

All line references relate to the large font accessible version of the Bill



House of Commons

**Wednesday 13 January 2021**

**CONSIDERATION OF BILL (REPORT STAGE)**

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*New Amendments handed in are marked thus \**

*☆ Amendments which will comply with the required notice period at their next appearance*

**FINANCIAL SERVICES BILL, AS AMENDED**

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**NOTE**

**This document includes all amendments tabled to date and includes any withdrawn amendments at the end. The amendments have been arranged in the order in which they relate to the Bill.**

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John Glen

**NC27**

To move the following Clause—

**“Money laundering offences: electronic money institutions, payment institutions and deposit-taking bodies**

- (1) Part 7 of the Proceeds of Crime Act 2002 (money laundering) is amended in accordance with subsections (2) to (6).
- (2) In section 327(2C) (conversion or transfer of criminal property: exceptions), after “deposit-taking body” insert “, electronic money institution or payment institution”.
- (3) In section 328(5) (arrangements: exceptions), after “deposit-taking body” insert “, electronic money institution or payment institution”.
- (4) In section 329(2C) (acquisition, use and possession: exceptions), after “deposit taking body” insert “, electronic money institution or payment institution”.
- (5) In section 339A (threshold amounts)—

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- (a) in subsection (2), after “deposit-taking body” insert “, electronic money institution or payment institution”,
  - (b) in subsection (3), in the opening words, after “deposit-taking body” insert “, electronic money institution or payment institution”,
  - (c) in subsection (3)(a), for “deposit-taking body’s” substitute “body’s or institution’s”,
  - (d) in subsection (3)(b), for “deposit-taking body” substitute “body or institution”,
  - (e) in subsection (4), after “deposit-taking body” insert “, electronic money institution or payment institution”, and
  - (f) in subsection (8)—
    - (i) after “deposit-taking body” insert “, electronic money institution or payment institution”, and
    - (ii) after “the body” insert “or institution”.
- (6) In section 340 (interpretation)—
- (a) in subsection (14)—
    - (i) omit “or” at the end of paragraph (a), and
    - (ii) after paragraph (b) insert “, or
    - (c) a person specified, or of a description specified, in regulations made by the Treasury or the Secretary of State.”,
  - (b) after subsection (14) insert—

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“(14A) In subsection (14)(a)—

(a) the reference to the activity of accepting deposits is a reference to that activity so far as it is, for the time being, a regulated activity for the purposes of the Financial Services and Markets Act 2000 by virtue of an order under section 22 of that Act, but

(b) the reference to a business which engages in that activity does not include a person specified, or of a description specified, in regulations made by the Treasury or the Secretary of State.

(14B) Before making regulations under subsection (14A)(b), the Treasury or the Secretary of State (as appropriate) must consult such persons likely to be affected by the regulations, or such representatives of such persons, as they consider appropriate.

(14C) “Electronic money institution” has the same meaning as in the Electronic Money Regulations 2011 (S.I. 2011/99) (see regulation 2 of those Regulations).”, and

(c) at the end insert—

“(16) “Payment institution” means an authorised payment institution or a small

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payment institution (each as defined in regulation 2 of the Payment Services Regulations 2017 (S.I. 2017/752)).”

(7) In section 459 of the Proceeds of Crime Act 2002 (orders and regulations)—

(a) in subsection (4), before paragraph (aa), insert—

“(azb) regulations under section 340(14)(c) or (14A)(b),”,

(b) before subsection (6A) insert—

“(6ZC) No regulations may be made by the Treasury or the Secretary of State under section 340(14)(c) or (14A)(b) unless a draft of the regulations has been laid before Parliament and approved by a resolution of each House.”, and

(c) in subsection (6A), before “would” insert “or of regulations under section 340(14)(c) or (14A)(b)”.

### ***Member’s explanatory statement***

*There are exceptions to certain money laundering offences where the amounts in question fall below a prescribed threshold. The exceptions are currently available for deposit-taking bodies. This new clause*

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*extends the exceptions to electronic money institutions and payment institutions and makes changes to the meaning of deposit-taking body.*

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John Glen

**NC28**

To move the following Clause—

**“Forfeiture of money: electronic money institutions and payment institutions**

- (1) Schedule (*Forfeiture of money: electronic money institutions and payment institutions*) amends provisions in the Anti-terrorism, Crime and Security Act 2001 and the Proceeds of Crime Act 2002 about the forfeiture of money so that they apply to money held in accounts maintained with electronic money institutions and payment institutions.
- (2) Subject to subsection (3), the amendments made by that Schedule are to be treated as having come into force at the same time as the provisions they amend.

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- (3) Subsection (2) does not apply to the amendments of Part 5 of the Proceeds of Crime Act 2002 as they extend to Northern Ireland.
- (4) Regulations made, before this section comes into force, under—
  - (a) paragraph 10X of Schedule 1 to the Anti-Terrorism, Crime and Security Act 2001, or
  - (b) section 303Z10 of the Proceeds of Crime Act 2002, apply (and are to be treated as having always applied) for the purposes of notices relating to money held in accounts maintained with electronic money institutions and payment institutions, as well as for the purposes of notices relating to money held in accounts maintained with banks and building societies.”

***Member’s explanatory statement***

*This new clause introduces NS1. It provides for the amendments in the new Schedule to have retrospective effect, except for the amendments of Part 5 of the Proceeds of Crime Act 2002 as they extend to Northern Ireland. The relevant provisions of that Part are not yet in force there.*

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John McDonnell

**NC1**

To move the following Clause—

**“Report into standards of conduct and ethics in the financial services industry**

- (1) The Treasury must prepare and publish a report into standards of conduct and ethics of businesses regulated or authorised by the Financial Conduct Authority.
- (2) The report must include—
  - (a) an assessment of the prevalence of unlawful practices in the sector, including—
    - (i) tax evasion, and
    - (ii) money laundering;
  - (b) an assessment of the prevalence of other practices including—
    - (i) the charging of excessive fees,
    - (ii) the provision of inadequate advice to customers, and
    - (iii) tax avoidance;
  - (c) consideration of the case for the establishment of a public inquiry into standards of conduct and ethics within the UK financial services industry, under the Inquiries Act 2005; and



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(d) an assessment of the present arrangements for the regulation of the financial services sector and the Government's plans for further reform of the regulatory system.

(3) This report must be laid before Parliament within six months of this Act being passed.”

***Member's explanatory statement***

*This new clause would require the Government to publish a report into the standards of conduct and ethics of businesses regulated or authorised by the Financial Conduct Authority, including consideration of the case for the establishment of a public inquiry.*

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John McDonnell

**NC2**

To move the following Clause—

**“Report into anticipated use of the Debt Respite Scheme**

(1) The Treasury must prepare and publish a report into the anticipated use of the Debt Respite Scheme over the five years following the passing of this Act.

