

under the Banking Ordinance

CAPITAL ADEQUACY RATIO OF AN AUTHORIZED INSTITUTION INCORPORATED IN HONG KONG

*COMBINED / CONSOLIDATED RETURN

As at

* Delete which is not appropriate. Combined and consolidated returns are defined in the completion instructions.

Name of Authorized Institution	Date of Submission

The Banking Ordinance

Information requested in this return is required under section 63(2) of the Banking Ordinance. The return should be submitted to the Monetary Authority not later than 1 month after the end of each period, unless otherwise advised by the Monetary Authority.

Note: This return is to be prepared in accordance with the completion instructions issued by the Monetary Authority.

We certify that:

- This return is, to the best of our knowledge and belief, correct.
- The capital adequacy ratio, was at any time not less than that specified under section 98, as varied under section 101.

.....
Chief Accountant

.....
Chief Executive

.....
Name

.....
Name

Name and telephone number of responsible person who may be contacted by the Monetary Authority in case of any query.

.....
Name

.....
Telephone Number

Part I: Summary Certificate on Capital Adequacy Ratio

Division A: Calculation of Capital Adequacy Ratio

Item	Nature of item	Reference	Column 1 HK\$'000	Column 2 HK\$'000	Column 3 HK\$'000
1.	Capital Base	Part II			
2.	Calculation of Total Risk-weighted Amount				
2.1	Risk-weighted amount for credit risk (BSC Approach)	Part IIIa			
2.2	Risk-weighted amount for credit risk (STC Approach)	Part IIIb			
2.3	Risk-weighted amount for credit risk (IRB Approach)	Part IIIc			
2.4	Risk-weighted amount for credit risk under:				
(i)	STC (S) Approach	Part III d - II & V			
(ii)	IRB (S) Approach	Part III d - III & V			
2.5	Total risk-weighted amount for credit risk [Item 2.5 = Item 2.1 + Item 2.2 + Item 2.3 + Item 2.4(i) + Item 2.4(ii)]				
2.6	Risk-weighted amount for market risk	Part IV			
2.7	Risk-weighted amount for operational risk	Part V			
2.8	Additional risk-weighted amount due to application of capital floor (only for AIs using IRB Approach)	Division B			
2.9	Total risk-weighted amount before deductions [Item 2.9 = Item 2.5 + Item 2.6 + Item 2.7 + Item 2.8]				
2.10	Deductions:				
(i)	Portion of regulatory reserve for general banking risks and collective provisions which is not included in Supplementary Capital (only for exposures reported under Part IIIa, Part IIIb & Part III d - II & V)				
(ii)	Net book value of reserves on revaluation of land and buildings in excess of the net book value of such reserves as at end-December 1998 or the relevant date				
(iii)	Total deductions (i) + (ii)				
2.11	Total risk-weighted amount [Item 2.11 = Item 2.9 - Item 2.10(iii)]				
3.	Calculation of Capital Adequacy Ratio [(A) / (B) x 100%] =				%
4	IRB coverage (only for AIs using IRB Approach) [(Item 2.3 + Item 2.4(ii)) / Item 2.5] x 100% =				%

Division B: Calculation of Capital Floor
(Only for authorized institutions using IRB Approach)

Item	Nature of item	Reference	Column 1 HK\$'000	Column 2 HK\$'000
1. Calculation of capital charge for the application of capital floor				
(i)	Risk-weighted amount for credit risk			
	(a) under BSC Approach <i>(where applicable)</i>	Part IIIa		
	(b) under STC Approach <i>(where applicable)</i>	Part IIIb		
	(c) under STC (S) Approach <i>(where applicable)</i>	Part III d - II & V		
(ii)	Risk-weighted amount for market risk	Part IV		
(iii)	Risk-weighted amount for operational risk	Part V		
(iv)	Total risk-weighted amount [Item 1(iv) = Item 1(i) + Item 1(ii) + Item 1(iii)]			
(v)	8% of total risk-weighted amount [Item 1(v) = Item 1(iv) x 8%]			
(vi)	<u>Plus:</u> Deductions from Core Capital and Supplementary Capital	Part II		
(vii)	<u>Less:</u> Portion of regulatory reserve for general banking risks and collective provisions included in Supplementary Capital	Part II		
(viii)	Adjusted capital charge <u>before</u> applying capital floor adjustment factor [Item 1(viii) = Item 1(v) + Item 1(vi) - Item 1(vii)]			
(ix)	Capital floor adjustment factor [Please specify: 95% / 90% / 80% / 70%]			%
(x)	Adjusted capital charge <u>after</u> applying capital floor adjustment factor [Item 1(x) = Item 1(viii) x Item 1(ix)]			
2. Calculation of capital charge under the various approaches in use				
(i)	Risk-weighted amount for credit risk			
	(a) under BSC Approach <i>(where applicable)</i>	Part IIIa		
	(b) under STC Approach <i>(where applicable)</i>	Part IIIb		
	(c) under IRB Approach	Part IIIc		
	(d) under STC (S) Approach <i>(where applicable)</i>	Part III d - II & V		
	(e) under IRB (S) Approach	Part III d - III & V		
(ii)	Risk-weighted amount for market risk	Part IV		
(iii)	Risk-weighted amount for operational risk	Part V		
(iv)	Total risk-weighted amount [Item 2(iv) = Item 2(i) + Item 2(ii) + Item 2(iii)]			
(v)	8% of total risk-weighted amount [Item 2(iv) x 8%]			
(vi)	<u>Plus:</u> Deductions from Core Capital and Supplementary Capital	Part II		
(vii)	<u>Less:</u> Portion of regulatory reserve for general banking risks and collective provisions included in Supplementary Capital	Part II		
(viii)	<u>Less:</u> Surplus provisions derived from EL-EP calculation	Part II		
(ix)	Adjusted capital charge [Item 2(ix) = Item 2(v) + Item 2(vi) - Item 2(vii) - Item 2(viii)]			
3. Difference in adjusted capital charge [Item 3 = Item 1(x) - Item 2(ix)]				
4. Additional risk-weighted amount due to application of capital floor [Item 4 = max(0, Item 3) x 12.5]				

Part II (a): Capital Base

Item	Nature of item	Column 1 HK\$'000	Column 2 HK\$'000
Category I Core Capital			
(a)	Paid-up ordinary share capital		
(b)	Paid-up irredeemable non-cumulative preference shares		
(c)	Share premium		
(d)	Published reserves		
(e)	Profit and loss account		
	(i) Unrealized fair value gains arising from holdings of equities and debt securities designated at fair value through profit or loss (in Core Capital)		
(f)	Minority interests (in Core Capital)		
(g)	Deduct: (i) Goodwill		
	(ii) Other intangible assets		
	(iii) Net deferred tax assets		
	(iv) Securitization exposures subject to deduction		
CORE CAPITAL (A)			
Less: 50% of total amount of Deductible Items (TDI) reported in Part II (b), and the amount of 50% of TDI under Part II (b) which has exceeded (D) if (D) is not negative (B)			
TOTAL CORE CAPITAL (A) - (B) = (C)			
Category II Supplementary Capital			
(h)	Reserves attributable to fair value gains on revaluation of holdings of land and buildings		
(i)	(i) Reserves attributable to fair value gains on revaluation of holdings of available-for-sale equities and debt securities		
	(ii) Unrealized fair value gains arising from holdings of equities and debt securities designated at fair value through profit or loss (in Supplementary Capital)		
(j)	Regulatory reserve for general banking risks (For the portion apportioned to BSC approach and/or STC approach, and STC(S) approach)		
(k)	Collective provisions (For the portion apportioned to BSC approach and/or STC approach, and STC(S) approach)		
(l)	Total of (j) & (k) (Limited to 1.25% of total risk-weighted amount for relevant risks)		

Item	Nature of item	Column 1 HK\$'000	Column 2 HK\$'000
(m)	Surplus provisions (For exposures calculated by using IRB approach)		
(n)	Perpetual subordinated debt		
(o)	Paid-up irredeemable cumulative preference shares		
(p)	Total of (n) + (o)		
(q)	Term subordinated debt		
(r)	Paid-up term preference shares		
(s)	Total term capital instruments ((q) + (r))		
(t)	Eligible value of term capital instruments (Limited to 50% of Core Capital (A))		
(u)	Minority interests (in Supplementary Capital)		
	SUPPLEMENTARY CAPITAL (D) (Limited to 100% of Core Capital (A))		
	Less: 50% of total amount of Deductible Items (TDI) reported in Part II (b) (Limited to 100% of (D), if (D) is not negative, with the excess amount to be deducted from Core Capital (A)) (E)		
	TOTAL SUPPLEMENTARY CAPITAL (D) - (E) = (F)		
	CAPITAL BASE (C) + (F) = (G) (The aggregate of Total Core Capital and Total Supplementary Capital)		

Part II (b): Deductible Items

Breakdown of Deductible Items	Column 1 HK\$'000	Column 2 HK\$'000
(1) Shareholdings in holding companies		
(2)(i) Investments in subsidiaries and significant investments in non-subsidiary companies		
(2)(ii) Investments in subsidiary undertakings		
(3) Investments in other banks		
(4) Exposures to connected companies		
(5) Other significant investments in shares		
(6) Capital shortfall of regulated non-bank subsidiaries		
(7) Excess of total EL amount over total eligible provisions under the IRB Approach		
(8) EL amount of equity exposures under the PD/LGD Approach		
(9) Other amounts deductible from Core Capital and Supplementary Capital		
(i) First loss portion of credit protection (applicable to BSC approach or STC approach)		
(ii) Amounts related to non-Delivery versus Payment failed transactions subject to deduction (applicable to BSC approach, STC approach or IRB approach)		
(iii) Securitization exposures subject to deduction		
TOTAL DEDUCTIBLE ITEMS (TDI) (To be deducted from Core Capital and Supplementary Capital i.e. (A) & (D) on a 50% / 50% basis, and if 50% of TDI exceeds (D) where (D) is not negative, the excess amount to be deducted from (A))		

Part IIIa: Risk-weighted Amount for Credit Risk (BSC Approach)

Division A: Risk-weighted Amount (On-balance Sheet)

