



# Policyholders Protection Act 1997

## CHAPTER 18

### POLICYHOLDERS PROTECTION ACT 1997

#### *General scope of the Board's functions*

- 1 Insurance companies to which the 1975 Act applies.
- 2 Eligibility of policyholders for protection.

#### *Companies in financial difficulties*

- 3 Persons qualifying for protection.
- 4 Deferment of payment.
- 5 Operation of the "cost test".
- 6 Schemes of arrangement, etc.: power of **Treasury** to intervene.

#### *Levies on insurance companies*

- 7 Extension of levies.
- 8 Restriction of leviable income.
- 9 Calculation of payment under general business levies.
- 10 Exemption from payment.
- 11 Payment by instalments.

#### *Intermediaries*

- 12 Payment of levies by instalments.
- 13 Right to reimbursement by the Board.

#### *Miscellaneous other amendments of the 1975 Act*

- 14 Increase in the Board's borrowing limit.
- 15 Transfer of insurance business to authorised friendly society.

*Status: Point in time view as at 19/03/1997.*

*Changes to legislation: There are currently no known outstanding effects for the Policyholders Protection Act 1997 (repealed). (See end of Document for details)*

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### *Interpretation of the 1975 Act*

- 16 Extension of definition of “policy holder”.
- 17 Situation of risks and commitments.
- 18 Miscellaneous.

### *Friendly societies*

- 19 Application of levy provisions.
- 20 Consequential amendments.

### *Supplementary*

- 21 Interpretation.
- 22 Repeals.
- 23 Short title, commencement and extent.

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## SCHEDULES

### SCHEDULE 1 — Section 1: consequential amendments

- 1 The 1975 Act shall be amended as follows.
- 2 In section 5(1) and (4), for “authorised insurance company” there...
- 3 In section 6(2), for “authorised insurance company” there shall be...
- 4 In section 9(1), for “authorised insurance company” there shall be...
- 5 In section 11(5), for “authorised insurance company”, in both places,...
- 6 In section 15(1), for “authorised insurance company” there shall be...
- 7 (1) Section 16 shall be amended as follows.
- 8 In section 23(1), for “authorised insurance company” there shall be...
- 9 In section 26(1), for “authorised insurance company” there shall be...
- 10 In section 32, after subsection (1) there shall be inserted—...
- 11 (1) In Schedule 1, paragraph 1 shall be amended as...

### SCHEDULE 2 — Section 2: consequential amendments

- 1 The 1975 Act shall be amended as follows.
- 2 (1) Section 6 shall be amended as follows.
- 3 (1) Section 8 shall be amended as follows.
- 4 (1) Section 9 shall be amended as follows.
- 5 (1) Section 10 shall be amended as follows.
- 6 (1) Section 11 shall be amended as follows.
- 7 (1) Section 12 shall be amended as follows.
- 8 (1) Section 15 shall be amended as follows.
- 9 (1) Section 16 shall be amended as follows.
- 10 (1) Section 17 shall be amended as follows.
- 11 In section 32(1), after the definition of the expression “long...

### SCHEDULE 3 — Section 6: consequential amendments

- 1 The 1975 Act shall be amended as follows.
- 2 In section 1(2), after paragraph (a) there shall be inserted—...
- 3 In section 18(3)(a), for “or 16” there shall be substituted...
- 4 (1) Section 28 shall be amended as follows.

### SCHEDULE 4 — Friendly societies: consequential amendments

*Status: Point in time view as at 19/03/1997.*

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Part I — AMENDMENTS OF SCHEDULE 17 TO THE FRIENDLY SOCIETIES  
ACT 1992

- 1 In paragraph 1(1), in the inserted section 1(2)(aa), for sub-paragraph...
- 2 For paragraph 3 there shall be substituted—
- 3 (1) Paragraph 6 shall be amended as follows.
- 4 (1) In paragraph 7, the inserted section 8A shall be...
- 5 In paragraph 9— (a) for “subsection (3)” there shall be...
- 6 In paragraph 11, in the subsection inserted in section 16...
- 7 For paragraph 16 there shall be substituted—
- 8 (1) Paragraph 18 shall be amended as follows.

Part II — APPLICATION OF THE 1975 ACT TO EXISTING CONTRACTS

- 9 For section 4 there shall be substituted— Protection confined to...
- 10 In section 8A— (a) in subsection (1)—
- 11 In section 10— (a) in subsection (2)—
- 12 In section 11— (a) in subsection (3)—
- 13 In section 12— (a) in subsection (1)—
- 14 In section 15— (a) in subsection (2), for the words...
- 15 In section 16— (a) in subsection (6), after “In this...
- 16 In section 17— (a) in subsection (4)—
- 17 In section 21, subsection (9A) shall be omitted.
- 18 In section 32(1), at the end there shall be inserted...

SCHEDULE 5 — Repeals

**Status:**

Point in time view as at 19/03/1997.

**Changes to legislation:**

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