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STATUTORY INSTRUMENTS

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**2001 No. 3649**

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

**PART 8**

**MISCELLANEOUS AMENDMENTS TO PRIMARY LEGISLATION**

*Lloyd's Act 1871 (c. 21)*

**Functions to be exercised by the Authority**

**264.**—(1) The Lloyd's Act 1871 is amended as follows.

(2) In section 35 (salvage operations as to wreck of Lutine) for “the Treasury”(1) substitute “the Financial Services Authority”.

(3) In section 39 (agreements for incorporation of other Societies, &c) for “the Treasury”(2) substitute “the Financial Services Authority”.

*Bankers' Books Evidence Act 1879 (c. 11)*

**Meaning of “bank” etc.**

**265.**—(1) Section 9 of the Bankers' Books Evidence Act 1879 (meaning of “bank” etc.) is amended as follows.

(2) In subsection (1)(3), for paragraphs (a) and (aa) substitute—

“(a) a deposit-taker;”.

(3) After that subsection, insert—

“(1A) “Deposit taker” means—

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

(b) 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 (as a result of qualifying for authorisation under paragraph 12(1) of that Schedule) to accept deposits or other repayable funds from the public.

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- (1) The reference to “the Treasury” was substituted by [S.I. 1997/2781](#), article 8. The function in question was contracted out to the Financial Services Authority under [S.I. 1998/2842](#), article 2, Schedule, paragraph 62(a). That Order is revoked by this Order, and the substitution made by this paragraph is consequential on that revocation.
- (2) The reference to “the Treasury” was substituted by [S.I. 1997/2781](#), article 8. The function in question was contracted out to the Financial Services Authority under [S.I. 1998/2842](#), article 2, Schedule, paragraph 62(b). That Order is revoked by this Order, and the substitution made by this paragraph is consequential on that revocation.
- (3) Subsection (1)(a) was substituted by the Banking Act 1987 ([c. 22](#)), Schedule 6, paragraph 1. Subsection (1)(aa) was inserted by the Building Societies Act 1986, Schedule 18 Pt. 1, paragraph 1 and has been amended by [S.I. 2001/1148](#) Schedule 1, paragraph 3.

(1B) But a person is not a deposit-taker if he has permission to accept deposits only for the purpose of carrying on another regulated activity in accordance with that permission.

(1C) Subsections (1A) and (1B) 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.”.

### Meaning of “legal proceedings”

**266.** In section 10 of the Bankers' Books Evidence Act 1879 (interpretation), in the definition of “legal proceedings”, for paragraph (c)(4) substitute—

- “(c) an investigation, consideration or determination of a complaint by a member of the panel of ombudsmen for the purposes of the ombudsman scheme within the meaning of the Financial Services and Markets Act 2000.”.

### *Agricultural Credits Act 1928 (c. 43)*

#### Agricultural charges on farming stock and assets

**267.**—(1) In subsection (7)(5) of section 5 of the Agricultural Credits Act 1928 (agricultural charges on farming stock and assets: defined terms), for the definition of “Bank” substitute—

““Bank” means—

- (a) the Bank of England;
- (b) a person who has permission under Part 4 of the Financial Services and Markets Act 2000 to accept deposits;
- (c) 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 (as a result of qualifying for authorisation under paragraph 12(1) of that Schedule) to accept deposits or other repayable funds from the public;”.

(2) After that subsection, insert—

“(7A) Paragraphs (b) and (c) of the definition of “Bank” in subsection (7) 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.”.

### *Trustee Investments Act 1961 (c. 62)*

#### Power of Treasury to give directions in relation to local authority investment schemes

**268.** In section 11(3)(6) of the Trustee Investments Act 1961 (power of Treasury to give directions in relation to approved schemes for investment by local authorities), for “Financial Services Act 1986” substitute “Financial Services and Markets Act 2000”.

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(4) Paragraph (c) was substituted by the Building Societies Act 1997 (c. 32) s. 45(1).

(5) The definition of “bank” in subsection (7) was substituted by the Banking Act 1979 (c. 37) Schedule 6, paragraphs 2, 14 and has been amended by the Banking Act 1987 (c. 22) Schedule 6, paragraph 2; the Trustee Savings Banks Act 1985 (c. 58) ss. 4(3), 7(3), Schedule 4 and S.I. 2001/1149, article 1(2).

(6) Section 11(3) was amended by the Financial Services Act 1986 (c. 60) Schedule 16, paragraph 2.

## Manner of investment

**269.**—(1) Schedule 1(7) to the Trustee Investments Act 1961 (manner of investment) is amended as follows.

(2) In Part 2, for paragraph 10A(8) substitute—

“**10A.** In any units of a gilt unit trust scheme.

A gilt unit trust scheme is an authorised unit trust scheme, or a recognised scheme, the objective of which is—

- (a) to invest at least 90% of the property of the scheme in loan stock, bonds or other instruments creating indebtedness which—
  - (i) are transferable; and
  - (ii) are issued or guaranteed by the government of the United Kingdom or of any other country or territory, by a local authority in the United Kingdom or in a relevant state, or by an international organisation the members of which include the United Kingdom or a relevant state;
- (b) to invest the remainder of the property of the scheme in shares, debentures or other instruments creating or acknowledging indebtedness, certificates representing securities or units in a collective investment scheme.

Sub-paragraphs (a) and (b) must be read with—

- (i) section 22 of the Financial Services and Markets Act 2000;
- (ii) any relevant order under that section; and
- (iii) Schedule 2 to that Act.”

(3) In Part 3, in paragraph 3(9), the words “within the meaning of the Financial Services Act 1986” are repealed.

(4) In that Part, for paragraph 6(10) substitute—

“(6) In any units of a recognised scheme which does not fall within Part 2 of this Schedule.”

(5) In Part 4(11), in paragraphs 2 and 2A, the words “within the meaning of the Financial Services Act 1986” are repealed.

(6) In that Part, after paragraph 4 insert—

“**4A.** In this Schedule—

“authorised unit trust scheme” and “recognised scheme” have the meaning given by section 237(3) of the Financial Services and Markets Act 2000;

“collective investment scheme” has the meaning given by section 235 of that Act; and

“recognised investment exchange” has the meaning given by section 285 of that Act.”

(7) Paragraph 6A(12) is repealed.

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(7) Schedule 1 has been repealed, except in so far as it is applied by or under any other enactment, by virtue of the Trustees Act 2000 (c. 29) Schedule 2 Pt. 1, paragraph 1(1).

(8) Section 10A was inserted by the Finance Act 1982 (c. 39), s. 150, substituted by S.I. 1994/1908 article 2 and amended by S.I. 1995/768 article 3.

(9) Paragraph 3 was substituted by the Financial Services Act 1986 (c. 60) Schedule 16, paragraph 2(b).

(10) Paragraph 6 was added by S.I. 1994/1908 article 3.

(11) Paragraph 2 was amended by the Financial Services Act 1986 (c. 60) Schedule 16, paragraph 2(c) and by S.I. 1994/1908 article 3(1), (3). Paragraph 2A was inserted by S.I. 1994/1908 article 3(1), (4).

(12) Paragraph 6A was inserted by S.I. 1994/1908 article 3(1), (8).

*Stock Transfer Act 1963 (c. 18)*

**Registered securities to which section 1 of the Act applies**

**270.** In section 1(4) of the Stock Transfer Act 1963 (registered securities which may be transferred by simplified form) in paragraph (e)(**13**), for “the Financial Services Act 1986” substitute “Part 17 of the Financial Services and Markets Act 2000”.

**Meaning of “securities”: units of a collective investment scheme**

**271.** In section 4(1)(**14**) of the Stock Transfer Act 1963 (interpretation), in the definition of “securities”, for “Financial Services Act 1986” substitute “Financial Services and Markets Act 2000”.

*Stock Transfer Act (Northern Ireland) 1963 (c. 24)*

**Registered securities to which section 1 of the Act applies**

**272.** In section 1(4) of the Stock Transfer Act (Northern Ireland) 1963 (registered securities which may be transferred by simplified form) in paragraph (e)(**15**), for “the Financial Services Act 1986” substitute “Part 17 of the Financial Services and Markets Act 2000”.

**Meaning of “securities”: units of a collective investment scheme**

**273.** In section 4(1)(**16**) of the Stock Transfer Act (Northern Ireland) 1963 (interpretation), in the definition of “securities”, for “Financial Services Act 1986” substitute “Financial Services and Markets Act 2000”.

*Parliamentary Commissioner Act 1967 (c. 13)*

**Bodies no longer subject to investigation**

**274.** In Schedule 2(**17**) to the Parliamentary Commissioner Act 1967, the entries in relation to the following are repealed—

- the Building Societies Commission;
- the Friendly Societies Commission; and
- the Registry of Friendly Societies (and Note 2, which relates to that entry is also repealed).

**Functions of administrative staff of certain tribunals subject to investigation by Commissioner**

**275.** In Schedule 4(**18**) to the Parliamentary Commissioner Act 1967 (relevant tribunals for the purposes of section 5(7)), before the entry relating to the Financial Services Tribunal(**19**) insert—

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(**13**) The words being substituted were in turn substituted by the Financial Services Act 1986 (c. 60) Schedule 16, paragraph 4.  
(**14**) The words being substituted were in turn substituted by the Financial Services Act 1986 (c. 60) Schedule 16, paragraph 4.  
(**15**) The words being substituted were in turn substituted by the Financial Services Act 1986 (c. 60) Schedule 16, paragraph 5.  
(**16**) The words being substituted were in turn substituted by the Financial Services Act 1986 (c. 60) Schedule 16, paragraph 5.  
(**17**) Schedule 2 was substituted by the Parliamentary and Health Service Commissioners Act 1987 (c. 39) s. 1(2), Schedule 1 and the entry relating to the Friendly Societies Commission was inserted by the Friendly Societies Act 1992 (c. 40) Schedule 1, paragraph 12.  
(**18**) Schedule 4 was inserted by the Parliamentary Commissioner Act 1994 (c. 14) s. 1(3).  
(**19**) The entry relating to the Financial Services Tribunal was inserted by S.I. 1996/1914.

“Financial Services and Markets Tribunal constituted under section 132 of the Financial Services and Markets Act 2000.”.

