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Co. No. M M / Y Y CAT.

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# SECRET

**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*

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We certify that:

1. This return is, to the best of our knowledge and belief, correct.
2. The capital adequacy ratio, was at any time not less than that specified under section 3A or 3B of the Banking (Capital) Rules or, if applicable, as specified by the Monetary Authority in a notice served on the institution under section 97F(1) of the Banking Ordinance.

| | |
|---|---|
| *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 Ratios**

**Division A: Calculation of Capital Adequacy Ratios**

| Item | Nature of item | Reference | Column 1 HK$'000 | Column 2 HK$'000 | Column 3 HK$'000 | |
|---|---|---|---|---|---|---|
| **1.** | **Capital Base** | Part II | | | | |
| 1.1 | Tier 1 Capital | | | | | **(A)** |
| 1.1(i) | Common Equity Tier 1 Capital | | | | | **(B)** |
| 1.1(ii) | Additional Tier 1 Capital | | | | | |
| 1.2 | Tier 2 Capital | | | | | |
| 1.3 | Total Capital | | | | | **(C)** |
| **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 (CCP) | Part IIIe | | | | |
| 2.5 | Risk-weighted amount for credit risk (CVA) (only for AIs not using IRB approach) | Part IIIf | | | | |
| 2.6 | Risk-weighted amount for credit risk for securitization exposures under: | | | | | |
| (i) | SEC-IRBA [Item 2.6(i) = Part IIId: Item A5(a)] | Part IIId | | | | |
| (ii) | SEC-ERBA, SEC-SA and SEC-FBA [Item 2.6(ii) = Part IIId: Item A5(b) + Item A6] | Part IIId | | | | |
| 2.7 | Total risk-weighted amount for credit risk [Item 2.7 = Item 2.1 + Item 2.2 + Item 2.3 + Item 2.4 + Item 2.5 + Item 2.6(i) + Item 2.6(ii)] | | | | | |
| 2.8 | Risk-weighted amount for market risk | Part IV | | | | |
| 2.9 | Risk-weighted amount for operational risk | Part V | | | | |
| 2.9a | Risk-weighted amount for sovereign concentration risk | Part VI | | | | |
| 2.10 | Additional risk-weighted amount due to application of capital floor (only for AIs using IRB Approach) | Division B | | | | |
| 2.11 | Total risk-weighted amount before deductions [Item 2.11 = Item 2.7 + Item 2.8 + Item 2.9 + Item 2.9a + Item 2.10] | | | | | |
| 2.12 | Deductions: | | | | | |
| (i) | Portion of regulatory reserve for general banking risks and collective provisions which is not included in Tier 2 Capital (only for exposures that are risk-weighted under BSC approach, STC approach, SEC-IRBA, SEC-SA and SEC-FBA) | | | | | |
| (ii) | Portion of cumulative fair value gains arising from the revaluation of land and buildings which is not included in Tier 2 Capital | | | | | |
| (iii) | Total deductions (i) + (ii) | | | | | |
| 2.13 | Total risk-weighted amount [Item 2.13 = Item 2.11 - Item 2.12(iii)] | | | | | **(D)** |
| **3.** | **Calculation of Common Equity Tier 1 Capital Ratio** [(B) / (D)] x 100% = | | | | | **%** |
| **4.** | **Calculation of Tier 1 Capital Ratio** [(A) / (D)] x 100% = | | | | | **%** |
| **5.** | **Calculation of Total Capital Ratio** [(C) / (D)] x 100% = | | | | | **%** |
| **6.** | **IRB coverage** (only for AIs using IRB Approach) [(Item 2.3 + Item 2.6(i)) / (Item 2.7 - Item 2.4)] x 100% | | | | | **%** |

**Division B: Calculation of Capital Floor**

*(Only for authorized institutions using IRB Approach)*

Is the authorized institution subject to capital floor? (If yes, proceed to the table below; if no, go directly to Part I Division C) - / Yes / No

| 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 *(where applicable)* | Part IIIa | | |
| | (b) under STC Approach *(where applicable)* | Part IIIb | | |
| | (c) under SEC-ERBA, SEC-SA and SEC-FBA *(where applicable)* | Part IIId | | |
| | (d) under Division 4 of Part 6A - CCP exposures *(where applicable)* | Part IIIe | | |
| | (e) under Division 3 of Part 6A - CVA *(where applicable)* | Part IIIf | | |
| (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) | Plus: Deductions from Common Equity Tier 1 Capital, Additional Tier 1 Capital and Tier 2 Capital | Part II | | |
| (vii) | Less: Portion of regulatory reserve for general banking risks and collective provisions included in Tier 2 Capital | Part II | | |
| (viii) | Adjusted capital charge before applying capital floor adjustment factor [Item 1(viii) = Item 1(v) + Item 1(vi) - Item 1(vii)] | | | |
| (ix) | Capital floor adjustment factor [Please specify: %] | | | % |
| (x) | Adjusted capital charge after 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 *(where applicable)* | Part IIIa | | |
| | (b) under STC Approach *(where applicable)* | Part IIIb | | |
| | (c) under IRB Approach | Part IIIc | | |
| | (d) under SEC-ERBA, SEC-SA and SEC-FBA *(where applicable)* | Part IIId | | |
| | (e) under SEC-IRBA | Part IIId | | |
| | (f) under Division 4 of Part 6A - CCP exposures *(where applicable)* | Part IIIe | | |
| (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) | Plus: Deductions from Common Equity Tier 1 Capital, Additional Tier 1 Capital and Tier 2 Capital | Part II | | |
| (vii) | Less: Portion of regulatory reserve for general banking risks and collective provisions included in Tier 2 Capital | Part II | | |
| (viii) | Less: Surplus provisions derived from EL-EP calculation under the IRB approach and the portion of its total regulatory reserve for general banking risks and collective provisions relevant to the SEC-IRBA approach | 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] | | | |

## Division C: Capital Buffer Requirements

| Item | Nature of item | Column 1 |
|---|---|---|
| 1. | Net CET1 capital ratio | % |
| 2 | Buffer level [Item 2 = Item 2.1 + Item 2.2 + Item 2.3] | % |
| | *of which:* | |
| 2.1 | Capital conservation buffer ratio | % |
| 2.2 | Countercyclical capital buffer ratio | % |
| 2.3 | Higher loss absorbency ratio<br>(applicable if the institution is a G-SIB or a D-SIB) | % |

**Part II**: **Capital Base**

| Item | Nature of item | Column 1 HK$'000 | Column 2 HK$'000 |
|---|---|---|---|
| | **Category I - Common Equity Tier 1 ("CET1") Capital** | | |
| (a) | CET1 capital instruments | | |
| (b) | Share premium arising from item (a) | | |
| (c) | Retained earnings | | |
| | (i) of which: unaudited profit or loss of the current financial year and profit or loss of the immediately preceding financial year pending audit completion | | |
| (d) | Disclosed reserves | | |
| | (i) of which: fair value through other comprehensive income - financial assets | | |
| (e) | Minority interests arising from CET1 capital instruments issued by the consolidated bank subsidiaries and held by third parties | | |
| | **CET1 CAPITAL BEFORE DEDUCTIONS (A)** | | |
| (f) | Deduct: | | |
| | (i) Cumulative cash flow hedge reserves that relate to the hedging of financial instruments that are not fair valued on the balance sheet | | |
| | (ii) Cumulative fair value gains or losses on liabilities of the institution that are fair-valued and result from changes in the own credit risk (excluding any debt valuation adjustments referred to in item (xii)) | | |
| | (iii) Cumulative fair value gains arising from the revaluation of land and buildings (covering both own-use and investment properties) | | |
| | (iv) Regulatory reserve for general banking risks | | |
| | (v) Goodwill (net of related deferred tax liability) | | |
| | (vi) Other intangible assets (net of related deferred tax liability) | | |
| | (1) of which: Mortgage servicing rights | | |
| | (vii) Defined benefit pension fund assets (net of related deferred tax liability) | | |
| | (viii) Deferred tax assets in excess of deferred tax liabilities | | |
| | (ix) Credit-enhancing interest-only strip, and any gain-on-sale and other increase in the CET1 capital arising from securitization transactions | | |
| | (x) Securitization exposures specified in a notice given by the MA | | |
| | (xi) Valuation adjustments | | |
| | (xii) Debit valuation adjustments in respect of derivative contracts | | |
| | (xiii) Excess of total EL amount over total eligible provisions under the IRB Approach | | |
| | (xiv) Cumulative losses below depreciated cost arising from the institution's holdings of land and buildings | | |
| | (xv) Capital shortfall of regulated non-bank subsidiaries | | |
| | (xvi) Investments in own CET1 capital instruments | | |
| | (xvii) Reciprocal cross holdings in CET1 capital instruments issued by any financial sector entities | | |

