

## SCHEDULE 1

Articles 9, 11, 24

## MODIFICATION AND SAVING OF ENACTMENTS

## PART 1

## MODIFICATIONS

*The Policyholders Protection Act*

<i>Provision</i>	<i>Modifications</i>
Sections 1, 3, 4, 5(1), 6, 7(2), 8(3), 9(4), 10(5), 11(6), 12, 13(7), 14, 15(8), 16(9), 17, 23(1), 27(10), 31(11).	In each place where it appears, for “Board” substitute “scheme manager”.  Where the Board are referred to in the plural, substitute the singular as it refers to the scheme manager.
Section 3(2)(12)	For the second “is” substitute “was, at the time the functions under sections 6 to 11 became exercisable,”.
Section 9	For “any other authorised insurance company which” substitute “an authorised person (within the meaning of the Financial Services and Markets Act 2000) with permission under that Act to effect or carry out contracts of insurance as principal, and who”.
Section 11(5)	For “another authorised insurance company” in each place where those words appear, substitute “an authorised person (within the meaning of the Financial Services and Markets Act 2000) who has permission to effect and carry out

- 
- (1) Repealed in part by the Insolvency Act 1985 (c. 65) Schedule 10 and amended by the Insolvency Act 1986 (c. 45) Schedule 14 and by the Insolvency (Northern Ireland) Order 1989 (S.I. 1989/2405) (N.I. 19) Schedule 9, paragraph 26.
  - (2) Amended by the Road Traffic (Consequential Provisions) Act 1988 (c. 54) Schedule 3, paragraph 14 and by the Road Traffic (Northern Ireland Consequential Amendments) Order 1981 S.I. 1981/160.
  - (3) Amended by the Insolvency Act 1981 Schedule 4.
  - (4) Amended by the Road Traffic (Consequential Provisions) Act 1988 (c. 54) Schedule 3, paragraph 14 and by the Road Traffic (Northern Ireland Consequential Amendments) Order 1981 S.I. 1981/160.
  - (5) Amended by the Insurance Companies Act 1981 Schedule 5.
  - (6) Amended by S.I. 1997/2781.
  - (7) Amended by S.I. 1997/2781.
  - (8) Amended by the Companies Consolidation (Consequential Provisions) Act 1985 (c. 9) Schedule 2; the Insolvency Act 1986 (c. 45) Schedule 14; and the Insolvency (Northern Ireland) Order 1989 (S.I. 1989/2405) (N.I. 19) Schedule 9, paragraph 27.
  - (9) Amended by the Policyholders Protection Act 1997 (c. 18) sections 3 to 6; the Insolvency Act 1986 (c. 45) Schedule 14; the Insolvency (Northern Ireland) Order 1989 (S.I. 1989/2405) (N.I. 19) Schedule 9, paragraph 28; the Companies Consolidation (Consequential Provisions) Act 1985 (c. 9) Schedule 2; and the Companies (Consequential Provisions) (Northern Ireland) Order 1986 (S.I. 1986/1035).
  - (10) Amended by the Companies Consolidation (Consequential Provisions) Act 1985 (c. 9) Schedule 2 and by the Statute Law (Repeals) Act 1993 (c. 50).
  - (11) Amended by S.I. 1997/2781.
  - (12) Amended and repealed in part by the Insurance Companies Act 1980 (c. 25) section 4, Schedule 3, paragraph 9 and Schedule 5 and amended by the Insurance Companies Act 1981 (c. 31) Schedule 4, paragraph 25 and by the Insurance Companies Act 1982 (c. 50) Schedule 5, paragraph 16. Modified by the Insurance Companies (Third Insurance Directives) Regulations 1994 (S.I. 1994/1696).

