

**COMPENSATION SOURCEBOOK (DEPOSIT-TAKING FIRMS' DISCLOSURE REQUIREMENTS) INSTRUMENT 2012**

**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 157(1) (Guidance);
  - (4) section 213 (The compensation scheme); and
  - (5) 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 31 August 2012.

**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 Compensation Sourcebook (Deposit-taking Firms' Disclosure Requirements) Instrument 2012.

By order of the Board  
24 May 2012

## Annex

### Amendments to the Compensation sourcebook (COMP)

In this Annex, the text is all new and is not underlined.

After COMP 16.3, insert the following new section.

#### 16.4 Compensation information: branches and websites

##### Application

- 16.4.1 R (1) This section applies to:
- (a) a *UK domestic firm* in relation to each *branch* in the *EEA* at which it *accepts deposits*;
  - (b) an *EEA firm* or a *non-EEA firm* in relation to each *branch* in the *EEA* at which it *accepts deposits*.
- (2) In this section, references to “compensation sticker” and “compensation poster” are references to the relevant sticker and poster set out in *COMP 16 Annex 1R*.
- (3) In this section, references to “compensation leaflet” are:
- (a) in the case of a *UK domestic firm*, references to the *FSCS’s* standard leaflet with respect to its protection of *deposits*;
  - (b) in the case of an *EEA firm*, references to a leaflet with respect to the protection of *deposits* by the compensation scheme of its *Home State* where such a leaflet is provided electronically and in English by the relevant scheme or, where a leaflet is not available, a link to the *Home State* scheme’s website.

##### Branches

- 16.4.2 R A *firm* that *accepts deposits* under a single brand or trading name must prominently display the compensation sticker and compensation poster in each *branch* in the following ways:
- (1) displaying the compensation sticker or compensation poster in the *branch* window; and
  - (2) displaying:
    - (a) the compensation sticker at each cashier window or desk; and
    - (b) the compensation poster inside the *branch*.
- 16.4.3 R A *firm* that *accepts deposits* under multiple brands or trading names must prominently display the compensation sticker and compensation poster in

each *branch* in the following ways:

- (1) displaying the compensation poster in the *branch* window; and
- (2) displaying:
  - (a) the compensation sticker at each cashier window or desk; and
  - (b) the compensation poster inside the *branch*.

- 16.4.4 R Where the physical design of the *branch* means that it is not possible to comply with any of the requirements of *COMP* 16.4.2R and *COMP* 16.4.3R, a *firm* must display the compensation sticker or the compensation poster in an alternative place in the *branch* that has equal prominence.

#### Websites

- 16.4.5 R A *firm* that *accepts deposits* under a single brand or trading name must, on pages of its website where it advertises new accounts operated by any of its *branches*, in a way that best brings the information to depositors' attention:
- (1) display prominently (in electronic form) the compensation sticker; and
  - (2) provide from the sticker an electronic link to the compensation leaflet.
- 16.4.6 R A *firm* that *accepts deposits* under multiple brands or trading names must, on pages of its website where it advertises new accounts operated by any of its *branches*, in a way that best brings the information to depositors' attention:
- (1) display prominently (in electronic form) the compensation poster; and
  - (2) provide from the poster an electronic link to the compensation leaflet.
- 16.4.7 G The *FSA* considers that if information required to be disclosed under *COMP* 16.4.5R and *COMP* 16.4.6R is displayed prominently on the front page of the *firm's* website or a pop-up box upon logging on to the website, the requirement to communicate in a way that best brings the information to depositors' attention will have been satisfied.
- 16.4.8 G The *FSA* considers that a *UK domestic firm* will comply with *COMP* 16.4.2R, *COMP* 16.4.3R, *COMP* 16.4.4R, *COMP* 16.4.5R or *COMP* 16.4.6R if it displays the relevant compensation sticker and/or compensation poster produced by the *FSCS* in accordance with the requirements of those *rules*.

Request for further information

- 16.4.9 R A *firm* must immediately provide the compensation leaflet to any *person* that requests further information about deposit protection.

