



WRITTEN NOTICE
NET FX DELTA PERMISSION

To: **Standard Chartered Bank**
("the firm")

Reference Number: 4889792

Date: 22 February 2018

DECISIONS

1. In accordance with the discretions afforded to the PRA by Article 352(1) of Regulation 575/2013 of the European Parliament and of the Council of 26th June 2013 on prudential requirements for credit institutions and investment firms (the "CRR"), the PRA has decided to grant the firm the permission to use its own calculations of delta in its calculation of own funds requirements for market risk in respect of foreign exchange and gold options in the overall net foreign exchange position on the terms and conditions set out in Annex 1 (the "Net FX Delta Permission"). This is based on a satisfactory attestation from the firm that the minimum standards are adhered to.
2. If the firm ceases to comply with the conditions for grant of this Net FX Delta Permission set out in Article 352(1) of the CRR, the terms and conditions of the Net FX Delta Permission set out in Annex 1 the PRA will re-consider the terms and conditions of the Net FX Delta Permission and the requirements relevant to it, including a revocation of the Net FX Delta Permission in whole or in part.
3. The Net FX Delta Permission, as amended and restated, takes effect on 22 February 2018. The written notice replaces all previous written notices of the Net FX Delta Permission.

Melanie Beaman

Head of Major UK International Banks, Prudential Regulation Authority



PROCEDURAL MATTERS

4. If you wish to challenge the decisions taken by the PRA in relation to the Net FX Delta Permission, you may refer the matter to the Upper Tribunal.
5. Details of the Net FX Delta Permission will be published on the Financial Services Register. The full text of this Written Notice will not be published.

PRA contacts

6. For more information concerning this matter generally, the firm should contact Vitaly Sviridenko at 020 3461 6748.



ANNEX 1

THE NET FX DELTA PERMISSION

Definition

1. The Net FX Delta Permission means that the firms may use their own calculation of delta to calculate, for the legal entities listed in Table 1, on a solo and/or consolidated basis, the own funds requirements for market risk in relation to the exposures described in paragraph 2 of this Annex in accordance with article 352(1) of the CRR.

Table 1

Legal entity	Solo / Consolidated
Standard Chartered Bank	Solo and consolidated
SCB (China) Ltd	Consolidated
SCB (Hong Kong) Ltd	Consolidated
SCB (Singapore) Ltd	Consolidated
SCB Korea Limited	Consolidated
SCB (Thai) Public Company Limited	Consolidated
SCB Malaysia Berhad	Consolidated
SC Saadiq Berhad	Consolidated

2. In accordance with Article 352(1) of the CRR, the firm may use the Net FX Delta Permission to calculate the exposure value for those products that are listed in the net FX deltas template that the firm has submitted in accordance with the PRA's Supervisory Statement SS13/13 (updated version), which are either (i) OTC options or (ii) products traded on an exchange for which no delta is available from the exchange concerned.



Note on disclosure

The PRA has decided not to publish the full text and annexes of this Net FX Delta permission notice to the Financial Service Register Site as it has been deemed inappropriate and unnecessary. In particular, to do so might prejudice, to an unreasonable degree, the commercial interests of the firms concerned.

However, in the interests of transparency, the PRA's policy is to publish an abridged version of the permission notice, as a record that the Net FX Delta permission has been granted.

ANNEX 2

VERSION CONTROL SCHEDULE

NOTICES OF MATERIAL CHANGES AND EXTENSIONS TO ARTICLE 352(1) PERMISSION

Version	Comment	Authorisation	Date
1.0	Permission granted (ACTS 16104, Written Notice ref: 2705965)	Melanie Beaman Head of Major UK International Banks	29/07/2016
2.0	Net FX Delta Permission - Product Table Updated (ACTS 29628, Written notice ref: 4889792)	Melanie Beaman Head of Major UK International Banks	22/02/2018