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## STATUTORY INSTRUMENTS

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# 2015 No. 575

## The Solvency 2 Regulations 2015

### PART 4

#### Approvals

#### CHAPTER 2

#### Specific Approvals

#### Supervisory approval of ancillary own-funds

**44.**—(1) An insurance undertaking, reinsurance undertaking or third-country insurance undertaking may apply to the PRA for permission to take the amount of an ancillary own-fund item into account when determining its own funds in accordance with rules implementing Article 90 of the Solvency 2 Directive and any directly applicable regulations made under Article 92.

(2) Where the PRA receives an application under paragraph (1), the PRA must approve—

- (a) a monetary amount for each ancillary own-fund item; or
- (b) a method by which each ancillary own-fund item may be determined for a specified period of time.

(3) Where the PRA grants approval under paragraph (2)—

- (a) the undertaking may apply to vary that approval; and
- (b) the PRA may vary that approval.

(4) The PRA must base its approval or variation of approval on an assessment of—

- (a) the status of the counterparties concerned, in relation to their ability and willingness to pay;
- (b) the recoverability of the funds, taking account of the legal form of the ancillary own-fund item and any conditions which would prevent the item from being successfully paid in or called up; and
- (c) any information on the outcome of past calls which insurance undertakings, reinsurance undertakings and third-country insurance undertakings have made for ancillary own fund items they have paid in or called up, to the extent that such information can be reliably used to assess the expected outcome of future calls.

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#### Modifications etc. (not altering text)

- C1** Pt. 4 modified (31.12.2020) by [The Solvency 2 and Insurance \(Amendment, etc.\) \(EU Exit\) Regulations 2019 \(S.I. 2019/407\)](#), regs. 1(2), **12** (as amended by [S.I. 2020/1385](#), regs. 1(2), **54(2)** and [S.I. 2020/1301](#), regs. 1, 3, [Sch. para. 27\(e\)](#))

**Changes to legislation:**

The Solvency 2 Regulations 2015, Section 44 is up to date with all changes known to be in force on or before 22 April 2024. 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.

[View outstanding changes](#)

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

- Regulations revoked by [2023 c. 29 Sch. 1 Pt. 2](#)