Item	Nature of item	Principal Amount HK\$'000	x Risk-weight %	= Risk-weighted Amount HK\$'000
Class I	Sovereign Exposures			
1.	Loans to the sovereigns of Tier 1 countries		0	0
2.	Holding of fixed rate debt securities with a residual maturity of less than 1 year or floating rate debt securities of any maturity issued by the sovereigns of Tier 1 countries		10	
3.	Holding of fixed rate debt securities with a residual maturity of not less than 1 year issued by the sovereigns of Tier 1 countries		20	
4.	Holding of fixed rate debt securities with a residual maturity of less than 1 year or floating rate debt securities of any maturity guaranteed by the sovereigns of Tier 1 countries		10	
5.	Holding of fixed rate debt securities with a residual maturity of not less than 1 year guaranteed by the sovereigns of Tier 1 countries		20	
6.	Loans to the sovereigns of Tier 2 countries which are domestic currency exposures		0	0
7.	Holding of fixed rate debt securities with a residual maturity of less than 1 year or floating rate debt securities of any maturity issued by the sovereigns of Tier 2 countries, which are domestic currency exposures		10	
8.	Holding of fixed rate debt securities with a residual maturity of not less than 1 year issued by the sovereigns of Tier 2 countries, which are domestic currency exposures		20	
9.	Holding of fixed rate debt securities with a residual maturity of less than 1 year or floating rate debt securities of any maturity where: (i) the securities are guaranteed by the sovereigns of Tier 2 countries and (ii) the securities are denominated and funded in the local currency of Tier 2 countries		10	
10.	Holding of fixed rate debt securities with a residual maturity of not less than 1 year where: (i) the securities are guaranteed by the sovereigns of Tier 2 countries and (ii) the securities are denominated and funded in the local currency of Tier 2 countries		20	
11.	Other exposures to the sovereigns of Tier 2 countries		100	
12.	Exposures to relevant international organizations		0	0
SUBTOTAL				

Item	Nature of item	Principal Amount HK\$'000	x	Risk-weight %	= Risk-weighted Amount HK\$'000
Class II Public Sector Entity (PSE) Exposures					
13.	Exposures to PSEs of Tier 1 countries			20	
14.	Exposures to PSEs of Tier 2 countries			100	
SUBTOTAL					
Class III Multilateral Development Bank (MDB) Exposures					
15.	Exposures to MDBs			0	0
SUBTOTAL					0
Class IV Bank Exposures					
16.	Exposures to authorized institutions			20	
17.	Exposures to banks incorporated in Tier 1 countries			20	
18.	Exposures to banks incorporated in Tier 2 countries with a residual maturity of less than 1 year			20	
19.	Exposures to banks incorporated in Tier 2 countries with a residual maturity of not less than 1 year			100	
SUBTOTAL					
Class V Cash Items					
20.	Notes and coins			0	0
21.	Government certificates of indebtedness			0	0
22.	Gold bullion held in own vault or on an allocated basis, to the extent backed by gold liabilities			0	0
23.	Gold bullion held not backed by gold liabilities			100	
24.	Cash items in the course of collection			20	
25.	Positive current exposures from delivery-versus-payment transactions which remain unsettled after the settlement date				
25a.	for up to 4 business days			0	0
25b.	for 5 to 15 business days			100	
25c.	for 16 to 30 business days			625	
25d.	for 31 to 45 business days			937.5	
25e.	for 46 or more business days			1,250	
26.	Exposures collateralized by cash deposits			0	0
SUBTOTAL					

Item	Nature of item	Principal Amount HK\$'000	x	Risk-weight %	=	Risk-weighted Amount HK\$'000
Class VI Residential Mortgage Loans (RMLs)						
27a.	Eligible RMLs			50		
27b.	RMLs that are risk-weighted according to the standard of an overseas regulatory authority					
27c.	Other RMLs			100		
SUBTOTAL						
Class VII Other Exposures						
28a.	Exposures to corporates or individuals not elsewhere reported			100		
28b.	Investments in equity or other capital instruments of other banks and financial institutions (other than where deducted from the capital base)			100		
28c.	Investments in equity of other entities and holding of collective investment schemes			100		
28d.	Premises, plant and equipment, other fixed assets for own use, and other interest in land			100		
28e.	Other on-balance sheet exposures which are not elsewhere specified			100		
28f(1)						
28f(2)						
28f(3)						
28f(4)						
SUBTOTAL						

Division B: Risk-weighted Amount (Off-balance Sheet)

Item	Nature of item	Principal Amount HK\$'000	x Credit Conversion Factor %	= Credit Equivalent Amount HK\$'000	Risk-weighted Amount HK\$'000
1.	Direct credit substitutes		100		
2.	Transaction-related contingencies		50		
3.	Trade-related contingencies		20		
4.	Asset sales with recourse		100		
5.	Forward asset purchases		100		
6.	Partly paid-up shares and securities		100		
7.	Forward forward deposits placed		100		
8.	Note issuance and revolving underwriting facilities		50		
9a.	Commitments that are unconditionally cancellable without prior notice		0	0	0
9b.	Other commitments (CCF at 20%)		20		
9c.	Other commitments (CCF at 50%)		50		
SUBTOTAL					

Item	Nature of item					
10.	Exchange rate contracts					
	Residual Maturity	Principal Amount HK\$'000	Current Exposure HK\$'000	Potential Exposure HK\$'000	Credit Equivalent Amount HK'000	Risk-weighted Amount HK\$'000
10a.	1 year or less					
10b.	Over 1 year to 5 years					
10c.	Over 5 years					
SUBTOTAL						
11.	Interest rate contracts					
	Residual Maturity	Principal Amount HK\$'000	Current Exposure HK\$'000	Potential Exposure HK\$'000	Credit Equivalent Amount HK\$'000	Risk-weighted Amount HK\$'000
11a.	1 year or less					
11b.	Over 1 year to 5 years					
11c.	Over 5 years					
SUBTOTAL						
12.	Equity contracts					
	Residual Maturity	Principal Amount HK\$'000	Current Exposure HK\$'000	Potential Exposure HK\$'000	Credit Equivalent Amount HK\$'000	Risk-weighted Amount HK\$'000
12a.	1 year or less					
12b.	Over 1 year to 5 years					
12c.	Over 5 years					
SUBTOTAL						
13.	Precious metal contracts					
	Residual Maturity	Principal Amount HK\$'000	Current Exposure HK\$'000	Potential Exposure HK\$'000	Credit Equivalent Amount HK\$'000	Risk-weighted Amount HK\$'000
13a.	1 year or less					
13b.	Over 1 year to 5 years					
13c.	Over 5 years					
SUBTOTAL						

Item	Nature of item					
14.	Debt security contracts or other commodity contracts					
	Residual Maturity	Principal Amount HK\$'000	Current Exposure HK\$'000	Potential Exposure HK\$'000	Credit Equivalent Amount HK'000	Risk-weighted Amount HK\$'000
14a.	1 year or less					
14b.	Over 1 year to 5 years					
14c.	Over 5 years					
SUBTOTAL						
15.	Credit derivative contracts					
	Type of Contract	Principal Amount HK\$'000	Current Exposure HK\$'000	Potential Exposure HK\$'000	Credit Equivalent Amount HK\$'000	Risk-weighted Amount HK\$'000
15a.	Total return swaps					
15b.	Credit default swaps					
SUBTOTAL						
16.	OTC derivative transactions and credit derivative contracts subject to valid bilateral netting agreements					
	Netted exposures of derivative contracts subject to bilateral netting agreements	Principal Amount HK\$'000	Net Current Exposure HK\$'000	Net Potential Exposure HK\$'000	Credit Equivalent Amount HK\$'000	Risk-weighted Amount HK\$'000

Item	Nature of item	Principal Amount HK\$'000	Credit Conversion Factor %	Credit Equivalent Amount HK\$'000	Risk-weighted Amount HK\$'000
17a.	Other off-balance sheet exposures which are not elsewhere specified		100		
17b(1)					
17b(2)					
17b(3)					
17b(4)					
SUBTOTAL					
Total risk-weighted amount (on-balance sheet) (Total of all items under Division A)			(A)		
Total risk-weighted amount (off-balance sheet) (Total of all items under Division B)			(B)		
TOTAL RISK-WEIGHTED AMOUNT FOR CREDIT RISK (BSC APPROACH)			(A + B) =		

Part IIIb: Risk-weighted Amount for Credit Risk (STC Approach)
Division A: Risk-weighted Amount (On-balance Sheet)

Item	Nature of item	Principal Amount HK\$'000	Principal Amount after CRM HK\$'000	x Risk-weight %	= Risk-weighted Amount HK\$'000
Class I Sovereign Exposures					
1.	Domestic currency exposures to the Government				
1a.	Risk-weight 0%			0	0
1b.	Risk-weight 10%			10	
2.	Other exposures to sovereigns				
2a.	Risk-weight 0%			0	0
2b.	Risk-weight 10%			10	
2c.	Risk-weight 20%			20	
2d.	Risk-weight 50%			50	
2e.	Risk-weight 100%			100	
2f.	Risk-weight 150%			150	
3.	Exposures to relevant international organizations			0	0
SUBTOTAL					
Class II Public Sector Entity (PSE) Exposures					
4.	Domestic PSEs				
4a.	Risk-weight 20%			20	
4b.	Risk-weight 50%			50	
4c.	Risk-weight 100%			100	
4d.	Risk-weight 150%			150	
SUBTOTAL					
5.	Foreign PSEs				
5a.	Risk-weight 0%			0	0
5b.	Risk-weight 10%			10	
5c.	Risk-weight 20%			20	
5d.	Risk-weight 50%			50	
5e.	Risk-weight 100%			100	
5f.	Risk-weight 150%			150	
SUBTOTAL					
Class III Multilateral Development Bank (MDB) Exposures					
6.	Exposures to MDBs			0	0
SUBTOTAL					

