



DIRECTION

To: NatWest Markets Plc (FRN 121882), National Westminster Bank Plc (FRN 121878),
The Royal Bank of Scotland Plc (FRN 114724), Coutts & Company (FRN 122287),
Ulster Bank Limited (FRN 122315)
(each a “firm”)

Of: 36 St Andrew Square, Edinburgh EH2 2YB

Ref: 00001144, 00001145, 00001146, 00001147 & 00001148

Date: 20 April 2020

Rulebook 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 *Act*.

Duration

2. This Direction takes effect on 16 April 2020.
3. This Direction ends on the date on which a relevant *rule* below is amended or no longer applies to the firm (in whole or in part), or if earlier, the date this Direction is superseded by a further Direction relating to the same subject matter.

Rules Modified

4. The *PRA* directs that the rules listed below apply to the *firm* with the modifications shown (new text underlined, deleted text is struck through).

Rule	Modification
Leverage Ratio 1.2	In this Part, the following definitions shall apply: [...] <u>regular-way purchases or sales</u> <u>means a purchase or a sale of a security under contracts for which the terms require delivery of the security within the period established generally by law or convention in the marketplace concerned.</u>



	[...] <i>total exposure measure</i> has the meaning given by Article 429(4) of the <i>CRR</i>, as amended by the Commission Delegated Regulation (EU) 2015/62, save that: (A) 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: [...] (B) the exposure value of regular-way purchases and sales awaiting settlement shall be calculated in line with Article 429g of the <i>CRR</i>, as set out in point (117) of Article 1 of Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019, which for this purpose shall apply from the date of this Direction.
Public Disclosure 3.7	Subject to 3.8, <u>and 3.8A</u>: [...]
Public Disclosure 3.8	Insert the following after rule 3.8: <u>3.8A For the purposes of disclosing the items specified in 3.3(2), 3.3(3) and 3.3(4) for the quarter in which this Direction takes effect, the firm must perform the calculations in rule 3.7 using the definition of <i>total exposure measure</i> as modified in this Direction as if it applies for each day in the quarter.</u>
Reporting Leverage Ratio 3.1	Subject to 4.1 <u>and 4.2A</u>, a <i>firm</i> must complete the <i>data item</i> FSA083 using the template for the <i>data item</i> set out here. [...]
Reporting Leverage Ratio 4.2	Insert the following after rule 4.2: <u>4.2A For the purpose of completing <i>data item</i> FSA083 in respect of the quarter in which this Direction takes effect, the firm must perform the calculations in rule 3.2 using the definition of <i>total exposure measure</i> as modified in this</u>



	<u>Direction as if it applies for each day in the quarter.</u>
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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.

Colin Cairns

Waivers & EU Permissions

Prudential Regulation Authority