



Financial Services and Markets Act 2000

2000 CHAPTER 8

PART XIX

LLOYD'S

Former underwriting members

320 Former underwriting members.

- (1) A former underwriting member may carry out each contract of insurance that he has underwritten at Lloyd's whether or not he is an authorised person.
- (2) If he is an authorised person, any [^{F1}Part 4A permission] that he has does not extend to his activities in carrying out any of those contracts.
- (3) [^{F2}The PRA] may impose on a former underwriting member such requirements as appear to it to be appropriate for the purpose of protecting policyholders against the risk that he may not be able to meet his liabilities.
- (4) A person on whom a requirement is imposed may refer the matter to the Tribunal.
- [^{F3}(5) In the event that the activity of effecting or carrying out contracts of insurance as principal is not to any extent a PRA-regulated activity, the function conferred on the PRA by subsection (3) is exercisable instead by the FCA.
- (6) Accordingly, in that case—
 - (a) references in section 321 to the PRA are to be read as references to the FCA, and
 - (b) the reference in section 321(13) to the FCA is to be read as a reference to the PRA.]

Textual Amendments

- F1** Words in s. 320(2) substituted (1.4.2013) by [Financial Services Act 2012 \(c. 21\)](#), [ss. 40\(9\)\(a\)](#), [122\(3\)](#) (with [Sch. 20](#)); [S.I. 2013/423](#), [art. 3](#), [Sch.](#)

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Changes to legislation: Financial Services and Markets Act 2000, Cross Heading: Former underwriting members is up to date with all changes known to be in force on or before 10 July 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)

- F2** Words in s. 320(3) substituted (1.4.2013) by [Financial Services Act 2012 \(c. 21\), ss. 40\(9\)\(b\), 122\(3\)](#) (with [Sch. 20](#)); [S.I. 2013/423, art. 3, Sch.](#)
- F3** S. 320(5)(6) inserted (1.4.2013) by [Financial Services Act 2012 \(c. 21\), ss. 40\(9\)\(c\), 122\(3\)](#) (with [Sch. 20](#)); [S.I. 2013/423, art. 3, Sch.](#)

Commencement Information

- II** S. 320 wholly in force at 1.12.2001; s. 320 not in force at Royal Assent see s. 431(2); s. 320(3)(4) in force for specified purposes at 3.9.2001 by [S.I. 2001/2632, art. 2\(2\), Sch. Pt. 2](#); s. 320 in force in so far as not already in force at 1.12.2001 by [S.I. 2001/3538, art. 2\(1\)](#)

321 Requirements imposed under section 320.

- (1) A requirement imposed under section 320 takes effect—
 - (a) immediately, if the notice given under subsection (2) states that that is the case;
 - (b) in any other case, on such date as may be specified in that notice.
- (2) If [^{F4}the PRA] proposes to impose a requirement on a former underwriting member (“A”) under section 320, or imposes such a requirement on him which takes effect immediately, it must give him written notice.
- (3) The notice must—
 - (a) give details of the requirement;
 - (b) state [^{F5}the PRA's] reasons for imposing it;
 - (c) inform A that he may make representations to the [^{F6}PRA] within such period as may be specified in the notice (whether or not he has referred the matter to the Tribunal);
 - (d) inform him of the date on which the requirement took effect or will take effect; and
 - (e) inform him of his right to refer the matter to the Tribunal.
- (4) The [^{F7}PRA] may extend the period allowed under the notice for making representations.
- (5) If, having considered any representations made by A, the [^{F7}PRA] decides—
 - (a) to impose the proposed requirement, or
 - (b) if it has been imposed, not to revoke it,
 it must give him written notice.
- (6) If the [^{F7}PRA] decides—
 - (a) not to impose a proposed requirement, or
 - (b) to revoke a requirement that has been imposed,
 it must give A written notice.
- (7) If the [^{F7}PRA] decides to grant an application by A for the variation or revocation of a requirement, it must give him written notice of its decision.
- (8) If the [^{F7}PRA] proposes to refuse an application by A for the variation or revocation of a requirement it must give him a warning notice.
- (9) If the [^{F7}PRA], having considered any representations made in response to the warning notice, decides to refuse the application, it must give A a decision notice.
- (10) A notice given under—

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- (a) subsection (5), or
 - (b) subsection (9) in the case of a decision to refuse the application,
- must inform A of his right to refer the matter to the Tribunal.
- (11) If the ^{F8}PRA] decides to refuse an application for a variation or revocation of the requirement, the applicant may refer the matter to the Tribunal.
- (12) If a notice informs a person of his right to refer a matter to the Tribunal, it must give an indication of the procedure on such a reference.
- ^{F9}(13) Before giving a notice under any provision of this section, the PRA must consult the FCA.]

