

## PRA RULEBOOK: DEPOSITOR PROTECTION INSTRUMENT 2023

### Powers exercised

- A. The Prudential Regulation Authority ("PRA") 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 137G (The PRA's general rules);
  - (2) section 137T (General supplementary powers);
  - (3) section 213 (The compensation scheme);
  - (4) section 214 (General);
  - (5) section 215 (Rights of the scheme in insolvency); and
  - (6) section 218A (Regulators power to require information).
- B. The rule-making powers referred to above are specified for the purpose of section 138G(2) (Rule-making instrument) of the Act.

### Pre-conditions to making

- C. In accordance with section 138J of the Act (Consultation by the PRA), the PRA consulted the Financial Conduct Authority. After consulting, the PRA published a draft of proposed rules and had regard to representations made.

### PRA Rulebook: Depositor Protection Instrument 2023

- D. The PRA makes the rules in Annexes to this instrument.

Part	Annex
Glossary	A
Depositor Protection	B
Financial Conglomerates	C

### Commencement

- E. This instrument comes into force at 4 p.m. on 12/03/2023.

### Citation

- F. This instrument may be cited as the PRA Rulebook: Depositor Protection Instrument 2023.

### By order of the Prudential Regulation Committee

12 March 2023

**Annex A****Amendments to the Glossary**

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

...

*authorised electronic money institution*

has the meaning given in regulation 2(1) of the *Electronic Money Regulations*.

*authorised payment institution*

has the meaning given in regulation 2(1) of the *Payment Services Regulations*.

...

*Electronic Money Regulations*

means the Electronic Money Regulations 2011 (SI 2011/99).

...

*Payment Services Regulations*

means the Payment Services Regulations 2017 (SI 2017/752).

...

*small electronic money institution*

has the meaning given in regulation 2(1) of the *Electronic Money Regulations*.

...

*small payment institution*

has the meaning given in regulation 2(1) of the *Payment Services Regulations*.

...

## Annex B

## Amendments to the Depositor Protection Part

In this Annex new text is underlined and deleted text is struck through.

## 1 APPLICATION AND DEFINITIONS

---

...

1.4 Unless otherwise stated, in this Part, the following definitions shall apply:

...

electronic money institution

has the meaning given in regulation 2(1) and in regulation 20(5) of the *Electronic Money Regulations*.

...

exclusions view

means a single, consistent view of:

- (1) an account holder's aggregate *deposits* with a *firm* limited to accounts that contain or may contain *eligible deposits* to which the account holder is not absolutely entitled ~~or which are *safeguarded funds*~~; or
- (2) a *depositor's* aggregate *eligible deposits* with a *firm* limited to accounts that are *not active*

and which contains the information required by 12.9.

...

insolvency event

means:

- (1) in relation to an *electronic money institution*, an *insolvency event* as defined in regulation 22(3) of the *Electronic Money Regulations*;
- (2) in relation to an *authorised payment institution* or *small payment institution*, an *insolvency event* as defined in regulation 23(18) of the *Payment Services Regulations*; or
- (3) in relation to an *electronic money institution*, *authorised payment institution* or *small payment institution*, entry into special administration as defined in regulation 7 of The Payment and Electronic Money Institution Insolvency Regulations 2021 (SI 2021/716).

...

priority creditors

means, in relation to a *deposit* which comprises *safeguarded funds*, the persons whose claims in the event of an *insolvency event* are to be paid from the asset pool in priority to all other creditors.

...

safeguarded funds

means a *deposit* held by a *UK* establishment of a *PRA*-authorised *credit institution* and made by:

- (1) an *electronic money institution* for the purposes of regulation 21 or 22 of the *Electronic Money Regulations*; or
- (2) an *authorised payment institution* or a *small payment institution* for the purposes of regulation 23 of the *Payment Services Regulations*.

...

## 2 ELIGIBILITY

---

...

### 2.2 ...

(4) Subject to (5), the following are not *eligible deposits*:

...

- (k) a debt security issued by the *DGS member* and any liabilities arising out of own acceptances and promissory notes;

...

(5) But 2.2(4)(a), (d) and (e) shall not exclude from eligibility a *deposit* to the extent this Part provides for compensation to be calculated by reference to the position of:

- (a) a *person*; or
- (b) a grouping without legal personality,
- other than the *depositor*.

...

## 5 CALCULATING COMPENSATION

---

...

### 5.2

- (1) Compensation shall be calculated by reference to *eligible deposits* held on the compensation date; or
- (2) Where an *insolvency event* occurs in relation to a *depositor* of *safeguarded funds* after the *compensation date*, compensation relating to its *deposit* shall be calculated by reference to *eligible deposits* held by it, and the position of its *priority creditors*, on the date the *insolvency event* occurred and taking account of any compensation already paid in respect of the *safeguarded funds*.

...

### 5.7A

- (1) Where a *deposit* is part of *safeguarded funds*, the share of each *priority creditor* that relates to those *safeguarded funds* shall be considered separately in calculating the amount payable in relation to that *deposit*;
- (2) Where a *priority creditor* is a *person* whose own *deposit* would not be an *eligible deposit*, the *FSCS* must in calculating the amount payable under (1) adjust the amount of the

overall deposit to eliminate the part of it which, in the FSCS's view, relates to that priority creditor;

- (3) The part of the overall deposit that relates to a priority creditor shall be determined by the FSCS on the basis of the FSCS's reasonable estimate of the amount of the overall deposit that would be used to pay the claims to that priority creditor on the occurrence of an insolvency event.

...

## 6 PAYING COMPENSATION

---

...

6.2 The FSCS must pay any compensation to the *depositor*, with the following exceptions:

...

- (5) where the account holder is not absolutely entitled to the *eligible deposit*:

(a) if another *person* (A) is absolutely entitled to the *eligible deposit*, A is the *person* entitled to compensation in respect of the *deposit*, and accordingly the FSCS must pay any compensation to A (or, where A (or a *person* who has authority to act on behalf of A) directs that any compensation be paid to another *person*, the FSCS may pay the compensation as directed by A (or a *person* who has authority to act on behalf of A)), provided that A has been identified or is identifiable); ~~and~~

(b) if no *person* is absolutely entitled to the *eligible deposit*, the FSCS must pay any compensation in accordance with such of 6.3, 6.4, 6.5 and 6.6 as applies; and

- (6) in the case of safeguarded funds, the FSCS must, subject to 6.2A – 6.2C:

(a) pay compensation to the priority creditors (B) in relation to whom compensation is payable;

(b) pay compensation to C, where B (or a person with authority to act on behalf of B (D)) has directed that any compensation payable to B should be paid to C; or

(c) if satisfied that B would be in no worse position than B would be if the compensation was paid in accordance with (a), pay compensation to an account maintained by the depositor for the purposes of regulation 21 or 22 of the *Electronic Money Regulations*; or regulation 23 of the *Payment Services Regulations*.

6.2A The FSCS may pay compensation:

- (1) under 6.2(6) only where B (and such of C and D as are relevant) has been identified (or is identifiable) and their identity has been verified as required by the MLR;

- (2) under 6.2(6)(a) and (b) only where an insolvency event has occurred in relation to the depositor.

6.2B If it is not the case that the conditions for payment under at least one of 6.2(6)(a), (b) or (c) are met then the FSCS must not pay compensation in respect of safeguarded funds.

6.2C The FSCS must consult the FCA and PRA before making payments under 6.2(6).

...

## 9 TIME LIMITS

...