(2) The report must include an assessment of—

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- (a) the number of people likely to use the Breathing Space scheme
- (b) the number of people likely to be offered a Statutory Debt Repayment Plan,
- (c) the scale of personal and household debt within the UK economy and the impact of this on use of the Debt Respite Scheme,
- (d) the effectiveness of current mechanisms to prevent people having recourse to the Debt Respite Scheme, and
- (e) the potential for additional policies and mechanisms to complement the work of the Debt Respite Scheme.

(3) This report must be laid before Parliament within six months of this Act being passed.”

***Member’s explanatory statement***

*This new clause would require the Treasury to publish a report into the anticipated use of the Debt Respite Scheme, including the effectiveness of the current mechanisms to prevent people having recourse to the Debt Respite Scheme*

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Dame Margaret Hodge

**NC4**

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To move the following Clause—

**“Facilitation of economic crime**

- (1) A relevant body commits an offence if it—
  - (a) facilitates an economic crime; or
  - (b) fails to take the necessary steps to prevent an economic crime from being committed by a person acting in the capacity of the relevant body.
- (2) In subsection (1), a “relevant body” is any person, including a body of persons corporate or unincorporated, authorised by or registered with the Financial Conduct Authority.
- (3) In subsection (1), an “economic crime” means—
  - (a) fraud, as defined in the Fraud Act 2006;
  - (b) false accounting, as defined in the Theft Act 1968; or
  - (c) an offence under the following sections of the Proceeds of Crime Act 2002—
    - (i) section 327 (concealing etc criminal property);
    - (ii) section 328 (arrangements etc concerning the acquisition retention, use or control of criminal property); and
    - (iii) section 329 (acquisition, use and possession of criminal property).

All line references relate to the large font accessible version of the Bill

- (4) In subsection (1), “facilitates an economic crime” means—
- (a) is knowingly concerned in or takes steps with a view to any of the offences in subsection (3); or
  - (b) aids, abets, counsels or procures the commission of an offence in subsection (3).
- (5) In proceedings for an offence under subsection (1), it is a defence for the relevant body to show that—
- (a) it had in place such prevention procedures as it was reasonable in all circumstances for it to have in place;
  - (b) it was not reasonable in the circumstances to expect it to have any prevention procedures in place.
- (6) A relevant body guilty of an offence under this section shall be liable—
- (a) on conviction on indictment, to a fine;
  - (b) on summary conviction in England and Wales, to a fine;
  - (c) on summary conviction in Scotland or Northern Ireland, to a fine not exceeding the statutory maximum.
- (7) If the offence is proved to have been committed with the consent or connivance of—

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- (a) a director, manager, secretary or other similar officer of the relevant body, or
- (b) a person who was purporting to act in any such capacity, this person (as well as the relevant body) is guilty of the offence and liable to be proceeded against and punished accordingly.”

***Member’s explanatory statement***

*This new clause would make it an offence for a relevant body authorised or registered by the Financial Conduct Authority to facilitate, or fail to prevent, specified economic crimes.*

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Keir Starmer

**NC6**

To move the following Clause—

**“Money laundering: electronic money institutions**

- (1) The Proceeds of Crime Act 2002 is amended as follows.
- (2) In section 303Z1 (Application for account freezing order)—

All line references relate to the large font accessible version of the Bill

(a) In subsection (1) after “bank” insert— “, electronic money institution”

(b) In subsection (6) after “Building Societies Act 1986;” insert—

“electronic money institution” has the same meaning as in the Electronic Money Regulations 2011.”

(3) In section 303Z2 (Restrictions on making of application under section 303Z1), in subsection (3) after “bank” insert— “, electronic money institution.”

(4) In section 303Z6 (Restriction on proceedings and remedies), in subsection (1) after “bank” insert— “, electronic money institution.”

(5) In section 303Z8 (“The minimum amount”), in subsection (4) after “bank” insert— “, electronic money institution.”

(6) In section 303Z9 (“Account forfeiture notice”), in subsection (6)(b) after “bank” insert— “, electronic money institution.”

(7) In section 303Z11 (“Lapse of account forfeiture notice”)—

(a) in subsection (6)— after “bank” insert “, electronic money institution”

(b) in subsection (7)— after “If the bank” insert “, electronic money institution”

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- (c) in subsection (7)— after “on the bank” insert “, electronic money institution.”
- (8) In section 303Z14 (“Forfeiture order”), in subsection (7)(a) after “bank” insert— “, electronic money institution.”
- (9) In section 327 (Concealing etc), after subsection (2C) insert—  
“(2D) An electronic money institution that does an act mentioned in paragraph (c) or (d) of subsection (1) does not commit an offence under that subsection if the value of the criminal property concerned is less than the threshold amount determined under section 339A for the act.”
- (10) In section 328 (Arrangements), after subsection (5) insert—  
“(6) An electronic money institution that does an act mentioned in subsection (1) does not commit an offence under that subsection if the arrangement facilitates the acquisition, retention, use or control of criminal property of a value that is less than the threshold amount determined under section 339A for the act.”
- (11) In section 329 (Acquisition, use and possession), after subsection (2C) insert—  
“(2D) An electronic money institution that does an act mentioned in subsection (1) does not commit

All line references relate to the large font accessible version of the Bill

an offence under that subsection if the value of the criminal property concerned is less than the threshold amount determined under section 339A for the act.”

- (12) In section 339A (Threshold amounts)—
- (a) in subsection (1)— leave out “327(2C), 328(5) and 329(2C)” and insert “327(2C), 327(2D), 328(5), 328(6), 329(2C) and 329(2D)”
  - (b) in subsection (2)— after “deposit-taking body” insert “or electronic money institution”
  - (c) in subsection (3)— after “deposit-taking body” insert “or electronic money institution”
  - (d) in subsection (3)(a)— after “deposit-taking body’s” insert “or electronic money institution’s”
  - (e) in subsection (3)(b)— after “deposit-taking body” insert “or electronic money institution”
  - (f) in subsection (4)— after “deposit-taking body” insert “or electronic money institution”
  - (g) in subsection (8)— after “deposit-taking body” insert “or electronic money institution.”
- (13) In section 340 (Interpretation), after subsection (14) insert—
- “(14A) “Electronic money institution” has the same meaning as in the Electronic Money Regulations 2011.””

***Member’s explanatory statement***



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*This new clause would update definitions in the Proceeds of Crime Act 2002 to reflect the growth of financial technology companies in the UK by equalising the treatment of electronic money institutions with banks in regard to money laundering regulations.*

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Stella Creasy

**NC7**

To move the following Clause—

**“Regulation of buy-now-pay-later firms**

Within three months of this Act being passed, the Treasury must by statutory regulations make provision for the protection of consumers from unaffordable debt by requiring the FCA to regulate—

- (a) buy-now-pay-later credit services,
- (b) other lending services that have non-interest-bearing elements.”

