

2020 No. 480

FINANCIAL SERVICES AND MARKETS

The Financial Services and Markets Act 2000 (Regulated Activities) (Coronavirus) (Amendment) Order 2020

Made - - - - *at 9.30 a.m. on 1st May 2020*

Laid before Parliament *at 1.00 p.m. on 1st May 2020*

Coming into force - - *4th May 2020*

The Treasury, in exercise of the powers conferred by sections 22(1) and (5) and 428(3) of, and paragraph 25 of Schedule 2 to, the Financial Services and Markets Act 2000(a), make the following Order:

Citation, commencement and interpretation

1.—(1) This Order may be cited as the Financial Services and Markets Act 2000 (Regulated Activities) (Coronavirus) (Amendment) Order 2020.

(2) This Order comes into force on 4th May 2020.

(3) For the purposes of this Order—

“the Act” means the Financial Services and Markets Act 2000;

“Regulated Activities Order” means the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001(b).

Amendment of the Regulated Activities Order

2.—(1) The Regulated Activities Order is amended as follows.

(2) In article 36H (operating an electronic system in relation to lending), at the beginning of paragraph (4), insert the words “Subject to article 60C(4C).”.

(3) In article 39H (activities where a person has a connection to the agreement), after paragraph (1), insert—

“(1A) In so far as it applies to article 39F(1), the exclusion in paragraph (1)(a) does not apply to a lender under a credit agreement which is an exempt agreement by virtue of article 60C(4A).”.

(4) In article 60C (exempt agreements: exemptions relating to the nature of the agreement), after paragraph (4), insert—

“(4A) A credit agreement is an exempt agreement if—

(a) the lender provides the borrower with credit of £25,000 or less,

(a) 2000 c.8.
(b) S.I. 2001/544.

specified in article 39F. The effect is that where a lender carries out the activity of debt collecting in relation to BBLS loans, the activity is a specified activity.

This Order also provides a transitional provision whereby a lender who enters into a loan under the BBLS and who had permission under Part 4A of FSMA to carry out the activity in debt collecting in accordance with article 60B(2) of the RAO, will, from the date this Order comes into force, continue to have permission to carry out that regulated activity, but in accordance with article 39F(1) of the RAO.

An explanatory memorandum is available with this Order on www.legislation.gov.uk.

An impact assessment has not been produced for this Order.

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