Item	Nature of item	Principal Amount HK\$'000	Principal Amount after CRM HK\$'000	x Risk-weight %	= Risk-weighted Amount HK\$'000
Class IV Bank Exposures					
7a.	Exposures with original maturity of more than three months:				
7a(i)	Risk-weight 20%			20	
7a(ii)	Risk-weight 50%			50	
7a(iii)	Risk-weight 100%			100	
7a(iv)	Risk-weight 150%			150	
7b.	Exposures with original maturity of three months or less:				
7b(i)	Risk-weight 20%			20	
7b(ii)	Risk-weight 50%			50	
7b(iii)	Risk-weight 100%			100	
7b(iv)	Risk-weight 150%			150	
SUBTOTAL					
Class V Securities Firm Exposures					
8a.	Risk-weight 20%			20	
8b.	Risk-weight 50%			50	
8c.	Risk-weight 100%			100	
8d.	Risk-weight 150%			150	
SUBTOTAL					
Class VI Corporate Exposures					
9a.	Risk-weight 20%			20	
9b.	Risk-weight 50%			50	
9c.	Risk-weight 100%			100	
9d.	Risk-weight 150%			150	
SUBTOTAL					
Class VII Collective Investment Scheme Exposures					
10a.	Risk-weight 20%			20	
10b.	Risk-weight 50%			50	
10c.	Risk-weight 100%			100	
10d.	Risk-weight 150%			150	
SUBTOTAL					

Item	Nature of item	Principal Amount HK\$'000	Principal Amount after CRM HK\$'000	x Risk-weight %	Risk-weighted = Amount HK\$'000
Class VIII Cash Items					
11.	Notes and coins			0	0
12.	Government certificates of indebtedness			0	0
13.	Gold bullion held in own vault or on an allocated basis, to the extent backed by gold liabilities			0	0
14.	Gold bullion held not backed by gold liabilities			100	
15.	Cash items in the course of collection			20	
16.	Positive current exposures from delivery-versus-payment transactions which remain unsettled after the settlement date				
16a.	for up to 4 business days			0	0
16b.	for 5 to 15 business days			100	
16c.	for 16 to 30 business days			625	
16d.	for 31 to 45 business days			937.5	
16e.	for 46 or more business days			1250	
17a.	Exposures collateralized by cash deposits - risk-weight 20%			20	
17b.	Exposures collateralized by cash deposits - risk-weight 10%			10	
17c.	Exposures collateralized by cash deposits - risk-weight 0%			0	0
SUBTOTAL					
Class IX Regulatory Retail Exposures					
18a.	Qualifying exposures to individuals			75	
18b.	Qualifying exposures to small businesses			75	
SUBTOTAL					
Class X Residential Mortgage Loans					
19a.	Risk-weight 35%			35	
19b.	Risk-weight 75%			75	
19c.	Risk-weight 100%			100	
19d.					
SUBTOTAL					

Item	Nature of item	Principal Amount HK\$'000	Principal Amount after CRM HK\$'000	x Risk-weight %	= Risk-weighted Amount HK\$'000
Class XI	Other Exposures which are not Past Due Exposures				
20a.	Exposures to individuals not elsewhere reported			100	
20b.	Investments in equity or other capital instruments of other banks and financial institutions (other than where deducted from the capital base)			100	
20c.	Investments in equity of other entities			100	
20d.	Premises, plant and equipment, other fixed assets for own use, and other interest in land			100	
20e.	Other on-balance sheet exposures which are not elsewhere specified				
20e(i)				100	
20e(ii)					
20e(iii)					
20e(iv)					
SUBTOTAL					
Class XII	Past Due Exposures				
21a.	Risk-weight 0%			0	
21b.	Risk-weight 10%			10	
21c.	Risk-weight 20%			20	
21d.	Risk-weight 50%			50	
21e.	Risk-weight 75%			75	
21f.	Risk-weight 100%			100	
21g.	Risk-weight 150%			150	
SUBTOTAL					

Division B: Risk-weighted Amount (Off-balance Sheet)

Item	Nature of item	Principal Amount HK\$'000	Credit Conversion Factor %	Credit Equivalent Amount HK\$'000	Risk-weighted Amount HK\$'000
1.	Direct credit substitutes		100		
2.	Transaction-related contingencies		50		
3.	Trade-related contingencies		20		
4.	Asset sales with recourse		100		
5.	Forward asset purchases		100		
6.	Partly paid-up shares and securities		100		
7.	Forward forward deposits placed		100		
8.	Note issuance and revolving underwriting facilities		50		
9a.	Commitments that are unconditionally cancellable without prior notice		0		0
9b.	Other commitments (CCF at 20%)		20		
9c.	Other commitments (CCF at 50%)		50		
SUBTOTAL					

Counterparty Exposures: Derivative Contracts

Item	Nature of item					
10.	Exchange rate contracts					
	Residual Maturity	Principal Amount HK\$'000	Current Exposure HK\$'000	Potential Exposure HK\$'000	Credit Equivalent Amount HK\$'000	Risk-weighted Amount HK\$'000
10a.	1 year or less					
10b.	Over 1 year to 5 years					
10c.	Over 5 years					
SUBTOTAL						
11.	Interest rate contracts					
	Residual Maturity	Principal Amount HK\$'000	Current Exposure HK\$'000	Potential Exposure HK\$'000	Credit Equivalent Amount HK\$'000	Risk-weighted Amount HK\$'000
11a.	1 year or less					
11b.	Over 1 year to 5 years					
11c.	Over 5 years					
SUBTOTAL						
12.	Equity contracts					
	Residual Maturity	Principal Amount HK\$'000	Current Exposure HK\$'000	Potential Exposure HK\$'000	Credit Equivalent Amount HK\$'000	Risk-weighted Amount HK\$'000
12a.	1 year or less					
12b.	Over 1 year to 5 years					
12c.	Over 5 years					
SUBTOTAL						
13.	Precious metal contracts					
	Residual Maturity	Principal Amount HK\$'000	Current Exposure HK\$'000	Potential Exposure HK\$'000	Credit Equivalent Amount HK\$'000	Risk-weighted Amount HK\$'000
13a.	1 year or less					
13b.	Over 1 year to 5 years					
13c.	Over 5 years					
SUBTOTAL						

Item	Nature of item					
14.	Debt security contracts or other commodity contracts					
	Residual Maturity	Principal Amount HK\$'000	Current Exposure HK\$'000	Potential Exposure HK\$'000	Credit Equivalent Amount HK\$'000	Risk-weighted Amount HK\$'000
14a.	1 year or less					
14b.	Over 1 year to 5 years					
14c.	Over 5 years					
SUBTOTAL						
15.	Credit derivative contracts					
	Type of Contract	Principal Amount HK\$'000	Current Exposure HK\$'000	Potential Exposure HK\$'000	Credit Equivalent Amount HK\$'000	Risk-weighted Amount HK\$'000
15a.	Total return swaps					
15b.	Credit default swaps					
SUBTOTAL						
16.	OTC derivative transactions and credit derivative contracts subject to valid bilateral netting agreements					
	Netted exposures of derivative contracts subject to bilateral netting agreements	Principal Amount HK\$'000	Net Current Exposure HK\$'000	Net Potential Exposure HK\$'000	Credit Equivalent Amount HK\$'000	Risk-weighted Amount HK\$'000

Item	Nature of item	Principal Amount HK\$'000	Credit Conversion Factor %	Credit Equivalent Amount HK\$'000	Risk-weighted Amount HK\$'000
17.	Other off-balance sheet exposures which are not elsewhere specified				
17a.			100		
17b.					
17c.					
17d.					
SUBTOTAL					
Total risk-weighted amount (on-balance sheet) (Total of all items under Division A)			(A)		
Total risk-weighted amount (off-balance sheet) (Total of all items under Division B)			(B)		
TOTAL RISK-WEIGHTED AMOUNT FOR CREDIT RISK (STC APPROACH)			(A + B) =		

Part IIIc: Risk-weighted Amount for Credit Risk (IRB Approach)
Division A: Summary of Risk-weighted Amount for Credit Risk under IRB Approach

IRB_TOTCRWA
(in HK\$'000)

Item	IRB Class	Number of Corresponding Forms Reported under Division B (1)	Risk-weighted Amount		
			(2)	(3)	(4)
1.	Corporate exposures , of which				
	(a) Specialized lending under supervisory slotting criteria approach				
	(i) Project finance	() Form IRB_SLSLOT			
	(ii) Object finance	() Form IRB_SLSLOT			
	(iii) Commodities finance	() Form IRB_SLSLOT			
	(iv) Income-producing real estate	() Form IRB_SLSLOT			
	(b) Small-and-medium sized corporates	() Form IRB_CSB			
	(c) Other corporates	() Form IRB_CSB			
2.	Sovereign exposures , of which				
	(a) Sovereigns	() Form IRB_CSB			
	(b) Sovereign foreign public sector entities	() Form IRB_CSB			
	(c) Multilateral development banks	() Form IRB_CSB			
3.	Bank exposures , of which				
	(a) Banks	() Form IRB_CSB			
	(b) Securities firms	() Form IRB_CSB			
	(c) Public sector entities (excluding sovereign foreign public sector entities)	() Form IRB_CSB			
4.	Retail exposures , of which				
	(a) Residential mortgages				
	(i) Individuals	() Form IRB_RETAIL			
	(ii) Property-holding shell companies	() Form IRB_RETAIL			
	(b) Qualifying revolving retail exposures	() Form IRB_RETAIL			
	(c) Small business retail exposures	() Form IRB_RETAIL			
	(d) Other retail exposures to individuals	() Form IRB_RETAIL			
5.	Equity exposures , of which				
	(a) Market-based approach				
	(i) Simple risk-weight method	() Form IRB_EQUSRW			
	(ii) Internal models method	() Form IRB_EQUINT			
	(b) PD/LGD approach				
	(i) Publicly traded equity exposures held for long-term investment	() Form IRB_EQUPDLGD			
	(ii) Privately owned equity exposures held for long-term investment	() Form IRB_EQUPDLGD			
	(iii) Other publicly traded equity exposures	() Form IRB_EQUPDLGD			
	(iv) Other equity exposures	() Form IRB_EQUPDLGD			
6.	Other exposures	() Form IRB_OTHER			
7.	Total risk-weighted amount for credit risk (IRB Approach) <u>before</u> applying the scaling factor [Item 7 = Item 1 + Item 2 + Item 3 + Item 4 + Item 5 + Item 6]				
8.	Total risk-weighted amount for credit risk (IRB Approach) <u>after</u> applying the scaling factor [Item 8 = Item 7 x 1.06]				

Division B: Risk-weighted Amount by IRB Class / Subclass

IRB_CSB

IRB Class : Corporate Exposures / Sovereign Exposures / Bank Exposures *(delete where inapplicable)*
IRB Approach : Foundation IRB Approach / Advanced IRB Approach *(delete where inapplicable)*
IRB Subclass : Small-and-medium sized Corporates / Other Corporates / Sovereigns / Sovereign Foreign Public Sector Entities / Multilateral Development Banks / Banks / Securities Firms / Public Sector Entities (Excluding Sovereign Foreign Public Sector Entities) *(delete where inapplicable)*
Portfolio Type : *(please specify where the reporting AI has more than one internal rating system for an IRB class / subclass)*

