

# COMPENSATION ACT 2006

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## EXPLANATORY NOTES

### COMMENTARY ON SECTIONS: PART 2

#### *Section 6: Exemptions*

50. *Subsection 1* permits the Secretary of State by order to specify bodies whose members may offer claims management services without the need for authorisation. This subsection is intended to allow exemptions to be made and therefore avoid the need for duplicate regulation.
51. *Subsection 2* permits the Secretary of State to exempt by order persons or classes of persons from the requirement for authorisation. Any exemption may be restricted or subject to compliance with specified conditions. *Subsection 2(a)* provides a power to exempt by order a specified person or class of person such as charities providing impartial advice to claimants. *Subsection 2(b)* gives a power to exempt individuals and bodies from authorisation in specified circumstances (for example where advice is being given in connection with a particular type of claim). *Subsection 2(c)* gives him the power to exempt persons or classes of person in particular circumstances.
52. *Subsection 3* gives the Secretary of State the power to attach certain conditions to an exemption (for example he may require an individual or body to have regard to a code of practice).
53. *Subsection 4* makes clear that persons established or appointed by virtue of an enactment (such as statutory Ombudsmen) may provide regulated claims management services without the need for authorisation.
54. *Subsection 5* defines “exempt”. An individual is exempt if orders made by the Secretary of State under this section mean that he is not required to be authorised in order to offer claims management services, and therefore does not contravene section 4(1) by doing so.