

*These notes refer to the Financial Services and Markets Act
2000 (c.8) which received Royal Assent on 14 June 2000*

FINANCIAL SERVICES AND MARKETS ACT 2000

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part Xxiv: Insolvency

Administration orders

Section 360: Insurers

642. At present, the law prohibits insurance companies from being put into administration. When insolvency law first made provisions for administration in 1985, it was not clear whether this procedure would be appropriate for such companies, given the special nature of insurance business. Experience has shown that it may be helpful to make this option available, so this section gives the Treasury the power to make an order removing the prohibition in relation to insurers. “Insurers” for these purposes will be defined in regulations made by the Treasury.