
STATUTORY INSTRUMENTS

2001 No. 3649

The Financial Services and Markets Act 2000
(Consequential Amendments and Repeals) Order 2001

PART 7

ENACTMENTS RELATING TO SCOTLAND

CHAPTER II

secondary legislation

The Local Government Pension Scheme (Scotland) Regulations 1998 (S.I. 1998/366)

Meaning of “authorised insurer” and “relevant institution”

251.—(1) Regulation 4(16)(1) of the Local Government Pension Scheme (Scotland) Regulations 1998 (agreements to enable employees of non-Scheme employers to be members (“admission agreements”)) is amended as follows.

(2) For sub-paragraph (a) substitute—

“(a) “authorised insurer” means—

(i) a person who has permission under Part 4 of the Financial Services and Markets Act 2000 to effect or carry out contracts of general insurance; or

(b) an EEA firm of the kind mentioned in paragraph 5(d) of Schedule 3 to that Act, which has permission under paragraph 15 of that Schedule (as a result of qualifying for authorisation under paragraph 12 of that Schedule) to effect or carry out contracts of general insurance, and the expressions used in this definition must be read with section 22 of the Financial Services and Markets Act 2000, any relevant order under that section and Schedule 2 to that Act.”.

(3) For sub-paragraph (e) substitute—

“(e) “relevant institution” means—

(i) a person who has permission under Part 4 of the Financial Services and Markets Act 2000 accept deposits;

(ii) a person who is exempt from the general prohibition in respect of accepting deposits as a result of an exemption order made under section 38(1) of that Act;

(iii) an EEA firm of the kind mentioned in paragraph 5(b) of Schedule 3 to that Act which has permission under paragraph 15 of that Schedule to accept deposits as a result of satisfying the establishment conditions within the meaning of that Schedule,

and the expressions used in this definition must be read with section 22 of the Financial Services and Markets Act 2000, any relevant order under that section and Schedule 2 to that Act.”.

Actionable loss arising from pensions mis-selling

252. In regulation 6(9) of the Local Government Pension Scheme (Scotland) Regulations 1998 (joining the Scheme), after the words “section 62 of the Financial Services Act 1986” add “or section 150 of the Financial Services and Markets Act 2000”.

Appropriate annuity contracts etc.

253.—(1) Regulation 145(2) of the Local Government Pension Scheme (Scotland) Regulations 1998 (qualifying arrangements) is amended as follows.

(2) In paragraph (2), for sub-paragraph (a) substitute—

“(a) effects or carries out contracts of long-term insurance in the United Kingdom or any other member State; and”.

(3) For paragraph (3) substitute—

“(3) Paragraph (2)(a) must be read with—

- (a) section 22 of the Financial Services and Markets Act 2000;
- (b) any relevant order made under that section; and
- (c) Schedule 2 to that Act.”.

Definition of terms

254.—(1) Schedule 1 to the Local Government Pension Scheme (Scotland) Regulations 1998 (interpretation) is amended as follows.

(2) In the definition of “AVC insurance company”—

(a) for paragraphs (a) and (b) substitute—

- “(a) a person who has permission under Part 4 of the Financial Services and Markets Act 2000 to effect or carry out contracts of long-term insurance;
- (b) an EEA firm of the kind mentioned in paragraph 5(d) of Schedule 3 to that Act, which has permission under paragraph 15 of that Schedule (as a result of qualifying for authorisation under paragraph 12 of that Schedule) to effect or carry out contracts of long-term insurance; or”

(b) for the words after the end of paragraph (c) substitute—

“and paragraphs (a) and (b) of this definition must be read with section 22 of the Financial Services and Markets Act 2000, any relevant order under that section and Schedule 2 to that Act.”.

(3) In the definition of “the Reference banks”—

(a) for the words from “seven largest institutions” to the end of the definition substitute—
“seven largest persons for the time being who—

- (a) have permission under Part 4 of the Financial Services and Markets Act 2000 to accept deposits;

- (b) are incorporated in and carrying on in the United Kingdom a regulated activity of accepting deposits; and
- (c) quote a base rate in sterling,
and in this definition—
 - the size of a person at any time is to be determined by reference to the gross assets denominated in sterling of that person, together with any subsidiary (as defined in section 736 of the Companies Act 1985), as shown in the audited end-of-year accounts last published before that time; and
 - the reference to accepting deposits must be read with section 22 of the Financial Services and Markets Act 2000, any relevant order under that section and Schedule 2 to that Act;”.

(4) In the definition of “open ended investment company”⁽³⁾ for the words “section 75(8) of the Financial Services Act 1986” substitute “section 236 of the Financial Services and Markets Act 2000”.

(3) The definition of “open ended investment company” was substituted by [S.S.I. 2000/74](#), regulation 6(2).