
STATUTORY INSTRUMENTS

2008 No. 2644

**The Heritable Bank plc Transfer of
Certain Rights and Liabilities Order 2008**

PART 3

FINANCIAL SERVICES COMPENSATION SCHEME

Sums to be paid to Deposits Management (Heritable) following the transfer

13.—(1) The following liabilities arise at the effective time—

- (a) the FSCS is liable to pay (as soon as practicable) to Deposits Management (Heritable) an amount equal to the amount that eligible claimants would, immediately before the effective time, have been entitled to claim from the FSCS in respect of claims against Heritable in relation to relevant protected deposits; and
- (b) the Treasury are liable to pay (as soon as practicable) to Deposits Management (Heritable) an amount equal to the aggregate amount of the liabilities transferred to Deposits Management (Heritable) under article 3 less the amount specified in sub-paragraph (a).

(2) For the purposes of paragraph (1)(a), if the quantification date for a claim would have been a date other than the date on which Heritable was determined to be in default for the purposes of section 6.3 of the COMP Sourcebook, the amount that an eligible claimant would have been entitled to claim from the FSCS is the lesser of—

- (a) the amount which the FSCS quantifies as being the value of that claim as at immediately before the effective time; and
- (b) the amount that would have been payable at the quantification date, if different, for that claim.

(3) In paragraph (2), “quantification date” has the meaning given in rule 12.3.1 of the COMP Sourcebook.

(4) As soon as practicable after the effective time—

- (a) Heritable shall estimate the aggregate amount of the transferred liabilities;
- (b) the FSCS shall pay to Deposits Management (Heritable) the amount it is liable to pay under paragraph (1)(a) as estimated by the Authority; and
- (c) the Treasury shall pay to Deposits Management (Heritable) an amount equal to the amount estimated by Heritable in accordance with sub-paragraph (a) less the amount estimated by the Authority in accordance with sub-paragraph (b).

(5) From time to time—

- (a) the FSCS may revise the estimate of its liability under paragraph (1)(a); and
 - (b) Heritable may revise the estimate of the aggregate amount of the transferred liabilities,
- and the FSCS, the Treasury and Deposits Management (Heritable) shall make such corresponding payments to each other as are necessary to ensure that the FSCS and the Treasury have each paid

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to Deposits Management (Heritable) the amount required (and no more than the required amount) to meet their liability under paragraph (1).

(6) If at any time after the effective time Heritable is placed into administration or an interim order is made in relation to Heritable under paragraph 13(1)(d) of Schedule B1 to the 1986 Act, the references to Heritable in paragraphs (4) and (5) are to be treated as references to the administrator.