Banking Act 2009

2009 CHAPTER 1

PART 2

BANK INSOLVENCY

Miscellaneous

123   Role of FSCS

(1) For the purpose of co-operating in the pursuit of Objective 1 in section 99 the FSCS—
    (a)   may make or arrange for payments to or in respect of eligible depositors of the bank, and
    (b)   may make money available to facilitate the transfer of accounts of eligible depositors of the bank.

(2) The FSCS may include provision about expenditure under this section; and, in particular—
    (a)   money may be raised through the imposition of a levy under Part 15 of the Financial Services and Markets Act in respect of expenditure or possible expenditure under this section, and
    (b)   sums raised in connection with the scheme (whether or not under paragraph (a)) may be expended under this section.

(3) In section 220(3)(a) of the Financial Services and Markets Act 2000 (Compensation Scheme: information) after "liquidator" insert ", bank liquidator".

(4) The FSCS is entitled to participate in proceedings for or in respect of a bank insolvency order.

(5) A bank liquidator must—
    (a)   comply with a request of the FSCS for the provision of information, and
    (b)   provide the FSCS with any other information which the bank liquidator thinks might be useful for the purpose of co-operating in the pursuit of Objective 1.

(6) A bank liquidator may enter into an agreement under section 221A of the Financial Services and Markets Act 2000 (Compensation Scheme: delegation of functions) for the bank liquidator to exercise functions of the scheme manager for the purpose of facilitating the pursuit of Objective 1.

(7) Where a bank insolvency order is made in respect of a bank, the fact that it later ceases to be an authorised person does not prevent the operation of the compensation scheme in respect of it; and for that purpose the bank is a relevant person within the meaning of section 213(9) of the Financial Services and Markets Act 2000 despite the lapse of authorisation.