*Local Authorities' Mutual Investment Trust Act 1968 (c. 25)*

**Meaning of “securities”**

**276.** In section 1(2)(**20**) of the Local Authorities' Mutual Investment Trust Act 1968 (extension of Company’s power to invest: meaning of securities), the words “within the meaning of the Financial Services Act 1986” are repealed.

**Interpretation**

**277.**—(1) Section 2 of the Local Authorities' Mutual Investment Trust Act 1968 (interpretation) is amended as follows.

- (2) After the definition of “participation certificate” insert—  
““recognised investment exchange” has the meaning given by section 285(1) of the Financial Services and Markets Act 2000;”
- (3) For the definition of “unit trust scheme”(**21**) substitute—  
““unit trust scheme” has the meaning given by section 237(1) of the Financial Services and Markets Act 2000;”.

*Theft Act 1968 (c. 60)*

**Obtaining a money transfer by deception: interpretation**

**278.**—(1) Section 15B(**22**) of the Theft Act 1968 (obtaining a money transfer by deception: interpretation) is amended as follows.

- (2) In subsection (4), the words after paragraph (b) are repealed.
- (3) After that subsection insert—  
“(4A) References in subsection (4) to a deposit 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,but any restriction on the meaning of deposit which arises from the identity of the person making it is to be disregarded.”.

*Theft Act (Northern Ireland) 1969 (c. 16)*

**Obtaining a money transfer by deception: interpretation**

**279.**—(1) Section 15B(**23**) of the Theft Act (Northern Ireland) 1969 (obtaining a money transfer by deception: interpretation) is amended as follows.

- (2) In subsection (4), the words after paragraph (b) are repealed.

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(**20**) The words being substituted were substituted by the Financial Services Act 1986 (c. 60) Schedule 16, paragraph 7.  
(**21**) The definition of “unit trust scheme” was amended by the Financial Services Act 1986 (c. 60) Schedule 16, paragraph 7.  
(**22**) Section 15B was inserted by the Theft (Amendment) Act 1996 (c. 62) s. 1(1).  
(**23**) Section 15B was inserted by the Theft (Amendment) (Northern Ireland) Order 1997 NI 3, Article 3(1).

(3) After that subsection insert—

“(4A) References in subsection (4) to a deposit 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,

but any restriction on the meaning of deposit which arises from the identity of the person making it is to be disregarded.”.

*Employers' Liability (Compulsory Insurance) Act 1969 (c. 57)*

**Insurance against liability for employees: meaning of authorised insurer**

**280.**—(1) Section 1 of the Employers' Liability (Compulsory Insurance) Act 1969 (insurance against liability for employees) is amended as follows.

(2) In subsection (3), for paragraph (b)(24) substitute—

“(b) “authorised insurer” means—

- (i) a person who has permission under Part 4 of the Financial Services and Markets Act 2000 to effect and carry out contracts of insurance of a kind required by this Act and regulations made under this Act, or
- (ii) an EEA firm of the kind mentioned in paragraph 5(d) of Schedule 3 to the Financial Services and Markets Act 2000, which has permission under paragraph 15 of that Schedule to effect and carry out contracts of insurance of a kind required by this Act and regulations made under this Act;”.

(3) After that subsection insert—

“(3A) Subsection (3)(b) 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.”.

*Local Government Act 1972 (c. 70)*

**Restrictions on voting: interpretation**

**281.** For subsection (1) of section 98(25) of the Local Government Act 1972 (restrictions on voting: interpretation) substitute—

“(1) In sections 95 and 97 “securities” means—

- (a) shares;
- (b) instruments creating or acknowledging indebtedness;
- (c) instruments giving entitlements to investments;
- (d) certificates representing securities;
- (e) units in a collective investment scheme;

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(24) Subsection 3(b) has been amended by the Insurance Companies Act 1981 (c. 31) Schedule 4 Pt II, paragraph 19; by the Insurance Companies Act 1982 (c. 50) Schedule 5, paragraph 8; and by S.I. 1992/2890 regulation 11(1).

(25) Section 98 is repealed by the Local Government Act 2000 (c. 22) Schedule 5, paragraph 12 from a date to be appointed and has been amended by the Financial Services Act 1986 (c. 60) Schedule 16, paragraph 8.

- (f) rights to, or interests in, any security of the kind mentioned in paragraphs (a) to (e);
- (g) rights (whether actual or contingent) to money lent to, or deposited with—
  - (i) a society registered under the Industrial and Provident Societies Act 1965, or
  - (ii) a building society within the meaning of the Building Societies Act 1986, and the definition of securities 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.”.

### **Insurance by local authorities against accidents to members**

**282.**—(1) Section 140 of the Local Government Act 1972 (insurance by local authorities against accidents to members) is amended as follows.

(2) In subsection (1)(26) for the words from “insurance” to “1982” substitute “accident insurance”.

(3) After subsection (3), insert—

“(3A) References to accident insurance 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.”.

### **Insurance against accidents to voluntary assistants**

**283.**—(1) Section 140C(27) of the Local Government Act 1972 (insurance against accidents to voluntary assistants: supplementary) is amended as follows.

(2) In subsection (1) for paragraphs (a) and (b) substitute—

- “(a) contracts of permanent health insurance; and
- (b) contracts of accident insurance.”.

(3) After that subsection, insert—

“(1A) Subsection (1) 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.”.

### *Fair Trading Act 1973 (c. 41)*

### **Exclusions from Part 11 of the Fair Trading Act 1973**

**284.**—(1) Section 118(28) of the Fair Trading Act 1973 (trading schemes to which Part XI applies) is amended as follows.

(2) In subsection (6), for paragraph (a) substitute—

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(26) Section 140(1) was substituted by the Local Government (Miscellaneous Provisions) Act 1982 (c. 30) s. 39(1) and has been amended by the Insurance Companies Act 1982 (c. 50) Schedule 5, paragraph 13.

(27) Section 140C was inserted by the Local Government (Miscellaneous Provisions) Act 1982 (c. 30) s. 39(2) and subsection (1) has been amended by the Insurance Companies Act 1982 (c. 50) Schedule 5, paragraph 13.

(28) Section 118 was substituted by the Trading Schemes Act 1996 (c. 32) s. 1.

- “(a) under which the promoter or any of the promoters or participants is to carry on, or to purport to carry on, a relevant regulated activity;”.
- (3) After subsection (6) insert—
- “(6A) For the purposes of subsection (6)(a), “relevant regulated activity” means—
- (a) dealing in investments as principal or agent;
  - (b) arranging deals in investments;
  - (c) managing investments;
  - (d) safeguarding and administering investments;
  - (e) sending dematerialised instructions;
  - (f) establishing etc. a collective investment scheme;
  - (g) advising on investments,
- and paragraphs (a) to (g) 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.”.

### **Restrictions on disclosure of information**

- 285.**—(1) Section 133(2) of the Fair Trading Act 1973 (exceptions from general restrictions on disclosure of information obtained under that Act) is amended as follows.
- (2) In paragraph (a)(29), the words “or Chapter XIV of Part I of the Financial Services Act 1986” are repealed.
- (3) At the end of that paragraph, insert “or Chapter 2 of Part 18 of the Financial Services and Markets Act 2000”.

### *Solicitors Act 1974 (c. 47)*

### **Meaning of “authorised insurer”**

- 286.**—(1) Section 87 of the Solicitors Act 1974 (interpretation) is amended as follows.
- (2) In subsection (1), the definition of “authorised insurer”(30) is repealed.
- (3) In subsection (1) for the definition of “bank”(31) substitute—
- ““bank” means the Bank of England, a person (other than a building society) who has permission under Part 4 of the Financial Services and Markets Act 2000 to accept deposits or 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 (as a result of qualifying for authorisation under paragraph 12 of that Schedule) to accept deposits;”.
- (4) After that subsection, insert—
- “(1A) In this Act “authorised insurer” means—
- (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 of a relevant class;
  - (b) a person who carries on an insurance market activity, within the meaning of section 316(3) of that Act;

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(29) The reference in section 133(2)(a) to the Financial Services Act 1986 was inserted by that Act, Schedule 13, paragraph 1.

(30) The definition of “authorised insurer” was substituted by S.I. 1992/2890 regulation 12(1).

(31) The definition of “bank” has been amended by the Banking Act 1979 (c. 37) Schedule 6; the Banking Act 1987 (c. 22) Schedule 6 paragraph 5; the Trustee Savings Banks Act 1985 (c. 58) Schedule 4 and S.I. 2001/1149 article 1(2).



- (c) 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 of a relevant class; or
  - (d) a person who does not fall within paragraph (a), (b) or (c) and who may lawfully effect or carry out contracts of insurance of a relevant class in a member state other than the United Kingdom.
- (1B) A contract of insurance is of a relevant class for the purposes of subsection (1A) if it insures against risks arising from—
- (a) accident;
  - (b) credit;
  - (c) legal expenses;
  - (d) general liability to third parties;
  - (e) sickness;
  - (f) suretyship;
  - (g) miscellaneous financial loss.
- (1C) The definition of “bank” in subsection (1) and subsections (1A) and (1B) 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.”.

*House of Commons Disqualification Act 1975 (c. 24)*

**Repeal of spent disqualifications**

**287.**—(1) Schedule 1(32) to the House of Commons Disqualification Act 1975 (disqualifying offices) is amended as follows.

- (2) In Part 2, the following entries are repealed—
  - “The Building Societies Commission.”; and
  - “The Friendly Societies Commission.”.
- (3) In Part 3, the following entries are repealed—
  - “Chairman of a designated agency within the meaning of the Financial Services Act 1986 if he is in receipt of remuneration.”;
  - “Chairman of a transferee body within the meaning of Schedule 11 to the Financial Services Act 1986 if he is in receipt of remuneration.”;
  - “Registrar or Assistant Registrar of Friendly Societies.”.

*Northern Ireland Assembly Disqualification Act 1975 (c. 25)*

**Repeal of spent disqualifications**

**288.**—(1) Schedule 1 to the Northern Ireland Assembly Disqualification Act 1975 (disqualifying offices) is amended as follows.

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(32) Schedule 1 was reprinted (Reprint No. 15) incorporating all amendments in force on 19 March 1997.

