
WRITTEN NOTICE

Internal model approval

To: QBE UK Limited (FRN 202842) ("the firm")

Of: Plantation House, 30 Fenchurch Street, London EC3M 3BD

Ref: 00005649

Date: 24 November 2022

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 major changes to the firm's internal model as approved in the Written Notice – Internal model approval dated 5 December 2015 (reference 2221724; 22217260) (the "**Original Notice**") and as amended by the Written Notice – Variation of internal model approvals (the "Variation Notices") dated:
- a. 15 December 2016 (reference 2880190; 3899411) (change to the policy for approving the approved internal model);
 - b. 3 March 2017 (reference 2869536; 4184019) (major changes to the approved internal model);



- c. 31 January 2018 (reference 4841374; 4873287) (major change to the approved internal model);
- d. 26 November 2018 (reference 4841374; 4873287) (major change to the approved internal model).
- e. 1 February 2019 (reference 4994661) (major change to the approved internal model);
- f. 30 May 2019 (reference 5217606) (change to the policy for changing the approved internal model);
- g. 28 January 2020 (reference 5301371) (major change to the approved internal model); and
- h. 10 December 2020 (reference 00002160) (change to the approved internal model).

(2) This approval is granted on the basis of the information set out in the firm's application received on 26 May 2022.

(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 24 November 2022.

Decision maker

(5) The decision which gave rise to the obligation to give this Notice was made by Nylesh Shah as a Head of Department within Insurance Supervision at the PRA.

Publication

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

Reasons for the Decision

1. 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 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 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 and Title 1 Chapter VI Section 5 of the Commission Delegated Regulation (EU) 2015/35.

PRA contacts

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

Nylesh Shah
Head of Department – Insurance Supervision
For and on behalf of The 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 on 2 June 2015 (and further information submitted during that application review period) ("Original Application"), as amended pursuant to the major model change applications (and further information submitted during these application review periods) ("Model Change Applications") submitted to the PRA on:
 - 5 September 2016 (change to the policy for changing the approved internal model);
 - 5 September 2016 (major change to the approved internal model);
 - 4 August 2017 (major changes to the approved internal model);
 - 1 June 2018 (major change to the approved internal model);
 - 3 August 2018 (major change to the approved internal model);
 - 5 April 2019 (change to the policy for changing the approved internal model);
 - 5 August 2019 (major change to the approved internal model);
 - 20 June 2020 (major change to the approved internal model; change to the policy for changing the approved internal model); and
 - 26 May 2022 (major change to the approved internal model).
2. The approved internal model is approved to calculate the group SCR at the level of QBE European Operations plc. The entities with a "Yes" in the Group SCR column in Table 1 are those which are included in the model in order to calculate the group SCR.
3. The approved internal model is also approved to calculate the individual SCRs for those entities with a "Yes" in the Solo SCR column in Table 1.
4. This approval applies to all risks and major business units.

Table 1

Legal entity	FRN	Group SCR ('the undertakings included in the scope of the model calculation of the group SCR')	Solo SCR
QBE UK Limited	202842	Yes	Yes
QBE European Operations PLC	203785	Yes	