9.3 The applicable time period referred to in 9.2 is the period starting on the day following the *compensation date* and ending:

- (1) until 31 December 2018: twenty *business days* later;
- (2) from 1 January 2019 until 31 December 2020: fifteen *business days* later;
- (3) from 1 January 2021 until 31 December 2023: ten *business days* later;
- (4) from 1 January 2024: seven *business days* later;

unless 6.2(5) applies, (or the *FSCS* reasonably believes that it may), or in the case of *safeguarded funds*, in which case it ends three months later.

9.4 The *FSCS* may decide to defer the payment of compensation beyond the time period set out in 9.3 where:

- (1) ~~it is uncertain whether the compensation a person is or may be entitled to receive~~  
compensation is uncertain;

...

## 12 SINGLE CUSTOMER VIEW REQUIREMENTS

...

12.9 A *firm* must ensure that each *single customer view* and *exclusions view* contains all the information set out in the table below.

	Field identifier	Field descriptor	Notes
	...		
	<b>Details of accounts(s)</b>		
	...		
37	Exclusion type	<p>If applicable, where the file is an <i>exclusions view</i>, an indication of why the account falls within an <i>exclusions view</i>.</p> <p>Identify all of the following which apply:</p> <ul style="list-style-type: none"> <li>a) The <i>depositor</i> is not absolutely entitled to the sums held in the account <u>or the account comprises <i>safeguarded funds</i></u>;</li> <li>b) The account is a <i>dormant account</i>;</li> <li>c) The account is an account for which the <i>firm</i> has received formal notice of a legal dispute or competing claims to the proceeds of the account;</li> <li>d) The account appears on the “Consolidated list of financial sanctions targets in the United Kingdom” that is maintained by HM Treasury or is otherwise subject to restrictive</li> </ul>	<p>Values:</p> <ul style="list-style-type: none"> <li>a) BEN</li> <li>b) LEGDOR</li> <li>c) LEGDIS</li> <li>d) HMTS</li> </ul> <p>Maximum number of characters in field: 6</p>

		measures imposed by national governments or international bodies.	
	...		

...

## 28 SUBROGATION

---

...

28.2A Payment of compensation by the *FSCS* in accordance with 6.2(6)(a) or (b) shall have the immediate effect that B (as defined in 6.2(6)(a)) may not enforce any claims B has against the *depositor* to the value of the compensation paid to B or paid as directed in accordance with 6.2(6)(b).

28.2B Any claim of B against the *depositor* that is suspended in accordance with 28.2A is only deemed to have been paid for the purposes of regulation 24(1)(b) of the *Electronic Money Regulations* or regulation 23(14)(b) of the *Payment Services Regulations* when (and to the extent) the *FSCS* (or the *depositor* where the *FSCS* assigns rights back to the *depositor* in accordance with 29.2) has made recoveries from the *credit institution* or any third party in respect of the *eligible deposit*.

...

28.6 Where 6.2(6) provides for the *FSCS* to pay compensation to a *person* other than the *depositor*, references in 28 to the *compensation recipient* are references to the *depositor*.

## 29 DUTIES ON THE FSCS TO PURSUE RECOVERIES

---

...

29.3 Where 6.2(6) provides for the *FSCS* to pay compensation to a *person* other than the *depositor*, references in 29 to the *compensation recipient* are references to the *depositor*.

## 30 RECOVERIES OF ELIGIBLE DEPOSITS: RETURN OF SURPLUS TO COMPENSATION RECIPIENT

---

30.1 If the *FSCS*, in relation to a *claim* for *eligible deposits*, makes recoveries from the *credit institution* or any third party in respect of that *eligible deposit*, it must:

...

(2) as soon as reasonably possible after it makes the recoveries;

(a) where the *FSCS* has paid compensation under 6.2(6)(a) or (b), pay any remaining sum to the *depositor*, and otherwise;

(b) pay any remaining sum to the *compensation recipient* (or, if not the *depositor*, as directed by the *depositor* or to any *person* subrogated to the *claim* of the *depositor* against the *credit institution* or to the rights of the *depositor* under this Part or to any *person* otherwise entitled to any remaining sum).

## 43 FUNDING – CLASS A TARIFF BASE CALCULATION

---

43.1 The *Class A tariff base* is:

- (1) *covered deposits* (excluding *temporary high balances*) as at 31 December except that, where the *covered deposit* is a *dormant account*, the applicable tariff base is *covered deposit* multiplied by 0.2 as at 31 December; and
- (2) the total balance of any *deposits* in any account which holds funds to which the account holder is not absolutely entitled or which are *safeguarded funds* but may exclude the value of any funds which the *firm* has confirmed are not *covered deposits*.

...



## Annex C

## Amendments to the Financial Conglomerates Part

In this Annex deleted text is struck through.

## 1 APPLICATION AND DEFINITIONS

---

...

1.4 ...

~~authorised electronic money institution~~

~~means in accordance with regulation 2(1) of the *Electronic Money Regulations*:~~

~~(1) a person included by the FCA in the *Financial Services Register* as an authorised electronic money institution pursuant to regulation 4(1)(a) of the *Electronic Money Regulations*; or~~

~~(2) a person deemed to have been granted authorisation by virtue of regulation 74 of the *Electronic Money Regulations*.~~

...

~~*Electronic Money Regulations*~~

~~means the *Electronic Money Regulations 2011 (SI 2011/99)*.~~

...

~~small electronic money institution~~

~~means, in accordance with regulation 2(1) of the *Electronic Money Regulations*, a person included by the FCA in the *Financial Services Register* pursuant to regulation 4(1)(b) of the *Electronic Money Regulations*.~~

...

**PRA RULEBOOK: NON-AUTHORISED PERSONS: FSCS MANAGEMENT EXPENSES LEVY  
LIMIT AND BASE COSTS INSTRUMENT 2023**

**Powers exercised**

- A. The Prudential Regulation Authority (“PRA”) 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);
  - (2) section 213 (The compensation scheme);
  - (3) section 214 (General); and
  - (4) section 223 (Management expenses).
- B. The rule-making powers referred to above are specified for the purpose of section 138G(2) (Rule-making instrument) of the Act.

**Pre-conditions to making**

- C. In accordance with section 138J of the Act (Consultation by the PRA), the PRA consulted the Financial Conduct Authority. After consulting, the PRA published a draft of proposed rules and had regard to representations made.

**PRA Rulebook: Non-Authorised Persons: FSCS Management Expenses Levy Limit and Base Costs Instrument 2023**

- D. The PRA makes the rules in the Annex to this instrument.

**Commencement**

- E. This instrument comes into force on 1 April 2023.

**Citation**

- F. This instrument may be cited as the PRA Rulebook: Non-Authorised Persons: FSCS Management Expenses Levy Limit and Base Costs Instrument 2023.

**By order of the Prudential Regulation Committee**

20 March 2023

## Annex

### Amendments to the FSCS Management Expenses Levy Limit and Base Costs Part

In this Annex new text is underlined and deleted text is struck through.

...

## 2 LIMIT ON MANAGEMENT EXPENSES LEVIES

---

2.1 ~~The total of all *management expenses levies* attributable to the period 1 April 2022 to 31 March 2023 of the *deposit guarantee scheme* or the *policyholder protection scheme* may not exceed £110,473,324 less whatever *management expenses levies* the FSCS has imposed in accordance with *FCA compensation scheme rules* attributable to that period.~~[Deleted]

2.1A The amount which the FSCS may recover from the sums levied under the *compensation scheme* as *management expenses* attributable to the period 1 April 2023 to 31 March 2024 may not exceed £109,815,710.