***Member’s explanatory statement***

*This new clause would bring the non-interest-bearing elements of buy-now-pay-later lending and similar services under the regulatory ambit of the FCA.*

All line references relate to the large font accessible version of the Bill

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Keir Starmer

**NC8**

To move the following Clause—

**“European Union regulatory equivalence for UK-based financial services businesses**

- (1) Within three months of this Act being passed, the Treasury must prepare and publish a report on progress towards regulatory equivalence recognition for UK based financial services firms operating within the European Union.
- (2) This report should include—
  - (a) the status of negotiations towards the recognition of regulatory equivalence for UK financial services firms operating within the European Union;
  - (b) a statement on areas in where equivalence recognition has been granted to UK based businesses on the same basis as which the UK has granted equivalence recognition to EU based businesses; and
  - (c) a statement on where such equivalence recognition has not been granted.”

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***Member's explanatory statement***

*This new clause would require a report to be published on progress towards, or completion of, the equivalence recognition for UK firms which the Government hopes to see following the Chancellor's statement on EU-based firms operating in the UK.*

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Alison Thewliss

**NC9**

To move the following Clause—

**“Debt Respite Scheme: review**

- (1) The Chancellor of the Exchequer must review the impact on debt in parts of the United Kingdom and regions of England of the changes made by section 32 of this Act and lay a report of that review before the House of Commons within six months of the date on which this Act receives Royal Assent.
- (2) A review under this section must consider the effects of the changes on debt held by—
  - (a) households,
  - (b) individuals with protected characteristic as defined by the Equality Act 2010,

All line references relate to the large font accessible version of the Bill

(c) small companies as defined by the Companies Act 2006.

(3) In this section—

“parts of the United Kingdom” means—

- (a) England,
- (b) Scotland,
- (c) Wales, and
- (d) Northern Ireland; and

“regions of England” has the same meaning as that used by the Office for National Statistics.”

***Member’s explanatory statement***

*This new clause would require a review of the impact on debt of the changes made to the Financial Guidance and Claims Act 2018 in section 32.*

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Alison Thewliss

**NC10**

To move the following Clause—

**“Legal protections for retail clients against the mis-selling of financial services**

(1) Regulation 3 (Private Person) of the Financial Services and Markets Act 2000 (Rights of Action) Regulations 2001 is amended as follows.

All line references relate to the large font accessible version of the Bill

- (2) In paragraph 1(a), after “individual”, insert “, partnership or body corporate that is or would be classified as a retail client”.
- (3) In paragraph 1(b), leave out “who is not an individual” and insert “not within the definition of paragraph 1(a)”.
- (4) For the purposes of this regulation, a “retail client” means a client who is not a professional client within the meaning set out in Annex II of Directive 2014/65/ EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/ 61/EU.”

***Member’s explanatory statement***

*This new clause seeks to give retail clients greater legal protections against the mis-selling of financial services products.*

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Alison Thewliss

**NC11**

To move the following Clause—

**“Legal protections for small businesses against the mis-selling of financial services**

All line references relate to the large font accessible version of the Bill

- (1) Regulation 3 (Private Person) of the Financial Services and Markets Act 2000 (Rights of Action) Regulations 2001 is amended as follows.
- (2) In sub-paragraph 1(a), leave out “individual” and insert “relevant person”
- (3) In sub-paragraph (1)(b), ), leave out “individual” and insert “relevant person”.
- (4) After paragraph 1, insert—  
“(1A) For the purposes of this regulation, a “relevant person” means—
  - (a) any individual;
  - (b) any body corporate which meets the qualifying conditions for a small company under sections 382 and 383 Companies Act 2006 in the financial year in which the cause of action arises;
  - (c) any partnership which would, if it were a body corporate, meet the qualifying conditions for a small company under section 382 Companies Act 2006 in the financial year in which the cause of action arises.””

***Member’s explanatory statement***

*This new clause seeks to give small businesses greater legal protections against the mis-selling of financial services products.*

All line references relate to the large font accessible version of the Bill

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Alison Thewliss

**NC12**

To move the following Clause—

**“Pre-commencement impact assessment of leaving the EU Customs Union**

- (1) No Minister of the Crown or public authority may appoint a day for the commencement of any provision of this Act until a Minister of the Crown has laid before the House of Commons an impact assessment of—
  - (a) disapplying EU rules;
  - (b) applying rules different from those of the EU as a consequence of any provision of this Act.
- (2) A review under this section must consider the effects of the changes on—
  - (a) business investment,
  - (b) employment,
  - (c) productivity,
  - (d) inflation,
  - (e) financial stability, and
  - (f) financial liquidity.

All line references relate to the large font accessible version of the Bill

- (3) A review under this section must consider the effects in the current and each of the subsequent ten financial years.
- (4) The review must also estimate whether these effects are likely to have been different in the following scenarios—
  - (a) if the UK had left the EU withdrawal transition period without a negotiated comprehensive free trade agreement, or
  - (b) if the UK had left the EU withdrawal transition period with a negotiated agreement, and remained in the single market and customs union.
- (5) The review must also estimate the effects on the changes if the UK signs a free trade agreement with the United States.
- (6) In this section—

“parts of the United Kingdom” means—

  - (a) England,
  - (b) Scotland,
  - (c) Wales, and
  - (d) Northern Ireland; and

“regions of England” has the same meaning as that used by the Office for National Statistics.”

***Member’s explanatory statement***



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*This new clause would require the Government to produce an impact assessment before disapplying EU rules or applying those different to those of the EU; and comparing such with various scenarios of UK-EU relations.*

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Alison Thewliss

**NC13**

To move the following Clause—

**“Review of Impact of Scottish National Investment Bank Powers**

- (1) The Chancellor of the Exchequer must review the effect of the use of the powers in this Act in Scotland and lay a report of that review before the House of Commons within six months of the date on which this Act receives Royal Assent.
- (2) A review under this section must consider the effects of the changes on—
  - (a) business investment,
  - (b) employment,
  - (c) productivity,
  - (d) inflation,
  - (e) financial stability, and
  - (f) financial liquidity.

All line references relate to the large font accessible version of the Bill

- (3) The review must also estimate the effects on the changes in the event of each of the following—
- (a) the Scottish Government is given no new financial powers with respect to carrying over reserves between financial years,
  - (b) the Scottish Government is able to carry over greater reserves between financial years for use by the Scottish National Investment Bank.
- (4) The review must under subparagraph 4(b) consider the effect of raising the reserve limit by—
- (a) £100 million,
  - (b) £250 million,
  - (c) £500 million, and
  - (d) £1,000 million.”

***Member’s explanatory statement***

*This new clause requires a review of the impact of providing Scottish Government powers to allow the SNIB to carry over reserves between financial years beyond its current £100m limit.*

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Alison Thewliss

**NC14**

To move the following Clause—

**“Application of money laundering regulations to overseas trustees: review of effect on tax revenues**

- (1) The Chancellor of the Exchequer must review the effects on tax revenues of section 31 and lay a report of that review before the House of Commons within six months of the date on which this Act receives Royal Assent.
- (2) The review under sub-paragraph (1) must consider—
  - (a) the expected change in corporation and income tax paid attributable to the provisions in this Schedule; and
  - (b) an estimate of any change attributable to the provisions of section 31 in the difference between the amount of tax required to be paid to the Commissioners and the amount paid.
- (3) The review must under subparagraph (2)(b) consider taxes payable by the owners and employees of Scottish Limited Partnerships.”

