

Comments Template on Implementing Technical Standards On the procedures to be followed for the approval of the application of a matching adjustment		Deadline 30 June 2014
Name of Company:	Federation of European Accountants (FEE)	
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-14-007@eiopa.europa.eu. Our IT tool does not allow processing of any other formats.</p> <p>The numbering refers to Implementing Technical Standards on the procedures to be followed for the approval of the application of a matching adjustment.</p>		
Reference	Comment	
General Comment		
Recital (1)		
Recital (2)		
Recital (3)		
Recital (4)		
Recital (5)		
Recital (6)		

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Recital (7)		
Recital (8)		
Article 1 (1)		
Article 2 (1)		
Article 2 (3)		
Article 2 (4)		
Article 2 (5)	The ITS states that the application to use the Matching Adjustments should be approved by the administrative management or the supervisory body. FEE suggests that the ITS should clarify who should approve the application in the case of a two-tier board system.	
Article 3 (1) a		
Article 3 (1) b	The ITS requires that information on details of assets should be provided on a line-by-line basis. FEE suggests that the ITS should clarify that the line-by-line basis refers to the Solvency II Balance sheet whether the Statutory Financial Statements can be used as a basis to provide such information.	
Article 3 (1) c		
Article 4 (1) a		
Article 4 (1) b		
Article 5 (1) a		
Article 5 (1) b		
Article 5 (1) c		
Article 5 (1) d		
Article 6 (1) a		
Article 6 (1) b		
Article 6 (1) c		

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Article 6 (1) d		
Article 6 (1) e		
Article 6 (1) f		
Article 7 (1)		
Article 7 (2)		
Article 7 (3)		
Article 7 (4)	The timeframe for the assessment of the application is the same as other SET 1 ITS ; however FEE identified an inconsistency in the wording of this requirement. For example the ITS on the application on an ancillary own fund item includes the phrase «on a timely basis», while this ITS does not refer to «timely basis». In order to avoid the need for over-interpretation, FEE suggests that EIOPA should try to use the same wording on this matter.	
Article 7 (5)		
Article 7 (6)	FEE believes that this paragraph provides guidance on the same matter as Article 8 paragraph 6 ; therefore, we suggest that this paragraph may be deleted.	
Article 7 (7)		
Article 7 (8)		
Article 7 (9)		
Article 7 (10)		
Article 8 (1)		
Article 8 (2)	This article states that the supervisory authority may consider other factors when assessing the application of matching adjustments. This means that the supervisory authorities have the authority to go beyond the requirements of the Directive when assessing the applications. FEE raises its concerns on this matter, as it is not clear whether the Directive intends to grant the supervisory authorities with this option. FEE identifies that EIOPA might be seen as acting beyond the Directive. In addition FEE encourages EIOPA to provide some examples of possible factors that a supervisory authority may consider.	

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Article 8 (3)		
Article 8 (4)		
Article 8 (5)		
Article 8 (6)	Please refer to the comment on Article 7 paragraph 6.	
Article 9 (1) a		
Article 9 (1) b		
Article 9 (1) c		
Article 9 (2)	There is no clear rationale as to why there should be a 24 month period before the matching adjustment can be applied again. Therefore, FEE suggests deleting reference to this period as the requirement to obtain supervisory approval is sufficient to ensure that the matching adjustment is not reapplied until it is appropriate to do so.	
Article 10 (1)		
Annex I: Problem definition		
Annex I: Baseline		
Annex I: Section 3		
Annex I: Section 4		
Annex I: Section 5		
Annex I: Section 6		

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