
STATUTORY INSTRUMENTS

1995 No. 1442

**The Credit Institutions (Protection
of Depositors) Regulations 1995**

Part II

Participation in host State schemes

Chapter I

Participation in UK scheme by EEA institution

Supplementary provisions

Duty of institution to notify withdrawal or exclusion

9.—(1) Where an EEA institution withdraws or is excluded from participation in a UK scheme, it shall as soon as practicable take all such steps as may be necessary to bring the withdrawal or exclusion to the notice of depositors whose deposits were made with United Kingdom offices of the institution.

(2) Where it appears to the Bank that an EEA institution has failed to comply with paragraph (1) above, the Bank shall require the institution by notice in writing to take all such steps as appear to it necessary to comply with that paragraph and are specified in the notice.

(3) If an EEA institution fails to comply with a requirement under paragraph (2) above within a reasonable time, the Bank shall give notice to that effect to the supervisory authority in the institution's home State requesting that authority—

- (a) to take all appropriate measures for the purpose of ensuring that the institution complies with that requirement; and
- (b) to inform the Bank of the measures which it proposes to take or has taken or of the reasons for not taking any such measures.

Duty of Board to consult with home State authority

10.—(1) As soon as practicable after an EEA institution commences or resumes its participation in a UK scheme, the relevant Board shall, if it has not already done so in connection with another such institution's participation in the UK scheme—

- (a) consult with the authority having responsibility for the institution's home State scheme; and
- (b) come to an agreement with that authority as to the rules and procedures to be adopted for determining, in the event of such institutions becoming insolvent (within the meaning of the relevant Part), the respective amounts of compensation which, after any deductions by way of set-off, would be payable under that scheme and the UK scheme.

(2) As soon as practicable after an EEA institution which is participating in a UK scheme becomes insolvent (within the meaning of the relevant Part), the relevant Board shall—

- (a) consult with the authority having responsibility for the institution’s home State scheme; and
- (b) come to an agreement with that authority as to the respective amounts of compensation which, after any deductions by way of set-off, are payable under that scheme and the UK scheme.

(3) In this regulation “the relevant Board” and “the relevant Part” mean respectively—

- (a) in relation to the deposit protection scheme, the Deposit Protection Board and Part II of the 1987 Act;
- (b) in relation to the investor protection scheme, the Investor Protection Board and Part IV of the 1986 Act.

(4) Any reference in this regulation to an EEA institution includes a reference to an institution which was formerly an EEA institution and continues to have a liability in respect of any deposit for which it had a liability at a time when it was an EEA institution.

Power of Board to make agency and information agreements

11.—(1) Where an EEA institution commences or resumes its participation in a UK scheme, the relevant Board may enter into an agency or information agreement with the authority responsible for the institution’s home State scheme.

(2) In this regulation—

“agency agreement” means an agreement between the relevant Board and the authority responsible for the institution’s home State scheme under which either agrees, whether or not for a consideration, to make on the other’s behalf any payments falling to be made under the scheme for which the other is responsible;

“information agreement” means an agreement between the relevant Board and the authority responsible for the institution’s home State scheme under which either agrees, whether or not for a consideration, to disclose to the other any information in its possession which would or might assist the other to discharge its functions;

“the relevant Board” has the same meaning as in regulation 10 above.

Duty of Board to maintain list of participating EEA institutions

12. The Deposit Protection Board and the Investor Protection Board shall each compile and maintain a list of the EEA institutions which are participating in the UK scheme for which it is the responsible authority.