

FINANCIAL SERVICES COMPENSATION SCHEME (APPOINTED REPRESENTATIVES) INSTRUMENT 2021

Powers exercised

- A. The Financial Conduct Authority (“the FCA”) makes this instrument in the exercise of the powers and related provisions in the following sections of the Financial Services and Markets Act 2000 (“the Act”):
- (1) section 137A (The FCA’s general rules);
 - (2) section 137T (General supplementary powers);
 - (3) section 213 (The compensation scheme); and
 - (4) section 214 (General).
- B. The rule-making powers listed above are specified for the purpose of section 138G (Rule-making instruments) of the Act.

Commencement

- C. This instrument comes into force on 26 March 2021.

Amendments to the Handbook

- D. The Compensation sourcebook (COMP) is amended in accordance with the Annex to this instrument.

Citation

- E. This instrument may be cited as the Financial Services Compensation Scheme (Appointed Representatives) Instrument 2021.

By order of the Board
25 March 2021

Annex

Amendments to the Compensation sourcebook (COMP)

In this Annex, underlining indicates new text and striking through indicates deleted text.

6 Relevant persons and successors in default

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6.2 Who is a relevant person?

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6.2.2A R The FSCS may pay compensation in respect of the activities of a *relevant person*:

- (1) (if it was a *firm*) whether or not it was acting within the scope of its *permission*;
- (2) (if it was an *appointed representative*) whether or not it was acting within the scope of the business for which its *principal* had accepted responsibility;
- (3) (if it was a *recognised investment exchange*) whether or not it was acting in accordance with any *recognition requirements* resulting from section 286 of the Act and relating to the *regulated activity of operating a multilateral trading facility or operating an organised trading facility*.

[Note: sections 39(3) and 213(3)(a) of the Act]

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8 Rejection of application and withdrawal of offer

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8.2 Rejection of application for compensation

Inaccurate or incomplete applications

8.2.1 R ...

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Limitation periods and claims extinguished by operation of law

8.2.3 R ...

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Dissolved companies

8.2.5 R ...

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Protected investment business: claims covered by the pensions review

8.2.7 R ...

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10 Limits on the amount of compensation payable

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10.2 Limits on compensation payable

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Claims in cases where there is a successor

10.2.5A R No claimant shall be eligible to make a claim under the *compensation scheme* in respect of both the *relevant person* and a *successor* ~~in relation to the same loss~~ arising from the same act or omission by the *relevant person*.

...

Claims in cases where a principal and its appointed representative are both in default

10.2.14 R No claimant shall be eligible to make a claim under the *compensation scheme* in respect of both a *principal* and its *appointed representative* arising from the same act or omission by the *appointed representative*.