**Status:** This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

<i>Provision</i>	<i>Modifications</i>
	contracts of insurance (within the meaning of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001)".
Section 13(3)	Omit from "together" to "such expenditure".
Section 16(3)	For "another authorised insurance company", substitute "an authorised person (within the meaning of the Financial Services and Markets Act 2000) who has permission to effect and carry out contracts of insurance (within the meaning of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001)".
Section 32(13)	In subsection (1), after the definition of "long term policy", insert— "the scheme manager" has the same meaning as in Part XV of the Financial Services and Markets Act 2000;".  Omit the definitions of "the Board", "general business expenditure", "general business levy", "long term business expenditure" and "long term business levy".
Sections 1(1), (2)(b)(14), (3) to (5), 2, 18, 19, 20, 21, 23(2), 24, 25, 26(15), 29(16) and Schedules 1, 2 and 3	Omit

2. A reference in any provision of the Policyholders Protection Act to any other provision of that Act is to be construed as reference to the latter provision as modified by this Order.

#### *Part II of the Banking Act*

<i>Provision</i>	<i>Modifications</i>
Section 50(2)(17)	Substitute— "(2) The scheme manager has the functions, conferred on it by this Part."
Section 52(6)(18)	After the definition of "building society", insert "commencement" means the beginning of the day on which section 19 of the Financial Services and Markets Act 2000 comes into force;".

(13) Repealed in part by the Insurance Companies Act 1980 (c. 25) Schedule 5 and the Insurance Companies Act 1981

(14) Amended by S.I. 1997/2781.

(15) Amended by S.I. 1997/2781.

(16) Amended by the Companies Consolidation (Consequential Provisions) Act 1985 (c. 9) Schedule 2; the Statute Law (Repeals) Act 1993 (c. 50); the Insurance Companies Act 1982 (c. 50) Schedule 5, paragraph 16.

(17) Amended by the Credit Institutions (Protection of Depositors) Regulations 1995 (S.I. 1995/1442).

(18) Subsections (6) and (7) of section 52 were inserted by the Credit Institutions (Protection of Depositors) Regulations 1995 (S.I. 1995/1442).

<i>Provision</i>	<i>Modifications</i>
	After the definition of “participating non-EEA institution”, insert ““the scheme manager” has the same meaning as in Part XV of the Financial Services and Markets Act 2000;”.
Section 58	In subsection (1), for the words from “if at any time” to “becomes insolvent” substitute “in relation to an institution to which this subsection applies which was, before commencement, insolvent”.
	In subsection (1)(a), omit “out of the Fund”.
	In subsection (2), for “is” in each case it is used, substitute “was, at the time it became insolvent,”.
Sections 58(1) to (6), (8), (9)(19), 59(20), 60(21), 61(22), 62(23), 65(3) and (4)(24).	For “Board” substitute “scheme manager”.
Section 58(2C)	Immediately before “a UK institution”, insert “an institution which was, at the time it became insolvent,”.
Section 58 (2D)	Immediately before “a participating EEA institution”, insert “an institution which was, at the time it became insolvent,”.
Section 58(3)	Immediately before “a UK institution”, insert “an institution which was, at the time it became insolvent,”.
Section 58(7) and section 60(5)	For “Board” substitute “scheme manager and the Authority”.
Section 59	In subsections (1) and (2)— for “becomes” substitute “became”; and for the words from “deposits made” to the end substitute “prior to commencement deposits made with the institution had become due and payable and had not yet been repaid”.
	In subsection (4), immediately before “a UK institution” insert “an institution which was, at the time it became insolvent,”.

(19) Amended by the Insolvency (Northern Ireland) Order 1989 (S.I. 1989/2405) (N.I. 19) Schedule 9, paragraph 50; the Credit Institutions (Protection of Depositors) Regulations 1995 (S.I. 1995/1442); and the Bank of England Act 1998 (c. 11) Schedule 5, paragraph 14.

(20) Amended by the Credit Institutions (Protection of Depositors) Regulations 1995 (S.I. 1995/1442) and the Bank of England Act 1998 (c. 11) Schedule 5, paragraph 14.

(21) Amended by the Credit Institutions (Protection of Depositors) Regulations 1995 (S.I. 1995/1442).