- (2) In Part 2, the following entries are repealed—  
 “The Building Societies Commission.”; and  
 “The Friendly Societies Commission.”
- (3) In Part 3, the following entries are repealed—  
 “Chairman of a designated agency within the meaning of the Financial Services Act 1986 if he is in receipt of remuneration.”;  
 “Chairman of a transferee body within the meaning of Schedule 11 to the Financial Services Act 1986 if he is in receipt of remuneration.”;  
 “Industrial Assurance Commissioner or Deputy Industrial Assurance Commissioner appointed under the Industrial Assurance Act (Northern Ireland) 1924.”; and  
 “Registrar or Assistant Registrar of Friendly Societies.”

*The Stock Exchange (Completion of Bargains) Act 1976 (c. 47)*

**Acquisition and disposal of securities by trustees etc**

**289.**—(1) Section 5 of the Stock Exchange (Completion of Bargains) Act 1976 (acquisition and disposal of securities by trustees etc.) is amended as follows.

(2) In paragraph (a) of subsection (1)(33), for the words from “a recognised” to “exchange” substitute “a financial institution”.

(3) In paragraph (b) of that subsection, for “clearing house or nominee” substitute “financial institution”.

(4) In that subsection, the words after paragraph (b) are repealed.

(5) For subsection (2)(34) substitute—

“(2) “Financial institution” means—

- (a) a recognised clearing house acting in relation to a recognised investment exchange; or
- (b) a nominee of—
  - (i) a recognised clearing house acting in that way; or
  - (ii) a recognised investment exchange.

(3) No person may be a nominee for the purposes of this section unless he is a person designated for those purposes in the rules of the recognised investment exchange in question.

(4) Expressions used in subsections (2) and (3) have the same meaning as in the Part 18 of the Financial Services and Markets Act 2000.”.

*Supreme Court Act 1981 (c. 54)*

**Attachment of debts**

**290.**—(1) Section 40 of the Supreme Court Act 1981 (attachment of debts) is amended as follows.

(2) In subsection (1), for the words from “the following” to the end substitute “any deposit account, and any withdrawable share account, with a deposit-taker”.

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(33) Section 5(1) was amended by the Financial Services Act 1986 (c. 60) s. 194.

(34) Section 5(2) was inserted by the Financial Services Act 1986 (c. 60) s. 194.

- (3) In subsection (4)(b) for “deposit-taking institution”, in both places, substitute “deposit-taker”.
- (4) For subsection (6)(35) substitute—
  - “(6) “Deposit-taker” means a person who may, in the course of his business, lawfully accept deposits in the United Kingdom.”.
- (5) After subsection (6) insert—
  - “(7) Subsection (6) 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.”.

### **Administrative expenses of garnishees and others**

**291.**—(1) Section 40A(36) of the Supreme Court Act 1981 (administrative expenses of garnishees and others) is amended as follows.

- (2) In subsection (1)—
  - (a) for “any deposit-taking institution, the institution” substitute “a deposit-taker, it”;
  - (b) for “the administrative and clerical expenses of the institution” substitute “its administrative and clerical expenses”; and
  - (c) the words “of an institution” are repealed.
- (3) In subsection (1A)—
  - (a) for “any such institution as is mentioned in that subsection” substitute “a deposit-taker”; and
  - (b) for “the institution” substitute “it”.
- (4) In subsection (3), for the definition of “deposit-taking institution” substitute—
  - ““deposit-taker” has the meaning given by section 40(6);”.
- (5) In subsection (4)(c)(37), for “deposit-taking institutions” substitute “deposit-takers”.

### *Betting and Gaming Duties Act 1981 (c. 63)*

### **Saving of section 63 of the Financial Services Act 1986**

- 292.** Notwithstanding the repeal of the Financial Services Act 1986(38)—
- (a) section 63 of that Act (gaming contracts),
  - (b) paragraphs 9 and 12 of Schedule 1 to that Act, and
  - (c) Parts III and IV of that Schedule 1

have effect for the purposes of section 3(2) of the Betting and Gaming Duties Act 1981 (bookmakers: spread bets)(39).

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(35) Section 40(6) was amended by the Banking Act 1987 (c. 22) Schedule 6, paragraph 11.

(36) Section 40A was inserted by the Administration of Justice Act 1982 (c. 53), Schedule 4, Pt I. Subsections (1) and (1A) were substituted for the original subsection (1) by the Administration of Justice Act 1985 (c. 61), s. 52.

(37) Section 40A(4)(c) was substituted by the Administration of Justice Act 1985 (c. 61), s. 52(4).

(38) 1986 c. 60, repealed by article 3 of this Order.

(39) Section 3 was substituted by the Finance Act 2001 (c. 9), section 6(1), Schedule 1, paragraph 1.

*Duchy of Cornwall Management Act 1982 (c. 47)*

**Bank accounts in the name of the Duchy**

**293.**—(1) Section 6 of the Duchy of Cornwall Management Act 1982 (banking) is amended as follows.

(2) In subsection (2), for “recognised bank or banks” substitute “deposit taker”.

(3) In subsection (3), in paragraphs (b) and (c)(40) for “an authorised institution” substitute “a deposit taker”.

(4) For subsection (4) substitute—

“(4) In this section “deposit taker” means—

- (a) a person who has permission under Part 4 of the Financial Services and Markets Act 2000 to accept deposits; or
- (b) 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 (as a result of qualifying for authorisation under paragraph 12(1) of that Schedule) to accept deposits.”.

(5) After subsection (4) insert—

“(5) Subsection (4) must be read with—

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

*County Courts Act 1984 (c. 28)*

**Attachment of debts**

**294.**—(1) Section 108 of the County Courts Act 1984 (attachment of debts) is amended as follows.

(2) In subsection (1), for the words from “the following” to the end substitute “any deposit account, and any withdrawable share account, with a deposit-taker”.

(3) In subsection (4)(b) for “deposit-taking institution”, in both places, substitute “deposit-taker”.

**Administrative expenses of garnishees and others**

**295.**—(1) Section 109 of the County Courts Act 1984 (administrative expenses of garnishees and others) is amended as follows.

(2) In subsection (1)(41)—

- (a) for “any deposit-taking institution, the institution” substitute “a deposit-taker, it”;
- (b) for “the administrative and clerical expenses of the institution” substitute “its administrative and clerical expenses”; and
- (c) the words “of an institution” are repealed.

(3) In subsection (1A)(42)—

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(40) Paragraphs (b) and (c) of subsection (3) were amended by the Banking Act 1987 (c. 22), s.108(1), Schedule 6, paragraph 14.

(41) Subsection (1) was substituted by the Administration of Justice Act 1985 (c. 61), s.52(2).

(42) Subsection (1A) was inserted by the Administration of Justice Act 1985 (c. 61), s.52(2).

- (a) for “any such institution as is mentioned in that subsection” substitute “a deposit-taker”; and
- (b) for “the institution” substitute “it”.
- (4) In subsection (4)(c)(43), for “deposit-taking institution” substitute “deposit-taker”.

### **Meaning of “deposit-taking institution”**

- 296.**—(1) Section 147 of the County Courts Act 1984 (Interpretation) is amended as follows.
- (2) In subsection (1), for the definition of “deposit-taking institution”(44) substitute—  
““deposit-taking institution” means a person who may, in the course of his business, lawfully accept deposits in the United Kingdom;”.
  - (3) After subsection (1) insert—
    - “(1A) The definition of “deposit-taking institution” in subsection (1) 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.”.

### *Trustee Savings Banks Act 1985 (c. 58)*

### **Transferees to be treated as included within certain categories of institution**

**297.**—(1) Paragraph 11 of Schedule 1 to the Trustee Savings Banks Act 1985 (status of transferees as authorised institutions for certain purposes) is amended as follows.

(2) In sub-paragraph (4)(b)(45), for “an institution authorised under the Banking Act 1987” substitute “a deposit-taker”.

- (3) After that sub-paragraph, insert—
  - “(4A) “Deposit taker” means—
    - (a) a person who has permission under Part 4 of the Financial Services and Markets Act 2000 to accept deposits; or
    - (b) 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 (as a result of qualifying for authorisation under paragraph 12(1) of that Schedule) to accept deposits or other repayable funds from the public.
  - (4B) But a person is not a deposit-taker if he has permission to accept deposits only for purpose of carrying on another regulated activity in accordance with that permission.
  - (4C) Sub-paragraphs (4A) and (4B) 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.”.

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(43) Section 109(4)(c) was substituted by the Administration of Justice Act 1985 (c. 61) s. 52(4).

(44) The definition of “deposit-taking institution” was amended by the Banking Act 1987 (c. 22), s.108(1), Schedule 6, para.15.

(45) The words being substituted were substituted by the Banking Act 1987 (c. 22), Schedule 6, paragraph 19.

*Administration of Justice Act 1985 (c. 61)*

**Meaning of “authorised insurer”**

**298.** For section 21(5)(46) of the Administration of Justice Act 1985 (professional indemnity and compensation: meaning of “authorised insurer”) substitute—

“(5) “Authorised insurer” means—

- (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 of a relevant class;
- (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 of a relevant class; or
- (c) a person who does not fall within sub-paragraph (i) or (ii) and who may lawfully effect or carry out contracts of insurance of a relevant class in a member State other than the United Kingdom.

(6) A contract of insurance is of a relevant class for the purposes of subsection (5) if it insures against a risk arising from—

- (a) accident;
- (b) credit;
- (c) legal expenses;
- (d) general liability to third parties;
- (e) sickness;
- (f) suretyship; or
- (g) miscellaneous financial loss.

(7) Subsections (5) and (6) 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.”.

*Housing Act 1985 (c. 68)*

**Lending institutions and savings institutions**

**299.**—(1) The Housing Act 1985 is amended as follows.

(2) In section 36(4) (liability to repay is a charge on the premises), for the words from “a building society” to “a friendly society” substitute—

“an authorised deposit taker  
an authorised insurer”.

(3) In section 151B(5) (mortgage for securing redemption of landlord’s share)(47), for the words from “a building society” to “a friendly society” substitute—

“an authorised deposit taker  
an authorised insurer”.

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(46) Section 21(5) was substituted by [S.I. 1992/2890](#), regulation 12(4).

(47) Section 151B was inserted by the Leasehold Reform, Housing and Urban Development Act [1993 \(c. 28\)](#), section 118.

