

# Press Release

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## **Do you have permission to carry out regulated insurance activities?**

New regulations governing selling and other intermediary services relating to regulated insurance activities came into force on 14<sup>th</sup> January 2005. In accordance with the Financial Services and Markets Act 2000 (FSMA), all parties wishing to act as insurance intermediaries for regulated insurance activities must be either directly authorised to do so by the Financial Services Authority (FSA) or be an Appointed Representative of such an Authorised Person.

What constitutes a regulated insurance activity is very widely drawn. For example providing breakdown and recovery services is a regulated insurance activity as is claiming under a manufacturer warranty under ECO arrangements where an employee owns the car but the claim is made by the finance company.

The above regulations are mainly apply to leasing companies who provide contract hire and support ECO arrangements. However these regulations are of equal concern to those companies who have set up their own internal finance company to provide an ECO to their own employees.

It should be noted that failure to comply with these requirements can result in fines for the companies providing regulated insurance activities without the proper authorisation and potentially imprisonment for their directors.

The CBS group has authorisation from the FSA to carry out regulated insurance activities from 14<sup>th</sup> January 2005. In addition CBS is able to offer services to clients to assist them in ensuring that they fully comply with the regulations.

To find out more about how CBS can add value to your organisation or further information on their people, services and solutions visit our website at [www.carbenefitsolutions.co.uk](http://www.carbenefitsolutions.co.uk).



### **About CBS**

Car Benefit Solutions Ltd (CBS) is an organisation based in the North West, devoted to the development of cost effective strategies to maximise the perceived value of car benefit for employees whilst minimising the provision cost to the employer. Since their inauguration in July of 2002, CBS have established themselves as a leading authority on structured workplace car schemes and the supplier of choice to several major UK corporates. Their business is dedicated to the design, development, implementation and ongoing management of tax efficient alternatives to the traditional company car.

### **For further information contact:**

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