| Item | Nature of item | Column 1 HK$'000 | Column 2 HK$'000 |
|---|---|---|---|
| | (xviii) Capital investment in a connected company which is a commercial entity (amount of the net book value of such investment in excess of 15% of the institution's capital base) | | |
| | (1) of which: any amount of loans, facilities or other credit exposures that is required by section 46(1) of BCR to be aggregated with item (f)(xviii) | | |
| | (xix) Insignificant LAC investments in CET1 capital instruments issued by financial sector entities that are not subject to consolidation under a section 3C requirement and not covered by the 10% threshold | | |
| | (1) of which: any amount of loans, facilities or other credit exposures that is required by section 46(2) of BCR to be aggregated with item (f)(xix) | | |
| | (xx) Significant LAC investments in CET1 capital instruments issued by financial sector entities that are not subject to consolidation under a section 3C requirement and not covered by the 10% threshold | | |
| | (1) of which: any amount of loans, facilities or other credit exposures that is required by section 46(2) of BCR to be aggregated with item (f)(xx) | | |
| | **For completion of return on a solo / solo-consolidated basis:** | | |
| | (xxi) Direct holdings of CET1 capital instruments issued by financial sector entities that are members of the institution's consolidation group | | |
| | (1) of which: any loans, facilities or other credit exposures that is required by section 46(2) of BCR to be aggregated with item (f)(xxi) | | |
| | (xxii) Regulatory deductions applied to CET1 capital due to insufficient Additional Tier 1 capital to cover the required deductions | | |
| | **CET1 CAPITAL AFTER DEDUCTIONS (B)** | | |
| | **Category II - Additional Tier 1 capital** | | |
| (g) | Additional Tier 1 capital instruments issued and share premium, if any | | |
| | (i) of which: amount that is subject to phase out | | |
| (h) | Applicable amount of capital instruments issued by the consolidated bank subsidiaries and held by third parties | | |
| | **ADDITIONAL TIER 1 CAPITAL BEFORE DEDUCTIONS (C)** | | |
| (i) | Deduct: | | |
| | (i) Investments in own Additional Tier 1 capital instruments | | |
| | (ii) Reciprocal cross holdings in Additional Tier 1 capital instruments issued by financial sector entities | | |
| | (iii) Insignificant LAC investments in Additional Tier 1 capital instruments issued by financial sector entities that are not subject to consolidation under a section 3C requirement and not covered by the 10% threshold | | |
| | (iv) Significant LAC investments in Additional Tier 1 capital instruments issued by financial sector entities that are not subject to consolidation under a section 3C requirement | | |
| | **For completion of return on a solo / solo-consolidated basis:** | | |
| | (v) Direct holdings of Additional Tier 1 capital instruments issued by financial sector entities that are members of the institution's consolidation group | | |
| | (vi) Regulatory deductions applied to Additional Tier 1 capital due to insufficient Tier 2 capital to cover the required deductions | | |
| | **ADDITIONAL TIER 1 CAPITAL AFTER DEDUCTIONS (D)** | | |
| | **TIER 1 CAPITAL AFTER DEDUCTIONS (B) + (D) = (E)** | | |

| Item | Nature of item | Column 1 HK$'000 | Column 2 HK$'000 |
|---|---|---|---|
| | **Category III - Tier 2 capital** | | |
| (j) | Tier 2 capital instruments issued and share premium, if any | | |
| | (i) of which: amount that is subject to phase out | | |
| (k) | Applicable amount of capital instruments issued by the consolidated bank subsidiaries and held by third parties | | |
| (l) | Reserves attributable to fair value gains on revaluation of holdings of land and buildings | | |
| (m) | Regulatory reserve for general banking risks<br>(For the portion apportioned to BSC approach or STC approach, and SEC-ERBA, SEC-SA and SEC-FBA) | | |
| (n) | Collective provisions<br>(For the portion apportioned to BSC approach or STC approach, and SEC-ERBA, SEC-SA and SEC-FBA) | | |
| (o) | Total of (m) & (n) included in Tier 2 Capital<br>(Limited to 1.25% of risk-weighted amount for credit risk calculated by using BSC approach or STC approach, and SEC-ERBA, SEC-SA and SEC-FBA) | | |
| (p) | Surplus provisions for exposures calculated by using IRB approach | | |
| (q) | Regulatory reserve for general banking risks and collective provisions apportioned to SEC-IRBA<br>(Limited to 0.6% of risk-weighted amount for credit risk calculated by using SEC-IRBA) | | |
| | **TIER 2 CAPITAL BEFORE DEDUCTIONS** **(F)** | | |
| (r) | Deduct: | | |
| | (i) Investments in own Tier 2 capital instruments | | |
| | (ii) Reciprocal cross holdings in Tier 2 capital instruments issued by and non-capital LAC liabilities of financial sector entities | | |
| | (iii) Insignificant LAC investments in Tier 2 capital instruments issued by and non-capital LAC liabilities of financial sector entities that are not subject to consolidation under a section 3C requirement and not covered by either the 5% or the 10% threshold | | |
| | (iv) Insignificant LAC investments in non-capital LAC liabilities of financial sector entities previously designated for the 5% threshold but no longer able to meet the conditions set out in section 2(3)(a) of Schedule 4F to BCR<br>(For institutions defined as "section 2 institution" under section 2(1) of Schedule 4F to BCR) | | |
| | (v) Significant LAC investments in Tier 2 capital instruments issued by financial sector entities that are not subject to consolidation under a section 3C requirement | | |
| | (vi) Significant LAC investments in non-capital LAC liabilities of financial sector entities that are not subject to consolidation under a section 3C requirement | | |
| | **For completion of return on a solo / solo-consolidated basis:**<br>(vii) Direct holdings of Tier 2 capital instruments issued by financial sector entities that are members of the institution's consolidation group | | |
| | (viii) Regulatory deductions applied to Tier 2 capital to cover the required deductions falling within section 48(1)(g) of BCR | | |
| | **TIER 2 CAPITAL AFTER DEDUCTIONS** **(G)** | | |
| | **CAPITAL BASE** **(E) + (G) =** **(H)** | | |

**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 or guaranteed by 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 or guaranteed by 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 domestic currency exposures | | | 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 domestic currency exposures | | | 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. | Holdings of equity or other forms of capital instruments issued by, and non-capital LAC liabilities of, financial sector entities subject to 100% risk-weight | | | 100 | | |
| 28c. | Investments in equity of entities (other than financial sector entities) subject to 100% risk-weight 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. | Holdings of equity or other forms of capital instruments issued by financial sector entities subject to 250% risk-weight | | | 250 | | |
| 28f. | Multiple-name credit-linked notes | | | | | |
| 28g. | Other on-balance sheet exposures which are not elsewhere reported | | | 100 | | |
| 28h(1) | | | | | | |
| 28h(2) | | | | | | |
| 28h(3) | | | | | | |
| 28h(4) | | | | | | |
| | **SUBTOTAL** | | | | | |
| **Class VIII** | **Exposures subject to 1250% risk-weight** | | | | | |
| 29a. | First loss portion of credit protection | | | 1250 | | |
| 29b. | Significant exposures to commercial entities | | | 1250 | | |
| 29c. | Non-DVP transactions remain unsettled for 5 or more business days | | | 1250 | | |
| | **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** | | | | | | |

Default Risk Exposures (Current Exposure Method): Bilateral Trades - Derivative Contracts (including centrally cleared trades that are treated as bilateral trades)

| 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. | 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$'000 |
| | | | | | | |
| 17. | Other derivative contracts not specified above | | | | | |
| | Residual Maturity | Principal Amount HK$'000 | Current Exposure HK$'000 | Potential Exposure HK$'000 | Credit Equivalent Amount HK$'000 | Risk-weighted Amount HK$'000 |
| 17a. | 1 year or less | | | | | |
| 17b. | Over 1 year to 5 years | | | | | |
| 17c. | Over 5 years | | | | | |
| **SUBTOTAL** | | | | | | |

