



Financial Services (Banking Reform) Act 2013

2013 CHAPTER 33

PART 6 **U.K.**

SPECIAL ADMINISTRATION FOR OPERATORS OF CERTAIN INFRASTRUCTURE SYSTEMS

Introductory

111 Financial market [^{F1}and cash] infrastructure administration **U.K.**

This Part—

- (a) provides for a procedure to be known as FMI administration, ^{F2}...
- (b) restricts the powers of persons other than the Bank of England in relation to the insolvency of infrastructure companies, [^{F3}and
- (c) confers power on the Bank of England to participate in proceedings under Part 26A of the Companies Act 2006 (arrangements and reconstructions: companies in financial difficulty).]

Textual Amendments

- F1** Words in s. 111 heading inserted (29.8.2023) by [Financial Services and Markets Act 2023 \(c. 29\)](#), s. 86(2)(d), [Sch. 9 para. 3](#)
- F2** Word in s. 111 omitted (26.6.2020) by virtue of [Corporate Insolvency and Governance Act 2020 \(c. 12\)](#), s. 49(1), [Sch. 9 para. 49\(2\)\(a\)](#) (with ss. 2(2), 5(2))
- F3** S. 111(c) and word inserted (26.6.2020) by [Corporate Insolvency and Governance Act 2020 \(c. 12\)](#), s. 49(1), [Sch. 9 para. 49\(2\)\(b\)](#) (with ss. 2(2), 5(2))

Commencement Information

- I1** S. 111 in force at 13.7.2018 for E.W. by [S.I. 2018/848](#), [art. 2\(c\)](#)

Changes to legislation: There are currently no known outstanding effects for the Financial Services (Banking Reform) Act 2013, Cross Heading: Introductory. (See end of Document for details)

112 Interpretation: infrastructure companies **U.K.**

- (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 ^{F4}... payment system, other than an operator excluded by subsection (3),
 - [^{F5}(aa) a recognised DSA service provider,]
 - [^{F6}(b) a recognised CSD ^{F7}..., ^{F8}...]
 - [^{F9}(ba) a person recognised for the purposes of Part 5A of the Banking Act 2009 (wholesale cash distribution) as having systemic significance, 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.
- (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 [^{F10}(2)(a), (b) or (ba)], 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 ^{F11}... payment system or securities settlement system in question [^{F12}or, in the case of a person falling within subsection (2)(ba), a relevant function].
- (5) An order under subsection (4) must specify the recognised ^{F13}... 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 [^{F14}(2)(a), (b) or (ba)] to whom the company provides services,
 - (c) the Bank of England,
 - (d) if the company is a PRA-authorised person, the PRA and the FCA, and
 - (e) if the company is an authorised person other than a PRA-authorised person, the FCA.

[^{F15}(7) In subsection (4)(b), “relevant function” means a function performed by the person in relation to wholesale cash distribution.]

Textual Amendments

- F4** 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](#)
- F5** [S. 112\(2\)\(aa\)](#) inserted (29.8.2023) by [Financial Services and Markets Act 2023 \(c. 29\)](#), s. 86(2)(a), [Sch. 6 para. 45](#)
- F6** [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))
- F7** Words in [s. 112\(2\)\(b\)](#) omitted (27.3.2019) by virtue of [The Uncertificated Securities \(Amendment and EU Exit\) Regulations 2019 \(S.I. 2019/679\)](#), regs. 1(2), [3\(3\)](#) (with regs. 10-12)
- F8** Word in [s. 112\(2\)\(b\)](#) omitted (29.8.2023) by virtue of [Financial Services and Markets Act 2023 \(c. 29\)](#), s. 86(2)(d), [Sch. 9 para. 4\(2\)](#)

Changes to legislation: There are currently no known outstanding effects for the Financial Services (Banking Reform) Act 2013, Cross Heading: Introductory. (See end of Document for details)

- F9** S. 112(2)(ba) inserted (29.8.2023) by Financial Services and Markets Act 2023 (c. 29), s. 86(2)(d), **Sch. 9 para. 4(2)**
- F10** Words in s. 112(4)(a) substituted (29.8.2023) by Financial Services and Markets Act 2023 (c. 29), s. 86(2)(d), **Sch. 9 para. 4(3)(a)**
- F11** 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**
- F12** Words in s. 112(4)(b) inserted (29.8.2023) by Financial Services and Markets Act 2023 (c. 29), s. 86(2)(d), **Sch. 9 para. 4(3)(b)**
- F13** 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**
- F14** Words in s. 112(6)(b) substituted (29.8.2023) by Financial Services and Markets Act 2023 (c. 29), s. 86(2)(d), **Sch. 9 para. 4(4)**
- F15** S. 112(7) inserted (29.8.2023) by Financial Services and Markets Act 2023 (c. 29), s. 86(2)(d), **Sch. 9 para. 4(5)**

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 **U.K.**

(1) In this Part—

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

“operator”, in relation to a recognised ^{F16}... payment system, is to be read in accordance with section 183 of the Banking Act 2009;

[^{F17}“recognised CSD” has the meaning given by section 285 of FSMA 2000;]

[^{F18}“recognised DSA service provider” means a DSA service provider, as defined by section 182(5A) of the Banking Act 2009, in respect of which a recognition order under section 184A of that Act is in force;]

“recognised ^{F19}... payment system” means [^{F20}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 ^{F21}... payment system,
- (b) in relation to an infrastructure company falling within subsection (2)(b) of that section, the securities settlement system,
- (ba) [^{F22}in relation to an infrastructure company falling within subsection (2)(ba) of that section, any system used by the company to facilitate or control wholesale cash distribution,]
- (c) in relation to a company designated under subsection (4) of that section, the recognised ^{F21}... 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.

[^{F23}“wholesale cash distribution” and “wholesale cash distribution activities” have the meanings given by section 206E of the Banking Act 2009.]

Changes to legislation: There are currently no known outstanding effects for the Financial Services (Banking Reform) Act 2013, Cross Heading: Introductory. (See end of Document for details)

- (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

- F16** 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)**
- F17** 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))
- F18** Words in s. 113(1) inserted (29.8.2023) by [Financial Services and Markets Act 2023 \(c. 29\)](#), s. 86(2) (a), **Sch. 6 para. 46**
- F19** 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)**
- F20** 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)**
- F21** 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)**
- F22** Words in s. 113(1) inserted (29.8.2023) by [Financial Services and Markets Act 2023 \(c. 29\)](#), s. 86(2) (d), **Sch. 9 para. 5(a)**
- F23** Words in s. 113(1) inserted (29.8.2023) by [Financial Services and Markets Act 2023 \(c. 29\)](#), s. 86(2) (d), **Sch. 9 para. 5(b)**

Commencement Information

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

Changes to legislation:

There are currently no known outstanding effects for the Financial Services (Banking Reform) Act 2013, Cross Heading: Introductory.