

**COMPENSATION SOURCEBOOK (LARGE UNINCORPORATED
ASSOCIATIONS) INSTRUMENT 2013**

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); and
 - (3) section 213 (The compensation scheme).
- B. The rule-making powers referred to above are specified for the purpose of section 138G(2) (Rule-making instrument) of the Act.
- C. The PRA makes this instrument in accordance with section 213(1A) of the Act and the Financial Services and Markets Act 2000 (Financial Services Compensation Scheme) Order 2013, SI 2013/598.

Pre-conditions to making

- C. In accordance with section 138J of the Act (consultation with the Financial Conduct Authority) (“FCA”), the PRA consulted the FCA. After consulting, the PRA published a draft of proposed rules and had regard to representations made.

Commencement

- D. This instrument comes into force on 17 December 2013.

Amendments to the Handbook

- E. The Glossary of definitions is amended in accordance with Annex A to this instrument.
- F. The Compensation sourcebook (COMP) is amended in accordance with the Annex B to this instrument.

Citation

- G. This instrument may be cited as the Compensation Sourcebook (Large unincorporated associations) Instrument 2013.

By order of the Board of the Prudential Regulation Authority

16 December 2013

Annex A

Amendments to the Glossary of definitions

In this Annex, underlining indicates new text and striking through indicates deleted text, unless otherwise stated.

*large mutual
association*

(A) (in the *PRA Handbook*):

- (1) (in *COMP*), an unincorporated a mutual association or an unincorporated association (which is not a mutual association) with net assets of more than £1.4 million (or its equivalent in any currency at the relevant time).
- (2) (except in *COMP*), a mutual association or unincorporated association with net assets of more than £1.4 million (or its equivalent in any other currency at the relevant time).

(B) (in the *FCA Handbook*):

(1) ...

...

large partnership (A) (in the *PRA Handbook*):

- (1) (in *COMP*), a partnership ~~or unincorporated association~~ with net assets of more than £1.4 million (or its equivalent in any other currency at the relevant time).
- (2) (except in *COMP*), a partnership or unincorporated association with net assets of more than £1.4 million (or its equivalent in any other currency at the relevant time).

(B) (in the *FCA Handbook*):

(1) ...

Annex B

Amendments to the Compensation sourcebook (COMP)

In this Annex, underlining indicates new text and striking through indicates deleted text, unless otherwise stated.

4.2 Who is eligible to benefit from the protection provided by the FSCS?

...

4.2.2 R Table COMP 4.2.2R Persons not eligible to claim unless COMP 4.3 applies (see COMP 4.2.1R)

...	
(13)	<i>Large companies</i> or large mutual associations
...	
<u>(19)</u>	<u>Large mutual associations</u>

...

4.3 Exceptions: Circumstances where a person coming within COMP 4.2.2R may receive compensation

4.3.1 R A person is eligible to claim compensation in respect of a *protected deposit* or a *protected dormant account* if, at the date on which the *relevant person* is determined to be *in default*:

- (1) he came within category (14) of *COMP* 4.2.2R; or
- (2) he came within any of categories (1)-(3), (7) or (12) of *COMP* 4.2.2R, and was not a *large company*, ~~*large mutual association*~~ or a *credit institution*; or
- (3) he was a *credit union*; or
- (4) he came within category (19) of *COMP* 4.2.2R.

...

TP1.1 Transitional Provisions Table

(1)	(2)	(3)	(4)	(5)	(6)
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	Material to which the transitional provision applies		Transitional Provision	Transitional provision: dates in force	Handbook Provisions: coming into force
...					
<u>35</u> <u>PRA</u>	<u>Amendments introduced by the Compensation Sourcebook (Large unincorporated associations) Instrument 2013</u>	<u>R</u>	<u>The changes referred to in (2) do not apply in relation to a <i>claim</i> against a <i>relevant person</i> that was <i>in default</i> before 17 December 2013.</u>	<u>From 17 December 2013 indefinitely</u>	<u>From 17 December 2013.</u>
<u>36</u> <u>PRA</u>	<u>COMP 17.2.1R and COMP 17.2.3R</u>	<u>R</u>	<u>The rules referred to in (2) only apply on or after 18 March 2014 in relation to <i>changes to eligible claimants</i> resulting from the <u>Compensation Sourcebook (Large unincorporated associations) Instrument 2013.</u></u>	<u>From 17 December 2013 to 17 March 2014</u>	<u>16 December 2013</u>