

---

STATUTORY INSTRUMENTS

---

**2001 No. 3649**

The Financial Services and Markets Act 2000  
(Consequential Amendments and Repeals) Order 2001

PART 9

AMENDMENTS TO SECONDARY LEGISLATION

*The Local Government Pension Scheme Regulations 1997 (S.I. 1997/1612)*

**Interpretation of the 1997 Regulations**

**555.**—(1) In regulation 2 of the Local Government Pension Scheme Regulations 1997 (interpretation)(1), after paragraph (2) insert—

“(3) The definitions of “AVC insurance company” and “Reference banks” in Schedule 1 must be read with—

- (a) section 22 of the Financial Services and Markets Act 2000;
- (b) any relevant order under that section; and
- (c) Schedule 2 to that Act.”.

(2) In Schedule 1 to those Regulations (interpretation)(2)—

(a) for the definition of “AVC insurance company” substitute—

““AVC insurance company” means—

- (a) a person who has permission under Part 4 of the Financial Services and Markets Act 2000 to effect or carry out contracts of long-term insurance; or
- (b) an EEA firm of the kind mentioned in paragraph 5(d) of Schedule 3 to that Act, which has permission under paragraph 15 of that Schedule (as a result of qualifying for authorisation under paragraph 12 of that Schedule) to effect or carry out contracts of long-term insurance;”;

(b) for the definition of “Reference banks” substitute—

““Reference banks” means the seven largest persons for the time being who—

- (a) have permission under Part 4 of the Financial Services and Markets Act 2000 to accept deposits,
- (b) are incorporated in the United Kingdom and carrying on there a regulated activity of accepting deposits, and
- (c) quote a base rate in sterling;

and for the purpose of this definition the size of a person at any time is to be determined by reference to the gross assets denominated in sterling of that person,

---

(1) Amended by [S.I. 2000/3025](#).

(2) Relevant amendment made (to the definition of “Reference banks”) by [S.I. 1998/1129](#).

together with any subsidiary (as defined in section 736 of the Companies Act 1985), as shown in the audited end-of-year accounts last published before that time;”.

### **Interpretation of regulations 5 and 6 of, and Schedule 2A to, the 1997 Regulations**

**556.**—(1) Regulation 5(3) of the Local Government Pension Scheme Regulations 1997 (Agreements to enable employees of non-Scheme employers to be members (“admission agreements”)) is amended as follows.

(2) In paragraph (17) of that regulation, for sub-paragraph (a)(4) substitute—

“(a) “authorised insurer” means—

- (i) a person who has permission under Part 4 of the Financial Services and Markets Act 2000 to effect and carry out contracts of general insurance, or
- (ii) an EEA firm of the kind mentioned in paragraph 5(d) of Schedule 3 to that Act, which has permission under paragraph 15 of that Schedule (as a result of qualifying for authorisation under paragraph 12 of that Schedule) to effect and carry out contracts of general insurance;”.

(3) In paragraph (17), for sub-paragraph (f) substitute—

“(f) “relevant institution” means—

- (i) a person who has permission under Part 4 of the Financial Services and Markets Act 2000 to accept deposits,
- (ii) an EEA firm of the kind mentioned in paragraph 5(b) of Schedule 3 to that Act, which has permission under paragraph 15 of that Schedule (as a result of qualifying for authorisation under paragraph 12(1) of that Schedule) to accept deposits, or
- (iii) a person who does not require permission under that Act to accept deposits, by way of business, in the United Kingdom;”.

(4) After paragraph (17) insert—

“(18) In paragraph (17), the definitions of “authorised insurer” and “relevant institution” must be read with—

- (a) section 22 of the Financial Services and Markets Act 2000;
- (b) any relevant order under that section;
- (c) Schedule 2 to that Act.”.

### **Revenue restrictions**

**557.** In paragraph 1(1) of Schedule 4 to the Local Government Pension Scheme Regulations 1997 (Revenue restrictions), in sub-paragraph (e) of the definition of “continuity conditions”(5), after “section 62 of the Financial Services Act 1986” insert “or section 71 or 150 of the Financial Services and Markets Act 2000”.

### **Prescribed persons to whom information may be provided**

**558.** Paragraph 1 of Schedule 5A(6) (mis-sold pensions) to the Local Government Pension Scheme Regulations 1997 is amended as follows—

---

(3) Regulation 5 was substituted by [S.I. 1999/3438](#), regulations 2 and 3.

(4) Sub-paragraph (a) was amended by [S.I. 2000/1005](#), regulation 1(1).

(5) The definition was amended by [S.I. 1997/954](#) and [S.I. 1997/1613](#).

(6) Schedule 5A was inserted by [S.I. 1997/954](#), regulation 6 (as amended by [S.I. 1997/1613](#), regulations 2(1), 27, Schedule 3, paragraph 62(1), (6)).

- (a) in sub-paragraph (a)—
  - (i) after “a person who is” insert “an authorised person within the meaning of the Financial Services and Markets Act 2000 (“the 2000 Act”),”,
  - (ii) before “has been an authorised person” insert “who”, and
  - (iii) the words “(“the 1986 Act”)” are revoked;
- (b) in sub-paragraph (b) for “section 44 of the 1986 Act” substitute “section 39 of the 2000 Act”;
- (c) sub-paragraph (c) is revoked;
- (d) for sub-paragraph (d) substitute—
  - “(d) a designated professional body within the meaning of section 326 of the 2000 Act;”
- (e) for sub-paragraph (e) substitute—
  - “(e) the Financial Services Authority;”, and
- (f) for sub-paragraph (f) substitute—
  - “(f) the scheme manager (within the meaning of section 212(1) of the 2000 Act);”.