

Directive 2009/138/EC of the European Parliament and of the Council
of 25 November 2009 on the taking-up and pursuit of the business of
Insurance and Reinsurance (Solvency II) (recast) (Text with EEA relevance)

TITLE I

**GENERAL RULES ON THE TAKING-UP AND PURSUIT OF
DIRECT INSURANCE AND REINSURANCE ACTIVITIES**

CHAPTER VI

**Rules relating to the valuation of assets and liabilities, technical provisions, own funds,
Solvency Capital Requirement, Minimum Capital Requirement and investment rules**

Section 1

Valuation of assets and liabilities

Article 75

Valuation of assets and liabilities

1 Member States shall ensure that, unless otherwise stated, insurance and reinsurance undertakings value assets and liabilities as follows:

- a assets shall be valued at the amount for which they could be exchanged between knowledgeable willing parties in an arm's length transaction;
- b liabilities shall be valued at the amount for which they could be transferred, or settled, between knowledgeable willing parties in an arm's length transaction.

When valuing liabilities under point (b), no adjustment to take account of the own credit standing of the insurance or reinsurance undertaking shall be made.

[^{F12} The Commission shall adopt delegated acts in accordance with Article 301a to lay down the methods and assumptions to be used in the valuation of assets and liabilities as laid down in paragraph 1.

3 In order to ensure consistent harmonisation in relation to valuation of assets and liabilities, EIOPA shall, subject to Article 301b, develop draft regulatory technical standards to specify:

- a to the extent that the delegated acts referred to in paragraph 2 require the use of international accounting standards as adopted by the Commission in accordance with Regulation (EC) No 1606/2002, the consistency of those accounting standards with the valuation approach of assets and liabilities as laid down in paragraphs 1 and 2;
- b the methods and assumptions to be used where quoted market prices are either not available or where international accounting standards as adopted by the Commission in accordance with Regulation (EC) No 1606/2002 are either temporarily or permanently inconsistent with the valuation approach of assets and liabilities as laid down in paragraphs 1 and 2;

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- c the methods and assumptions to be used in the valuation of assets and liabilities as laid down in paragraph 1, where the delegated acts referred to in paragraph 2 allow for the use of alternative valuation methods.

Power is delegated to the Commission to adopt the regulatory technical standards referred to in the first subparagraph in accordance with Articles 10 to 14 of Regulation (EU) No 1094/2010.]

Textual Amendments

- F1** Substituted by [Directive 2014/51/EU](#) of the European Parliament and of the Council of 16 April 2014 amending [Directives 2003/71/EC](#) and [2009/138/EC](#) and [Regulations \(EC\) No 1060/2009](#), [\(EU\) No 1094/2010](#) and [\(EU\) No 1095/2010](#) in respect of the powers of the European Supervisory Authority (European Insurance and Occupational Pensions Authority) and the European Supervisory Authority (European Securities and Markets Authority).