

Commission Delegated Regulation (EU) 2015/35 of 10 October 2014  
supplementing Directive 2009/138/EC of the European Parliament  
and of the Council on the taking-up and pursuit of the business of  
Insurance and Reinsurance (Solvency II) (Text with EEA relevance)

TITLE II

INSURANCE GROUPS

CHAPTER I

SOLVENCY CALCULATION AT GROUP LEVEL

SECTION 2

*Group solvency: calculation methods*

*Article 331*

**Classification of own-fund items of related insurance  
and reinsurance undertakings at group level**

- 1 Where an own-fund item has been classified into one of the three tiers based on the criteria set out in Title I, Chapter IV, Section 2 by a related insurance or reinsurance undertaking that is included in the calculation of the group solvency, the own-fund item shall be classified in the same tier at group level provided that all of the following additional requirements are met:
  - a undertakings comply with the requirements set out in Articles 71, 73 and 77 of this Regulation;
  - b the own-fund item is free from encumbrances and is not connected with any other transaction, which when considered with the own-fund item, could result in that own-fund item not satisfying the requirements set out in [<sup>F1</sup>rules 3.1 – 3.3 of the Own Funds part of the PRA Rulebook] at group level.
- 2 For the purposes of point (a) of paragraph 1:
  - a the term ‘Solvency Capital Requirement’ in Articles 71, 73 and 77 of this Regulation shall mean both the Solvency Capital Requirement of the related undertaking that has issued the own-fund item and the group Solvency Capital Requirement;
  - b the term ‘Minimum Capital Requirement’ in Articles 71, 73 and 77 of this Regulation shall mean both the Minimum Capital Requirement of the undertaking that has issued the own-fund item and one of the following minimums:
    - (i) where method 1 is used, the minimum for the group Solvency Capital Requirement as calculated in accordance with the second subparagraph of [<sup>F2</sup>rule 11.3 of the Group Supervision part of the PRA Rulebook],
    - (ii) where a combination of methods 1 and 2 is used, the minimum determined in accordance with Article 341 of this Regulation.

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**Changes to legislation:** Commission Delegated Regulation (EU) 2015/35, Article 331 is up to date with all changes known to be in force on or before 11 October 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

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3 For the purposes of this Article, the term ‘insurance or reinsurance undertaking’ in Title I, Chapter IV, Section 2 shall mean both the participating insurance or reinsurance undertaking and the insurance or reinsurance undertaking belonging to the group that has issued the own-fund item.

4 Notwithstanding paragraph 1, where a related insurance or reinsurance undertaking has included in Tier 2 an own-fund item which would qualify for inclusion in Tier 1 in accordance with Article 73(1)(j), that classification shall not prohibit the classification of the same own-fund item in Tier 1 at group level, provided that the limit set out in Article 82(3) are complied with at group level.

#### Textual Amendments

- F1** Words in Art. 331(1)(b) substituted (31.12.2020) by [The Solvency 2 and Insurance \(Amendment, etc.\) \(EU Exit\) Regulations 2019 \(S.I. 2019/407\)](#), regs. 1(2), **11(63)(a)** (as amended by S.I. 2020/1385, regs. 1(2), 54(2) and with savings in S.I. 2019/680, reg. 11)
- F2** Words in Art. 331(2)(b)(i) substituted (31.12.2020) by [The Solvency 2 and Insurance \(Amendment, etc.\) \(EU Exit\) Regulations 2019 \(S.I. 2019/407\)](#), regs. 1(2), **11(63)(b)** (as amended by S.I. 2020/1385, regs. 1(2), 54(2) and with savings in S.I. 2019/680, reg. 11)

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### Changes and effects yet to be applied to :

- Regulation revoked by [2023 c. 29 Sch. 1 Pt. 3](#)
- Recital 53 Sentence 1 replacement by [EUR 2016/2283](#) Regulation

### Changes and effects yet to be applied to the whole legislation item and associated provisions

- Art. 177(2)(b) words omitted by [S.I. 2019/407 reg. 11\(25\)\(a\)](#) (This amendment not applied to legislation.gov.uk. Reg. 11(25)(39) omitted immediately before IP completion day by virtue of S.I. 2019/710, regs. 1(2), 22)
- Art. 177(2)(h)(i) words omitted by [S.I. 2019/407 reg. 11\(25\)\(b\)\(ii\)](#) (This amendment not applied to legislation.gov.uk. Reg. 11(25)(39) omitted immediately before IP completion day by virtue of S.I. 2019/710, regs. 1(2), 22)
- Art. 177(2)(h)(i) words substituted by [S.I. 2019/407 reg. 11\(25\)\(b\)\(i\)](#) (This amendment not applied to legislation.gov.uk. Reg. 11(25)(39) omitted immediately before IP completion day by virtue of S.I. 2019/710, regs. 1(2), 22)
- Art. 177(2)(r) words substituted by [S.I. 2019/407 reg. 11\(25\)\(c\)](#) (This amendment not applied to legislation.gov.uk. Reg. 11(25)(39) omitted immediately before IP completion day by virtue of S.I. 2019/710, regs. 1(2), 22)
- Art. 177(2)(s) words substituted by [S.I. 2019/407 reg. 11\(25\)\(c\)](#) (This amendment not applied to legislation.gov.uk. Reg. 11(25)(39) omitted immediately before IP completion day by virtue of S.I. 2019/710, regs. 1(2), 22)
- Art. 177(2)(t) words substituted by [S.I. 2019/407 reg. 11\(25\)\(d\)](#) (This amendment not applied to legislation.gov.uk. Reg. 11(25)(39) omitted immediately before IP completion day by virtue of S.I. 2019/710, regs. 1(2), 22)
- Art. 177(5)(a) words substituted by [S.I. 2019/407 reg. 11\(25\)\(f\)](#) (This amendment not applied to legislation.gov.uk. Reg. 11(25)(39) omitted immediately before IP completion day by virtue of S.I. 2019/710, regs. 1(2), 22)
- Art. 177(5)(c) words substituted by [S.I. 2019/407 reg. 11\(25\)\(f\)](#) (This amendment not applied to legislation.gov.uk. Reg. 11(25)(39) omitted immediately before IP completion day by virtue of S.I. 2019/710, regs. 1(2), 22)