



WRITTEN NOTICE
Internal model approval

To: **The Prudential Assurance Company Ltd (FRN139793)**
Prudential Pensions Ltd (FRN 110434)

(the “firm”)

Of: Laurence Pountney Hill
London
EC4R OHH

Reference Number: 3578741, 3478748

Date: 22 December 2016

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 a major change to the firms’ partial internal model approved in the original Written Notice – Internal model approval dated 5 December 2015 (reference 2237973, 2237974 (the “Original Notice”).
- (2) This approval is granted on the basis of the information set out in the firms’ application dated 1 November 2016.
- (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 31 December 2016.

Decision maker

- (5) The decision which gave rise to the obligation to give this Notice was a joint decision according to Article 231(5) of Directive 2009/138/EC made by the Central Bank of Ireland the PRA.

Publication

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

Reasons for the Decision



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- (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 their usual supervisory contact.

A handwritten signature in black ink, appearing to read 'Mark Cornelius'.

Mark Cornelius
Head of Department, Life Insurance Groups 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 26 June 2015 and its addendum dated 13 November 2015 as amended by the documents included in the major model change application submitted to the PRA on 1 November 2016.
2. The partial internal model is approved to calculate part of the Group SCR at the level of Prudential 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 partial internal model is approved to calculate the individual SCR for those entities with a “Yes” in the Solo SCR column in table 1.
4. The model does not include standard formula integration techniques. Integration techniques are not required as the firm is required to use Method 2 (Deduction & Aggregation) to incorporate the contributions from entities within the group that are not included in scope of the partial internal model into the aggregated Group SCR.
5. Subject to 2. to 4. above, the model is approved to calculate part of the Group SCR at the level of Prudential plc and the individual SCR for each entity indicated in respect of all material quantifiable risks as at the date of this notice.

Table 1

Legal entity	FRN	Included for calculation of Group SCR	Solo SCR
BOCI - Prudential Asset Management Limited	N/A	Yes	No
BOCI - Prudential Trustee Limited	N/A	Yes	No
Brooke (Holdco 1) Inc	N/A	Yes	No
Brooke Holdings LLC	N/A	Yes	No
Canada Property Jersey No. 2 Trust	N/A	Yes	No
Canada Property Jersey Trust	N/A	Yes	No
Carroway Guildford General Partner Limited	N/A	Yes	No
Carroway Guildford Investments Unit Trust	N/A	Yes	No
Carroway Guildford Limited Partnership	N/A	Yes	No
Centaurus Retail LLP	N/A	Yes	No
Central Square Leeds Limited	N/A	Yes	No
CITIC Prudential Life Insurance Company Limited	N/A	Yes	No
CITIC-CP Asset Management Company Limited	N/A	Yes	No
CITIC-Prudential Fund Management Company Limited	N/A	Yes	No
Eastspring Al-Wara' Investments Berhad	N/A	Yes	No
Eastspring Asset Management Korea Company Limited	N/A	Yes	No



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Eastspring Investments (Hong Kong) Limited	N/A	Yes	No
Eastspring Investments (Luxembourg) Société Anonyme	N/A	Yes	No
Eastspring Investments (Singapore) Limited	N/A	Yes	No
Eastspring Investments Berhad	N/A	Yes	No
Eastspring Investments Fund Management Limited Liability Company	N/A	Yes	No
Eastspring Investments Incorporated	N/A	Yes	No
Eastspring Investments Limited (Dubai)	N/A	Yes	No
Eastspring Investments Limited (Korea)	N/A	Yes	No
Eastspring Investments Services Private Limited	N/A	Yes	No
Eastspring Securities Investment Trust Company Limited	N/A	Yes	No
Edger Investments Limited	N/A	Yes	No
Foudry Properties Limited	N/A	Yes	No
Furnival Insurance Company PCC Limited	N/A	Yes	No
ICICI Prudential Asset Management Company Limited	N/A	Yes	No
ICICI Prudential Life Insurance Company Limited	N/A	Yes	No
ICICI Prudential Trust Limited	N/A	Yes	No
IFC Holdings, Inc.	N/A	Yes	No
Investment Centers of America, Inc	N/A	Yes	No
M and G Group Limited	N/A	Yes	No
MM and S (2375) Limited	N/A	Yes	No
NAPI REIT 1	N/A	Yes	No
NAPI REIT TRS Inc	N/A	Yes	No
National Planning Corporation	N/A	Yes	No
National Planning Holdings, Inc.	N/A	Yes	No
North Sathorn Holdings Company Limited	N/A	Yes	No
Nova Sepadu Sendirian Berhad	N/A	Yes	No
PCA Life Assurance Company Limited	N/A	Yes	No
PCA Life Insurance Company Limited	N/A	Yes	No
PCA Reinsurance Company Limited	N/A	Yes	No
PGDS (UK One) Limited	N/A	Yes	No
PPM America, Inc.	N/A	Yes	No
PPM Finance, Inc	N/A	Yes	No
PPM Holdings, Inc	N/A	Yes	No
Pru Life Insurance Corporation of UK	N/A	Yes	No
Prudential (Cambodia) Life Assurance Public Limited Company	N/A	Yes	No
Prudential (US Holdco1) Limited	N/A	Yes	No
Prudential Africa Holdings Limited	N/A	Yes	No
Prudential Africa Services Limited	N/A	Yes	No
Prudential Annuities Limited	N/A	Yes	No
Prudential Assurance Company Singapore Private Limited	N/A	Yes	No

