

**COMPENSATION SOURCEBOOK (PROTECTED CONTRACTS OF INSURANCE)
(SCOPE AMENDMENT NO 3) INSTRUMENT 2008**

Powers exercised

- A. The Financial Services Authority makes this instrument in the exercise of the following powers and related provisions in the Financial Services and Markets Act 2000 (“the Act”):
- (1) section 138 (General rule-making power);
 - (2) section 156 (General supplementary powers);
 - (3) section 157(1) (Guidance);
 - (4) section 213 (The compensation scheme); and
 - (5) section 214 (General).
- B. The rule-making powers listed above are specified for the purpose of section 153(2) (Rule-making instruments) of the Act.

Commencement

- C. This instrument comes into force on 25 July 2008.

Amendments to the Handbook

- D. The Compensation sourcebook (COMP) is amended in accordance with the Annex to this instrument.

Citation

- E. This instrument may be cited as the Compensation Sourcebook (Protected Contracts of Insurance) (Scope Amendment No 3) Instrument 2008.

By order of the Board
24 July 2008

Annex

Amendments to the Compensation sourcebook (COMP)

In this Annex, underlining indicates new text and striking through indicates deleted text.

- 5.4.2 R A *contract of insurance* issued after *commencement* which:
- (1) relates to a protected risk or commitment as described in *COMP* 5.4.3R;
 - (2) is issued by the *relevant person* through an establishment in:
 - (a) the *United Kingdom*; or
 - (b) another *EEA State*; or
 - (c) the Channel Islands or the Isle of Man;
- ...
- is a *protected contract of insurance*.
- 5.4.3 R A risk or commitment is a protected risk or commitment for the purpose of *COMP* 5.4.2R(1) if:
- (1) in the case of a *contract of insurance* falling within *COMP* 5.4.2R(2)(a), it is situated in an *EEA State*, the Channel Islands or the Isle of Man;
 - (2) in the case of a *contract of insurance* falling within *COMP* 5.4.2R(2)(b), it is situated in ~~the *United Kingdom*~~ an *EEA State* except that where the *relevant person* is a *firm* which is not a *UK firm* issuing a *contract of insurance* through an establishment in an *EEA State* (other than the *United Kingdom*), the risk or commitment must be situated in the *United Kingdom*;
- ...