

The Association of Corporate Treasurers

Comments in response to

Financial stability and depositor protection

Consultation by Bank of England, HM Treasury, FSA
January 2008

February 2008

The Association of Corporate Treasurers (ACT)

The ACT is a professional body for those working in corporate treasury, risk and corporate finance. Further information is provided at the end of these comments and on our website www.treasurers.org.

Contact details are also at the end of these comments.

We have canvassed the opinion of our members through our Policy and Technical Committee and Payments Working Group.

General

We appreciate the opportunity to contribute to this consultation process.

This document is on the record and may be freely quoted or reproduced with acknowledgement.

Response

In our response to the discussion paper on this topic issued in October 2007, The ACT agreed that the Government's overall objectives for the financial system should be stability, competitiveness and consumer confidence. Our key focus remains on business and corporate customers who need continued access to banking services - especially payment services - in the event of bank financial distress. We did not address the issue of retail deposit protection.

In this consultation you have made some outline proposals on a new oversight regime for payments which you suggest would be 'clear and robust..[and]..sufficiently flexible' to 'take on [the] oversight responsibilities'. It is difficult for us to comment given the lack of precision and we welcome the intention to enable a full discussion of the detailed proposals in a subsequent consultation

Our members interact with a wide variety of financial and payment service providers and will be keenly interested in the development of the Government's thinking. The ACT would be pleased to engage in discussions with whichever agency is considered most appropriate as the oversight body on these matters.

The Association of Corporate Treasurers

The ACT is the international body for finance professionals working in treasury, risk and corporate finance. Through the ACT we come together as practitioners, technical experts and educators in a range of disciplines that underpin the financial security and prosperity of an organisation.

The ACT defines and promotes best practice in treasury and makes representations to government, regulators and standard setters.

We are also the world's leading examining body for treasury, providing benchmark qualifications and continuing development through training, conferences, publications, including *The Treasurer* magazine and the annual *Treasurer's Handbook*, and online.

Our 3,600 members work widely in companies of all sizes through industry, commerce professional service firms.

Further information is available on our website (below).

Our policy with regards to policy and technical matters is available at <http://www.treasurers.org/technical/resources/manifestoMay2007.pdf>.

<p>Contacts: John Grout, Policy and Technical Director (020 7847 2575; jgrout@treasurers.org) Martin O'Donovan, Assistant Director, Policy and Technical (020 7847 2577; modonovan@treasurers.org) Peter Matza, Policy and Technical Officer (020 7847 2576; pmatza@treasurers.org)</p>	<p>The Association of Corporate Treasurers 51 Moorgate London EC2R 6BH, UK</p> <p>Telephone: 020 7847 2540 Fax: 020 7374 8744 Website: http://www.treasurers.org</p>
--	--

The Association of Corporate Treasurers is a company limited by guarantee in England under No. 1445322 at the above address