

## SCHEDULE 1 **U.K.**

Article 3(1)

### CONTRACTS OF INSURANCE

#### Modifications etc. (not altering text)

- C1** Sch. 1 applied in part (1.12.2001) by [The Financial Services and Markets Act 2000 \(Financial Promotion\) Order 2001 \(S.I. 2001/1335\)](#), [art. 10\(2\)](#), reg. 1(2); S.I. 2001/3538, art. 2(1)
- C2** Sch. 1 applied in part (1.12.2001) by [The Financial Services and Markets Act 2000 \(Financial Promotion\) Order 2001 \(S.I. 2001/1335\)](#), [art. 25\(2\)](#), reg. 1(2); S.I. 2001/3538, art. 2(1)

## PART I **U.K.**

### CONTRACTS OF GENERAL INSURANCE

#### Accident **U.K.**

1. Contracts of insurance providing fixed pecuniary benefits or benefits in the nature of indemnity (or a combination of both) against risks of the person insured or, in the case of a contract made by virtue of section 140, 140A or 140B of the Local Government Act 1972 <sup>M1</sup> (or, in Scotland, section 86(1) of the Local Government (Scotland) Act 1973 <sup>M2</sup>), a person for whose benefit the contract is made—

- (a) sustaining injury as the result of an accident or of an accident of a specified class; or
- (b) dying as a result of an accident or of an accident of a specified class; or
- (c) becoming incapacitated in consequence of disease or of disease of a specified class,

including contracts relating to industrial injury and occupational disease but excluding contracts falling within paragraph 2 of Part I of, or paragraph IV of Part II of, this Schedule.

#### Marginal Citations

- M1** [S.I. 1999/2725](#), amended by [S.I. 2000/1797](#).
- M2** 1972 c. 70. Section 140 was amended by the [Local Government \(Miscellaneous Provisions\) Act 1982 \(c. 30\)](#), [s. 39\(1\)](#) and Sch. 7, Part XVI; by the [Insurance Companies Act 1982 \(c. 50\)](#), [Sch. 5](#), para. 13; and by the [London Regional Transport Act 1984 \(c. 32\)](#), [Sch. 7](#). Section 140A was inserted by s. 39(2) of the [Local Government \(Miscellaneous Provisions\) Act 1982 \(c. 30\)](#), and amended by the [Planning \(Consequential Provisions\) Act 1990 \(c. 10\)](#), [Sch. 2](#), para. 28, and by the [Environment Act 1995 \(c. 25\)](#), [Sch. 24](#). Section 140B was inserted by s. 39(2) of the [Local Government \(Miscellaneous Provisions\) Act 1982](#), and amended by the [Local Government Act 1985 \(c. 51\)](#), [Sch. 17](#), and by the [Local Government \(Wales\) Act 1994 \(c. 19\)](#), [Sch. 15](#), para. 31.

#### Sickness **U.K.**

2. Contracts of insurance providing fixed pecuniary benefits or benefits in the nature of indemnity (or a combination of both) against risks of loss to the persons insured attributable to sickness or infirmity but excluding contracts falling within paragraph IV of Part II of this Schedule.

**Status:** Point in time view as at 31/10/2004.

**Changes to legislation:** The Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 is up to date with all changes known to be in force on or before 20 June 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)

### **Land vehicles** U.K.

3. Contracts of insurance against loss of or damage to vehicles used on land, including motor vehicles but excluding railway rolling stock.

### **Railway rolling stock** U.K.

4. Contract of insurance against loss of or damage to railway rolling stock.

### **Aircraft** U.K.

5. Contracts of insurance upon aircraft or upon the machinery, tackle, furniture or equipment of aircraft.

### **Ships** U.K.

6. Contracts of insurance upon vessels used on the sea or on inland water, or upon the machinery, tackle, furniture or equipment of such vessels.

### **Goods in transit** U.K.

7. Contracts of insurance against loss of or damage to merchandise, baggage and all other goods in transit, irrespective of the form of transport.

### **Fire and natural forces** U.K.

8. Contracts of insurance against loss of or damage to property (other than property to which paragraphs 3 to 7 relate) due to fire, explosion, storm, natural forces other than storm, nuclear energy or land subsidence.

