

SCHEDULE 4

CONFIRMATION BY COMMISSION OF TRANSFERS OF ENGAGEMENTS

Rights of policy holders

5. After paragraph 16 of that Schedule insert—

“Rights of policy holders

16A.—(1) This paragraph applies where the Commission confirms a transfer in accordance with paragraph 15 above and either—

- (a) as regards any policy included in the transfer, a member State other than the United Kingdom is the member State in which the risk is situated; or
- (b) as regards any EFTA policy included in the transfer, and EEA State other than the United Kingdom is the EEA State in which the risk is situated.

(2) The Commission shall direct that—

- (a) notice of its decision, and of the execution of any instrument giving effect to the transfer, shall be published in the member State or, as the case may be, the EEA State in which the risk is situated; and
- (b) the notice shall specify the period during which the policy holder may exercise any right to cancel the policy;

and the instrument shall not bind the policy holder if either such a notice is not so published or the policy holder exercises any such right during the period so specified.

(3) The law of the member State or, as the case may be, the EEA State in which the risk is situated shall determine—

- (a) whether the policy holder has a right to cancel the policy; and
- (b) the conditions applicable to any such right.”.