PRA RULEBOOK: CRR FIRMS, NON CRR FIRMS AND NON AUTHORISED PERSONS: DEPOSITOR PROTECTION (AMENDMENT No. 2) INSTRUMENT 2015

Powers exercised
A. The Prudential Regulation Authority (“PRA”) makes this instrument in the exercise of the following powers and related provisions in the Financial Services and Markets Act 2000 (“the Act”):

(1) section 137G (The PRA’s general rules);
(2) section 137T (General supplementary powers);
(3) section 213 (The compensation scheme);
(4) section 214 (General); and
(5) section 215 (Rights of the scheme on insolvency).

B. The rule-making powers referred to above are specified for the purpose of section 138G(2) (Rule-making instrument) of the Act.

Pre-conditions to making
C. In accordance with section 138J of the Act (Consultation by the PRA), the PRA consulted the Financial Conduct Authority. After consulting, the PRA published a draft of proposed rules and had regard to representations made.

PRA Rulebook: CRR Firms, Non CRR Firms and Non Authorised Persons: Depositor Protection (Amendment No. 2) Instrument 2015

D. The PRA makes the rules in Annex A to this instrument.

Commencement
E. This instrument comes into force on 3 July 2015.
F. With effect from 1 June 2016, the PRA deletes rule 9.6(2A).

Citation
G. This instrument may be cited as the PRA Rulebook: CRR Firms, Non CRR Firms and Non Authorised Persons: Depositor Protection (Amendment No.2) Instrument 2015

By order of the Board of the Prudential Regulation Authority
26 June 2015
Annex A

Amendments to the Depositor Protection Part

Chapter 30 is deleted and the following amendments are made. In this Annex, new text is underlined and deleted text is struck through (with the exception of the deletion of the existing text of Chapter 30, which is not shown).

1 APPLICATION AND DEFINITIONS

1.4 Unless otherwise stated, in this Part, the following definitions shall apply:

exclusions view

means a single, consistent view of:

(1) an account holder’s aggregate deposits with a firm limited to accounts that contain or may contain eligible deposits to which the account holder is not absolutely entitled; or

(2) a depositor’s aggregate eligible deposits with a firm limited to accounts that are not active

and which contains the information required by 12.9.

a depositor’s aggregate eligible deposits with a firm which contains the information required by 12.9, limited to accounts which:

(1) hold any funds to which the depositor is not absolutely entitled; or

(2) are not active.

2 ELIGIBILITY

2.2 The following are not eligible deposits:

(a) a deposit made by another credit institution on its own behalf or for its own account;
9 TIME LIMITS

... 

9.6 (1) From 1 June 2016 until 31 December 2023, in cases to which 9.2, 9.3 applies, where the FSCS cannot pay compensation within seven business days starting on the day following the compensation date, the FSCS shall, provided it receives sufficient information to enable it to make a payment, ensure that within five business days of receipt of a request from a depositor:

(a) the depositor who is an individual, has access to an appropriate amount of their covered deposits to cover the cost of living; and

(b) the depositor which is not an individual or a large company, or is a small local authority, has access to an appropriate amount of their covered deposits to cover necessary business expenses or operating costs.

[Note: Art 8(4) of the DGSD]

(2) From 3 July 2015 until 1 December 2016, in cases to which 9.3 applies, the FSCS shall ensure that a depositor which is a large company has access to their covered deposits within fifteen business days of receipt of a request from the depositor which contains sufficient information to enable the FSCS to make a payment.

(2A) From 3 July 2015 until 1 June 2016, in cases to which 9.3 applies, the FSCS shall ensure that a depositor which is a small local authority has access to their covered deposits within fifteen business days of receipt of a request from the depositor which contains sufficient information to enable the FSCS to make a payment.

... 

12 SINGLE CUSTOMER VIEW REQUIREMENTS

... 

12.3 If a firm does not have any accounts or balances which are required to be included within the an exclusions view, the firm must provide confirmation of this to the FSCS.

... 

12.9 A firm must ensure that each single customer view and exclusions view contains all the information set out in the table below.

... 

