



# Insurance Companies Act 1982

## 1982 CHAPTER 50

### PART I

#### RESTRICTION ON CARRYING ON INSURANCE BUSINESS

##### *Preliminary*

#### **1 Classification**

- (1) For the purposes of this Act insurance business is divided into long term business and general business; and—
  - " long term business " means insurance business of any of the classes specified in Schedule 1 to this Act, and
  - " general business " means insurance business of any of the classes specified in Part I of Schedule 2 to this Act.
- (2) For the purposes of this Act the effecting and carrying out of a contract whose principal object is within one class of insurance business, but which contains related and subsidiary provisions within another class or classes, shall be taken to constitute the carrying on of insurance business of the first-mentioned class, and no other, if subsection (3) or (4) below applies to the contract
- (3) This subsection applies to a contract whose principal object is within any class of long term business but which contains subsidiary provisions within general business class 1 or 2 if the insurer is authorised under section 3 or 4 below to carry on long term business class I.
- (4) This subsection applies to a contract whose principal object is within one of the classes of general business but which contains subsidiary provisions within another of those classes, not being class 14 or 15.

#### **2 Restriction on carrying on insurance business**

- (1) Subject to the following provisions of this section, no

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*Status: This is the original version (as it was originally enacted).*

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person shall carry on any insurance business in the United Kingdom unless authorised to do so under section 3 or 4 below.

- (2) Subsection (1) above shall not apply to insurance business (other than industrial assurance business) carried on—
- (a) by a member of Lloyd's; or
  - (b) by a body registered under the enactments relating to friendly societies; or
  - (c) by a trade union or employers' association where the insurance business carried on by the union or association is limited to the provision for its members of provident benefits or strike benefits.

In this subsection "trade union" and "employers' association" have (throughout the United Kingdom) the meanings assigned to them by section 28 of the Trade Union and Labour Relations Act 1974.

- (3) Subsection (1) above shall not apply to industrial assurance business carried on by a friendly society registered under the enactments relating to such societies.
- (4) Subsection (1) above shall not apply to general business of class 14, 15, 16 or 17 if it is carried on solely in the course of carrying on, and for the purposes of, banking business.
- (5) Subsection (1) above shall not apply to general business consisting in the effecting and carrying out, by an insurance company that carries on no other insurance business, of contracts of such descriptions as may be prescribed, being contracts under which the benefits provided by the insurer are exclusively or primarily benefits in kind.