



Insurance Companies Act 1982 (repealed)

1982 CHAPTER 50

PART IV

SPECIAL CLASSES OF INSURERS

82 Industrial assurance business.

- (1) In its application to industrial assurance business this Act shall have effect subject to the modifications specified in this section.
- (2) Where an insurance company carries on any industrial assurance business, the company shall deposit with the Industrial Assurance Commissioner and the Industrial Assurance Commissioner for Northern Ireland a copy of any document which relates to industrial assurance business and which is deposited with the [F¹Treasury] under section 22(1), F² . . . and (6) above or which is supplied by the company to the [F¹Treasury] under section 22(5) above.
- (3) The provisions of sections 22 and 23(1) above shall have effect in relation to any document mentioned in subsection (2) above as if references in those provisions to the [F¹Treasury] included references to the Commissioner and the Commissioner for Northern Ireland.

[F³(3A) In its application by virtue of subsection (3) above, section 22 above shall have effect with the following modifications —

- (a) in subsection (1), for “the required copies of the document” there shall be substituted “two printed copies”,
- (b) subsection (1A) shall be omitted,
- (c) in subsection (3), for “In the case” there shall be substituted “One of the copies” and for “one of the printed copies, or as the case may be, the printed copy, of the document shall be” there shall be substituted “shall be a copy”, and
- (d) in subsection (4), for “In the case” there shall be substituted “One of the copies” and for “one of the printed copies, or, as the case may be, the printed copy of the report shall be” there shall be substituted “shall be a copy”.]

Status: Point in time view as at 01/06/1998.

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- (4) Where any document required to be deposited by a company under subsection (4) of section 42 above relates to industrial assurance business the company shall also, within the time required under that subsection, deposit one copy of that document with the Commissioner and the Commissioner for Northern Ireland, and section 71(4) above shall have effect in relation to this subsection as it has effect in relation to that subsection.
- (5) Where any business proposed to be transferred as mentioned in [^{F4}Part I of Schedule 2C to this Act] above is or includes industrial assurance business [^{F5}that Part of that Schedule] shall have effect as if references to the [^{F1}Treasury] included references to the Commissioner and the Commissioner for Northern Ireland.
- (6) Where any apportionment is made between the industrial assurance business and any other business carried on by the company in respect of management expenses, income from investments, gains or losses on the disposal of investments, appreciation or depreciation in the value of investments, or taxation, the auditor shall include in his report a special report as to the propriety or otherwise of the apportionment; and a copy of every report of the auditor shall be furnished to the Commissioner and the Commissioner for Northern Ireland.
- (7) The provisions of this Act relating to industrial assurance business shall have effect notwithstanding anything in the memorandum or articles of association or rules or special Act of any insurance company carrying on such business; but nothing in this Act shall affect the liability of the industrial assurance fund or of the ordinary long-term insurance fund, in the case of a company established in Great Britain before 1st January 1924 or in Northern Ireland before 1st January 1925, to the prejudice of persons interested in contracts entered into by the company before that date.
- (8) The Commissioner shall include in his annual report under section 44 of the ^{M1}Industrial Assurance Act 1923 a report on his proceedings under this Act, and that section shall have effect accordingly.

Textual Amendments

- F1** Words in s. 82 substituted (5.1.1998) by S.I. 1997/2781, art. 8(1), **Sch. Pt. I para. 45** (with art. 7)
- F2** Words in s. 82(2) repealed (23.12.1996) by S.I. 1996/2102, **art. 4(8)**
- F3** S. 82(3A) inserted (23.12.1996) by S.I. 1996/2102, **art. 7**
- F4** Words in s. 82(5) substituted (1.7.1994) by S.I. 1994/1696, **reg. 47(a)**
- F5** Words in s. 82(5) substituted (1.7.1994) by S.I. 1994/1696, **reg. 47(a)**

Marginal Citations

- M1** 1923 c. 8.

