

SCHEDULE 2

Amendments to the Insurance Accounts Directive (Miscellaneous Insurance Undertakings) Regulations 2008

10. After regulation 9 insert—

“Application to court to remove auditor from office

9A.—(1) The Financial Reporting Council Limited⁽¹⁾ may apply to the High Court for an order removing an auditor of an insurance undertaking from office if the Council considers that there are proper grounds for removing the auditor from office.

(2) The members of an insurance undertaking may apply to the High Court for an order removing an auditor of the undertaking from office if the applicant or applicants consider that there are proper grounds for removing the auditor from office.

(3) If the court is satisfied, on hearing an application under paragraph (1), that there are proper grounds for removing the auditor from office, it may make an order removing the auditor from office.

(4) If the court is satisfied, on hearing an application under paragraph (2), that—

(a) the applicants represent in total—

(i) not less than 5% of the voting rights of all the members for the time being entitled to vote at a general meeting of the insurance undertaking, or

(ii) not less than 5% in nominal value of any share capital of the insurance undertaking as shown by the latest balance sheet, and

(b) there are proper grounds for removing the auditor from office,

the court may make an order removing the auditor from office.

(5) For the purposes of this regulation, divergence of opinions on accounting treatments or audit procedures are not to be taken to be proper grounds for removing an auditor from office.

(6) In the application of this regulation to an insurance undertaking whose principal place of business is in Scotland or Northern Ireland, references to the High Court are to be read as references to the Court of Session or, as the case may be, the High Court in Northern Ireland.”.

(1) A company registered in England and Wales with number 02486368.