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STATUTORY INSTRUMENTS

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**2001 No. 3592**

**The Financial Services and Markets Act 2000 (Transitional Provisions) (Partly Completed Procedures) Order 2001**

**PART II**

**AUTHORISATIONS AND RESTRICTIONS UNDER OLD LAW**

**CHAPTER II**

**NOTICES TO WITHDRAW, SUSPEND OR RESTRICT AUTHORISATION**

*Notices under the Insurance Companies Act*

**Notices under the Insurance Companies Act**

17.—(1) Where, before commencement—

- (a) the Treasury have served a notice under section 12(1) of the Insurance Companies Act that they are considering giving a direction under section 11(1) of that Act;
- (b) no direction has been given in respect of that notice,

the notice has effect after commencement as if it stated that the Authority proposes to impose a requirement that the company refrain from carrying on the regulated activity of effecting contracts of insurance, or contracts of any description specified in the notice.

(2) Where, before commencement—

- (a) the Treasury have served a written notice giving a direction under section 12A(3) of the Insurance Companies Act<sup>(1)</sup>;
- (b) the Treasury have not confirmed the direction pursuant to section 12A(6) of that Act,

the notice has effect after commencement as if it stated that the Authority proposes to impose a requirement that the company refrain immediately from carrying on the regulated activity of effecting contracts of insurance, or contracts of any description specified in the notice (except to the extent allowed by section 12A(2)(a) of the Insurance Companies Act).

(3) Where—

- (a) before commencement the Treasury have served a notice under section 46(2) of the Insurance Companies Act;
- (b) the Treasury have not, following the service of that notice, exercised any power or powers conferred by sections 38 to 45 of that Act in the manner proposed in the notice;
- (c) the company on which the notice was served is, immediately after commencement, an authorised person,

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(1) Section 12A was inserted by the 3ID Regulations and has been amended by S.I.1997/2781.

the notice has effect after commencement as if it stated that the Authority proposes to impose a requirement to the effect described in the notice.

#### Commencement Information

**II** Art. 17 in force at 1.12.2001, see [art. 1\(2\)](#)

### Effect of notices under the Insurance Companies Act after commencement

- 18.**—(1) A notice having effect under article 17 has effect—
- (a) as if it were a notice under section 53(4) in so far as it relates to the carrying on of regulated activity for which the company has a Part IV permission and as if it were a notice under section 197(3) in so far as it relates to the carrying on of regulated activity for which the company has permission under Schedule 4;
  - (b) as if it informed the company that it may make representations to the Authority (whether or not it refers the matter to the Tribunal) within—
    - (i) the new period (if any) specified for this purpose under article 90; or
    - (ii) if there is no new period so specified, within one month from the date of service of the notice;
  - (c) as if it informed the company that it has a right to refer the matter to the Tribunal—
    - (i) within the new period (if any) specified for this purpose under article 90; or
    - (ii) if there is no new period specified, within 28 days from commencement;
  - (d) as if any reference to a right to make oral representations were omitted (without prejudice to any such representations made before commencement).
- (2) In the case of a notice having effect under article 17(1), it has effect after commencement as if it informed the company that the requirement would be imposed—
- (a) on the new date (if any) specified for this purpose under article 90; or
  - (b) if no new date is so specified, then on the date, if any, specified in the notice as the date on which the direction would take effect.
- (3) In the case of a notice having effect under article 17(3)—
- (a) where the notice specifies that the requirement to be imposed will be framed as described in section 46(5) of the Insurance Companies Act, the notice has effect as if the notice informed him that the requirement would be imposed at the end of the specified period (but without the reference to the person ceasing to hold office);
  - (b) where the notice does not specify as described in sub-paragraph (a) it has effect as if it stated that the requirement would take effect on—
    - (i) the new date (if any), specified for this purpose under article 90; or
    - (ii) if no new date is so specified, then on the date, if any, specified in the notice as the date on which the powers would be exercised.
- (4) Where a notice has effect under article 17—
- (a) the Authority must decide whether to issue a notice under section 53(7) or (8) or under section 197(6) or (7) (as the case may be);
  - (b) in taking that decision, section 41 or 194 applies to the Authority (as the case may be);
  - (c) the Authority must have regard to any representations made before commencement pursuant to the Insurance Companies Act.

(5) Notwithstanding section 53(2)(c) or section 197(1)(c), where the notice having effect under article 17(1) or (3) did not specify a date on which the direction would take effect, the Authority may specify in the notice given under paragraph (4)(a) the date on which the requirement is imposed (being a date not earlier than the date of that notice).

(6) Notwithstanding the repeal of section 12A of the Insurance Companies Act, a person on whom a notice was served under section 12A(4) of that Act may make written representations to the Authority about the matters covered in that notice within the period of one month from the date of service of the notice.

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**Commencement Information**

**I2** Art. 18 in force at 1.12.2001, see [art. 1\(2\)](#)

**Notice of grounds of unfitness of person under the Insurance Companies Act**

**19.** Where, before commencement—

- (a) the Treasury have served a notice under section 12(2) of the Insurance Companies Act on a person whose fitness is in question but have not served a notice under section 12(1) of that Act on the company on the grounds set out in section 12(2A) arising from that alleged unfitness; or
- (b) the Treasury have served a notice under section 46(1) of the Insurance Companies Act because of the unfitness of a person but have not served a notice under section 46(2) of that Act in respect of the matter covered by the notice,

that notice ceases to have effect on commencement and the Authority must, as soon as practicable after commencement, notify the person on whom the notice was served of that fact.

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**Commencement Information**

**I3** Art. 19 in force at 1.12.2001, see [art. 1\(2\)](#)

**Changes to legislation:**

There are currently no known outstanding effects for the The Financial Services and Markets Act 2000 (Transitional Provisions) (Partly Completed Procedures) Order 2001, Cross Heading: Notices under the Insurance Companies Act.