Default Risk Exposures (Non-IMM(CCR) Approach): Bilateral Trades - SFTs (including centrally cleared trades that are treated as bilateral trades)

| | | | |
|---|---|---|---|
| 18. | SFTs | Principal Amount HK$'000 | Risk-weighted Amount HK$'000 |
| | | | |

Default Risk Exposures (IMM(CCR) Approach): Bilateral Trades (including centrally cleared trades that are treated as bilateral trades)

| Item | Nature of item | Portfolio-level Risk-weighted Amount HK$'000 |
|---|---|---|
| 19. | Based on current market data | |
| 20. | Based on stress calibration | |

| Item | Nature of item | | | |
|---|---|---|---|---|
| 21. | Netting sets (not subject to recognized netting) | | | |
| | Type of Contract | Principal Amount HK$'000 | Default Risk Exposure HK$'000 | Risk-weighted Amount HK$'000 |
| 21a. | Derivative contracts | | | |
| 21b. | SFTs | | | |
| 21c. | Long settlement transactions | | | |
| **SUBTOTAL** | | | | |
| 22. | Netting sets (subject to valid bilateral netting agreements) | | | |
| | Type of Contract | Principal Amount HK$'000 | Default Risk Exposure HK$'000 | Risk-weighted Amount HK$'000 |
| 22a. | Derivative contracts | | | |
| 22b. | SFTs | | | |
| 22c. | Long settlement transactions | | | |
| **SUBTOTAL** | | | | |
| 23. | Netting sets (subject to valid cross-product netting agreements) | | | |
| | Cross-product netting | Principal Amount HK$'000 | Default Risk Exposure HK$'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 |
|---|---|---|---|---|---|
| 24a. | Other off-balance sheet exposures which are not elsewhere reported | | 100 | | |
| 24b(1) | | | | | |
| 24b(2) | | | | | |
| 24b(3) | | | | | |
| 24b(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 30% | | | | 30 | | |
| 9c. | Risk-weight 50% | | | | 50 | | |
| 9d. | Risk-weight 100% | | | | 100 | | |
| 9e. | 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. | Other risk-weights not specified above | | | | | | |
| | **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. | Holdings of equity or other forms of capital instruments issued by, and non-capital LAC liabilities of, financial sector entities subject to 100% risk-weight | | | | 100 | | |
| 20c. | Investments in equity of entities (other than financial sector entities) subject to 100% risk-weight | | | | 100 | | |
| 20d. | Premises, plant and equipment, other fixed assets for own use, and other interest in land | | | | 100 | | |
| 20e. | Holdings of equity or other forms of capital instruments issued by financial sector entities subject to 250% risk-weight | | | | 250 | | |
| 20f. | Multiple-name credit-linked notes | | | | | | |
| 20g. | Other on-balance sheet exposures which are not elsewhere reported | | | | | | |
| 20g(i) | | | | | 100 | | |
| 20g(ii) | | | | | | | |
| 20g(iii) | | | | | | | |
| 20g(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 30% | | | | 30 | | |
| 21e. | Risk-weight 50% | | | | 50 | | |
| 21f. | Risk-weight 75% | | | | 75 | | |
| 21g. | Risk-weight 100% | | | | 100 | | |
| 21h. | Risk-weight 150% | | | | 150 | | |
| 21i. | Other risk-weights not specified above | | | | | | |
| | **SUBTOTAL** | | | | | | |
| **Class XIII** | **Exposures subject to 1250% risk-weight** | | | | | | |
| 22a. | First loss portion of credit protection | | | | 1250 | | |
| 22b. | Significant exposures to commercial entities | | | | 1250 | | |
| 22c. | Non-DVP transactions remain unsettled for 5 or more business days | | | | 1250 | | |
| | **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** | | | | |

Default Risk Exposures (Current Exposure Method): Bilateral Trades - Derivative Contracts (including centrally cleared trades that are treated as bilateral trades)

| 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. 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 |
|---|---|---|---|---|---|
| | | | | | |

17. Other derivative contracts not specified above

| | Residual Maturity | Principal Amount HK$'000 | Current Exposure HK$'000 | Potential Exposure HK$'000 | Credit Equivalent Amount HK$'000 | Risk-weighted Amount HK$'000 |
|---|---|---|---|---|---|---|
| 17a. | 1 year or less | | | | | |
| 17b. | Over 1 year to 5 years | | | | | |
| 17c. | Over 5 years | | | | | |
| **SUBTOTAL** | | | | | | |

Default Risk Exposures (Non-IMM(CCR) Approach): Bilateral Trades - SFTs (including centrally cleared trades that are treated as bilateral trades)

| 18. | SFTs | Principal Amount HK$'000 | Principal Amount after CRM HK$'000 | Risk-weighted Amount HK$'000 |
|---|---|---|---|---|
| | | | | |

Default Risk Exposures (IMM(CCR) Approach): Bilateral Trades (including centrally cleared trades that are treated as bilateral trades)

| Item | Nature of item | Portfolio-level Risk-weighted Amount HK$'000 |
|---|---|---|
| 19. | Based on current market data | |
| 20. | Based on stress calibration | |

| Item | Nature of item | | | |
|---|---|---|---|---|
| 21. | Netting sets (not subject to recognized netting) | | | |
| | Type of Contract | Principal Amount HK$'000 | Default Risk Exposure HK$'000 | Risk-weighted Amount HK$'000 |
| 21a. | Derivative contracts | | | |
| 21b. | SFTs | | | |
| 21c. | Long settlement transactions | | | |
| **SUBTOTAL** | | | | |
| 22. | Netting sets (subject to valid bilateral netting agreements) | | | |
| | Type of Contract | Principal Amount HK$'000 | Default Risk Exposure HK$'000 | Risk-weighted Amount HK$'000 |
| 22a. | Derivative contracts | | | |
| 22b. | SFTs | | | |
| 22c. | Long settlement transactions | | | |
| **SUBTOTAL** | | | | |
| 23. | Netting sets (subject to valid cross-product netting agreements) | | | |
| | Cross-product netting | Principal Amount HK$'000 | Default Risk Exposure HK$'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 |
|---|---|---|---|---|---|
| 24. | Other off-balance sheet exposures which are not elsewhere reported | | | | |
| 24a. | | | 100 | | |
| 24b. | | | | | |
| 24c. | | | | | |
| 24d. | | | | | |
| | **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) Specialized lending (high-volatility commercial real estate) | ( ) Form IRB_SLSLOT and ( ) Form IRB_CSB | | | |
| | (c) Small-and-medium sized corporates | ( ) Form IRB_CSB | | | |
| | (d) 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 | | | |
| | (c) Equity exposures not reported in Forms IRB_EQUSRW, IRB_EQUINT and IRB_EQUPDLGD | ( ) Form IRB_EQUO | | | |
| 6. | **Other exposures** | ( ) Form IRB_OTHER | | | |
| 7. | **Total risk-weighted amount for credit risk (IRB Approach) before 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) after applying the scaling factor** [Item 8 = Item 7 x 1.06] | | | | |
| 9. | **Risk-weighted amount for CVA** | Part IIIf | | | |
| 10. | **Total risk-weighted amount for credit risk (IRB Approach plus CVA) [Item 10 = Item 8 + Item 9], of which** | | | | |
| | (a) Risk-weighted amount of default risk exposures in respect of OTC derivative transactions, credit derivative contracts and SFTs not subject to IMM(CCR) Approach | | | | |
| | (b) Risk-weighted amount of default risk exposures in respect of OTC derivative transactions, credit derivative contracts and SFTs subject to IMM(CCR) Approach | | | | |
| | (c) Risk-weighted amount of exposures subject to asset value correlation multiplier of 1.25 | | | | |

**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 / Specialized lending (high-volatility commercial real estate) / 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 | | | | | | | | | | | | | | 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 | 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, credit derivative contracts and SFTs | OTC derivative transactions, credit derivative contracts and SFTs | | Other than OTC derivative transactions, credit derivative contracts and SFTs | OTC derivative transactions, credit derivative contracts and SFTs | | (%) | (years) | | Of which: Subject to double default framework (a) | Of which: For dilution risk (b) | Of which: For residual value risk (c) | | |
| (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 | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | |
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| | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | |
| | | | | Total: | | | | | | | | | | | | | | | | |