2.2 This amount is the combined limit in respect of the *deposit guarantee scheme*, the *policyholder protection scheme* and the *FCA compensation scheme rules*.

...

**PRA RULEBOOK: CRR FIRMS, NON-CRR FIRMS, SOLVENCY II FIRMS, NON-SOLVENCY II FIRMS: SENIOR MANAGER REGIME FORMS INSTRUMENT 2023**

**Powers exercised**

- A. The Prudential Regulation Authority (“PRA”) 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 137G (The PRA’s general rules);
  - (2) section 60 (Applications for approval);
  - (3) section 62A (Changes in responsibilities of senior managers);
  - (4) section 63ZA (Variation of senior manager’s approval at request of relevant authorised person); and
  - (5) section 137T (General supplementary powers).
- B. The rule-making powers referred to above are specified for the purpose of section 138G(2) (Rule-making instrument) of the Act.

**Pre-conditions to making**

- C. In accordance with section 138J of the Act (Consultation by the PRA), the PRA consulted the Financial Conduct Authority. After consulting, the PRA published a draft of proposed rules and had regard to representations made.

**PRA Rulebook: CRR Firms, Non-CRR Firms, Solvency Firms II, Non-Solvency II Firms: Senior Manager Regime Forms Instrument 2023**

- D. The PRA makes the rules in the Annexes to this instrument.

Part	Annex
Insurance - Senior Managers Regime - Applications and Notifications	A
Large Non-Solvency II Firms – Senior Managers Regime – Applications and Notifications	B
Non-Solvency II Firms – Senior Managers Regime – Applications and Notifications	C
Senior Managers Regime - Applications and Notifications	D

**Commencement**

- E. This instrument comes into force on 11 May 2023.

**Citation**

- F. This instrument may be cited as the PRA Rulebook: CRR Firms, Non-CRR Firms, Solvency II Firms, Non-Solvency II Firms: Senior Manager Regime Forms Instrument 2023.

**By order of the Prudential Regulation Committee**

25 April 2023

## Annex A

**Amendments to Insurance - Senior Managers Regime –  
Applications and Notifications Part**

In this Annex new text is underlined and deleted text is struck through.

...

## **2 APPLICATION TO PERFORM A PRA SENIOR MANAGEMENT FUNCTION**

---

...

2.6 ...

- (2) The PRA directs that a~~A~~ firm must not use Form A (shortened form) if the circumstances set out in 2.3 apply.

...

## **4 CEASING TO PERFORM A PRA SENIOR MANAGEMENT FUNCTION**

---

4.1 A firm must notify the PRA no later than seven *business days* after a person permanently ceases to perform a PRA senior management function, using:

- (1) Form E pursuant to the direction in 2.3 if a person permanently ceases to perform a PRA senior management function and the firm is also making an application for the same person to perform a new PRA senior management function; and
- (2) in all other cases, Form C.

...

## **5 CHANGE IN DETAILS RELATING TO PRA SENIOR MANAGEMENT FUNCTION HOLDERS**

---

...

5.3 The PRA directs that if a PRA senior management function holder ceases to perform a PRA senior management function for a firm but continues to perform one or more PRA senior management functions for the same firm, the firm must submit a revised statement of responsibilities form for the remaining PRA senior management function(s), along with Form J.

## **6 PROCEDURE FOR MAKING APPLICATIONS AND NOTIFICATIONS**

---

...

6.3 ...

- (2) The PRA directs that a~~A~~ firm must not use Form J where the revisions are to be made as part of arrangements involving an application:

...

## **7 FORMS**

---

- 7.1 (1) Form A (long form) ~~may be found here~~ is available on the PRA's website.
- (2) Form A (shortened form) ~~may be found here~~ is available on the PRA's website.
- (3) Form B ~~may be found here~~ is available on the PRA's website.

...

(6) Form E ~~may be found here~~ is available on the PRA's website.

(6A) Form I is available on the PRA's website.

(6B) Form J is available on the PRA's website.

(7) The *statement of responsibilities form* ~~may be found here~~ is available on the PRA's website.

...

## Annex B

### Amendments to Large Non-Solvency II Firms – Senior Managers Regime – Applications and Notifications Part

In this Annex new text is underlined and deleted text is struck through.

...

## **2 APPLICATION TO PERFORM A PRA SENIOR MANAGEMENT FUNCTION**

---

...

2.6 ...

- (2) The PRA directs that a~~A~~ firm must not use Form A (shortened form) if the circumstances set out in 2.3 apply.

...

## **4 CEASING TO PERFORM A PRA SENIOR MANAGEMENT FUNCTION**

---

4.1 A firm must notify the PRA no later than seven *business days* after a person permanently ceases to perform a PRA senior management function, using:

- (1) Form E pursuant to the direction in 2.3 if a person permanently ceases to perform a PRA senior management function and the firm is also making an application for the same person to perform a new PRA senior management function; and
- (2) in all other cases, Form C.

...

## **4A APPLICATION TO VARY A CONDITIONAL APPROVAL**

---

...

4A.2 The PRA directs that a~~A~~ firm withdrawing an application made under section 63ZA of FSMA (Variation of senior manager's approval at request of relevant authorised person) must do so using Form B.

## **5 CHANGE IN DETAILS RELATING TO PRA SENIOR MANAGEMENT FUNCTION HOLDERS**

---

...

5.3 The PRA directs that if~~if~~ a PRA senior management function holder ceases to perform a PRA senior management function for a firm but continues to perform one or more PRA senior management functions for the same firm, the firm must submit a revised *statement of responsibilities form* for the remaining PRA senior management function(s), along with Form J.

## **6 PROCEDURE FOR MAKING APPLICATIONS AND NOTIFICATIONS**

---

...

6.3 ...

- (2) The PRA directs that a~~A~~ firm must not use Form J where the revisions are to be made as part of arrangements involving an application:

...

## 7 FORMS

---

- 7.1 (1) Form A (long form) ~~may be found here~~ is available on the *PRA's* website.
- (2) Form A (shortened form) ~~may be found here~~ is available on the *PRA's* website.
- (3) Form B ~~may be found here~~ is available on the *PRA's* website.
- ...
- (6) Form E ~~may be found here~~ is available on the *PRA's* website.
- (6A) Form I is available on the *PRA's* website.
- (6B) Form J is available on the *PRA's* website.
- (7) The *statement of responsibilities* form ~~may be found here~~ is available on the *PRA's* website.



## Annex C

**Amendments to Non-Solvency II Firms – Senior Managers Regime –  
Applications and Notifications Part**

In this Annex new text is underlined and deleted text is struck through.

...

## **2 APPLICATION TO PERFORM A PRA SENIOR MANAGEMENT FUNCTION**

---

...

2.6 ...

- (2) The PRA directs that a~~A~~ firm must not use Form A (shortened form) if the circumstances set out in 2.3 apply.

...

## **4 CEASING TO PERFORM A PRA SENIOR MANAGEMENT FUNCTION**

---

- 4.1 (1) A firm must notify the PRA no later than seven *business days* after a person permanently ceases to perform a *PRA senior management function*, using:
- (a) Form E pursuant to the direction in 2.3 if a person permanently ceases to perform a *PRA senior management function* and the firm is also making an application for the same person to perform a new *PRA senior management function*; and
  - (b) in all other cases, Form C.

...

