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STATUTORY INSTRUMENTS

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**2001 No. 3625**

**FINANCIAL SERVICES AND MARKETS**

The Financial Services and Markets Act  
2000 (Control of Business Transfers)  
(Requirements on Applicants) Regulations 2001

<i>Made</i>	- - - -	<i>7th November 2001</i>
<i>Laid before Parliament</i>		<i>8th November 2001</i>
<i>Coming into force</i>	- -	<i>1st December 2001</i>

The Treasury, in exercise of the powers conferred on them by sections 108, 417(1)(1), 428(3) of, and paragraph 6(2) of Schedule 12 to, the Financial Services and Markets Act 2000(2), hereby make the following Regulations:

**Citation, commencement and interpretation**

1.—(1) These Regulations may be cited as the Financial Services and Markets Act 2000 (Control of Business Transfers) (Requirements on Applicants) Regulations 2001 and come into force on 1st December 2001.

(2) In these Regulations—

“the Act” means the Financial Services and Markets Act 2000;

“the parties” means the authorised person concerned and the transferee (within the meaning of section 105(2) or, as the case may be, section 106(2) of the Act);

“the report” means the scheme report mentioned in section 109(1) of the Act;

“State of the commitment” has the meaning given by paragraph 6(1) of Schedule 12 to the Act;

“State in which the risk is situated” has the meaning given by paragraph 6(3) of Schedule 12 to the Act;

“a summary of the report” means a summary of the report sufficient to indicate the opinion of the person making the report of the likely effects of the insurance business transfer scheme on the policyholders of the parties.

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(1) See the definition of “prescribed” in section 417(1).  
(2) 2000 c. 8.

*Changes to legislation:* There are outstanding changes not yet made by the legislation.gov.uk editorial team to The Financial Services and Markets Act 2000 (Control of Business Transfers) (Requirements on Applicants) Regulations 2001. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

### Commencement Information

**11** Reg. 1 in force at 1.12.2001, see [reg. 1\(1\)](#)

### Meaning of “commitment”

**2.** There is prescribed for the purposes of paragraph 6(2) of Schedule 12 to the Act any contract of insurance of a kind referred to in Article 1 of the first life insurance directive.

### Commencement Information

**12** Reg. 2 in force at 1.12.2001, see [reg. 1\(1\)](#)

### Transfer of an insurance business

**3.—(1)** An applicant under section 107 of the Act for an order sanctioning an insurance business transfer scheme (“the scheme”) must comply with the following requirements.

- (2) A notice stating that the application has been made must be—
- (a) published—
    - (i) in the London, Edinburgh and Belfast Gazettes;
    - (ii) in two national newspapers in the United Kingdom; and
    - (iii) where, as regards any policy included in the proposed transfer, an EEA State other than the United Kingdom is the State of the commitment or the State in which the risk is situated, in two national newspapers in that EEA State; and
  - (b) sent to every policyholder of the parties.
- (3) The notices mentioned in paragraph (2) must—
- (a) be approved by the Authority prior to publication (or, as the case may be, being sent); and
  - (b) contain the address from which the documents mentioned in paragraph (4) may be obtained.
- (4) A copy of the report and a statement setting out the terms of the scheme and containing a summary of the report must be given free of charge to any person who requests them.
- (5) A copy of the application, the report and the statement mentioned in paragraph (4) must be given free of charge to the Authority.
- (6) In the case of any such scheme as is mentioned in section 105(5) of the Act, copies of the documents listed in paragraph 6(1) of Schedule 15B to the Companies Act 1985<sup>(3)</sup> or in paragraph 6(1) of Schedule 15B to the Companies (Northern Ireland) Order 1986<sup>(4)</sup> (application of provisions about compromises and arrangements to mergers and divisions of public companies) must be given to the Authority by the beginning of the period referred to in paragraph 3(e) of that Schedule.

**4.—(1)** Subject to paragraph (2), the court may not determine an application under section 107 for an order sanctioning an insurance business transfer scheme—

- (a) where the applicant has failed to comply with the requirements in regulation 3(2), (3) or (6); and

<sup>(3)</sup> 1985 c. 6. Schedule 15B was inserted by S.I. 1987/1991 and amended by the Companies Act 1989 (c. 40), Schedule 10, para. 22.

<sup>(4)</sup> S.I. 1986/1032 (N.I. 6). Schedule 15B was inserted by S.R. 1987/442, reg. 3(c) and renumbered by the Companies (No.2) (Northern Ireland) Order 1990 (N.I. 10), article 49(2).

(b) until a period of not less than twenty-one days has elapsed since the Authority was given the documents mentioned in regulation 3(5).

(2) The requirements in regulation 3(2)(a)(ii) and (iii) and (b) may be waived by the court in such circumstances and subject to such conditions as the court considers appropriate.

**Commencement Information**

**I3** Reg. 3 in force at 1.12.2001, see [reg. 1\(1\)](#)

**I4** Reg. 4 in force at 1.12.2001, see [reg. 1\(1\)](#)

**Transfer of a banking business**

**5.**—(1) An applicant under section 107 of the Act for an order sanctioning a banking business transfer scheme (“the scheme”) must comply with the following requirements.

