



Policyholders Protection Act 1975

1975 CHAPTER 75

General scope of the Board's functions under this Act

3 Authorised insurance companies

- (1) The functions of the Board under this Act shall be exercisable in relation to policyholders and others who have been or may be prejudiced in consequence of the inability of insurance companies to meet their liabilities under policies issued or securities given by them only in cases where the insurance companies in question are authorised insurance companies.
- (2) An insurance company is an authorised insurance company for the purposes of this Act if it is permitted by virtue of—
 - (a) section 2(1)(a) or (b) or (2)(a) of the Insurance Companies Act 1974; or
 - (b) section 3(1)(a) or (b) or (2)(a) of the Insurance Companies Act (Northern Ireland) 1968 ;to carry on insurance business of any class in Great Britain or (as the case may be) in Northern Ireland.

4 Protection confined to United Kingdom policies

- (1) A policyholder is eligible for the assistance or protection of the Board in accordance with any provision of sections 6 to 16 below only in respect of a policy of insurance which was a United Kingdom policy for the purposes of this Act at the material time for the purposes of the provision in question.
- (2) A policy of insurance is a United Kingdom policy for the purposes of this Act at any time when the performance by the insurer of any of his obligations under the contract evidenced by the policy would constitute the carrying on by the insurer of insurance business of any class in the United Kingdom.