

To: Solvency II SG
From: Economics & Finance department
cc: Economics & Finance Committee
Date: 4 August 2011
Reference: ECO-SLV-11-585

Subject: **Written Procedure on Level 2 Implementing Measures**

| Summary

As anticipated the EC, would like to seek our views on a number of outstanding issues relating to the level 2 implementing measures by means of a written procedure.

This written procedure (ECO-SLV-11-586) relates to the following areas:

- The classification of own funds (ECO-SVL-11-587);
- Transitional measures for own funds (ECO-SVL-11-587);
- Expected Profit included in Future Premium (ECO-SVL-11-588);
- Contract boundaries (ECO-SVL-11-589)

The attached cover note (ECO-SLV-11-586) sets out the Commission Services' explanation for proposed changes in the following areas, which should be read in conjunction with the amended, 'track-changed' versions of the relevant texts.

| Action requested

Members are invited to provide in written their:

- Key preliminary concerns to Ecofin@cea.eu by 12 August which will then also be discussed verbally at our 18 August SG meeting
- Detailed comments and re-drafting suggestions by 19 August

It is envisaged that our views will be sought by the EC on other issues, for example on non-life and health premium and reserve risk calibration, by means of a second written procedure later in August.