

**Comments Template on
Consultation Paper on on the Proposal for Guidelines
on the System of Governance**

**Deadline
19 June 2013
12:00 CET**

Name of Company:	STEPTOE & JOHNSON LLP	
Disclosure of comments:	Please indicate if your comments should be treated as confidential:	Public
<p>Please follow the following instructions for filling in the template:</p> <ul style="list-style-type: none"> ⇒ Do not change the numbering in the column "reference"; if you change numbering, your comment cannot be processed by our IT tool ⇒ Leave the last column <u>empty</u>. ⇒ Please fill in your comment in the relevant row. If you have <u>no comment</u> on a paragraph or a cell, keep the row <u>empty</u>. ⇒ Our IT tool does not allow processing of comments which do not refer to the specific numbers below. <p>Please send the completed template, in Word Format, to CP-13-008@eiopa.europa.eu. Our IT tool does not allow processing of any other formats.</p> <p>The numbering of the paragraphs refers to this Consultation Paper, the numbering of cells refers to the Technical Annexes II and III.</p>		
Reference	Comment	Resolution
General Comment		
Introduction General Comment		
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Section I. General Comments		
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Section II. General Comments		
Chapter I General Comments		
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Chapter III General Comments		

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Chapter IV General Comments		
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Chapter V General Comments		
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Chapter VI General Comments		
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Chapter VII General Comments		
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Chapter IX General Comments		
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Section III. General Comments		
1.92	<p>We fully support the principle that the parent (re)insurance undertaking or insurance holding company may identify the undertaking responsible for fulfilling the governance requirements at group level and report it to the group supervisor. Based on the additional information in the explanatory text, we understand that any entity within the (re)insurance group may be designated and identified as an entity responsible for fulfilling the governance requirements at group level.</p> <p>(Re)insurance groups differ from each other in their structure and organisation. Insurance holding companies may fulfil different roles within the groups: they may carry out a financial or non-financial, industrial activity, centralise the management and supervision of the group companies, establish the risk appetite for the group and control capital allocation for efficiency purposes.</p> <p>However, their corporate object and sole activity may be limited to holding shares in subsidiaries without actively participating or controlling the subsidiaries' business activities (we refer to this last category as "inactive holding companies").</p> <p>These differences should be acknowledged in the Guidelines. Therefore, we welcome the clarification that the obligation to meet the governance requirements at group level may be delegated to any entity within the group.</p> <p>For the sake of clarity and consistency in the interpretation of the Guideline, we suggest to include an express reference in the Guideline that the entity responsible for the fulfilment of the governance requirement at group level may be other than the parent undertaking.</p> <p>While such possibility is apparent from the explanatory text, we note that the latter does not seem to be an integral part of the Guidelines and, hence, the comply-or-explain mechanism would not apply.</p> <p>Therefore, we consider that clarifying the Guideline would positively contribute to a</p>	

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	consistent application of such Guideline by the national supervisors.	
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Compliance and Reporting Rules General Comments		
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Impact Assessment – General Coments		
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