



WRITTEN NOTICE
Ancillary Own Funds

To: Flood Re Limited (**FRN 706046**)
(the “applicant”)

Of: Flood Re Limited
75 King William Street
London
EC4N 7BE

Reference Number: 00004426

Date: 25 March 2022

DECISION

- (1) In accordance with Regulation 44 (2)(b) of the Solvency 2 Regulations 2015, the Prudential Regulation Authority (“the PRA”) has decided to grant the applicant approval to use 50% of the SCR, capped at a monetary amount of £75m, as a method by which the ancillary own-fund items may be determined for a period 31st March 2022 to 31st March 2027. The initial amount of the ancillary own-fund items that has been calculated using this method at the date the approval is £22.05m. The minimum frequency of recalculation of the amount of ancillary own funds item using this method is every 3 months.
- (2) This approval is granted on the basis of the information set out in the applicant's application dated 1st February 2022 and on the basis of the requirements set out in Regulation 44 of the Solvency 2 Regulations 2015 and any directly applicable regulations made under Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 (“Solvency II Directive”).
- (3) The approval is granted for a period of 5 years as this represents an appropriate timeframe for the PRA to reassess and review the monitoring framework put in place by the applicant to identify any future changes to the loss absorbing capacity of the ancillary own fund items on an ongoing basis.

Effect

- (4) This approval takes effect on 31st March 2022 and expires on 31st March 2027. The existing unexpired approval (ref: 5181018) is revoked with the effective date 31st March 2022.

Decision-Maker

- (5) The decision which gave rise to the obligation to give this Notice was made by Chamila Gunawardhana, Senior Manager.



Publication

(6) Details of this permission will be published on the Financial Services Register.

PRA contacts

(7) For more information concerning this matter generally, the applicant should contact their usual supervisory contact.

Chamila Gunawardhana

Senior Manager

For and on behalf of the PRA