
STATUTORY INSTRUMENTS

1994 No. 1696

**The Insurance Companies (Third
Insurance Directives) Regulations 1994**

PART II

AMENDMENTS OF 1982 ACT

CHAPTER II

REGULATION OF INSURANCE COMPANIES

Transfers of insurance business

Transfers of long term and general business

28.—(1) For sections 49 to 52 of the 1982 Act⁽¹⁾ (transfers of insurance business) substitute—

“49 Transfers of long term and general general business.

49. Schedule 2C to this Act shall have effect long term and with respect to transfers of business.”

(2) After Schedule 2B to that Act insert Schedule 3 to these Regulations (transfers of insurance business), as Schedule 2C.

(3) This regulation does not apply in any case where an application is made under section 49 or 51 of that Act before 1st July 1994.

Issue of certificates by Secretary of State

29. For subsection (1) of section 52A of the 1982 Act⁽²⁾ (issue of certificates by Secretary of State) substitute—

“(1) Where it is proposed to execute an instrument by which—

(a) an EC company, or a non-EC company whose head office is in an EFTA State, is to transfer—

(i) to a UK company; or

(ii) to a non-EC company whose solvency is supervised by the Secretary of State in accordance with Article 29 or 30 of the first long term insurance Directive or Article 25 or 26 of the first general insurance Directive,

all its rights and obligations under such long term or general policies, or long term or general policies of such descriptions, as may be specified in the instrument; or

(1) Section 49A was inserted by the Friendly Societies Act 1992 (c. 40), section 120(1) and Schedule 21, Part I, para 5(2); section 49B was inserted by S.I. 1993/174, reg 3(3) and renumbered by S.I. 1993/1327, reg 3(1).

(2) Section 52A was inserted by S.I. 1990/1333, reg 9(2) and amended by S.I. 1993/174, reg 3(4) and S.I. 1993/3127, reg 3(9).

- (b) a Swiss general insurance company is to transfer to a UK company all its rights and obligations under such general policies, or general policies of such descriptions, as may be so specified,

the Secretary of State may, if he is satisfied that the transferee possesses the necessary margin of solvency after taking the proposed transfer into account, issue a certificate to that effect.”

Effect of transfers authorised in other EEA States

30. After section 52A of the 1982 Act insert—

“Effect of transfers authorised in other EEA States.

52B.—(1) This section applies where—

- (a) an EC company transfers to another body all its rights and obligations under any UK policies and the transfer is authorised in its home State in accordance with—
 - (i) Article 11 of the third long term insurance Directive, or
 - (ii) Article 12 of the third general insurance Directive;
- (b) a non-EC company whose head office is in an EFTA State transfers to another body all its rights and obligations under any UK policies and the transfer is authorised in an EEA State other than the United Kingdom in accordance with—
 - (i) Article 6 of the second long term insurance Directive, or
 - (ii) Article 11 of the second general insurance Directive; or
- (c) a non-EC company whose head office is not in an EFTA State transfers to another body all its rights and obligations under any UK policies and the transfer is authorised in a member State other than the United Kingdom in accordance with—
 - (i) Article 31a of the first long term insurance Directive (as amended by Article 49 of the third long term insurance Directive), or
 - (ii) Article 28a of the first general insurance Directive (as amended by Article 53 of the third general insurance Directive).

(2) If notice of the execution of the instrument giving effect to the transfer is published in such manner as the Secretary of State may from time to time direct, the instrument shall be effectual in law—

- (a) to transfer to the transferee all the transferor’s rights and obligations under the UK policies included in the instrument, and
- (b) if the instrument so provides, to secure the continuation by or against the transferee of any legal proceedings by or against the transferor which relate to those rights or obligations,

notwithstanding the absence of any agreements or consents which would otherwise be necessary for it to be effectual in law for those purposes.

(3) Directions under this section may make different provision for different cases or descriptions of case.

(4) A policy which evidences a contract of direct insurance is a UK policy for the purposes of this section if the law applicable to it is the law of any part of the United Kingdom.”

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.
