

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

SECTION 7

Valuation rules

Article 55

1

- a If they have not been valued at market value, debt securities and other fixed-income securities shown as assets under C (II) and (III) shall be shown in the balance sheet at purchase price. Member States may, however, require or permit such debt securities to be shown in the balance sheet at the amount repayable at maturity.
- b Where the purchase price of the securities referred to in point (a) exceeds the amount repayable at maturity, the amount of the difference shall be charged to the profit and loss account. Member States may, however, require or permit the amount of the difference to be written off in instalments so that it is completely written off when the securities are repaid. That difference must be shown separately in the balance sheet or in the notes on the accounts.
- c Where the purchase price of the securities referred to in point (a) is less than the amount repayable at maturity, Member States may require or permit the amount of the difference to be released to income in instalments over the period remaining until repayment. That difference must be shown separately in the balance sheet or in the notes on the accounts.

2 Where debt securities or other fixed-income securities that are not valued at market value are sold before maturity and the proceeds are used to purchase other debt securities or fixed-income securities, Member States may permit the difference between the proceeds of sale and their book value to be spread uniformly over the period remaining until the maturity of the original investment.