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***Member’s explanatory statement***

*This new clause would require the Chancellor of the Exchequer to review the effect on public finances, and on reducing the tax gap, of section 31, and in particular on the taxes payable by owners and employees of Scottish Limited Partnerships.*

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Alison Thewliss

**NC15**

To move the following Clause—

**“Parliamentary scrutiny of FCA provisions**

Any provision made by the Financial Conduct Authority under this Act may not be made unless a draft of the provision has been laid before and approved by a resolution of the House of Commons.”

***Member’s explanatory statement***

*This new clause subjects FCA provisions under this Act to the affirmative scrutiny procedure in the House of Commons.*

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Alison Thewliss

**NC16**

To move the following Clause—

**“Scrutiny of FCA Powers by committees**

- (1) No provision may be made by the Financial Conduct Authority under this Act unless the conditions in subsection (2) are satisfied.
- (2) The conditions in are that—
  - (a) a new statutory committee comprising Members of the House of Commons has been established to scrutinise financial regulation, and
  - (b) a new statutory committee comprising Members of the House of Lords has been established to scrutinise financial regulation.
- (3) The Treasury must, by regulations, make provision for and about those committees.
- (4) Those regulations must provide that the committees have at least as much power as the relevant committees of the European Union.”

***Member’s explanatory statement***

*This new clause requires statutory financial regulation scrutiny committees to be established before the FCA can make provisions under this Bill.*

All line references relate to the large font accessible version of the Bill

Alison Thewliss

**NC17**

To move the following Clause—

**“Review of impact of Act on UK meeting Paris climate change commitments**

The Chancellor of the Exchequer must conduct an assessment of the impact of this Act on the UK meeting its Paris climate change commitments, and lay it before the House of Commons within six months of the day on which this Act receives Royal Assent.”

***Member’s explanatory statement***

*This new clause would require the Chancellor of the Exchequer to review the impact of the Bill on the UK meeting its Paris climate change commitments.*

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Alison Thewliss

**NC18**

To move the following Clause—

**“Review of impact of Act on UK meeting UN Sustainable Development Goals**

The Chancellor of the Exchequer must conduct an assessment of the impact of this Act on the UK

All line references relate to the large font accessible version of the Bill

meeting the UN Sustainable Development Goals, and lay it before the House of Commons within six months of the day on which this Act receives Royal Assent.”

***Member’s explanatory statement***

*This new clause would require the Chancellor of the Exchequer to review the impact of the Bill on the UK meeting the UN Sustainable Development Goals.*

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Alison Thewliss

**NC19**

To move the following Clause—

**“Money laundering and overseas trustees: review**

- (1) The Treasury must, within six months of this Act being passed, prepare, publish and lay before Parliament a report on the effects on money laundering of the provisions in section 31 of this Act.
- (2) The report must address—
  - (a) the anticipated change to the volume of money laundering attributable to the provisions of section 31; and

All line references relate to the large font accessible version of the Bill

(b) alleged money laundering involving overseas trusts by the owners and employees of Scottish Limited Partnerships.”

***Member’s explanatory statement***

*This new clause would require the Treasury to review the effects on money laundering of the provisions in section 31 of this Act, and in particular on the use of overseas trusts for the purposes of money laundering by owners and employees of Scottish Limited Partnerships.*

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Alison Thewliss

**NC20**

To move the following Clause—

**“Regulatory divergence from the EU in financial services: Annual review**

- (1) The Treasury must prepare, publish and lay before Parliament an annual review of the impact of regulatory divergence in financial services from the European Union.
- (2) Each annual review must consider the estimated impact of regulatory divergence in financial services in the current financial year, and for the



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ten subsequent financial years, on the following matters—

- (a) business investment,
- (b) employment,
- (c) productivity,
- (d) inflation,
- (e) financial stability, and
- (f) financial liquidity.

in each English region, and in Scotland, Wales and Northern Ireland.

(3) Each report must compare the analysis in subsection (2) to an estimate based on the following hypothetical scenarios—

- (a) that the UK leaves the EU withdrawal transition period without a negotiated comprehensive free trade agreement;
- (b) that the UK leaves the EU withdrawal transition period with a negotiated agreement, and remains in the single market and customs union;
- (c) that the UK leaves the EU withdrawal transition period with a negotiated comprehensive free trade agreement, and does not remain in the single market and customs union; and

All line references relate to the large font accessible version of the Bill

(d) that the UK signs a comprehensive free trade agreement with the United States.

(4) The first annual report shall be published no later than 1 July 2021.”

***Member’s explanatory statement***

*This new clause requires a review of the impact of regulatory divergence from the European Union in financial services, which should make a comparison with various hypothetical trade deal scenarios.*

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Alison Thewliss

**NC21**

To move the following Clause—

**“Duty of care specification**

(1) The Financial Services and Markets Act 2000 is amended as follows.

(2) After Section 1C insert—

**“1CA Duty of care specification**

(1) In securing an appropriate degree of protection for consumers, the FCA must ensure authorised persons carrying out regulated activities are acting with a Duty of Care to all consumers.

All line references relate to the large font accessible version of the Bill

- (2) Matters the FCA should consider when drafting Duty of Care rules include, but are not limited to—
- (a) the duties of authorised persons to act honestly, fairly and professionally in accordance with the best interest of their consumers;
  - (b) the duties of authorised persons to manage conflicts of interest fairly, both between themselves and their clients, and between clients;
  - (c) the extent to which the duties of authorised persons entail an ethical commitment not merely compliance with rules;
  - (d) that the duties must be owned by senior managers who would be accountable for their individual firm’s approach.””

***Member’s explanatory statement***

*This new clause would mean that the FCA would need to ensure that financial services providers are acting with a duty of care to act in the best interests of all consumers.*

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Christine Jardine

**NC22**

To move the following Clause—

**“Extension of the Breathing Space and Mental Health Crisis Moratorium**

- (1) The Debt Respite Scheme (Breathing Space Moratorium and Mental Health Crisis Moratorium) (England and Wales) Regulations 2020 shall be amended as follows.
- (2) In section 1(2), for “4th May 2021” substitute “31st January 2021”.
- (3) In section 26(2), for “60 days” substitute “12 months”.

***Member’s explanatory statement***

*This new clause would bring forward the start date of the Debt Respite Scheme and extend the duration of the Breathing Space Moratorium from 60 days to 12 months.*

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All line references relate to the large font accessible version of the Bill

Christine Jardine

**NC23**

To move the following Clause—

**“Impact of COVID-19 on the Debt Respite Scheme: Ministerial report**

- (1) The Treasury must prepare and publish a report on the impact of the COVID-19 pandemic on the implementation of the Debt Respite Scheme.
- (2) The report must include—
  - (a) a statement on the extent to which changes to levels of household debt caused by the COVID-19 pandemic will affect the usage and operation of the Debt Respite Scheme;
  - (b) a statement on the resilience of UK households to future pandemics and other financial shocks, and how these would affect the usage and operation of the Debt Respite Scheme; and
  - (c) consideration of proposals for the incorporation of a no-interest loan scheme into the Debt Respite Scheme for financially vulnerable individuals affected by the COVID-19 pandemic.
- (3) The report must be laid before Parliament no later than 28 February 2021.”

