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STATUTORY INSTRUMENTS

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**2021 No. 716**

**The Payment and Electronic Money  
Institution Insolvency Regulations 2021**

**Objective 1: shortfalls in asset pool**

**19.**—(1) This regulation applies if the administrator becomes aware —

- (a) that the amount of relevant funds available for distribution in an asset pool is less than the total amount liable to be paid under relevant funds claims for that asset pool, and
- (b) that shortfall cannot be made good—
  - (i) by taking any of the steps mentioned in regulation 14 (which relates to the constitution of the asset pool), or
  - (ii) by the resolution of ongoing disputes.

(2) The administrator must, in making the distribution, ensure that the shortfall referred to in paragraph (1) be borne pro rata by all users or holders for whom the institution holds relevant funds within the asset pool.

(3) Paragraph (2) is subject to regulations 20 and 21.

(4) Nothing in this regulation affects any right of a user or holder to claim the shortfall borne under paragraph (2) in other ways (for example as an unsecured creditor).

(5) An administrator may not, where an electronic money institution has two asset pools (see regulation 20(6) of the EMR 2011), offset any shortfall in one asset pool against any relevant funds or assets held in the other.

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**Commencement Information**

**II** Reg. 19 in force at 8.7.2021, see [reg. 2](#)

**Changes to legislation:**

There are currently no known outstanding effects for the The Payment and Electronic Money Institution Insolvency Regulations 2021, Section 19.