(4) In section 156(4) (liability to repay is a charge on the premises)(48), for the words from “a building society” to “a friendly society” substitute—

“an authorised deposit taker  
an authorised insurer”.

(5) In section 447(1) (recognised lending institutions)—

(a) the entries relating to “building societies”(49), “trustees savings banks”, “banks”, “insurance companies” and “friendly societies” in the list of lending institutions recognised for the purposes of section 445 are repealed; and

(b) at the beginning of that list insert—

“an authorised deposit taker  
an authorised insurer”.

(6) In section 448(1) (recognised savings institutions)—

(a) the entries relating to “building societies”(50), “trustees savings banks” and “banks” in the list of savings institutions recognised for the purposes of section 446 are repealed; and

(b) at the beginning of that list insert—

“an authorised deposit taker”.

(7) In section 576 (meaning of “lending institution”) for the words from “a building society” to “an insurance company” substitute—

“an authorised deposit taker, or  
an authorised insurer.”

### **Interpretation of the 1985 Act**

**300.**—(1) Section 622 of the Housing Act 1985 is amended as follows.

(2) The existing text is numbered subsection (1).

(3) In subsection (1), the definitions of “bank”, “building society”(51), “insurance company” and “trustee savings bank” are repealed.

(4) In subsection (1), after the definition of “assured agricultural tenancy” insert—

““authorised deposit taker” means—

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

(b) an EEA firm of the kind mentioned in paragraph 5(b) of Schedule 3 to that Act who has permission under paragraph 15 of that Schedule (as a result of qualifying for authorisation under paragraph 12(1) of that Schedule) to accept deposits;

“authorised insurer” means—

(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

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(48) Subsection (4) of section 156 was amended by the Housing Act 1988, section 140(1), Schedule 17, paragraph 106.

(49) The reference to building societies was substituted by the Building Societies Act 1986 (c. 53), section 120(1), Schedule 18, paragraph 18(3).

(50) The reference to building societies was substituted by the Building Societies Act 1986 (c. 53), section 120(1), Schedule 18, paragraph 18(3).

(51) The definition of “bank” was amended by the Banking Act 1987 (c. 22), and the definition of “building society” was substituted by the Building Societies Act 1986 (c. 53), section 120(1), Schedule 18, paragraph 18(5).

- (b) an EEA firm of the kind mentioned in paragraph 5(b) of Schedule 3 to that Act who has permission under paragraph 15 of that Schedule (as a result of qualifying for authorisation under paragraph 12(1) of that Schedule) to effect or carry out contracts of insurance;”.
- (5) After subsection (1) insert—
- “(2) The definitions of “authorised deposit taker” and “authorised insurer” in subsection (1) 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.”.

*Housing Associations Act 1985 (c. 69)*

**Agreements to indemnify certain lenders in England and Wales: consultation requirements**

**301.** In section 84(5)(a)(52) of the Housing Associations Act 1985 (requirement to consult before approving form of agreements with building societies), for “Building Societies Commission” substitute “Financial Services Authority”.

**Agreements to indemnify certain lenders in Scotland: consultation requirements**

**302.** In section 86(4)(53) of the Housing Associations Act 1985 (requirement to consult before giving general approval to agreements), for “Building Societies Commission” substitute “Financial Services Authority”.

*Insolvency Act 1986 (c. 45)*

**Further meaning of inability to pay debts where the company is a deposit taker**

**303.**—(1) After section 8(1) of the Insolvency Act 1986 (restrictions on making of administration order) insert—

“(1A) For the purposes of a petition presented by the Financial Services Authority alone or together with any other party, an authorised deposit taker who defaults in an obligation to pay any sum due and payable in respect of a relevant deposit is deemed to be unable to pay its debts as mentioned in subsection (1).

(1B) In subsection (1A)—

- (a) “authorised deposit taker” means a person who has permission under Part 4 of the Financial Services and Markets Act 2000 to accept deposits, but excludes a person who has such permission only for the purpose of carrying on another regulated activity in accordance with that permission; and
- (b) “relevant deposit” must be read with—
  - (i) section 22 of the Financial Services and Markets Act 2000,
  - (ii) any relevant order under that section, and
  - (iii) Schedule 2 to that Act,

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(52) The reference to the Building Societies Commission in section 84(5)(a) was substituted by the Building Societies Act 1986 (c. 53), Schedule 18, paragraph 19(3).

(53) The reference to the Building Societies Commission in section 86(4) was substituted by the Building Societies Act 1986 (c. 53), Schedule 18, paragraph 19(3).



but any restriction on the meaning of deposit which arises from the identity of the person making it is to be disregarded.”.

#### **Limitation on power to make administration order**

**304.** For section 8(4)(**54**) of the Insolvency Act 1986 (restrictions on making of administration order) substitute—

“(4) An administration order shall not be made in relation to a company after it has gone into liquidation.

(5) An administration order shall not be made against a company if—

- (a) it has permission under Part 4 of the Financial Services and Markets Act 2000 to effect or carry out contracts of insurance in the United Kingdom;
- (b) it continues to have a liability in respect of a deposit which was held by it in accordance with the Banking Act 1979 or the Banking Act 1987.

(6) Subsection (5)(a) 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.”.

#### **Petition for winding-up by the Secretary of State**

**305.** In subsection (1) of section 124A of the Insolvency Act 1986 (petition for winding-up on the grounds of public interest), for paragraph (b) substitute—

“(b) any report made by inspectors under—

- (i) section 167, 168, 169 or 284 of the Financial Services and Markets Act 2000, or
- (ii) where the company is an open-ended investment company (within the meaning of that Act), regulations made as a result of section 262(2)(k) of that Act;

(bb) any information or documents obtained under section 165, 171, 172, 173 or 175 of that Act.”.

#### **Winding-up on petition of the Authority: partnerships**

**306.** Section 168(5C)(**55**) of the Insolvency Act 1986 (which is superseded by section 367 of the Financial Services and Markets Act 2000) is repealed.

#### **Power to apply Parts 1 to 7 to former authorised institutions**

**307.** In section 422(1)(**56**) of the Insolvency Act 1986 (power to apply first group of Parts to banks etc), for “authorised institutions and former authorised institutions within the meaning of the Banking Act 1987” substitute “any person who continues to have a liability in respect of a deposit which was held by him in accordance with the Banking Act 1979 or the Banking Act 1987”.

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(54) Section 8(4) has been amended by the Banking Act 1987 (c. 22), Schedule 6, paragraph 25(1).

(55) Section 168(5C) was inserted by S.I. 194/2421, article 14(1).

(56) Section 422(1) has been amended by the Banking Act 1987 (c. 22), Schedule 5, paragraph 37; and Schedule 6, paragraph 25(2).

*Criminal Justice Act 1987 (c. 38)*

**Restriction on disclosure of information by members of Serious Fraud Office**

**308.** For paragraphs (e) to (k) of section 3(6)(57) of the Criminal Justice Act 1987 (competent authorities for the purposes of disclosure of information by members of the Serious Fraud Office) substitute—

- “(e) a person appointed under—
- (i) section 167 of the Financial Services and Markets Act 2000 (general investigations),
  - (ii) section 168 of that Act (investigations in particular cases),
  - (iii) section 169(1)(b) of that Act (investigation in support of overseas regulator),
  - (iv) section 284 of that Act (investigations into affairs of certain collective investment schemes), or
  - (v) regulations made as a result of section 262(2)(k) of that Act (investigations into open-ended investment companies),
- to conduct an investigation;
- (f) a body corporate established in accordance with section 212(1) of the Financial Services and Markets Act 2000 (compensation scheme manager);”.

*Consumer Protection Act 1987 (c. 43)*

**Exclusion of offences under section 397 of the Financial Services and Markets Act 2000**

**309.** After subsection (5) of section 20 of the Consumer Protection Act 1987 (offence of giving misleading information) insert—

“(5A) A person is not guilty of an offence under subsection (1) or (2) above if, in giving the misleading indication which would otherwise constitute an offence under either of those subsections, he is guilty of an offence under section 397 of the Financial Services and Markets Act 2000 (misleading statements and practices).”.

**Repeal of unnecessary provisions**

**310.**—(1) Section 22 of the Consumer Protection Act 1987 (application of provisions relating to misleading price indications to services and facilities) is amended as follows.

(2) Subsection (3) is repealed.

(3) In subsection (5), the definitions of “appointed representative”, “authorised person” and “investment business” are repealed.

*Access to Medical Reports Act 1988 (c. 28)*

**Access to medical reports: “insurance purposes”**

**311.**—(1) Section 2 of the Access to Medical Reports Act 1988 (interpretation) is amended as follows.

(2) In subsection (1), for the definition of “insurance purposes” substitute—

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(57) Paragraph (e) to (k) of section 3(6), have been amended by the Criminal Justice Act 1993 (c. 36), Schedule 6 Pt. I; the Criminal Justice Act 1998 (c. 33), Schedule 15, paragraph 111; and S.I. 1994/1696, Schedule 8, paragraph 16.

““insurance purposes”, in a case of any individual who has entered into, or is seeking to enter into, a contract of insurance with an insurer, means the purposes of that insurer in relation to that individual;

“insurer” means—

- (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;
  - (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 relevant contracts of insurance.”.
- (3) After that subsection, insert—
- “(1A) The definitions of “insurance purposes” and “insurer” in subsection (1) 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.”.

*Road Traffic Act 1988 (c. 52)*

**Notification of refusal of insurance on health grounds**

**312.** For subsection (2) of section 95 of the Road Traffic Act 1988 (notification of refusal of insurance on health grounds) substitute—

“(2) “Authorised insurer” means an insurer who is a member of the Motor Insurers Bureau (a company limited by guarantee and incorporated under the Companies Act 1929 on 14th June 1946).

(3) “Insurer” means—

- (a) a person who has permission under Part 4 of the Financial Services and Markets Act 2000 to effect or carry out relevant 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 relevant contracts of insurance.
- (4) A contract is a relevant contract of insurance if the risk insured against relates to—
- (a) the insured sustaining accidental injury or death as a result of travelling as a passenger;
  - (b) land vehicles;
  - (c) goods in transit; or
  - (d) motor vehicle liability.
- (5) This section must be read with—
- (a) section 22 of the Financial Services and Markets Act 2000;
  - (b) any order for the time being in force under that section; and
  - (c) Schedule 2 to that Act.”.

