

**COMPENSATION SOURCEBOOK (AMENDMENT NO 6) INSTRUMENT 2005**

**Powers exercised**

- A. The Financial Services Authority makes this instrument in the exercise of the following powers and related provisions in the Financial Services and Markets Act 2000 (“the Act”):
- (1) section 138 (General rule-making power);
  - (2) section 156 (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 153(2) (Rule-making instruments) of the Act.

**Commencement**

- C. This instrument comes into force on 1 June 2005.

**Amendments to the Glossary**

- D. The Glossary is amended in accordance with Annex A to this instrument.

**Amendments to the Compensation sourcebook**

- E. The Compensation sourcebook is amended in accordance with Annex B to this instrument.

**Citation**

- F. This instrument may be cited as the Compensation Sourcebook (Amendment No 6) Instrument 2005.

By order of the Board  
21 April 2005

## Annex A

### Amendment to the Glossary

In this Annex underlining indicates new text.

*money-purchase benefits*

(1) (except in COMP) (in relation to an occupational pension scheme) benefits the rate or amount of which are calculated by reference to a payment or payments made by a member of the scheme.

(2) (in COMP) in relation to a member of a personal pension scheme or an occupational pension scheme or the widow or widower of a member of such a scheme, means benefits the rate or amount of which is calculated by reference to a payment or payments made by the member or by any other person in respect of the member and which are not average salary benefits.

## Annex B

### Amendments to the Compensation sourcebook

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

- 4.2.2 R Table
- ...
- (1) *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 a small business whose claim arises out of a regulated activity for which they do not have a permission).*
- ...
- (4) Pension and retirement funds, and anyone who is a trustee of such a fund. However, this exclusion does not apply to: ~~(except~~
- (a) a trustee of a personal pension scheme or a stakeholder pension scheme (which is not an occupational pension scheme); or
- (b) a trustee of a small self-administered scheme or an occupational pension scheme of an employer which is not a large company, large partnership or large mutual association.)
- ...
- (9) Bodies corporate in the same group as the relevant person in default except bodies corporate which fall within COMP 4.2.2R(4)(a) or (b).
- ...
- 12.6.2A R If a claimant has a claim as a trustee of a kind falling within COMP 4.2.2R(4)(a) or (b) for one or more members of a pension scheme (or, where relevant, the widow or widower of any member) whose benefits are money-purchase benefits, the FSCS must treat the member or members (or, where relevant, the widow or widower of any member) as having the claim, and not the claimant.