### **4A APPLICATION TO VARY A CONDITIONAL APPROVAL**

---

...

- 4A.2 The PRA directs that a~~A~~ firm withdrawing an application made under section 63ZA of FSMA (Variation of senior manager's approval at request of relevant authorised person) must do so using Form B.

## **5 CHANGE IN DETAILS RELATING TO PRA SENIOR MANAGEMENT FUNCTION HOLDERS**

---

...

- 5.3 The PRA directs that if a *PRA senior management function holder* ceases to perform a *PRA senior management function* for a firm but continues to perform one or more *PRA senior management functions* for the same firm, the firm must submit a revised *statement of responsibilities form* for the remaining *PRA senior management function(s)*, along with Form J.

...

## **6 PROCEDURE FOR MAKING APPLICATIONS AND NOTIFICATIONS**

---

...

6.3 ...

- (2) The PRA directs that a~~A~~ firm must not use Form J where the revisions are to be made as part of arrangements involving an application:

...

## 7 FORMS

---

- 7.1 (1) Form A (long form) ~~may be found here~~ is available on the PRA's website.  
(2) Form A (shortened form) ~~may be found here~~ is available on the PRA's website.  
(3) Form B ~~may be found here~~ is available on the PRA's website.

...

- (6) Form E ~~may be found here~~ is available on the PRA's website.  
(6A) Form I is available on the PRA's website.  
(6B) Form J is available on the PRA's website.  
(7) The *statement of responsibilities form* ~~may be found here~~ is available on the PRA's website.

## Annex D

**Amendments to Senior Managers Regime - Applications and Notifications Part**

In this Annex new text is underlined and deleted text is struck through.

...

## **2 APPLICATION TO PERFORM A PRA SENIOR MANAGEMENT FUNCTION**

---

...

2.2 The PRA directs that a *firm* must use ~~f~~Form A (long form) for a *PRA senior management approval application* unless:

...

2.6 (1) The PRA directs that a *firm* must use ~~f~~Form A (shortened form) for a *PRA senior management approval application* if:

...

(2) The PRA directs that a ~~a~~ *firm* must not use Form A (shortened form) if the circumstances set out in 2.3 apply.

2.7 ...

(2) ~~A~~The statement of responsibilities must be in the form set out here ~~form is available on the PRA's website.~~

...

## **3 APPLICATION TO VARY A CONDITIONAL APPROVAL**

---

3.1 The PRA directs that a ~~a~~ *firm* making an application to the PRA under section 63ZA of FSMA (for the variation of a conditional approval) must do so by submitting:

(1) Form I; and

(2) a statement of responsibilities for the PRA-approved person concerned in the form specified in 2.7(2).

## **4 WITHDRAWAL OF A SENIOR MANAGEMENT APPROVAL APPLICATION OR AN APPLICATION TO VARY A CONDITIONAL APPROVAL**

---

...

4.2 The PRA directs that a ~~a~~ *firm* withdrawing an application made under section 63ZA of FSMA (Variation of senior manager's approval at request of relevant authorised person) must do so using Form B.

## **5 CEASING TO PERFORM A PRA SENIOR MANAGEMENT FUNCTION**

---

5.1 (1) A *firm* must notify the PRA no later than ten *business days* after a *person* permanently ceases to perform a *PRA senior management function*, using:

(a) Form E pursuant to the direction in 2.3 if a *person* permanently ceases to perform a *PRA senior management function* and the *firm* is also making an application for the same *person* to perform another *PRA senior management function*; and

(b) in all other cases, Form C.

...

- 5.3 The PRA directs that if a PRA approved person ceases to perform a PRA senior management function for a firm but continues to perform one or more PRA senior management function for the same firm, the firm must submit a revised statement of responsibilities for the remaining PRA senior management function(s), using Form J.

## 6 CHANGE IN DETAILS OR RESPONSIBILITIES RELATING TO PRA APPROVED PERSONS

---

...

6.3 ...

- (2) The PRA directs that a firm must not use Form J where the revisions are to be made as part of arrangements involving an application:

...

## 8 FORMS

---

- 8.1 (1) Form A (long form) ~~may be found here~~ is available on the PRA's website.  
 (2) Form A (shortened form) ~~may be found here~~ is available on the PRA's website.  
 (3) Form B ~~may be found here~~ is available on the PRA's website.  
 ...  
 (6) Form E ~~may be found here~~ is available on the PRA's website.  
 (7) Form I ~~may be found here~~ is available on the PRA's website.  
 (8) Form J ~~may be found here~~ is available on the PRA's website.

## **PRA RULEBOOK: CRR FIRMS: LEVERAGE RATIO INSTRUMENT 2023**

### **Powers exercised**

- A. The Prudential Regulation Authority ("PRA") 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 137G (The PRA's general rules);
  - (2) section 137T (General supplementary powers);
  - (3) section 144H (1) and (2) (Relationship with the CRR); and
  - (4) section 192XA (Rules applying to holding companies).
- B. The rule-making powers referred to above are specified for the purpose of section 138G(2) (Rule-making instrument) of the Act.

### **Pre-conditions to making**

- C. In accordance with sections 144C (3) and 144E of the Act the PRA consulted the Treasury about the likely effect of the rules on relevant equivalence decisions within the meaning of section 144C (4) of the Act.
- D. In accordance with section 138J of the Act (Consultation by the PRA), the PRA consulted the Financial Conduct Authority.
- E. The PRA published a draft of the proposed rules in accordance with section 138J(1)(b) of the Act, accompanied by the information listed in section 138J (2) and the explanation referred to in section 144D of the Act insofar as that section is applicable to the rules.
- F. After consulting, the PRA published a draft of proposed rules and had regard to representations made.

### **PRA Rulebook: CRR FIRMS: LEVERAGE RATIO INSTRUMENT 2023**

The PRA makes the rules in the Annex to this instrument.

### **Commencement**

- G. This instrument comes into force on 1 January 2024.

### **Citation**

- H. This instrument may be cited as the PRA Rulebook: CRR Firms: Leverage Ratio Instrument 2023.

### **By order of the Prudential Regulation Committee**

25 April 2023.

## Annex

### Amendments to the Reporting (CRR) Part

In this Annex, new text is underlined and deleted text is struck through.

#### 1 APPLICATION AND DEFINITIONS

---

...

1.2 In this Part, the following definitions shall apply:

*additional leverage reporting requirements*

means the requirements specified in:

(~~a~~1) paragraphs (2) and (2A) of Article 430 of Chapter 4; ~~and~~

(~~b~~2) templates LV 49.00 to LV 52.00 in Annex X of Chapter 6; and

(3) paragraphs 14a and 14b of Part II of Annex XI of Chapter 6.

...

#### 5 REPORTING REQUIREMENTS

---

...

#### CHAPTER 7 FORMAT AND FREQUENCY OF REPORTING ON THE LEVERAGE RATIO ON AN INDIVIDUAL AND A CONSOLIDATED BASIS

##### Article 15 Format and Frequency of Reporting on the Leverage Ratio on an individual and a Consolidated Basis

---

1. In order to report information on the *leverage ratio* and the *countercyclical leverage ratio buffer* in accordance with point (a) of Article 430(1) of ~~the~~ Chapter 4 and, for *LREQ firms*, the information specified in Article 430(2) and (2A) of Chapter 4, institutions shall submit the information specified in Annex X of Chapter 6, in accordance with the instructions in Annex XI of Chapter 6, ~~with a quarterly reporting frequency~~ and on the basis required by Chapter 2 of this Chapter with the following reporting frequency:

(1) six-monthly, in the case of Templates LV49.00 to LV 52.00 in Annex X of Chapter 6; and

(2) otherwise, quarterly.