### **Damage to property** U.K.

9. Contracts of insurance against loss of or damage to property (other than property to which paragraphs 3 to 7 relate) due to hail or frost or any other event (such as theft) other than those mentioned in paragraph 8.

### **Motor vehicle liability** U.K.

10. Contracts of insurance against damage arising out of or in connection with the use of motor vehicles on land, including third-party risks and carrier's liability.

### **Aircraft liability** U.K.

11. Contracts of insurance against damage arising out of or in connection with the use of aircraft, including third-party risks and carrier's liability.

### **Liability of ships** U.K.

12. Contracts of insurance against damage arising out of or in connection with the use of vessels on the sea or on inland water, including third party risks and carrier's liability.

### **General liability** U.K.

13. Contracts of insurance against risks of the persons insured incurring liabilities to third parties, the risks in question not being risks to which paragraph 10, 11 or 12 relates.

### **Credit** U.K.

14. Contracts of insurance against risks of loss to the persons insured arising from the insolvency of debtors of theirs or from the failure (otherwise than through insolvency) of debtors of theirs to pay their debts when due.

### **Suretyship** U.K.

15.—(1) Contracts of insurance against the risks of loss to the persons insured arising from their having to perform contracts of guarantee entered into by them.

(2) Fidelity bonds, performance bonds, administration bonds, bail bonds or customs bonds or similar contracts of guarantee, where these are—

- (a) effected or carried out by a person not carrying on a banking business;
- (b) not effected merely incidentally to some other business carried on by the person effecting them; and
- (c) effected in return for the payment of one or more premiums.

### **Miscellaneous financial loss** U.K.

16. Contracts of insurance against any of the following risks, namely—

- (a) risks of loss to the persons insured attributable to interruptions of the carrying on of business carried on by them or to reduction of the scope of business so carried on;
- (b) risks of loss to the persons insured attributable to their incurring unforeseen expense (other than loss such as is covered by contracts falling within paragraph 18);
- (c) risks which do not fall within sub-paragraph (a) or (b) and which are not of a kind such that contracts of insurance against them fall within any other provision of this Schedule.

### **Legal expenses** U.K.

17. Contracts of insurance against risks of loss to the persons insured attributable to their incurring legal expenses (including costs of litigation).

### **Assistance** U.K.

18. Contracts of insurance providing either or both of the following benefits, namely—

- (a) assistance (whether in cash or in kind) for persons who get into difficulties while travelling, while away from home or while away from their permanent residence; or
- (b) assistance (whether in cash or in kind) for persons who get into difficulties otherwise than as mentioned in sub-paragraph (a).

## **PART II** U.K.

### **CONTRACTS OF LONG-TERM INSURANCE**

#### **Life and annuity** U.K.

I. Contracts of insurance on human life or contracts to pay annuities on human life, but excluding (in each case) contracts within paragraph III.

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## **Marriage and birth** U.K.

**II.** Contract of insurance to provide a sum on marriage or on the birth of a child, being contracts expressed to be in effect for a period of more than one year.

## **Linked long term** U.K.

**III.** Contracts of insurance on human life or contracts to pay annuities on human life where the benefits are wholly or partly to be determined by references to the value of, or the income from, property of any description (whether or not specified in the contracts) or by reference to fluctuations in, or in an index of, the value of property of any description (whether or not so specified).

## **Permanent health** U.K.

**IV.** Contracts of insurance providing specified benefits against risks of persons becoming incapacitated in consequence of sustaining injury as a result of an accident or of an accident of a specified class or of sickness or infirmity, being contracts that—

- (a) are expressed to be in effect for a period of not less than five years, or until the normal retirement age for the persons concerned, or without limit of time; and
- (b) either are not expressed to be terminable by the insurer, or are expressed to be so terminable only in special circumstances mentioned in the contract.

## **Tontines** U.K.

**V.** Tontines.

## **Capital redemption contracts** U.K.

**VI.** Capital redemption contracts, where effected or carried out by a person who does not carry on a banking business, and otherwise carries on a regulated activity of the kind specified by article 10(1) or (2).

