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MEDIA INFORMATION

FSCS hosts major international conference of investor compensation schemes

Responding to cross-border failures in the spotlight

Investor protection is in the spotlight today with investor compensation experts and practitioners from around the world gathering for an international seminar in London.

The Financial Services Compensation Scheme (FSCS) is hosting the closed event in London. More than 50 international investor compensation schemes are attending the event. It is focusing on investor compensation experience, including cross border failures.

Investment failures continue to be high profile in the wake of Lehman Brothers and the Keydata collapse. UK firms have paid hundreds of millions of pounds in FSCS levies in recent years for large failures.

The agenda for the day includes sessions on some of the most famous international failures of recent times, including Lehman Brothers, MF Global and Alpari to name just a few. In addition, it features issues such as the funding of compensation schemes.

Speakers include representatives of the World Bank and the Organisation of Economic Co-operation and Development.

Alex Kuczynski, FSCS Director of Corporate Affairs, said: "FSCS protects people when investment firms go bust. It's at the heart of the UK consumer protection regime. This event brings together the leading lights from investor compensation schemes around the world to share experiences and discuss topical issues. It demonstrates the important role such schemes play in protecting consumers when firms fail, supporting consumer confidence."

FSCS compensates thousands of investors every year and deals with the fallout of failures like Keydata Investment Services, MF Global and Alpari.

Notes to Editors:

1. About FSCS

FSCS was set up by Government in 2001 and is funded by the financial services industry. FSCS protects investment business, deposits, home finance (mortgage) advice, general insurance and insurance broking. FSCS can pay for financial loss if a firm is unable, or likely to be unable, to pay claims against it. The following limits apply: up to £50,000 in compensation per person per firm for investments and home finance (for claims against firms declared in default from 1 January 2010), for general insurance advice and arranging claims 90% of the claim is protected with no upper limit. Compulsory insurance is 100% (for business conducted on or after 14 January 2005). For more details visit our Insurance Limits page. FSCS is an independent body, set up under the Financial Services and Markets Act 2000 (FSMA), and does not charge individual consumers for using its services.