...

#### 6 TEMPLATES AND INSTRUCTIONS

---

...

Annex X

...

6.254 Annex X Template LV 47.00 can be found [here](#).

6.254A Annex X Template LV 49.00 can be found [here](#).

6.254B Annex X Template LV 50.00 can be found [here](#).

6.254C Annex X Template LV 51.00 can be found [here](#).

6.254D Annex X Template LV 52.00 can be found [here](#).

...

**PRA RULEBOOK: PRA FEES AMENDMENT (NO 1) INSTRUMENT 2023****Powers exercised**

- A. The Prudential Regulation Authority ("PRA") 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 137G (The PRA's general rules);
  - (2) section 137T (General supplementary powers); and
  - (3) paragraph 31 (Fees) of Part 3 (Penalties and Fees) of Schedule 1ZB (The Prudential Regulation Authority) of the Act.
- B. The rule-making powers referred to above are specified for the purposes of section 138G(2) (Rule-making instruments) of the Act.

**Pre-conditions to making**

- C. In accordance with section 138J of the Act (Consultation by the PRA), the PRA consulted the Financial Conduct Authority. After consulting, the PRA published a draft of the proposed rules and had regard to representations made.

**PRA Rulebook: PRA Fees Amendment (No 1) Instrument 2023**

- D. The PRA makes the rules in the Annex to this instrument.

**Commencement**

- E. This instrument comes into force on 3 July 2023.

**Citation**

- F. This instrument may be cited as the PRA Rulebook: PRA Fees Amendment (No 1) Instrument 2023.

**By Order of the Prudential Regulation Committee**

27 June 2023



## Annex

## Amendments to the Fees Part

In this Annex new text is underlined and deleted text is struck through.

...

## 2 OBLIGATION TO PAY FEES

...

2.9 If it appears to a *firm* in relation to any fee that in the exceptional circumstances of a particular case requiring payment or retaining a sum previously paid would be unduly burdensome or would not achieve the purpose for which the fee rule was made, a *firm* may apply to the *PRA* under section 138A *FSMA* for the *PRA* to:

- (1) ~~waive the payment;~~
- (2) ~~reduce the amount payable; or~~
- (3) ~~make a whole or partial refund of sums already paid.~~

[Deleted.]

2.10 A claim by a *fee payer* under section 138A *FSMA*, in accordance with 2.9 and based on the *fee payer's* error must be made within two years of the beginning of the period to which the fee relates.

[Deleted.]

## 3 PERIODIC FEES

...

3.14 If, after the start of the *fee year*, a *firm* applies to cancel its *Part 4A permission* or if a new business activity or event which has given rise to a fee no longer applies to the *firm*, the *firm* is still liable to pay and will not be refunded *periodic* and other fees for that *fee year*, other than in cases where the *PRA* exercises its discretion under section 138A *FSMA*, ~~in accordance with 2.9.~~

...

### Periodic Fees Schedule – Fee Rates and Modification for the Period from 1 March ~~2022~~2023 to ~~2829~~ February ~~2023~~2024

...

TABLE IIIA – PERIODIC FEE RATES APPLICABLE TO PRA FEE BLOCKS OTHER THAN THE MINIMUM FEE BLOCK FOR THE FEE YEAR ~~2022~~2023-2324

Column 1 <i>Fee block</i>	Column 2 <i>Tariff base</i>	Column 3 <i>Tariff bands</i>	Column 4 <i>Tariff rates</i>
A1 deposit acceptors fee block	<i>modified eligible liabilities</i>	Bank width (£million of <i>MELs</i> )	Fee payable per million or part million of <i>MELs</i> (£)
		>10 - 140	<del>34.95</del> <u>32.831</u>
		>140 – 630	<del>34.95</del> <u>32.831</u>

		>630 - 1,580	<u>34.95132.831</u>
		>1,580 - 13,400	<u>43.68941.039</u>
		> 13,400	<u>57.66954.171</u>
<b>A3 general insurers fee block</b> <i>gross written premium for fees purposes, best estimate liabilities for fees purposes</i>	<i>gross written premium for fees purposes</i>	<b>Band width (£million of gross written premium for fees purposes)</b>	<b>Fee payable per million of gross written premium for fees purposes (£)</b>
		>0.5	<u>558.66488.57</u>
	<i>best estimate liabilities for fees purposes</i>	<b>Band Width (£ million of best estimate liabilities for fees purposes)</b>	<b>Fee payable per million of best estimate liabilities for fees purposes (£)</b>
		>1	<u>32.2030.81</u>
		For UK ISPVs the <i>tariff rates</i> are not relevant and a flat fee of £430.00 is payable in respect of each <i>fee year</i> .	
<b>A4 Life insurers fee block</b> <i>gross written premium for fees purposes, best estimate liabilities for fees purposes</i>	<i>gross written premium for fees purposes</i>	<b>Band width (£million of gross written premium for fees purposes)</b>	<b>Fee payable per million of gross written premium for fees purposes (£)</b>
		>1	<u>308.62301.96</u>
	<i>best estimate liabilities for fees purposes</i>	<b>Band Width (£ million of best estimate liabilities for fees purposes)</b>	<b>Fee payable per million of best estimate liabilities for fees purposes (£)</b>
		>1	<u>17.3520.30</u>
<b>A5 managing agents at Lloyd's</b>	<i>active capacity</i>	<b>Band width (£million of active capacity<del>active capacity</del>)</b>	<b>Fee payable per million of active capacity (£)</b>
		>50	<u>48.4139.39</u>
<b>A6 Society of Lloyd's</b>	flat fee	N/A	<b>General periodic fee (£)</b>
			<u>2,300,201.832,311,994.57</u>
<b>A10 Firms dealing as principal fee block</b>  <i>total assets for fees purposes, total operating income for fees purposes</i>	<i>total assets for fees purposes</i>	<b>Band width (£million of total assets for fees purposes)</b>	Fee payable per million or part million of <i>total assets for fees purposes</i> (£)
		N/A	<u>2.792.41</u>
	<i>total operating income for fees purposes</i>	<b>Band width (£million of total operating income for fees purposes)</b>	Fee payable per million or part million of <i>total operating income for fees purposes</i> (£)
		N/A	<u>361.11316.08</u>

...

