

Appendix 2

Insurers: Regulatory intervention points and run-off plans

2.7 Capital resources below the level of individual capital guidance

App2.7.1 G For a *dormant asset fund operator*, unless any of ■ SUP App 2.4.1 R, ■ SUP App 2.5.1 R, ■ SUP App 2.5.3 R or ■ SUP App 2.6.1 R applies, if a *firm's* circumstances change, such that its capital resources have fallen, or are expected to fall, below the level advised in *individual capital guidance* given to the *firm* by the FCA, then, consistent with ■ PRIN 2.1.1 R *Principle 11* (Relations with regulators), a *firm* should inform the *appropriate regulator* of this fact as soon as practicable, explaining why capital resources have fallen, or are expected to fall, below the level advised in *individual capital guidance*, and:

- (1) what action the *firm* intends to take to increase its capital resources; or
- (2) what modification the *firm* considers should be made to the *individual capital guidance* which it has been given.

App2.7.2 G Terms in ■ SUP App 2.7.1G have the meaning in ■ INSPRU 7 and GENPRU in force as at 31 December 2015. References to SUP App 2 provisions are to the provisions in force in the PRA Rulebook on 31 December 2015.

App2.7.3 G