



# Banking Act 2009

## 2009 CHAPTER 1

### PART 5 **U.K.**

#### <sup>F1</sup>... PAYMENT SYSTEMS [<sup>F1</sup>AND SERVICE PROVIDERS]

##### *Introduction*

#### 181 Overview **U.K.**

This Part enables the Bank of England to oversee certain systems for [<sup>F1</sup>transferring money][<sup>F2</sup>and certain persons who provide services [<sup>F3</sup>, including] in relation to such systems].

##### **Textual Amendments**

- F1** Words in s. 181 substituted (27.6.2017) by [Digital Economy Act 2017 \(c. 30\), s. 118\(2\), Sch. 9 para. 3](#)
- F2** Words in s. 181 inserted (30.11.2017) by [The Banking Act 2009 \(Service Providers to Payment Systems\) Order 2017 \(S.I. 2017/1167\), arts. 1\(2\), 2\(2\)](#)
- F3** Word in s. 181 inserted (29.8.2023) by [Financial Services and Markets Act 2023 \(c. 29\), s. 86\(2\)\(a\), Sch. 6 para. 3](#)

##### **Commencement Information**

- I1** S. 181 in force at 4.8.2009 by [S.I. 2009/2038, art. 2, Sch. para. 1](#)

#### 182 Interpretation: <sup>F4</sup>... [<sup>F5</sup>key terms] **U.K.**

(1) In this Part “term-inter-bank-payment-system <sup>F6</sup>... payment system” means arrangements [<sup>F7</sup>, or proposed arrangements,] designed to facilitate or control the transfer of money [<sup>F8</sup>or digital settlement assets]<sup>F9</sup>....

[<sup>F10</sup>(1A) But “payment system” does not include any arrangements for the physical movement of cash.]

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<sup>F11</sup>(2) .....

<sup>F11</sup>(3) .....

(4) In subsection (1) “money” includes credit.

[<sup>F12</sup>(4A) In subsection (1) “digital settlement asset” means a digital representation of value or rights, whether or not cryptographically secured, that—

- (a) can be used for the settlement of payment obligations,
- (b) can be transferred, stored or traded electronically, and
- (c) uses technology supporting the recording or storage of data (which may include distributed ledger technology).

(4B) In this section, “digital settlement asset” includes a right to, or an interest in, a digital settlement asset.]

(5) A system is <sup>F13</sup>... payment system for the purposes of this Part whether or not it operates [<sup>F14</sup>, or is intended to operate,] wholly or partly in relation to persons or places outside the United Kingdom.

[<sup>F15</sup>(5A) In this Part, a “DSA service provider” is a person who provides one or more services in relation to a payment system that includes arrangements using digital settlement assets where—

- (a) the person creates or issues the digital settlement assets involved in the payment system,
- (b) the person provides services to safeguard, or to safeguard and administer, digital settlement assets including their private cryptographic keys (or means of access),
- (c) the person is directly involved in any of the activities mentioned in paragraphs (a) or (b),
- (d) the person is a digital settlement asset exchange provider,
- (e) the person sets rules, standards, or conditions of access or participation in relation to the payment system, or
- (f) the person provides any service that facilitates, or supports, a transfer of money or digital settlement assets to be made using the payment system, including any infrastructure provider in relation to the system.

(5B) In this Part “digital settlement asset exchange provider” means a person who provides one or more of the following services, including as creator or issuer of any of the digital settlement assets, by—

- (a) exchanging, or arranging the exchange of—
  - (i) digital settlement assets for money,
  - (ii) money for digital settlement assets,
  - (iii) digital settlement assets and money for digital settlement assets, or
  - (iv) digital settlement assets and money for money,
- (b) exchanging, or arranging the exchange of, one digital settlement asset for another, or
- (c) operating an automated process to carry out any of the activities mentioned in paragraphs (a) and (b).

(5C) The Treasury may by regulations amend—

- (a) the definition of “digital settlement asset” in subsection (4A);

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- (b) the definition of “DSA service provider” in subsection (5A);
- (c) the definition in section 206AA of a person who provides services connected with a recognised payment system that uses digital settlement assets.]

#### Textual Amendments

- F4** Word in s. 182 heading omitted (27.6.2017) by virtue of [Digital Economy Act 2017 \(c. 30\), s. 118\(2\), Sch. 9 para. 4\(6\)](#)
- F5** Words in s. 182 heading substituted (29.8.2023) by [Financial Services and Markets Act 2023 \(c. 29\), s. 86\(2\)\(a\), Sch. 6 para. 4\(2\)](#)
- F6** Word in s. 182(1) omitted (27.6.2017) by virtue of [Digital Economy Act 2017 \(c. 30\), s. 118\(2\), Sch. 9 para. 4\(2\)\(a\)](#)
- F7** Words in s. 182(1) inserted (29.8.2023) by [Financial Services and Markets Act 2023 \(c. 29\), ss. 75\(5\)\(a\), 86\(3\); S.I. 2023/779, reg. 4\(w\)](#)
- F8** Words in s. 182(1) inserted (29.8.2023) by [Financial Services and Markets Act 2023 \(c. 29\), s. 86\(2\)\(a\), Sch. 6 para. 4\(3\)](#)
- F9** Words in s. 182(1) omitted (27.6.2017) by virtue of [Digital Economy Act 2017 \(c. 30\), s. 118\(2\), Sch. 9 para. 4\(2\)\(b\)](#)
- F10** S. 182(1A) inserted (27.6.2017) by [Digital Economy Act 2017 \(c. 30\), s. 118\(2\), Sch. 9 para. 4\(3\)](#)
- F11** S. 182(2)(3) omitted (27.6.2017) by virtue of [Digital Economy Act 2017 \(c. 30\), s. 118\(2\), Sch. 9 para. 4\(4\)](#)
- F12** S. 182(4A)(4B) inserted (29.8.2023) by [Financial Services and Markets Act 2023 \(c. 29\), s. 86\(2\)\(a\), Sch. 6 para. 4\(4\)](#)
- F13** Word in s. 182(5) substituted (27.6.2017) by [Digital Economy Act 2017 \(c. 30\), s. 118\(2\), Sch. 9 para. 4\(5\)](#)
- F14** Words in s. 182(5) inserted (29.8.2023) by [Financial Services and Markets Act 2023 \(c. 29\), ss. 75\(5\)\(b\), 86\(3\); S.I. 2023/779, reg. 4\(w\)](#)
- F15** S. 182(5A)-(5C) inserted (29.8.2023) by [Financial Services and Markets Act 2023 \(c. 29\), s. 86\(2\)\(a\), Sch. 6 para. 4\(5\)](#)

