
STATUTORY INSTRUMENTS

1992 No. 2866

INSURANCE

**The Insurance Brokers Registration Council
(Indemnity Insurance and Grants Scheme)
(Amendment) Rules Approval Order 1992**

Made - - - - *15th November 1992*
Laid before Parliament *18th November 1992*
Coming into force - - *15th December 1992*

The Secretary of State, in exercise of the powers conferred by section 27(1) of the Insurance Brokers (Registration) Act 1977(1) and of all other powers enabling him in that behalf, hereby makes the following Order:—

1. This Order may be cited as the Insurance Brokers Registration Council (Indemnity Insurance and Grants Scheme) (Amendment) Rules Approval Order 1992 and shall come into force on 15th December 1992.

2. The Insurance Brokers Registration Council (Indemnity Insurance and Grants Scheme) (Amendment) Rules 1992 made on 16th October 1992 by the Insurance Brokers Registration Council under section 12 of the Insurance Brokers (Registration) Act 1977(2) and paragraph 6(1), (2) and (3) of Schedule 15 to the Financial Services Act 1986, which are set out in the Schedule to this Order, are hereby approved.

15th November 1992

N. Hamilton
Parliamentary Under-Secretary of State,
Department of Trade and Industry

(1) 1977 c. 46.

(2) Section 12 was amended by section 138(3) of the Financial Services Act 1986 (c. 60).

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

SCHEDULE

THE INSURANCE BROKERS REGISTRATION COUNCIL (INDEMNITY INSURANCE AND GRANTS SCHEME) (AMENDMENT) RULES 1992

The Insurance Brokers Registration Council, in exercise of their powers under section 12 of the Insurance Brokers (Registration) Act 1977, as amended by section 138(3) of the Financial Services Act 1986, and paragraph 6(1), (2) and (3) of Schedule 15 to the said Act of 1986 hereby make the following Rules:—

PART I—

PRELIMINARY

1. These Rules may be cited as the Insurance Brokers Registration Council (Indemnity Insurance and Grants Scheme) (Amendment) Rules 1992.
2. In these Rules, unless the context otherwise requires, “the Rules” means the Insurance Brokers Registration Council (Indemnity Insurance and Grants Scheme) Rules 1987(3) as amended by the Insurance Brokers Registration Council (Indemnity and Grants Scheme) (Amendment) Rules 1990(4).
3. The Rules shall be amended by insertion of the following new rule 2(3):—

“2.—(3) for the purposes of rules 10 and 12 of these Rules “appointed representative” shall have the meaning assigned to it by section 44 of the Financial Services Act 1986 but shall not include any person who is a practising insurance broker or an enrolled body corporate or any partnership in which one or more of the partners is a practising insurance broker or an enrolled body corporate.”

PART II—

THE GRANTS SCHEME

4. The further proviso to rule 6 of the Rules shall be amended by the deletion of the date “28th August 1988” and the insertion in its place of the date “18th December 1986”.
5. Rule 10(1) of the Rules shall be amended:—
 - (a) by the insertion in paragraph (i)(a) of the words “, or any appointed representative of the enrolled body corporate,” before the words “in the United Kingdom”;
 - (b) by the insertion in paragraph (i)(b) of the words “, or any appointed representative of the practising insurance broker,” before the words “in the United Kingdom”; and
 - (c) by the insertion in paragraph (i)(c) of the words “, or any appointed representative of such partnership,” before the words “in the United Kingdom”.
6. Rule 10(2) of the Rules shall be amended by the insertion of the words “, or any appointed representative of the practising insurance broker or enrolled body corporate,” after the words “enrolled body corporate”.
7. Rule 11(1) of the Rules shall be deleted and the following rule shall be inserted in its place:—

(3) Approved by S.I.1987/1496.
(4) Approved by S.I. 1990/2461.

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“11.—(1) The Council shall not be entitled to levy in respect of each calendar year commencing on 1st January an amount in respect of each practising insurance broker or enrolled body corporate which will exceed the highest amount in respect of each business (“the maximum levy”) calculated at any time during such calendar year upon the latest information supplied as follows:—

Number of persons ascertained in accordance with rule 10	Calculation of the maximum levy
1—50 inclusive	£100 per person, subject to a minimum of £400
51—200 inclusive	The aggregate of: (a) £100 per person for the first 50 persons (£5,000); and (b) £80 per person for the remainder
201—1000 inclusive	The aggregate of: (a) £100 per person for the first 50 persons (£5,000); (b) £80 per person for the next 150 persons (£12,000); and (c) £60 per person for the remainder
1001—2000 inclusive	The aggregate of: (a) £100 per person for the first 50 persons (£5,000); (b) £80 per person for the next 150 persons (£12,000); (c) £60 per person for the next 800 persons (£48,000); and (d) £40 per person for the remainder
Over 2000	The aggregate of: (a) £100 per person for the first 50 persons (£5,000); (b) £80 per person for the next 150 persons (£12,000); (c) £60 per person for the next 800 persons (£48,000); (d) £40 per person for the next 1000 persons (£40,000); and (e) £20 per person for the remainder.”

8. In rule 11(3) the sum of “£100” shall be replaced by the sum of “£400”.

9. Rule 12(1) of the Rules shall be amended by the insertion of the words “, or any appointed representative of such related companies,” before the words “in the United Kingdom”.

10. Rule 12(2) of the Rules shall be amended by the insertion at the end of paragraph (i) thereof of the words “and engaged in, or employed in, any business of an appointed representative of the practising insurance broker”.

11. Rule 15(2) of the Rules shall be amended by the deletion of the words “Subject to the provisions of section 1 of the Borrowing (Control and Guarantees) Act 1946 and of any order under that section for the time being in force,”.

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SEALED on the 16th day of October, 1992.

PETER MILNE
E. J. REES
Member of Council Registrar

EXPLANATORY NOTE

(This note is not part of the Order)

This Order approves Rules made by the Insurance Brokers Registration Council under section 12 of the Insurance Brokers (Registration) Act 1977 and paragraph 6(1), (2) and (3) of the Financial Services Act 1986. They amend the Rules approved by the [Insurance Brokers Registration Council \(Indemnity Insurance and Grants Scheme Rules\) Approval Order 1987 \(S.I. 1987 No. 1496\)](#) as amended by the Rules approved by the [Insurance Brokers Registration Council \(Indemnity Insurance and Grants Scheme\) \(Amendment\) Rules Approval Order 1990 \(S.I. 1990 No. 2461\)](#)

The main changes made by the Rules approved by the present Order are to increase the amount of the maximum levy that can be imposed on practising insurance brokers, and enrolled bodies corporate, by the Council for payment into the Grants Fund and to provide that appointed representatives be counted on the same basis as employees for the purposes of calculating the levy.