

1990 No. 1160

**INSURANCE**

**The Insurance Companies (Legal Expenses Insurance)  
(Application for Authorisation) Regulations 1990**

<i>Made - - - -</i>	<i>29th May 1990</i>
<i>Laid before Parliament</i>	<i>31st May 1990</i>
<i>Coming into force</i>	<i>21st June 1990</i>

The Secretary of State, in exercise of the powers conferred on him by sections 5(1)(a) and 97 of the Insurance Companies Act 1982(a) and of all other powers enabling him in that behalf, hereby makes the following Regulations:—

**Citation and commencement**

1. These Regulations may be cited as the Insurance Companies (Legal Expenses Insurance) (Application for Authorisation) Regulations 1990 and shall come into force on 21st June 1990.

**Information required in certain cases where new authorisation sought**

2.—(1) These Regulations apply where an insurance company—

- (a) is authorised to carry on one or more classes of general insurance business other than class 17 (legal expenses insurance) and by virtue of that authorisation effects and carries out (otherwise than by way of reinsurance) contracts which contain related and subsidiary provisions within class 17, and
- (b) as a result of the Insurance Companies (Legal Expenses Insurance) Regulations 1990(b) will, as from 1st July 1990, require authorisation for class 17 in order to carry out and effect such contracts.

(2) If in such a case the insurance company applies before 1st July 1990 for authorisation for class 17 and re-authorisation for the classes of business which it is already authorised to carry on, the information to be submitted pursuant to section 5(1) of the Insurance Companies Act 1982 may (instead of that required by regulation 29 of and Schedule 5 to the Insurance Companies Regulations 1981(c)) be that specified in the Schedule to these Regulations.

(3) In the Schedule—

- Part I is appropriate for a company whose head office is in the United Kingdom,
- Part II is appropriate for a company whose head office is in a member State other than the United Kingdom, and
- Part III is appropriate for a company whose head office is not in a member State.

*John Redwood*  
Parliamentary Under-Secretary of State,  
Department of Trade and Industry

29th May 1990

# SCHEDULE

regulation 2(3)

## PART I

### UNITED KINGDOM COMPANIES

#### **The Company**

1. Name of company applying for authorisation, and name in which present authorisation was granted if different.

#### **Authorisations to be continued**

2. Particulars of classes of insurance business for which the company is already authorised in the United Kingdom and which it wishes to be included in the new authorisation.

#### **Evidence of carrying on of relevant business**

3. Copies of documents evidencing that the company effects and carries out contracts the principal object of which is within a class of general business other than class 17 and which contain related and subsidiary provisions within class 17.

#### **Statement of margin of solvency**

4. A statement showing the expected margin of solvency of the company at the date of application, after application of the provisions of Part V of the Insurance Companies Regulations 1981 (valuation of assets), and how that has been calculated.

## PART II

### NON-UK COMMUNITY COMPANIES

#### **The company**

1. Name of company applying for authorisation, and name in which present authorisation was granted if different.

#### **Authorisations to be continued**

2. Particulars of classes of insurance business for which the company is already authorised in the United Kingdom and which it wishes to be included in the new authorisation.

#### **Evidence of carrying on of relevant business**

3. Copies of documents evidencing that the company effects and carries out in the United Kingdom contracts the principal object of which is within a class of general business other than class 17 and which contain related and subsidiary provisions within class 17.

#### **Statement from head office supervisor**

4. A statement from the supervisory authority in the member State in which the company has its head office—

- (a) stating the classes of insurance business which the company is authorised to carry on in that member State and specifying the risks covered there, and
- (b) declaring that the company has the required solvency margin or minimum guarantee fund.

## PART III

### EXTERNAL COMPANIES

#### **The company**

1. Name of company applying for authorisation, and name in which present authorisation was granted if different.

#### **Authorisations to be continued**

2. Particulars of classes of insurance business for which the company is already authorised in the United Kingdom and which it wishes to be included in the new authorisation.

**Evidence of carrying on of relevant business**

3. Copies of documents evidencing that the company effects and carries out in the United Kingdom contracts the principal object of which is within a class of general business other than class 17 and which contain related and subsidiary provisions within class 17.

**Statement from head office supervisor**

4. A statement from the supervisory authority in the country in which the company has its head office stating the classes of insurance business which the company is authorised to carry on in that country.

**Statement of margin of solvency**

5. A statement showing the expected margin of solvency of the company at the date of application, after application of the provisions of Part V of the Insurance Companies Regulations 1981 (valuation of assets), and how that has been calculated.

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**EXPLANATORY NOTE**

*(This note is not part of the Regulations)*

These Regulations modify for certain insurance companies the information required to accompany an application for authorisation under section 3 of the Insurance Companies Act 1982. Insurance companies which carry on legal expenses insurance business (class 17) as an ancillary to another class of general business without a separate authorisation for class 17th May (before 1st July 1990) apply for authorisation for class 17 (and reauthorisation for the classes of business for which they are presently authorised) and are permitted to supply the information specified in the Schedule to these Regulations, in place of that specified in Schedule 5 to the Insurance Companies Regulations 1981. Such separate authorisation is necessary by virtue of the amendment to the Insurance Companies Act 1982 made by the Insurance Companies (Legal Expenses Insurance) Regulations 1990 (S.I. 1990/1159).