*(to Division A)*

| | | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Of which: Exposures subject to asset value correlation multiplier of 1.25 | | | | | | | | | | | | | | | | | | | | |

(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 / High-volatility commercial real estate** *(delete where inapplicable)*

**(in HK$'000)**

| Internal Rating System | | EAD Calculation | | | | | | | | Exposure Weighted Average Maturity Value | Risk-weighted Amount | Memorandum Items | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Supervisory rating grades | SRW (b) | Exposures before recognized guarantees / credit derivative contracts | | | | Exposures after recognized guarantees / credit derivative contracts | | | EAD | | | Expected loss amount | Number of obligors |
| | | 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, credit derivative contracts and SFTs | OTC derivative transactions, credit derivative contracts and SFTs | | Other than OTC derivative transactions, credit derivative contracts and SFTs | OTC derivative transactions, credit derivative contracts and SFTs | | (years) | | | |
| (1) | (2) | (3)(i) | (3)(ii) | (4) | (5) | (6) | (7) | (8) | (9) = (6)+(7)+(8) | (10) | (11) = (2) x (9) | (12) | (13) |
| **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. In scenario (b)(i) below, the preferential risk-weights do not apply to "specified ADC exposure" as defined under section 158(5) of the BCR.
(b) The supervisory risk-weights (SRW) to be automatically displayed in column (2) will vary, depending on the IRB subclass selected by the reporting institution for input:
(i) When an IRB subclass other than "Specialized lending (high-volatility commercial real estate)" is selected for input, column (2) will show the SRWs applicable to specialized lending (other than HVCRE exposures), as currently set out in the column above;
(ii) When the IRB subclass of "Specialized lending (high-volatility commercial real estate)" is selected for input, column (2) will show the SRWs applicable to HVCRE exposures, as set out below:
"STRONG (a)" - 70%; "STRONG" - 95%; "GOOD (a)" - 95%; "GOOD" - 120%; "SATISFACTORY" - 140%; "WEAK" - 250%; "DEFAULT" - 0%.

**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 | | | | | | | | | | | | Memorandum Items | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Pool | | PD range | | | Exposures before recognized guarantees / credit derivative contracts | | | | Exposures after recognized guarantees / credit derivative contracts | | | EAD | LGD | 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, credit derivative contracts and SFTs | OTC derivative transactions, credit derivative contracts and SFTs | | Other than OTC derivative transactions, credit derivative contracts and SFTs | OTC derivative transactions, credit derivative contracts and SFTs | | (%) | | Of which: For dilution risk (a) | Of which: For residual value risk (b) | | |
| | | (%) | (%) | (%) | | | | | | | | | | | | | | |
| (1) | (2) | (3) | (4) | (5) | (6)(i) | (6)(ii) | (7) | (8) | (9) | (10) | (11) | (12) = (9)+(10)+(11) | (13) | (14) | (15) | (16) | (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** |
|---|---|---|---|---|---|
| | **SRW** **(%)** | Exposures before netting | Exposures after netting (EAD) | | **Number of equity exposures** |
| (1) | (2) | (3) | (4) | (5) = (2)x(4) | (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 | EAD Calculation | | Risk-weighted Amount Calculation | | | | | | | Memorandum Item |
|---|---|---|---|---|---|---|---|---|---|---|
| | Exposures before netting | Exposures after netting (EAD) | Minimum risk-weights (for exposures where minimum risk-weights apply) | | | Internal models (for exposures where minimum risk-weights do not apply) | | | Risk-weighted Amount | Number of equity exposures |
| | | | EAD | Minimum risk-weight (%) | Risk-weighted amount using minimum risk-weights | EAD | Potential loss | Risk-weighted amount using internal models | | |
| (1) | (2) | (3) | (4) | (5) | (6) = (4)x(5) | (7) = (3)-(4) | (8) | (9) = (8)x12.5 | (10) = (6)+(9) | (11) |
| 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 | | | | | Expected loss amount | Number of equity exposures |
| Non-defaulted (N) / Defaulted (D) | | Lower bound (%) | Upper bound (%) | Average PD (%) | Before netting | After netting | After netting (EAD) | | Of which the factor of 1.5 in risk-weights applies | Of which the minimum risk-weight applies (a) | Of which the risk-weight of 1250% applies | | |
| (1) | (2) | (3) | (4) | (5) | (6)(i) | (6)(ii) | (7) | (8) | (9) | (10) | (11) | (12) | (13) |
| 1 | | | | | | | | | | | | | |
| 2 | | | | | | | | | | | | | |
| 3 | | | | | | | | | | | | | |
| 4 | | | | | | | | | | | | | |
| 5 | | | | | | | | | | | | | |
| 6 | | | | | | | | | | | | | |
| 7 | | | | | | | | | | | | | |
| 8 | | | | | | | | | | | | | |
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| | | | | | | | | | | | | | |
| | | | | **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_EQUO**

**IRB Class :** **Equity Exposures**
**IRB Approach:** **Market-based Approach or PD/LGD Approach**
**IRB Subclass :** **Equity Exposures Not Reported in Forms IRB_EQUSRW, IRB_EQUINT and IRB_EQUPDLGD**

**(in HK$'000)**

| **Portfolio** | | **EAD Calculation** | | **Risk-weighted Amount** | **Memorandum Item** |
|---|---|---|---|---|---|
| | **SRW** **(%)** | Exposures before netting | Exposures after netting (EAD) | | **Number of equity exposures** |
| (1) | (2) | (3) | (4) | (5) = (2)x(4) | (6) |
| 1 Specified equity exposures to financial sector entities (a) | 250 | | | | |
| 2 Specified equity exposures to commercial entities (b) | 1250 | | | | |
| 3 Expected loss amount of equity exposures subject to the PD/LGD approach (c) | 1250 | | | | |
| 4 | | | | | |
| 5 | | | | | |
| | **Total:** | | | | |

*(to Division A)*

(a) This item is applicable to equity exposures that fall within section 183(7) of the Banking (Capital) Rules.
(b) This item is applicable to equity exposures that fall within section 183(5) and (6) of the Banking (Capital) Rules.
(c) This item is applicable to equity exposures that fall within section 194(1)(ga) of the Banking (Capital) Rules.

**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** |
|---|---|---|---|---|
| | SRW **(%)** | Exposures before netting | Exposures after netting (EAD) | |
| (1) | (2) | (3) | (4) | (5) = (2)x(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. Unsettled clearing items of the institution being processed through any interbank clearing system in Hong Kong | 0 | | | |
| 7. Receivables from transactions in securities (other than repo-style transactions), foreign exchange and commodities which are not yet due for settlement | 0 | | | |
| 8. Positive current exposures from delivery-versus-payment transactions which remain unsettled after the settlement date | | | | |
| 8a. for up to 4 business days | 0 | | | |
| 8b. for 5 to 15 business days | 100 | | | |
| 8c. for 16 to 30 business days | 625 | | | |
| 8d. for 31 to 45 business days | 937.5 | | | |
| 8e. for 46 or more business days | 1250 | | | |
| 9. Amount due from transactions which are entered into on a basis other than a delivery-versus-payment basis and remain unsettled for up to 4 business days after the settlement date (for non-significant amount only) | 100 | | | |
| 10. Amount due from transactions which are entered into on a basis other than a delivery-versus-payment basis and remain unsettled for 5 or more business days after the settlement date | 1250 | | | |
| | **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 / Specialized lending (high-volatility commercial real estate) / 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** | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Average PD** | | **Total** | **EAD by facility / collateral type** | | | | | | | | **Exposure weighted average LGD** *(to Division B)* |
| | | | (i) Exposures with specific wrong-way risk | (ii) Subordinated exposures | (iii) Unsecured senior exposures | (iv) Other recognized IRB collateral | (v) Recognized commercial real estate | (vi) Recognized residential real estate | (vii) Recognized financial receivables | (viii) Recognized financial collateral | |
| | **(%)** | (3) = (4)+(5)+ …+(10)+(11) | LGD: 100% | LGD: 75% | LGD: 45% | LGD: 40% | LGD: 35% | LGD: 35% | LGD: 35% | LGD: 0% | **(%)** |
| (1) | (2) | | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) |
| **1** | | | | | | | | | | | |
| **2** | | | | | | | | | | | |
| **3** | | | | | | | | | | | |
| **4** | | | | | | | | | | | |
| **5** | | | | | | | | | | | |
| **6** | | | | | | | | | | | |
| **7** | | | | | | | | | | | |
| **8** | | | | | | | | | | | |
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| | | | | | | | | | | | |
| | **Total :** | | | | | | | | | | |

