



Insurance Companies Act 1981

1981 CHAPTER 31

PART III

MISCELLANEOUS AND GENERAL

30 Industrial assurance-apportionment

In section 72(9) of the 1974 Act (special report by auditor on certain apportionments between industrial assurance business and other business) for the words from "expenses" to "apportioned" there shall be substituted the words "apportionment is made" and after the word "company" there shall be inserted the words "in respect of management expenses, income from investments, gains or losses on the disposal of investments, appreciation or depreciation in the value of investments, or taxation".

31 Lloyd's underwriters-financial resources

- (1) Subject to such modifications as may be prescribed by regulations under the 1974 Act, and to any determination made by the Secretary of State in accordance with such regulations, sections 26A, 26B and 26D of that Act shall apply to the members of Lloyd's taken together as they apply to an insurance company to which Part II of that Act applies and whose head office is in the United Kingdom.
- (2) The powers conferred on the Secretary of State by sections 30 to 33, 36 and 37 of the 1974 Act shall be exercisable in relation to the members of Lloyd's if there is a breach of an obligation imposed by virtue of subsection (1) above.

32 Lloyd's underwriters-transfers of business

- (1) Sections 25 and 26 above and sections 42 and 43 of the 1974 Act shall apply in relation to transfers to and from members of Lloyd's if, and only if, the conditions specified in subsection (2) below are satisfied.
- (2) The conditions referred to in subsection (1) above are—

Status: This is the original version (as it was originally enacted).

- (a) that the transfer is not one where both the transferor and the transferee are members of Lloyd's;
 - (b) that the Committee of Lloyd's have by resolution authorised one person to act in connection with the transfer for the members concerned as transferor or transferee ;
 - (c) that a copy of the resolution has been given to the Secretary of State.
- (3) Where sections 25 and 26 above or sections 42 and 43 of the 1974 Act apply in relation to a transfer to or from members of Lloyd's, they shall apply as if—
- (a) references to insurance companies to which Part II of the 1974 Act applies, or to persons authorised under section 3 or 4 of this Act, included references to members of Lloyd's; and
 - (b) anything done in connection with the transfer by the person authorised in accordance with subsection (2)(b) above had been done by the members for whom he acted.

33 Regulations

- (1) In section 78 of the 1974 Act, at the end of subsection (3) there shall be added the words " and for the purposes of different enactments ".
- (2) In section 86 of the 1974 Act, after subsection (1) there shall be inserted—
- “(1A) Regulations under this Act may make different provision for cases of different descriptions.”

34 Insurance business

For the purposes of this Act and the 1974 Act " insurance business " includes—

- (a) the effecting and carrying out, by a person not carrying on a banking business, of contracts for fidelity bonds, performance bonds, administration bonds, bail bonds or customs bonds or similar contracts of guarantee, being contracts effected by way of business (and not merely incidentally to some other business carried out by the person effecting them) in return for the payment of one or more premiums ;
- (b) the effecting and carrying out of tontines ;
- (c) the effecting and carrying out, by a body (not being a body carrying on a banking business) that carries on business which is insurance business apart from this paragraph, of—
 - (i) capital redemption contracts;
 - (ii) contracts to manage the investments of pension funds (other than funds solely for the benefit of its own officers or employees and their dependants or, in the case of a company, partly for the benefit of those persons and partly for the benefit of officers or employees and their dependants of its subsidiary or holding company or a subsidiary of its holding company);
- (d) the effecting and carrying out of contracts to pay annuities on human life.

35 Interpretation

- (1) In this Act—

" the 1974 Act" means the Insurance Companies Act 1974;

" holding company " shall be construed in accordance with section 154 of the Companies Act 1948 or section 148 of the Companies Act (Northern Ireland) 1960;

" supervisory authority ", in relation to a member State other than the United Kingdom, means the authority responsible in that State for supervising insurance companies;

" vessel " includes hovercraft.

- (2) Except where the context otherwise requires, expressions used in this Act and in the 1974 Act have the same meanings in this Act as in that Act.

36 Minor and consequential amendments and repeals

- (1) Schedule 4 to this Act shall have effect.
- (2) The enactments mentioned in Part I of Schedule 5 to this Act (which include spent enactments) are hereby repealed to the extent specified in the third column of that Schedule and the instruments mentioned in Part II of that Schedule are hereby revoked.

37 Commencement

- (1) This Act shall come into force on such day as the Secretary of State may appoint by order made by statutory instrument, and different days may be so appointed for different purposes.
- (2) An order under this section may contain such savings and transitional provisions as appear to the Secretary of State to be necessary or expedient.

38 Short title and extent

- (1) This Act may be cited as the Insurance Companies Act 1981.
- (2) This Act extends to Northern Ireland.