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DRAFT STATUTORY INSTRUMENTS

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**2021 No. 0000**

**FINANCIAL SERVICES AND MARKETS**

The Payment and Electronic Money  
Institution Insolvency Regulations 2021

*Made* - - - - - \*\*\*

*Coming into force* \*\*\*

THE PAYMENT AND ELECTRONIC MONEY  
INSTITUTION INSOLVENCY REGULATIONS 2021

1. Citation
2. Commencement
3. Extent
4. Overview
5. Application: Scottish LLPs and partnerships
6. Definitions
7. Special administration order
8. Application for order
9. Grounds for applying
10. Powers of the court
11. Notice to FCA: other proceedings
12. Special administration objectives
13. Objective 1: initial reconciliation
14. Objective 1: constitution of asset pool
15. Objective 1: monitoring and maintaining asset pool
16. Objective 1: post-administration receipts
17. Objective 1: determining claim entitlements
18. Objective 1: principles of distribution
19. Objective 1: shortfalls in asset pool
20. Objective 1: bar date
21. Objective 1: hard bar date
22. Objective 1: hard bar date: powers of the court
23. Objective 1: interest on relevant funds claims
24. Objectives 1 and 3: transfer arrangements: overview
25. Objectives 1 and 3: TAs: Conditions 1 to 3
26. Objectives 1 and 3: TAs: effect
27. Objectives 1 and 3: TAs: novation of contracts

28. Objectives 1 and 3: TAs: disclosure of information
  29. Objectives 1 and 3: PPTAs: Condition 4 and restrictions
  30. Objectives 1 and 3: PPTAs: reverse transfers
  31. Objectives 1 and 3: PPTAs: set-off and netting
  32. Objectives 1 and 3: PPTAs: security interests
  33. Objectives 1 and 3: PPTAs capital markets arrangements
  34. Objectives 1 and 3: PPTAs: financial markets
  35. Objective 2: engagement: payment systems, market disruption and consumer protection
  36. Continuity of supply
  37. Application of the IA 1986
  38. FCA direction
  39. Administrator’s proposals in the event of FCA direction
  40. Revision of proposals in the event of FCA direction
  41. FCA direction withdrawn
  42. Safeguarding failures: costs of the administration
  43. Successful rescue
  44. Dissolution or voluntary arrangement
  45. Special administration order as an alternative order
  46. Disqualification of directors
  47. Further provision on special administration: schedules
  48. FSMA 2000, Pt 24: application to payment and electronic money institution insolvency except special administration
  49. Correction of defect in instrument relating to the UK’s withdrawal from the EU and bank recovery and resolution
- Signature

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SCHEDULE 1 — How special administration applies to English/Welsh LLPs

1. This Schedule makes provision about how special administration applies to...
2. In this Schedule, the “LLPR 2001” means the Limited Liability...
3. The provisions of the IA 1986 mentioned in the first...
4. The CDDA 1986 as applied and modified by these Regulations...
5. The following legislation applies to institutions which are formed as...

SCHEDULE 2 — How special administration applies to English/Welsh partnerships

1. This Schedule makes provision about how special administration applies to...
2. In this Schedule, the “IPO 1994” means the Insolvent Partnerships...
3. Where an institution is formed as a partnership, then—
4. Table 2 sets out— (a) in the first column, versions...
5. Each IPO 1994 version in the first column of Table...
6. Where there is an entry for an IPO 1994 version...
7. Article 16 of the IPO 1994 applies to an institution...
8. The general modifications are— (i) references to a provision of...
9. Article 18 of and Schedule 10 to the IPO 1994...

SCHEDULE 3 — Further provision about how other legislation applies to companies in special administration

1. Introduction
2. General modifications

## Primary Legislation

## Secondary Legislation

4. Pensions Act 2004
5. CA 2006
6. Land Registration Rules 2003

### SCHEDULE 4 — Consequential amendments

#### PART 1 — Primary legislation

1. The Companies Act 1985
2. The Finance Act 1986
3. The Third Parties (Rights against Insurers) Act 2010

#### PART 2 — Secondary legislation

4. The EMR 2011
5. The IBSAR 2011
6. The PSR 2017

## Explanatory Note