Table VIII – MODEL MAINTENANCE FEES

Basis of scale, (aggregated figures for all <i>UK firms</i> within the scope of each model or model type)	Annual fee for <i>CRR firms</i> per model type_(£)				Annual fee for <i>UK Solvency II firms</i> per group or solo internal model (£)	
	IMA	IMM	IRB	AMA	A3 fee block	A4 fee block
<i>CRD credit institutions with modified eligible liabilities in excess of £40,000million, or designated investment firms with total assets for fees purposes in excess of £100,000million</i>	<del>60,000</del> <u>65,000</u>	<del>80,000</del> <u>85,000</u>	<del>110,000</del> <u>120,000</u>	<del>30,000</del> <u>35,000</u>	-	-
<i>CRD credit institutions with modified eligible liabilities greater than £5,000million and less than £40,000million, or designated investment firms with total assets for fees purposes greater than £12,500million and less than £100,000million</i>	<del>20,000</del> <u>25,000</u>	<del>35,000</del> <u>40,000</u>	<del>45,000</del> <u>50,000</u>	<del>12,000</del> <u>15,000</u>	-	-
<i>CRD credit institutions with modified eligible liabilities of £5,000million or less, or designated investment firms with total assets for fees purposes of £12,500million or less</i>	10,000	15,000	20,000	5,000	-	-
<i>The sum of a firm's best estimate liabilities for fees purposes and gross written premium for fees purposes is £1,000 million or more for firms in the general insurance fee block (A3), or for firms in the life insurance fee block (A4), £15,000million or more</i>	-	-	-	-	<del>175,000</del> <u>190,000</u>	<del>230,000</del> <u>250,000</u>
<i>The sum of a firm's best estimate liabilities for fees purposes and gross written premium for fees purposes is greater than £300million and less than £1,000million for firms in the general insurance fee block (A3) or greater than £5,000million and less than £15,000million, or for firms in the life insurance fee block (A4)</i>	-	-	-	-	<del>70,000</del> <u>75,000</u>	<del>90,000</del> <u>100,000</u>

The sum of a <i>firm's best estimate liabilities for fees purposes and gross written premium for fees purposes</i> is less than £300million for <i>firms in the general insurance fee block (A3)</i> or less than £5,000million, for <i>firms in the life insurance fee block (A4)</i>	-	-	-	-	30,000 35,000	40,000 45,000
--	---	---	---	---	------------------	------------------

...

#### 4 REGULATORY TRANSACTION FEES

...

- 4.5 Regulatory transaction fees for *applications for new authorisations* are payable in accordance with Table B:

...

Table B – New authorisations	
Application Type	£
<del>Straightforward</del> Type 1: A3 or A4 <i>fee payer</i> which is a <i>friendly society</i> or a <i>fee payer</i> which is an A1 <i>credit union</i>	1,500.00
<del>Moderately complex</del> Type 2: A3 <i>fee payer</i> seeking permission as a <del>UK</del> <i>UK insurance special purpose vehicle</i> A5 <i>fee payer</i> seeking permission as a <i>managing agent</i> at Lloyd's	5,000.00
<del>Complex</del> Type 3: A1 <i>fee payer</i> (other than a <i>credit union</i> ) seeking permission to accept deposits A3 <i>fee payer</i> (other than a <i>friendly society</i> or <i>UK insurance special purpose vehicle</i> ) A4 <i>fee payer</i> other than a <i>friendly society</i>	25,000.00

...

- (3) Where an *application* is categorised as either ~~straightforward~~ or ~~moderately complex~~ and ~~for a new authorisation~~ involves a simple change of legal status as defined in 4.5 (4), the fee payable ~~for a new authorisation~~ for that new authorisation is discounted by 50%.

...

4.14A

Table D - Model types under CRR

Applicant (groupings based on <i>tariff data</i> submitted by <i>firms</i> as at 31 December in the <i>fee year</i> prior to the <i>fee year</i> in which the fee is payable).	Fee payable (£)	
Where the application relates to <i>CRD credit institutions</i> or <i>designated investment firms</i> and includes five or more significant overseas entities within the same group.	<b>Model type</b>	<b>£</b>
	<i>advanced IRB, IMM or IMA</i>	<del>315,000.00</del> <u>345,000.00</u>
	<i>foundation IRB</i>	<del>270,000.00</del> <u>300,000.00</u>
	<i>AMA</i>	<del>210,000.00</del> <u>230,000.00</u>
Where the applicant:  (1) has <i>modified eligible liabilities</i> in excess of £40,000million; or  (2) is a <i>designated investment firm</i> with <i>total assets for fees purposes</i> in excess of £100,000million.	<b>Model type</b>	<b>£</b>
	<i>advanced IRB, IMM or IMA</i>	<del>270,000.00</del> <u>295,000.00</u>
	<i>foundation IRB</i>	<del>230,000.00</del> <u>250,000.00</u>
	<i>AMA</i>	<del>170,000.00</del> <u>185,000.00</u>
Where the applicant:  (1) has <i>modified eligible liabilities</i> greater than £5,000million and less than £40,000million; or  (2) is a <i>designated investment firm</i> with <i>total assets for fees purposes</i> greater than £15,000million and less than £100,000million.	<b>Model type</b>	<b>£</b>
	<i>advanced IRB, IMM or IMA</i>	<del>110,000.00</del> <u>120,000.00</u>
	<i>foundation IRB</i>	<del>85,000.00</del> <u>90,000.00</u>
	<i>AMA</i>	<del>60,000.00</del> <u>65,000.00</u>
Where the applicant:  (1) has <i>modified eligible liabilities</i> of 5,000million or less; or  (2) is a <i>designated investment firm</i> with <i>total assets for fees purposes</i> of £15,000million or less.	<b>Model type</b>	<b>£</b>
	<i>advanced IRB, IMM or IMA</i>	<del>50,000.00</del> <u>55,000.00</u>
	<i>foundation IRB</i>	<del>35,000.00</del> <u>40,000.00</u>

	AMA	<del>30,000.00</del> <u>35,000.00</u>
--	-----	--

4.14B

...

Table E – Internal model application fees

Applicant (groupings based on <i>tariff data</i> submitted by <i>firms</i> as at 31 December in the <i>fee year</i> prior to the <i>fee</i> <i>year</i> in which the fee is payable)	Fee payable (£)
<b>Group Internal Model (Full and Partial)</b>	
Sum of <i>best estimate liabilities</i> for fees <i>purposes</i> and <i>gross written premium</i> for fees <i>purposes</i> for groups in the <i>general insurance</i> <i>fee block</i> of £1,000million or more	<del>295,000.00</del> <u>320,000.00</u>
Sum of <i>best estimate liabilities</i> for fees <i>purposes</i> and <i>gross written premium</i> for fees <i>purposes</i> for groups in the <i>general insurance</i> <i>fee block</i> greater than £300million and less than £1,000million	<del>410,000.00</del> <u>120,000.00</u>
Sum of <i>best estimate liabilities</i> for fees <i>purposes</i> and <i>gross written premium</i> for fees <i>purposes</i> for groups in the <i>general insurance</i> <i>fee block</i> less than £300million	<del>55,000.00</del> <u>60,000.00</u>
Sum of <i>best estimate liabilities</i> for fees <i>purposes</i> and <i>gross written premium</i> for fees <i>purposes</i> for groups in the <i>life insurance fee</i> <i>block</i> of £15,000million or more	<del>295,000.00</del> <u>320,000.00</u>
Sum of <i>best estimate liabilities</i> for fees <i>purposes</i> and <i>gross written premium</i> for fees <i>purposes</i> for groups in the <i>life insurance fee</i> <i>block</i> greater than £5,000million and less than £15,000million	<del>410,000.00</del> <u>120,000.00</u>
Sum of <i>best estimate liabilities</i> for fees <i>purposes</i> and <i>gross written premium</i> for fees <i>purposes</i> for groups in the <i>life insurance fee</i> <i>block</i> less than £5,000million	<del>55,000.00</del> <u>60,000.00</u>
<b>Solo Internal Model (Full and Partial)</b>	
Sum of <i>best estimate liabilities</i> for fees <i>purposes</i> and <i>gross written premium</i> for fees <i>purposes</i> for firms in the <i>general insurance</i> <i>fee block</i> of £1,000million or more	<del>232,000.00</del> <u>280,000.00</u>
Sum of <i>best estimate liabilities</i> for fees <i>purposes</i> and <i>gross written premium</i> for fees <i>purposes</i> for firms in the <i>general insurance</i> <i>fee block</i> greater than £300million and less than £1,000million	<del>80,000.00</del> <u>100,000.00</u>
Sum of <i>best estimate liabilities</i> for fees <i>purposes</i> and <i>gross written premium</i> for fees <i>purposes</i> for firms in the <i>general insurance</i> <i>fee block</i> less than £300million	<del>42,000.00</del> <u>50,000.00</u>

