



Financial Services (Banking Reform) Act 2013

2013 CHAPTER 33

PART 5

REGULATION OF PAYMENT SYSTEMS

“Payment system” etc

42 Participants in payment systems etc

- (1) This section applies for the purposes of this Part.
- (2) The following persons are “participants” in a payment system—
 - (a) the operator of the payment system (see subsection (3));
 - (b) any infrastructure provider (see subsection (4));
 - (c) any payment service provider (see [F¹subsections (5) and (5A)]).(But see also subsection (8).)
- (3) “Operator”, in relation to a payment system, means any person with responsibility under the system for managing or operating it; and any reference to the operation of a payment system includes a reference to its management.
- (4) “Infrastructure provider”, in relation to a payment system, means any person who provides or controls any part of the infrastructure used for the purposes of operating the payment system.
- (5) “Payment service provider”, in relation to a payment system, means any person who provides services to persons who are not participants in the system for the purposes of enabling the transfer of funds using the payment system.

[F²(5A) “Payment service provider” in relation to a payment system that includes arrangements using digital settlement assets means—

Changes to legislation: There are currently no known outstanding effects for the Financial Services (Banking Reform) Act 2013, Section 42. (See end of Document for details)

- (a) a person responsible for managing the issuance and redemption of digital settlement assets;
 - (b) a person whose business or occupation is to safeguard, or to safeguard and administer digital settlement assets, including their private cryptographic keys (or means of access);
 - (c) a digital settlement asset exchange provider;
 - (d) a person who—
 - (i) sets rules, standards, or conditions of access or participation in relation to the system, or
 - (ii) provides any service that facilitates, or supports, a transfer of money or digital settlement assets to be made using the system, including any infrastructure provider in relation to the system.]
- (6) A payment service provider has “direct access” to a payment system if the payment service provider is able to provide services for the purposes of enabling the transfer of funds using the payment system as a result of arrangements made between the payment service provider and the operator of the payment system.
- (7) Any reference to participation in a payment system is to be read in accordance with this section, and in particular—
- (a) in the case of an operator of a payment system, includes a reference to developing the system, and
 - (b) in the case of a payment service provider with direct access to a payment system, includes a reference to entering into an agreement with a person to enable the person to become a payment service provider in relation to the system.
- (8) The Bank of England is not to be regarded as a participant of any kind in any payment system.

Textual Amendments

- F1** Words in s. 42(2)(c) substituted (29.8.2023) by [Financial Services and Markets Act 2023 \(c. 29\)](#), s. 86(2)(a), [Sch. 6 para. 42\(2\)](#)
- F2** [S. 42\(5A\)](#) inserted (29.8.2023) by [Financial Services and Markets Act 2023 \(c. 29\)](#), s. 86(2)(a), [Sch. 6 para. 42\(3\)](#)
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Commencement Information

- I1** S. 42 in force at 1.3.2014 by [S.I. 2014/377](#), art. 2(1)(a), [Sch. Pt. 1](#)

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