
STATUTORY INSTRUMENTS

2001 No. 3625

FINANCIAL SERVICES AND MARKETS

The Financial Services and Markets Act
2000 (Control of Business Transfers)
(Requirements on Applicants) Regulations 2001

<i>Made</i>	- - - -	<i>7th November 2001</i>
<i>Laid before Parliament</i>		<i>8th November 2001</i>
<i>Coming into force</i>	- -	<i>1st December 2001</i>

The Treasury, in exercise of the powers conferred on them by sections 108, 417(1)(1), 428(3) of, and paragraph 6(2) of Schedule 12 to, the Financial Services and Markets Act 2000(2), hereby make the following Regulations:

Modifications etc. (not altering text)

C1 Regulations applied (1.12.2001) by [The Financial Services and Markets Act 2000 \(Control of Transfers of Business Done at Lloyd's\) Order 2001 \(S.I. 2001/3626\)](#), arts. 1, **3-5**

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the Financial Services and Markets Act 2000 (Control of Business Transfers) (Requirements on Applicants) Regulations 2001 and come into force on 1st December 2001.

(2) In these Regulations—

“the Act” means the Financial Services and Markets Act 2000;

“the parties” means the authorised person concerned and the transferee (within the meaning of section 105(2) or, as the case may be, section 106(2) of the Act);

[^{F1}“reclaim fund business transfer scheme” has the meaning given by section 106A(1) of the Act;]

“the report” means the scheme report mentioned in section 109(1) of the Act;

^{F2}
...

(1) See the definition of “prescribed” in section 417(1).

(2) 2000 c. 8.

Status: Point in time view as at 31/12/2020.

Changes to legislation: There are currently no known outstanding effects for the The Financial Services and Markets Act 2000 (Control of Business Transfers) (Requirements on Applicants) Regulations 2001. (See end of Document for details)

F2
...

“a summary of the report” means a summary of the report sufficient to indicate the opinion of the person making the report of the likely effects of the insurance business transfer scheme on the policyholders of the parties.

Textual Amendments

- F1** Words in [reg. 1\(2\)](#) inserted (13.7.2009) by [The Financial Services and Markets Act 2000 \(Control of Business Transfers\) \(Requirements on Applicants\) \(Amendment\) Regulations 2009 \(S.I. 2009/1390\)](#), [regs. 1, 2\(a\)](#)
- F2** Words in [reg. 1\(2\)](#) omitted (31.12.2020) by virtue of [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), [regs. 1\(3\), 183\(2\)](#) (with transitional provisions in [S.I. 2019/710](#), [regs. 1\(4\), 36](#), [Sch. para. 3](#) and with savings in [S.I. 2019/680](#), [reg. 11](#)); [2020 c. 1](#), [Sch. 5 para. 1\(1\)](#)

Commencement Information

- I1** Reg. 1 in force at 1.12.2001, see [reg. 1\(1\)](#)

Meaning of “commitment”

F3.2.

Textual Amendments

- F3** [Reg. 2](#) omitted (31.12.2020) by virtue of [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), [regs. 1\(3\), 183\(3\)](#) (with transitional provisions in [S.I. 2019/710](#), [regs. 1\(4\), 36](#), [Sch. para. 3](#) and with savings in [S.I. 2019/680](#), [reg. 11](#)); [2020 c. 1](#), [Sch. 5 para. 1\(1\)](#)

Transfer of an insurance business

3.—(1) An applicant under section 107 of the Act for an order sanctioning an insurance business transfer scheme (“the scheme”) must comply with the following requirements.

(2) A notice stating that the application has been made must be—

[^{F4}(a) published in—

- (i) the London, Edinburgh and Belfast Gazettes, and
- (ii) two national newspapers in the United Kingdom;]

(b) sent to every policyholder of the parties [^{F5}; and

(c) sent—

- (i) to every reinsurer of the authorised person concerned (within the meaning of section 105(2) of the Act) any of whose contracts of reinsurance (in whole or part) are to be transferred by the scheme; or
- (ii) in a case where such a contract has been placed with or through a person authorised to act on behalf of the reinsurer, then to that person; or
- (iii) in a case where such a contract has been placed with more than one reinsurer, then to the person or persons authorised to act on behalf of those reinsurers or groups of reinsurers.]