83 Requirements to be complied with by Lloyd's underwriters.

- (1) The requirements referred to in section 15(4) above are as follows.
- (2) Every underwriter shall, in accordance with the provisions of a trust deed approved by the [^{F6}Treasury], carry to a trust fund all premiums received by him or on his behalf in respect of any insurance business.
- (3) Premiums received in respect of long term business shall in no case be carried to the same trust fund under this section as premiums received in respect of general business,

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but the trust deed may provide for carrying the premiums received in respect of all or any classes of long term business and all or any classes of general business either to a common fund or to any number of separate funds.

(4) The accounts of every underwriter shall be audited annually by an accountant approved by the Committee of ^{F7}. . . and the auditor shall furnish a certificate in the prescribed form to the Committee and the [^{F6}Treasury].

^{F8}(4A) The Council of Lloyd's and the [^{F6}Treasury] shall be furnished with a certificate from the accountant who audits the accounts of an underwriter which—

- (a) is in the prescribed form; and
- (b) contains the statements mentioned in subsection (5) below.

^{F8}(5) The statements so required in relation to the accounts of an underwriter are statements that in the opinion of the auditor—

- (a) the value of the assets available to meet the underwriter's liabilities in respect of insurance business is correctly shown in the accounts; and
- (b) the value of those assets is sufficient to meet the liabilities calculated—
 - (i) in the case of long term business by an actuary; and
 - (ii) in the case of other liabilities, by the auditor on a basis approved by the [^{F6}Treasury].]

(6) Where any liabilities of an underwriter are calculated by an actuary under subsection (5) above, he shall furnish a certificate of the amount thereof to the Committee of Lloyd's and to the [^{F6}Treasury], and shall state in his certificate on what basis the calculation is made; and a copy of his certificate shall be annexed to the auditor's certificate.

(7) The underwriter shall, when required by the Committee of Lloyd's, furnish to them such information as they may require for the purpose of preparing the statement of business which is to be deposited with the [^{F6}Treasury] under section 86 below.

Textual Amendments

- F6** Words in s. 83 substituted (5.1.1998) by S.I. 1997/2781, art. 8(1), Sch. Pt. I para. 45 (with art. 7)
- F7** Words in s. 83(4) omitted (24.12.1996) by virtue of S.I. 1996/3011, regs. 6(2), 10(2)
- F8** S. 83(4A)(5) substituted for s. 83(5) (24.12.1996) by S.I. 1996/3011, regs. 6(3), 10(2)

Modifications etc. (not altering text)

- C1** s. 83 applied (3.5.1994) by 1994 c. 9 s. 230(1)
S. 83: power to contract out functions conferred (18.11.1998) by S.I. 1998/2842, arts. 2, 3, Sch. Pt. I para. 51

^{F9}83A Lloyd's underwriters— insurance Directives.

The powers conferred on [^{F10}the Treasury or]the Secretary of State [^{F11}which are exercisable in relation to UK companies] by sections 38 to 41, 44 and 45 above shall be exercisable in relation to the members of Lloyd's if there is a failure by Lloyd's to satisfy an obligation to which it is subject by virtue of any provision of the law of another member State][^{F12}which—

- (a) gives effect to the general and long term insurance Directives; or
- (b) is applicable to the insurance activities of Lloyd's in that State]

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Textual Amendments

- F9** S. 83A inserted (19.11.1992) by S.I. 1992/2890, **reg. 8**.
- F10** Words in s. 83A inserted (5.1.1998) by S.I. 1997/2781, art. 8(1), **Sch. Pt. I para. 46** (with art. 7)
- F11** Words in s. 83A inserted (1.7.1994) by S.I. 1994/1696, **reg. 48(1)(a)**
- F12** S. 83A(a)(b) and preceding word “which” substituted words in s. 83A (1.7.1994) by S.I. 1994/1696, **reg. 48(1)(b)**

Modifications etc. (not altering text)

- C2** S. 83A: power to contract out certain functions conferred (18.11.1998) by S.I. 1998/2842, arts. 2, 3, **Sch. Pt. I para. 52**

84 Lloyd’s underwriters —financial resources.

- (1) Subject to such modifications as may be prescribed and to any determination made by the [^{F13}Treasury] in accordance with regulations, sections 32, 33 and 35 above shall apply to the members of Lloyd’s taken together as they apply to an insurance company to which Part II of this Act applies and whose head office is in the United Kingdom.
- (2) The powers conferred on [^{F14}the Treasury or] the Secretary of State by sections 38 to 41, 44 and 45 above shall be exercisable in relation to the members of Lloyd’s if there is a breach of an obligation imposed by virtue of subsection (1) above.

