



# Financial Services Act 2012

## 2012 CHAPTER 21

### PART 4 **U.K.**

#### COLLABORATION BETWEEN TREASURY AND BANK OF ENGLAND, FCA OR PRA

#### **60** Circumstances in which Treasury power of direction exercisable **U.K.**

- (1) This section makes provision about the circumstances in which the Treasury's power of direction under section 61 is exercisable, subject to the provisions of that section.
- (2) Where a public funds notification has been given, the power of direction is exercisable by reference to the notification unless the notification has been superseded by a notification under section 59(3).
- (3) Where qualifying financial assistance has been provided, the power of direction is exercisable by reference to the provision of the assistance unless it appears to the Treasury that the assistance has been recovered.
- (4) It is immaterial for the purposes of subsection (3)—
  - (a) whether the qualifying financial assistance was provided before or after the commencement of this section, and
  - (b) whether or not a public funds notification had been given in connection with it.
- (5) For the purposes of this Part qualifying financial assistance is provided if, and only if—
  - (a) the Treasury or the Secretary of State provide financial assistance to or in respect of a financial institution,
  - (b) the Treasury incur expenditure in connection with the exercise by the Treasury, the Bank, the PRA, the FCA or the Secretary of State of any of their powers under Parts 1 to 3 of the Banking Act 2009 [<sup>F1</sup>or under Schedule 11 to the Financial Services and Markets Act 2023],
  - (c) the Treasury arrange a loan from the National Loans Fund in pursuance of a request by the scheme manager of the Financial Services Compensation Scheme under section 223B of FSMA 2000, or

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**Changes to legislation:** Financial Services Act 2012, Section 60 is up to date with all changes known to be in force on or before 19 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) [View outstanding changes](#)

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- (d) the Treasury provide financial assistance to the scheme manager of that scheme for the purpose of funding expenses incurred or expected to be incurred under it.
- (6) For the purposes of this section the circumstances in which qualifying financial assistance is to be taken to have been recovered include the following—
- (a) where, in the case of a loan, the principal of the loan has been repaid and all interest due under the terms of the loan has been paid,
  - (b) where, in the case of a guarantee or indemnity, the Treasury or the Secretary of State will not become liable under the guarantee or indemnity,
  - (c) where, in a case involving the issue or transfer of shares to the Treasury in connection with the provision of qualifying financial assistance, the shares are no longer held by the Treasury.

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**Textual Amendments**

- F1** Words in s. 60(5)(b) inserted (31.12.2023) by [The Resolution of Central Counterparties \(Modified Application of Corporate Law and Consequential Amendments\) Regulations 2023 \(S.I. 2023/1313\)](#), regs. 1(2), **14**
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**Commencement Information**

- I1** S. 60 in force at 1.4.2013 by [S.I. 2013/423](#), art. 3, **Sch.**

**Changes to legislation:**

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**Changes and effects yet to be applied to the whole Act associated Parts and Chapters:**

- Act power to apply conferred (temp.) by [2014 c. 21 s. 79\(4\)](#)
- Act power to apply conferred (temp.) by [2014 c. 21 s. 81\(10\)](#)