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## STATUTORY INSTRUMENTS

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# 2015 No. 575

## The Solvency 2 Regulations 2015

### PART 3

#### Groups

#### CHAPTER 3

#### Group Solvency

#### Participating undertakings: calculation of group solvency

19.—(1) This regulation applies where—

- (a) the PRA is the group supervisor of a group;
- (b) the group contains an insurance undertaking [<sup>F1</sup>, reinsurance undertaking, Gibraltarian insurance undertaking or Gibraltarian reinsurance undertaking][<sup>F2</sup>for which the calculation of the group solvency includes] a third-country insurance undertaking or third-country reinsurance undertaking; and
- (c) the third country in which the third-country insurance undertaking or third country reinsurance undertaking has its head office makes it subject to authorisation and imposes on it a solvency regime at least equivalent to that specified in [<sup>F3</sup>the United Kingdom law which implemented] Chapter 6 of Title 1 of the Solvency 2 Directive.

(2) The PRA must permit the group to take into account national laws adopted by the third country in respect of the group's solvency capital requirement and the own funds eligible to satisfy the solvency capital requirement in the calculation of the group's solvency unless—

- (a) there has been a significant change to those national laws; and
- (b) it is not in the interests of the group's policyholders to do so.

[<sup>F4</sup>(2A) Where the Treasury have made regulations under Article 379A of the Solvency 2 Regulation, or the Commission have adopted a delegated act under Article 227 of the Solvency 2 Directive prior to IP completion day, determining that the supervisory regime of a third country is provisionally equivalent, that third country is deemed to be equivalent for the purposes of paragraph (2).]

[<sup>F5</sup>(3) Where no regulations have been made by the Treasury pursuant to Article 379A of the Solvency 2 Regulation, and the Commission has not adopted a delegated act under Article 227 of the Solvency 2 directive prior to IP completion day, the PRA—

- (a) may on its own initiative, or
- (b) must on the request of the insurance or reinsurance undertaking or Gibraltarian insurance or reinsurance undertaking for which the calculation of the group solvency includes a third-country insurance undertaking or third-country reinsurance undertaking,

verify whether a solvency regime in the third country is at least equivalent to the United Kingdom law which implemented Chapter 6 of Title 1, of the Solvency 2 Directive.]

**Changes to legislation:** The Solvency 2 Regulations 2015, Section 19 is up to date with all changes known to be in force on or before 28 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

(4) The PRA must—

- <sup>F6</sup>(a) . . . . .
- (b) take the decision in accordance with the criteria set out in [<sup>F7</sup>Article 379 of the Solvency 2 Regulation]; and
- (c) ensure that its decision does not contradict any previous decision on the equivalence of the third country, except where it is necessary to take into account significant changes to the supervisory regime laid down in [<sup>F8</sup>the United Kingdom law which implemented] Chapter 6 of Title 1 to the Solvency 2 Directive or to the solvency regime of the third country.

[<sup>F9</sup>(5) The PRA must publish and keep up to date on its website a list of all third countries referred to in paragraph (3).]

- F1** Word in reg. 19(1)(b) substituted (31.12.2020) by S.I. 2019/407, **reg. 9(10)(a)(i)** (as substituted by The Gibraltar (Miscellaneous Amendments) (EU Exit) Regulations 2019 (S.I. 2019/680), regs. 1(3), **10(4)(j)(i)** (with reg. 11) (as amended by S.I. 2020/1301, regs. 1, 3, **Sch. para. 40(f)**); 2020 c. 1, **Sch. 5 para. 1(1)**)
- F2** Word in reg. 19(1)(b) substituted (31.12.2020) by S.I. 2019/407, **reg. 9(10)(a)(ii)** (as substituted by The Gibraltar (Miscellaneous Amendments) (EU Exit) Regulations 2019 (S.I. 2019/680), regs. 1(3), **10(4)(j)(i)** (with reg. 11) (as amended by S.I. 2020/1301, regs. 1, 3, **Sch. para. 40(f)**); 2020 c. 1, **Sch. 5 para. 1(1)**)
- F3** Words in reg. 19(1)(c) inserted (31.12.2020) by The Solvency 2 and Insurance (Amendment, etc.) (EU Exit) Regulations 2019 (S.I. 2019/407), regs. 1(2), **9(10)(b)** (as amended by S.I. 2020/1385, regs. 1(2), 54(2))
- F4** Reg. 19(2A) inserted (31.12.2020) by The Solvency 2 and Insurance (Amendment, etc.) (EU Exit) Regulations 2019 (S.I. 2019/407), regs. 1(2), **9(10)(c)** (as amended by S.I. 2020/1385, regs. 1(2), **54(2)** and S.I. 2020/1301, regs. 1, 3, **Sch. para. 27(c)(i)**)
- F5** Reg. 19(3) substituted (31.12.2020) by The Solvency 2 and Insurance (Amendment, etc.) (EU Exit) Regulations 2019 (S.I. 2019/407), regs. 1(2), **9(10)(d)** (as amended by S.I. 2020/1385, regs. 1(2), **54(2)**; S.I. 2020/1301, regs. 1, 3, **Sch. para. 27(c)(ii)** and S.I. 2019/680, regs. 1(3), **10(4)(j)(ii)** (with reg. 11))
- F6** Reg. 19(4)(a) omitted (31.12.2020) by virtue of The Solvency 2 and Insurance (Amendment, etc.) (EU Exit) Regulations 2019 (S.I. 2019/407), regs. 1(2), **9(10)(e)(i)** (as amended by S.I. 2020/1385, regs. 1(2), 54(2))
- F7** Words in reg. 19(4)(b) substituted (31.12.2020) by The Solvency 2 and Insurance (Amendment, etc.) (EU Exit) Regulations 2019 (S.I. 2019/407), regs. 1(2), **9(10)(e)(ii)** (as amended by S.I. 2020/1385, regs. 1(2), 54(2))
- F8** Words in reg. 19(4)(c) inserted (31.12.2020) by The Solvency 2 and Insurance (Amendment, etc.) (EU Exit) Regulations 2019 (S.I. 2019/407), regs. 1(2), **9(10)(e)(iii)** (as amended by S.I. 2020/1385, regs. 1(2), 54(2))
- F9** Reg. 19(5) inserted (31.12.2020) by The Solvency 2 and Insurance (Amendment, etc.) (EU Exit) Regulations 2019 (S.I. 2019/407), regs. 1(2), **9(10)(f)** (as amended by S.I. 2020/1385, regs. 1(2), 54(2))

**Changes to legislation:**

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**Changes and effects yet to be applied to :**

- Regulations revoked by [2023 c. 29 Sch. 1 Pt. 2](#)
- reg. 19(1)(b) words substituted by [S.I. 2019/407 reg. 9\(10\)\(a\)](#) (This amendment not applied to legislation.gov.uk. Reg. 9(10)(a) substituted immediately before IP completion day by S.I. 2019/680, reg. 10(4)(j)(i))