All line references relate to the large font accessible version of the Bill

***Member’s explanatory statement***

*This new clause would require the Treasury to publish a report on the impact of the COVID-19 pandemic on the implementation of the Debt Respite Scheme, including consideration of a proposal for the incorporation of a no-interest loan scheme into the Debt Respite Scheme.*

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Seema Malhotra

**NC24**

To move the following Clause—

**“Mortgage contracts: regulation of management and ownership**

- (1) Article 61 of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 shall be amended as follows.
- (2) After paragraph (2), insert—
  - “(2A) Managing a regulated mortgage contract is also a specified kind of activity.
  - (2B) Owning a regulated mortgage contract is also a specified kind of activity.”
- (3) For sub-sub-paragraphs (3)(a)(ii) and (3)(a)(iii) substitute—

All line references relate to the large font accessible version of the Bill

“(ii) the contract provides for the obligation of the borrower to repay to be secured by a legal mortgage of land (other than timeshare accommodation) in the United Kingdom;

(iii) at least 40% of that land is used, or is intended to be used, as or in connection with a dwelling.”

(4) After sub-paragraph (3)(c), insert—

“(d) “managing” a regulated mortgage contract means having the power to exercise or to control the exercise of any of the rights of a lender under a regulated mortgage contract.

(e) “owning” a regulated mortgage contract means holding the legal title to a regulated mortgage contract or to own beneficially the rights of the lender under a regulated mortgage contract.”

(5) For paragraph (4), substitute—

“(4) For the purposes of sub-paragraph (3)(a)—

(a) “mortgage” includes charge and (in Scotland) a heritable security;

(b) the area of any land which comprises a building or other structure containing two or more storeys is to be taken to be the aggregate of the floor areas of each of those storeys; and

All line references relate to the large font accessible version of the Bill

(c) “timeshare accommodation” has the meaning given by section 1 of the Timeshare Act 1992(c).”

***Member’s explanatory statement***

*This new clause would require the regulation of the ‘management’ and ‘ownership’ of a regulated mortgage contract.*

---

Seema Malhotra

**NC25**

To move the following Clause—

**“Standard Variable Rates: Cap on charges for Mortgage Prisoners**

In section 137A of the Financial Services and Markets Act 2000 (The FCA’s general rules), after subsection (6), insert—

- “(7) The FCA must make rules by virtue of subsection (1) in relation to introducing a cap on the interest rates charged to mortgage prisoners in relation to regulate mortgage contracts with a view to securing an appropriate degree of protection for consumers.
- (8) In subsection (7) “mortgage prisoner” means a consumer who cannot switch to a different lender



All line references relate to the large font accessible version of the Bill

because of their characteristics and has a regulated mortgage contract with one of the following type of firms—

(a) inactive lenders: firms authorised for mortgage lending that are no longer lending; and

(b) unregulated entities: firms not authorised for mortgage lending.

- (9) The rules made by the FCA under subsection (7) must set the level of the cap on the “Standard Variable Rate” at a level no more than 2 percentage points above the Bank of England base rate.
- (10) In subsection (9) “Standard Variable Rate” means the variable rate of interest charged under the regulated mortgage contract after the end of any initial introductory deal.
- (11) The FCA must ensure any rules that it is required to make as a result of the amendment made by subsection (7) are made not later than 31st July 2021.””

***Member’s explanatory statement***

*This new clause would require the FCA to introduce a cap on the Standard Variable Rates charged to consumers who cannot switch to a different lender because of their characteristics and who have a*

All line references relate to the large font accessible version of the Bill

*regulated mortgage contract with either an inactive lender or an unregulated entity.*

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Seema Malhotra

**NC26**

To move the following Clause—

**“Conditions for the transfer of a regulated mortgage contract**

- (1) A regulated mortgage contract shall not be transferred without the written consent of the borrower.
- (2) When seeking consent from either an existing or a new borrower the lender must provide a statement to the borrower containing sufficient information in order for them to make an informed decision.
- (3) The statement provided pursuant to subsection (2) must be approved in advance by the Financial Conduct Authority and shall include—
  - (a) a clear explanation of the implications in terms of the interest rates which will be offered to the borrower including details of the policies and procedures which will apply for the setting

All line references relate to the large font accessible version of the Bill

of mortgage interest rates and for the making of repayments if the transfer takes place;

(b) how the transfer might affect the borrower;

(c) the name and address of the intended transferee, and of any holding company applicable;

(d) the relationship, if any, between the lender and the transferee;

(e) a description of the intended transferee and of its business, including how long it has been in operation, and details of its involvement in the management of mortgages; and

(f) confirmation that in the absence of a specific consent the existing arrangements will continue to apply.

(4) Each borrower shall be approached individually and shall be given a reasonable time within which to give or decline to give their consent.

(5) In this section, “regulated mortgage contract” has the meaning given by article 61(3) of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001.”

***Member’s explanatory statement***

*This new clause would require the written consent of the borrower for the transfer of a regulated mortgage contract and require lenders to provide specified*

All line references relate to the large font accessible version of the Bill

*information to borrowers when seeking this consent and for this statement to be approved in advance by the FCA.*

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John McDonnell

**NC30**

To move the following Clause—

**“Offence of facilitation of or failure to prevent financial crime**

- (1) A financial services company commits an offence if it—
  - (a) facilitates, aids or abets a relevant offence;
  - (b) does not take all reasonable steps to prevent the commissioning of a relevant offence.
- (2) A financial services company guilty of an offence under this section shall be liable—
  - (a) on conviction on indictment, to a fine;
  - (b) on summary conviction in England and Wales, to a fine;
  - (c) on summary conviction in Scotland or Northern Ireland, to a fine not exceeding the statutory maximum.

All line references relate to the large font accessible version of the Bill

(3) For the purposes of this section—

“financial services company” means any person, including a body of persons corporate or unincorporated, authorised by or registered with the Financial Conduct Authority’;

“relevant offence” means—

(a) fraud, as defined in the Fraud Act 2006;

(b) false accounting, as defined in the Theft Act 1968;

(c) any offence under the following sections of the Proceeds of Crime Act 2002;

(d) tax evasion;

(e) an offence under Part 7 of the Financial Services Act 2012; and

(f) insider dealing, as defined in the Criminal Justice Act 1993.”

***Member’s explanatory statement***

*This new clause would create an offence in cases where financial services companies facilitate or fail to prevent financial crime.*

---

John Glen

15

All line references relate to the large font accessible version of the Bill

☆ Clause 5, page 11, line 7, leave out “power to make rules” and insert “powers”

***Member’s explanatory statement***

*This amendment is consequential on Amendment 30.*

---

Alison Thewliss

13

Clause 33, page 73, line 26, at end insert—

“(c) the successor account must bear, in each financial year, at least the same level of bonus as the mature account before maturation.”