(in HK\$'000)

Internal Rating System					EAD Calculation								Exposure Weighted Average LGD		Exposure Weighted Average Maturity Value		Risk-weighted Amount			Memorandum Items	
Obligor grade		PD range			Exposures before recognized guarantees / credit derivative contracts				Exposures after recognized guarantees / credit derivative contracts				EAD	Exposure Weighted Average LGD (%)	Exposure Weighted Average Maturity Value (years)	Risk-weighted Amount			Expected loss amount	Number of obligors	
Non-defaulted (N) / Defaulted (D)	Lower bound	Upper bound	Average PD	On-balance sheet exposures		Off-balance sheet exposures		On-balance sheet exposures after netting	Off-balance sheet exposures												
				before netting	after netting	Other than OTC derivative transactions and credit derivative contracts	OTC derivative transactions and credit derivative contracts		Other than OTC derivative transactions and credit derivative contracts	OTC derivative transactions and credit derivative contracts											
(1)	(2)	(3)	(4)	(5)	(6)(i)	(6)(ii)	(7)	(8)	(9)	(10)	(11)	(12) = (9)+(10)+(11)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	
1																					
2																					
3																					
4																					
5																					
6																					
7																					
8																					
Total:																					

(to Division A)

(a) This column is only applicable to corporate exposures or exposures to public sector entities (excluding sovereign foreign public sector entities).
 (b) This column is only applicable to purchased receivables.
 (c) This column is only applicable to leasing transactions that expose the reporting AI to residual value risk.

Division B: Risk-weighted Amount by IRB Class / Subclass

IRB_SLSLOT

IRB Class : Corporate Exposures

IRB Approach: Supervisory Slotting Criteria Approach

IRB Subclass : Specialized Lending: Project Finance / Object Finance / Commodities Finance / Income-producing Real Estate *(delete where inapplicable)*

(in HK\$'000)

Internal Rating System		EAD Calculation							Exposure Weighted Average Maturity Value (years)	Risk-weighted Amount (11) = (2) x (9)	Memorandum Items		
Supervisory rating grades (1)	SRW (2)	Exposures before recognized guarantees / credit derivative contracts				Exposures after recognized guarantees / credit derivative contracts					EAD (9) = (6)+(7)+(8)	Expected loss amount (12)	Number of obligors (13)
		On-balance sheet exposures		Off-balance sheet exposures		On-balance sheet exposures after netting (6)	Off-balance sheet exposures						
		before netting (3)(i)	after netting (3)(ii)	Other than OTC derivative transactions and credit derivative contracts (4)	OTC derivative transactions and credit derivative contracts (5)		Other than OTC derivative transactions and credit derivative contracts (7)	OTC derivative transactions and credit derivative contracts (8)					
STRONG (a)	50												
STRONG	70												
GOOD (a)	70												
GOOD	90												
SATISFACTORY	115												
WEAK	250												
DEFAULT	0												
Total:													

(to Division A)

(a) Use of preferential risk-weights.

Division B: Risk-weighted Amount by IRB Class / Subclass

IRB_RETAIL

IRB Class : Retail Exposures

IRB Approach: Retail IRB Approach

IRB Subclass : Residential Mortgages to Individuals / Residential Mortgages to Property-holding Shell Companies / Qualifying Revolving Retail Exposures / Small Business Retail Exposures / Other Retail Exposures to Individuals *(delete where inapplicable)*

Portfolio Type : *(please specify where the reporting AI has more than one internal rating system for an IRB class / subclass)*

(in HK\$'000)

Internal Rating System				EAD Calculation								LGD	Risk-weighted Amount			Memorandum Items		
Pool	PD range			Exposures before recognized guarantees / credit derivative contracts				Exposures after recognized guarantees / credit derivative contracts								EAD	Expected loss amount	Number of obligors
	Non-defaulted (N) / Defaulted (D)	Lower bound	Upper bound	Average PD	On-balance sheet exposures		Off-balance sheet exposures		On-balance sheet exposures after netting	Off-balance sheet exposures								
(1)	(2)	(3)	(4)	(5)	before netting	after netting	Other than OTC derivative transactions and credit derivative contracts	OTC derivative transactions and credit derivative contracts	(9)	Other than OTC derivative transactions and credit derivative contracts	OTC derivative transactions and credit derivative contracts	(12) = (9)+(10)+(11)	(%)	(14)	Of which: For dilution risk (a)	Of which: For residual value risk (b)	(17)	(18)
1																		
2																		
3																		
4																		
5																		
6																		
7																		
8																		
9																		
10																		
				Total:														

(to Division A)

(a) This column is only applicable to purchased receivables.

(b) This column is only applicable to leasing transactions that expose the AI to residual value risk.

Division B:

Risk-weighted Amount by IRB Class / Subclass

IRB_EQUSRW

IRB Class :

Equity Exposures

IRB Approach:

Market-based Approach: Simple Risk-weight Method

IRB Subclass :

Equity Exposures under Simple Risk-weight Method

(in HK\$'000)

Portfolio		EAD Calculation		Risk-weighted Amount	Memorandum Item
(1)	SRW (%) (2)	Exposures before netting (3)	Exposures after netting (EAD) (4)		Number of equity exposures (6)
1	Publicly traded equity exposures	300			
2	All other equity exposures	400			
Total:					

(to Division A)

Division B: Risk-weighted Amount by IRB Class / Subclass

IRB_EQUINT

IRB Class : Equity Exposures
 IRB Approach: Market-based Approach: Internal Models Method
 IRB Subclass : Equity Exposures under Internal Models Method

(in HK\$'000)

Portfolio (1)	EAD Calculation		Risk-weighted Amount Calculation						Memorandum Item (11)	
	Exposures before netting (2)	Exposures after netting (EAD) (3)	Minimum risk-weights (for exposures where minimum risk-weights apply)			Internal models (for exposures where minimum risk-weights do not apply)				Risk-weighted Amount (10) = (6)+(9)
			EAD (4)	Minimum risk-weight (%) (5)	Risk-weighted amount using minimum risk-weights (6) = (4)x(5)	EAD (7) = (3)-(4)	Potential loss (8)	Risk-weighted amount using internal models (9) = (8)x12.5		
1 Publicly traded equity exposures				200						
2 All other equity exposures				300						
Total :										

(to Division A)

Division B: Risk-weighted Amount by IRB Class / Subclass

IRB_EQUPDLGD

IRB Class : Equity Exposures

IRB Approach: PD/LGD Approach

IRB Subclass : Publicly Traded Equity Exposures Held for Long-Term Investment / Privately Owned Equity Exposures Held for Long-Term Investment / Other Publicly Traded Equity Exposures / Other Equity Exposures *(delete where inapplicable)*

Portfolio Type : *(please specify where the reporting AI has more than one internal rating system for an IRB class / subclass)*

(in HK\$'000)

Internal Rating System			EAD Calculation				Risk-weighted Amount				Memorandum Items		
Obligor grade	PD range			Exposures before recognized guarantees / credit derivative contracts		Exposures after recognized guarantees / credit derivative contracts	Risk-weighted Amount	Of which the factor of 1.5 in risk-weights applies	Of which the minimum risk-weight applies (a)	Of which the maximum risk-weight of 1250% applies	Expected loss amount	Number of equity exposures	
	Non-defaulted (N) / Defaulted (D)	Lower bound	Upper bound	Average PD	Before netting	After netting							After netting
(1)	(2)	(3)	(4)	(5)	(6)(i)	(6)(ii)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
1													
2													
3													
4													
5													
6													
7													
8													
Total:													

(to Division A)

(a) 100% for publicly traded equity exposures and privately owned equity exposures held for long-term investment, 200% for other publicly traded equity exposures and 300% for other equity exposures.

Division B:

Risk-weighted Amount by IRB Class / Subclass

IRB_OTHER

IRB Class : Other Exposures
 IRB Approach: Specific Risk-weight Approach
 IRB Subclass : Cash Items and Other Items

(in HK\$'000)

Other Exposures		EAD Calculation		Risk-weighted Amount
(1)	SRW (%) (2)	Exposures before netting (3)	Exposures after netting (EAD) (4)	
(i) Cash items				
1. Notes and coins	0			
2. Government certificates of indebtedness	0			
3. Gold bullion held in own vault or on an allocated basis, to the extent backed by gold liabilities	0			
4. Gold bullion held not backed by gold liabilities	100			
5. Cash items in the course of collection	20			
6. Positive current exposures from delivery-versus-payment transactions which remain unsettled after the settlement date				
6a. for up to 4 business days	0			
6b. for 5 to 15 business days	100			
6c. for 16 to 30 business days	625			
6d. for 31 to 45 business days	937.5			
6e. for 46 or more business days	1250			
7. Amount due from non-delivery-versus-payment transactions which remain unsettled for up to 4 business days after the settlement date (for non-significant amount only)	100			
Subtotal (i):				
(ii) Other items				
1. Premises, plant and equipment, other fixed assets for own use, and other interest in land and buildings	100			
2. Exposures subject to the IRB approach which are not elsewhere specified				
2a.				
2b.				
2c.				
2d.				
2e.				
Subtotal (ii):				
		Total (i) + (ii):		

(to Division A)

Division C: LGD for Corporate, Sovereign and Bank Exposures

IRB_FIRBLGD

IRB Approach: Foundation IRB Approach

IRB Class : Corporate Exposures / Sovereign Exposures / Bank Exposures *(delete where inapplicable)*

IRB Subclass : Small-and-medium sized Corporates / Other Corporates / Sovereigns / Sovereign Foreign Public Sector Entities / Multilateral Development Banks /

Banks / Securities Firms / Public Sector Entities (Excluding Sovereign Foreign Public Sector Entities) *(delete where inapplicable)*

Portfolio Type : *(please specify where the reporting AI has more than one internal rating system for an IRB class / subclass)*

(in HK\$'000)

