



WRITTEN NOTICE

Major change to an approved internal model

To: **Legal & General Assurance Society Limited (LGAS)
(FRN: 117659)**

**Legal & General Assurance (Pensions Management)
Limited (PMC) (FRN: 202202)**

(the "firms")

Of: One Coleman Street
London
EC2R 5AA

Reference Number: 00003365; 00003366

Date: 22 October 2021

DECISION:

- (1) In accordance with Regulation 48 and 49 of the Solvency 2 Regulations 2015, the Prudential Regulation Authority (the "PRA") has decided to approve the following major changes to the Legal & General Group partial internal model approved in the Written Notice – Internal model approval dated 16 December 2016 (reference 3853297; 3852398; 3852399).
- (2) This approval is granted on the basis of information set out in the firms' application dated 16 August 2021.
- (3) The details of the approved internal model following this approval are set out in Annex 1.

Effective Date

(4) This permission takes effect on 22 October 2021.

Decision-Maker

(5) The decision which gave rise to the obligation to give this Notice was made by the Head of Department, Major Life Groups, Insurance Division of the PRA.

Publication

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

Reasons for the Decision

(7) The PRA's assessment is that the partial internal model, following the major model change, 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 10-15 of the Solvency Capital Requirement – Internal Models part of the PRA Rulebook;
- b. the internal model complies with the applicable requirements set out in Title 1 Chapter VI Solvency capital requirement – full and partial internal models 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 model additionally fulfils the requirements of Chapter 4 of the Solvency Capital Requirement – Internal Models 4 of the PRA Rulebook.

PRA contacts

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

Shoib Khan
Head of Department, Major Life Groups, Insurance Division
For and on behalf of the PRA

ANNEX 1

The approved partial internal model

Definition

- (1) The approved partial internal model is as set out in the internal model application documents submitted to the PRA on 16 August 2021.
- (2) The partial internal model is approved to calculate the Group SCR at the level of Legal and General Group plc.
- (3) The partial internal model is approved to calculate the individual SCR for Legal and General Assurance Society Ltd and Legal & General Assurance (Pensions Management) Limited (PMC)

Table 1

Legal Entity	FRN	Group SCR (or contribution to Group SCR if solo entity)	Solo SCR
Legal and General Group plc		Yes	
Legal and General Assurance Society Ltd	117659	Yes	Yes
Legal & General Assurance (Pensions Management) Limited (PMC)	202202	Yes	Yes
Legal & General Reinsurance Company Limited		Yes	