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STATUTORY INSTRUMENTS

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**1994 No. 1696**

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

**PART II**

**AMENDMENTS OF 1982 ACT**

**CHAPTER II**

*REGULATION OF INSURANCE COMPANIES*

*Powers of intervention*

**Prohibition on disposal of assets**

**22.** After section 40 of the 1982 Act insert—

**“Prohibition on disposal of assets.**

**40A.**—(1) If on the application of the Secretary of State it appears to the court that any of the grounds set out in section 37(3) above are established in relation to a UK company, the court may grant an injunction restraining, or in Scotland an interdict prohibiting, the company from disposing of or otherwise dealing with any of its assets to the value of its EC liabilities.

(2) Where a court makes an order under subsection (1) above, it may by subsequent orders make provision for such incidental, consequential and supplementary matters as are necessary to enable the Secretary of State to perform his functions under this Act.

(3) The jurisdiction conferred by this section shall be exercisable by the High Court and the Court of Session.

(4) In this section “EC liabilities” has the same meaning as in section 39 above.”