Obligor grade		EAD	LGD							Exposure weighted average LGD <i>(to Division B)</i> (%) (11)
Average PD		Total (3) = (4)+(5)+ ...+(9)+(10)	EAD by facility / collateral type							
(%) (1)	(2)		(i) Subordinated exposures	(ii) Unsecured senior exposures	(iii) Other recognized IRB collateral	(iv) Recognized commercial real estate	(v) Recognized residential real estate	(vi) Recognized financial receivables	(vii) Recognized financial collateral	
			LGD: 75%	LGD: 45%	LGD: 40%	LGD: 35%	LGD: 35%	LGD: 35%	LGD: 0%	
			(4)	(5)	(6)	(7)	(8)	(9)	(10)	
1										
2										
3										
4										
5										
6										
7										
8										
Total :										

Division D:

Off-Balance Sheet Exposures (Other Than OTC Derivative Transactions and Credit Derivative Contracts) under IRB Approach

IRB_OBSND

(in HK\$'000)

IRB Class	1. Direct credit substitutes				2. Transaction-related contingencies				3. Trade-related contingencies				4. Asset sales with recourse			
	Principal amount	CCF	Credit equivalent amount		Principal amount	CCF	Credit equivalent amount		Principal amount	CCF	Credit equivalent amount		Principal amount	CCF	Credit equivalent amount	
			before recognized guarantees / credit derivative contracts	after recognized guarantees / credit derivative contracts			before recognized guarantees / credit derivative contracts	after recognized guarantees / credit derivative contracts			before recognized guarantees / credit derivative contracts	after recognized guarantees / credit derivative contracts			before recognized guarantees / credit derivative contracts	after recognized guarantees / credit derivative contracts
	(1a)	(1b)	(1c)	(1d)	(2a)	(2b)	(2c)	(2d)	(3a)	(3b)	(3c)	(3d)	(4a)	(4b)	(4c)	(4d)
(A1) Foundation IRB Approach:																
(i) Corporate exposures		100				50				20				100		
(ii) Sovereign exposures		100				50				20				100		
(iii) Bank exposures		100				50				20				100		
(A2) Advanced IRB Approach:																
(i) Corporate exposures		100												100		
(ii) Sovereign exposures		100												100		
(iii) Bank exposures		100												100		
(B) Retail exposures																
Total:																

Division D:

Off-Balance Sheet Exposures (Other Than OTC Derivative Transactions and Credit Derivative Contracts) under IRB Approach

IRB_OBSND

(in HK\$'000)

IRB Class	5. Forward asset purchases				6. Partly paid-up securities				7. Forward forward deposits placed				8. Note issuance and revolving underwriting facilities			
	Principal amount	CCF	Credit equivalent amount		Principal amount	CCF	Credit equivalent amount		Principal amount	CCF	Credit equivalent amount		Principal amount	CCF	Credit equivalent amount	
			before recognized guarantees / credit derivative contracts	after recognized guarantees / credit derivative contracts			before recognized guarantees / credit derivative contracts	after recognized guarantees / credit derivative contracts			before recognized guarantees / credit derivative contracts	after recognized guarantees / credit derivative contracts			before recognized guarantees / credit derivative contracts	after recognized guarantees / credit derivative contracts
	(5a)	(5b)	(5c)	(5d)	(6a)	(6b)	(6c)	(6d)	(7a)	(7b)	(7c)	(7d)	(8a)	(8b)	(8c)	(8d)
(A1) Foundation IRB Approach:																
(i) Corporate exposures		100				100				100				75		
(ii) Sovereign exposures		100				100				100				75		
(iii) Bank exposures		100				100				100				75		
(A2) Advanced IRB Approach:																
(i) Corporate exposures		100				100				100						
(ii) Sovereign exposures		100				100				100						
(iii) Bank exposures		100				100				100						
(B) Retail exposures																
Total:																

(in HK\$'000)

IRB Class	9. Commitments that are unconditionally cancellable without prior notice				10. Other commitments				11. Others				Total credit equivalent amount	
	Principal amount (9a)	CCF (9b) (%)	Credit equivalent amount		Principal amount (10a)	CCF (10b) (%)	Credit equivalent amount		Principal amount (11a)	CCF ^(a) (11b) (%)	Credit equivalent amount		Before recognized guarantees / credit derivative contracts (to Division B) C _T = (1c) + (2c) + + (10c) + (11c)	After recognized guarantees / credit derivative contracts (to Division B) D _T =(1d) + (2d) + + (10d) +(11d)
			before recognized guarantees / credit derivative contracts (9c)	after recognized guarantees / credit derivative contracts (9d)			before recognized guarantees / credit derivative contracts (10c)	after recognized guarantees / credit derivative contracts (10d)			before recognized guarantees / credit derivative contracts (11c)	after recognized guarantees / credit derivative contracts (11d)		
(A1) Foundation IRB Approach:														
(i) Corporate exposures		0				75								
(ii) Sovereign exposures		0				75								
(iii) Bank exposures		0				75								
(A2) Advanced IRB Approach:														
(i) Corporate exposures														
(ii) Sovereign exposures														
(iii) Bank exposures														
(B) Retail exposures														
Total:														

(a) CCF of 100% or any percentage specified by the MA.

Division E: Off-Balance Sheet Exposures (OTC Derivative Transactions and Credit Derivative Contracts) under IRB Approach

IRB_OBSD

(in HK\$'000)

IRB Class	1. Exchange rate contracts						2. Interest rate contracts						3. Equity contracts					
	Principal amount (1a(i))	Current exposure (1a(ii))	Potential exposure (1a(iii))	CCF	Credit equivalent amount		Principal amount (2a(i))	Current exposure (2a(ii))	Potential exposure (2a(iii))	CCF	Credit equivalent amount		Principal amount (3a(i))	Current exposure (3a(ii))	Potential exposure (3a(iii))	CCF	Credit equivalent amount	
					before recognized guarantees / credit derivative contracts (1a(iv))	after recognized guarantees / credit derivative contracts (1a(v))					before recognized guarantees / credit derivative contracts (2a(iv))	after recognized guarantees / credit derivative contracts (2a(v))					before recognized guarantees / credit derivative contracts (3a(iv))	after recognized guarantees / credit derivative contracts (3a(v))
(A1) Maturity: 1 Year or Less																		
(i) Corporate exposures				1%						0%							6%	
(ii) Sovereign exposures				1%						0%							6%	
(iii) Bank exposures				1%						0%							6%	
(iv) Retail exposures				1%						0%							6%	
Subtotal:																		
(A2) Maturity: Over 1 Year to 5 Years																		
(i) Corporate exposures				5%						0.5%							8%	
(ii) Sovereign exposures				5%						0.5%							8%	
(iii) Bank exposures				5%						0.5%							8%	
(iv) Retail exposures				5%						0.5%							8%	
Subtotal:																		
(A3) Maturity: Over 5 Years																		
(i) Corporate exposures				7.5%						1.5%							10%	
(ii) Sovereign exposures				7.5%						1.5%							10%	
(iii) Bank exposures				7.5%						1.5%							10%	
(iv) Retail exposures				7.5%						1.5%							10%	
Subtotal:																		
Total:																		

Division E: Off-Balance Sheet Exposures (OTC Derivative Transactions and Credit Derivative Contracts) under IRB Approach

IRB_OBSD

(in HK\$'000)

IRB Class	4. Precious metals contracts						5. Debt security contracts or other commodity contracts						Subtotal credit equivalent amount (Items 1 to 5)	
	Principal amount (4a(i))	Current exposure (4a(ii))	Potential exposure (4a(iii))	CCF	Credit equivalent amount		Principal amount (5a(i))	Current exposure (5a(ii))	Potential exposure (5a(iii))	CCF	Credit equivalent amount		Before recognized guarantees / credit derivative contracts but after netting A(iv) = (1a(iv)) + ... + (5a(iv))	After recognized guarantees / credit derivative contracts and netting A(v) = (1a(v)) + ... + (5a(v))
					before recognized guarantees / credit derivative contracts (4a(iv))	after recognized guarantees / credit derivative contracts (4a(v))					before recognized guarantees / credit derivative contracts (5a(iv))	after recognized guarantees / credit derivative contracts (5a(v))		
(A1) Maturity: 1 Year or Less														
(i) Corporate exposures				7%						10%				
(ii) Sovereign exposures				7%						10%				
(iii) Bank exposures				7%						10%				
(iv) Retail exposures				7%						10%				
Subtotal:														
(A2) Maturity: Over 1 Year to 5 Years														
(i) Corporate exposures				7%						12%				
(ii) Sovereign exposures				7%						12%				
(iii) Bank exposures				7%						12%				
(iv) Retail exposures				7%						12%				
Subtotal:														
(A3) Maturity: Over 5 Years														
(i) Corporate exposures				8%						15%				
(ii) Sovereign exposures				8%						15%				
(iii) Bank exposures				8%						15%				
(iv) Retail exposures				8%						15%				
Subtotal:														
Total:														

Division E: Off-Balance Sheet Exposures (OTC Derivative Transactions and Credit Derivative Contracts) under IRB Approach

IRB_OBSD

(in HK\$'000)

IRB Class	6. Credit derivative contracts: Total return swaps					7. Credit derivative contracts: Credit default swaps					8. OTC derivative transactions and credit derivative contracts subject to valid bilateral netting agreements					Total credit equivalent amount (Items 1 to 8)	
	Principal amount (6a(i))	Net current exposure (6a(ii))	Net potential exposure (6a(iii))	Credit equivalent amount		Principal amount (7a(i))	Current exposure (7a(ii))	Potential exposure (7a(iii))	Credit equivalent amount		Principal amount (8a(i))	Current exposure (8a(ii))	Potential exposure (8a(iii))	Credit equivalent amount		Before recognized guarantees / credit derivative contracts but after netting (to Division B) B(iv) = A(iv) + (6a(iv)) + ... + (8a(iv))	After recognized guarantees / credit derivative contracts and netting (to Division B) B(v) = A(v) + (6a(v)) + ... + (8a(v))
				before recognized guarantees / credit derivative contracts (6a(iv))	after recognized guarantees / credit derivative contracts (6a(v))				before recognized guarantees / credit derivative contracts (7a(iv))	after recognized guarantees / credit derivative contracts (7a(v))				before recognized guarantees / credit derivative contracts (8a(iv))	after recognized guarantees / credit derivative contracts (8a(v))		
(A) All Maturities																	
(i) Corporate exposures																	
(ii) Sovereign exposures																	
(iii) Bank exposures																	
(iv) Retail exposures																	
Total:																	