Language

- 16.4.10 R A *UK domestic firm* that accepts *protected deposits* through an overseas *branch* may provide the information required by this section in the local language (which may be either the compensation sticker, poster or leaflet in that language or the *firm's* own translation of that sticker, poster or leaflet).

## 16 Annex 1R Content of compensation sticker and poster

- 1 The compensation stickers must contain the following statements only:

### UK domestic firms and non-EEA firms

- (1) “Your eligible deposits with [insert name of firm] are protected up to a total of £85,000 by the Financial Services Compensation Scheme, the UK's deposit protection scheme. Any deposits you hold above the £85,000 limit are not covered.

Please ask/click here [delete as appropriate] for further information or visit [www.fscs.org.uk](http://www.fscs.org.uk).”

As an alternative, for *credit unions* that *accept deposits* under a single brand or trading name:

“Your eligible deposits are protected up to a total of £85,000 by the Financial Services Compensation Scheme, the UK's deposit protection scheme. Any deposits you hold above the £85,000 limit are not covered.

Please ask/click here [delete as appropriate] for further information or visit [www.fscs.org.uk](http://www.fscs.org.uk)”

### Incoming EEA firms

- (2) “Your eligible deposits with [insert name of firm] are protected up to a total of 100,000 euro by [insert name of compensation scheme] the [insert home state of compensation scheme] deposit protection scheme and are not protected by the UK Financial Services Compensation Scheme. Any deposits you hold above the 100,000 euro limit are not covered.

Please ask/click here [delete as appropriate] for further information or visit [insert website address of scheme].”

- 2 The compensation posters must contain the following statements only:

### UK domestic firms and non-EEA firms

- (1) Firms that *accept deposits* under a single brand or trading name

“Your eligible deposits with [insert name of firm] are protected up to a total of £85,000 by the Financial Services Compensation Scheme, the UK's deposit protection scheme. Any deposits you hold above the £85,000 limit are not covered.

Please ask/click here [delete as appropriate] for further information or visit [www.fscs.org.uk](http://www.fscs.org.uk).”

As an alternative, for *credit unions* that *accept deposits* under a single brand or trading name:

“Your eligible deposits are protected up to a total of £85,000 by the Financial Services Compensation Scheme, the UK's deposit protection scheme. Any deposits you hold above the £85,000 limit are not covered.

Please ask/click here [delete as appropriate] for further information or visit [www.fscs.org.uk](http://www.fscs.org.uk)”

(2) Firms that *accept deposits* under multiple brands or trading names

“Your eligible deposits with [insert name of firm] are protected up to a total of £85,000 by the Financial Services Compensation Scheme, the UK's deposit protection scheme. This limit is applied to the total of any deposits you have with the following: [insert names of brands as appropriate]. Any total deposits you hold above the £85,000 limit between these brands are not covered.

Please ask/click here [delete as appropriate] for further information or visit [www.fscs.org.uk](http://www.fscs.org.uk)”

### **Incoming EEA firms**

(3) *Incoming EEA firms* that *accept deposits* under a single brand or trading name

“Your eligible deposits with [insert name of firm] are protected up to a total of 100,000 euro by [insert name of compensation scheme] the [insert home state of compensation scheme] deposit protection scheme and are not protected by the UK Financial Services Compensation Scheme. Any deposits you hold above the 100,000 euro limit are not covered.

Please ask/click here [delete as appropriate] for further information or visit [insert website address of scheme].”

(4) *Incoming EEA firms* that *accept deposits* under multiple brands or trading names

“Your eligible deposits with [insert name of firm] are protected up to a total of 100,000 euro by [insert name of compensation scheme] the [insert home state of compensation scheme] deposit protection scheme and are not protected by the UK Financial Services Compensation Scheme. This limit is applied to the total of any deposits you have with the following: [insert names of brands as appropriate]. Any total deposits above the 100,000 euro

limit are not covered.

Please ask/click here [delete as appropriate] for further information or visit [insert website address of scheme].”

- 3 Each of the statements in 1 and 2 must appear as written with the first and second statements on separate lines. The second statement must appear in smaller font.