## **Pension fund management** U.K.

**VII.**

- (a) Pension fund management contracts, and
- (b) pension fund management contracts which are combined with contracts of insurance covering either conservation of capital or payment of a minimum interest,

where effected or carried out by a person who does not carry on a banking business, and otherwise carries on a regulated activity of the kind specified by article 10(1) or (2).

## **Collective insurance etc.** U.K.

**VIII.** Contracts of a kind referred to in article 1(2)(e) of the first life insurance directive.

## **Social insurance** U.K.

**IX.** Contracts of a kind referred to in article 1(3) of the first life insurance directive.

SCHEDULE 2 U.K.

Article 4

ANNEX TO THE INVESTMENT SERVICES DIRECTIVE

“ANNEX U.K.

Section A

*Services*

1.
  - (a) Reception and transmission, on behalf of investors, of orders in relation to one or more instruments listed in Section B.
  - (b) Execution of such orders other than for own account.
2. Dealing in any of the instruments listed in Section B for own account.
3. Managing portfolios of investments in accordance with mandates given by investors on a discretionary, client-by-client basis where such portfolios include one or more of the instruments listed in Section B.
4. Underwriting in respect of issues of any of the instruments listed in Section B and/or the placing of such issues.

SECTION B

*Investments*

1.
  - (a) Transferable securities.
  - (b) Units in collective investment undertakings.
2. Money-market instruments.
3. Financial-futures contracts, including equivalent cash-settled instruments.
4. Forward interest-rate agreements (FRAs).
5. Interest-rate, currency and equity swaps.
6. Options to acquire or dispose of any instruments falling within this section of the Annex, including equivalent cash-settled instruments. This category includes in particular options on currency and on interest rates.

SECTION C

*Non-core services*

1. Safekeeping and administration in relation to one or more of the instruments listed in Section B.
2. Safe custody services.
3. Granting credits or loans to an investor to allow him to carry out a transaction in one or more of the instruments listed in Section B, where the firm granting the credit or loan is involved in the transaction.
4. Advice to undertakings on capital structure, industrial strategy and related matters and advice and service relating to mergers and the purchase of undertakings.

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5. Services related to underwriting.
6. Investment advice concerning one or more of the instruments listed in Section B.
7. Foreign-exchange services where these are connected with the provision of investment services.”

### SCHEDULE 3 U.K.

Article 4

#### ARTICLE 2.2 OF THE INVESTMENT SERVICES DIRECTIVE

“This Directive shall not apply to:

- (a) insurance undertakings as defined in Article 1 of Directive [73/239/EEC](#) or Article 1 of Directive [79/267/EEC](#) or undertakings carrying on the reinsurance and retrocession activities referred to in Directive [64/225/EEC](#);
- (b) firms which provide investment services exclusively for their parent undertakings, for their subsidiaries or for other subsidiaries of their parent undertakings;
- (c) persons providing an investment service where that service is provided in an incidental manner in the course of a professional activity and that activity is regulated by legal or regulatory provisions or a code of ethics governing the profession which do not exclude the provision of that service;
- (d) firms that provide investment services consisting exclusively in the administration of employee participation schemes;
- (e) firms that provide investment services that consist in providing both the services referred to in (b) and those referred to in (d);
- (f) the central banks of Member States and other national bodies performing similar functions and other public bodies charged with or intervening in the management of the public debt;
- (g) firms
  - (0) which may not hold clients’ funds or securities and which for that reason may not at any time place themselves in debit with their clients, and
  - (0) which may not provide any investment service except the reception and transmission of orders in transferable securities and units in collective investment undertakings, and
  - (0) which in the course of providing that service may transmit orders only to
    - (i) investment firms authorised in accordance with this Directive;
    - (ii) credit institutions authorised in accordance with Directives [77/80/EEC](#) and [89/646/EEC](#)<sup>M3</sup>;
    - (iii) branches of investment firms or of credit institutions which are authorised in a third country and which are subject to and comply with prudential rules considered by the competent authorities as at least as stringent as those laid down in this Directive, in Directive [89/646/EEC](#) or in Directive [93/6/EEC](#);
    - (iv) collective investment undertakings authorised under the law of a Member State to market units to the public and to the managers of such undertakings;
    - (v) investment companies with fixed capital, as defined in Article 15(4) of Directive [79/91/EEC](#), the securities of which are listed or dealt in on a regulated market in a Member State;
    - (0) the activities of which are governed at national level by rules or by a code of ethics;