### Requirements with respect to policies of insurance

**313.** For section 145(5) of the Road Traffic Act 1988 (requirements with respect to policies of insurance) substitute—

“(5) “Authorised insurer” has the same meaning as in section 95.”.

### Defined expressions: “authorised insurer”

**314.** In section 162 of the Road Traffic Act 1988 (defined expressions in Part 6), for the entry relating to “authorised insurer” substitute—

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|                     |                  |
|---------------------|------------------|
| “Authorised insurer | Section 145(5).” |
|---------------------|------------------|

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### *Water Act 1989 (c. 15)*

### Listing particulars of nominated holding companies

**315.**—(1) Section 90 of the Water Act 1989 (listing particulars of nominated holding companies) is amended as follows.

(2) Subsection (2) is repealed.

(3) For subsection (3) substitute—

“(3) In this section—

“listing particulars” has the same meaning as in section 90(1) of the Financial Services and Markets Act 2000; and

“responsible”, in relation to listing particulars, has the meaning given in section 79(3) of that Act.”.

### Restriction on disclosure of information

**316.** For paragraph (e) of section 174(2) of the Water Act 1989 (restrictions on disclosure of information) substitute—

“(e) for the purpose of enabling or assisting the Secretary of State, the Treasury or the Financial Services Authority to exercise any powers conferred by or under the Financial Services and Markets Act 2000 or by the enactments relating to companies or insolvency;

(ea) for the purpose of enabling or assisting any inspector appointed under enactments relating to companies to carry out his functions;”.

### *Law of Property (Miscellaneous Provisions) Act 1989 (c. 34)*

### Contracts to which section 2 of the 1989 Act does not apply

**317.**—(1) Section 2 of the Law of Property (Miscellaneous Provisions) Act 1989 (Contracts for sale etc of land to be made by signed writing) is amended as follows.

(2) For paragraph (c) of subsection (5) substitute—

“(c) a contract regulated under the Financial Services and Markets Act 2000, other than a regulated mortgage contract;”.

(3) In subsection (6) after the definition of “interest in land” insert—

““regulated mortgage contract” 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.”.

*Local Government and Housing Act 1989 (c. 42)*

**Borrowing powers of local authorities**

**318.**—(1) Section 43 of the Local Government and Housing Act 1989 (borrowing powers) is amended as follows.

(2) In paragraph (a) of subsection (2), for “an authorised institution within the meaning of the Banking Act 1987” substitute “a deposit-taker”.

(3) In that subsection, the words after paragraph (c) are repealed.

(4) After subsection (8) insert—

“(9) In this section—

(a) “deposit-taker” means—

- (i) a person who has permission under Part 4 of the Financial Services and Markets Act 2000 to accept deposits, or
- (ii) 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 (as a result of qualifying for authorisation under paragraph 12(1) of that Schedule) to accept deposits; and

(b) “short-term”, in relation to borrowing, is to be read with section 45(6).

(10) Subsection (9)(a) 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.”.

*National Health Service and Community Care Act 1990 (c. 19)*

**Schemes for meeting losses and liabilities of certain health service bodies**

**319.** For section 21(5)(**58**) of the National Health Service and Community Care Act 1990 (schemes for meeting losses and liabilities of certain health service bodies) substitute—

“(5) A person or body administering a scheme under this section does not require permission under any provision of the Financial Services and Markets Act 2000 as respects activities carried out under the scheme.”.

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(58) Section 21(5) has been amended by the Health Authorities Act 1995 (c. 17), Schedule 1, paragraph 79(b) and the Health Act 1999 (c. 8), Schedule 4, paragraphs 74, 81(1), (3).

*Contracts (Applicable Law) Act 1990 (c. 36)*

**Law applicable to a contract of insurance**

**320.** In section 2 of the Contracts (Applicable Law) Act 1990 (conventions to have force of law), for subsection (1A)(59) substitute—

“(1A) The internal law for the purposes of Article 1(3) of the Rome Convention is the provisions of the regulations for the time being in force under section 424(3) of the Financial Services and Markets Act 2000.”.

*Courts and Legal Services Act 1990 (c. 41)*

**Authorisation of conveyancing practitioners**

**321.** For section 37(8)(60) of the Courts and Legal Services Act 1990 (authorisation of conveyancing practitioners) substitute—

“(8) Subsection (8A) applies if the applicant is—

- (a) a person with permission under Part 4 of the Financial Services and Markets Act 2000 to accept deposits or to effect or carry out contracts of insurance; or
- (b) an EEA firm of the kind mentioned in paragraph 5(b) or (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(1) of that Schedule) either—
  - (i) to accept deposits, or
  - (ii) to effect or carry out contracts of insurance.

(8A) The Board must have regard to the fact that the applicant has obtained that permission in determining whether it is satisfied as mentioned in subsection (1)(a).

(8B) Subsection (8) 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.”.

**Investigation of conveyancing practitioners**

**322.** For section 48(4)(61) of the Courts and Legal Services Act 1990 (investigation of conveyancing practitioners on behalf of the Board) substitute—

“(4) Subsection (4A) applies if an authorised practitioner whose affairs are under investigation is—

- (a) a person with permission under Part 4 of the Financial Services and Markets Act 2000 to accept deposits or to effect or carry out contracts of insurance; or
- (b) an EEA firm of the kind mentioned in paragraph 5(b) or (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(1) of that Schedule) either—
  - (i) to accept deposits, or
  - (ii) to effect or carry out contracts of insurance.

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(59) Subsection (1A) was inserted by [S.I. 1993/174](#), regulation 9, and substituted by [S.I. 1993/2519](#), regulation 6(5).

(60) Section 37(8) was amended by the Bank of England Act 1998 (c. 11), Schedule 5, paragraph 41(2).

(61) Section 48(4) was amended by the Bank of England Act 1998 (c. 11), Schedule 5, paragraph 41(2).

(4A) The Lord Chancellor may give a direction with a view to limiting the scope of the investigation to matters concerned with the provision of conveyancing services.

(4B) Subsection (4) 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.”.

### **Exceptions from restrictions on disclosure of information by the Authorised Conveyancing Practitioners Board**

**323.**—(1) Subsection (2) of section 50 of the Courts and Legal Services Act 1990 (power of the Board to disclose information for certain purposes) is amended as follows.

(2) The following are repealed—

- (a) paragraphs (d) and (l);
- (b) sub-paragraph (vii) of paragraph (m); and
- (c) in paragraph (i)(62) of sub-paragraph (p), the words “the Building Societies Commission”.

(3) For paragraph (e) substitute—

“(e) a recognised investment exchange or a recognised clearing house (both within the meaning given by section 285 of the Financial Services and Markets Act 2000) to discharge any of its functions;”.

(4) For paragraphs (fa)(63) to (h) substitute—

“(fa) the Financial Services Authority to discharge its functions under the legislation relating to friendly societies or to industrial and provident societies, under the Building Societies Act 1986 or under the Financial Services and Markets Act 2000;

(g) the Secretary of State or the Treasury to discharge any function conferred by this Act, the Financial Services and Markets Act 2000 or any enactment relating to competition, companies or insolvency;

(h) the competent authority for the purposes of Part 6 of the Financial Services and Markets Act 2000 to discharge its functions under that Part;

(ha) a person appointed under—

(i) section 167 of the Financial Services and Markets Act 2000 (general investigations),

(ii) section 168 of that Act (investigations in particular cases),

(iii) section 169(1)(b) of that Act (investigation in support of overseas regulator),

(iv) section 284 of that Act (investigations into affairs of certain collective investment schemes), or

(v) regulations made as a result of section 262(2)(k) of that Act (investigations into open-ended investment companies),

to conduct an investigation to discharge his functions;

(hb) any inspector appointed by the Secretary of State under this Act or any enactment relating to competition, companies or insolvency to discharge his functions under that enactment;

(hc) a body designated under section 326(1) of the Financial Services and Markets Act 2000 to discharge its functions in its capacity as a body designated under that section;”.

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(62) Section 50(2)(p)(i) was amended by the Bank of England Act 1998 (c. 11), Schedule 5, paragraph 67(b).

(63) Section 50(2)(fa) was inserted by the Bank of England Act 1998 (c. 11), Schedule 5, paragraph 67(a).

- (5) In paragraph (m), after sub-paragraph (ix) insert—
- “(x) the Financial Services and Markets Act 2000;”.
- (6) For paragraph (r) substitute—
- “(r) the Financial Services Tribunal to discharge any function it has in relation to proceedings before it by virtue of the Financial Services and Markets Act 2000 (Transitional Provisions) (Partly Completed Procedures) Order 2001;
- (s) the Financial Services and Markets Tribunal to discharge any of its functions.”.

### **Board’s power of intervention**

**324.** For subsections (5) to (8) of section 52(**64**) of the Courts and Legal Services Act 1990 substitute—

- “(5) Subsection (6) applies to an authorised practitioner who—
- (a) has permission under any provision of the Financial Services and Markets Act 2000 to carry on a regulated activity; or
- (b) is an appointed representative of a person with such permission;
- and “regulated activity” and “appointed representative” have the meaning given in that Act.
- (6) In relation to an authorised practitioner to whom this subsection applies, the powers of intervention may be exercised only after consultation with the Financial Services Authority.”.

### **Preparation of papers for probate**

**325.**—(1) Section 54(1) of the Courts and Legal Services Act 1990 (which amends the Solicitors Act 1974(**65**)) is amended as follows.

- (2) In the inserted subsection (2), for paragraphs (e)(**66**) to (g) substitute—
- “(e) a person who—
- (i) has permission under Part 4 of the Financial Services and Markets Act 2000 to accept deposits or to effect or carry out contracts of insurance, and
- (ii) satisfies the conditions mentioned in subsection (2A);
- (f) an EEA firm of the kind mentioned in paragraph 5(b) or (d) of Schedule 3 to that Act—
- (i) which has permission under paragraph 15 of that Schedule (as a result of qualifying for authorisation under paragraph 12(1) of that Schedule) either to accept deposits or to effect or carry out contracts of insurance, and
- (ii) which satisfies those conditions;”.
- (3) In paragraph (h) of that inserted subsection, for “, (f) or (g)” substitute “or (f)”.
- (4) After the inserted subsection (2A), insert—
- “(2AB) Paragraphs (e) and (f) of subsection (2) 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.”.