Textual Amendments

- F13** Words in s. 84(1) substituted (5.1.1998) by S.I. 1997/2781, art. 8(1), **Sch. Pt. I para. 47(a)** (with art. 7)
- F14** Words in s. 84(2) inserted (5.1.1998) by S.I. 1997/2781, art. 8(1), **Sch. Pt. I para. 47(b)** (with art. 7)

Modifications etc. (not altering text)

- C3** S. 84: power to contract out certain functions conferred (18.11.1998) by S.I. 1998/2842, arts. 2, 3, **Sch. Pt. I para. 53**

85 Lloyd’s underwriters —transfer of business.

- (1) [^{F15}Schedule 2C to this Act] shall apply in relation to transfers to and from members of Lloyd’s if, and only if, the conditions specified in subsection (2) below are satisfied.
- (2) The conditions referred to in subsection (1) above are—
- that the transfer is not one where both the transferor and the transferee are members of Lloyd’s;
 - that the Committee of Lloyd’s have by resolution authorised one person to act in connection with the transfer for the members concerned as transferor or transferee;
 - that a copy of the resolution has been given to the [^{F16}Treasury].
- (3) Where [^{F17}the provisions of Part I or II of Schedule 2C to this Act] apply in relation to a transfer to or from members of Lloyd’s they shall apply as if—
- [^{F18}(a) references to a ‘UK company’ included references to members of Lloyd’s;]

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- (b) anything done in connection with the transfer by the person authorised in accordance with subsection (2)(b) above had been done by the members for whom he acted.

[^{F19}(4) Section 52A above shall apply as if the reference in subsection (1) to a UK company included a reference to members of Lloyd's.]

[^{F20}(5) In this section references to a member of Lloyd's include references to a former underwriting member of Lloyd's (within the meaning of the Lloyd's Act 1982) who has ceased to be a member of Lloyd's, whether by resignation or otherwise, in accordance with the Lloyd's Act 1982 and any byelaw made thereunder.]

Textual Amendments

- F15** Words in s. 85(1) substituted (1.7.1994) by S.I. 1994/1696, reg. 48(2)(a)
F16 Words in s. 85(2) substituted (5.1.1998) by S.I. 1997/2781, art. 8(1), Sch. Pt. I para. 48 (with art. 7)
F17 Words in s. 85(3) substituted (1.7.1994) by S.I. 1994/1696, reg. 48(2)(b)
F18 S. 85(3)(a) substituted (1.7.1994) by S.I. 1994/1696, reg. 48(2)(b)
F19 S. 85(4) inserted (1.7.1994) by S.I. 1994/1696, reg. 48(2)(c)
F20 S. 85(5) inserted (24.12.1996) by S.I. 1996/3011, reg. 7

Modifications etc. (not altering text)

- C4** S. 85: power to contract out functions conferred (18.11.1998) by S.I. 1998/2842, arts. 2, 3, Sch. Pt. I para. 54

86 Statement of business by Committee of Lloyd's.

- (1) The Committee of Lloyd's shall deposit every year with the [^{F21}Treasury] a statement in the prescribed form summarising the extent and character of the insurance business done by the members of Lloyd's in the twelve months to which the statement relates.
- (2) Regulations made for the purposes of this section may require the statement to deal separately with such classes or descriptions of business as may be specified in the regulations.