**Division C:** **LGD for Corporate, Sovereign and Bank Exposures** **IRB_AIRBLGD**

**IRB Approach:** **Advanced IRB Approach**
**IRB Class :** **Corporate Exposures / Sovereign Exposures / Bank Exposures** *(delete where inapplicable)*
**IRB Subclass :** **Small-and-medium sized Corporates / Other Corporates / Specialized lending (high-volatility commercial real estate) / 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** | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Average PD** | | **Total** | **EAD by facility grade** | | | | | | | | | | | | | | | **Exposure weighted average LGD** *(to Division B)* |
| | | | (i) | (ii) | (iii) | (iv) | (v) | (vi) | (vii) | (viii) | (ix) | (x) | (xi) | (xii) | (xiii) | (xiv) | (xv) | |
| | | | | | | | | | | | | | | | | | | |
| | **(%)** | | LGD: % | LGD: % | LGD: % | LGD: % | LGD: % | LGD: % | LGD: % | LGD: % | LGD: % | LGD: % | LGD: % | LGD: % | LGD: % | LGD: % | LGD: 100% | **(%)** |
| (1) | (2) | (3) = (4)+(5)+ … +(17)+(18) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) | (14) | (15) | (16) | (17) | (18) | (19) |
| **1** | | | | | | | | | | | | | | | | | | |
| **2** | | | | | | | | | | | | | | | | | | |
| **3** | | | | | | | | | | | | | | | | | | |
| **4** | | | | | | | | | | | | | | | | | | |
| **5** | | | | | | | | | | | | | | | | | | |
| **6** | | | | | | | | | | | | | | | | | | |
| **7** | | | | | | | | | | | | | | | | | | |
| **8** | | | | | | | | | | | | | | | | | | |
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| | | | | | | | | | | | | | | | | | | |
| | **Total :** | | | | | | | | | | | | | | | | | |

**Division D:** **Off-Balance Sheet Exposures (Other Than OTC Derivative Transactions, Credit Derivative Contracts and SFTs) 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: before recognized guarantees / credit derivative contracts | Credit equivalent amount: after recognized guarantees / credit derivative contracts | Principal amount | CCF (%) | Credit equivalent amount: before recognized guarantees / credit derivative contracts | Credit equivalent amount: after recognized guarantees / credit derivative contracts | Principal amount | CCF (%) | Credit equivalent amount: before recognized guarantees / credit derivative contracts | Credit equivalent amount: after recognized guarantees / credit derivative contracts | Principal amount | CCF (%) | Credit equivalent amount: before recognized guarantees / credit derivative contracts | Credit equivalent amount: 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, Credit Derivative Contracts and SFTs) 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: before recognized guarantees / credit derivative contracts | Credit equivalent amount: after recognized guarantees / credit derivative contracts | Principal amount | CCF (%) | Credit equivalent amount: before recognized guarantees / credit derivative contracts | Credit equivalent amount: after recognized guarantees / credit derivative contracts | Principal amount | CCF (%) | Credit equivalent amount: before recognized guarantees / credit derivative contracts | Credit equivalent amount: after recognized guarantees / credit derivative contracts | Principal amount | CCF (%) | Credit equivalent amount: before recognized guarantees / credit derivative contracts | Credit equivalent amount: 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:** | | | | | | | | | | | | | | | | |

**Division D:** **Off-Balance Sheet Exposures (Other Than OTC Derivative Transactions, Credit Derivative Contracts and SFTs) under IRB Approach** **IRB_OBSND**

**(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 | CCF (%) | Credit equivalent amount: before recognized guarantees / credit derivative contracts | Credit equivalent amount: after recognized guarantees / credit derivative contracts | Principal amount | CCF (%) | Credit equivalent amount: before recognized guarantees / credit derivative contracts | Credit equivalent amount: after recognized guarantees / credit derivative contracts | Principal amount | CCF [a] (%) | Credit equivalent amount: before recognized guarantees / credit derivative contracts | Credit equivalent amount: after recognized guarantees / credit derivative contracts | **Before recognized guarantees / credit derivative contracts** (to Division B) | **After recognized guarantees / credit derivative contracts** (to Division B) |
| | (9a) | (9b) | (9c) | (9d) | (10a) | (10b) | (10c) | (10d) | (11a) | (11b) | (11c) | (11d) | $C_T$ = (1c) + (2c) + …… + (10c) + (11c) | $D_T$ =(1d) + (2d) + …… + (10d) +(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, Credit Derivative Contracts and SFTs (including centrally cleared trades that are treated as bilateral trades)) under IRB Approach: Default Risk Exposures NOT under IMM(CCR) Approach**

IRB_OBSD_N_IMM

(in HK$'000)

| IRB Class | 1. Exchange rate contracts (other than LSTs) not subject to recognized netting | | | | | | 2. Interest rate contracts (other than LSTs) not subject to recognized netting | | | | | | 3. Equity contracts (other than LSTs) not subject to recognized netting | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Principal amount | Current exposure | Potential exposure | CCF | Default risk exposure | | Principal amount | Current exposure | Potential exposure | CCF | Default risk exposure | | Principal amount | Current exposure | Potential exposure | CCF | Default risk exposure | |
| | | | | | 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(i)) | (1a(ii)) | (1a(iii)) | | (1a(iv)) | (1a(v)) | (2a(i)) | (2a(ii)) | (2a(iii)) | | (2a(iv)) | (2a(v)) | (3a(i)) | (3a(ii)) | (3a(iii)) | | (3a(iv)) | (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, Credit Derivative Contracts and SFTs (including centrally cleared trades that are treated as bilateral trades)) under IRB Approach: Default Risk Exposures NOT under IMM(CCR) Approach**

IRB_OBSD_N_IMM

(in HK$'000)

| IRB Class | 4. Precious metals contracts (other than LSTs) not subject to recognized netting | | | | | | 5. Debt security contracts or other commodity contracts (other than LSTs) not subject to recognized netting | | | | | | Subtotal default risk exposures (Items 1 to 5) | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Principal amount | Current exposure | Potential exposure | CCF | Default risk exposure | | Principal amount | Current exposure | Potential exposure | CCF | Default risk exposure | | 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 | | |
| | (4a(i)) | (4a(ii)) | (4a(iii)) | | (4a(iv)) | (4a(v)) | (5a(i)) | (5a(ii)) | (5a(iii)) | | (5a(iv)) | (5a(v)) | A(iv) = (1a(iv)) + … + (5a(iv)) | A(v) = (1a(v)) + … + (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, Credit Derivative Contracts and SFTs (including centrally cleared trades that are treated as bilateral trades)) under IRB Approach: Default Risk Exposures NOT under IMM(CCR) Approach**

IRB_OBSD_N_IMM

(in HK$'000)

| IRB Class | 6. Credit derivative contracts (other than LSTs) not subject to recognized netting | | | | | 7. SFTs (other than LSTs) not subject to recognized netting | | | 8. LSTs not subject to recognized netting | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Principal amount | Current exposure | Potential exposure | Default risk exposure | | Principal amount | Default risk exposure | | Principal amount | Default risk exposure | |
| | | | | 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 |
| | (6a(i)) | (6a(ii)) | (6a(iii)) | (6a(iv)) | (6a(v)) | (7a(i)) | (7a(iv)) | (7a(v)) | (8a(i)) | (8a(iv)) | (8a(v)) |
| (A) **All Maturities** | | | | | | | | | | | |
| (i) Corporate exposures | | | | | | | | | | | |
| (ii) Sovereign exposures | | | | | | | | | | | |
| (iii) Bank exposures | | | | | | | | | | | |
| (iv) Retail exposures | | | | | | | | | | | |
| **Total:** | | | | | | | | | | | |

**Division E:** **Off-Balance Sheet Exposures (OTC Derivative Transactions, Credit Derivative Contracts and SFTs (including centrally cleared trades that are treated as bilateral trades)) under IRB Approach: Default Risk Exposures NOT under IMM(CCR) Approach**

