

Council Directive of 19 December 1991 on the annual accounts
and consolidated accounts of insurance undertakings (91/674/EEC)

SECTION 7

Valuation rules

Article 48

- 1 In the case of investments other than land and buildings, current value shall mean market value, save as provided in paragraph 5.
- 2 Where investments are officially listed on an official stock exchange, market value shall mean the value on the balance-sheet date or, when the balance-sheet date is not a stock-exchange trading day, on the last stock-exchange trading day before that date.
- 3 Where a market exists for investments other than those referred to in paragraph 2, market value shall mean the average price at which such investments were traded on the balance-sheet date or, when the balance-sheet date is not a trading day, on the last trading day before that date.
- 4 Where on the date on which the accounts are drawn up investments such as referred to in paragraphs 2 or 3 have been sold or are to be sold within the short term, the market value shall be reduced by the actual or estimated realization costs.
- 5 Except where the equity method is applied in accordance with Article 59 of Directive 78/660/EEC, all other investments shall be valued on a basis which has prudent regard to the likely realizable value.
- 6 In all cases the method of valuation shall be precisely described and the reason for adopting it stated in the notes on the accounts.