(22) Amended by the Credit Institutions (Protection of Depositors) Regulations 1995 (S.I. 1995/1442).

(23) Amended by the Credit Institutions (Protection of Depositors) Regulations 1995 (S.I. 1995/1442).

(24) Amended by the Credit Institutions (Protection of Depositors) Regulations 1995 (S.I. 1995/1442).

*Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.*

<i>Provision</i>	<i>Modifications</i>
Section 59(4)	Immediately before “a UK institution”, insert “an institution which was, at the time it became insolvent,”.
Section 60(2A)	Immediately before “UK institutions”, insert “institutions which were, at the time they became insolvent,”.
Section 61(8)	Before “an authorised institution” insert “an institution which, immediately before commencement, was”.
Sections 50(1) and (3), 51(25), 52(1) to (4B)(26), 53(27), 54, 55, 56, 57(28), 62(8), 63, 64, 65(1), (2)(29) and 66	Omit.

*Part IV of the Building Societies Act*

<i>Provision</i>	<i>Modifications</i>
Section 24(30)	<p>For subsection (1) substitute—</p> <p>“(1) The scheme manager has the functions, powers and duties conferred on it by this Part.”.</p> <p>In subsection (4), after the definition of “the 1995 Regulations”, insert—</p> <p>““the Authority” means the Financial Services Authority;</p> <p>“commencement” means the beginning of the day on which section 19 of the Financial Services and Markets Act 2000 comes into force;”</p> <p>In the definition of “participating institution”, after “means” insert “an insolvent institution which was, at the time it became insolvent”.</p> <p>At the end of subsection (4), insert—</p> <p>““the scheme manager” has the same meaning as in Part XV of the Financial Services and Markets Act 2000.</p> <p>(4A) In the protective scheme provisions of this Part—</p> <p>“the expenses attributable to the insolvency”with reference to a</p>

(25) Amended by the Credit Institutions (Protection of Depositors) Regulations 1995 (S.I. 1995/1442).

(26) Amended by the Credit Institutions (Protection of Depositors) Regulations 1995 (S.I. 1995/1442) and the Bank of England Act 1998 (c. 11) Schedule 5, paragraph 14.

(27) Amended by the Credit Institutions (Protection of Depositors) Regulations 1995 (S.I. 1995/1442).

(28) Amended by the Credit Institutions (Protection of Depositors) Regulations 1995 (S.I. 1995/1442).

(29) Amended by the Credit Institutions (Protection of Depositors) Regulations 1995 (S.I. 1995/1442) and the Bank of England Act 1998 (c. 11) Schedule 5, paragraph 14.

(30) Amended by the Credit Institutions (Protection of Depositors) Regulations 1995 (S.I. 1995/1442); the Building Societies Act 1997 (c. 32) Schedule 7, paragraph 4; and S.I. 1999/2094.

<i>Provision</i>	<i>Modifications</i>
	participating institution insolvency means payments made to investors under section 27, together with any expenses (including administrative expenses attributable to that insolvency) incurred by the scheme manager in connection with the making of such payments or in connection with that insolvency; “insolvency payments to investors” means payments made to investors under section 27 and any expenses incurred in connection with the making of such payments, and “insolvency payment” has a corresponding meaning.”
Sections 25A(31)	In subsection (1) and (2)— for “becomes” substitute “became”; after “only if” insert “prior to commencement”; “have become” substitute “had become”; and for “have not” substitute “had not”.
Section 27(32)	In subsection (4), so far as it relates to paragraph (b), for “Commission” substitute “Authority”.  In subsection (1), for the words from “if at any time” to “become insolvent” substitute “in relation to a participating institution”.  In subsection (1)(a) omit “out of the Fund”.  In subsection (2A)— for “Commission” substitute “Authority”; for “becomes” substitute “became”.  In subsection (3), for “an authorised institution” substitute “an authorised person within the meaning of the Financial Services and Markets Act 2000 who has permission to accept deposits (within the meaning of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001)”.  In subsections (3B) and (5C), before “a participating EEA institution”, insert “a

(31) Inserted by the Credit Institutions (Protection of Depositors) Regulations 1995 (S.I. 1995/1442) and amended by the Building Societies Act 1997 Schedule 7, paragraph 6.

