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STATUTORY INSTRUMENTS

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**2002 No. 1501**

The Financial Services and Markets Act 2000  
(Consequential Amendments and Transitional  
Provisions) (Credit Unions) Order 2002

PART 3

TRANSITIONAL PROVISIONS

**Compensation scheme**

5.—(1) Notwithstanding anything to the contrary in section 213(9) or 224(3) of the Act—

- (a) any credit union which, after commencement, becomes unable, or is likely to become unable, to satisfy claims against it which relate to deposits which were accepted before commencement, and
- (b) any credit union which—
  - (i) has ceased to have Part IV permission by virtue of article 3(4) of the Permission Order, and
  - (ii) thereafter, becomes unable, or is likely to become unable, to satisfy claims against it which relate to deposits which were accepted after commencement but before the date on which it ceased to have Part IV permission,

is to be treated after commencement as a relevant person in relation to such a claim or potential claim for the purposes of Part XV of the Act (compensation scheme) and any rules made before commencement by the Authority” under that Part.

(2) Any rules made by the Authority” before commencement under section 214(1)(a) of the Act (rules making provision as to the circumstances in which a person is to be taken to be unable or likely to be unable to satisfy claims made against him) apply for the purpose of determining whether a credit union has become, or is likely to become, unable to satisfy claims against it within the meaning of paragraph (1).