

Annex three: financial services activity

Claims management activity is defined in the [Financial Services and Markets Act 2001 \(Regulated Activities\) Order 2001](#) (article 89G to article 89M). The definition specifies activities that require regulation, and which are:

- Seeking out claims or potential claims
- Referrals of claims or potential claims
- Identification of claims or potential claims
- Advice in relation to a claim
- Investigation in relation to a claim
- Representation in relation to a claim

Claims management activity is regulated through the [Financial Services and Markets Act 2000](#) (FSMA), as amended by the [Financial Guidance and Claims Act 2018](#) (FGCA).

The effect of the legislation in England and Wales is that regulated claims management activity may only be provided by:

- a [claims management company](#) (CMC) regulated by the [Financial Conduct Authority](#) (FCA)
- legal service professionals¹ who are regulated by a recognised legal services regulator, and who are exempt from requiring FCA regulation
- certain other organisations, including charities.