Textual Amendments

- F21** Words in s. 86(1) substituted (5.1.1998) by S.I. 1997/2781, art. 8(1), Sch. Pt. I para. 48 (with art. 7)

Modifications etc. (not altering text)

- C5** S. 86(1): power to contract out conferred (18.11.1998) by S.I. 1998/2842, arts. 2, 3, Sch. Pt. I para. 55

87 Companies established outside the United Kingdom.

- (1) The provisions specified in subsection (2) below, if, apart from this section they would not so apply, shall apply in relation to an insurance company incorporated outside the United Kingdom which carries on insurance business within Great Britain or, as the case may be, Northern Ireland as they apply in relation to oversea companies within the meaning of [^{F22}the Companies Act] or, as the case may be, companies to which [^{F23}Part XXIII] of the [^{F24}Companies (Northern Ireland) Order 1986] applies.
- (2) The provisions referred to in subsection (1) above are—

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- [^{F25}(a) sections 691, 692, 693(1), 695, 696 to 698, 700 to 703 and 708 of the Companies Act,]
 [^{F26}(c) Articles 641, 642, 643(1) and (2), 645, 646 to 648, 649 to 652 and 657 of the Companies (Northern Ireland) Order 1986.]

Textual Amendments

- F22** Words substituted by Companies Consolidation (Consequential Provisions) Act 1985 (c. 9, SIF 27), s. 30, **Sch. 2**
F23 Words substituted by S.I. 1986/1035 (N.I. 9), art. 23, **Sch. 1 Pt. II**
F24 Words substituted by S.I. 1986/1035 (N.I. 9), art. 23, **Sch. 1 Pt. II**
F25 S. 87(2)(a) substituted (E.W.S.) (I.1.1993) for paras. (a) and (b) of s. 87(2) by virtue of Companies Consolidation (Consequential Provisions) Act 1985 (c. 9, SIF 27), s. 30, **Sch. 2** and S.I. 1992/3179, reg. 4, **Sch. 3 para. 2**.
F26 S. 87(2)(c) substituted (8.6.1993) by S.R. 1993/198, art. 4, **Sch. 3 para. 2**

88 Unregistered companies.

- (1) Every insurance company to which Part II of this Act applies, being a company which is not registered under the [^{F27}Companies Act], under the [^{F28}Companies (Northern Ireland) Order 1986] or under the former Companies Acts—
- (a) if it has not incorporated in its deed of settlement section 10 of the ^{M2}Companies Clauses Consolidation Act 1845, shall keep a shareholders address book in accordance with the provisions of that section and shall, on the application of any shareholder or policy holder of the company, furnish to him a copy of the book on payment of a sum not exceeding 2½p for every hundred words required to be copied;
 - (b) shall cause a sufficient number of copies of its deed of settlement to be printed and shall, on the application of any shareholder or policy holder of the company, furnish to him one of those copies on payment of a sum not exceeding 5p.
- (2) Any insurance company which makes default in complying with this section shall be guilty of an offence and liable on summary conviction in England and Wales and Scotland to a fine not exceeding level 5 on the standard scale and, on summary conviction in Northern Ireland to a fine not exceeding £400.

Textual Amendments

- F27** Words substituted by Companies Consolidation (Consequential Provisions) Act 1985 (c. 9, SIF 27), s. 30, **Sch. 2**
F28 Words substituted by S.I. 1986/1035 (N.I. 9), art. 23, **Sch. 1 Pt. II**

Marginal Citations

- M2** 1845 c. 16.

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89 Insurance companies formed before 1967 in contravention of section 434 of the [F²⁹Companies Act]

- (1) Section [F³⁰716] of the [F²⁹Companies Act] (which in certain cases forbids the formation otherwise than under that Act of a company, association or partnership consisting of more than twenty persons) shall be deemed not to have invalidated the formation of any insurance company which immediately before 3rd November 1966 was carrying on in Great Britain insurance business of any class relevant for the purposes of Part I of the ^{M3}Insurance Companies Act 1974 and was carrying on business of that class on 25th July 1973.
- (2) In subsection (1) above the reference to the said section [F³⁰716] includes a reference to any corresponding enactment previously in force.

Textual Amendments

F29 Words substituted by [Companies Consolidation \(Consequential Provisions\) Act 1985 \(c. 9, SIF 27\)](#), s. 30, [Sch. 2](#)

F30 Figure substituted by [Companies Consolidation \(Consequential Provisions\) Act 1985 \(c. 9, SIF 27\)](#), s. 30, [Sch. 2](#)

Marginal Citations

M3 1974 c. 49.

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