<table>
<thead>
<tr>
<th></th>
<th>Single customer view record number</th>
<th>Unique customer identifier.</th>
<th>Maximum number of characters in field:</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td>Unique customer identifier.</td>
<td>200</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Maximum number of characters in field:</td>
<td>100</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Other national identifier</th>
<th>The type of national identifier being provided [if applicable and where held by the firm].</th>
<th>Maximum number of characters in field:</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td></td>
<td>Maximum number of characters in field:</td>
<td>50</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Values:</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>(a) NID - national identifier (Non-UK).</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>(b) DL - driving</td>
<td></td>
</tr>
</tbody>
</table>
### 27. Single customer view record number

**Unique customer identifier.**

- **Maximum number of characters in field:** 200

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### 37. Exclusion type

**If applicable, where the file is an exclusions view, an indication of why the account falls within an exclusions view.**

Identify all of the following which apply:

- **a)** The account contains or may contain *eligible deposits* to which the account holder is not absolutely entitled.
- **b)** The depositor is not absolutely entitled to the sums held in the account;
- **c)** The account is a *dormant account*;
- **d)** The account is an account for which the firm has received formal notice of a legal dispute or competing claims to the proceeds of the account;
- **d)** The account appears on the “Consolidated list of financial sanctions targets in the United Kingdom” that is maintained by HM Treasury or is otherwise subject to restrictive measures imposed by national governments or international bodies.

- **Values:**
  - BEN
  - LEGDOR
  - LEGDIS
  - HMTS

- **Maximum number of characters in field:** 6
12.13 The amount inserted into each single customer view and exclusions view as the account balance (Field 42) and aggregate balance across all accounts (Field 49 50) must be the total of principal plus any interest or premium attributable up to the compensation date (or the date on which the PRA or FSCS requests the firm to provide the single customer view and exclusions view in accordance with 12.2).

12.14 A firm must ensure that the amount inserted into each single customer view and exclusions view as the account balance (Field 42), original account balance before interest (Field 46 47) and aggregate balance across all accounts (Field 49 50) includes any payment made to the depositor for which value has been credited to the depositor’s account regardless of whether the firm has received the value itself. A firm must ensure that the amount inserted into each single customer view and exclusions view as the account balance (Field 42), original account balance before interest (Field 46 47) and aggregate balance across all accounts (Field 49 50) excludes any payment sent by the depositor which has been debited from the depositor’s account regardless of whether the firm has sent value itself.

30 RECOVERIES OF ELIGIBLE DEPOSITS: RETURN OF SURPLUS TO COMPENSATION RECIPIENT

30.1 If the FSCS, in relation to a claim for eligible deposits, makes recoveries from the credit institution or any third party in respect of that eligible deposit, it must:

(1) retain from those recoveries a sum equal to the aggregate of:

(a) the sum paid by the FSCS as compensation;

(b) any amount paid or payable by a home state scheme to the compensation recipient; and

(c) any amount the FSCS determines is appropriate to cover all or part of its reasonable costs of recovery; and

(2) as soon as reasonably possible after it makes the recoveries, pay any remaining sum to the compensation recipient (or, if not the depositor, as directed by the depositor or to any person subrogated to the claim of the depositor against the credit institution or to the rights of the depositor under this Part or to any person otherwise entitled to any remaining sum).

43 FUNDING – CLASS A TARIFF BASE CALCULATION

43.1 The class A tariff base is:

(1) covered deposits (excluding temporary high balances) as at 31 December except that, where the covered deposit is a dormant account, the applicable tariff base is dormant account covered deposit multiplied by 0.2 as at 31 December; and
the total balance of any deposits in any account which holds funds to which the account holder is not absolutely entitled but may exclude the value of any funds which the firm has confirmed are not covered deposits.

43.2 A firm must also include in its class A tariff base calculation the total balance of any deposits in any:

(1) not active account; or

(2) account which holds funds to which the account holder is not absolutely entitled.

50 TRANSITIONAL PROVISIONS – SINGLE CUSTOMER VIEW

50.11 A firm must ensure that a single customer view contains all the information set out in the table below.

<table>
<thead>
<tr>
<th>Account balance in sterling in the original currency</th>
<th>Account balance including any interest or premium attributable, at end of business on:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(a) the compensation date;</td>
</tr>
<tr>
<td></td>
<td>or</td>
</tr>
<tr>
<td></td>
<td>(b) the date of request from the FSCS or the PRA</td>
</tr>
</tbody>
</table>

...