



HONG KONG MONETARY AUTHORITY
香港金融管理局

Banking Policy Department

Our Ref: B1/15C
B9/75C
B9/188C
S4/3C

6 September 2019

The Chief Executive
All Authorized Institutions

Dear Sir/Madam,

New Return of Large Exposures (Form MA(BS)28)
Revised Return of Certificate of Compliance (Form MA(BS)1F) and Return of Capital Adequacy Ratio (Form MA(BS)3)

I am writing to inform you that, following consultation with the two industry Associations, we have finalised the new Return of Large Exposures (Form MA(BS)28) and the accompanying Completion Instructions (CIs).

An AI which is ready to comply with the Banking (Exposure Limits) Rules (“BELR”) should start to use form MA(BS)28 for reporting purposes beginning from the position of end-September 2019. An AI which is not yet ready may still use the old return form MA(BS)1D for reporting during the grace period allowed under the BELR but must switch to using MA(BS)28 starting from the reporting position of end-March 2020.

The finalised form MA(BS)28, together with the accompanying CIs, is enclosed in **Annex 1** for reference. Their electronic files are now available for downloading from the HKMA’s supervisory communication website (<https://www.stet.iclnet.hk>).

Incidentally, further to our letter of 5 July 2019 which concludes the revisions of MA(BS)1F and MA(BS)3, the electronic files and CIs of these two returns are also available for downloading from the same website now.

Taking this opportunity, we bring to your attention that the Introduction part of the MA(BS)3 CIs has been revised incidental to the introduction of a risk-weighted amount for sovereign concentration risk in capital adequacy ratio

calculation. This part only provides for an overview of the return and reporting requirements and so the changes should not entail any real reporting impact. The revised Introduction is enclosed in **Annex 2** for reference.

Should you have any questions regarding the technical aspect of the return forms or STET submission, please feel free to contact our STET helpdesk at 2878-1800.

Yours faithfully,

Martin Sprenger
Acting Executive Director (Banking Policy)

Encl

cc: The Chairperson, The Hong Kong Association of Banks
The Chairman, The DTC Association
FSTB (Attn: Ms Eureka Cheung)