



HM TREASURY

1 Horse Guards Road London SW1A 2HQ

Information Rights Unit

Malcolm Smith

Tel: 0207 270 4558

Fax: 0207 270 4861

Via e-mail:

Request-13625-

a78cof19@whatdotheyknow.com

www.hm-treasury.gov.uk

FOI.responses@hm-treasury.gsi.gov.uk

Ref: 9/527

10th July 2009

Dear Mr Smith,

Freedom of Information Act 2000: IOM Compensation

Thank you for your enquiry dated 12th June 2009. I am treating your request as a request under the Freedom of Information Act 2000 (the Act).

2. You asked what requests for assistance have been received from Isle of Man Government relating to compensation of account holders with Kaupthing, Singer and Friedlander (IOM) (KSF IoM).

3. Following a search of our electronic records, I confirm that, whilst we hold information on communications between the UK Government and the Isle of Man Government, we do not hold information that falls within the scope of your request.

4. Whilst we do not hold the information you requested, it may be helpful to you if I set out some background information. Arrangements for depositors in banks in the Isle of Man are a matter for the Government of the Isle of Man. As KSF IoM has been put into liquidation the Depositors Compensation Scheme (DCS) has been triggered. Deposits with KSF IoM may be eligible for the DCS. The Joint Provisional Liquidators have noted that they are working with the manager of the DCS to ensure that payments are made to creditors as soon as practically possible. Furthermore the IoM Government has stated that it will work to support the liquidation and DCS process with a view to expediting the repayment of depositors. We are also aware that since the beginning of the year, the IoM Government introduced and funded Early Payment Schemes to provide advance payment of up to £10,000 for depositors. The IoM Authorities have noted that more than £60 million has already been paid out under these schemes. Further information is available on the Isle of Man's website: http://www.gov.im/cso/faq_gfs.xml and KSF IOM website: <http://www.kaupthingsingers.co.uk/Pages/4102>.

5. Further information about the DCS, and eligibility for the scheme, is available on the Isle of Man Government's website at: http://www.gov.im/fsc/investor/dep_comp.xml



INVESTOR IN PEOPLE

6. At the Treasury Select Committee hearing on the protection of UK citizens investing funds in non-UK jurisdictions, on the 3rd February 2009 the Isle of Man Authorities were asked whether the Isle of Man has the resources to payout up to £50,000 per depositor required under its compensation scheme. The Chief Minister of the Isle of Man responded that the Isle of Man is satisfied that they have the resources to deal with this. The UK Parliamentary website gives you access to the transcript of this sessions.
http://www.parliament.uk/parliamentary_committees/treasury_committee/bankingcrisis.cfm.

7. If you have any queries about this letter, please contact me. It will be helpful to us if you remember to quote the reference number above in any future communications.

Ashley Britten
Information Rights Unit
HM Treasury

Your right to complain under the Freedom of Information Act 2000

If you are not happy with this reply, 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

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.