

SCHEDULE 2

Amendments to the Financial Services and Markets Act 2000

Amendments to Part 15 (the financial services compensation scheme)

23.—(1) Section 213 (the compensation scheme) is amended as follows.

(2) In subsection (1) ^{M1}—

(a) at the end of paragraph (a) omit “or”;

(b) after paragraph (a) insert—

“(aa) relevant exchanges are unable, or likely to be unable, to satisfy claims made against them in connection with a regulated activity relating to a trading facility carried on by the exchange, or”;

(c) in paragraph (b) after “relevant persons” insert “ or relevant exchanges ”.

(3) In subsection (3)—

(a) for paragraphs (a) and (b) substitute—

“(a) to assess and pay compensation, in accordance with the scheme, to claimants in respect of claims made in connection with—

(i) a regulated activity carried on (whether or not with permission) by relevant persons; and

(ii) a regulated activity relating to a trading facility carried on (whether or not in accordance with any requirements relating to that activity resulting from section 286) by relevant exchanges; and

(b) to have power to impose levies for the purpose of meeting its expenses (including in particular expenses incurred, or expected to be incurred, in paying compensation, borrowing or insuring risks)—

(i) on authorised persons, or any class of authorised person;

(ii) on recognised investment exchanges carrying on a regulated activity relating to a trading facility, or any class of such exchanges; or

(iii) on authorised persons and on recognised investment exchanges carrying on a regulated activity relating to a trading facility, or on any class of such persons and exchanges.”.

(4) For subsection (4) substitute—

“(4) The compensation scheme may provide for the scheme manager to have power to impose levies—

(a) on authorised persons, or any class of authorised person;

(b) on recognised investment exchanges carrying on a regulated activity relating to a trading facility, or any class of such exchanges; or

(c) on authorised persons and on recognised investment exchanges carrying on a regulated activity relating to a trading facility, or on any class of such persons and exchanges,

for the purpose of recovering the cost (whenever incurred) of establishing the scheme.”.

(5) For subsection (5) ^{M2} substitute—

Changes to legislation: The Financial Services and Markets Act 2000 (Markets in Financial Instruments) Regulations 2017, Paragraph 23 is up to date with all changes known to be in force on or before 20 March 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

“(5) In making any provision of the scheme by virtue of subsection (3)(b), the regulators must take account of the desirability of ensuring that the amount of the levies imposed on a particular —

- (a) class of authorised person;
- (b) class of recognised investment exchange carrying on a regulated activity relating to a trading facility; or
- (c) class of authorised person and of recognised investment exchanges carrying on a regulated activity relating to a trading facility;

reflects, so far as is practicable, the amount of claims made, or likely to be made in respect of that class of person, exchange, or persons and exchanges.”.

(6) After subsection (11) ^{M3} insert—

“(12) In this Part (except in sections 220 and 224) “relevant exchange” means a body corporate or unincorporated association which was a recognised investment exchange carrying on a regulated activity relating to a trading facility at the time the act or omission giving rise to the claim against it, or against a successor falling within subsection (1)(b), took place.

(13) In this Part “regulated activity relating to a trading facility” means—

- (a) the regulated activity of operating a multilateral trading facility; or
- (b) the regulated activity of operating an organised trading facility.”.

Marginal Citations

- M1** Subsection (1) was amended by paragraph 3(2) and (3)(a) and (b) of Schedule 10 to the Financial Services Act 2012.
- M2** Subsection (5) was amended by paragraph 3(2) of Schedule 10 to the Financial Services Act 2012.
- M3** Subsection (11) was inserted by [S.I. 2011/16/13](#).

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

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

- reg. 15A inserted by [2023 c. 29 Sch. 2 para. 45](#)
- reg. 16(1A)(1B) omitted by [2023 c. 29 Sch. 2 para. 46\(4\)](#)