Textual Amendments

- F4** Words in s. 321(2) substituted (1.4.2013) by [Financial Services Act 2012 \(c. 21\)](#), **ss. 40(10)(a)**, 122(3) (with [Sch. 20](#)); [S.I. 2013/423](#), [art. 3](#), [Sch.](#)
- F5** Words in s. 321(3)(b) substituted (1.4.2013) by [Financial Services Act 2012 \(c. 21\)](#), **ss. 40(10)(b)**, 122(3) (with [Sch. 20](#)); [S.I. 2013/423](#), [art. 3](#), [Sch.](#)
- F6** Word in s. 321(3)(c) substituted (1.4.2013) by [Financial Services Act 2012 \(c. 21\)](#), **ss. 40(10)(c)**, 122(3) (with [Sch. 20](#)); [S.I. 2013/423](#), [art. 3](#), [Sch.](#)
- F7** Word in s. 321(4)-(9) substituted (1.4.2013) by [Financial Services Act 2012 \(c. 21\)](#), **ss. 40(10)(c)**, 122(3) (with [Sch. 20](#)); [S.I. 2013/423](#), [art. 3](#), [Sch.](#)
- F8** Word in s. 321(11) substituted (1.4.2013) by [Financial Services Act 2012 \(c. 21\)](#), **ss. 40(10)(c)**, 122(3) (with [Sch. 20](#)); [S.I. 2013/423](#), [art. 3](#), [Sch.](#)
- F9** S. 321(13) inserted (1.4.2013) by [Financial Services Act 2012 \(c. 21\)](#), **ss. 40(10)(d)**, 122(3) (with [Sch. 20](#)); [S.I. 2013/423](#), [art. 3](#), [Sch.](#)

Commencement Information

- I2** S. 321 wholly in force at 1.12.2001; s. 321 not in force at Royal Assent see s. 431(2); s. 321 in force for certain purposes at 3.9.2001 by [S.I. 2001/2632](#), [art. 2\(2\)](#), **Sch. Pt. 2**; s. 321 in force in so far as not already in force at 1.12.2001 by [S.I. 2001/3538](#), [art. 2\(1\)](#)

322 Rules applicable to former underwriting members.

- (1) ^{F10}The PRA] may make rules imposing such requirements on persons to whom the rules apply as appear to it to be appropriate for protecting policyholders against the risk that those persons may not be able to meet their liabilities.
- (2) The rules may apply to—
- (a) former underwriting members generally; or
 - (b) to a class of former underwriting member specified in them.
- (3) Section 319 applies to the making of proposed rules under this section as it applies to the giving of a proposed direction under section 316.
- (4) ^{F11}Part 9A (except sections 137T, 138F, 138G and 138H)] does not apply to rules made under this section.
- ^{F12}(5) In the event that the activity of effecting or carrying out contracts of insurance as principal is not to any extent a PRA-regulated activity, the function conferred on the PRA by subsection (1) is exercisable instead by the FCA.]

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Textual Amendments

- F10** Words in s. 322(1) substituted (1.4.2013) by [Financial Services Act 2012 \(c. 21\)](#), **ss. 40(11)(a)**, 122(3) (with [Sch. 20](#)); [S.I. 2013/423](#), [art. 3](#), [Sch.](#)
- F11** Words in s. 322(4) substituted (1.4.2013) by [Financial Services Act 2012 \(c. 21\)](#), **ss. 40(11)(b)**, 122(3) (with [Sch. 20](#)); [S.I. 2013/423](#), [art. 3](#), [Sch.](#)
- F12** S. 322(5) inserted (1.4.2013) by [Financial Services Act 2012 \(c. 21\)](#), **ss. 40(11)(c)**, 122(3) (with [Sch. 20](#)); [S.I. 2013/423](#), [art. 3](#), [Sch.](#)

Commencement Information

- I3** S. 322 wholly in force at 1.12.2001; s. 322 not in force at Royal Assent see s. 431(2); s. 322 in force for specified purposes at 18.6.2001 by [S.I. 2001/1820](#), [art. 2](#), [Sch.](#); s. 322 in force in so far as not already in force at 1.12.2001 by [S.I. 2001/3538](#), [art. 2\(1\)](#)

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