Sum of <i>best estimate liabilities for fees purposes</i> and <i>gross written premium for fees purposes</i> for firms in the <i>life insurance fee block</i> of £15,000million or more	<del>232,000.00</del> <u>280,000.00</u>
Sum of <i>best estimate liabilities for fees purposes</i> and <i>gross written premium for fees purposes</i> for firms in the <i>life insurance fee block</i> greater than £5,000million and less than £15,000million	<del>80,000.00</del> <u>100,000.00</u>
Sum of <i>best estimate liabilities for fees purposes</i> and <i>gross written premium for fees purposes</i> for firms in the <i>life insurance fee block</i> less than £5,000million	<del>42,000.00</del> <u>50,000.00</u>

**PRA RULEBOOK: CRR FIRMS, NON-CRR FIRMS AND NON-AUTHORISED PERSONS:  
DEPOSITOR PROTECTION (NO. 2) INSTRUMENT 2023**

**Powers exercised**

- A. The Prudential Regulation Authority (“PRA”) 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 137G (the PRA’s general rules);
  - (2) section 137T (General supplementary powers);
  - (3) section 213(1) (the Compensation Scheme);
  - (4) section 214(1)(g) (limitation to specified kinds of claim);
  - (5) section 214(1)(h) (the procedure to be followed);
  - (6) section 214(1)(j) (limitation to the amount payable on a claim); and
  - (7) section 214 (General).
- B. The rule-making powers referred to above are specified for the purpose of section 138G(2) (Rule-making instrument) of the Act.

**Pre-conditions to making**

- C. In accordance with section 138J of the Act (Consultation by the PRA), the PRA consulted the Financial Conduct Authority. After consulting, the PRA published a draft of proposed rules and had regard to representations made.

**PRA Rulebook: CRR Firms, Non-CRR Firms and Non-Authorised Persons: Depositor Protection (No. 2) Instrument 2023**

- D. The PRA makes the rules in Annexes to this instrument.

Part	Annex
Glossary	A
Depositor Protection	B

**Commencement**

- E. This instrument comes into force on 1 July 2023.

**Citation**

- F. This instrument may be cited as the PRA Rulebook: CRR Firms, Non-CRR Firms and Non-Authorised Persons: Depositor Protection (No. 2) Instrument 2023.

**By order of the Prudential Regulation Committee**

6 June 2023



**Annex A****Amendments to the Glossary Part**

In this Annex new text is underlined and deleted text is struck through.

...

*temporary high balance*

means, ~~in relation to a depositor who is an individual,~~ that part of an *eligible deposit* in excess of the coverage level set out in Depositor Protection 4.2 which meets the additional criteria set out in Depositor Protection 10.2.

[Note: Art. 2(1)(6) of the *DGSD*]

...

## Annex B

## Amendments to the Depositor Protection Part

In this Annex new text is underlined and deleted text is struck through.

## 1 APPLICATION AND DEFINITIONS

---

...

1.4 Unless otherwise stated, in this Part, the following definitions shall apply:

...

THB person

has the meaning given in 10.1A.

...

*unavailable deposit*

means a *deposit* that is due and payable but has not been paid by a *DGS member* (or, in the case of 3.2(2), a *PRA-authorised person*) under the applicable legal or contractual conditions where either:

- (1) (in accordance with the *deposit guarantee scheme regulations*) the *PRA*, or the *FSCS* in the case of a *credit union* or a *Northern Ireland credit union*, has determined that in its view the *DGS member* or *PRA-authorised person* appears to be unable for the time being, for reasons which are directly related to its financial circumstances, to repay the *deposit* and has no current prospect of being able to do so; or
- (2) a judicial authority has made a ruling for reasons which are directly related to the *DGS member's* or *PRA-authorised person's* financial circumstances and the ruling has had the effect of suspending the rights of *depositors* to make claims against it.

[Note: Art. 2(1)(8) of the *DGSD*]

...

## 2 ELIGIBILITY

---

...

2.2 The provisions in this rule determine whether a *deposit* is an *eligible deposit*:

...

- (3) A *deposit* is, subject to the other rules in this Chapter, an *eligible deposit* if it is held by a *UK* or *Gibraltar* establishment of a *PRA-authorised person*~~firm~~ which:

...

## 3 CIRCUMSTANCES IN WHICH THE FSCS PAYS COMPENSATION IN RESPECT OF ELIGIBLE DEPOSITS

---

...

3.2 The *FSCS* must pay compensation in accordance with this Part in respect of an *eligible deposit* if it is satisfied that the *eligible deposit* is a *deposit* with either:

- (1) a *DGS member* which is *in default*; or

- (2) a PRA-~~authorised person~~firm which is in default and which:

...

#### 4 LIMITS ON COMPENSATION PAYABLE

---

...

- 4.2 The maximum compensation sum payable for the aggregate *eligible deposits* of each *depositor* is £85,000, save that additional compensation may be payable in cases to which 4.3 or 4.4 ~~apply~~applies.

[Note: Art. 6(1) of the DGSD]

[Note: Regulation 7A of the deposit guarantee scheme regulations provides for a transitional maximum compensation level of £85,000 until 31 December 2015 for depositors who were, or would have been, eligible for compensation before 3 July 2015 and are eligible for compensation on and after 3 July 2015.]

- 4.3 Subject to 4.4, ~~t~~The maximum compensation sum payable for a *temporary high balance* is £1,000,000, save that no limit shall apply to the compensation payable for a *temporary high balance* arising from a payment in connection with personal injury or incapacity.

[Note: Art. 6(2) of the DGSD]

#### 4.4

- (1) The maximum compensation sums in 4.2 and/or 4.3 are temporarily increased if, following the death of a holder of a *joint account* in which an *eligible deposit* is held:
  - (a) the deceased's share passes automatically to at least one other *depositor*; and
  - (b) at least one *person* is:
    - (i) an individual absolutely entitled to the whole or part of the *eligible deposit* (including under a trust an individual with a vested beneficial interest in the *eligible deposit* as at the *compensation date*); or
    - (ii) a trustee holding the *eligible deposit* on behalf of individuals who do not have a vested beneficial interest in it as at the *compensation date* (treating co-trustees as a single *person*, in accordance with 6.5);
- (2) the temporary increase under (1) is calculated by dividing each maximum compensation sum that would have been attributable to the deceased between each *person* referred to in (1)(b);
- (3) in the absence of contrary provision, such division shall be made equally to the nearest penny;
- (4) where more than one holder of the *joint account* dies, the provisions of this rule are cumulative; and
- (5) any increase in a maximum compensation sum under this rule applies for a period of six *months*, beginning with the relevant date of death.

...

## 10 TEMPORARY HIGH BALANCES

---

10.1 This Chapter applies only to the *FSCS*.

10.1A For the purposes of evaluating *temporary high balances*, a '*THB person*' is:

- (1) an individual absolutely entitled to the whole or part of the *eligible deposit* (including under a trust an individual with a vested beneficial interest in the *eligible deposit* as at the *compensation date*); or
- (2) a trustee holding the *eligible deposit* on behalf of individuals who do not have a vested beneficial interest in it as at the *compensation date* (treating co-trustees as a single *person*, in accordance with 6.5).

