



WRITTEN NOTICE
COMMODITY OPTION DELTA PERMISSION

To: **Goldman Sachs International**
Goldman Sachs International Bank

Reference Number: **Goldman Sachs International: 00001652**
Goldman Sachs International Bank: 00001655

Date: **15 September 2020**

DECISIONS

1. In accordance with the discretions afforded to the PRA by Article 358(3) 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,
 - a. 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 commodities or commodity derivatives on the terms and conditions set out in Annex 1 (the “Commodity Option Delta Permission” – as per Written Notice 5176766).
 - b. has decided to grant a further permission extending the use of the “Commodity Option Delta Permission” by the firm. This Written Notice replaces 5176766.
2. If the firm ceases to comply with the conditions for grant of this Commodity Option Delta Permission set out in Article 358(3) of the CRR, the terms and conditions of the Commodity Option Delta Permission set out in Annex 1 the PRA will re-consider the terms and conditions of the Commodity Option Delta Permission and the requirements relevant to it, including a revocation of the Commodity Option Delta Permission in whole or in part.
3. The Commodity Option Delta Permission takes effect on 15 September 2020.



BANK OF ENGLAND
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Laura Winchester

Head of Department, Major Overseas Banks Department, International Banks Division



PROCEDURAL MATTERS

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 The full text of this Written Notice will not be published.



ANNEX 1

THE COMMODITY OPTION DELTA PERMISSION

Definition

1. The Commodity Option 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 358(3) of the CRR.

Table 1

Legal entity	Solo / Consolidated
Goldman Sachs International	Solo & Consolidated
Goldman Sachs International Bank	Solo & Consolidated



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PRA contact

For more information concerning this matter generally, the firm should contact Steven Cai, Manager, International Banks Directorate, PRA, 20 Moorgate, London EC2R 6DA. (Telephone: 020 7601 8056, email: Steven.Cai@bankofengland.co.uk)



Note on disclosure

The PRA has decided not to publish the full text and annexes of this Commodity Option 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 Commodity Option Delta permission has been granted.