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**(64)** Section 52(6) was amended by the Bank of England Act 1998 (c. 11), Schedule 5, paragraph 41(3)(b).

**(65)** Section 54(1) inserts subsections (2), (2A), (3) and (4) into section 23 of the Solicitors Act 1974 (c. 47) from a date to be appointed.

**(66)** The inserted subsection (2)(e)(i) has been amended by the Bank of England Act 1998 (c. 11), Schedule 5, paragraph 41(4).



### **Judicial pensions: transfer of accrued benefits**

**326.**—(1) Schedule 13 to the Courts and Legal Services Act 1990 (transfer of accrued benefits) is amended as follows.

(2) In paragraph 1 of Schedule 1A(67) (to be inserted in the Judicial Pensions Act 1981), the existing provision becomes sub-paragraph (1).

(3) In that sub-paragraph, for the definition of “authorised insurance company” substitute—  
““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 long-term insurance, or
- (ii) 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;”.

(4) After that sub-paragraph, insert—

“(2) The definition of “authorised insurer” in sub-paragraph (1) must be read with—

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

(5) In paragraph 6(2)(c), for “insurance companies” substitute “insurers”.

(6) In paragraph 11(3), in paragraph (a) of the definition of “qualifying scheme” for “insurance company” substitute “insurer”.

### **Foreign lawyers: authorisation under Financial Services Act 1986**

**327.** Paragraph 9 of Schedule 14 to the Courts and Legal Services Act 1990 is repealed.

### *Water Industry Act 1991 (c. 56)*

### **Restriction on disclosure of information**

**328.** For paragraph (e) of section 206(3) of the Water Industry Act 1991 (restrictions on disclosure of information) substitute—

- “(e) for the purpose of enabling or assisting the Secretary of State, the Treasury or the Financial Services Authority to exercise any powers conferred by or under the Financial Services and Markets Act 2000 or by the enactments relating to companies or insolvency;
- (ea) for the purpose of enabling or assisting any inspector appointed under enactments relating to companies to carry out his functions;”.

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(67) Schedule 1A is to be inserted in the Judicial Pensions Act 1981 (c. 20), from a date not yet appointed on the date when this Order comes in to force.

*Water Resources Act 1991 (c. 57)*

**Restriction on disclosure of information**

**329.** For paragraph (e) of section 204(2) of the Water Resources Act 1991 (restrictions on disclosure of information) substitute—

- “(e) for the purpose of enabling or assisting the Secretary of State, the Treasury or the Financial Services Authority to exercise any powers conferred by or under the Financial Services and Markets Act 2000 or by the enactments relating to companies or insolvency;
- (ea) for the purpose of enabling or assisting any inspector appointed under enactments relating to companies to carry out his functions;”.

*The Social Security Administration Act 1992 (c. 5)*

**Meaning of “qualifying lender”**

**330.**—(1) Section 15A of the Social Security Administration Act 1992 is amended as follows.

(2) In subsection (3)—

- (a) for paragraph (a) substitute—
  - “(a) a deposit taker;”;
- (b) paragraph (b) is repealed; and
- (c) for paragraph (c) substitute—
  - “(c) an insurer;”.

(3) In subsection (4), before the definition of “mortgage interest” insert—

““deposit taker” means—

- (a) a person who has permission under Part 4 of the Financial Services and Markets Act 2000 to accept deposits, or
- (b) 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 (as a result of qualifying for authorisation under paragraph 12 of that Schedule) to accept deposits;

“insurer” means—

- (a) a person who has permission under Part 4 of the Financial Services and Markets Act 2000 to effect and carry out contracts of insurance, or
- (b) 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 (as a result of qualifying for authorisation under paragraph 12 of that Schedule) to effect and carry out contracts of insurance;”.

(4) After subsection (4) insert—

“(4A) The definitions of “deposit taker” and “insurer” in subsection (4) 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.”.

*Local Government Act 1992 (c. 19)*

**Repeal of spent provision**

**331.** Paragraph 22 of Schedule 3 to the Local Government Act 1992 (minor and consequential amendments) is repealed.

*Trade Union and Labour Relations (Consolidation) Act 1992 (c. 52)*

**Application of section 99 of Friendly Societies Act 1992 to trade unions**

**332.** In section 19(1)(68) of the Trade Union and Labour Relations (Consolidation) Act 1992 (application of section 99 of Friendly Societies Act 1992 to trade unions) for “an industrial assurance company” substitute “a friendly society”.

**Application of section 19 to employers' associations**

**333.** In section 129(3) of the Trade Union and Labour Relations (Consolidation) Act 1992 (application of section 19 of that Act to employers' associations), the words “industrial assurance or” are repealed.

*Tribunals and Inquiries Act 1992 (c. 53)*

**Concurrence required for removal of members of certain tribunals**

**334.** In section 7(2)(69) of the Tribunals and Inquiries Act 1992 (tribunals in relation to which requirement of concurrence to removal of members does not apply) the words “,4” and “, 21A” are repealed.

**Consultation on tribunal rules**

**335.**—(1) Section 8 of the Tribunals and Inquiries Act 1992 (consultation on tribunal rules) is amended as follows.

(2) Subsection (2) is repealed.

(3) For paragraphs (a) and (b)(70) of subsection (3) substitute “with respect to any tribunal specified in Part 2 of Schedule 1.”.

**Removal of unnecessary right of appeal**

**336.** In section 11(1)(71) of the Tribunals and Inquiries Act 1992 (right of appeal from certain tribunals on a point of law) the word “, 18” is repealed.

**Power to amend or repeal certain provisions**

**337.** In section 13(5) of the Tribunals and Inquiries Act 1992 (power to amend or repeal certain provisions of that Act) in paragraph (a), the word “, 6” is repealed.

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(68) Section 19(1) was substituted by [S.I. 1993/3084](#), regulation 7.

(69) Section 7(2) has been amended in terms not relevant to this Order.

(70) Section 8(3)(b) was amended by [S.I. 1993/3258](#), article 2(c); and [S.I. 1999/678](#), article 2(1) and Schedule.

(71) Section 11(1) has been amended in terms not relevant to this Order.

### Removal of references to old tribunals

**338.** In Schedule 1 to the Tribunals and Inquiries Act 1992 (tribunals subject to the Council’s supervision) the entries relating to the following matters are repealed—

- Banking;
- Building Societies; and
- Friendly Societies<sup>(72)</sup>.

### *Charities Act 1993 (c. 10)*

### Power to give directions about dormant bank accounts of charities

**339.**—(1) Section 28 of the Charities Act 1993 (power to give directions about dormant bank accounts of charities) is amended as follows.

(2) In subsection (8)(b), for sub-paragraphs (ii)(<sup>73</sup>) to (v) of the definition of “relevant institution” substitute—

- “(ii) a person who has permission under Part 4 of the Financial Services and Markets Act 2000 to accept deposits;
- (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 (as a result of qualifying for authorisation under paragraph 12(1) of that Schedule) to accept deposits; or
- (iv) such other person who may lawfully accept deposits in the United Kingdom as may be prescribed by the Secretary of State.”.

(3) After that subsection insert—

“(8A) Sub-paragraphs (ii) to (iv) of the definition of “relevant institution” in subsection (8)(b) 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.”.

### *Criminal Justice Act 1993 (c. 36)*

### Penalties under implementing regulations

**340.** In section 70(2)(<sup>74</sup>) of the Criminal Justice Act 1993 (penalties under implementing regulations), for “under sections 39, 40 and 41 of the Banking Act 1987” substitute “punishable on summary conviction under section 177 of the Financial Services and Markets Act 2000”.

### Insider dealing: special defences

**341.**—(1) Schedule 1 to the Criminal Justice Act 1993 (insider dealing: special defences) is amended as follows.

(2) In paragraph 1(3) for “under paragraph 25B of Schedule 1 to the Financial Services Act 1986” substitute “by the Treasury under any relevant order under section 22 of the Financial Services and Markets Act 2000”.

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<sup>(72)</sup> The entry in Schedule 1 relating to Friendly Societies was inserted by [S.I. 1993/3258](#), article 3.

<sup>(73)</sup> Section 28(8)(b)(ii) was amended by the Bank of England Act 1998 ([c. 11](#)), Schedule 5, paragraph 42.

<sup>(74)</sup> Section 70(2) has been amended by [S.I. 2000/2952](#), regulation 6(a)(i) and (ii) and 6(b).

(3) For paragraph 5(2) substitute—

“(2) “Price stabilisation rules” means rules made under section 144(1) of the Financial Services and Markets Act 2000.”.

### **Repeal of spent provisions**

**342.** The following provisions of the Criminal Justice Act 1993 (which are spent) are repealed—

- (a) in Schedule 5, paragraphs 7 to 13; and
- (b) in Schedule 6, the entries relating to the Financial Services Act 1986 and the Banking Act 1987.

#### *Railways Act 1993 (c. 43)*

### **Restriction on disclosure of information**

**343.** For paragraph (c) of section 145(2) of the Railways Act 1993 (general restrictions on disclosure of information) substitute—

- “(c) for the purpose of enabling or assisting the Secretary of State, the Treasury or the Financial Services Authority to exercise any powers conferred by or under the Financial Services and Markets Act 2000 or by the enactments relating to companies or insolvency;
- (ca) for the purpose of enabling or assisting any inspector appointed under enactments relating to companies to carry out his functions;”.

### **Definition of “securities”**

**344.** In subsection (1) of section 151 of the Railways Act 1993 (general interpretation), in the definition of “securities” for “section 142 of the Financial Services Act 1986” substitute “section 74(5) of the Financial Services and Markets Act 2000”.

#### *Finance Act 1994 (c. 9)*

### **Insurance Premium Tax: Tax representatives**

**345.**—(1) Section 57 of the Finance Act 1994 (tax representatives)(75) is amended as follows.

(2) In subsections (2) and (3) for “a representative fulfilling the requirements of section 10 of the Insurance Companies Act 1982” substitute “a general representative”.

(3) After subsection (16) insert—

“(16A) For the purposes of subsections (2) and (3), “general representative” means a person resident in the United Kingdom who—

- (a) has been designated as the representative of the insurer or taxable intermediary,
- (b) is authorised to act generally, and to accept service of any document, on behalf of the insurer or taxable intermediary, and
- (c) fulfils the requirements of rules made under Part 10 of the Financial Services and Markets Act 2000.”.