***Member’s explanatory statement***

*This amendment would ensure customers do not lose any bonus should their funds be moved from a matured account into a new one.*

Alison Thewliss

14

Clause 33, page 74, line 8, at end insert—

“(7) Regulations under sub-paragraph (2) may only be made if the conditions in sub-paragraph (8) are met.

(8) The conditions referred to in sub-paragraph (7) are—

All line references relate to the large font accessible version of the Bill

(a) There must be an account available to any affected customer which provides at least as generous a bonus structure as the matured account.

(b) The customer must have been successfully contacted by a relevant Department or public body.

(c) The customer must have been given full and accessible information on the effects of changing account.”

***Member’s explanatory statement***

*This amendment would ensure customers are contacted and informed before their funds are transferred.*

---

John McDonnell

4

Clause 37, page 81, line 22, at end insert—

“(c) after subparagraph (2) insert—

“(2A) A person may not be appointed as chief executive under paragraph 2(2)(b) unless they have the consent of the Treasury Committee of the House of Commons.””

All line references relate to the large font accessible version of the Bill

***Member’s explanatory statement***

*This amendment would require a candidate for the position of chief executive of the FCA to receive the consent of the Treasury Committee for their appointment.*

John McDonnell

**3**

Clause **37**, page **82**, line **12**, after “ignored.” insert—  
“(2C) A person may not be appointed as chief executive under paragraph 2(2)(b) until the Treasury has prepared and published a report on the effectiveness of the FCA under the tenure of the previous chief executive.”

***Member’s explanatory statement***

*This amendment would require the Treasury to prepare and publish a report on the effectiveness of the previous chief executive in advance of the appointment of a new chief executive.*

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John Glen

**16**

☆ Clause **39**, page **83**, line **5**, at end insert—



All line references relate to the large font accessible version of the Bill

“(1A) The Secretary of State may by regulations make provision that is consequential on provision made by section (Money laundering offences: electronic money institutions, payment institutions and deposit-taking bodies) or (Forfeiture of money: electronic money institutions and payment institutions) or Schedule (Forfeiture of money: electronic money institutions and payment institutions).”

***Member’s explanatory statement***

*Clause 39 enables the Treasury, by regulations, to make provision that is consequential on any provision made by the Bill. This amendment enables the Secretary of State to exercise that power in connection with NC27, NC28 and NS1.*

---

John Glen

17

☆ Clause 43, page 86, line 3, at end insert—

“(za) section (Forfeiture of money: electronic money institutions and payment institutions) and Schedule (Forfeiture of money: electronic money institutions and payment institutions), except for paragraphs 10 to 21 of that Schedule as they extend to Northern Ireland,”

All line references relate to the large font accessible version of the Bill

***Member's explanatory statement***

*This amendment provides that NC28 and NS1 come into force on Royal Assent, with the exception of the amendments of Part 5 of the Proceeds of Crime Act 2002 in that Schedule as they extend to Northern Ireland. The relevant provisions of that Part are not yet in force there.*

John Glen

**18**

☆ Clause **43**, page **86**, line **14**, at end insert—

“(aa) section (Money laundering offences: electronic money institutions, payment institutions and deposit-taking bodies),”

***Member's explanatory statement***

*This amendment provides that NC27 comes into force two months after Royal Assent.*

John Glen

**19**

☆ Clause **43**, page **86**, line **16**, at end insert—

“(2A) Paragraphs 10 to 21 of Schedule (*Forfeiture of money: electronic money institutions and payment institutions*) as they extend to Northern Ireland come into force on such day as the

All line references relate to the large font accessible version of the Bill

Treasury or the Secretary of State may by regulations appoint, after consulting the Department of Justice in Northern Ireland.”

***Member’s explanatory statement***

*This amendment and Amendments 20 and 21 provide that the paragraphs of NS1 amending Part 5 of the Proceeds of Crime Act 2002, as they extend to Northern Ireland, are to be brought into force by regulations. The Department of Justice in Northern Ireland must be consulted before regulations are made.*

John Glen

**20**

☆ Clause **43**, page **86**, line **23**, after “subsection” insert “(2A),”

***Member’s explanatory statement***

*See the explanatory statement for Amendment 19.*

John Glen

**21**

☆ Clause **43**, page **87**, line **2**, at end insert—

“(8) The requirement to consult under subsection (2A) may be satisfied by consultation before the

All line references relate to the large font accessible version of the Bill

day on which this Act is passed (as well as by consultation on or after that day).”

***Member’s explanatory statement***

*See the explanatory statement for Amendment 19.*

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John Glen

**NS1**

☆ To move the following Schedule—

“FORFEITURE OF MONEY: ELECTRONIC  
MONEY INSTITUTIONS AND PAYMENT  
INSTITUTIONS

*Anti-terrorism, Crime and Security Act 2001 (c. 24)*

- 1 Schedule 1 to the Anti-terrorism, Crime and Security Act 2001 (forfeiture of terrorist property) is amended as follows.
- 2 Part 4B (forfeiture of terrorist money held in bank and building society accounts) is amended in accordance with paragraphs 3 to 8.
- 3 In the Part heading, for “bank and building society” substitute “certain”.

All line references relate to the large font accessible version of the Bill

- 4 (1) Paragraph 10Q (application for account freezing order) is amended as follows.
- (2) In sub-paragraph (1), for “bank or building society” substitute “relevant financial institution”.
- (3) After that sub-paragraph insert—
- “(1A) In this Part of this Schedule, “relevant financial institution” means—
- (a) a bank,
  - (b) a building society,
  - (c) an electronic money institution, or
  - (d) a payment institution.”
- (4) In sub-paragraph (7), at the appropriate places insert— ““electronic money institution” has the same meaning as in the Electronic Money Regulations 2011 (S.I. 2011/99) (see regulation 2 of those Regulations);”, and ““payment institution” means an authorised payment institution or a small payment institution (each as defined in regulation 2 of the Payment Services Regulations 2017 (S.I. 2017/752));”.
- 5 In paragraph 10V(1) (restriction on proceedings and remedies), for “bank or building society” substitute “relevant financial institution”.
- 6 In paragraph 10W(6)(b) (account forfeiture notice), for “bank or building society” substitute “relevant financial institution”.

All line references relate to the large font accessible version of the Bill

- 7 (1) Paragraph 10Y (lapse of account forfeiture notice) is amended as follows.
- (2) In sub-paragraph (6), for “bank or building society” substitute “relevant financial institution”.
- (3) In sub-paragraph (7)—
- (a) for “If the bank or building society” substitute “If the relevant financial institution”, and
- (b) for “on the bank or building society” substitute “on the institution”.
- 8 In paragraph 10Z2(7)(a) (forfeiture order), for “bank or building society” substitute “relevant financial institution”.
- 9 In Part 6 (interpretation), in paragraph 19(1), at the appropriate places insert— ““electronic money institution” (in Part 4B) has the meaning given by paragraph 10Q(7),”, ““payment institution” (in Part 4B) has the meaning given by paragraph 10Q(7),”, and ““relevant financial institution” (in Part 4B) has the meaning given by paragraph 10Q(1A),”.

