

Changes to legislation: The Credit Institutions and Insurance Undertakings Reorganisation and Winding Up (Amendment) (EU Exit) Regulations 2019 is up to date with all changes known to be in force on or before 09 October 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations are made in exercise of the powers in section 2(2) of the European Communities Act 1972 and sections 8(1) and 23(6) of, and paragraph 21 of Schedule 7 to, the European Union (Withdrawal) Act 2018.

Part 2 of these Regulations makes provision under the European Union (Withdrawal) Act 2018 to address failures of retained EU law to operate effectively and other deficiencies arising from the withdrawal of the United Kingdom from the European Union (in particular, deficiencies of the kinds mentioned in paragraphs (c), (d), (e) and (g) of section 8(2)). Part 2 amends—

- the Insurers (Reorganisation and Winding Up) Regulations 2004 (S.I. 2004/353);
- the Credit Institutions (Reorganisation and Winding up) Regulations 2004 (S.I. 2004/1045);
- and
- the Insurers (Reorganisation and Winding Up) (Lloyd's) Regulations 2005 (S.I. 2005/1998).

These instruments provide that no winding up proceedings or insolvency measures in respect of insurers or credit institutions authorised in the EEA (other than in the United Kingdom) may be undertaken in the UK except under permitted circumstances. They also provide for the recognition in the UK of winding up proceedings or insolvency measures in other EEA States, and for the notification to competent authorities in other EEA States of winding up proceedings or insolvency measures in the UK.

The amendments made by Part 2 of these Regulations remove the prohibition on UK proceedings or measures in respect of EEA insurers or credit institutions, and amend notification requirements and provision for UK recognition of proceedings or measures in EEA States.

Regulation 3(2)(b) is made under section 2(2) of the European Communities Act 1972 to ensure that references in the Credit Institutions (Reorganisation and Winding up) Regulations 2004 to Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms (“the capital requirements regulation”) are references to that EU Regulation as it had effect on the date on which these Regulations are made.

Part 3 of these Regulations make transitional and saving provisions in relation to—

- an EEA credit institution, EEA investment firm or EEA insurer which has a branch in the UK and is, on exit day, subject to winding up proceedings or insolvency measures in an EEA State; and
- an EEA group company which is, on exit day, subject to one or more of the resolution tools or resolution powers provided for in Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms.

The saving provision made for such cases maintains the prohibition on UK proceedings or measures in respect of the institution, company or insurer concerned. The court is empowered, however, to make an order declaring on specified grounds that the prohibition does not apply. Where such an order is made, the saving provision cease to have effect.

An impact assessment of the effect that this instrument, and other instruments made by HM Treasury under the European Union (Withdrawal) Act 2018 at or about the same time, will have on the costs of business, the voluntary sector and the public sector is available from HM Treasury, 1 Horse Guards Road, London SW1A 2HQ and is published alongside this instrument at www.legislation.gov.uk.

Changes to legislation:

The Credit Institutions and Insurance Undertakings Reorganisation and Winding Up (Amendment) (EU Exit) Regulations 2019 is up to date with all changes known to be in force on or before 09 October 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations.

[View outstanding changes](#)

Changes and effects yet to be applied to :

- Regulations revoked by [2023 c. 29 Sch. 1 Pt. 2](#)