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(75) Section 57 was amended by the Finance Act 1997 (c. 16), section 27.

### **Insurance Premium Tax: Contracts that are not taxable**

**346.**—(1) Schedule 7A to the Finance Act 1994(76) (insurance premium tax) is amended as follows.

(2) In paragraph 2(1) (contracts constituting long term business) for the words from “if it is one” to the end of that sub-paragraph substitute “if it is exclusively a contract of long-term insurance.”.

(3) For paragraph 2(2) substitute—

“(2) In deciding whether a contract is exclusively a contract of long-term insurance, as is mentioned in sub-paragraph (1) above, where—

- (a) the contract includes cover for risks relating to accident or sickness;
- (b) the contract contains related and subsidiary provisions such that it might also be regarded as a contract of general insurance, but is treated as a contract of long-term insurance for the purposes of any relevant order made under section 22 of the Financial Services and Markets Act 2000; and
- (c) the contract was not entered into after 30th November 1993,

the inclusion of such cover shall be ignored.”

(4) In paragraph 4 (contracts relating to commercial ships)—

- (a) in sub-paragraph (1) for the words from “a contract whose effecting” to the end of that sub-paragraph substitute “a contract of general insurance of a relevant class.”; and
- (b) for sub-paragraph (2) substitute—

“(2) For the purposes of this paragraph, a contract of general insurance is of a relevant class if it insures against risks arising from or in relation to—

- (a) accidents,
- (b) ships, or
- (c) liabilities of ships,

(and no other risks).”.

(5) In paragraph 5 (contracts relating to lifeboats and lifeboat equipment)—

- (a) in sub-paragraph (1) for the words from “a contract whose effecting” to the end of that sub-paragraph substitute “a contract of general insurance of a relevant class.”; and
- (b) for sub-paragraph (2) substitute—

“(2) For the purposes of this paragraph, a contract of general insurance is of a relevant class if it insures against risks arising from or in relation to—

- (a) accidents,
- (b) ships, or
- (c) liabilities of ships,

(and no other risks).”.

(6) In paragraph 7 (contracts relating to commercial aircraft)—

- (a) in sub-paragraph (1) for the words from “a contract whose effecting” to the end of that sub-paragraph substitute “a contract of general insurance of a relevant class.”; and
- (b) for sub-paragraph (2) substitute—

“(2) For the purposes of this paragraph, a contract of general insurance is of a relevant class if it insures against risks arising from or in relation to—

- (a) accidents,
  - (b) aircraft, or
  - (c) aircraft liability,

(and no other risks).”.
- (7) In paragraph 8 (contracts relating to risks outside the United Kingdom)—
  - (a) for sub-paragraph (2) substitute—

“(2) The question of whether a risk is situated in the United Kingdom shall be determined in accordance with regulations made under section 424(3) of the Financial Services and Markets Act 2000; but in determining that question as respects a contract which relates to a building it shall be irrelevant whether or not the contract also covers the contents of the building.”.
- (8) In paragraph 9 (contracts relating to foreign or international railway rolling stock)—
  - (a) in sub-paragraph (1) for the words from “a contract whose effecting” to the end of that sub-paragraph substitute “a contract of general insurance of a relevant class.”; and
  - (b) for sub-paragraph (2) substitute—

“(2) For the purposes of this paragraph, a contract of general insurance is of a relevant class if it insures against risks arising from or in relation to—

    - (a) railway rolling stock, or
    - (b) general liability to third parties,

(and no other risks).”.
- (9) In paragraph 10 (contracts relating to the Channel tunnel)—
  - (a) in sub-paragraph (1) for the words from “a contract whose effecting” to the end of that sub-paragraph substitute “a contract of general insurance of a relevant class.”; and
  - (b) for sub-paragraph (2) substitute—

“(2) For the purposes of this paragraph, a contract of general insurance is of a relevant class if it insures against risks arising from or in relation to—

    - (a) fire or natural forces,
    - (b) damage to property, or
    - (c) general liability to third parties,

(and no other risks).”.
- (10) In paragraph 11—
  - (a) in sub-paragraph (1) for the words from “a contract whose effecting” to the end of that sub-paragraph substitute “a contract of general insurance of a relevant class.”; and
  - (b) for sub-paragraph (2) substitute—

“(2) For the purposes of this paragraph, a contract of general insurance is of a relevant class if it insures against risks arising from or in relation to—

    - (a) fire or natural forces,
    - (b) damage to property, or
    - (c) general liability to third parties,

(and no other risks).”.
- (11) For paragraph 15(2)(c) (contracts relating to the provision of financial facilities) substitute—

- “(c) the contract of insurance insures against risks arising from or in relation to either or both—
- (i) credit,
  - (ii) suretyship.”
- (12) In Part II of the Schedule (Interpretation) after paragraph 16 insert—
- “**16A.** Paragraphs 2, 4, 5, 7, 8, 9, 10, 11 and 15 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.”.

*Value Added Tax Act 1994 (c. 23)*

**Supplies exempt from Value Added Tax**

**347.**—(1) Schedule 9 to the Value Added Tax Act 1994 (exempt supplies)(77) is amended as follows.

(2) For Item 1 of Group 2 substitute—

- “**1** The provision of insurance or reinsurance in the course of insurance business by—
- (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;
  - (b) a person who is exempt in respect of effecting or carrying out contracts of insurance by reason of an order under section 38 of that Act (and accordingly may effect or carry out contracts of insurance without contravening the general prohibition);
  - (c) a person who carries on an insurance market activity;
  - (d) a person (not falling within paragraph (a)) who would require permission to effect or carry out—
    - (i) a contract of insurance under which the benefits provided by that person are exclusively or primarily benefits in kind in the event of accident to or breakdown of a vehicle, or
    - (ii) a contract in the course of a Community co-insurance operation, but for the identity of the person carrying on that activity.”.

(3) For Item 2 substitute—

- “**2** The provision by an insurer or reinsurer who belongs outside the United Kingdom of—
- (a) insurance against any of the risks or other things described in the Annex to the first non-life insurance directive or in the Annex to the first life insurance directive, or
  - (b) reinsurance relating to any of those risks or other things.”.

(4) In Item 4, in paragraph (a) for “a contract of insurance or reinsurance” substitute “a contract of insurance”.

(5) Before Note (1) to Group 2, insert—

- “(A1) For the purposes of Item 1—

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(77) Relevant amendments made by the Finance Act 1997 (c. 16), section 38.



“Community co-insurance operation” has the same meaning as in the Council Directive of 30 May 1978 on the co-ordination of laws, regulations and administrative provisions relating to Community co-insurance (No. [78/473/EEC](#));

“insurance business” means business which consists of effecting and carrying out contracts of insurance;

“insurance market activity” has the meaning given in section 316(3) of the Financial Services and Markets Act 2000.

(B1) References—

(a) in Items 1 and 4 to contracts of insurance, and

(b) in Item 1 and Note (AI) to the effecting and carrying out of contracts of insurance,

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.

(C1) In Item 2—

(a) “first non-life insurance directive” means the Council Directive of 24 July 1973 on the co-ordination of laws, regulations and administrative provisions relating to the taking up and pursuit of the business of direct insurance other than life assurance (No. [73/239/EEC](#));

(b) “first life insurance directive” means the Council Directive of 5 March 1979 on the co-ordination of laws, regulations and administrative provisions relating to the taking up and pursuit of the business of direct life assurance (No. [79/267/EEC](#)).”.

#### **Supplies exempt from Value Added Tax—Finance**

**348.**—(1) In Schedule 9 to the Value Added Tax Act 1994 (exempt supplies), Group 5 (Finance) is amended as follows.

(2) For Note (6), substitute—

“(6) In item 9—

“authorised unit trust scheme” has the meaning given in section 237(3) of the Financial Services and Markets Act 2000;

“operator” has the meaning given in section 237(2) of that Act; and

“trust based scheme” means a scheme the purpose or effect of which is to enable persons taking part in the scheme, by becoming beneficiaries under a trust, to participate in or receive profits or income arising from the acquisition, holding, management or disposal of property of a kind described in section 239(3)(a) of the Financial Services and Markets Act 2000 or sums paid out of such profits or income.”

(3) For Note (10), substitute—

“(10) For the purposes of this Group—

“collective investment scheme” has the meaning given in section 235 of the Financial Services and Markets Act 2000; and

“open-ended investment company” has the meaning given in section 236 of that Act.”.

#### *Police Act 1996 (c. 16)*

#### **Determination of status of particular bodies**

**349.** Section 64(3) of the Police Act 1996 (power of chief registrar of friendly societies to determine status of bodies for the purposes of that section) is repealed.

*Damages Act 1996 (c. 48)*

**Enhanced protection for structured settlement annuitants**

**350.** In section 4 of the Damages Act 1996—

(a) in subsection (1) after “insurer”, and in subsections (2) and (3) after “sections”, insert “as applied by any transitional provisions made by order under section 426 of the 2000 Act”;

(b) after subsection (3), insert—

“(3A) In relation to an annuity—

- (a) purchased for a person pursuant to a structured settlement from an authorised insurer;
- (b) purchased from such an insurer pursuant to any order of the kind referred to in subsection (2); or
- (c) purchased from or otherwise provided by such an insurer pursuant to terms corresponding to those of a structured settlement contained in an agreement of the kind referred to in subsection (3),

any long term insurance provision in the Financial Services Compensation Scheme has effect in accordance with subsection (3B).

(3B) To the extent that any long term insurance provision limits the obligation of the scheme manager to make payments or secure continuity of insurance by reference to any amount less than the full amount of any liability, benefit or value due under a contract of long term insurance, the provision has effect as if the reference to that amount were a reference to the full amount of the liability, benefit or value.

