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## WRITTEN NOTICE

### Matching Adjustment

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To: **Legal & General Assurance Society (FRN 117659)  
Legal & General Insurance Limited (FRN 202050)  
Legal and General Assurance (Pensions Management) Limited  
(FRN 202202)  
(the “firms”)**

Of: **1 Coleman Street, London, EC2R 5AA, United Kingdom**

Reference Number: **4927148, 4974028, 4974060**

Date: **14 June 2018**

#### Decision

- (1) In accordance with regulation 42 of the Solvency 2 Regulations 2015, the Prudential Regulation Authority (“the PRA”) has decided to grant the firm approval to apply a matching adjustment to Legal & General Reinsurance Limited’s (‘LGRe’s’) risk-free interest rate term structure for the purposes of calculating the consolidated best estimate in accordance with the PRA Rulebook: Solvency II Firms – Group Supervision.
- (2) This approval at (1) is granted on the basis of the information set out in the firms application and letter, both dated 26 April 2018 and that the conditions set out in Regulation 42 of the Solvency 2 Regulations 2015 and any directly applicable regulations made under Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 have been met in respect of LGRe’s MA portfolio for the purposes of calculating the consolidated best estimate in accordance with the PRA Rulebook: Solvency II Firms – Group Supervision.
- (3) Following the approval at (1), the PRA has decided to revoke the firm’s existing Matching Adjustment approval (references 4839746, 4839747, 4839748).

#### Reasons for the decision

- (4) In respect of the approval under (1), the PRA has concluded that the requisite conditions for approval have been met.
- (5) In respect of the revocation of the existing Matching Adjustment approval under (3), the approval under (1) replaces that approval. As a result the PRA has concluded it is appropriate to revoke the existing approval.

**Effect**

- (6) The approval at (1) and revocation at (3) both take effect on 14 June 2018.

**Decision-Maker**

- (7) The decision which gave rise to the obligation to give this Notice was made by Mark Cornelius, Head of Department, Major Life Group Insurance

**Publication**

- (8) Details of this approval will be published on the Financial Services Register.

**PRA contacts**

- (9) For more information concerning this matter generally, the firm should contact their usual supervisory contact.

Mark Cornelius

Head of Department, Major Life Group Insurance

For and on behalf of the PRA