

Chapter 1

Commission Delegated Regulation (EU) No 342/2014

Article 5 Sector specific own funds

(1) Own funds referred to in paragraph 2 which are available at the level of a regulated entity shall be eligible for the coverage of risks arising from the sector that recognises those own funds, and shall not be taken into account as eligible for the coverage of risks of other financial sectors.

(2) The own funds referred to in paragraph 1 are own funds that are not the following:

(a) Common Equity Tier 1, Additional Tier 1 or Tier 2 items within the meaning of Regulation (EU) No 575/2013;

(b) basic own-fund items of insurance undertakings or reinsurance undertakings within the meaning of section 417 of FSMA where those items are classified in Tier 1 or in Tier 2 in accordance with Rules 3.1 and 3.2 of the Own Funds Part of the PRA Rulebook.