
STATUTORY INSTRUMENTS

1991 No. 538

FINANCIAL SERVICES

The Financial Services Act 1986 (Restriction of Right of Action)(Friendly Societies) Regulations 1991

<i>Made</i>	- - - -	<i>7th March 1991</i>
<i>Laid before Parliament</i>		<i>8th March 1991</i>
<i>Coming into force</i>	- -	<i>1st April 1991</i>

The Chief Registrar of Friendly Societies, in exercise of his powers under paragraph 22A of Schedule 11 to the Financial Services Act 1986⁽¹⁾ and of all other powers enabling him in that behalf, and having consulted those persons he is required to consult by virtue of sub paragraph (4) of paragraph 22A hereby makes the following Regulations:

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the Financial Services Act 1986 (Restriction of Right of Action) (Friendly Societies) Regulations 1991 and shall come into force on 1st April 1991.

(2) In these Regulations “the Act” means the Financial Services Act 1986.

Definition of private investor

2. For the purposes of paragraph 22A of Schedule 11 to the Act, the expression private investor means an individual who is neither an authorised person under Chapter III nor an exempted person under Chapter IV of Part I of the Act.

Circumstances in which action may be brought at suit of person other than private investor

3. The following circumstances are specified for the purposes of paragraph 22A(1) of Schedule 11 to the Act as being circumstances in which action may be brought at the suit of a person other than a private investor—

- (a) circumstances in which an individual who is an authorised person under Chapter III or an exempted person under Chapter IV of Part I of the Act suffers a loss otherwise than in the course of investment business carried on by him;

(1) 1986 c. 60; paragraph 22A was inserted into Schedule 11 to the Financial Services Act 1986 by section 193 of the Companies Act 1989 (c. 40).

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

- (b) circumstances in which there is or has been a contravention of any prohibition or requirement imposed under Chapter VI of Part I of the Act as it applies by virtue of paragraph 23 of Schedule 11 to the Act;
- (c) circumstances in which there is or has been a contravention of any requirement imposed under paragraph 24 of Schedule 11 to the Act;
- (d) circumstances in which the contravention in question is a contravention of any rule, regulation, condition or requirement prohibiting a person from seeking to make provision excluding or restricting any duty or liability.

7th March 1991

J M Bridgeman
Chief Registrar of Friendly Societies

EXPLANATORY NOTE

(This note is not part of the Regulations)

Paragraph 22A of Schedule 11 to the Financial Services Act 1986 was inserted into the Act by section 193 of the Companies Act 1989 in order to restrict in general to a private investor the right of a person who could bring an action in relation to an investment in a friendly society under paragraph 22 of Schedule 11 to the Financial Services Act 1986.

Paragraph 22A of Schedule 11 to the Financial Services Act 1986 gives the Chief Registrar power to define the expression “private investor” for this purpose. Regulation 2 defines a private investor as an investor who is neither an “authorised person” under Chapter III, nor an “exempted person” under Chapter IV of Part I of the Act.

Paragraph 22A also gives the Chief Registrar power to specify circumstances in which a person other than a private investor can bring an action under paragraph 22 in relation to an investment in a friendly society. Regulation 3 specifies four such circumstances.