(32) Amended by the Credit Institutions (Protection of Depositors) Regulations 1995 (S.I. 1995/1442); the Building Societies Act 1997 Schedule 7, paragraph 7 and S.I. 2000/2952.

**Status:** This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

<i>Provision</i>	<i>Modifications</i>
	participating institution which was, when it became insolvent.”.
	In subsection (4)(b), at the end insert “or under the Financial Services Compensation Scheme established under Part XV of the Financial Services and Markets Act 2000”.
	In subsection (5), omit “which has become insolvent”.
	In subsection (6), for “the Board” substitute “the scheme manager and the Authority”.
	In subsections (10) and (11), omit “insolvent”.
Section 27A(1)	Omit “which has become insolvent”.
Section 28(33)	In subsection (1), omit paragraph (a) and, in paragraph (b), after “the insolvency” insert “of a participating institution”.
Section 29A(34)	In subsection (3), omit “insolvent”.
Sections 27(1) to (5C), (8) to (11), 27A, 28, 29A(3) to (5), Schedule 6	For “Board” substitute “scheme manager”.
Schedule 6	In paragraph 5, for “investment business (within the meaning of the Financial Services Act 1986)” substitute “activities which are regulated activities for the purposes of the Financial Services and Markets Act 2000”.
Sections 24(2), 25(35), 25A(4)(a), 26(36), 28(9), 29(37), 29A(1), (2), 30, 31(38)	Omit

*The Credit Institutions (Protection of Depositors) Regulations 1995*

<i>Provision</i>	<i>Modifications</i>
Regulation 2(39)	After the definition of “the 1992 Regulations” insert— ““the Authority” means the Financial Services Authority;

- (33) Amended by the Credit Institutions (Protection of Depositors) Regulations 1995 (S.I. 1995/1442); the Building Societies Act 1997 (c. 32) section 3, Schedule 7, paragraph 9, Schedule 9; and the Insolvency (Northern Ireland) Order 1989 (S.I. 1989/2405) (N.I. 19) Schedule 9, paragraph 43.
- (34) Inserted by the Credit Institutions (Protection of Depositors) Regulations 1995 (S.I. 1995/1442); and amended by the Building Societies Act 1997 (c. 32) Schedule 7, paragraph 10.
- (35) Amended by the Banking Act Schedule 6, paragraph 26, Schedule 7; Credit Institutions (Protection of Depositors) Regulations 1995 (S.I. 1995/1442); the Building Societies Act 1997 (c. 32) Schedule 7, paragraph 5; and S.I. 1999/2094 and modified by the Banking Coordination (Second Council Directive) Regulations 1992 (S.I. 1992/3218).
- (36) Amended and repealed in part by the Credit Institutions (Protection of Depositors) Regulations 1995 (S.I. 1995/1442).
- (37) Amended by the Credit Institutions (Protection of Depositors) Regulations 1995 (S.I. 1995/1442).
- (38) Amended by the Building Societies Act 1997 (c. 32) Schedule 7, paragraph 11 and amended by S.I. 1996/1669.
- (39) Amended by S.I. 1998/1129 and S.I. 1999/2094.