10.2 In order to qualify as a *temporary high balance*, a part of an *eligible deposit* in excess of the coverage limit provided for in 4.2 must meet at least one of the following additional criteria:

- (1) it comprises:
  - (a) monies deposited in preparation for the purchase of a *private residential property* (or an interest in a *private residential property*) by or on behalf of the *THB person*~~depositor~~;
  - (b) monies which represent the proceeds of sale of a *private residential property* (or an interest in a *private residential property*) of or on behalf of the *THB person*~~depositor~~; or
  - (c) monies which represent the proceeds of an equity release by or on behalf of the *THB person*~~depositor~~ in a *private residential property*;
- (2) it comprises sums paid to or for the benefit of the *THB person*~~depositor~~ in respect of:
 

...
- (3) it comprises sums paid to or for the benefit of the *THB person*~~depositor~~ in respect of:
 

...
- (5) it otherwise serves a social purpose provided for, or of the type provided for, in the law of a part of the *United Kingdom*, which is linked to the marriage, civil partnership, divorce, dissolution of civil partnership, retirement, incapacity, death of an individual, or to the buying or selling of a *THB person's*~~depositor's~~ only or main residence that is not freehold, heritable or leasehold property.

10.3 ~~Following the *compensation date*, the *FSCS* must review the *single customer view* of each *depositor* with the *DGS member* and provide written notice to an individual with aggregate *eligible deposits* in excess of the coverage levels set out in 4.2 of the following:~~

- ~~(1) that the *depositor* may be entitled to additional compensation if all or part of the *eligible deposit* in excess of the coverage levels provided for in 4.2 qualifies as a *temporary high balance*;~~
- ~~(2) that in order to claim such additional compensation, the *depositor* must provide the *FSCS* with a written application and evidence supporting the *depositor's claim* that all or part of the *eligible deposit* in excess of the coverage levels provided for in 4.2 qualifies as a *temporary high balance*;~~
- ~~(3) that the *depositor* may make more than one *claim* for a *temporary high balance* if there are multiple events giving rise to a *temporary high balance*; and~~
- ~~(4) the date by which such written application and supporting evidence should be submitted to the *FSCS*. [Deleted.]~~

## 10.3A

- (1) Following the *compensation date*, the *FSCS* must review the *single customer view* and any *exclusions view* of each *depositor* with the *DGS member*; and
- (2) where an *eligible deposit* is held by or on behalf of a *THB person*, the *FSCS* must give written notice to the *depositor* in respect of any aggregate *eligible deposits* in excess of the coverage levels set out in 4.2 of the following:
  - (a) that the *THB person* may be entitled to additional compensation if all or part of the *eligible deposit* in excess of the coverage levels provided for in 4.2 qualifies as a *temporary high balance*;
  - (b) that in order to claim such additional compensation, the *depositor* must provide the *FSCS* with a written application and evidence supporting the *claim* that all or part of the *eligible deposit* in excess of the coverage levels provided for in 4.2 qualifies as a *temporary high balance*;
  - (c) that the *depositor* may make more than one *claim* for a *temporary high balance* if there are multiple events giving rise to a *temporary high balance* and/or more than one *THB person* with a *claim*; and
  - (d) the date by which such written application and supporting evidence should be submitted to the *FSCS*.

10.4 The *FSCS* must pay compensation ~~to a *depositor*~~ in respect of a *temporary high balance* in accordance with 4.3 if it is satisfied that there is a sufficient link between an event giving rise to a *temporary high balance* and the part of the *eligible deposit* in excess of the coverage levels provided for in 4.2, taking into account the following considerations:

...

10.5 The *FSCS* must pay compensation to a *person* entitled to receive compensation~~*depositor*~~ in accordance with 4.3 in respect of each *temporary high balance* that the ~~*person*~~*depositor* has with any one *DGS member*.

...

10.7 The protection for *temporary high balances* under 4.3 shall, subject to 4.4, run for a period of six ~~*months*~~*months* from the later of:

- (1) the first date on which a *temporary high balance* is credited to a ~~*depositor's*~~*depositor's* account, ~~or to a client account on a person's behalf~~; and
- (2) the first date on which the *temporary high balance* becomes legally transferable to the ~~*depositor*~~*depositor* or, as the case may be, the *THB person*.

...

10.8 The *FSCS* must, pay compensation in respect of a *temporary high balance* within three ~~*months*~~*months* of the *compensation date*, pay to the *depositor* a sum representing the amount due to the *depositor* in respect of the *temporary high balance* unless one or more of 10.9 to 10.11 applies.

...

## 17 FIRMS' DISCLOSURE OBLIGATIONS – STATEMENT OF ACCOUNT

17.1 A *firm* must:

...

- (3) at least annually:
- (a) provide to the *depositor* of eligible deposits~~deposits~~ held by a *UK* or Gibraltar establishment of the *firm*;
    - (i) the *information sheet*; and
    - (ii) the *exclusions list*; and
  - (b) if applicable, inform the ~~depositor of the exclusions from deposit guarantee scheme protection that fall within 2.2(4)(b) and 2.2(4)(k); and~~[deleted.]

...

17.3 A *firm* which was, immediately before *IP completion day*, a *credit institution* and an *incoming firm*, and which is a *DGS member* immediately after *IP completion day*, must, within two months after *IP completion day*:

- (1) ~~provide to the depositor of deposits held by a UK establishment of the firm:~~
  - (a) ~~the information sheet; and~~
  - (b) ~~the exclusions list; and~~
- (2) if applicable, inform the ~~depositor of the exclusions from deposit guarantee scheme protection that fall within 2.2(4)(b) and 2.2(4)(k);~~[Deleted.]

...

## 19 DISCLOSURE OF TRANSFER OF DEPOSITS

---

19.1 In the case of a merger, conversion of *subsidiaries* into *branches*, transfer or similar operations, a *firm* must:

- (1) inform *depositors* at least one month~~month~~ before the operation takes legal effect, save where the *PRA* allows a shorter deadline on grounds of commercial secrecy or financial stability; and
- (2) where a consequence of the operation will be a reduction in the aggregate amount of a depositor's coverage compared with what would have been the case if the operation had not occurred, give *depositors* a three month~~month~~ period following notification in accordance with (1), to withdraw or transfer to another *institution*, without incurring any penalty, such part of their *eligible deposits*, together with any accrued interest and other benefits, as exceed the coverage level pursuant to 4.2 at the time of the operation.

## 20 DISCLOSURE OF WITHDRAWAL OR EXCLUSION FROM DEPOSIT GUARANTEE SCHEME

---

...

20.3 A *firm* must inform ~~depositors of deposits~~ which:

- (1) ~~immediately prior to IP completion day, were eligible deposits; and~~
- (2) ~~on IP completion day, ceased to be eligible deposits by virtue of not being held at a UK or Gibraltar establishment,~~

~~that such deposits ceased to be eligible deposits on IP completion day, and must do so as soon as practicably possible after IP completion day and in any event within one month after IP completion day.~~[Deleted.]

20.4 An overseas firm must as soon as practically possible provide the information in (1) and (2) to depositors if deposits it holds will, within twelve months, cease to be eligible deposits by virtue of such deposits no longer being held at a UK establishment of the overseas firm:

(1) the date on which it is anticipated that deposits will cease to be eligible deposits;

(2) details of any compensation scheme that may cover the deposits in whole or in part from that date.

...