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- (h) collective investment undertakings whether coordinated at Community level or not and the depositaries and managers of such undertakings;
- (i) person whose main business is trading in commodities amongst themselves or with producers or professional users of such products and who provide investment services only for such producers and professional users to the extent necessary for their main business;
- (j) firms that provide investment services consisting exclusively in dealing for their own account on financial-futures or options markets or which deal for the accounts of other members of those markets or make prices for them and which are guaranteed by clearing members of the same markets. Responsibility for ensuring the performance of contracts entered into by such firms must be assumed by clearing members of the same markets;
- (k) associations set up by Danish pension funds with the sole aim of managing the assets of pension funds that are members of those associations;
- (l) “agenti di cambio” whose activities and functions are governed by Italian Royal Decree No. 222 of 7 March 1925 and subsequent provisions amending it, and who are authorised to carry on their activities under Article 19 of Italian Law No 1 of 2 January 1991.”

#### Marginal Citations

- M3** References to Directives 77/80/EEC and 89/646/EEC are now to be construed as references to Directive 2000/12/EC (O.J. L126, 26.5.2000, p.1), by virtue of Article 67(2) of that Directive.

[<sup>F1</sup>SCHEDULE 4 U.K.]

Article 4

#### RELEVANT TEXT OF THE INSURANCE MEDIATION DIRECTIVE

#### Textual Amendments

- F1** Sch. 4 inserted (31.10.2004 for specified purposes, 14.1.2005 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) \(No. 2\) Order 2003 \(S.I. 2003/1476\)](#), arts. 1(3), **12**

Part 1 U.K.

Article 1.2

“This Directive shall not apply to persons providing mediation services for insurance contracts if all the following conditions are met:

- (a) the insurance contract only requires knowledge of the insurance cover that is provided;
- (b) the insurance contract is not a life assurance contract;
- (c) the insurance contract does not cover any liability risks;
- (d) the principal professional activity of the person is other than insurance mediation;
- (e) the insurance is complementary to the product or service supplied by any provider, where such insurance covers:
  - (i) the risk of breakdown, loss of or damage to goods supplied by that provider; or

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- (ii) damage to or loss of baggage and other risks linked to the travel booked with that provider, even if the insurance covers life assurance or liability risks, provided that the cover is ancillary to the main cover for the risks linked to that travel;
- (f) the amount of the annual premium does not exceed EUR 500 and the total duration of the insurance contract, including any renewals, does not exceed five years.”

## Part II U.K.

### Article 2.3

““Insurance mediation” means the activities of introducing, proposing or carrying out other work preparatory to the conclusion of contracts of insurance, or of concluding such contracts, or of assisting in the administration and performance of such contracts, in particular in the event of a claim.

These activities when undertaken by an insurance undertaking or an employee of an insurance undertaking who is acting under the responsibility of the insurance undertaking shall not be considered as insurance mediation.

The provision of information on an incidental basis in the context of another professional activity provided that the purpose of that activity is not to assist the customer in concluding or performing an insurance contract, the management of claims of an insurance undertaking on a professional basis, and loss adjusting and expert appraisal of claims shall also not be considered as insurance mediation.”

## Part III U.K.

### Article 2.4

““Reinsurance mediation” means the activities of introducing, proposing or carrying out other work preparatory to the conclusion of contracts of reinsurance, or of concluding such contracts, or of assisting in the administration and performance of such contracts, in particular in the event of a claim.

These activities when undertaken by a reinsurance undertaking or an employee of a reinsurance undertaking who is acting under the responsibility of the reinsurance undertaking are not considered as reinsurance mediation.

The provision of information on an incidental basis in the context of another professional activity provided that the purpose of that activity is not to assist the customer in concluding or performing a reinsurance contract, the management of claims of a reinsurance undertaking on a professional basis, and loss adjusting and expert appraisal of claims shall also not be considered as reinsurance mediation.”]



**Status:**

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