

SCHEDULE 3

INSURANCE COMPANIES: COMPANIES ACT INDIVIDUAL ACCOUNTS

PART 2

ACCOUNTING PRINCIPLES AND RULES

SECTION E

RULES FOR DETERMINING PROVISIONS

Long-term business provision

52.—(1) The long-term business provision must in principle be computed separately for each long-term contract, save that statistical or mathematical methods may be used where they may be expected to give approximately the same results as individual calculations.

(2) A summary of the principal assumptions in making the provision under sub-paragraph (1) must be given in the notes to the accounts.

(3) The computation must be made annually by a Fellow of the Institute or Faculty of Actuaries on the basis of recognised actuarial methods, with due regard to the actuarial principles laid down in Directive [2002/83/EC](#) of the European Parliament and of the Council of 5th November 2002 concerning life assurance⁽¹⁾.

(1) O.J. L345 of 19th December 2002, p.1.