*Proceeds of Crime Act 2002 (c. 29)*

All line references relate to the large font accessible version of the Bill

- 10 Part 5 of the Proceeds of Crime Act 2002 (civil recovery of the proceeds etc of unlawful conduct) is amended as follows.
- 11 Chapter 3B (forfeiture of money held in bank and building society accounts) is amended in accordance with paragraphs 12 to 20.
- 12 In the Chapter heading, for “bank and building society” substitute “certain”.
- 13 In the italic heading before section 303Z1, for “bank and building society” substitute “certain”.
- 14 (1) Section 303Z1 (application for account freezing order) is amended as follows.
  - (2) In subsection (1), for “bank or building society” substitute “relevant financial institution”.
  - (3) After that subsection insert—

“(1A) In this Chapter, “relevant financial institution” means—

    - (a) a bank,
    - (b) a building society,
    - (c) an electronic money institution, or
    - (d) a payment institution.”
  - (4) In subsection (6), at the appropriate places insert— ““electronic money institution” has the same meaning as in the Electronic Money Regulations 2011 (S.I. 2011/99) (see regulation 2 of those Regulations);”, and ““payment institution”

All line references relate to the large font accessible version of the Bill

means an authorised payment institution or a small payment institution (each as defined in regulation 2 of the Payment Services Regulations 2017 (S.I. 2017/752));”.

- 15 In section 303Z2(3) (restrictions on making of application under section 303Z1), for “bank or building society” substitute “relevant financial institution”.
- 16 In section 303Z6(1), for “bank or building society” substitute “relevant financial institution”.
- 17 In section 303Z8(4), for “bank or building society” substitute “relevant financial institution”.
- 18 In section 303Z9(6)(b) (account forfeiture notice: England and Wales and Northern Ireland), for “bank or building society” substitute “relevant financial institution”.
- 19 (1) Section 303Z11 (lapse of account forfeiture notice) is amended as follows.
  - (2) In subsection (6), for “bank or building society” substitute “relevant financial institution”.
  - (3) In subsection (7)—
    - (a) for “If the bank or building society” substitute “If the relevant financial institution”, and
    - (b) for “on the bank or building society” substitute “on the institution”.



All line references relate to the large font accessible version of the Bill

20 In section 303Z14(7)(a) (forfeiture order), for “bank or building society” substitute “relevant financial institution”.

21 In section 316(1) (general interpretation of Part 5), at the appropriate places insert—

““electronic money institution” (in Chapter 3B) has the meaning given by section 303Z1(6),”,

““payment institution” (in Chapter 3B) has the meaning given by section 303Z1(6),”, and

““relevant financial institution” (in Chapter 3B) has the meaning given by section 303Z1(1A),”.”

***Member’s explanatory statement***

*This amendment inserts a new Schedule which amends Part 4B of Schedule 1 to the Anti-terrorism, Crime and Security Act 2001 and Chapter 3B of Part 5 of the Proceeds of Crime Act 2002 so that provisions for the freezing and forfeiture of terrorist money and money that is the proceeds of unlawful conduct apply to money held in accounts maintained with electronic money institutions and payment institutions.*

All line references relate to the large font accessible version of the Bill

John Glen

**22**

- ☆ Schedule 2, page 113, line 14, after “that” insert “—  
(a) is incorporated in the United Kingdom or has its principal place of business in the United Kingdom, and  
(b) ”

***Member’s explanatory statement***

*This amendment provides that, for the purposes of Part 9C of the Financial Services and Markets Act 2000, the definition of “authorised parent undertaking” only includes a parent undertaking that is incorporated, or has its principal place of business, in the United Kingdom.*

John Glen

**23**

- ☆ Schedule 2, page 59, line 9, leave out “a place” and insert “its principal place”

***Member’s explanatory statement***

*The definition of “non-authorised parent undertaking” in Part 9C of the Financial Services and Markets Act 2000 refers to an undertaking that is incorporated, or has a place of business, in the United Kingdom. This*

All line references relate to the large font accessible version of the Bill

*amendment changes the definition to refer instead to an undertaking's principal place of business.*

John McDonnell

5

Schedule 2, page 117, line 23, at end insert—

“(f) impose requirements relating to the publication of quarterly statements on portfolio holdings.”

***Member's explanatory statement***

*This amendment would allow the FCA to impose requirements on investment firms to publish quarterly statements on their portfolio holdings.*

John McDonnell

6

Schedule 2, page 117, line 23, at end insert—

“(3A) General rules made for the purpose of subsection (1) must impose requirements relating to the publication of quarterly statements on portfolio holdings.”

***Member's explanatory statement***

*This amendment would require the FCA to impose requirements on investment firms to publish quarterly statements on their portfolio holdings.*

John Glen

All line references relate to the large font accessible version of the Bill

24

☆ Schedule 2, page 118, line 9, at end insert “the following types of prudential requirements”

***Member’s explanatory statement***

*This amendment inserts words into section 143D(1) of the Financial Services and Markets Act 2000 for consistency with equivalent wording in section 143C(1).*

John Glen

25

☆ Schedule 2, page 121, line 16, at end insert—

“(6A) Section 137H (rules about remuneration) applies where the FCA makes rules under subsection (3) prohibiting persons, or persons of a specified description, from being remunerated in a specified way as it applies where the FCA makes general rules imposing such a prohibition.

(6B) Section 137I (Treasury direction to consider compliance with remuneration policies) applies where the FCA makes rules under subsection (3) requiring non-authorised parent undertakings, or nonauthorized parent undertakings of a specified description, to act in accordance with a remuneration policy as it applies where the FCA

All line references relate to the large font accessible version of the Bill

makes general rules imposing such requirements on authorised persons, but as if—

(a) the references in that section to authorised persons were references to non-authorised parent undertakings of FCA investment firms, and

(b) subsection (7) of that section were omitted.”

***Member’s explanatory statement***

*This amendment provides that sections 137H and 137I of the Financial Services and Markets Act 2000, which apply where the FCA makes certain general rules about remuneration applying to authorised persons, also apply where the FCA makes equivalent rules relating to non-authorised parent undertakings of FCA investment firms.*

John Glen

**26**

☆ Schedule 2, page 124, line 1, after “143D(5)” insert “, (6A), (6B)”

***Member’s explanatory statement***

*This amendment is consequential on Amendment 25.*

Keir Starmer

**1**

All line references relate to the large font accessible version of the Bill

Schedule 2, page 125, line 9, at end insert—

“(ba) the target for net UK emissions of greenhouse gases in 2050 as set out in the Climate Change Act 2008 as amended by the Climate Change Act (2050 Target Amendment) Order 2019, and”

Rushanara Ali

7

Schedule 2, page 125, line 9, at end insert—

“(ba) the promotion of ethical investments with reference to the judgements of the International Court of Justice or the High Court of England and Wales concerning genocide under Article II of the United Nations Convention on the Prevention and Punishment of the Crime of Genocide, and findings of genocide or ethnic cleansing by a United Nations-mandated investigation.”

