents held by Official Receiver etc.)  
Section 238 (restrictions on promotion of collective investment schemes)  
Subsections (1) and (3)(c) of section 264 (recognition of collective investment schemes constituted in other EEA States)  
Section 270 (schemes authorised in designated countries or territories)  
Subsection (2) of section 284 (investigations in relation to collective investment schemes)  
Subsection (6) of section 327 (exemption from the general prohibition for members of the professions)  
Section 349 (exceptions from restrictions on disclosure of confidential information)  
Subsection (1)(b) of section 402 (power of the Authority to institute certain criminal proceedings)  
Section 412 (gaming contracts)  
Section 424(3) (law applicable to a contract of insurance)

---

(a) Section 425 was amended by S.I. 2000/2952 (regulation 8(4)).

Schedule 3 (EEA passport rights)(a)

Paragraphs 8 and 9 of Schedule 6 (power to vary threshold conditions)

Paragraph 19 of Part II of Schedule 19 (specification of enactment for the purposes of restriction on disclosure of competition information)

### PART 3

#### PROVISIONS COMING INTO FORCE FOR SPECIFIC PURPOSES

Sections 31(1)(b) and 37, for the purpose of introducing Schedule 3 (to the extent brought into force by article 2(b) and Part 2 of this Schedule)

Section 111(2), for the purpose of introducing Part 1 of Schedule 12 (to the extent brought into force by article 2(a) and Part 1 of this Schedule)

Section 132(1) (the Financial Services and Markets Tribunal), for the purpose of the definition of “the Tribunal”

Section 132(4), for the purpose of introducing Schedule 13 (to the extent brought into force by article 2(a) and Part 1 of this Schedule)

---

#### EXPLANATORY NOTE

*(This note is not part of the Order)*

This Order brings into force certain provisions of the Financial Services and Markets Act 2000 (“the Act”) on 25th February 2001.

The provisions listed in Part 1 of the Schedule are brought into force for all purposes. Those provisions confer powers to make subordinate legislation or contain definitions of expressions used in the Act.

The provisions listed in Part 2 of the Schedule are brought into force for the purpose of making orders and regulations. Those in Part 3 of the Schedule are brought into force for the specific purposes there mentioned.

The following provisions of the Act came into force on Royal Assent (14th June 2000):

Section 428 (regulations and orders)

Section 430 (extent)

Section 431 (commencement)

Section 433 (short title)

Paragraphs 1 and 2 of Schedule 21 (transitional provisions and savings).

---

(a) Schedule 3 was amended by S.I. 2000/2952 (regulation 8(5)).

£1.75

© Crown copyright 2001

Printed and published in the UK by The Stationery Office Limited  
under the authority and superintendence of Carol Tullo, Controller of  
Her Majesty's Stationery Office and Queen's Printer of Acts of Parliament.  
E512 598361 4/2001 19585

ISBN 0-11-029188-3



9 780110 291888