

Compensation

Chapter 4

Eligible claimants

4.1 Application and Purpose

Application

- 4.1.1 **R** This chapter applies to the *FSCS*.
- 4.1.2 **G** It is also relevant to those who may wish to bring a *claim* for compensation.

Purpose

- 4.1.3 **G** The purpose of this chapter is to set out the types of *person* who are able to claim compensation or benefit from the protection the *FSCS* is able to provide. A claimant needs to be an *eligible claimant* to satisfy *COMP* 3.2.1R(1).



4.2 Who is eligible to benefit from the protection provided by the FSCS?

4.2.1 **R** An *eligible claimant* is any person who at any material time:

- (1) did not come within **COMP 4.2.2 R**; or
- (2) did come within **COMP 4.2.2 R**, but satisfied the relevant exception in **COMP 4.3** or **COMP 4.4**.

Persons not eligible to claim unless COMP 4.3 applies (see COMP 4.2.1 R)

4.2.2 **R** This table belongs to COMP 4.2.1R

(1)	<i>Firms (other than a sole trader firm; a credit union; a trustee of a stakeholder pension scheme (which is not an occupational pension scheme) or personal pension scheme; a firm carrying on the regulated activity of operating, or winding up, a stakeholder pension scheme (which is not an occupational pension scheme) or personal pension scheme; or a small business; in each case, whose claim arises out of a regulated activity for which they do not have a permission)</i>
(2)	<i>Overseas financial services institutions</i>
(3)	<i>Collective investment schemes, and anyone who is the operator or depositary of such a scheme.</i>
(4)	Pension and retirement funds, and anyone who is a trustee of such a fund. However, this exclusion does not apply to:
	(a) <i>a trustee of a personal pension scheme or a stakeholder pension scheme (which is not an occupational pension scheme); or</i>
	(b) <i>a trustee of an occupational pension scheme insofar as members' benefits are money-purchase benefits; or</i>
	(c) <i>insofar as members' benefits are not money-purchase benefits, a trustee of an occupational pension scheme of an employer which is not a large company, large partnership or large mutual association.</i>
(5)	Supranational institutions, governments, and central administrative authorities
(6)	Provincial, regional, local and municipal authorities
(7)	Directors of the relevant person in default or, in respect of a claim against a successor in default, directors of any successor or directors of the relevant person. However, this exclusion does not apply if:

	(a)	(i)	the <i>relevant person in default</i> is a mutual association which is not a large mutual association and the directors do not receive a salary or other remuneration for services performed by them for the <i>relevant person in default</i> ; or
		(ii)	in respect of a claim against a successor in default, the <i>relevant person</i> or a successor, to whichever the directorship relates, is a mutual association which is not a large mutual association and the directors do not receive a salary or other remuneration for services performed by them for the <i>relevant person</i> or a successor, as applicable; or
	(b)	(i)	the <i>relevant person in default</i> is a credit union; or
		(ii)	in respect of a claim against a successor in default, the <i>relevant person</i> or a successor, to whichever the directorship relates, is a credit union.
(8)	[deleted]		
(9)	Bodies corporate in the same group as the <i>relevant person in default</i> or, in respect of a claim against a successor in default, bodies corporate in the same group as a successor or the <i>relevant person</i> , as applicable, unless that body corporate is:		
	(a)	a trustee of a stakeholder pension scheme (which is not an occupational pension scheme) or a personal pension scheme (but in each case if the trustee is a firm it will only be an eligible claimant if its claim arises out of a regulated activity for which it does not have a permission); or	
	(aa)	a trustee of:	
		(i)	an occupational pension scheme in relation to members' benefits which are money-purchase benefits; or
		(ii)	(unless (i) applies) an occupational pension scheme of an employer which is not a large company, large partnership or large mutual association; or
	(b)	carrying on the regulated activity of operating or winding up a stakeholder pension scheme (which is not an occupational pension scheme) or personal pension scheme.	
(10)	[deleted]		
(11)	[deleted]		

(12)	Persons who, in the opinion of the FSCS, are responsible for, or have contributed to, the relevant person's (or, where applicable, a successor's) default
(13)	Large companies
(14)	Large partnerships
(15)	Persons whose claim arises from transactions in connection with which they have been convicted of an offence of money laundering.
(16)	[deleted]
(17)	Where the claim is in relation to protected non-investment insurance distribution, bodies corporate, partnerships, mutual associations and unincorporated associations which are not small businesses.
(18)	Alternative investment funds, and anyone who is the AIFM or depository of an alternative investment fund.
(19)	Large mutual associations
(20)	Where the claim is in relation to protected debt management business, any person other than a natural person.

4.2.3

R

[deleted]



4.3 Exceptions: Circumstances where a person coming within **COMP** 4.2.2R may receive compensation

4.3.1 **R** [deleted]

4.3.2 **R** [deleted]

4.3.3 **R** [deleted]

4.3.4 **R** [deleted]

4.3.5 **R** [deleted]

4.3.6 **R** **Liability subject to compulsory insurance**.....
A person who comes within *COMP* 4.2.2R is eligible to claim compensation in respect of a *liability subject to compulsory insurance* if the *claim* is in connection with *protected non-investment insurance distribution*.

Protected home finance mediation

4.3.7 **G** There are no exceptions to COMP 4.2.2R for claims made in connection with protected home finance mediation.

Eligibility to claim in specified circumstances

4.3.8 **R** The FSCS may treat a person who comes within category (7) or (12) of COMP 4.2.2 R as eligible to claim compensation where:

- (1) this is desirable to achieve the efficient performance of any of its functions, including without limitation; to achieve the efficient payment of compensation; and
- (2) treating these persons as eligible to claim compensation would, in the opinion of the FSCS, be beneficial to the generality of eligible claimants who will be affected by the action in (1).

Protected investment business

4.3.9 **R** A person is eligible to claim compensation for claims made in connection with protected investment business if, at the date at which the relevant person (or, where applicable, a successor) is deemed to be in default, he:

- (1) came within category (14) of COMP 4.2.2 R and he does not exceed the limits for a body corporate which qualifies as a small company under section 247 of the Companies Act 1985 or section 382 of the Companies Act 2006 as applicable; or
- (2) came within category (19) of COMP 4.2.2 R.



4.4 Exceptions: Relevant general insurance contracts: mesothelioma claims

Application.....

4.4.1 **R** [deleted]

Claims for contribution by responsible persons.....

4.4.2 **R** [deleted]

4.4.3 **R** [deleted]

4.4.4 **R** [deleted]

Limits to amounts payable for contribution claims.....

4.4.5 **R** [deleted]