
STATUTORY INSTRUMENTS

2012 No. 1791

The Payment Services Regulations 2012

Amendment of the Payment Services Regulations 2009

3.—(1) The Payment Services Regulations 2009(1) are amended as follows.

(2) In regulation 13 (conditions for registration as a small payment institution), after paragraph (4) insert—

“(4A) Where the applicant is a partnership, an unincorporated association or a body corporate, the applicant must satisfy the Authority that any persons having a qualifying holding in it are fit and proper persons having regard to the need to ensure the sound and prudent conduct of the affairs of a small payment institution.

(4B) The applicant must satisfy the Authority that—

- (a) where the applicant is a body corporate, the directors;
- (b) the persons responsible for the management of the institution; and
- (c) where relevant, the persons responsible for the management of payment services, are of good repute and possess appropriate knowledge and experience to provide payment services.

(4C) If the applicant is a body corporate which has close links with another person (“CL”) the applicant must satisfy the Authority—

- (a) that those links are not likely to prevent the Authority’s effective supervision of the applicant; and
- (b) if it appears to the Authority that CL is subject to the laws, regulations or administrative provisions of a territory which is not an EEA State (“the foreign provisions”), that neither the foreign provisions, nor any deficiency in their enforcement, would prevent the Authority’s effective supervision of the applicant.

(4D) Regulation 6(9) applies for the purposes of paragraph (4C) of this regulation as it applies for the purposes of regulation 6(8).”

(3) In regulation 14 (supplementary provisions)—

- (a) in paragraph (c), for “will continue to be” substitute “are”;
- (b) for paragraph (d) substitute—

“(d) in regulation 10(1)—

(i) for sub-paragraph (e) substitute—

“(e) the person does not meet, or is unlikely to meet, any of the conditions set out in regulation 13(4) to (6) or the financial limit referred to in regulation 8;”;

(ii) after sub-paragraph (i) insert—

“or

- (j) the person has failed to comply with paragraph (2) or (3) of regulation 125A.””
- (c) in paragraph (e), in the sub-paragraph to be substituted for sub-paragraph (a) of regulation 11(1), for “no longer meets” substitute “does not meet” and omit “continue to”.
- (4) In regulation 29(3)(a)(iii) (use of agents), delete “in the case of an agent of an authorised payment institution,”.
- (5) After regulation 125 (transitional provisions: the ombudsman scheme) insert—

“Transitional provisions: small payment institutions registered before 1st October 2012 and applications pending on that date

- 125A.**—(1) Where a person has applied for registration as a small payment institution before 1st October 2012 and its application has not been determined before that date, it must provide the Authority with the information referred to in paragraphs 1, 7, 8 and 9 of Schedule 2 to the extent relevant to that person.
- (2) Where a small payment institution is included on the register maintained under regulation 4(1)(b) on 1st October 2012, it must provide the Authority before 1st October 2013 with the information referred to in paragraphs 1, 7, 8 and 9 of Schedule 2 to the extent relevant to that institution.
- (3) Any information to be provided to the Authority under this regulation must be in such form or verified in such manner as it may direct.”.
- (6) In paragraph 19(d) of Schedule 3 (application of accounting standards), for “Auditing Practices Board” substitute “Financial Reporting Council Limited or a predecessor body”.