
STATUTORY INSTRUMENTS

2015 No. 1946

**The Small and Medium Sized Business
(Finance Platforms) Regulations 2015**

PART 1

Introductory provisions

Citation and commencement

1.—(1) These Regulations may be cited as the Small and Medium Sized Business (Finance Platforms) Regulations 2015.

(2) These Regulations come into force on 1st January 2016.

Interpretation

2.—(1) In these Regulations—

“the 2000 Act” means the Financial Services and Markets Act 2000(1);

“designated firm” means a designated bank or a designated finance platform;

“the FCA” means the Financial Conduct Authority;

“finance application” means a request in any form for a finance facility, whether such request is made for a new facility or for the renewal or extension of an existing facility, where—

- (a) the request is supported by sufficient information to enable the recipient to make an informed decision as to whether to provide the requested finance facility, or
- (b) the recipient has responded by requesting further specific information to enable it to make an informed decision as to whether to provide the requested finance facility;

“finance facility” means a facility which provides access to finance which is denominated in sterling and is a loan agreement, an overdraft agreement, a credit card account, an invoice discounting or factoring agreement, a hire purchase agreement or a finance leasing agreement;

“formal demand” means a demand issued by a finance provider, made in writing and in circumstances where, or pursuant to which, monies are due in accordance with the terms of a finance facility, declaring all outstanding monies (including both the principal debt and any interest owing) under that finance facility to be immediately due and payable under the terms of such finance facility;

“generic platforms information” means information, in writing, summarising the services that designated finance platforms provide to small or medium sized businesses, including details of designated finance platforms and information about how a business may refer itself to designated finance platforms;

“group” means a group as defined in section 474 of the Companies Act 2006(2);

(1) 2000 c. 8.
(2) 2006 c. 46.

“the PRA” means the Prudential Regulation Authority;

“relevant requirement” means a requirement on a designated bank under regulation 3, 4 or 5, a requirement on a designated finance platform under regulation 6, 7 or 8 or any requirement or prohibition on a person other than the FCA imposed by or under Part 4 or Part 5;

“small or medium sized business” means a business of the type described in section 7(1) of the Small Business, Enterprise and Employment Act 2015, which—

- (a) has an address in the United Kingdom,
- (b) carries out commercial activities as its principal activity,
- (c) is not part of a group which as a whole has an annual turnover which is equal to or greater than £25 million;

“specified information” means information of the kinds specified in the Schedule;

“subsidiary” means a subsidiary as defined in section 1159 of the Companies Act 2006;

“working day” means any day other than a Saturday, a Sunday, Christmas Day, Good Friday or a day which is a bank holiday under the Banking and Financial Dealings Act 1971(3) in any part of the United Kingdom.

(2) In these Regulations a reference to a finance provider does not include a reference to a finance provider that provides credit only by providing goods or services before payment of part or all of the amount to be paid for such goods or services.

(3) For the purposes of these Regulations, a finance application made by a small or medium sized business to a designated bank is unsuccessful if—

- (a) such application is declined by the bank; or
- (b) the bank offers the business a finance facility on a different basis to that which the business sought in its application, and where—
 - (i) the business rejects such an offer; and
 - (ii) any reasons the business provides for rejecting the offer do not relate to proposed fees or interest to be charged for the use of the facility.