

SCHEDULES

SCHEDULE 5

Article 24, Sch. 2.

PROVISIONS AS TO VALUATIONS AND RELATED MATTERS

1. The valuation shall be made by an actuary as defined by^{F1} section 96(1) of the Insurance Companies Act 1982].

Annotations:

F1 1982 c. 50

2. The report containing the abstract of the valuation required by section 34 of the Friendly Societies Act shall be sent by a collecting society to the Commissioner within 12 months after the close of the period to which the valuation relates, and shall contain—

- (a) a statement as to how the value of stock exchange securities (if any) included in the balance sheet are arrived at; and
- (b) a certificate, signed by the same persons as sign the balance sheet, to the effect that, in their belief, the assets set out in the balance sheet are in the aggregate fully of the value stated therein, less any investment reserve fund taken into account.

3. Where the balance sheet of^{F2} . . . an industrial assurance company includes amongst the assets thereof any sums representing—

- (a) expenses of organisation or extension; or
- (b) the purchase of business or goodwill;

and the amount of the assets, exclusive of such sums (after deducting debts due by the . . . company, other than debentures and loans), is less than the amount of the industrial assurance fund or, as the case may be, of the several assurance and insurance funds as shown in that balance sheet, the amount of the industrial assurance fund shown in the valuation balance sheet shall be reduced by the amount of the deficiency or, as the case may be, by a sum bearing such proportion to that deficiency as the amount of the industrial assurance fund shown in the first-mentioned balance sheet bears to the aggregate amount of all the assurance and insurance funds so shown.

Annotations:

F2 1992 c. 40

4. Where debentures have been issued or loans raised which are charged on any of the assets of the company in which the industrial assurance fund is invested, there shall be inserted in the valuation balance sheet a note giving the particulars of the charge and stating that the result shown by the valuation is subject to the liability under the charge.

5.—(1) Subject to sub-paragraph (2), if the^{F3} Commission] is satisfied on any valuation—

- (a) that any of the foregoing provisions of this Schedule have not been complied with; or
- (b) that the industrial assurance fund as stated in the valuation balance sheet is greater than the value of the assets available for the liabilities of that fund, due regard being had to the

other liabilities of the . . . industrial assurance company and to the foregoing provisions of this Schedule;

[^{F3}the Commission] may reject the valuation and may direct the . . . company to make such alteration therein as may be necessary to secure compliance with those provisions.

(2) The . . . industrial assurance company may appeal to the High Court against any decision of the [^{F3} Commission] under this paragraph.

Annotations:

F3 1992 c. 40

6. The [^{F4} Commission] may direct any . . . industrial assurance company to furnish to [^{F4} it], in addition to such information as . . . the company is required to furnish under the Insurance Companies [^{F5} Act [^{F6} 1982]], such explanations as [^{F4} it] considers necessary in order to satisfy [^{F4} itself] whether the valuation complies with the provisions of this Schedule.

Annotations:

F4 1992 c. 40

F5 1980 c. 25

F6 1982 c. 50

7. Where a valuation discloses a deficiency, the [^{F7} Commission] may, if, after investigation, [^{F7} it] is satisfied that the . . . industrial assurance company should cease to carry on industrial assurance business,—

Sub#para. (a) rep. by 1992 c. 40

(b) in the case of an industrial assurance company, present a petition to the High Court for the winding-up of the company.

Annotations:

F7 1992 c. 40

Changes to legislation:

There are currently no known outstanding effects for the Industrial Assurance (Northern Ireland) Order 1979, SCHEDULE 5.