
WRITTEN NOTICE
IMM PERMISSION

To: **Nomura Europe Holdings Plc (FRN: 446819)**
(“the “company” ”)

Date: 15 November 2021

DECISIONS:

1. In accordance with Section 6, Chapter 6, Title II, Part 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 as it forms part of retained EU law (the “CRR”), the PRA has decided to grant the company on the basis of its consolidated situation in relation to the exposures incurred by Nomura International Plc (NIP) and Nomura Financial Products Europe (NFPE) permission to use the Internal Model Method in its calculation of own funds requirements for counterparty credit risk on the terms and conditions set out in Annex 1 (the “IMM Permission”).
2. If the company ceases to comply with the conditions in Section 6, Chapter 6, Title II, Part 3 of the CRR, the terms and requirements of the IMM Permission set out in Annex 1, the PRA will re-consider the terms and conditions of the IMM Permission and the requirements relevant to it, which may include a revocation of the IMM Permission in whole or in part.
3. The IMM Permission takes effect on 26 October 2021.
4. Details of the IMM Permission will be published. The full text of this Decision Notice will not be published. 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 IMM permission has been granted.
5. Annex 3 summarises any previous variations of the IMM Permission.

The decision was taken by SRPC



ANNEX 1

THE INTERNAL MODEL METHOD PERMISSION

Definition

1. The IMM Permission means that:

1.1 the company on the basis of its consolidated situation, in relation to the exposures incurred by NIP and NFPE;

may use the internal model method in its consolidated calculation of own funds requirements for counterparty credit risk in relation to the exposures described in paragraph 2 of this Annex in accordance with Section 6, Chapter 6, Title II, Part 3 of Regulation 575/2013, on the following basis:



ANNEX 2

EXPECTATIONS RELEVANT TO THE IMM PERMISSION

The company must comply with certain requirements relating to the use of its internal models under this IMM permission. This includes the submission of certain information to the PRA, in respect of each quarter, about developments and changes with respect to the internal models, as well as the systems and controls relating to them.



ANNEX 3
VERSION CONTROL

| Version | Comment | Authorisation | Date |
|----------------|--|----------------------|-------------|
| 1.0 | IMM Permission issued | Megan Butler | 01/01/2014 |
| 2.0 | IMM Model Change (ACTS 35071) | Laura Winchester | 24/10/2019 |
| 3.0 | IMM Model Alpha Multiplier Change (ACTS 39881) | Ben Martin | 17/09/2020 |
| 4.0 | Permission granted to the Holding Company on a consolidated basis. | SRPC | 15/11/2021 |