IRB_OBSD_N_IMM

(in HK$'000)

| IRB Class | 9. OTC derivative transactions and credit derivative contracts (other than LSTs) subject to valid bilateral netting agreements | | | | | 10. SFTs (other than LSTs) subject to valid bilateral netting agreements | | | 11. LSTs subject to valid bilateral netting agreements | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Principal amount | Current exposure | Potential exposure | Default risk exposure | | Principal amount | Default risk exposure | | Principal amount | Default risk exposure | |
| | | | | before recognized guarantees / credit derivative contracts but after netting | after recognized guarantees / credit derivative contracts and netting | | before recognized guarantees / credit derivative contracts but after netting | after recognized guarantees / credit derivative contracts and netting | | before recognized guarantees / credit derivative contracts but after netting | after recognized guarantees / credit derivative contracts and netting |
| | (9a(i)) | (9a(ii)) | (9a(iii)) | (9a(iv)) | (9a(v)) | (10a(i)) | (10a(iv)) | (10a(v)) | (11a(i)) | (11a(iv)) | (11a(v)) |
| (A) **All Maturities** | | | | | | | | | | | |
| (i) Corporate exposures | | | | | | | | | | | |
| (ii) Sovereign exposures | | | | | | | | | | | |
| (iii) Bank exposures | | | | | | | | | | | |
| (iv) Retail exposures | | | | | | | | | | | |
| **Total:** | | | | | | | | | | | |

**Division E:** **Off-Balance Sheet Exposures (OTC Derivative Transactions, Credit Derivative Contracts and SFTs (including centrally cleared trades that are treated as bilateral trades)) under IRB Approach: Default Risk Exposures NOT under IMM(CCR) Approach**

**IRB_OBSD_N_IMM**

**(in HK$'000)**

| **IRB Class** | **12. Other OTC derivative transactions, credit derivative contracts and SFTs** | | | **Total default risk exposures (Items 1 to 12)** | |
|---|---|---|---|---|---|
| | Principal amount | Default risk exposure | | Before recognized guarantees / credit derivative contracts but after netting (to Division B) | After recognized guarantees / credit derivative contracts and netting (to Division B) |
| | | before recognized guarantees / credit derivative contracts but after netting | after recognized guarantees / credit derivative contracts and netting | | |
| | (12a(i)) | (12a(iv)) | (12a(v)) | B(iv) = A(iv) +(6a(iv)) + … + (12a(iv)) | B(v) = A(v) + (6a(v)) + … + (12a(v)) |
| (A) **All Maturities** | | | | | |
| (i) Corporate exposures | | | | | |
| (ii) Sovereign exposures | | | | | |
| (iii) Bank exposures | | | | | |
| (iv) Retail exposures | | | | | |
| **Total:** | | | | | |

**Division E:** **Off-Balance Sheet Exposures (OTC Derivative Transactions, Credit Derivative Contracts and SFTs (including centrally cleared trades that are treated as bilateral trades)) under IRB Approach: Default Risk Exposures under IMM(CCR) Approach (a)**

IRB_OBSD_IMM

(in HK$'000)

| IRB Class | 1. OTC derivative transactions and credit derivative contracts (other than LSTs) not subject to recognized netting | | | 2. SFTs (other than LSTs) not subject to recognized netting | | | 3. LSTs not subject to recognized netting | | | 4. OTC derivative transactions and credit derivative contracts (other than LSTs) subject to valid bilateral netting agreements | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Principal amount | Default risk exposure | | Principal amount | Default risk exposure | | Principal amount | Default risk exposure | | Principal amount | Default risk exposure | |
| | | 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 but after netting | after recognized guarantees / credit derivative contracts and netting |
| | (1b(i)) | (1b(ii)) | (1b(iii)) | (2b(i)) | (2b(ii)) | (2b(iii)) | (3b(i)) | (3b(ii)) | (3b(iii)) | (4b(i)) | (4b(ii)) | (4b(iii)) |
| (A) **All Maturities** | | | | | | | | | | | | |
| (i) Corporate exposures | | | | | | | | | | | | |
| (ii) Sovereign exposures | | | | | | | | | | | | |
| (iii) Bank exposures | | | | | | | | | | | | |
| (iv) Retail exposures | | | | | | | | | | | | |
| **Total:** | | | | | | | | | | | | |

(a) An AI should refer to paragraphs 148(a) and 182 to 185 of the completion instructions and report in this form for different IRB classes the principal amounts and default risk exposures of OTC derivative transactions, credit derivative contracts and SFTs that are associated with the *higher* of the portfolio-level risk-weighted amount of the relevant exposures referred to in paragraph 183(i) and (ii) of the completion instructions.

**Division E:** **Off-Balance Sheet Exposures (OTC Derivative Transactions, Credit Derivative Contracts and SFTs (including centrally cleared trades that are treated as bilateral trades)) under IRB Approach: Default Risk Exposures under IMM(CCR) Approach (a)**

**IRB_OBSD_IMM**

**(in HK$'000)**

| **IRB Class** | **5. SFTs (other than LSTs) subject to valid bilateral netting agreements** | | | **6. LSTs subject to valid bilateral netting agreements** | | | **7. OTC derivative transactions, credit derivative contracts and SFTs subject to valid cross-product netting agreements** | | | **Total default risk exposures (Items 1 to 7)** | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Principal amount | Default risk exposure | | Principal amount | Default risk exposure | | Principal amount | Default risk exposure | | | |
| | | before recognized guarantees / credit derivative contracts but after netting | after recognized guarantees / credit derivative contracts and netting | | before recognized guarantees / credit derivative contracts but after netting | after recognized guarantees / credit derivative contracts and netting | | before recognized guarantees / credit derivative contracts but after netting | after recognized guarantees / credit derivative contracts and netting | before recognized guarantees / credit derivative contracts but after netting (to Division B) | after recognized guarantees / credit derivative contracts and netting (to Division B) |
| | (5b(i)) | (5b(ii)) | (5b(iii)) | (6b(i)) | (6b(ii)) | (6b(iii)) | (7b(i)) | (7b(ii)) | (7b(iii)) | B(ii) = (1b(ii)) + … + (7b(ii)) | B(iii) = (1b(iii)) + … + (7b(iii)) |
| (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 (a) | Defaulted exposures (b) | Total (c) = (a)+(b) | Non-defaulted exposures (d) | Defaulted exposures (e) | Total (f )= (d)+(e) | Excess of total EL amount over total EP (g) | Excess of total EP over total EL amount (h) |
| 1. | **Corporate exposures**, of which | | | | | | | | |
| | (a) Specialized lending under supervisory slotting criteria approach (other than HVCRE exposures) | | | | | | | | |
| | (b) Specialized lending (high-volatility commercial real estate) | | | | | | | | |
| | (c) Small-and-medium sized corporates | | | | | | | | |
| | (d) 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 CET1 capital** [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 Tier 2 capital** [Min(Item 7, Item 8)] | | | | | | | | |

**Part IIId : Risk-weighted Amount for Credit Risk (Securitization Exposures)**

**Division A : 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) |
|---|---|---|
| A1. Under SEC-IRBA | | |
| A2. Under SEC-ERBA | | |
| A3. Under SEC-SA | | |
| (a) of which RWA for re-securitization exposures | | |
| A4. Total (item (A1) + item (A2) + item (A3)) | | |
| A5. Total after adjusted for maximum capital requirement | | |
| (a) under the SEC-IRBA | | |
| (b) under the SEC-ERBA and SEC-SA | | |
| A6. Under SEC-FBA | | |
| A7. Adjusted total (item (A5) + item (A6)) | | |
| of which: | | |
| (a) RWA for off-balance sheet exposures whose CCF is not 100% | | |
| (b) RWA for unrated exposures (e.g. liquidity facilities, servicer cash advance facilities and credit enhancements) extended to ABCP programme | | |
| **B. Capital deductions** | | |
| B1. Credit-enhancing interest-only strip | | |
| B2. Gain-on-sale | | |
| B3. Other increase in the CET1 capital | | |
| B4. Other exposures specified by the Monetary Authority | | |

Notes:
a. SEC-IRBA means the securitization internal ratings-based approach.
b. SEC-ERBA means the securitization external ratings-based approach.
c. SEC-SA means the securitization standardized approach.
d. SEC-FBA means the securitization fall-back approach.
e. Securitization exposures include re-securitization exposures unless otherwise stated.

