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## STATUTORY INSTRUMENTS

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# 2015 No. 575

## The Solvency 2 Regulations 2015

### PART 3

#### Groups

#### CHAPTER 4

#### Risk concentration and intra-group transactions

#### Supervision of risk concentration and intra-group transactions

**24.**—(1) [<sup>F1</sup>Subject to paragraph (4), where] the PRA is the group supervisor [<sup>F2</sup>of a type of group referred to in regulation 9A(a) or (b)], the PRA must—

- (a) identify the type of risks and intra-group transactions which insurance undertakings and reinsurance undertakings in the group must report to the PRA in all circumstances, taking into account the specific group and risk management structure of the group;
- (b) impose appropriate thresholds based on solvency capital requirements, or technical provisions, in order to identify which significant risk concentrations and significant intra-group transactions should be reported;
- (c) identify the insurance undertaking or reinsurance undertaking in the group responsible for submitting the information required under rules implementing Articles 244 and 245 of the Solvency 2 Directive where the group is not headed by an insurance undertaking or a reinsurance undertaking;
- (d) review the risk concentrations of the group and intra-group transactions at group level, and in particular monitor the possible risk of contagion within the group, the risk of a conflict of interests and the level or volume of risks.

[<sup>F3</sup>(1A) For the purposes of paragraph (1), references to insurance undertakings and reinsurance undertakings include a reference to Gibraltarian insurance undertakings and Gibraltarian reinsurance undertakings.]

(2) The PRA must consult the group [<sup>F4</sup>and, where the FSC is concerned in the supervision of the group, the FSC] whilst carrying out the activities referred to in sub-paragraphs (a) to (c) of paragraph 24.

(3) Where the [<sup>F5</sup>FSC is ] the group supervisor and the [<sup>F6</sup>the FSC consults the PRA] in relation to the supervision of risk concentration at group level or the reporting of intra-group transactions, the PRA must take into account the specific group and risk management structure of the group when giving its opinion about the type of risks to be reported.

[<sup>F7</sup>(4) Where the PRA is required to rely on supervision exercised by a supervisory authority in a third country which has a prudential group supervision regime determined as equivalent in accordance with regulation 35, the PRA may determine that paragraph (1)—

- (a) does not apply; or

**Changes to legislation:** The Solvency 2 Regulations 2015, Section 24 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

- (b) applies with only such modifications as may be specified in the determination.
- (5) The PRA may not give a determination under paragraph (4) unless it is satisfied that—
  - (a) compliance by insurance or reinsurance undertakings in the group with rules or requirements imposed by the PRA pursuant to paragraph (1) would be unduly burdensome; and
  - (b) the determination would not adversely affect the advancement of any of the PRA's objectives.
- (6) The PRA may revoke or vary a determination given under paragraph (4).]

- F1** Words in [reg. 24\(1\)](#) substituted (24.1.2022) by [The Solvency 2 \(Group Supervision\) \(Amendment\) Regulations 2021 \(S.I. 2021/1408\)](#), regs. 1, [2\(2\)\(a\)](#)
- F2** Words in [reg. 24\(1\)](#) substituted (31.12.2020) by [The Solvency 2 and Insurance \(Amendment, etc.\) \(EU Exit\) Regulations 2019 \(S.I. 2019/407\)](#), regs. 1(2), [9\(13\)\(a\)](#) (as amended by [S.I. 2020/1385](#), regs. 1(2), [54\(2\)](#))
- F3** [Reg. 24\(1A\)](#) inserted by [S.I. 2019/407](#), [reg. 9\(13\)\(aa\)](#) (as inserted) by [The Gibraltar \(Miscellaneous Amendments\) \(EU Exit\) Regulations 2019 \(S.I. 2019/680\)](#), regs. 1(3), [10\(4\)\(m\)\(i\)](#) (with [reg. 11](#)) (as amended by [S.I. 2020/1301](#), regs. 1, 3, [Sch. para. 40\(f\)](#)); 2020 c. 1, [Sch. 5 para. 1\(1\)](#))
- F4** Words in [reg. 24\(2\)](#) substituted (31.12.2020) by [S.I. 2019/407](#), [reg. 9\(13\)\(b\)](#) (as substituted by [The Gibraltar \(Miscellaneous Amendments\) \(EU Exit\) Regulations 2019 \(S.I. 2019/680\)](#), regs. 1(3), [10\(4\)\(m\)\(ii\)](#) (with [reg. 11](#)) (as amended by [S.I. 2020/1301](#), regs. 1, 3, [Sch. para. 40\(f\)](#)); 2020 c. 1, [Sch. 5 para. 1\(1\)](#))
- F5** Words in [reg. 24\(3\)](#) substituted (31.12.2020) by [S.I. 2019/407](#), [reg. 9\(13\)\(c\)\(i\)](#) (as substituted by [The Gibraltar \(Miscellaneous Amendments\) \(EU Exit\) Regulations 2019 \(S.I. 2019/680\)](#), regs. 1(3), [10\(4\)\(m\)\(iii\)](#) (with [reg. 11](#)) (as amended by [S.I. 2020/1301](#), regs. 1, 3, [Sch. para. 40\(f\)](#)); 2020 c. 1, [Sch. 5 para. 1\(1\)](#))
- F6** Words in [reg. 24\(3\)](#) substituted (31.12.2020) by [S.I. 2019/407](#), [reg. 9\(13\)\(c\)\(ii\)](#) (as substituted by [The Gibraltar \(Miscellaneous Amendments\) \(EU Exit\) Regulations 2019 \(S.I. 2019/680\)](#), regs. 1(3), [10\(4\)\(m\)\(iii\)](#) (with [reg. 11](#)) (as amended by [S.I. 2020/1301](#), regs. 1, 3, [Sch. para. 40\(f\)](#)); 2020 c. 1, [Sch. 5 para. 1\(1\)](#))
- F7** [Reg. 24\(4\)-\(6\)](#) inserted (24.1.2022) by [The Solvency 2 \(Group Supervision\) \(Amendment\) Regulations 2021 \(S.I. 2021/1408\)](#), regs. 1, [2\(2\)\(b\)](#)

#### Modifications etc. (not altering text)

- C1** [Reg. 24\(1\)\(2\)](#) restricted (27.11.2020) by [S.I. 2019/407](#), [reg. 13\(2\)](#) (as inserted by [The Securities Financing Transactions, Securitisation and Miscellaneous Amendments \(EU Exit\) Regulations 2020 \(S.I. 2020/1385\)](#), regs. 1(2), [54\(5\)](#))

**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. 24(1)(2) excluded (temp.) by S.I. 2019/407, reg. 13 (as inserted) by [S.I. 2019/710 reg. 41](#) (This amendment not applied to legislation.gov.uk. Reg. 41 omitted immediately before IP completion day by virtue of S.I. 2020/1385, regs. 1(4), 64(5))
- reg. 24(2) words omitted by [S.I. 2019/407 reg. 9\(13\)\(b\)](#) (This amendment not applied to legislation.gov.uk. Reg. 9(13)(b) substituted immediately before IP completion day by S.I. 2019/680, reg. 10(4)(m)(ii))
- reg. 24(3) omitted by [S.I. 2019/407 reg. 9\(13\)\(c\)](#) (This amendment not applied to legislation.gov.uk. Reg. 9(13)(c) substituted immediately before IP completion day by S.I. 2019/680, reg. 10(4)(m)(iii))