



DIRECTION

To: HSBC UK Bank Plc (FRN: 765112) (the “firm”)

Of: 1 Centenary Square, Birmingham B1 1HQ

Ref: 00001354

Date: 24 June 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 24 June 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below is amended or no longer applies to the firm (in whole or in part), or if earlier, the date this Direction is superseded by a further Direction relating to the same subject matter.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: [...] <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: [...] (C) the <i>firm</i> may exclude loans made by the <i>firm</i> pursuant to: (i) the Bounce Back Loan scheme announced by Her Majesty’s Government on 27 April 2020; or (ii) schemes supporting lending to small and medium-sized businesses which are located in an <i>EEA State</i> in the course of the Coronavirus pandemic, provided that such loans do not exceed €60,000 per loan and are subject to a 100% guarantee provided by an <i>EEA State</i> or central bank of an <i>EEA State</i> or the European Central Bank.

Public Disclosure 3.7 If the Part as it applies to the Firm has not already been modified to include rule 3.8A, insert as follows:	Subject to 3.8, <u>and 3.8A</u> : [...]
Public Disclosure 3.8 / 3.8A If the Part as it applies to the Firm has already been modified to include rule 3.8A, delete and replace as follows. Otherwise insert the following after rule 3.8:	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 <i>firm</i> must perform the calculations in rule 3.7 using the definition of <i>total exposure measure</i> as modified in this Direction and any other relevant Direction made under section 138A of the Act as if it applies for each day in the quarter.
Reporting Leverage Ratio 3.1 If the Part as it applies to the Firm has not already been modified to include rule 4.2A, insert as follows:	Subject to 4.1 and 4.2A, 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 / 4.2A If the Part as it applies to the Firm has already been modified to include rule 4.2A, delete and replace as follows. Otherwise 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 <i>firm</i> must perform the calculations in rule 3.2 using the definition of <i>total exposure measure</i> as modified in this Direction and any other relevant Direction made under section 138A of the Act as if it applies for each day in the quarter.</u>

Interpretation

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

Waivers & EU Permissions Team
Prudential Regulation Authority