



Financial Services and Markets Act 2000

2000 CHAPTER 8

PART VII

CONTROL OF BUSINESS TRANSFERS

114 Rights of certain policyholders.

- (1) This section applies in relation to an insurance business transfer scheme if—
 - (a) [^{F1}the transferor concerned] is an authorised person other than an EEA firm qualifying for authorisation under Schedule 3;
 - (b) the court has made an order under section 111 in relation to the scheme; and
 - (c) an EEA State other than the United Kingdom is, as regards any policy included in the transfer which evidences a contract of insurance [^{F2}(other than a contract of reinsurance)], the State of the commitment or the EEA State in which the risk is situated (“the EEA State concerned”).
- (2) The court must direct that notice of the making of the order, or the execution of any instrument, giving effect to the transfer must be published by the transferee in the EEA State concerned.
- (3) A notice under subsection (2) must specify such period as the court may direct as the period during which the policyholder may exercise any right which he has to cancel the policy.
- (4) The order or instrument mentioned in subsection (2) does not bind the policyholder if—
 - (a) the notice required under that subsection is not published; or
 - (b) the policyholder cancels the policy during the period specified in the notice given under that subsection.
- (5) The law of the EEA State concerned governs—
 - (a) whether the policyholder has a right to cancel the policy; and
 - (b) the conditions, if any, subject to which any such right may be exercised.

Status: Point in time view as at 27/02/2020. This version of this provision has been superseded.

Changes to legislation: Financial Services and Markets Act 2000, Section 114 is up to date with all changes known to be in force on or before 17 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)

(6) Paragraph 6 of Schedule 12 applies for the purposes of this section as it applies for the purposes of that Schedule.

Textual Amendments

- F1** Words in Pt. VII substituted (1.3.2014) by [Financial Services \(Banking Reform\) Act 2013 \(c. 33\)](#), s. 148(5), [Sch. 1 para. 2](#); [S.I. 2014/377](#), art. 2(1)(a), Sch. Pt. 1
- F2** Words in s. 114(1)(c) inserted (10.12.2007) by [The Reinsurance Directive Regulations 2007 \(S.I. 2007/3253\)](#), reg. 2(1), [Sch. 1 para. 2\(2\)](#)

Modifications etc. (not altering text)

- C1** S. 114 applied (1.12.2001) by [S.I. 2001/3626](#), [arts. 1, 3\(a\)](#)

Status:

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