

WRITTEN NOTICE
Major change to an approved internal model

To: **Standard Life Assurance Limited (FRN 439567)**
Standard Life Pension Funds Ltd (FRN 110466)

(the “firms”)

Of: Standard Life House
30 Lothian Road
Edinburgh
EH1 2DH

Reference Number: 4991557, 5100156
Date: 8 April 2019

Decision

- (1) In accordance with Regulation 48 of the Solvency 2 Regulations 2015, the Prudential Regulation Authority (the “PRA”) has decided to grant the firms approval of the major model change to the firms’ internal model approved in the Original Notice dated 31 August 2018, as amended by model changes described in Table 1, Annex 1.
- (2) This approval is granted on the basis of the information submitted on 27 July 2018 in accordance with the application for a major model change (the “Model Application”).
- (3) The details of the approved internal model following these decisions are set out in Annex 1.

Effective date

- (4) This permission takes effect on 8 April 2019.

Reasons for the Decision

- (5) The PRA’s assessment is that after applying the major model change set out in the Model Application, 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 to 4 and 10 to 15 of 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;
 - d. the model complies with the requirements of Title 2 Chapter II Section 2 of the Commission Delegated Regulation (EU) 2015/35; and
 - e. 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.

Decision maker

(6) The decision which gave rise to the obligation to give this Written Notice was made by Mark Cornelius of the PRA.

Publication

(7) Details of this approval will be published on the Financial Services Register on 8 April 2019.

PRA contacts

(8) For more information concerning this matter generally, the firms should contact its usual supervisory contact.

Mark Cornelius

Head of Division

Prudential Regulation Authority

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 and listed at Table 1.
2. The internal model is approved to calculate the individual SCR for those entities with a “Yes” in the Solo SCR column in Table 2 in respect of all material quantifiable risks as at the date of this notice.

Table 1

Type of application	PRA application approval date	Document Reference Number(s)
Internal Model application	Written Notice dated 31 August 2018	4994628, 4994629
Major Model Change	Amending Written Notice dated 8 April 2019	4991557, 5100156

Table 2

Legal entity	FRN	Solo SCR
Standard Life Assurance Limited	439567	Yes
Standard Life Pensions Fund Ltd	110466	Yes