Division F: EL-EP Calculation under IRB Approach

IRB_ELEP
(in HK\$'000)

Item	IRB Class	Expected Loss Amount (EL Amount)			Eligible Provisions (EP)			EL-EP Calculation	
		Non-defaulted exposures	Defaulted exposures	Total	Non-defaulted exposures	Defaulted exposures	Total	Excess of total EL amount over total EP	Excess of total EP over total EL amount
		(a)	(b)	(c) = (a)+(b)	(d)	(e)	(f) = (d)+(e)	(g)	(h)
1.	Corporate exposures , of which								
	(a) Specialized lending under supervisory slotting criteria approach								
	(b) Small-and-medium sized corporates								
	(c) Other corporates								
2.	Sovereign exposures , of which								
	(a) Sovereigns								
	(b) Sovereign foreign public sector entities								
	(c) Multilateral development banks								
3.	Bank exposures , of which								
	(a) Banks								
	(b) Securities firms								
	(c) Public sector entities (excluding sovereign foreign public sector entities)								
4.	Retail exposures , of which								
	(a) Residential mortgages								
	(b) Qualifying revolving retail exposures								
	(c) Small business retail exposures								
	(d) Other retail exposures to individuals								
5.	Total								
6.	Deduction from capital base [Item 6 = Item 5(c) - Item 5(f)]								
7.	Surplus provisions [Item 7 = Item 5(f) - Item 5(c)]								
8.	0.6% of total risk-weighted amount for credit risk (IRB Approach) [Item 8 = Item 8 of Form_IRB_TOTCRWA x 0.6%]								
9.	Surplus provisions added to capital base [Min(Item 7, Item 8)]								

Part III d : Risk-weighted Amount for Credit Risk (Securitization Exposures)

Division I : Summary of Risk-weighted Amount and Capital Deductions

(in HK\$'000)

A. Risk-weighted amount	Total amount (1)	Amount incurred as an originating institution (2)
1. Under STC(S) approach		
(a) Rated securitization exposures		
(b) Unrated securitization exposures		
(c) Investors' interest		
(d) Total		
(e) Adjustments due to maximum capital requirement		
(f) Adjusted total (item 1(d) - item 1(e))		
2. Under IRB(S) approach		
(a) Rated securitization exposures		
(b) Unrated securitization exposures		
(c) Investors' interest		
(d) Total		
(e) Adjustments due to maximum capital requirement		
(f) Adjusted total (item 2(d) - item 2(e))		
(g) Adjusted total multiplied by scaling factor 1.06		
3. Total		
(a) Rated securitization exposures		
(b) Unrated securitization exposures		
(c) Investors' interest		
(d) Total (item 1(f) + item 2(g))		
B. Capital deductions		
1. Rated securitization exposures		
2. Unrated securitization exposures		
3. Credit-enhancing interest-only strips (net of gain-on-sale)		
4. Gain-on-sale		
5. Other exposures as specified by the Monetary Authority		
6. Total		
(a) from core capital only		
(b) from core capital and supplementary capital on a 50%/50% basis		

Notes: a. STC(S) approach means the method of calculating credit risk for securitization exposures under the standardized (securitization) approach
b. IRB(S) approach means the method of calculating credit risk for securitization exposures under the internal ratings-based (securitization) approach
c. "Rated securitization exposures" means exposures with an ECAI issue specific rating under STC(S) approach and IRB(S) approach, or in the absence of an ECAI issue specific rating, an inferred rating under IRB(S) approach
d. "Unrated securitization exposures" means exposures other than rated securitization exposures

Division IIA : Securitization Exposures under STC(S) Approach (excluding Exposures reported in Divisions IIB & V)

Item	Nature of item	On-balance Sheet Exposures				Off-balance Sheet Exposures					Total Risk-weighted Amount HK\$'000 (10) = (4)+(9)
		Principal Amount HK\$'000 (1)	Principal Amount after CRM HK\$'000 (2)	x Risk-weight % (3)	= Risk-weighted Amount HK\$'000 (4)	Principal Amount HK\$'000 (5)	Principal Amount after CRM HK\$'000 (6)	x Credit Conversion Factor % (7)	x Risk-weight % (8)	= Risk-weighted Amount HK\$'000 (9)	
1.	Rated securitization exposures										
(a)	Risk-weight 0%			0	0			100	0	0	0
(b)	Risk-weight 10%			10				100	10		
(c)	Risk-weight 20%			20				100	20		
(d)	Risk-weight 50%			50				100	50		
(e)	Risk-weight 100%			100				100	100		
(f)	Risk-weight 350% (Only for Als as investors)			350				100	350		
(g)	Total rated securitization exposures										
2.	Unrated securitization exposures										
(a)	Most senior securitization exposures/ drawn portion of eligible liquidity facilities or eligible servicer cash advance facilities										
(i)	Risk-weight ≤ 20%							100			
(ii)	Risk-weight > 20% - 50%							100			
(iii)	Risk-weight > 50% - 75%							100			
(iv)	Risk-weight > 75% - 100%							100			
(v)	Risk-weight > 100% - 150%							100			
(vi)	Risk-weight > 150%							100			
(b)	Exposures in a second loss position or better in asset-backed commercial paper programmes										
(i)	Risk-weight 0%			0	0			100	0	0	0
(ii)	Risk-weight 10%			10				100	10		
(iii)	Risk-weight 20%			20				100	20		
(iv)	Risk-weight 50%			50				100	50		
(v)	Risk-weight 100%			100				100	100		
(vi)	Risk-weight > 100% - 150%							100			
(vii)	Risk-weight > 150%							100			
(c)	Total unrated securitization exposures										

Division IIB : Eligible Liquidity Facilities and Eligible Servicer Cash Advance Facilities under STC(S) Approach

Item	Nature of item	With an original maturity of not more than one year					With an original maturity of more than one year					Total Risk-weighted Amount HK\$'000 (11) = (5)+(10)
		Principal Amount HK\$'000 (1)	Principal Amount after CRM HK\$'000 (2)	Credit Conversion x Factor % (3)	Risk-weight x weight % (4)	= Risk-weighted Amount HK\$'000 (5)	Principal Amount HK\$'000 (6)	Principal Amount after CRM HK\$'000 (7)	Credit Conversion x Factor % (8)	Risk-weight x weight % (9)	= Risk-weighted Amount HK\$'000 (10)	
1.	Eligible liquidity facilities and eligible servicer cash advance facilities that are unrated											
(i)	Risk-weight 0%			20	0	0			50	0	0	0
(ii)	Risk-weight 10%			20	10				50	10		
(iii)	Risk-weight 20%			20	20				50	20		
(iv)	Risk-weight 35%			20	35				50	35		
(v)	Risk-weight 50%			20	50				50	50		
(vi)	Risk-weight 75%			20	75				50	75		
(vii)	Risk-weight 100%			20	100				50	100		
(viii)	Risk-weight 150%			20	150				50	150		
(ix)	Risk-weight > 150%			20					50			
	TOTAL											
2.	Eligible liquidity facilities and eligible servicer cash advance facilities that are subject to 0% CCF											
(i)	Eligible liquidity facilities and eligible servicer cash advance facilities that are unconditionally cancellable without prior notice			0		0			0		0	0
(ii)	Eligible liquidity facilities and eligible servicer cash advance facilities available for general market disruption			0		0			0		0	0
	TOTAL					0					0	0

Division IIIA : Rated Securitization Exposures calculated by Ratings-based Method under IRB(S) Approach (excluding Exposures reported in Divisions IIIC & V)

Item Rating Category	On-balance Sheet Exposures				Off-balance Sheet Exposures					Total Risk-weighted Amount HK\$'000 (10)=(4)+(9)
	Principal Amount HK\$'000 (1)	Principal Amount after CRM HK\$'000 (2)	Risk-weight x % (3)	Risk-weighted Amount = HK\$'000 (4)	Principal Amount HK\$'000 (5)	Principal Amount after CRM HK\$'000 (6)	Credit Conversion Factor x % (7)	Risk-weight x % (8)	Risk-weighted Amount = HK\$'000 (9)	
I. Securitization exposures rated with investment grade										
(a) Senior positions backed by granular pools										
(i) LTCQG1 and STCQG1			7				100	7		
(ii) LTCQG2			8				100	8		
(iii) LTCQG3			10				100	10		
(iv) LTCQG4 and STCQG2			12				100	12		
(v) LTCQG5			20				100	20		
(vi) LTCQG6			35				100	35		
(vii) LTCQG7 and STCQG3			60				100	60		
(viii) Sub-total										
(b) Mezzanine positions backed by granular pools										
(i) LTCQG1 and STCQG1			12				100	12		
(ii) LTCQG2			15				100	15		
(iii) LTCQG3			18				100	18		
(iv) LTCQG4 and STCQG2			20				100	20		
(v) LTCQG5			35				100	35		
(vi) LTCQG6			50				100	50		
(vii) LTCQG7 and STCQG3			75				100	75		
(viii) Sub-total										
(c) Positions backed by non-granular pools										
(i) LTCQG1 and STCQG1			20				100	20		
(ii) LTCQG2			25				100	25		
(iii) LTCQG3			35				100	35		
(iv) LTCQG4 and STCQG2			35				100	35		
(v) LTCQG5			35				100	35		
(vi) LTCQG6			50				100	50		
(vii) LTCQG7 and STCQG3			75				100	75		
(viii) Sub-total										
2. Securitization exposures rated below investment grade										
(i) LTCQG8			100				100	100		
(ii) LTCQG9			250				100	250		
(iii) LTCQG10			425				100	425		
(iv) LTCQG11			650				100	650		
(v) LTCQG12 and STCQG4 [#]							100			
(vi) Sub-total										
3. Securitization exposures covered by CRM and subject to risk-weights other than those listed above										
4. Total rated securitization exposures										

Note: Mezzanine positions refer to securitization positions which are not senior positions.

[#] Exposures rated LTCQ12 and STCQ4 are subject to capital deduction, no risk-weight is applicable.

