
WRITTEN NOTICE
OPTION DELTA PERMISSION

To: **Merrill Lynch International**
("the firm")

Reference Number: 1800661

Date: 18 August 2014

DECISIONS

1. In accordance with the discretions afforded to the PRA by Article 329(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 options and warrants on the terms and conditions set out in Annex 1 (the "Option Delta Permission").
2. If the firm ceases to comply with the conditions for grant of this Option Delta Permission set out in Article 329(1) of the CRR and the terms and conditions of the Option Delta Permission set out in Annex 1, the PRA will re-consider the terms and conditions of the Option Delta Permission and the requirements relevant to it, including a revocation of the Option Delta Permission in whole or in part.
3. The Option Delta Permission takes effect on 18 August 2014.

Andy Murfin
Head of Department
International Banks Division
Prudential Regulation Authority