



Financial Services Act 1986

1986 CHAPTER 60

PART IX

RECIPROCITY

184 Investment and insurance business

- (1) A notice under section 183 above relating to the carrying on of investment business or insurance business shall be served by the Secretary of State and such a notice may be a disqualification notice, a restriction notice or a partial restriction notice and may relate to the carrying on of business of both kinds.
- (2) A disqualification notice as respects investment business or insurance business shall have the effect of—
 - (a) cancelling any authorisation of the person concerned to carry on that business after the expiry of such period after the service of the notice as may be specified in it;
 - (b) disqualifying him from becoming authorised to carry on that business after the expiry of that period; and
 - (c) restricting any authorisation of the person concerned in respect of that business during that period to the performance of contracts entered into before the notice comes into force;

and the period specified in such a notice shall be such period as appears to the Secretary of State to be reasonable to enable the person on whom it is served to complete the performance of those contracts and to terminate such of them as are of a continuing nature.

- (3) A restriction notice as respects investment business or insurance business shall have the effect of restricting any authorisation of the person concerned in respect of that business to the performance of contracts entered into before the notice comes into force.
- (4) A partial restriction notice as respects investment business may prohibit the person concerned from—

Status: This is the original version (as it was originally enacted).

- (a) entering into transactions of any specified kind or entering into them except in specified circumstances or to a specified extent;
 - (b) soliciting business from persons of a specified kind or otherwise than from such persons ;
 - (c) carrying on business in a specified manner or otherwise than in a specified manner.
- (5) A partial restriction notice as respects insurance business may direct that the person concerned shall cease to be authorised under section 3 or 4 of the Insurance Companies Act 1982 to effect contracts of insurance of any description specified in the notice.
- (6) If it appears to the Secretary of State that a person on whom he serves a notice under section 183 above as respects investment business is an authorised person by virtue of an authorisation granted by a designated agency or by virtue of membership of a recognised self-regulating organisation or certification by a recognised professional body he shall serve a copy of the notice on that agency, organisation or body.
- (7) If it appears to the Secretary of State—
- (a) that any person on whom a partial restriction notice has been served by him has contravened any provision of that notice or, in the case of a notice under subsection (5) above, effected a contract of insurance of a description specified in the notice; and
 - (b) that any such grounds as are mentioned in subsection (1) of section 183 above still exist in the case of the country concerned,
- he may serve a disqualification notice or a restriction notice on him under that section.
- (8) Sections 28, 33, 60, 61 and 62 above shall have effect in relation to a contravention of such a notice as is mentioned in subsection (4) above as they have effect in relation to any such contravention as is mentioned in those sections.