

## Chapter 5

# Protected claims



## 5.2 What is a protected claim?

5.2.1	R	<p>A <i>protected claim</i> is:</p> <ul style="list-style-type: none"><li>(1) [deleted]</li><li>(2) [deleted]</li><li>(3) a <i>claim</i> in connection with <i>protected investment business</i> (see ■ COMP 5.5); or</li><li>(4) a <i>claim</i> in connection with <i>protected home finance mediation</i> (see ■ COMP 5.6); or</li><li>(5) a <i>claim</i> in connection with <i>protected non-investment insurance distribution</i> (see ■ COMP 5.7); or</li><li>(6) a <i>claim</i> in connection with <i>protected debt management business</i> (see ■ COMP 5.8); or</li><li>(7) a <i>claim</i> in connection with <i>protected funeral plan business</i> (see ■ COMP 5.9).</li></ul>
5.2.2	G	<p>() [deleted]</p>
5.2.3	R	<p><b>Claims in respect of Law Society members</b></p> <p>Notwithstanding ■ COMP 5.2.1 R and paragraph (1)(d) of the definition of <i>participant firm</i>, where the <i>relevant person</i> is <i>in default</i>:</p> <ul style="list-style-type: none"><li>(1) is an <i>authorised professional firm</i> that is subject to the rules of the Law Society (England and Wales) or the Law Society of Scotland; and</li><li>(2) with respect to its <i>regulated activities</i>, does not participate in the relevant society's compensation scheme:</li></ul> <p>a <i>claim</i> with respect to that <i>person</i> is only a <i>protected claim</i> if, when the basis for the <i>claim</i> arose, that <i>person</i> did not participate in the relevant society's compensation scheme with respect to its <i>regulated activities</i>.</p>
5.2.4	G	<p><b>Claims in respect of successors</b></p> <p>Where a claim for compensation is in respect of a <i>claim</i> against a <i>successor</i>, the following rules apply to the <i>relevant person</i> for whose liabilities the</p>

successor has assumed responsibility (or to such *relevant person's* activities, as the case may be):

- (1) ■ COMP 5.5.1R;
- (2) ■ COMP 5.5.2R;
- (3) ■ COMP 5.5.3R;
- (4) ■ COMP 5.6.1R;
- (5) ■ COMP 5.6.2R;
- (6) ■ COMP 5.7.2R;  
■ COMP 5.8.1R; and
- (8) ■ COMP 5.9.1R and ■ COMP 5.9.2R.