**Division B :** **Securitization Exposures under SEC-IRBA**

(in HK$'000)

| Item | Nature of item | On-balance Sheet Exposures | | | Off-balance Sheet Exposures | | | | **Total Risk-weighted Amount** |
|---|---|---|---|---|---|---|---|---|---|
| | | Exposure Amount before CRM (1) | Exposure Amount after CRM (2) | Risk-weighted Amount (3) | Principal Amount (4) | Exposure Amount before CRM (5) | Exposure Amount after CRM (6) | Risk-weighted Amount (7) | (8)=(3)+(7) |
| **1.** | **Senior exposures** | | | | | | | | |
| (a) | Risk-weight < 15% | | | | | | | | |
| (b) | Risk-weight = 15% | | | | | | | | |
| (c) | Risk-weight > 15% - 50% | | | | | | | | |
| (d) | Risk-weight > 50% - 100% | | | | | | | | |
| (e) | Risk-weight > 100% - 300% | | | | | | | | |
| (f) | Risk-weight > 300% - 500% | | | | | | | | |
| (g) | Risk-weight > 500% - 800% | | | | | | | | |
| (h) | Risk-weight > 800% - 1000% | | | | | | | | |
| (i) | Risk-weight > 1000% - <1250% | | | | | | | | |
| (j) | Risk-weight = 1250% | | | | | | | | |
| (k) | Subtotal | | | | | | | | |
| **2.** | **Non-senior exposures** | | | | | | | | |
| (a) | Risk-weight < 15% | | | | | | | | |
| (b) | Risk-weight = 15% | | | | | | | | |
| (c) | Risk-weight > 15% - 50% | | | | | | | | |
| (d) | Risk-weight > 50% - 100% | | | | | | | | |
| (e) | Risk-weight > 100% - 300% | | | | | | | | |
| (f) | Risk-weight > 300% - 500% | | | | | | | | |
| (g) | Risk-weight > 500% - 800% | | | | | | | | |
| (h) | Risk-weight > 800% - 1000% | | | | | | | | |
| (i) | Risk-weight > 1000% - <1250% | | | | | | | | |
| (j) | Risk-weight = 1250% | | | | | | | | |
| (k) | Subtotal | | | | | | | | |
| **3.** | **Total (item (1)(k) + item (2)(k))** | | | | | | | | |

**Division C1 : Long-term Securitization Exposures under SEC-ERBA**

(in HK$'000)

| Item | Nature of item | On-balance Sheet Exposures | | | | Off-balance Sheet Exposures | | | | | Total Risk-weighted Amount |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Exposure Amount before CRM (1) | Exposure Amount after CRM (2) | Risk-weighted Amount (3) | RWA under IAA (3a) | Principal Amount (4) | Exposure Amount before CRM (5) | Exposure Amount after CRM (6) | Risk-weighted Amount (7) | RWA under IAA (7a) | (8)=(3)+(7) |
| **1.** | **Senior long-term securitization exposures** | | | | | | | | | | |
| | (a) Risk-weight < 15% | | | | | | | | | | |
| | (b) Risk-weight = 15% | | | | | | | | | | |
| | (c) Risk-weight > 15% - 50% | | | | | | | | | | |
| | (d) Risk-weight > 50% - 100% | | | | | | | | | | |
| | (e) Risk-weight > 100% - 300% | | | | | | | | | | |
| | (f) Risk-weight > 300% - 500% | | | | | | | | | | |
| | (g) Risk-weight > 500% - 800% | | | | | | | | | | |
| | (h) Risk-weight > 800% - 1000% | | | | | | | | | | |
| | (i) Risk-weight > 1000% - <1250% | | | | | | | | | | |
| | (j) Risk-weight = 1250% | | | | | | | | | | |
| | (k) Subtotal | | | | | | | | | | |
| **2.** | **Non-senior long-term securitization exposures** | | | | | | | | | | |
| | (a) Risk-weight < 15% | | | | | | | | | | |
| | (b) Risk-weight = 15% | | | | | | | | | | |
| | (c) Risk-weight > 15% - 50% | | | | | | | | | | |
| | (d) Risk-weight > 50% - 100% | | | | | | | | | | |
| | (e) Risk-weight > 100% - 300% | | | | | | | | | | |
| | (f) Risk-weight > 300% - 500% | | | | | | | | | | |
| | (g) Risk-weight > 500% - 800% | | | | | | | | | | |
| | (h) Risk-weight > 800% - 1000% | | | | | | | | | | |
| | (i) Risk-weight > 1000% - <1250% | | | | | | | | | | |
| | (j) Risk-weight = 1250% | | | | | | | | | | |
| | (k) Subtotal | | | | | | | | | | |
| **3.** | **Total (item 1(k) + item 2(k))** | | | | | | | | | | |

Note: a. Column (3a) is a subset of column (3), which is the RWA calculated by using the risk-weights determined under the IAA. Similarly, column (7a) is a subset of column (7).

**Division C2 : Short-term Securitization Exposures under SEC-ERBA**

(in HK$'000)

| Item | Nature of item | On-balance Sheet Exposures | | | | Off-balance Sheet Exposures | | | | | Total Risk-weighted Amount |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Exposure Amount before CRM (1) | Exposure Amount after CRM (2) | Risk-weighted Amount (3) | RWA under IAA (3a) | Principal Amount (4) | Exposure Amount before CRM (5) | Exposure Amount after CRM (6) | Risk-weighted Amount (7) | RWA under IAA (7a) | (8)=(3)+(7) |
| **1.** | **Senior short-term securitization exposures** | | | | | | | | | | |
| | (a) Risk-weight < 15% | | | | | | | | | | |
| | (b) **Risk-weight = 15%** | | | | | | | | | | |
| | (c) Risk-weight > 15% and < 50% | | | | | | | | | | |
| | (d) **Risk-weight = 50%** | | | | | | | | | | |
| | (e) Risk-weight > 50% and < 100% | | | | | | | | | | |
| | (f) **Risk-weight = 100%** | | | | | | | | | | |
| | (g) Risk-weight > 100% - 300% | | | | | | | | | | |
| | (h) Risk-weight > 300% - 500% | | | | | | | | | | |
| | (i) Risk-weight > 500% - 800% | | | | | | | | | | |
| | (j) Risk-weight > 800% - 1000% | | | | | | | | | | |
| | (k) Risk-weight > 1000% - <1250% | | | | | | | | | | |
| | (l) **Risk-weight = 1250%** | | | | | | | | | | |
| | (m) Subtotal | | | | | | | | | | |
| **2.** | **Non-senior short-term securitization exposures** | | | | | | | | | | |
| | (a) Risk-weight < 15% | | | | | | | | | | |
| | (b) **Risk-weight = 15%** | | | | | | | | | | |
| | (c) Risk-weight > 15% and < 50% | | | | | | | | | | |
| | (d) **Risk-weight = 50%** | | | | | | | | | | |
| | (e) Risk-weight > 50% and < 100% | | | | | | | | | | |
| | (f) **Risk-weight = 100%** | | | | | | | | | | |
| | (g) Risk-weight > 100% - 300% | | | | | | | | | | |
| | (h) Risk-weight > 300% - 500% | | | | | | | | | | |
| | (i) Risk-weight > 500% - 800% | | | | | | | | | | |
| | (j) Risk-weight > 800% - 1000% | | | | | | | | | | |
| | (k) Risk-weight > 1000% - <1250% | | | | | | | | | | |
| | (l) **Risk-weight = 1250%** | | | | | | | | | | |
| | (m) Subtotal | | | | | | | | | | |
| **3.** | **Total (item 1(m) + item 2(m))** | | | | | | | | | | |

Note: a. Column (3a) is a subset of column (3), which is the RWA calculated by using the risk-weights determined under the IAA. Similarly, column (7a) is a subset of column (7).

