

SCHEDULE 4

CONFIRMATION BY COMMISSION OF TRANSFERS OF ENGAGEMENTS

Supplemental

7. For paragraph 18 of that Schedule (interpretation) substitute—

“**18.**—(1) In this Part of this Schedule expressions used which are defined in the Insurance Companies Act 1982 but are not defined for the purposes of this Part of this Schedule have the same meaning as they have for the purposes of that Act.

(2) In this Part of this Schedule—

“policy” means a contract (other than a contract of reinsurance) the effecting of which by a friendly society to which section 37(2) or (3) above applies constituted the carrying on of insurance business of any class;

“policy holder” means a member whose contract with such a society is a contract the effecting of which by the society constituted the carrying on of insurance business (other than reinsurance business) of any class;

“relevant requirement”, with reference to this Act or the rules of a friendly society, means a requirement of this Part of this Act or of any rules prescribing the procedure to be followed by the society in approving or effecting an amalgamation or transfer of engagements or its conversion into a company.

(3) A policy which evidences a contract of direct insurance is an “EFTA policy” for the purposes of this Part of this Schedule if—

(a) it covers a risk or commitment in an EFTA State and the transferee is a friendly society to which section 37(2) or (3) above applies, a UK or EC company or a non-EC company whose head office is in an EFTA State; or

(b) it covers a risk or commitment situated in a member State and the transferee is a non-EC company whose head office is in an EFTA State.”.