

# SECOND SUPPLEMENT TO THE GIBRALTAR GAZETTE

No. 4961 GIBRALTAR Thursday 26th May 2022

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LEGAL NOTICE NO. 132 OF 2022.

## FINANCIAL SERVICES ACT 2019

### FINANCIAL SERVICES ACT 2019 (AMENDMENT) REGULATIONS 2022

In exercise of the powers conferred on the Minister by sections 620, 621, 626 and 627 of the Financial Services Act 2019, the Minister has made these Regulations—

#### **Title.**

1. These Regulations may be cited as the Financial Services Act 2019 (Amendment) Regulations 2022.

#### **Commencement.**

2. These Regulations come into operation on the day of publication.

#### **Amendment of the Financial Services Act 2019.**

3.(1) The Financial Services Act 2019 is amended as follows.

(2) In section 24(4), for “has agreed in writing to the steps proposed in the warning notice being taken.” substitute—

“

- (a) has agreed in writing to the steps proposed in the warning notice being taken; or
- (b) has not made any representations to the GFSC within the notice period specified in section 612(2)(a) (and in that event the GFSC may regard the facts and matters set out in the warning notice as undisputed).”.

(3) In section 45(1), in the definition of “foreign regulator”, after “authority” insert “and the scheme manager of the United Kingdom’s Financial Services Compensation Scheme”.

(4) After section 83 insert–

*“Notification of changes to regulated firms and their business*

**Obligation to notify the GFSC of changes to a regulated firm or its business.**

83A.(1) A regulated firm must give the GFSC notice of–

- (a) any proposed alteration to the firm or its business; or
- (b) the occurrence of any event in relation to the firm or its business,

which may affect the firm’s continuing satisfaction of the threshold conditions in relation to any of the regulated activities for which the firm has permission.

(2) A regulated firm must obtain the GFSC’s consent before–

- (a) implementing an alteration of the kind in subsection (1)(a); or
- (b) taking any action as a result of an event of the kind in subsection (1)(b).

(3) A notice under subsection (1) or a consent application under subsection (2) must–

- (a) be made in the form and manner the GFSC directs;
- (b) contain such information as the GFSC reasonably requires; and
- (c) be accompanied by any prescribed fee.

(4) The GFSC may issue guidance on alterations and events of the kind in subsection (1) which may affect a regulated firm’s continuing satisfaction of the threshold conditions.

(5) Subsection (1) applies without limiting any other notification obligation imposed by any other provision of this Act or any regulations made under it.”.

(5) In section 474–

- (a) re-number the second subsection (2) as subsection (2A);
- (b) in subsection (3)(c), omit “(up to a maximum of 75%)”.

Dated: 26<sup>th</sup> May 2022.

A J ISOLA,  
Minister with responsibility for Financial Services.

### **EXPLANATORY MEMORANDUM**

These Regulations make minor amendments to the Financial Services Act 2019, in order to give further effect to that Act. The Regulations provide for the GFSC to be able to regard the facts and matters set out in a warning notice as undisputed if the recipient fails to respond to that notice, extend the definition of foreign regulator to include the UK financial services compensation scheme, impose an obligation on regulated firms to inform the GFSC of changes to the firm or its business which may affect its continuing satisfaction of the threshold conditions and remove an EU-derived limitation on the ownership and control of audit firms.