
STATUTORY INSTRUMENTS

1994 No. 1696

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

PART II

AMENDMENTS OF 1982 ACT

CHAPTER III

CONDUCT OF INSURANCE BUSINESS

Information for policy holders of EFTA companies

41. After section 72A of the 1982 Act insert—

“Information for policy holders of EFTA companies.

72B.—(1) Subject to subsection (2) below, this section applies to a contract entered into by an EFTA company the effecting of which constitutes the provision of insurance in the United Kingdom.

(2) This section does not apply to a contract entered into by an authorised person the effecting of which constitutes the carrying on in the United Kingdom of investment business; and in this subsection expressions which are also used in the Financial Services Act 1986 have the same meanings as in that Act.

(3) Before entering into a contract to which this section applies, the company shall, unless the contract is for the coverage of large risks only, inform the other party to the contract of the EEA State in which is situated the establishment through which the risk or commitment is to be covered; and any document issued to that party by the company shall also contain that information.

(4) If the information required by subsection (3) above is furnished otherwise than in writing before the time when the contract is entered into, there is a sufficient compliance with that subsection if it is also furnished in writing as soon as practicable after that time.

(5) Any relevant document issued by an EFTA company in relation to a contract to which this section applies shall state—

- (a) the address of the establishment through which the risk or commitment is or is to be covered; and
- (b) where the insurance relates to relevant motor vehicle risks, the name and address of the claims representative.

(6) In this section ‘relevant document’, in relation to a contract to which this section applies, means any proposal, policy or other document which, or statements contained in which, will or may bind the other parties to the contract.

(7) In this Act ‘EFTA company’ means an insurance company—

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- (a) whose head office is in an EFTA State;
- (b) which is authorised in accordance with Article 6 of the first general insurance Directive (as extended by the EEA Agreement) or Article 6 of the first long term insurance Directive (as so extended); and
- (c) whose business in the United Kingdom is not restricted to reinsurance business.”