(3C) In this section—

“the 2000 Act” means the Financial Services and Markets Act 2000;

“authorised insurer” means an authorised person within the meaning of the 2000 Act with permission under that Act to effect or carry out contracts of insurance as principal;

“Financial Services Compensation Scheme” means the Financial Services Compensation Scheme referred to in section 213(2) of the Financial Services and Markets Act 2000;

“long term insurance provision” means any provision in the Financial Services Compensation Scheme requiring the scheme manager to—

- (a) pay compensation in respect of a liability of an authorised insurer in liquidation under a contract of long term insurance;
- (b) secure continuity of insurance for parties to contracts of long term insurance in the event that an authorised insurer goes into liquidation; or
- (c) secure that payments are made in respect of benefits falling due under contracts of long term insurance during any period while the scheme manager is seeking to make arrangements to secure continuity of insurance as mentioned in (b) above;

“scheme manager” means a body corporate established in accordance with section 212(1) of the 2000 Act.

(3D) In subsections (3B) and (3C) above—

- (a) a reference to a contract of long term insurance must be read with—
  - (i) section 22 of the 2000 Act;

- (ii) any relevant order under that section; and
- (iii) Schedule 2 to that Act;
- (b) an authorised insurer is in liquidation when—
  - (i) a resolution has been passed in accordance with the provisions of the Insolvency Act 1986 or (as the case may be) of the Insolvency (Northern Ireland) Order 1989 for the voluntary winding up of the insurer, otherwise than merely for the purpose of reconstruction of the insurer or of amalgamation with another insurer; or
  - (ii) without any such resolution having been passed beforehand, an order has been made for the winding up of the insurer by the court under that Act or that Order.”;
- (c) In subsection (5), for “This section applies”, substitute “Subsections (1) to (3) of this section apply”;
- (d) After subsection (5), insert—

“(6) Subsections (3A) to (3D) of this section apply if the liquidation of the authorised insurer begins (within the meaning of subsection (3D)) after the coming into force of section 19 of the 2000 Act, irrespective of when the annuity was purchased or provided.”.

*Housing Act 1996 (c. 52)*

**Registration of social landlords**

**351.** In section 3(3) of the Housing Act 1996 (recording of registration as a social landlord), in sub-paragraph (b), for “appropriate registrar” substitute “Financial Services Authority”.

**Removal of social landlord from register**

**352.** In section 4(6) of the Housing Act 1996 (notification of removal of society from register of social landlords), in sub-paragraph (b), for “appropriate registrar” substitute “Financial Services Authority”.

**Appeal against decision in relation to register of social landlords**

**353.** In section 6(3) of the Housing Act 1996 (notification of appeal against decision concerning register of social landlords), in sub-paragraph (b), for “appropriate registrar” substitute “Financial Services Authority”.

**Notice of agreed proposals where registered social landlord insolvent**

**354.** In section 45(4) of the Housing Act 1996 (notification of agreed proposals where registered social landlord is insolvent), in sub-paragraph (d), for “appropriate registrar” substitute “Financial Services Authority”.

**Transfer of engagements of registered social landlord**

**355.** In section 48(3) of the Housing Act 1996 (copy of transfer of engagements of social landlord which is an industrial and provident society under an order under section 46), for “appropriate registrar and registered by him” substitute “Financial Services Authority and registered by it”.

### **Removal of definition of “appropriate registrar”**

**356.**—(1) In section 57(1) of the Housing Act 1996 (definitions for the purposes of Part 1 of that Act) the entry relating to the “appropriate registrar” is repealed.

(2) In the Table set out in section 64 of that Act (index of defined expressions) the entry relating to the “appropriate registrar” is repealed.

### **Regulation of registered social landlords**

**357.**—(1) Schedule 1 to the Housing Act 1996 (regulation of registered social landlords) is amended as follows.

(2) In paragraph 9, in sub-paragraphs (1) and (4), for “appropriate registrar” substitute “Financial Services Authority”.

(3) In paragraph 12—

- (a) in sub-paragraph (1), for “appropriate registrar” substitute “Financial Services Authority”;
- (b) in sub-paragraph (2)—
  - (i) for “registrar” substitute “Financial Services Authority”, and
  - (ii) for “him” substitute “it”;
- (c) in sub-paragraph (4)(b), for “appropriate registrar” substitute “Financial Services Authority”; and
- (d) in sub-paragraph (5)—
  - (i) for “appropriate registrar” substitute “Financial Services Authority”, and
  - (ii) for “him” substitute “it”.

### *Social Security (Recovery of Benefits) Act 1997 (c. 27)*

### **Payments by insurers**

**358.**—(1) Paragraph 5 of Schedule 1 to the Social Security (Recovery of Benefits) Act 1997 is amended as follows.

(2) The existing provision becomes sub-paragraph (1).

(3) In that sub-paragraph—

- (a) for “insurance company within the meaning of the Insurance Companies Act 1982” substitute “insurer”; and
- (b) for “the company” substitute “the insurer”.

(4) After that sub-paragraph, insert—

“(2) “Insurer” means—

- (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.

(3) Sub-paragraph (2) 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.”.

*Local Government and Rating Act 1997 (c. 29)*

**Repeal of spent provision**

**359.** Paragraph 21 of Schedule 3 to the Local Government and Rating Act 1997 (which is spent) is repealed.

*Scotland Act 1998 (c. 46)*

**Functions of the Accountant in Bankruptcy**

**360.**—(1) Paragraph 23 of Schedule 8 to the Scotland Act 1998 (consequential amendments in relation to Insolvency Act 1986) is amended as follows.

(2) For sub-paragraph (2) substitute—

“(2) Anything directed to be done, or which may be done, to or by the registrar of companies in Scotland by virtue of any of the provisions mentioned in sub-paragraph (3), shall, or (as the case may be) may, also be done to or by the Accountant in Bankruptcy.

(2A) In the case of a building society, friendly society or industrial and provident society which has its registered office in Scotland, anything directed to be done, or which may be done, to or by the Financial Services Authority by virtue of any of the provisions mentioned in sub-paragraph (3) as applied (with or without modifications) in relation to the society shall, or (as the case may be) may, also be done to or by the Accountant in Bankruptcy.”.

(3) For sub-paragraph (4) substitute—

“(4) Anything directed to be done, or which may be done, to or by the registrar of companies in Scotland by virtue of any of the provisions mentioned in sub-paragraph (5), shall, or (as the case may be) shall instead be done to or by the Accountant in Bankruptcy.

(4A) In the case of a building society, friendly society or industrial and provident society which has its registered office in Scotland, anything directed to be done, or which may be done, to or by the Financial Services Authority by virtue of any of those provisions as applied (with or without modifications) in relation to the society shall, or (as the case may be) shall instead be done to or by the Accountant in Bankruptcy.”.

*Terrorism Act 2000 (c. 11)*

**Meaning of “financial institution”**

**361.**—(1) Paragraph 6 of Schedule 6 to the Terrorism Act 2000 (financial information) is amended as follows.

(2) In sub-paragraph (1)(78)—

(a) for paragraph (a) substitute—

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

(b) paragraph (b) is repealed; and

(c) for paragraph (d) substitute—

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(78) Sub-paragraph (1) was amended by [S.I. 2000/2952](#).

- “(d) a person carrying on a relevant regulated activity.”.
- (3) After sub-paragraph (1) of paragraph 6 insert—
- “(1A) For the purposes of sub-paragraph (1)(d), a relevant regulated activity means—
- (a) dealing in investments as principal or as agent,
  - (b) arranging deals in investments,
  - (c) managing investments,
  - (d) safeguarding and administering investments,
  - (e) sending dematerialised instructions,
  - (f) establishing etc. collective investment schemes,
  - (g) advising on investments.
- (1B) Sub-paragraphs (1)(a) and (1A) 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.”.

*Postal Services Act 2000 (c. 26)*

**Meaning of “bank”**

**362.**—(1) Section 7 of the Postal Services Act 2000 (exceptions from section 6) is amended as follows.

- (2) In subsection (5) for the definition of “bank” substitute—
- ““bank” means—
- (a) the Bank of England,
  - (b) a deposit taker,
  - (c) an EEA firm of the kind mentioned in paragraph 5(b) of Schedule 3 to the Financial Services and Markets Act 2000 which has permission under paragraph 15 of that Schedule (as a result of qualifying for authorisation under paragraph 12(1) of that Schedule) to accept deposits, or
  - (d) the central bank of an EEA State other than the United Kingdom.”.
- (3) In subsection (5), after the definition of “departure facility” insert—
- ““deposit taker” means a person who has permission under Part 4 of the Financial Services and Markets Act 2000 to accept deposits, but does not include—
- (a) a credit union, within the meaning of the Credit Unions Act 1979<sup>(79)</sup> or the Credit Unions (Northern Ireland) Order 1985<sup>(80)</sup>,
  - (b) a specially authorised society within the meaning of section 7(1)(f) of the Friendly Societies Act 1974<sup>(81)</sup>,
  - (c) a person who has permission to accept deposits only for the purpose of carrying on another regulated activity in accordance with that permission.”.
- (4) After subsection (5) insert—

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<sup>(79)</sup> 1979 c. 34

<sup>(80)</sup> S.I. 1985 /1205 (N.I. 12).

<sup>(81)</sup> 1974 c. 46.

“(6) In subsection (5), paragraph (c) of the definition of “bank” and the definition of “deposit taker” 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.”.

*Utilities Act 2000 (c. 27)*

**Restriction on disclosure of information**

**363.** For paragraph (c) of section 105(4) of the Utilities Act 2000 (restrictions on disclosure of information) substitute—

- “(c) for the purpose of facilitating the exercise by the Secretary of State, the Treasury or the Financial Services Authority of any power conferred by or under the Financial Services and Markets Act 2000 or by the enactments relating to companies or insolvency;”.

*Criminal Justice and Police Act 2001 (c. 16)*

**Repeal of unnecessary provisions**

**364.** The following provisions of the Criminal Justice and Police Act 2001<sup>(82)</sup> are repealed—

- (a) in section 56(5), paragraphs (c), (d) and (e);
- (b) in section 57(1), paragraphs (e), (h) and (j);
- (c) in section 66(5), paragraphs (a), (c) and (e);
- (d) in section 68(2), paragraphs (b), (d) and (e);
- (e) in Schedule 1, paragraphs 32, 40 and 43; and
- (f) in Schedule 2, in paragraph 16(2), paragraphs (a), (b), (c) and (d).

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<sup>(82)</sup> By virtue of paragraph 26 of Schedule 2 to the Criminal Justice and Police Act 2001, section 426 of the Financial Services and Markets Act 2000 has effect as if the provisions referred to in subsection (2)(b) included the provisions of Part 2 of the 2001 Act.