



WRITTEN NOTICE
Internal model approval

To: **Markel International Insurance Company Limited**
(FRN 202570) (the “firm”)

Of: 20 Fenchurch Street
London
EC3M 3BY

Reference Number: 2221890

Date: 5 December 2015

DECISION:

- (1) In accordance with Regulation 48 of the Solvency 2 Regulations 2015, the Prudential Regulation Authority (the “PRA”) decided to grant the firm approval to use a full internal model for the calculation of its Solvency Capital Requirement (SCR) as set out in Annex 1.
- (2) The PRA has also decided to grant the firm approval of its policy for changing an approved internal model.
- (3) This approval is granted on the basis of the information set out in the firm’s application dated 29 May 2015 as supplemented by the additional information submitted to the PRA on 10 September 2015.

Effective date

- (4) This permission takes effect on 1 January 2016.

Decision maker

- (5) The decision which gave rise to the obligation to give this Notice was made by the Supervision, Risk and Policy Committee of the PRA .

Publication

- (6) Details of this approval will be published on the Financial Services Register on 1 January 2016.



BANK OF ENGLAND
PRUDENTIAL REGULATION
AUTHORITY

PRA contacts

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

Supervision, Risk and Policy Committee

For and on behalf of the PRA



ANNEX 1

The approved Internal Model

Definition

1. The approved internal model is as set out in the internal model application documents submitted to the PRA on 29 May 2015 as supplemented by the additional information submitted to the PRA on 10 September 2015.
2. The internal model is approved to calculate the SCR for Markel International Insurance Company Limited.

Reasons for the Decision

3. The PRA's assessment is that the internal model met the tests and standards at the time the decision was made. Specifically, the PRA is satisfied that:
 - a. the internal model complies with the rules contained in Chapters 2, 3 and 10 to 15 of the Solvency Capital Requirement – Internal Models Part of the PRA Rulebook;
 - b. the internal model complies with the requirements set out in Title 1 Chapter VI sections 1,2,3,4,6,7,8 and 9 of the Commission Delegated Regulation (EU) 2015/35;
 - c. the systems of the undertaking for identifying, measuring, monitoring, managing and reporting risk are adequate; and
 - d. the policy for changing the approved internal model complies with the rules contained in Chapter 6 of the Solvency Capital Requirement- Internal Models Part of the PRA Rulebook.