Prudential Regulation Authority, 20 Moorgate, London EC2R 6DA T +44 (0)20 7601 4444 www.bankofengland.co.uk

Prudential Regulation Authority, registered office: 8 Lothbury, London EC2R 7HH. Registered in England and Wales No: 07854923



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Prudential Assurance Malaysia Berhad	N/A	Yes	No
Prudential BSN Takaful Berhad	N/A	Yes	No
Prudential Capital plc	N/A	Yes	No
Prudential Corporation Asia Limited	N/A	Yes	No
Prudential Corporation Holdings Limited	N/A	Yes	No
Prudential Development Management Limited	N/A	Yes	No
Prudential Dublin Investments Limited	N/A	Yes	No
Prudential Equity Release Mortgages Limited	N/A	Yes	No
Prudential Financial Services Limited	N/A	Yes	No
Prudential General Insurance Hong Kong Limited	N/A	Yes	No
Prudential Group Holdings Limited	N/A	Yes	No
Prudential Holborn Life Limited	N/A	Yes	No
Prudential Holdings Limited	N/A	Yes	No
Prudential Hong Kong Limited	N/A	Yes	No
Prudential International Assurance plc	N/A	Yes	Yes
Prudential International Management Services Limited	N/A	Yes	No
Prudential Investment (Luxembourg) 2 S.à r.l.	N/A	Yes	No
Prudential Life Assurance (Lao) Company Limited	N/A	Yes	No
Prudential Life Assurance (Thailand) Public Company Limited	N/A	Yes	No
Prudential Life Assurance Kenya Limited	N/A	Yes	No
Prudential Life Assurance Uganda Limited	N/A	Yes	No
Prudential Life Assurance Zambia Limited	N/A	Yes	No
Prudential Life Insurance Ghana Limited	N/A	Yes	No
Prudential Lifetime Mortgages Limited	N/A	Yes	No
Prudential Pensions Limited	FRN110434	Yes	Yes
Prudential Pensions Management Zambia Limited	N/A	Yes	No
Prudential plc	N/A	Yes	No
Prudential Polska sp. z.o.o	N/A	Yes	No
Prudential Portfolio Management Group Limited	N/A	Yes	No
Prudential Process Management Services India Private Limited	N/A	Yes	No
Prudential Properties Trusty Pty Limited	N/A	Yes	No
Prudential Property Holding Limited	N/A	Yes	No
Prudential Property Investments Limited	N/A	Yes	No
Prudential Property Services Limited	N/A	Yes	No
Prudential Real Estate Investments 1 Limited	N/A	Yes	No
Prudential Real Estate Investments 2 Limited	N/A	Yes	No
Prudential Real Estate Investments 3 Limited	N/A	Yes	No
Prudential Retirement Income Limited	N/A	Yes	No
Prudential Services Asia Sendirian Berhad	N/A	Yes	No
Prudential Services Limited	N/A	Yes	No
Prudential Services Singapore Private Limited	N/A	Yes	No

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Prudential Singapore Holdings Private Limited	N/A	Yes	No
Prudential UK Services Limited	N/A	Yes	No
Prudential US Limited	N/A	Yes	No
Prudential Vietnam Assurance Private Limited	N/A	Yes	No
Prudential Vietnam Finance Company Limited	N/A	Yes	No
Prutec Limited	N/A	Yes	No
PT. Eastspring Investments Indonesia	N/A	Yes	No
PT. Prudential Life Assurance	N/A	Yes	No
PVM Partnerships Limited	N/A	Yes	No
Scottish Amicable Finance plc	N/A	Yes	No
SII Investments, Inc.	N/A	Yes	No
Smithfield and Westwacker Limited	N/A	Yes	No
Sri Han Suria Sendirian Berhad	N/A	Yes	No
St Edward Homes Partnership Joint Venture	N/A	Yes	No
St Edwards Strand Partnership Joint Venture	N/A	Yes	No
Staple Limited	N/A	Yes	No
Thanachart Life Assurance Public Company Limited	N/A	Yes	No
The Greenpark (Reading) Limited Partnership	N/A	Yes	No
The Prudential Assurance Company Limited	FRN139793	Yes	Yes
The Two Rivers Trust	N/A	Yes	No
Two Snowhill Birmingham Sarl	N/A	Yes	No