Division IIIB : Unrated Securitization Exposures calculated by Supervisory Formula Method under IRB(S) Approach (excluding Exposures reported in Divisions IIIC & V)

Item Rating Category	On-balance Sheet Exposures		Off-balance Sheet Exposures		Total Risk-weighted Amount HK\$'000 (5)
	Principal Amount HK\$'000 (1)	Principal Amount after CRM HK\$'000 (2)	Principal Amount HK\$'000 (3)	Principal Amount after CRM HK\$'000 (4)	
1. Unrated securitization exposures					
(a) Effective risk-weight ≤ 20%					
(b) Effective risk-weight > 20% - 50%					
(c) Effective risk-weight > 50% - 75%					
(d) Effective risk-weight > 75% - 100%					
(e) Effective risk-weight > 100% - 250%					
(f) Effective risk-weight > 250% - 425%					
(g) Effective risk-weight > 425% - 650%					
(h) Effective risk-weight > 650% - < 1250%					
(i) Effective risk-weight ≥ 1250% [#]					
(j) Total					

[#] Exposures with effective risk-weight ≥ 1250% are subject to capital deduction.

Division III C : Eligible Liquidity Facilities and Eligible Servicer Cash Advance Facilities under IRB(S) Approach

Item	Nature of item	With an original maturity of not more than one year					With an original maturity of more than one year					Total Risk-weighted Amount HK\$'000 (11) = (5)+(10)
		Principal Amount HK\$'000 (1)	Principal Amount after CRM HK\$'000 (2)	Credit Conversion x Factor % (3)	Risk-weight x % (4)	= Risk-weighted Amount HK\$'000 (5)	Principal Amount HK\$'000 (6)	Principal Amount after CRM HK\$'000 (7)	Credit Conversion x Factor % (8)	Risk-weight x % (9)	= Risk-weighted Amount HK\$'000 (10)	
1.	Eligible liquidity facilities and eligible servicer cash advance facilities under fallback option											
(i)	Risk-weight 0%			50	0	0			100	0	0	0
(ii)	Risk-weight 10%			50	10				100	10		
(iii)	Risk-weight 20%			50	20				100	20		
(iv)	Risk-weight 35%			50	35				100	35		
(v)	Risk-weight 50%			50	50				100	50		
(vi)	Risk-weight 75%			50	75				100	75		
(vii)	Risk-weight 100%			50	100				100	100		
(viii)	Risk-weight 150%			50	150				100	150		
(ix)	Risk-weight > 150%			50					100			
	TOTAL											
2.	Eligible liquidity facilities and eligible servicer cash advance facilities that are unconditionally cancellable without prior notice			0		0			0		0	0
3.	Eligible liquidity facilities and eligible servicer cash advance facilities available for general market disruption											
(i)	Rated exposures			100					100			
(ii)	Unrated exposures			20					20			
(iii)	Sub-total											

Division IV : Memorandum Items on Liquidity Facilities and Servicer Cash Advance Facilities under STC(S) Approach and IRB(S) Approach

(in HK\$'000)

Item	Nature of item	Under STC(S) approach (1)	Under IRB(S) approach (2)	Remarks
1.	Liquidity facilities and servicer cash advance facilities subject to capital deduction			principal amount not covered by CRM
2.	Liquidity facilities and servicer cash advance facilities extended to ABCP programme			principal amount before CRM

Division V : Investors' Interest for Securitization Exposures of Originating AIs subject to Early Amortization Provision under STC(S) Approach and IRB(S) Approach

Item	Nature of item	Controlled early amortization				Non-controlled early amortization				Total Risk-weighted Amount HK\$'000 (9) = (4) + (8)
		Principal Amount HK\$'000 (1)	Principal Amount after CRM HK\$'000 (2)	Credit Conversion Factor % (3)	Risk-weighted Amount HK\$'000 (4)	Principal Amount HK\$'000 (5)	Principal Amount after CRM HK\$'000 (6)	Credit Conversion Factor % (7)	Risk-weighted Amount HK\$'000 (8)	
1. Retail credit lines										
(a)	Committed			90			100			
(b)	Uncommitted - 3 months average excess spread level									
(i)	≥ 133.33% of trapping point			0	0		0	0	0	
(ii)	< 133.33% - 100% of trapping point			1			5			
(iii)	< 100% - 75% of trapping point			2			15			
(iv)	< 75% - 50% of trapping point			10			50			
(v)	< 50% - 25% of trapping point			20			100			
(vi)	≤ 25% of trapping point			40			100			
2. Non-retail credit lines										
(a)	Committed			90			100			
(b)	Uncommitted			90			100			
3. Total										

Part IV: Risk-weighted Amount for Market Risk

Division A: STM Approach - Interest Rate Exposures (Trading Book)

A.1 Debt securities and debt-related derivative contracts - specific risk

(HK\$'000)

Item	Classes (Note (1))	Positions	Exposures by market risk capital charge factor for specific risk						Total market risk capital charge for specific risk	
			(0.00%)	Residual maturity			(8.00%)	(12.00%)		To be specified (%)
				6 months or less (0.25%)	Over 6 months to 24 months (1.00%)	Over 24 months (1.60%)				
Sovereign (including sovereign foreign public sector entities)										
1.1	Credit quality grade 1	Long								
		Short								
1.2	Credit quality grade 2 or 3	Long								
		Short								
1.3	Credit quality grade 4 or 5	Long								
		Short								
1.4	Credit quality grade 6	Long								
		Short								
1.5	Unrated	Long								
		Short								
Qualifying										
1.6	Issued by multilateral development banks	Long								
		Short								
1.7	Issued by public sector entities (excluding sovereign foreign public sector entities)	Long								
		Short								
1.8	Issued by banks	Long								
		Short								
1.9	Issued by securities firms	Long								
		Short								
1.10	Issued by corporates	Long								
		Short								
Non-qualifying										
1.11	Credit quality grade 4	Long								
		Short								
1.12	Credit quality grade 5	Long								
		Short								
1.13	Unrated	Long								
		Short								
TOTAL (Items 1.1 to 1.13)		Long								
		Short								
Market risk capital charge factor			0.00%	0.25%	1.00%	1.60%	8.00%	12.00%	____%	
TOTAL MARKET RISK CAPITAL CHARGE FOR SPECIFIC RISK FOR INTEREST RATE EXPOSURES (ON GROSS POSITIONS - LONG PLUS SHORT)										

Note: For debt-related option contracts, the delta-weighted positions should be reported above or, if the reporting institution engages only in the purchase of option contracts as defined in the completion instructions, such option contracts can be carved out and reported in Division E.1.

A.2 Debt securities, debt-related derivative contracts and interest rate derivative contracts - general market risk

Currency : _____ (separate form for each currency)

Maturity method

(HK\$'000)

Zone	Time band	Coupon		Individual positions						Risk-weight	Risk-weighted positions	
		Coupon of not less than 3% per annum	Coupon of less than 3% per annum	Debt securities & debt-related derivative contracts		Interest rate derivative contracts		Total			Long	Short
				Long	Short	Long	Short	Long	Short			
1	1	≤1 month	≤1 month							0.00%		
	2	>1 to 3 months	>1 to 3 months							0.20%		
	3	>3 to 6 months	>3 to 6 months							0.40%		
	4	>6 to 12 months	>6 to 12 months							0.70%		
2	5	>1 to 2 years	>1.0 to 1.9 years							1.25%		
	6	>2 to 3 years	>1.9 to 2.8 years							1.75%		
	7	>3 to 4 years	>2.8 to 3.6 years							2.25%		
3	8	>4 to 5 years	>3.6 to 4.3 years							2.75%		
	9	>5 to 7 years	>4.3 to 5.7 years							3.25%		
	10	>7 to 10 years	>5.7 to 7.3 years							3.75%		
	11	>10 to 15 years	>7.3 to 9.3 years							4.50%		
	12	>15 to 20 years	>9.3 to 10.6 years							5.25%		
	13	>20 years	>10.6 to 12 years							6.00%		
	14		>12 to 20 years							8.00%		
	15		>20 years							12.50%		
TOTAL												
OVERALL NET OPEN RISK-WEIGHTED POSITION												

Calculation	Vertical disallowance	Horizontal disallowance in			Horizontal disallowance between			Overall net open risk-weighted position	Total market risk capital charge for general market risk
		Zone 1	Zone 2	Zone 3	Zones 1 & 2	Zones 2 & 3	Zones 1 & 3		
TOTAL MARKET RISK CAPITAL CHARGE FOR GENERAL MARKET RISK FOR INTEREST RATE EXPOSURES									

Note: For debt-related option contracts, the delta-weighted positions should be reported above or, if the reporting institution engages only in the purchase of option contracts as defined in the completion instructions, such option contracts can be carved out and reported in Division E.1.

Division B: STM Approach - Equity Exposures (Trading Book)

(HK\$'000)

Item	Nature of item	Positions	Stock or futures exchanges					Total
			Hong Kong	Outside Hong Kong (Note (1))				
1.	Common stocks	Long						
		Short						
2.	Convertible securities	Long						
		Short						
3.	Commitments to buy or sell equities and equity forward contracts	Long						
		Short						
4.	Equity swap contracts (Note (2))	Long						
		Short						
5.	Futures contracts relating to equity indices	Long						
		Short						
6.	Futures contracts relating to individual equities	Long						
		Short						
7.	Option contracts relating to equity indices (Note (3))	Long						
		Short						
8.	Option contracts relating to individual equities (Note (3))	Long						
		Short						
9.	Others	Long						
		Short						
TOTAL		Long						
		Short						

Calculation

(A)	Gross (long plus short) positions	Market risk capital charge factor	8%	8%	8%	8%	8%	8%	
		Market risk capital charge for specific risk							
(B)	Net long or short positions (in absolute value)	Market risk capital charge factor	8%	8%	8%	8%	8%	8%	
		Market risk capital charge for general market risk							
TOTAL MARKET RISK CAPITAL CHARGE FOR EQUITY EXPOSURES									

- Note:
- (1) The reporting institution should report its equity exposures on an exchange-by-exchange basis (i.e. separate column for each stock or futures exchange) and use separate reporting form(s) if the columns of this form are not enough.
 - (2) Where an equity swap contract involves a leg requiring the receipt or payment of fixed or floating rate interest, that leg should be regarded as an interest rate exposure and reported in Division A.2.
 - (3) For equity-related option contracts, the delta-weighted positions should be reported above or, if the reporting institution engages only in the purchase of option contracts as defined in the completion instructions, such option contracts can be carved out and reported in Division E.1.

