

Technical Annex II – Format of statement illustrating availability of assets

	Currency	Currency
<i>Branch assets</i> subject to rights of non-branch creditors' claims	a	
Non-branch creditors' secured claims	(b)	
Surplus secured assets available to pay <i>branch insurance claims</i>		$c = a - b$
<i>Branch assets</i> subject to rights of branch creditors' claims	d	
Branch creditors' secured claims	(e)	
Surplus secured assets available to pay <i>branch insurance claims</i>		$f = d - e$
Assets <i>branch assets</i> subject to trust/security/collateral arrangements in favour of creditors with <i>branch insurance claims</i>	g	
<i>branch preferential claims</i> (if such claims have preference according to the applicable winding-up regime):		
employee claims	(h)	
tax claims	(i)	
social security claims	(j)	
		$(k) = h + i + j$
Net <i>branch assets</i>		$l = c + f + g - k$
<i>Branch insurance claims</i>		(m)
<i>Branch own funds</i>		$n = l - m$ (note 1)
Other <i>branch policyholders</i> (eg branch reinsurance creditors)	(o)	
Other branch creditors (ranking equally with <i>branch policyholders</i>)	(p)	
Non- <i>branch policyholders</i> (ranking equally with <i>branch policyholders</i>)	(q)	
Non-branch creditors (ranking equally with <i>branch policyholders</i>)	(r)	
Total claims sharing in surplus <i>branch assets</i>		$(s) = o + p + q + r$
Surplus or (deficit)		$t = n - s$ (note 2)

Notes

1. This amount must be more than the *branch SCR*.

2. Any deficit represents the extent to which *branch policyholders* who do not have *branch insurance claims* are dependent upon the non-*branch assets* of the undertaking to pay their claims

