

Changes to legislation: There are currently no known outstanding effects for the Finance Act 1993,
Cross Heading: Valuation and payments out of fund of excess amounts. (See end of Document for details)

SCHEDULES

SCHEDULE 20

LLOYD'S UNDERWRITERS: SPECIAL RESERVE FUNDS

Modifications etc. (not altering text)

- C1** Sch. 20 excluded (1.12.1997 with effect with respect to accounting periods of Lloyd's Scottish limited partnerships ending on or after that date) by [S.I. 1997/2681](#), [reg. 7\(1\)](#)

PART I

REQUIREMENTS FOR AND TAX CONSEQUENCES OF NEW-STYLE FUNDS

Valuation and payments out of fund of excess amounts

- 6 (1) The arrangements must be such as to secure that the fund manager of a member's special reserve fund—
- (a) shall determine in the prescribed manner the value of the fund as at the end of the year 1994 and each subsequent underwriting year; and
 - (b) shall report the value so determined to the member;
- and the report shall also state such other matters as may be prescribed.
- (2) If the value [^{F1}(determined under sub-paragraph (1) above) of the fund as at the end] of any underwriting year exceeds 50 per cent. of—
- [^{F2}(a) the higher of—
 - (i) the member's overall premium limit for that year, and
 - (ii) his overall premium limit for the immediately preceding year; or]
 - (b) where he did not accept premiums in [^{F3}either of those years], his overall premium limit for the last underwriting year in which he did so,there shall be made to the member or his personal representatives or assigns, out of his special reserve fund, payments the amount of which is equal in the aggregate to the excess.
- (3) The payments required by sub-paragraph (2) above shall be made before the end of such period as may be prescribed.

Textual Amendments

- F1** Words in Sch. 20 para. 6(2) substituted (31.12.1999) by [S.I. 1999/3308](#), [reg. 3\(a\)](#)
- F2** Sch. 20 para. 6(2)(a) substituted (31.12.1999) by [S.I. 1999/3308](#), [reg. 3\(b\)](#)
- F3** Words in Sch. 20 para. 6(2)(b) substituted (31.12.1999) by [S.I. 1999/3308](#), [reg. 3\(c\)](#)

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- C1** Sch. 20 paras. 1, 3-6, 8 modified (9.3.1995 with effect for the year 1994-95 and subsequent years of assessment) by [S.I. 1995/353](#), **reg. 7(1)(3)(a)**

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