
STATUTORY INSTRUMENTS

1987 No. 2132

The Friendly Societies (Long Term Insurance Business) Regulations 1987

PART III

REGULATION OF AUTHORISED SOCIETIES

Solvency Provisions

Annual actuarial investigation

11.—(1) Every authorised society shall, once in every period of twelve months, cause an investigation to be made into its financial condition in respect of its long term insurance business by a qualified actuary appointed by the society.

(2) Where a society has branches, the investigation shall be made into the financial condition of the branches together with the central body.

(3) The actuary's investigation shall include—

- (a) a valuation of the liabilities of the society attributable to its long term business, and
- (b) a determination of any excess over those liabilities of the assets representing the fund or funds maintained by the society in respect of that business, and, where any rights of any long term policy holders to participate in a surplus relate to any particular parts of such a fund, a determination of any excess of assets over liabilities in respect of each of those parts.

(4) For the purposes of the determination required by paragraph (3)(b) above, the value of any assets shall be determined in accordance with Part VI, and the amount of any liabilities shall be determined in accordance with Part VII, of these Regulations.

(5) When such an actuarial investigation has been made a valuation report shall be made to the Chief Registrar, in such form and containing such particulars as the Chief Registrar may prescribe in the exercise of his powers under the 1974 Act as extended by regulation 60 below.

(6) Three copies of the valuation report required by paragraph (5) above shall be sent to the Chief Registrar within six months after the close of the period to which the report relates; but if in any case it is made to appear to the Chief Registrar that the circumstances are such that a longer period than six months should be allowed, the Chief Registrar may extend that period by such period not exceeding three months as he thinks fit.

(7) The provisions of paragraph (6) above (as to the number of copies to be sent to the Chief Registrar, the period allowed for that purpose, and the power of the Chief Registrar to extend that period) shall, notwithstanding the provisions of section 43(1) (Annual return) of the 1974 Act, also apply in relation to the annual returns required from societies by that provision.