

Completion Instructions

Return of Information for Assessment of Systemically Important Authorized Institutions Form MA(BS)24

Introduction

1. This return collects information on selected Authorized Institutions (AIs) for the purpose of identifying systemically important AIs in Hong Kong.

Scope of application

2. All licensed banks must complete this return. Restricted licence banks and deposit-taking companies may be required to complete this return on a case-by-case basis.

General instructions

3. The reporting position is end of December each year.
4. The return should be submitted no later than end of April of each year. If the submission deadline falls on a public holiday, it will be deferred to the next working day.
5. For locally incorporated AIs, the items to be collected in this return are comparable to those under Banking (Disclosure) Rules (BDR). Data reported in this return should be on a consolidated basis. AIs that do not have consolidated positions should report their combined positions (i.e. aggregate position of all Hong Kong offices and overseas branches), or the aggregate positions of their Hong Kong offices if they do not have overseas branches. Please go to section (i) below for specific instructions.
6. For foreign incorporated AIs, selected items to be reported in this return will simply cross-reference to the same item reported in other banking returns. Please go to section (ii) below for specific instructions.

Specific instructions

(i) For locally incorporated AIs

7. Item 1 – Total assets: This is the same as described in section 36(1)(a) of the BDR.
8. Item 2a – Balances and placement with banks: Represents all amounts placed with other banks in the form of cash and deposits (regardless of residual

maturity); and loans and advances to banks. This is comparable to the terms under Sections 36(1)(a)(i) - (ii), and 36(a)(v)(B) of the BDR. Funds placed with the holding company of the AI (which is also a locally incorporated AI in Hong Kong), the Exchange Fund and central banks/monetary authorities in other jurisdictions are to be excluded from this item.

9. Item 2b – Deposits and balances from banks: Represents all amounts which arise out of banking transactions owed by the AI to other banks. This is comparable to the terms described in Section 36(1)(b)(i) of the BDR. Amounts relating to debt securities or certificates of deposit issued by the AI, funds from the holding company of the AI (which is also a locally incorporated AI in Hong Kong), the Exchange Fund and other central banks/monetary authorities in other jurisdictions are to be deducted from this item.
10. Item 2c – Loans to financial concerns: Financial concerns mean investment companies (including companies in the business of investment in commodity futures; foreign currencies; gold bullion; shares; funds and securities; unit trusts; retirement funds; and investment holding companies); insurance companies; futures brokers and finance companies and other persons engaged in the financial sector which are not AIs or banks. This is the same term as specified in section 47(1)(a)(i)(C) of the BDR.
11. Item 3a – Deposits from customers: This is comparable to the term as described in section 36(1)(b)(ii) of the BDR. “Deposit” is defined in Section 2 of the Banking Ordinance.
12. Item 3b – Loans and advances to customers: This is comparable to the term as described in section 36(1)(a)(v)(A) of the BDR.
13. In cases where a locally incorporated AI is exempted from the disclosure requirements under the BDR, the reporting requirement applicable to that AI will be the same as that of foreign incorporated AIs.

(ii) For foreign incorporated AIs

14. Item 1 – Total assets: This is the same as the total amount of item 23 of Banking Return MA(BS)1.
15. Item 2a – Balances and placement with banks: Represents all amounts placed with other banks in the form of cash and deposits (regardless of residual maturity); and loans and advances to banks. Funds placed with the head office or overseas office of the AI, the Exchange Fund and central banks/monetary authorities in other jurisdictions are to be excluded from this item.
16. Item 2b – Deposits and balances from banks: Represents all amounts which

arise out of banking transactions owed by the AI to other banks. Amounts relating to debt securities or certificates of deposit issued by the AI, funds from the head office or overseas office of the AI, the Exchange Fund and other central banks/monetary authorities in other jurisdictions are to be deducted from this item.

17. Item 2c – Loans to financial concerns: This is the same as the total amount of Item H2e of Part 1 under Banking Return MA(BS)2A.
18. Item 3a – Deposits from customers: This is the same as the total amount of item 6.4 of Banking Return MA(BS)1.
19. Item 3b – Loans and advances to customers: This is the same as the total amount of item 15.7g of Banking Return MA(BS)1.

Hong Kong Monetary Authority
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