
STATUTORY INSTRUMENTS

2023 No. 1347

**The Insurance and Reinsurance Undertakings
(Prudential Requirements) Regulations 2023**

PRA's functions and powers under FSMA 2000

8.—(1) FSMA 2000 applies in relation to regulations 5 (calculation of the matching adjustment) and 6 (calculation of fundamental spread) with the modifications set out in paragraphs (2) to (8).

(2) Section 39(1) (exemption of appointed representatives) applies as if in subsection (4)—

(a) “or” at the end of paragraph (a) were omitted;

(b) after paragraph (a) there were inserted—

“(aa) regulation 5 or 6 of the Insurance and Reinsurance Undertakings (Prudential Requirements) Regulations 2023, or”.

(3) Section 66B(2) (misconduct: action by the PRA) applies as if in subsection (4)—

(a) “or” at the end of paragraph (a) were omitted;

(b) after paragraph (a) there were inserted—

“(aa) imposed by regulation 5 or 6 of the Insurance and Reinsurance Undertakings (Prudential Requirements) Regulations 2023, or”.

(4) Section 168(3) (appointment of persons to carry out investigations in particular cases) applies as if in subsection (4)—

(a) “or” at the end of paragraph (jc) were omitted;

(b) after paragraph (jc) there were inserted—

“(jd) an authorised person may have contravened regulation 5 or 6 of the Insurance and Reinsurance Undertakings (Prudential Requirements) Regulations 2023; or”.

(5) Section 204A(4) (meaning of “relevant requirement” and “appropriate regulator”) applies as if—

(a) in subsection (2)—

(i) “or” at the end of paragraph (c) were omitted;

(ii) “or” were inserted at the end of paragraph (d);

(iii) after paragraph (d) there were inserted—

“(e) by regulation 5 or 6 of the Insurance and Reinsurance Undertakings (Prudential Requirements) Regulations 2023.”;

(b) in subsection (3), after paragraph (f) there were inserted—

(1) Subsection (4) was substituted by paragraph 5 of Schedule 18 to the Financial Services Act 2012 and amended by [S.I. 2019/632](#).

(2) Section 66B was inserted by section 32 of the Financial Services (Banking Reform) Act 2013 ([c. 33](#)) and subsection (4) was amended by [S.I. 2019/632](#).

(3) Subsection (4) was amended by [S.I. 2017/1255](#). There are other amendments but none is relevant.

(4) Section 204A was inserted by paragraph 10 of Part 4 of Schedule 9 to the Financial Services Act 2012 and amended by [S.I. 2015/1864](#) and [2016/225](#). There are other amendments but none is relevant.

- “(g) a requirement under regulation 5 or 6 of the Insurance and Reinsurance Undertakings (Prudential Requirements) Regulations 2023.”.
- (6) Section 380(5) (injunctions) applies as if—
- (a) in subsection (6), in paragraph (a)—
- (i) “or” at the end of sub-paragraph (v) were omitted;
- (ii) “or” were inserted at the end of sub-paragraph (vi);
- (iii) after sub-paragraph (vi) there were inserted—
- “(vii) which is imposed by regulation 5 or 6 of the Insurance and Reinsurance Undertakings (Prudential Requirements) Regulations 2023,”;
- (b) in subsection (8)—
- (i) “or” at the end of paragraph (b) were omitted;
- (ii) “or” were inserted at the end of paragraph (c);
- (iii) after paragraph (c) there were inserted—
- “(d) a requirement under regulation 5 or 6 of the Insurance and Reinsurance Undertakings (Prudential Requirements) Regulations 2023.”.
- (7) Section 382(6) (restitution orders) applies as if—
- (a) in subsection (9), in paragraph (a)—
- (i) “or” at the end of sub-paragraph (iii) were omitted;
- (ii) “or” were inserted at the end of sub-paragraph (iv);
- (iii) after sub-paragraph (iv) there were inserted—
- “(v) which is imposed by regulation 5 or 6 of the Insurance and Reinsurance Undertakings (Prudential Requirements) Regulations 2023,”;
- (b) in subsection (11)—
- (i) “or” at the end of paragraph (b) were omitted;
- (ii) “or” were inserted at the end of paragraph (c);
- (iii) after paragraph (c) there were inserted—
- “(d) a requirement which is imposed by regulation 5 or 6 of the Insurance and Reinsurance Undertakings (Prudential Requirements) Regulations 2023.”.
- (8) Section 384(7) (power of FCA or PRA to require restitution) applies as if—
- (a) in subsection (7)—
- (i) “or” at the end of paragraph (c) were omitted;
- (ii) “or” were inserted at the end of paragraph (d);
- (iii) after paragraph (d) insert there were inserted—

(5) Section 380(6)(a) was amended by paragraph 19 of Part 5 of Schedule 9 to the Financial Services Act 2012 and [S.I. 2016/225](#), and section 380(8) was inserted by paragraph 19 of Part 5 of Schedule 9 to the Financial Services Act 2012. There are other amendments but none is relevant.

(6) Subsection (9) was amended by paragraph 21 of Part 5 of Schedule 9 to the Financial Services Act 2012. There are other amendments but none is relevant.

(7) Subsection (7)(d) was inserted by paragraph 3(4) of Schedule 10 to the Financial Services (Banking Reform) Act 2013. Subsection (9) was inserted by paragraph 23 of Part 5 of Schedule 9 to the Financial Services Act 2012 and amended by [S.I. 2019/632](#).

- “(e) a requirement which is imposed by regulation 5 or 6 of the Insurance and Reinsurance Undertakings (Prudential Requirements) Regulations 2023.”;
- (b) in subsection (9)—
 - (i) “or” at the end of paragraph (b) were omitted;
 - (ii) “or” were inserted at the end of paragraph (c);
 - (iii) after paragraph (c) there were inserted—
 - “(d) a requirement which is imposed by regulation 5 or 6 of the Insurance and Reinsurance Undertakings (Prudential Requirements) Regulations 2023.”.