



HONG KONG MONETARY AUTHORITY
香港金融管理局

Our Ref.: B9/143C
B4/9C

9 May 2014

Mr Pui-Chong Lund
Association Secretary
The DTC Association
Unit 1704, 17/F, Bonham Trade Centre
50 Bonham Strand East
Sheung Wan
Hong Kong

By email and by hand

Dear Mr Lund,

Consultation on Basel III Implementation – Leverage Ratio

Thank you for your letter of 11 April confirming that the Association's has no further comments on the revised Leverage Ratio reporting package for locally incorporated authorised institutions (AIs).

Please note that, arising from the latest consultation with the industry, a minor adjustment has been made to paragraph 10.1(d) of the Leverage Ratio Framework (i.e. Annex 1 of the completion instructions) in the final version of the revised reporting package, which can be accessed through the HKMA's public (<http://www.hkma.gov.hk>) and private (<http://www.stet.iclnet.hk/index.htm>) websites.

It is our intention that the first submission of the completed templates should cover the positions of both end-December 2013 and end-March 2014. To allow more time for AIs to compile the data for completing the templates for the first submission, AIs may submit the completed templates by no later than 7 July 2014, approximately 8 weeks from the date of this letter.

Initially, AIs will be required to submit the template in the form of an Excel worksheet to a designated email account of the HKMA. In due course submission will be via STET (potentially starting from the position of end-June 2014) once the system is available. Accordingly, AIs should make the first submission of their leverage ratio templates in the form of an Excel worksheet (a softcopy of which is provided in the revised package) to the HKMA through email at leverage.ratio@hkma.gov.hk and send a signed hard copy of the submission to their

usual supervisory contact at the HKMA. We will be writing again to notify AIs of the detailed STET submission arrangements in due course.

Should you have any further queries concerning the above, please do not hesitate to contact Miss Theresa Kwan at 2878-1093 or Mr Raymond Tsui at 2878-1623.

Yours sincerely,

Karen Kemp
Executive Director (Banking Policy)

Encl.

c.c. FSTB (Attn. Mr Jackie Liu)