- (3) The notices mentioned in paragraph (2) must—
- (a) be approved by [^{F6}the appropriate regulator] prior to publication (or, as the case may be, being sent); and
 - (b) contain the address from which the documents mentioned in paragraph (4) may be obtained.
- (4) A copy of the report and a statement setting out the terms of the scheme and containing a summary of the report must be given free of charge to any person who requests them.
- (5) A copy of the application, the report and the statement mentioned in paragraph (4) must be given free of charge to [^{F7}the appropriate regulator and, if the FCA is not the appropriate regulator, the FCA].
- (6) In the case of any such scheme as is mentioned in section 105(5) of the Act, copies of the documents listed in [^{F8}subsection (3) of section 911 (inspection of documents (merger)) or subsection (3) of section 926 (inspection of documents (division)), as the case may be, of the Companies Act 2006] must be given to [^{F9}the appropriate regulator and, if the FCA is not the appropriate regulator, the FCA] by the beginning of the period referred to in paragraph 3(e) of that Schedule.

Textual Amendments

- F4** Reg. 3(2)(a) substituted (31.12.2020) by The Financial Services and Markets Act 2000 (Amendment) (EU Exit) Regulations 2019 (S.I. 2019/632), regs. 1(3), **183(4)** (with transitional provisions in S.I. 2019/710, regs. 1(4), 36, Sch. para. 3 and with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F5** Reg. 3(2)(c) and word added (30.6.2008) by The Financial Services and Markets Act 2000 (Control of Business Transfers)(Requirements on Applicants)(Amendment) Regulations 2008 (S.I. 2008/1467), regs. 1, **2(b)**
- F6** Words in reg. 3(3)(a) substituted (1.4.2013) by The Financial Services Act 2012 (Consequential Amendments and Transitional Provisions) Order 2013 (S.I. 2013/472), art. 1(1), **Sch. 2 para. 62(a)** (with Sch. 2 para. 63)
- F7** Words in reg. 3(5) substituted (1.4.2013) by The Financial Services Act 2012 (Consequential Amendments and Transitional Provisions) Order 2013 (S.I. 2013/472), art. 1(1), **Sch. 2 para. 62(b)** (with Sch. 2 para. 63)
- F8** Words in reg. 3(6) substituted (12.5.2011) by The Companies Act 2006 (Consequential Amendments and Transitional Provisions) Order 2011 (S.I. 2011/1265), arts. 1(2), **20**
- F9** Words in reg. 3(6) substituted (1.4.2013) by The Financial Services Act 2012 (Consequential Amendments and Transitional Provisions) Order 2013 (S.I. 2013/472), art. 1(1), **Sch. 2 para. 62(c)** (with Sch. 2 para. 63)

Modifications etc. (not altering text)

- C2** Reg. 3 modified (31.12.2020) by The Financial Services (Miscellaneous) (Amendment) (EU Exit) Regulations 2019 (S.I. 2019/710), reg. 1(3), Sch. para. 4, 5, **8**; 2020 c. 1, Sch. 5 para. 1(1)

Commencement Information

- I2** Reg. 3 in force at 1.12.2001, see **reg. 1(1)**

4.—(1) Subject to paragraph (2) [^{F10}or (3)], the court may not determine an application under section 107 for an order sanctioning an insurance business transfer scheme—

- (a) where the applicant has failed to comply with the requirements in regulation 3(2), (3) or (6); and

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Changes to legislation: There are currently no known outstanding effects for the The Financial Services and Markets Act 2000 (Control of Business Transfers) (Requirements on Applicants) Regulations 2001. (See end of Document for details)

(b) until a period of not less than twenty-one days has elapsed since [F11the appropriate regulator] was given the documents mentioned in regulation 3(5).

(2) The requirements in [F12regulation 3(2)(a)(ii), (b) and (c)] may be waived by the court in such circumstances and subject to such conditions as the court considers appropriate.

F13(3)

Textual Amendments

- F10** Words in reg. 4(1) inserted (10.12.2007) by [The Financial Services and Markets Act 2000 \(Reinsurance Directive\) Regulations 2007 \(S.I. 2007/3255\)](#), regs. 1, **2(3)**
- F11** Words in reg. 4(1)(b) substituted (1.4.2013) by [The Financial Services Act 2012 \(Consequential Amendments and Transitional Provisions\) Order 2013 \(S.I. 2013/472\)](#), art. 1(1), **Sch. 2 para. 62(a)** (with Sch. 2 para. 63)
- F12** Words in reg. 4(2) substituted (31.12.2020) by [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **183(5)(a)** (with transitional provisions in S.I. 2019/710, regs. 1(4), 36, Sch. para. 3 and with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F13** Reg. 4(3) omitted (31.12.2020) by virtue of [The Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/632\)](#), regs. 1(3), **183(5)(b)** (with transitional provisions in S.I. 2019/710, regs. 1(4), 36, Sch. para. 3 and with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)

Commencement Information

- I3** Reg. 4 in force at 1.12.2001, see [reg. 1\(1\)](#)

[F14Transfer of a banking business or a reclaim fund business]

5.—(1) An applicant under section 107 of the Act for an order sanctioning a banking business transfer scheme [F15or reclaim fund business transfer scheme] (“the scheme”) must comply with the following requirements.

