



# HM TREASURY

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Ian Davison

By email to:  
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## Information Rights Unit

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Our ref: IRU/9/312

11 May 2009

Dear Mr Davison,

## FREEDOM OF INFORMATION ACT REQUEST: KAUPTHING, SINGER & FRIEDLANDER

Thank you for your email of 7 April 2009 asking for information under the Freedom of Information Act 2000 ('the Act'). We received your request on 8 April. You asked for:

'... precise details of the basis upon which Dave Whelan was refunded his considerable deposit with KSF UK.

If a claim was made for compensation and payment was made through the FSCS, on what basis precisely.'

Information relating to the financial affairs of individuals is personal data. The Treasury considers that to reveal whether or not they hold information in relation to the financial affairs of Mr Whelan, or any other individual, would breach the first data protection principle – that information be processed fairly and lawfully. In accordance with section 40(5)(b)(i) of the Freedom of Information Act we are therefore unable to confirm or deny whether the Treasury holds information falling within the scope of your request.

While we are unable to confirm or deny whether or not details are held in relation to particular individuals we are happy to explain the process for dealing with claims from depositors of Kaupthing Singer & Friedlander (KSF).

KSF is a UK-based banking subsidiary of the Icelandic bank Kaupthing and is regulated by the Financial Services Authority (FSA). On 8<sup>th</sup> October 2008 the FSA determined that KSF no longer met its threshold conditions, and was unlikely to be able to continue to meet its obligations to depositors. The FSA, in the exercise of its regulatory functions, concluded that KSF was in default for the purposes of the Financial Services Compensation Scheme (FSCS). The Treasury has used the Banking (Special Provisions) Act 2008 to ensure a resolution that preserves financial stability and provides protection and continuity for depositors.

KSF's Edge deposit business has been transferred to ING Direct, a wholly-owned subsidiary of ING Group. The transfer of the retail deposit accounts has been backed by HM Treasury and the FSCS.



Following due legal process, the remainder of KSF's business was put into administration. Any retail depositors eligible to claim under the FSCS whose accounts have not been transferred to ING Direct are being paid out in full through the FSCS.

The FSCS is independent of the Treasury and has sole responsibility for determining whether a depositor meets the necessary eligibility criteria under its rules. The FSCS is also responsible for determining the priority with which eligible claimants are paid out.

The FSCS has sent out compensation claim forms to all KSF savers who did not transfer to ING Direct that they have records for. The FSCS claims teams have been processing the application forms received back from savers. The priority is to pay eligible retail depositors their compensation as quickly as possible after receiving a completed application. Eligible depositors of KSF have been getting their money back. However, as indicated above, we cannot confirm or deny whether applications have been received or processed for particular individuals.

### **Timeliness of this response**

You wrote to us today suggesting that a response to this request was late. However, the 20-day limit for responses set in the Freedom of Information Act applies in relation to working days. In this instance there have been three bank holidays in period since you made your request, thus the final reply date has moved back to take account of this.

If you have any queries about this letter, please contact us at the email account given in the header to this letter. It would help us, if you could remember to quote the IRU reference number (also in the header) in any future communications.

Yours sincerely,

**Information Rights Unit  
For HM Treasury**

### **Your Rights to Complain under the FOI Act**

If you are not happy with this response, you may request a review by writing to HM Treasury, Information Rights Unit, 2/S2, 1 Horse Guards Road, London SW1A 2HQ. Email [FOI.responses@hm-treasury.gov.uk](mailto:FOI.responses@hm-treasury.gov.uk)

Any review request must be made within 2 months of the date of this letter.

It would assist our review if you set out which aspects of the reply concern you and why you are dissatisfied.

If you are not content with the outcome your complaint, you may apply directly to the Information Commissioner for a decision. Generally, the ICO cannot make a decision unless you have exhausted the complaints procedure provided by the Treasury. The Information Commissioner can be contacted at: The Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow, Cheshire SK9 5AF.