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STATUTORY INSTRUMENTS

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**2001 No. 3649**

The Financial Services and Markets Act 2000  
(Consequential Amendments and Repeals) Order 2001

PART 9

AMENDMENTS TO SECONDARY LEGISLATION

*The Local Authorities (Contracting Out of Investment Functions) Order 1996 (S.I. 1996/1883)*

**Qualifications of contractors**

**533.** For article 9 of the Local Authorities (Contracting Out of Investment Functions) Order 1996 (qualifications of contractors) substitute—

“9 In relation to any function which a contractor is authorised to exercise by the authority, the contractor shall ensure that he and his employees are suitably qualified to make investment decisions on the authority’s behalf and have practical experience of financial matters, including making investments, and, without prejudice to the generality of this condition, shall ensure that he is—

- (a) an authorised person within the meaning of the Financial Services and Markets Act 2000 (“the 2000 Act”); or
- (b) a person—
  - (i) who does not carry on regulated activities (within the meaning of the 2000 Act) from a permanent place of business maintained by him in the United Kingdom;
  - (ii) whose head office is situated in an EEA State other than the United Kingdom;
  - (iii) who is recognised by the law of that EEA State as a national of that or another EEA State; and
  - (iv) who is for the time being authorised under that law to carry on one or more regulated activities (within the meaning of the 2000 Act), and is not precluded by that law from managing assets belonging to another person.”.