- (2) A notice stating that the application has been made must be published—
 - (a) in the London, Edinburgh and Belfast Gazettes; and
 - (b) in two national newspapers in the United Kingdom.
- (3) The notice mentioned in paragraph (2) must—
 - (a) be approved by [F16the appropriate regulator] prior to its publication; and
 - (b) contain the address from which the statement mentioned in paragraph (4) may be obtained.
- (4) A statement setting out the terms of the scheme must be given free of charge to any person who requests it.
- (5) Copies of the application and the statement mentioned in paragraph (4) must be given free of charge to [F17the appropriate regulator and, if the FCA is not the appropriate regulator, the FCA].

Textual Amendments

- F14** [Reg. 5 heading](#) substituted (13.7.2009) by [The Financial Services and Markets Act 2000 \(Control of Business Transfers\) \(Requirements on Applicants\) \(Amendment\) Regulations 2009 \(S.I. 2009/1390\)](#), regs. 1, **2(b)**

- F15** Words in reg. 5(1) inserted (13.7.2009) by The Financial Services and Markets Act 2000 (Control of Business Transfers) (Requirements on Applicants) (Amendment) Regulations 2009 (S.I. 2009/1390), regs. 1, **2(c)**
- F16** Words in reg. 5(3)(a) substituted (1.4.2013) by The Financial Services Act 2012 (Consequential Amendments and Transitional Provisions) Order 2013 (S.I. 2013/472), art. 1(1), **Sch. 2 para. 62(a)** (with Sch. 2 para. 63)
- F17** Words in reg. 5(5) substituted (1.4.2013) by The Financial Services Act 2012 (Consequential Amendments and Transitional Provisions) Order 2013 (S.I. 2013/472), art. 1(1), **Sch. 2 para. 62(d)** (with Sch. 2 para. 63)

Commencement Information

- I4** Reg. 5 in force at 1.12.2001, see **reg. 1(1)**

6.—(1) Subject to paragraph (2), the court may not determine an application under section 107 for an order sanctioning a banking business transfer scheme [^{F18}or reclaim fund business transfer scheme]—

- (a) where the applicant has failed to comply with the requirements in regulation 5(2) or (3); and
- (b) until a period of not less than twenty-one days has elapsed since [^{F19}the appropriate regulator] was given the documents mentioned in regulation 5(5).

(2) The requirement in regulation 5(2)(b) may be waived by the court in such circumstances and subject to such conditions as the court considers appropriate.

Textual Amendments

- F18** Words in reg. 6(1) inserted (13.7.2009) by The Financial Services and Markets Act 2000 (Control of Business Transfers) (Requirements on Applicants) (Amendment) Regulations 2009 (S.I. 2009/1390), regs. 1, **2(d)**
- F19** Words in reg. 6(1)(b) substituted (1.4.2013) by The Financial Services Act 2012 (Consequential Amendments and Transitional Provisions) Order 2013 (S.I. 2013/472), art. 1(1), **Sch. 2 para. 62(a)** (with Sch. 2 para. 63)

Commencement Information

- I5** Reg. 6 in force at 1.12.2001, see **reg. 1(1)**

7th November 2001

Tony McNulty
Nick Ainger
Two of the Lords Commissioners of Her
Majesty's Treasury

Status: Point in time view as at 31/12/2020.

Changes to legislation: There are currently no known outstanding effects for the The Financial Services and Markets Act 2000 (Control of Business Transfers) (Requirements on Applicants) Regulations 2001. (See end of Document for details)

EXPLANATORY NOTE

(This note is not part of the Order)

These Regulations impose certain procedural requirements on applicants for a court order sanctioning an insurance, or banking, business transfer scheme under Part VII of the Financial Services and Markets Act 2000.

Regulation 3 requires a person seeking the court's approval of an insurance business transfer scheme to publicise in various newspapers the fact that an application has been made and to inform policyholders. It also requires various documents to be sent to the Financial Services Authority ("the Authority") and to those who request them.

Under regulation 4, the court may not sanction an insurance business transfer where the applicant has not complied with certain requirements in regulation 3 or until the Authority has been in receipt of the application and report for at least 21 days. The court may waive some of the requirements where it considers it appropriate in the circumstances.

Regulations 5 and 6 make similar provision in relation to banking business transfer schemes.

Status:

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Changes to legislation:

There are currently no known outstanding effects for the The Financial Services and Markets Act 2000 (Control of Business Transfers) (Requirements on Applicants) Regulations 2001.