



Direction

To: [Insert Firm(s) Name] (“the *firm*”)

Ref: [Insert Direction ref]

Of: [Insert Address(es)]

Date: [Insert Date]

PRA Rulebook [Leverage, Public Disclosure, Reporting Leverage Ratio Parts] (Version as in force at the date this Direction takes effect)

Power

1. This direction is given by the *PRA* under section 138A of the Financial Services and Markets Act 2000.

Duration

2. (1) This direction takes effect on [insert effective date].
(2) This direction ends on the date that the relevant *rule* below is revoked, or no longer applies to the firm (in whole or in part).

Rules Modified

3. The *PRA* directs that the *rules* listed below apply to the firm with the modifications shown.

Rule	Modification
Leverage Ratio 1.2	... <u>central bank claims</u> <u>means the following exposures of a firm to a central bank, provided these are denominated in the national currency of such central bank:</u> (1) <u>banknotes and coins constituting legal currency in the jurisdiction of the central bank;</u> (2) <u>reserves held by a firm at the central bank; and</u> (3) <u>any assets representing debt claims on the central bank with a</u>



	<p><u>maturity of no longer than 3 months.</u></p> <p>...</p> <p><i>total exposure measure</i></p> <p>has the meaning given by Article 429(4) of the <i>CRR</i>, as amended by the Commission Delegated Regulation (EU) 2015/62, <u>save that a <i>central bank claim</i> of a <i>firm</i> shall be netted off against a <i>deposit</i> accepted by the <i>firm</i>, provided that:</u></p> <p>(1) <u>the <i>central bank exposure</i> and <i>deposit</i> are denominated in the same currency; and</u></p> <p>(2) <u>where applicable, the date of contractual maturity of the <i>central bank exposure</i> is the same as, or is before, the date of contractual maturity of the <i>deposit</i>.</u></p> <p>...</p>
<p>Public Disclosure 1.1</p>	<p>...</p> <p><i>leverage ratio</i></p> <p>has the meaning given in Leverage Ratio 1.2 <u>means a <i>firm's tier 1 capital</i> divided by its <i>total exposure measure</i>, with this ratio expressed as a percentage.</u></p> <p>...</p> <p><i>total exposure measure</i></p> <p>has the meaning given in Leverage Ratio 1.2 <u>by Article 429(4) of the <i>CRR</i>, as amended by the Commission Delegated Regulation (EU) 2015/62.</u></p>
<p>Reporting Leverage Ratio 1.2</p>	<p>...</p> <p><i>leverage ratio</i></p>



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	<p>has the meaning given in Leverage Ratio 1.2 <u>means a firm's tier 1 capital divided by its total exposure measure, with this ratio expressed as a percentage.</u></p> <p>...</p> <p>total exposure measure</p> <p>has the meaning given in Leverage Ratio 1.2 <u>by Article 429(4) of the CRR, as amended by the Commission Delegated Regulation (EU) 2015/62.</u></p>
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Interpretation

5. Interpretative provisions (including definitions) of the *PRA Rulebook* apply to this direction in the same way they apply to the *PRA Rulebook*.

The Prudential Regulation Authority Board

Prudential Regulation Authority