(2) A notice stating that the application has been made must be published—

(a) in the London, Edinburgh and Belfast Gazettes; and

(b) in two national newspapers in the United Kingdom.

(3) The notice mentioned in paragraph (2) must—

(a) be approved by the Authority prior to its publication; and

(b) contain the address from which the statement mentioned in paragraph (4) may be obtained.

(4) A statement setting out the terms of the scheme must be given free of charge to any person who requests it.

(5) Copies of the application and the statement mentioned in paragraph (4) must be given free of charge to the Authority.

**6.**—(1) Subject to paragraph (2), the court may not determine an application under section 107 for an order sanctioning a banking business transfer scheme—

(a) where the applicant has failed to comply with the requirements in regulation 5(2) or (3); and

(b) until a period of not less than twenty-one days has elapsed since the Authority was given the documents mentioned in regulation 5(5).

(2) The requirement in regulation 5(2)(b) may be waived by the court in such circumstances and subject to such conditions as the court considers appropriate.

**Commencement Information**

**I5** Reg. 5 in force at 1.12.2001, see [reg. 1\(1\)](#)

**I6** Reg. 6 in force at 1.12.2001, see [reg. 1\(1\)](#)

7th November 2001

*Tony McNulty*  
*Nick Ainger*  
Two of the Lords Commissioners of Her  
Majesty’s Treasury

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## EXPLANATORY NOTE

*(This note is not part of the Order)*

These Regulations impose certain procedural requirements on applicants for a court order sanctioning an insurance, or banking, business transfer scheme under Part VII of the Financial Services and Markets Act 2000.

Regulation 3 requires a person seeking the court's approval of an insurance business transfer scheme to publicise in various newspapers the fact that an application has been made and to inform policyholders. It also requires various documents to be sent to the Financial Services Authority ("the Authority") and to those who request them.

Under regulation 4, the court may not sanction an insurance business transfer where the applicant has not complied with certain requirements in regulation 3 or until the Authority has been in receipt of the application and report for at least 21 days. The court may waive some of the requirements where it considers it appropriate in the circumstances.

Regulations 5 and 6 make similar provision in relation to banking business transfer schemes.

**Changes to legislation:**

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**Changes and effects yet to be applied to :**

- Regulations applied by S.I. 2001/3626 arts. 3-5
- reg. 1(2) words inserted by S.I. 2009/1390 reg. 2(a)
- reg. 1(2) words omitted by S.I. 2019/632 reg. 183(2)
- reg. 2 omitted by S.I. 2019/632 reg. 183(3)
- reg. 2 words substituted by S.I. 2004/3379 reg. 20
- reg. 2 words substituted by S.I. 2015/575 Sch. 2 para. 15
- reg. 3 modified by S.I. 2019/710 Sch. para. 458
- reg. 3(2)(a) substituted by S.I. 2019/632 reg. 183(4)
- reg. 3(2)(a)(iii) words inserted by S.I. 2007/3255 reg. 2(2)(b)
- reg. 3(2)(a)(ii) word omitted by S.I. 2007/3255 reg. 2(2)(a)
- reg. 3(3)(a) words substituted by S.I. 2013/472 Sch. 2 para. 62(a)
- reg. 3(5) words substituted by S.I. 2013/472 Sch. 2 para. 62(b)
- reg. 3(6) words substituted by S.I. 2011/1265 art. 20
- reg. 3(6) words substituted by S.I. 2013/472 Sch. 2 para. 62(c)
- reg. 4(1) words inserted by S.I. 2007/3255 reg. 2(3)
- reg. 4(1)(b) words substituted by S.I. 2013/472 Sch. 2 para. 62(a)
- reg. 4(2) words substituted by S.I. 2007/3255 reg. 2(4)
- reg. 4(2) words substituted by S.I. 2008/1467 reg. 2(c)
- reg. 4(2) words substituted by S.I. 2019/632 reg. 183(5)(a)
- reg. 5 heading words substituted by S.I. 2009/1390 reg. 2(b)
- reg. 5(1) words inserted by S.I. 2009/1390 reg. 2(c)
- reg. 5(3)(a) words substituted by S.I. 2013/472 Sch. 2 para. 62(a)
- reg. 5(5) words substituted by S.I. 2013/472 Sch. 2 para. 62(d)
- reg. 6(1) words inserted by S.I. 2009/1390 reg. 2(d)
- reg. 6(1)(b) words substituted by S.I. 2013/472 Sch. 2 para. 62(a)

**Changes and effects yet to be applied to the whole Instrument associated Parts and Chapters:**

Whole provisions yet to be inserted into this Instrument (including any effects on those provisions):

- reg. 3(2)(a)(iv) inserted by S.I. 2007/3255 reg. 2(2)(c)
- reg. 3(2)(a)(iv) word omitted by S.I. 2008/1467 reg. 2(a)
- reg. 3(2)(c) and word added by S.I. 2008/1467 reg. 2(b)
- reg. 4(3) inserted by S.I. 2007/3255 reg. 2(5)
- reg. 4(3) omitted by S.I. 2019/632 reg. 183(5)(b)