
STATUTORY INSTRUMENTS

2001 No. 4040

The Insurers (Winding Up) (Scotland) Rules 2001

Notice of valuation of policy

21.—(1) Before paying a dividend in respect of claims other than under contracts of long-term insurance, the liquidator shall give notice of the value of each general business policy, as determined by him in accordance with rule 6, to the persons appearing from the records of the company or otherwise to be entitled to an interest in that policy and he shall do so in such manner as the court may direct.

(2) Before paying a dividend in respect of claims under contracts of long-term insurance and where a stop order has not been made in relation to the company, the liquidator shall give notice to the persons appearing from the records of the company or otherwise to be entitled to a payment under or to an interest in a long-term policy of the amount of that payment or the value of that policy as determined by him in accordance with rule 7(2) or (3), as the case may be.

(3) If a stop order is made in relation to the company, the liquidator shall give notice to all the persons appearing from the records of the company or otherwise to be entitled to a payment under or to an interest in a long-term policy of the amount of that payment or the value of that policy as determined by him in accordance with rule 8(2) or (3), as the case may be, and he shall give that notice in such manner as the court may direct.

(4) Any person to whom notice is so given shall be bound by the value so determined unless and until the court otherwise orders.

(5) Paragraphs (2) and (3) of this rule have effect as though references therein to persons appearing to be entitled to an interest in a long-term policy and to the value of that policy included, respectively, references to persons appearing to be entitled to apply for a free paid-up policy under section 24 of the 1923 Act and to the value of that entitlement under rule 7 (in the case of paragraph (2) of this rule) or under rule 8 (in the case of paragraph (3) of this rule).

(6) Where the liquidator summons a meeting of creditors in respect of liabilities of the company attributable either to its long-term business or other business, he may adopt any valuation carried out in accordance with rules 6, 7 or 8 as the case may be or, if no such valuation has been carried out by the time of the meeting, he may conduct the meeting using such estimates of the value of policies as he thinks fit.