Division C: STM Approach - Foreign Exchange Exposures

(HK\$'000)

Currency	Net long (short) position excluding option contracts			Option contracts	Total net long (short) position
	Hong Kong offices Note (1)	Overseas branches Note (1)	Subsidiaries Note (1)	Net delta-weighted positions of option contracts Note (2)	
US dollars	USD				
Pound sterling	GBP				
Japanese yen	JPY				
Euro	EUR				
Chinese renminbi	CNY				
Canadian dollars	CAD				
Swiss francs	CHF				
Australian dollars	AUD				
Singapore dollars	SGD				
New Zealand dollars	NZD				
Gold	GOL				
Foreign currencies not separately specified above					
Hong Kong dollars	HKD				
Sum of net long / short positions					
USD / HKD position					
Adjusted sum of net long / short positions					

Calculation

1.	Adjusted sum of net long / short positions	
2.	Net position in gold (in absolute value)	
3.	Total net open position (Item 3 = Item 1 + Item 2)	
4.	Market risk capital charge factor	8%
TOTAL MARKET RISK CAPITAL CHARGE FOR FOREIGN EXCHANGE EXPOSURES		

- Note: (1) Figures are extracted from Part I columns 5, 7 and 8 (where applicable) of the Return of Foreign Currency Position (MA(BS)6) but reported in HK\$'000.
- (2) For exchange rate-related option contracts, the delta-weighted positions are reported above or, if the reporting institution engages only in the purchase of option contracts as defined in the completion instructions, such option contracts can be carved out and reported in Division E.1.

Division D: STM Approach - Commodity Exposures

(HK\$'000)

Item	Nature of items	Long position	Short position	Net long or short position (in absolute value)	Gross long plus short positions	Market risk capital charge factor		Total market risk capital charge for commodity exposures
						Net position	Gross position	
		(1)	(2)	(3) = (1) - (2)	(4) = (1) + (2)	(5)	(6)	(7) = (3) x (5) + (4) x (6)
1.	Platinum					15%	3%	
2.	Silver					15%	3%	
3.	Other precious metals (excluding gold) _____					15%	3%	
4.	Other precious metals (excluding gold) _____					15%	3%	
5.	Base metals and non-precious metals _____					15%	3%	
6.	Base metals and non-precious metals _____					15%	3%	
7.	Energy _____					15%	3%	
8.	Energy _____					15%	3%	
9.	Agricultural assets _____					15%	3%	
10.	Agricultural assets _____					15%	3%	
TOTAL MARKET RISK CAPITAL CHARGE FOR COMMODITY EXPOSURES								

- Note:
- (1) Where a commodity swap contract involves a leg requiring the receipt or payment of fixed or floating rate interest, that leg should be regarded as an interest rate exposure and reported in Division A.2, with the commodity exposure being included in the particular commodity above.
 - (2) For commodity-related option contracts, the delta-weighted positions should be reported above or, if the reporting institution engages only in the purchase of option contracts as defined in the completion instructions, such option contracts can be carved out and reported in Division E.1.
 - (3) The reporting institution should use separate form(s) for reporting of items 3 to 10 above if the rows of this form are not enough.

Division E: STM Approach - Option Exposures

E.1 Simplified approach (For reporting institutions which purchase only option contracts as defined in the completion instructions.)

1(a) Long option contract with a related position in the underlying exposure of the option contract

Report the market risk capital charge for each option contract as well as the related position in the underlying exposure below.

Market risk capital charge = (Fair value of the underlying exposure of the option contract) x (Sum of the market risk capital charge factors for general market risk and specific risk for the underlying exposure) – (The amount by which the option contract is in-the-money)

(HK\$'000)

Item	Nature of the underlying exposure	Market risk capital charge factor		Long underlying exposure & long put option contract	Short underlying exposure & long call option contract	Total market risk capital charge
		Specific risk	General market risk			
1.1	Debt instruments (Note (1))	0.00%	(Note(2))	Note (3)		
		0.25%	(Note(2))	Note (3)		
		1.00%	(Note(2))	Note (3)		
		1.60%	(Note(2))	Note (3)		
		8.00%	(Note(2))	Note (3)		
		12.00%	(Note(2))	Note (3)		
		To be specified	(Note(2))	Note (3)		
1.2	Interest rate, i.e. non-debt related (Note (1))	0.00%		Note (3)		
1.3	Equity (Note(1))	8.00%		8.00%		
1.4	Foreign exchange	0.00%		8.00%		
1.5	Commodity	0.00%		15.00%		
TOTAL MARKET RISK CAPITAL CHARGE FOR OPTION EXPOSURES						

- Note:
- (1) Only trading book positions should be reported.
 - (2) The classes are same as those in Division A.1.
 - (3) The general market risk capital charge should be calculated as per the risk-weights according to the time bands set out in Division A.2.

E.1 Simplified approach (For reporting institutions which purchase only option contracts as defined in the completion instructions.)

1(b) Long call or long put option contracts

Report the market risk capital charge for each option contract below. Such market risk capital charge should be the lesser of (i) the fair value of the underlying exposure of the option contract multiplied by the sum of the market risk capital charge factors for general market risk and specific risk for the underlying exposure of the option contract and (ii) the fair value of the option contract.

(HK\$'000)

Item	Nature of the underlying exposure	Market risk capital charge factor		Long put option contract	Long call option contract	Total market risk capital charge
		Specific risk	General market risk			
1.1	Debt instruments (Note (1))	0.00%	(Note(2))	Note (3)		
		0.25%	(Note(2))	Note (3)		
		1.00%	(Note(2))	Note (3)		
		1.60%	(Note(2))	Note (3)		
		8.00%	(Note(2))	Note (3)		
		12.00%	(Note(2))	Note (3)		
		To be specified	(Note(2))	Note (3)		
1.2	Interest rate, i.e. non-debt related (Note (1))	0.00%		Note (3)		
1.3	Equity (Note(1))	8.00%		8.00%		
1.4	Foreign exchange	0.00%		8.00%		
1.5	Commodity	0.00%		15.00%		
TOTAL MARKET RISK CAPITAL CHARGE FOR OPTION EXPOSURES						

- Note:
- (1) Only trading book positions should be reported.
 - (2) The classes are same as those in Division A.1.
 - (3) The general market risk capital charge should be calculated as per the risk-weights according to the time bands set out in Division A.2.

Division F: IMM Approach

F.1 Market risk capital charge under the IMM approach

(HK\$'000)

Item	Nature of items	VaR		Number of back-testing exceptions		Multiplication factor (Note (2))	Total market risk capital charge
		End of quarter VaR	Average VaR over last 60 trading days	Based on actual profit & loss	Based on hypothetical profit & loss		
		(a)	(b)	(c)	(d)		
1.1	Interest rate						
1.2	Equity						
1.3	Foreign exchange						
1.4	Commodity						
1.5	Aggregate of all risk categories (Note(1))						
1.6	Average VaR x multiplication factor (Item 1.6 = Item 1.5 (b) x Item 1.5 (e))						
1.7	Market risk capital charge for general market risk calculated by internal models (Item 1.5(a) or item 1.6, whichever is higher)						
1.8	Specific risk calculated by internal models (Note (3))						
1.9	Average VaR x multiplication factor (Item 1.9 = Item 1.8 (b) x Item 1.8 (e))						
1.10	Market risk capital charge for specific risk calculated by internal models (Item 1.8(a) or item 1.9, whichever is higher)						
1.11	Capital surcharge for default risk (Note (4))						
1.12	TOTAL MARKET RISK CAPITAL CHARGE UNDER THE IMM APPROACH (Item 1.12 = Item 1.7 + Item 1.10 + Item 1.11)						

F.2 Largest daily losses over the quarter

(HK\$'000)

Date (DD/MM/YYYY)	Amount of loss (absolute value)	VaR

- Note:
- (1) Item 1.5 is not necessarily equal to the aggregate of items 1.1 to 1.4 because of the correlation across the risk categories.
 - (2) The multiplication factor is the sum of (i) the value of three; (ii) the plus factor based on the number of back-testing exceptions for the last 250 trading days, and (iii) any additional plus factor assigned to the institution by the MA.
 - (3) If a reporting institution uses one internal model to calculate both the market risk capital charge for general market risk and market risk capital charge for specific risk, the institution does not need to report its calculation for general market risk and specific risk separately. The figures reported in items 1.1 to 1.7 can cover both general market risk and specific risk. Thus, the institution does not require to complete items 1.8 to 1.10.
 - (4) A reporting institution should report its capital surcharge for default risk in respect of trading book positions in item 1.11 if it cannot capture, or adequately capture, such risk in its internal models.

Division G: Risk-weighted Amount for Market Risk

(HK\$'000)

1. Total market risk capital charges under the STM approach							
Division A.1	Division A.2 (Note (1))	Division B	Division C	Division D	Division E		Total
					1(a)		
					1(b)		
					2(a) (Note (1))		
					2(b)		
					2(c)		
					2(d)		
							(A)
2. Total market risk capital charges under the IMM approach (Item 1.12 of Division F)							(B)
3. TOTAL RISK-WEIGHTED AMOUNT FOR MARKET RISK [(Item A + Item B) x 12.5]							

Note: (1) The sum of the market risk capital charges for all currencies should be reported.

Part V: Risk-weighted Amount for Operational Risk

Item	Nature of item	Capital Charge Factor %	Gross Income/Loans & Advances HK\$'000			Capital Charges HK\$'000		
			First Year	Second Year	Third Year	First Year	Second Year	Third Year
1.	BIA Approach	15						
2.	STO Approach							
2.1	a. Corporate finance	18						
	b. Trading and sales	18						
	c. Retail banking	12						
	d. Commercial banking	15						
	e. Payment and settlement	18						
	f. Agency services	15						
	g. Asset management	12						
	h. Retail brokerage	12						
	i. Unclassified	18						
2.2	TOTAL							
3.	ASA Approach							
3.1	a. Retail banking	12						
	b. Commercial banking	15						
	c. SUBTOTAL							
3.2	a. Corporate finance	18						
	b. Trading and sales	18						
	c. Payment and settlement	18						
	d. Agency services	15						
	e. Asset management	12						
	f. Retail brokerage	12						
	g. Unclassified	18						
	h. SUBTOTAL							
3.3	3.1a & 3.1b as one business line	15						
3.4	3.2a to 3.2g as one business line	18						
3.5	TOTAL							
4.	Capital charge for operational risk							
5.	RISK-WEIGHTED AMOUNT FOR OPERATIONAL RISK (5 = 4 x 12.5)							