

Subsidiary Legislation made under ss.620, 621 & 627.

## **Financial Services (Core Principles) Regulations 2022**

**Repealed by LN.2024/077 as from 9.5.2024**

**LN.2022/159**

*Commencement*                      **30.6.2022**

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**2019-26**

Financial Services

**Repealed**  
**2022/159**

**Financial Services (Core Principles) Regulations 2022**

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*In exercise of the powers conferred on the Minister by section 620, 621 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 (Core Principles) Regulations 2022.

**Commencement.**

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

**Overview.**

3. These Regulations set out the fundamental obligations (“the core principles”) that apply to all financial service providers when providing services or conducting business in respect of which they are regulated by or under the Act.

**Interpretation.**

4. In these Regulations–

“the Act” means the Financial Services Act 2019;

“the core principles” means the core principles in the Schedule;

“financial service provider” means a person who–

- (a) has permission under Part 7 of the Act to carry on one or more regulated activities;  
or
- (b) is authorised under Part 18 of the Act.

**Compliance with core principles.**

5. A financial service provider must comply with the core principles when providing services or conducting business in respect of which the provider is regulated by or under the Act.

SCHEDULE

Regulation 4

**THE CORE PRINCIPLES**

**Honesty and integrity.**

1. A financial service provider must conduct its business with honesty and integrity.

**Effective control and management.**

2. A financial service provider must manage and control its business effectively.

**Due skill, care and diligence.**

3. A financial service provider must conduct its business with due skill, care and diligence, having proper regard to risks to its business and clients.

**Market conduct.**

4. A financial service provider must observe proper standards of market conduct.

**Protection of client assets and funds.**

5. A financial service provider must have effective arrangements in place for the protection of client assets and money when it is responsible for them.

**Regard to interests of clients.**

6. A financial service provider must have due regard to the interests of its clients and treat them fairly.

**Communication with clients.**

7. A financial service provider must have due regard to the information needs of its clients and communicate with them in a way that is fair, clear and not misleading.

**Conflict of interests.**

8. A financial service provider must properly manage conflicts of interests.

**Suitability of advice to clients.**

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9. A financial service provider must take all reasonable steps to ensure that any advice it gives to, or any discretionary decision it takes in respect of, a client is suitable for that client.

**Adequate resources.**

10. A financial service provider must maintain adequate financial and non-financial resources.

**Contingency plans.**

11. A financial service provider must have contingency plans for the orderly and solvent winding down of its business.

**Dealings with regulators.**

12. A financial service provider must deal with its regulators in an open, co-operative and timely way and disclose to them any matter of which they would reasonably expect notice.

**Governance consistent with core rules.**

13. A financial service provider must ensure that its governance is consistent with compliance with these rules.