



Financial Services Act 2012

2012 CHAPTER 21

PART 4

COLLABORATION BETWEEN TREASURY AND BANK OF ENGLAND, FCA OR PRA

65 Memorandum of understanding: [^{F1}resolution planning and] crisis management

- (1) The Treasury (on the one hand) and the Bank of England and the PRA (on the other) must prepare and maintain a memorandum describing in general terms how they intend to comply with section 64 in relation to
 - [^{F2}(a) the sharing of information by the Bank about any proposals to include in a resolution plan or a group resolution plan an option for the exercise of a stabilisation power by the Bank in relation to an institution or group entity;
 - (b)] the circumstances mentioned in subsection (2) of that section.
- (2) [^{F3}For the purposes of subsection (1)(b),] The memorandum must, in particular, make provision about—
 - (a) what the Treasury and the Bank regard as a material risk for the purposes of section 58(1);
 - (b) steps to be taken when the Bank has given a public funds notification;
 - (c) the respective roles of the Treasury, the Bank and the PRA, in cases where the Bank has given a public funds notification, in relation to the consideration and assessment of, and taking of, steps to resolve or reduce, threats to the stability of the UK financial system;
 - (d) how the Treasury, the Bank and the PRA will co-operate in fulfilling those roles;
 - (e) the use by the Treasury of their power under section 61;
 - (f) matters connected with the Bank's compliance with a direction under that section;
 - (g) the obtaining and sharing of information.
- (3) The memorandum may make provision about such other matters as may be agreed between the Treasury, the Bank and the PRA, which must be matters that—

Changes to legislation: *Financial Services Act 2012, Section 65 is up to date with all changes known to be in force on or before 05 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes*

- (a) relate to the stability of the UK financial system or the regulation of financial services, and
 - (b) affect the public interest.
- (4) The memorandum need not make provision about the relationship between the Bank and the PRA.
- (5) The Treasury, the Bank of England and the PRA may, with the agreement of a body falling within subsection (6), include in the memorandum provisions relating to co-operation between any of them and that body in relation to matters falling within subsection (3)(a) and (b).
- (6) The bodies falling within this subsection are—
- (a) the FCA;
 - (b) the scheme manager of the Financial Services Compensation Scheme;
 - (c) any other body exercising functions that relate to the stability of the UK financial system or the regulation of financial services.
- (7) The Treasury must—
- (a) lay before Parliament a copy of the memorandum and any revised memorandum, and
 - (b) publish the memorandum as currently in force in such manner as they think fit.

Textual Amendments

- F1** Words in s. 65 heading inserted (6.7.2016) by [Bank of England and Financial Services Act 2016 \(c. 14\), ss. 36\(3\)\(c\), 41\(3\); S.I. 2016/627, reg. 2\(1\)\(aa\)](#)
- F2** Words in s. 65(1) inserted (6.7.2016) by [Bank of England and Financial Services Act 2016 \(c. 14\), ss. 36\(3\)\(a\), 41\(3\); S.I. 2016/627, reg. 2\(1\)\(aa\)](#)
- F3** Words in s. 65(2) inserted (6.7.2016) by [Bank of England and Financial Services Act 2016 \(c. 14\), ss. 36\(3\)\(b\), 41\(3\); S.I. 2016/627, reg. 2\(1\)\(aa\)](#)

Commencement Information

- I1** S. 65 in force at 24.1.2013 for specified purposes by [S.I. 2013/113, art. 2\(1\)\(c\), Sch. Pt. 3](#)
- I2** S. 65 in force at 1.4.2013 in so far as not already in force by [S.I. 2013/423, art. 3, Sch.](#)

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

- Act power to apply conferred (temp.) by [2014 c. 21 s. 79\(4\)](#)
- Act power to apply conferred (temp.) by [2014 c. 21 s. 81\(10\)](#)