
STATUTORY INSTRUMENTS

2001 No. 2967

**The Financial Services and Markets Act 2000
(Transitional Provisions, Repeals and Savings)
(Financial Services Compensation Scheme) Order 2001**

PART 3

**COMPENSATION SCHEMES IN RELATION TO
INSURANCE BUSINESS AND DEPOSIT TAKING**

Article 9 defaults occurring before commencement

9.—(1) If, before commencement, an article 9 default occurred and no terminating event occurred in relation to that default—

- (a) subject to article 10, where the relevant former scheme is the PPS, the Policyholders Protection Act continues to have effect in relation to the default, notwithstanding any repeal of that Act, but subject to the modifications set out in Part 1 of Schedule 1;
- (b) where the relevant former scheme is the DPS, Part II of the Banking Act continues to have effect in relation to the default, notwithstanding any repeal of that Part, but subject to the modifications set out in Part 1 of Schedule 1;
- (c) where the relevant former scheme is the BSIPS, sections 24 to 31 of, and Schedule 6 to, the Building Societies Act continue to have effect in relation to the default, notwithstanding the repeal of those sections and that Schedule by the Financial Services and Markets Act 2000 (Mutual Societies) Order 2001(1) but subject to the modifications set out in Part 1 of Schedule 1;
- (d) where the relevant former scheme is the FSPS, the scheme manager must comply with that scheme, as modified by rules made by the Authority under paragraph (3), in relation to the default, even if that scheme has otherwise ceased to exist.

(2) Where the scheme manager exercises functions under paragraph (1) in relation to an article 9 default, the acts and omissions of the former manager before commencement in connection with that default are, for the purposes of the exercise by the scheme manager of those functions, deemed to be the acts and omissions of the scheme manager.

(3) The Authority must by rules make such modifications to the FSPS as it considers are required to enable the scheme manager to comply with that scheme as provided in paragraph (1).

(4) The Authority must secure by rules made under paragraph (3) that the functions conferred on the Friendly Societies Protection Scheme Board by the FSPS are exercisable by the scheme manager after commencement.

(5) No provision of the FSPS has effect after commencement to the extent that it imposes a levy or equivalent kind of charge on any person.

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

(6) Any term in any provision of a former scheme which continues to have effect by virtue of paragraph (1), and which was defined by any provision of the Policyholders Protection Act, the Banking Act or the Building Societies Act, continues to have the meaning given by that Act, notwithstanding any repeal of any provision of that Act.

(7) Except as provided for in this article, the former schemes do not apply to any default referred to in (a), (b), (c), (d), (e), (h) or (i) of the definition of “default” that occurs after commencement.