

Status: Point in time view as at 05/01/1998. This version of this provision has been superseded.

Changes to legislation: Insurance Companies Act 1982 (repealed), Paragraph 2 is up to date with all changes known to be in force on or before 05 August 2024. 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)

SCHEDULES

[^{F1}SCHEDULE 2D]

FURTHER PROVISIONS WITH RESPECT TO CONTROLLERS OF UK COMPANIES

Textual Amendments

F1 Sch. 2D inserted (1.7.1994) by S.I. 1994/1696, reg. 35, Sch. 4

Modifications etc. (not altering text)

C1 Sch. 2D: Power to contract out functions conferred (18.11.1998) by S.I. 1998/2842, arts. 2, 3, Sch. Pt. I para. 59

Notice of objection where requisite notice not given

- 2 (1) This paragraph applies where—
- (a) a UK company appoints a person as managing director or chief executive of the company;
 - (b) a person becomes a controller of such a company otherwise than by virtue of an appointment in relation to which section 60 above has effect; or
 - (c) a person who is a controller of such a company acquires a notifiable holding in the company,
- in contravention of subsection (1)(a) of section 60, 61 or 61A above; and references in this paragraph to the person in breach shall be construed accordingly.
- (2) The [^{F2}Treasury]—
- (a) may serve the person in breach with a notice of objection at any time within three months after [^{F3}they become] aware of the contravention; and
 - (b) for the purpose of deciding whether to serve the person in breach with such a notice or with a notice imposing conditions under paragraph 3 below, may require that person by notice in writing to provide such information or documents as the [^{F2}Treasury] may reasonably require.
- (3) Before serving a notice of objection under sub-paragraph (2) above, the [^{F2}Treasury] shall serve on the person in breach and, in a case falling within sub-paragraph (1)(a) above, on the person appointed as managing director or chief executive a preliminary written notice—
- (a) stating that [^{F4}the Treasury are] considering serving a notice of objection on the person in breach; and
 - (b) specifying the matters mentioned in sub-paragraph (5) below as respects which [^{F4}the Treasury are] not satisfied.

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- (4) A person served with a preliminary notice under sub-paragraph (3) above may, within the period of one month from the date of service of that notice—
- (a) make written representations to the [F²Treasury]; and
 - (b) if that person so requests, oral representations to an officer of the [F⁵Treasury] appointed for that purpose by the [F²Treasury].
- (5) The [F²Treasury] shall not serve a notice of objection under sub-paragraph (2) above unless it appears to [F⁶them]—
- (a) that the person appointed is or may not be a fit and proper person to be the managing director or chief executive of the company or, as the case may be, that the person in breach is not or may not be a fit and proper person to be a controller of the company or to retain the notifiable holding in the company; or
 - (b) that the interests of policy holders and potential policy holders of the company are or may in some other manner be jeopardised by that person's ability to influence the company.
- (6) Where representations are made in accordance with this paragraph the [F²Treasury] shall take them into consideration before serving a notice of objection.
- (7) The [F²Treasury] shall not be obliged to disclose to the person in breach any particulars of the ground on which [F⁷they are] considering the service of a notice of objection.
- (8) The period mentioned in sub-paragraph (2)(a) above shall be deemed not to expire until fourteen days after the end of the period within which representations may be made in accordance with this paragraph.
- (9) After a notice of objection has been served on a company in relation to a person who is a managing director or chief executive, the company shall forthwith remove that person from that office.

Textual Amendments

- F2** Word in Sch. 2D para. 2 substituted (5.1.1998) by S.I. 1997/2781, art. 8, Sch. Pt. I para. 66 (with art. 7)
- F3** Words in Sch. 2D para. 2(a) substituted (5.1.1998) by S.I. 1997/2781, art. 8, Sch. Pt. I para. 68(a) (with art. 7)
- F4** Words in Sch. 2D para. 2(3)(a)(b) substituted (5.1.1998) by S.I. 1997/2781, art. 8, Sch. Pt. I para. 68(b) (with art. 7)
- F5** Words in Sch. 2D para. 4(b) substituted (5.1.1998) by S.I. 1997/2781, art. 8, Sch. Pt. I para. 68(c) (with art. 7)
- F6** Word in Sch. 2D para. 2(5) substituted (5.1.1998) by S.I. 1997/2781, art. 8, Sch. Pt. I para. 68(d) (with art. 7)
- F7** Words in Sch. 2D para. 2(7) substituted (5.1.1998) by S.I. 1997/2781, art. 8, Sch. Pt. I para. 68(e) (with art. 7)

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