***Member’s explanatory statement***

*This amendment would require the FCA, when making Part 9C rules for investment firms, to have regard to findings of genocide by the courts and UN-mandated investigations.*

Alison Thewliss

8

All line references relate to the large font accessible version of the Bill

Schedule 2, page 125, line 9, at end insert—

“(ba) the likely effect of the rules on trade frictions between the UK and EU, and”

***Member’s explanatory statement***

*This amendment would ensure the likely effect of the rules on trade frictions between the UK and EU are considered before Part 9C rules are taken.*

Alison Thewliss

9

Schedule 2, page 125, line 9, at end insert—

“(ba) the likely effect of the rules on the UK meeting its international and domestic commitments on tackling climate change, and”

***Member’s explanatory statement***

*This amendment would ensure the likely effect of the rules on the UK meeting its international and domestic commitments on tackling climate change are considered before Part 9C rules are taken.*

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Alison Thewliss

10

Schedule 3, page 167, line 7, after “activities” insert “in the UK and internationally”

All line references relate to the large font accessible version of the Bill

***Member’s explanatory statement***

*This amendment would ensure the likely effect of the rules on the relative standing of the United Kingdom as a place for internationally active credit institutions and investment firms to be based or to carry on activities are considered both in terms of their UK and international activities before Part CRR rules are taken.*

Keir Starmer

**2**

Schedule 3, page 167, line 13, at end insert—

“(ca) the target for net UK emissions of greenhouse gases in 2050 as set out in the Climate Change Act 2008 as amended by the Climate Change Act (2050 Target Amendment) Order 2019, and”

Alison Thewliss

**11**

Schedule 3, page 167, line 13, at end insert—

“(ca) the likely effect of the rules on trade frictions between the UK and EU, and”

***Member’s explanatory statement***



All line references relate to the large font accessible version of the Bill

*This amendment would ensure the likely effect of the rules on trade frictions between the UK and EU are considered before CRR rules are taken.*

Alison Thewliss

**12**

Schedule 3, page 167, line 13, at end insert—

“(ca) the likely effect of the rules on the UK meeting its international and domestic commitments on tackling climate change, and”

***Member’s explanatory statement***

*This amendment would ensure the likely effect of the rules on the UK meeting its international and domestic commitments on tackling climate change are considered before CRR rules are taken.*

John Glen

**27**

☆ Schedule 3, page 177, line 25, at end insert—

“(5A) Section 137H (rules about remuneration) applies where the PRA makes rules under this section prohibiting persons, or persons of a specified description, from being remunerated in a specified way as it applies where the PRA makes general rules imposing such a prohibition.

All line references relate to the large font accessible version of the Bill

(5B) Section 137I (Treasury direction to consider compliance with remuneration policies) applies where the PRA makes rules under this section requiring financial holding companies or mixed financial holding companies, or a specified description of such companies, to act in accordance with a remuneration policy as it applies where the PRA makes general rules imposing such requirements on authorised persons, but as if—

(a) the references in that section to authorised persons were references to financial holding companies or mixed financial holding companies, and

(b) subsection (7) of that section were omitted.”

***Member’s explanatory statement***

*This amendment provides that sections 137H and 137I of the Financial Services and Markets Act 2000, which apply where the PRA makes certain general rules about remuneration applying to authorised persons, also apply where the PRA makes equivalent rules under section 192XA of that Act.*

John Glen

28

☆ Schedule 3, page 178, leave out lines 8 to 13

All line references relate to the large font accessible version of the Bill

***Member’s explanatory statement***

*This amendment and Amendment 29 omit from section 192XA of the Financial Services and Markets Act 2000 provision glossing references to instruments made under the capital requirements regulation. That provision will be inserted instead in section 192O of that Act – see Amendment 31. These changes are consequential on Amendment 30.*

John Glen

**29**

☆ Schedule 3, page 178, leave out lines 15 and 18

***Member’s explanatory statement***

*See the explanatory statement for Amendment 28.*

John Glen

**30**

☆ Schedule 3, page 180, line 18, at end insert—

“7A In section 192Y(1) (power to impose penalty or issue censure), for paragraph (d) substitute—

“(d) the capital requirements regulation or an instrument made under that regulation.””

***Member’s explanatory statement***

*Under section 192Y(1)(d) of the Financial Services and Markets Act 2000, the PRA has power to take*

All line references relate to the large font accessible version of the Bill

*disciplinary action where a financial holding company or mixed financial holding company contravenes requirements imposed by some Parts of the Capital Requirements Regulation. This amendment extends the PRA’s power to contraventions of requirements imposed by any Part of that Regulation or by instruments made under that Regulation.*

John Glen

**31**

☆ Schedule **3**, page **182**, line **15**, leave out paragraph 13 and insert—

“13 (1) Section 192O (interpretation of Part 12B) is amended as follows.

(2) In subsection (1)—

(a) in the definition of “Directive 2013/36/EU UK law”, omit the words following paragraph (b), and

(b) after that definition insert—

““EU tertiary legislation” has the meaning given in section 20 of the European Union (Withdrawal) Act 2018;”.

(3) At the end insert—

“(3) In this Part, references to instruments made under the capital requirements regulation include EU tertiary legislation made

All line references relate to the large font accessible version of the Bill

under that regulation which forms part of retained EU law.”.”

***Member’s explanatory statement***

*See the explanatory statement for Amendment 28.*

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ORDER OF THE HOUSE [9 NOVEMBER 2020]

That the following provisions shall apply to the Financial Services Bill:

*Committal*

1. The Bill shall be committed to a Public Bill Committee.

*Proceedings in Public Bill Committee*

2. Proceedings in the Public Bill Committee shall (so far as not previously concluded) be brought to a conclusion on Thursday 3 December 2020.

3. The Public Bill Committee shall have leave to sit twice on the first day on which it meets.

*Proceedings on Consideration and up to and including Third Reading*

All line references relate to the large font accessible version of the Bill

4. Proceedings on Consideration and any proceedings in legislative grand committee shall (so far as not previously concluded) be brought to a conclusion one hour before the moment of interruption on the day on which proceedings on Consideration are commenced.

5. Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at the moment of interruption on that day.

6. Standing Order No. 83B (Programming committees) shall not apply to proceedings on Consideration and up to and including Third Reading.

*Other proceedings*

7. Any other proceedings on the Bill may be programmed.

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**NOTICES WITHDRAWN**

*The following Notices were withdrawn on 6 January 2021:*

NC3 and NC5

All line references relate to the large font accessible  
version of the Bill

*The following Notices were withdrawn on 12 January  
2021:*

NC29 and NC31

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