<i>Provision</i>	<i>Modifications</i>
	<p>“article 9 default” has the same meaning as in the Financial Services and Markets Act 2000 (Transitional Provisions, Savings and Repeals) (Financial Services Compensation Scheme) Order 2001;”.</p> <p>After the definition of “building society” insert—</p> <p>““commencement” means the beginning of the day on which section 19 of the Financial Services and Markets Act 2000 comes into force;”.</p> <p>After the definition of “non-EEA institution” insert—</p> <p>““relevant Part” means “Part II of the 1987 Act or Part IV of the 1986 Act (as continued in effect by the Financial Services and Markets Act 2000 (Transitional Provisions, Repeals and Savings) (Financial Services Compensation Scheme) Order 2001)”; “the scheme manager” has the same meaning as in Part XV of the Financial Services and Markets Act 2000;”.</p>
Regulation 7(2)	<p>For the words from the beginning to “the relevant Board”, substitute—</p> <p>“Where an article 9 default has occurred in relation to a person who was, immediately before commencement, an EEA institution which was participating in a UK scheme, and that institution fails to produce any documents or provide any information to the scheme manager which it is required to produce or provide under section 65 of the 1987 Act or, as the case may be, section 29A of the 1986 Act, the scheme manager”.</p> <p>In sub-paragraph (b), for “the Board” substitute “the scheme manager”.</p>
Regulation 10(2)	<p>For the words from “an EEA institution” to “the relevant Board” substitute “an article 9 default occurs in relation to a person who was, immediately before commencement, an EEA institution which was participating in a UK scheme, the scheme manager”.</p>
Regulation 14(1)	<p>For the words from the beginning of the paragraph to “the relevant enactment” substitute “Where an article 9 default has</p>

**Status:** This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

<i>Provision</i>	<i>Modifications</i>
	<p>occurred in relation to a person who was, immediately before commencement, a UK institution or building society which is participating in a host State scheme, section 62 of the 1987 Act or section 28 of the 1986 Act as the case may be.”.</p> <p>For “relevant Board” substitute “scheme manager”.</p>
Regulation 15(2)	<p>For the words from “a UK institution” to “the relevant Board” substitute “an article 9 default occurs in relation to a person who was, immediately before commencement, a UK institution or building society which is participating in a host State scheme, the scheme manager”.</p>
Regulation 17	<p>In paragraph (1), for the words from “a UK institution” to “relevant authority” substitute “an article 9 default has occurred in relation to a person who was, immediately before commencement, a UK institution or building society, it shall be the duty of the Authority”.</p> <p>In paragraph (2), after “where” insert “a person who was, immediately before commencement,” and for “relevant authority” substitute “the Authority”.</p> <p>In paragraph (3), for “relevant enactment” substitute “relevant Part”.</p>
Regulation 18	<p>For the words from the beginning of the paragraph to “obtain information)” substitute “Where an article 9 default has occurred in relation to a person who was, immediately before commencement, a UK institution or building society which is participating in a host State scheme, the provisions of the relevant Part which enable the scheme manager to obtain information (sections 58(8), (9), 65(3), (4) of the 1987 Act or sections 29A(3) and (4) of the 1986 Act”.</p> <p>For “relevant Board” substitute “scheme manager”.</p> <p>For “relevant UK scheme” substitute “the deposit protection scheme or the investor protection scheme as appropriate”.</p>



**Status:** This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

<i>Provision</i>	<i>Modifications</i>
Regulations 1(1), (2), 3(40) to 6, 7(1), (3) to (5), 8, 9, 10(1), (3), 11, 12, 13, 14(2), 15(1), (3), 16, 17(4)(41), 18(2), 19 to 45 and 53 to 54	Omit

## PART 2

### SAVINGS

<i>Provision</i>	<i>Saving</i>
Section 1(5) of, and paragraphs 1 to 13 of Schedule 1 to, the Policyholders Protection Act	Continues to have effect only until the Policyholders Protection Board ceases to exist.
Sections 50(3) of, and paragraphs 1 to 4 of Schedule 4 to, the Banking Act	Continues to have effect only until the Deposit Protection Board ceases to exist.
Section 24(2) of, and paragraphs 1 to 5A of Schedule 5 to the Building Societies Act	Continues to have effect only until the Building Societies Investor Protection Board ceases to exist.
Regulation(42) 9 of the Credit Institutions (Protection of Depositors) Regulations 1995	Continues to have effect in relation to an EEA institution which withdraws or is excluded from participation in a UK scheme prior to commencement.

(40) Amended by S.I. 1998/1129.

(41) Amended by S.I. 1998/1129.

(42) Amended by S.I. 1998/1129.