

**BANK OF ENGLAND FMI RULEBOOK: CRITICAL THIRD PARTIES EMERGENCY PROVISIONS  
INSTRUMENT 2024**

**Powers exercised**

- A. The Bank of England (“the Bank”) makes this instrument in the exercise of the following powers and related provisions in the Financial Services and Markets Act 2000 (“the Act”):
- (1) section 137T (General supplementary powers) as applied to the Bank by paragraph 10A(a) of Schedule 17A (Further provision in relation to exercise of part 18 functions, or other FMI functions, by Bank of England) to the Act;
  - (2) section 312M (Power to make rules);
  - (3) section 166(9) (Reports by skilled persons) as applied to the Bank by section 312P(5) of the Act; and
  - (4) section 166A(9) (Appointment of skilled person to collect and update information) as applied to the Bank by section 312P(6) of the Act.
- B. The rule-making powers referred to above are specified for the purpose of section 138G(2) (Rule-making instrument) of the Act as applied by paragraph 10A(h) of Schedule 17A to the Act.

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- C. The Bank makes the rules in the Annex to this instrument.

<b>Part</b>	<b>Annex</b>
Critical Third Parties - Emergency Provisions	A

**Commencement**

- D. This instrument comes into force on 1 January 2025.

**Citation**

- E. This instrument may be cited as the Bank of England FMI Rulebook: Critical Third Parties Emergency Provisions Instrument 2024.

**By order of the Financial Market Infrastructure Committee**

8 November 2024

## Annex A

### Critical Third Parties Emergency Provisions Part

In this Annex, the text is all new and is not underlined.

#### 1 APPLICATION AND DEFINITIONS

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1.1 In this Part, the following definitions shall apply:

*Bank*

means the Bank of England other than when it is acting in its capacity as the Prudential Regulation Authority.

*Bank of England*

has the same meaning as in Schedule 1 of the Interpretation Act 1978.

*Critical Third Party*

means a *person* that is designated by the *Treasury* by regulations made in exercise of the power in section 312L(1) of the Financial Services and Markets Act 2000.

*employee*

means an individual:

- (1) who is employed or appointed by a *person* in connection with its business, whether under a contract of service or for services or otherwise; or
- (2) whose services, under an arrangement between that *person* and a third party, are placed at the disposal and under the control of that *person*.

*person*

has the same meaning as in Schedule 1 of the Interpretation Act 1978.

*Treasury*

has the same meaning as in Schedule 1 of the Interpretation Act 1978.

#### 2 EMERGENCY

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2.1 This Chapter applies to every *person* to whom the *Critical Third Parties Part* of the *Bank* rulebook applies.

2.2 (1) If any emergency arises which:

- (a) makes it impracticable for a *person* to comply with a particular rule;
- (b) could not have been avoided by the *person* taking all reasonable steps; and
- (c) is outside the control of the *person*, its associates and agents (and of its and their *employees*),

the *person* will not be in contravention of that rule to the extent that, in consequence of the emergency, compliance with that rule is impracticable.

(2) Paragraph (1) above applies only for so long as:

- (a) the consequences of the emergency continue; and
  - (b) the *person* can demonstrate that it is taking all practicable steps to deal with those consequences, to comply with the rule, and to mitigate losses and potential losses to its clients (if any).
- (3) The *person* must notify the *Bank* as soon as practicable of the emergency and of the steps the *person* is taking and proposes to take to deal with the consequences of the emergency.