
STATUTORY INSTRUMENTS

1994 No. 1516

The Insurance Companies Regulations 1994

PART X

CREDIT INSURANCE BUSINESS

Credit insurance business: equalisation reserve

76.—(1) Subject to regulation 77 below—

(a) every UK company which carries on credit insurance business; and

(b) every non-EC company which carries on credit insurance business in the United Kingdom,

shall maintain a reserve (in these Regulations referred to as an “equalisation reserve”) in respect of that business, determined (at the option of the company) in accordance with one of the four methods set out in Schedule 14.

(2) In applying section 32(5) of the Act⁽¹⁾ the value of the company’s liabilities shall be treated as being increased by the amount of the equalisation reserve.

⁽¹⁾ Section 32(5) was amended by [S.I. 1994/1696](#), reg. 14(2).