#### Commencement Information

- I2** S. 182 in force at 4.8.2009 by [S.I. 2009/2038, art. 2, Sch. para. 2](#)

## 183 Interpretation: other expressions **U.K.**

In this Part—

- (a) a reference to the “operator” of <sup>F16</sup>[a] payment system is a reference to any person with responsibility under the system for managing or operating it,
- (b) a reference to the operation of a system includes a reference to its management,
- <sup>F17</sup>(ba) a reference to a “service provider” is to be construed in accordance with section 206A(2),]
- (c) “the UK financial system” has the meaning given <sup>F18</sup>... by <sup>F19</sup>[section 11] of the Financial Services and Markets Act 2000 <sup>F20</sup>...,
- (d) a reference to the Bank of England's role as a monetary authority is to be construed in accordance with section 244(2)(c),
- <sup>F21</sup>(e) the FCA” means the Financial Conduct Authority,
- (f) “Part 4A permission” has the meaning given by section 55A of the Financial Services and Markets Act 2000,
- (g) “the PRA” means the Prudential Regulation Authority,

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- (h) “PRA-regulated activity” has the meaning given by section 22A of the Financial Services and Markets Act 2000, <sup>F22</sup> ...
- (i) “recognised investment exchange” has the meaning given by section 285 of that Act.]
- <sup>F23</sup>(j) “the Payment Systems Regulator” means the Payment Systems Regulator established under section 40 of the Financial Services (Banking Reform) Act 2013, and
- (k) in sections 188 to 199 (regulation and enforcement), references to the provision of services by a service provider to a payment system <sup>F24</sup>or to a DSA service provider] include references to—
  - (i) services provided by the service provider which form part of the arrangements constituting <sup>F25</sup>, or connected with,] the system, and
  - (ii) the service provider’s arrangements for governance or risk management, or for any other matters which may affect the provision of the services by the service provider.]

#### Textual Amendments

- F16** Word in s. 183(a) substituted (27.6.2017) by [Digital Economy Act 2017 \(c. 30\), s. 118\(2\), Sch. 9 para. 5](#)
- F17** S. 183(ba) inserted (30.11.2017) by [The Banking Act 2009 \(Service Providers to Payment Systems\) Order 2017 \(S.I. 2017/1167\), arts. 1\(2\), 2\(3\)\(a\)](#)
- F18** Words in s. 183(c) omitted (8.4.2010) by virtue of [Financial Services Act 2010 \(c. 28\), s. 26\(1\)\(l\), Sch. 2 para. 44](#)
- F19** Words in s. 183(c) substituted (1.4.2013) by [Financial Services Act 2012 \(c. 21\), s. 122\(3\), Sch. 17 para. 53\(2\)\(a\) \(with Sch. 20\); S.I. 2013/423, art. 3, Sch.](#)
- F20** Words in s. 183(c) omitted (1.4.2013) by virtue of [Financial Services Act 2012 \(c. 21\), s. 122\(3\), Sch. 17 para. 53\(2\)\(b\) \(with Sch. 20\); S.I. 2013/423, art. 3, Sch.](#)
- F21** S. 183(e)-(i) substituted for s. 183(e) (1.4.2013) by [Financial Services Act 2012 \(c. 21\), s. 122\(3\), Sch. 17 para. 53\(3\) \(with Sch. 20\); S.I. 2013/423, art. 3, Sch.](#)
- F22** Word in s. 183 omitted (30.11.2017) by virtue of [The Banking Act 2009 \(Service Providers to Payment Systems\) Order 2017 \(S.I. 2017/1167\), arts. 1\(2\), 2\(3\)\(b\)](#)
- F23** S. 183(j)(k) inserted (30.11.2017) by [The Banking Act 2009 \(Service Providers to Payment Systems\) Order 2017 \(S.I. 2017/1167\), arts. 1\(2\), 2\(3\)\(c\)](#)
- F24** Words in s. 183(k) inserted (29.8.2023) by [Financial Services and Markets Act 2023 \(c. 29\), s. 86\(2\) \(a\), Sch. 6 para. 5\(2\)](#)
- F25** Words in s. 183(k)(i) inserted (29.8.2023) by [Financial Services and Markets Act 2023 \(c. 29\), s. 86\(2\) \(a\), Sch. 6 para. 5\(3\)](#)

#### Commencement Information

- I3** S. 183 in force at 4.8.2009 by [S.I. 2009/2038, art. 2, Sch. para. 2](#)

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

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 4(8A)(8B) inserted by [2012 c. 21 s. 96\(3\)](#)
- s. 8(2)(d) and word inserted by [2012 c. 21 s. 96\(4\)\(b\)](#)