
STATUTORY INSTRUMENTS

2001 No. 3649

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

PART 3

ENACTMENTS RELATING TO PENSIONS

Pension Schemes Act 1993 (c. 48)

Discharge of liability where guaranteed minimum pension secured by insurance policies or annuity contracts

116.—(1) Section 19 of the Pension Schemes Act 1993 (discharge of liability where guaranteed minimum pension secured by insurance policies or annuity contracts) is amended as follows.

(2) In subsection (4)(a)—

- (a) for “insurance company” substitute “insurer”; and
- (b) in sub-paragraph (i), the word “ordinary” is repealed.

(3) Subsection (7) is repealed.

Ways of giving effect to the protected rights: the pension and annuity requirements

117.—(1) Section 29 of the Pension Schemes Act 1993 (the pension and annuity requirements) is amended as follows.

(2) In subsection (3)(b)(1) for “insurance company” substitute “insurer”.

(3) In subsection (4)(2), for “insurance company”, in both places, substitute “insurer”.

Discharge of protected rights on winding up: insurance policies

118. In section 32A(3) of the Pension Schemes Act 1993 (discharge of protected rights on winding up: insurance policies), in subsection (2)(a)—

- (a) for “insurance company” substitute “insurer”; and
- (b) in sub-paragraph (i), the word “ordinary” and the words “(within the meaning of the Insurance Companies Act 1982)” are repealed.

Alteration of rules of appropriate schemes: permitted form of scheme

119.—(1) Section 38 of the Pensions Schemes Act 1993 (alteration of rules of appropriate schemes: permitted forms) is amended as follows.

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- (1) Section 29(3)(b) was amended by the Pensions Act 1995 (c. 26) s. 144(3), (4).
 - (2) Section 29(4) was amended by the Pensions Act 1995 (c. 26) s. 144(3), (4).
 - (3) Section 32A was inserted by the Pensions Act 1995 (c. 26) s. 146(1).

(2) In subsection (6), in paragraph (b) for the words from “has” to the end substitute “is an authorised unit trust scheme”.

(3) After that subsection, insert—

“(6A) “Authorised unit trust scheme” has the meaning given in Part 17 of the Financial Services and Markets Act 2000 and includes any scheme which is, as a result of an order made under section 426 of that Act making transitional provisions, treated as falling within that meaning.”.

Entitlement to guaranteed minimum pensions: treatment of entitlements

120. In section 47(3)(d) of the Pension Schemes Act 1993 (Further provisions concerning entitlement to guaranteed minimum pensions for the purposes of section 46), for “Policyholders Protection Act 1975” substitute “Financial Services Compensation Scheme”.

Ways of taking rights to cash equivalent: members of occupational pension schemes

121. In section 95(2)(c) of the Pension Schemes Act 1993 (ways of taking rights to cash equivalent) for “insurance companies” substitute “insurers”.

Cash equivalent: authorised purposes for transfer notice

122. In section 101F(2)(b)(4) of the Pension Schemes Act 1993 (authorised purposes for transfer notice) for “insurance companies” substitute “insurers”.

Procedure on an investigation by the Pensions Ombudsman

123. In section 149(6) of the Pension Schemes Act 1993 (procedure on an investigation by the Pensions Ombudsman: persons to whom information may be disclosed)—

(a) paragraphs (f) and (g) are repealed;

(b) for paragraph (h) substitute—

“(h) a person appointed under—

(i) Part 14 of the Companies Act 1985,

(ii) section 167 of the Financial Services and Markets Act 2000,

(iii) subsection (3) or (5) of section 168 of that Act, or

(iv) section 284 of that Act,

to conduct an investigation;”;

(c) for paragraphs (k) to (m) substitute—

“(k) a body designated under section 326(1) of the Financial Services and Markets Act 2000; and

(l) a recognised investment exchange or a recognised clearing house (as defined by section 285 of that Act).”.

Disclosure of information by the Secretary of State

124.—(1) The table set out in section 158A(1)(5) of the Pension Schemes Act 1993 (power of Secretary of State to disclose social security information for certain purposes) is amended as follows.

(4) Section 101F was inserted by the Welfare Reform and Pensions Act 1999 (c. 30) s. 37.

(5) Section 158A was inserted by the Pensions Act 1995 (c. 26) Schedule 6 paragraph 9.

(2) The entries relating to the following persons are repealed—

The Treasury;

The Friendly Societies Commission;

The Building Societies Commission;

An inspector appointed by the Secretary of State;

A person authorised to exercise powers under section 106 of the Financial Services Act 1986;

A designated agency or transferee body or the competent authority (within the meaning of the Financial Services Act 1986); and

A recognised self-regulating organisation, recognised professional body, recognised investment exchange or recognised clearing house (within the meaning of the Financial Services Act 1986).

(3) In the entry relating to the Financial Services Authority⁽⁶⁾, for the second column, substitute—

“Functions under the legislation relating to friendly societies, under the Building Societies Act 1986 or under the Financial Services and Markets Act 2000.”

(4) After the entry relating to the Pensions Compensation Board insert—

“A person appointed under—

(a) section 167 of the Financial Services and Markets Act 2000,

(b) subsection (3) or (5) of section 168 of that Act, or

(c) section 284 of that Act, to conduct an investigation.

Functions in relation to that investigation

A body designated under section 326(1) of the Financial Services and Markets Act 2000.

Functions in its capacity as a body designated under that section.

A recognised investment exchange or a recognised clearing house (as defined by section 285 of that Act).

Functions in its capacity as an exchange or clearing house recognised under that Act.”.

Determination of questions by Secretary of State

125. In section 170(1)(c) of the Pension Schemes Act 1993 (Determination of questions by Secretary of State) for “Policyholders Protection Act 1975” substitute “Financial Services Compensation Scheme”.

Interpretation of expressions relating to insurance

126. In the Pensions Schemes Act 1993, after section 180 insert—

“Insurer and long-term insurance business

180A.—(1) In this Act “insurer” means—

⁽⁶⁾ The entry relating to the Financial Services Authority was inserted by the Bank of England Act 1998 (c. 11) Schedule 5 paragraph 69(3).

- (a) a person who has permission under Part 4 of the Financial Services and Markets Act 2000 to effect or carry out contracts of 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 insurance.
- (2) In this Act “long term insurance business” means business which consists of the effecting or carrying out of contracts of long-term insurance.
- (3) This section must be read with—
- (a) section 22 of the Financial Services and Markets Act 2000;
 - (b) any relevant order under that section; and
 - (c) Schedule 2 to that Act.”.

Interpretation: Financial Services Compensation Scheme

127. In section 181(1) of the Pension Schemes Act 1993—

- (a) after the definition of “employment”, insert—
 - ““Financial Services Compensation Scheme” means the Financial Services Compensation Scheme referred to in section 213(2) of the Financial Services and Markets Act 2000.”;
- (b) the definition of “insurance company” is repealed.

Consultation on regulations concerning pension business of friendly societies

128. In section 185(7) of the Pension Schemes Act 1993 (consultation on regulations concerning removal of restrictions on pension business of friendly societies), for the words “Chief Registrar of Friendly Societies or the Friendly Societies Commission” substitute “Financial Services Authority or, if the matter concerns section 464 of the Income and Corporation Taxes Act 1988, the Commissioners of the Inland Revenue”.