
EXPLANATORY NOTE

(This note is not part of the Order)

The Financial Services and Markets Act 2000 (Control of Transfers of Business Done at Lloyd's) Order 2001 ([S.I. 2001/3626](#)) ("2001 Order") applies to the Lloyd's market Part 7 of the Financial Services and Markets Act 2000.

Part 7 provides for insurance business transfer schemes. Most importantly, this Order amends the 2001 Order so that the provisions of Part 7, that were applied by that Order to members and to some former members of Lloyd's, apply to all insurance business whenever written in the Lloyd's market.

In addition in article 2(4), article 4(b) of the 2001 Order is substituted to insert an alternative provision to the requirement of the Council of Lloyd's to pass a resolution authorising a person to act in connection with a transfer, by allowing the Council of Lloyd's in addition, where relevant, to certify that a person has authority to act in relation to a transfer.

Article 2(5) makes an amendment consequential on the change made to article 4(b) and also corrects an error in a cross-reference in the original Order.

The amendment in article 2(6) makes clear that a transfer scheme can include the insurance business written on different syndicates and in different years of account of syndicates.

A full regulatory impact assessment has been produced for this instrument which is available from the Financial Stability and Risk Team, HM Treasury, 1 Horse Guards Road, London SW1A 2HQ. It is also available on the HM Treasury web-site at www.hm-treasury.gov.uk.