



# Financial Services (Banking Reform) Act 2013

## 2013 CHAPTER 33

### PART 6

#### SPECIAL ADMINISTRATION FOR OPERATORS OF CERTAIN INFRASTRUCTURE SYSTEMS

##### *Introductory*

#### **111 Financial market infrastructure administration**

This Part—

- (a) provides for a procedure to be known as FMI administration, and
- (b) restricts the powers of persons other than the Bank of England in relation to the insolvency of infrastructure companies.

#### **Commencement Information**

**II** S. 111 in force at 13.7.2018 for E.W. by S.I. 2018/848, art. 2(c)

#### **112 Interpretation: infrastructure companies**

- (1) In this Part “infrastructure company” has the meaning given by this section.
- (2) “Infrastructure company” means a company which is—
  - (a) the operator of a recognised <sup>F1</sup>... payment system, other than an operator excluded by subsection (3),
  - <sup>F2</sup>(b) a recognised CSD operating a securities settlement system, or]
  - (c) a company designated by the Treasury under subsection (4).
- (3) But a company is not an infrastructure company if it is a recognised central counterparty, as defined by section 285 of FSMA 2000.

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- (4) The Treasury may by order designate a company for the purposes of subsection (2) (c) if—
- (a) the company provides services to a person falling within subsection (2)(a) or (b), and
  - (b) the Treasury are satisfied that an interruption in the provision of those services would have a serious adverse effect on the effective operation of the recognised <sup>F3</sup>... payment system or securities settlement system in question.
- (5) An order under subsection (4) must specify the recognised <sup>F4</sup>... payment system or securities settlement system in connection with which the company is designated.
- (6) Before designating a company under subsection (4), the Treasury must consult—
- (a) the company to be designated,
  - (b) the person within subsection (2)(a) or (b) to whom the company provides services,
  - (c) the Bank of England,
  - (d) if the company is a PRA-authorized person, the PRA and the FCA, and
  - (e) if the company is an authorised person other than a PRA-authorized person, the FCA.

#### Textual Amendments

- F1** Word in s. 112(2)(a) omitted (27.6.2017) by virtue of [Digital Economy Act 2017 \(c. 30\)](#), s. 118(2), [Sch. 9 para. 41](#)
- F2** S. 112(2)(b) substituted (28.11.2017) by [The Central Securities Depositories Regulations 2017 \(S.I. 2017/1064\)](#), [reg. 1](#), [Sch. para. 16\(3\)](#) (with [regs. 7\(3\)\(b\)\(4\)](#), [9\(1\)](#))
- F3** Word in s. 112(4)(b) omitted (27.6.2017) by virtue of [Digital Economy Act 2017 \(c. 30\)](#), s. 118(2), [Sch. 9 para. 41](#)
- F4** Word in s. 112(5) omitted (27.6.2017) by virtue of [Digital Economy Act 2017 \(c. 30\)](#), s. 118(2), [Sch. 9 para. 41](#)

#### Commencement Information

- I2** [S. 112](#) in force at 13.7.2018 for E.W. by [S.I. 2018/848](#), [art. 2\(a\)](#)

## 113 Interpretation: other expressions

(1) In this Part—

“company” means a company registered under the Companies Act 2006;

“operator”, in relation to a recognised <sup>F5</sup>... payment system, is to be read in accordance with section 183 of the Banking Act 2009;

[<sup>F6</sup>“recognised CSD” has the meaning given by section 285 of FSMA 2000;]

“recognised <sup>F7</sup>... payment system” means [<sup>F8</sup>a] payment system, as defined by section 182 of the Banking Act 2009, in respect of which a recognition order under section 184 of that Act is in force;

“the relevant system” means—

- (a) in relation to an infrastructure company falling within subsection (2)(a) of section 112, the recognised <sup>F9</sup>... payment system,

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- (b) in relation to an infrastructure company falling within subsection (2)(b) of that section, the securities settlement system,
- (c) in relation to a company designated under subsection (4) of that section, the recognised <sup>F9</sup>... payment system or securities settlement system falling within paragraph (b) of that subsection;

“securities settlement system” means a computer-based system, and procedures, which enable title to units of a security to be evidenced and transferred without a written instrument, and which facilitate supplementary and incidental matters.

- (2) Expressions used in the definition of “securities settlement system” in subsection (1) are to be read in accordance with section 783 of the Companies Act 2006.

#### Textual Amendments

- F5** Word in s. 113(1) omitted (27.6.2017) by virtue of [Digital Economy Act 2017 \(c. 30\)](#), s. 118(2), **Sch. 9 para. 42(a)**
- F6** Words in s. 113(1) inserted (28.11.2017) by [The Central Securities Depositories Regulations 2017 \(S.I. 2017/1064\)](#), reg. 1, **Sch. para. 16(4)** (with regs. 7(3)(b)(4), 9(1))
- F7** Word in s. 113(1) omitted (27.6.2017) by virtue of [Digital Economy Act 2017 \(c. 30\)](#), s. 118(2), **Sch. 9 para. 42(b)(i)**
- F8** Word in s. 113(1) substituted (27.6.2017) by [Digital Economy Act 2017 \(c. 30\)](#), s. 118(2), **Sch. 9 para. 42(b)(ii)**
- F9** Word in s. 113(1) omitted (27.6.2017) by virtue of [Digital Economy Act 2017 \(c. 30\)](#), s. 118(2), **Sch. 9 para. 42(c)**

#### Commencement Information

- I3** [S. 113](#) in force at 13.7.2018 for E.W. by [S.I. 2018/848](#), **art. 2(c)**

**Status:**

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**Changes to legislation:**

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