

## SCHEDULES

### SCHEDULE 8

#### INSURANCE COMPANIES: HOLDINGS OF UNIT TRUSTS ETC.

##### *Exemption for certain linked assets*

- 2 (1) Where within two years after the end of an accounting period an insurance company makes a claim for the purpose in relation to the period, section 46(1) of this Act shall not apply at the end of the period to so much of any class of linked assets as it would otherwise apply to and as represents relevant linked liabilities.
- (2) For the purposes of sub-paragraph (1) above assets of any class shall be taken to represent relevant linked liabilities only to the extent that their value does not exceed the fraction set out in sub-paragraph (3) below of such of the company's relevant linked liabilities as are liabilities in respect of benefits to be determined by reference to the value of assets of that class.
- (3) The fraction referred to in sub-paragraph (2) above is—

$$\frac{A \times C \times 110}{B \times D \times 100}$$

where—

A is the amount at the end of 1989 of such of the company's relevant linked liabilities as are liabilities in respect of benefits to be determined by reference to the value of linked section 46 assets;

B is the amount of the company's relevant linked liabilities at that time;

C is the amount of the company's relevant linked liabilities at the end of the accounting period for which the claim is made;

D is the amount at the end of that period of such of the company's relevant linked liabilities as are liabilities in respect of benefits to be determined by reference to the value of linked section 46 assets.