**Division D1 : Securitization Exposures (other than Re-securitization Exposures) under SEC-SA**

(in HK$'000)

| Item | Nature of item | On-balance Sheet Exposures | | | Off-balance Sheet Exposures | | | | Total Risk-weighted Amount |
|---|---|---|---|---|---|---|---|---|---|
| | | Exposure Amount before CRM (1) | Exposure Amount after CRM (2) | Risk-weighted Amount (3) | Principal Amount (4) | Exposure Amount before CRM (5) | Exposure Amount after CRM (6) | Risk-weighted Amount (7) | (8)=(3)+(7) |
| **1.** | **Senior securitization exposures (other than re-securitization exposures)** | | | | | | | | |
| | (a) Risk-weight < 15% | | | | | | | | |
| | (b) Risk-weight = 15% | | | | | | | | |
| | (c) Risk-weight > 15% - 50% | | | | | | | | |
| | (d) Risk-weight > 50% - 100% | | | | | | | | |
| | (e) Risk-weight > 100% - 300% | | | | | | | | |
| | (f) Risk-weight > 300% - 500% | | | | | | | | |
| | (g) Risk-weight > 500% - 800% | | | | | | | | |
| | (h) Risk-weight > 800% - 1000% | | | | | | | | |
| | (i) Risk-weight > 1000% - <1250% | | | | | | | | |
| | (j) Risk-weight = 1250% | | | | | | | | |
| | (k) Subtotal | | | | | | | | |
| **2.** | **Non-senior securitization exposures (other than re-securitization exposures)** | | | | | | | | |
| | (a) Risk-weight < 15% | | | | | | | | |
| | (b) Risk-weight = 15% | | | | | | | | |
| | (c) Risk-weight > 15% - 50% | | | | | | | | |
| | (d) Risk-weight > 50% - 100% | | | | | | | | |
| | (e) Risk-weight > 100% - 300% | | | | | | | | |
| | (f) Risk-weight > 300% - 500% | | | | | | | | |
| | (g) Risk-weight > 500% - 800% | | | | | | | | |
| | (h) Risk-weight > 800% - 1000% | | | | | | | | |
| | (i) Risk-weight > 1000% - <1250% | | | | | | | | |
| | (j) Risk-weight = 1250% | | | | | | | | |
| | (k) Subtotal | | | | | | | | |
| **3.** | **Total (item (1)(k) + item (2)(k))** | | | | | | | | |

**Division D2 : Re-securitization Exposures under SEC-SA**

(in HK$'000)

| Item | Nature of item | On-balance Sheet Exposures | | | Off-balance Sheet Exposures | | | | Total Risk-weighted Amount |
|---|---|---|---|---|---|---|---|---|---|
| | | Exposure Amount before CRM (1) | Exposure Amount after CRM (2) | Risk-weighted Amount (3) | Principal Amount (4) | Exposure Amount before CRM (5) | Exposure Amount after CRM (6) | Risk-weighted Amount (7) | (8)=(3)+(7) |
| **1.** | **Re-securitization exposures under the SEC-SA** | | | | | | | | |
| | (a) Risk-weight < 15% | | | | | | | | |
| | (b) Risk-weight = 15% | | | | | | | | |
| | (c) Risk-weight > 15% - 50% | | | | | | | | |
| | (d) Risk-weight > 50% and < 100% | | | | | | | | |
| | (e) Risk-weight = 100% | | | | | | | | |
| | (f) Risk-weight > 100% - 300% | | | | | | | | |
| | (g) Risk-weight > 300% - 500% | | | | | | | | |
| | (h) Risk-weight > 500% - 800% | | | | | | | | |
| | (i) Risk-weight > 800% - 1000% | | | | | | | | |
| | (j) Risk-weight > 1000% - <1250% | | | | | | | | |
| | (k) Risk-weight = 1250% | | | | | | | | |
| | (l) Total | | | | | | | | |

**Division E : Securitization Exposures under SEC-FBA**

(in HK$'000)

| Item | Nature of item | On-balance Sheet Exposures | | | Off-balance Sheet Exposures | | | | Total Risk-weighted Amount |
|---|---|---|---|---|---|---|---|---|---|
| | | Exposure Amount before CRM (1) | Exposure Amount after CRM (2) | Risk-weighted Amount (3) | Principal Amount (4) | Exposure Amount before CRM (5) | Exposure Amount after CRM (6) | Risk-weighted Amount (7) | (8)=(3)+(7) |
| **1.** | **Securitization exposures (without CRM)** | | | | | | | | |
| **2.** | **Securitization exposures (fully or partially covered by CRM)** | | | | | | | | |
| | (a) Risk-weight < 15% | | | | | | | | |
| | (b) Risk-weight = 15% | | | | | | | | |
| | (c) Risk-weight > 15% - 50% | | | | | | | | |
| | (d) Risk-weight > 50% - 100% | | | | | | | | |
| | (e) Risk-weight > 100% - 300% | | | | | | | | |
| | (f) Risk-weight > 300% - 500% | | | | | | | | |
| | (g) Risk-weight > 500% - 800% | | | | | | | | |
| | (h) Risk-weight > 800% - 1000% | | | | | | | | |
| | (i) Risk-weight > 1000% - <1250% | | | | | | | | |
| | (j) Risk-weight = 1250% | | | | | | | | |
| | (k) Sub-total | | | | | | | | |
| **3.** | **Total (item 1 + item 2(k))** | | | | | | | | |

**Part IIIe: Risk-weighted Amount for Exposures to Central Counterparties (CCP)**

**Division A: Default Fund Contribution**

| | | Default fund contribution HK$'000 | Capital Charge HK$'000 | Risk-weight % | Risk-weighted Amount HK$'000 | Adjusted Risk-weighted Amount HK$'000 |
|---|---|---|---|---|---|---|
| 1. | Qualifying CCPs | | | | | |
| 1a. | Option 1 | | | 1250 | | |
| 1b. | Option 2 | | | | | |
| 2. | Non-qualifying CCPs | | | 1250 | | |
| | **SUBTOTAL** | | | | | |

**Division B: Default Risk Exposures**

**Clearing member's exposures**

| | | Derivative Contracts and SFTs | | | Collateral posted | | | |
|---|---|---|---|---|---|---|---|---|
| | | Principal Amount HK$'000 | Non-IMM(CCR) Default Risk Exposure HK$'000 | IMM(CCR) Default Risk Exposure HK$'000 | Principal Amount HK$'000 | Total Exposure After CRM HK$'000 | Risk-weight % | Risk-weighted Amount HK$'000 |
| 1. | **Qualifying CCPs** | | | | | | | |
| 1a. | Risk-weight 0% | | | | | | 0 | 0 |
| 1b. | Risk-weight 2% | | | | | | 2 | |
| 1c. | Other risk-weights not specified above | | | | | | | |
| 2. | **Non-qualifying CCPs** | | | | | | | |
| 2a. | Risk-weight 0% | | | | | | 0 | 0 |
| 2b. | Risk-weight 10% | | | | | | 10 | |
| 2c. | Risk-weight 20% | | | | | | 20 | |
| 2d. | Risk-weight 30% | | | | | | 30 | |
| 2e. | Risk-weight 50% | | | | | | 50 | |
| 2f. | Risk-weight 100% | | | | | | 100 | |
| 2g. | Risk-weight 150% | | | | | | 150 | |
| 2h. | Other risk-weights not specified above | | | | | | | |
| **SUBTOTAL** | | | | | | | | |

**Client's exposures**

| | | Derivative Contracts and SFTs | | | Collateral posted | | | |
|---|---|---|---|---|---|---|---|---|
| | | Principal Amount HK$'000 | Non-IMM(CCR) Default Risk Exposure HK$'000 | IMM(CCR) Default Risk Exposure HK$'000 | Principal Amount HK$'000 | Total Exposure After CRM HK$'000 | Risk-weight % | Risk-weighted Amount HK$'000 |
| 3. | **Qualifying CCPs** | | | | | | | |
| 3a. | Risk-weight 0% | | | | | | 0 | 0 |
| 3b. | Risk-weight 2% | | | | | | 2 | |
| 3c. | Risk-weight 4% | | | | | | 4 | |
| 3d. | Other risk-weights not specified above | | | | | | | |
| 4. | **Non-qualifying CCPs** | | | | | | | |
| 4a. | Risk-weight 0% | | | | | | 0 | 0 |
| 4b. | Risk-weight 10% | | | | | | 10 | |
| 4c. | Risk-weight 20% | | | | | | 20 | |
| 4d. | Risk-weight 30% | | | | | | 30 | |
| 4e. | Risk-weight 50% | | | | | | 50 | |
| 4f. | Risk-weight 100% | | | | | | 100 | |
| 4g. | Risk-weight 150% | | | | | | 150 | |
| 4h. | Other risk-weights not specified above | | | | | | | |
| **SUBTOTAL** | | | | | | | | |

| | | |
|---|---|---|
| **5.** | **TOTAL RISK-WEIGHTED AMOUNT FOR EXPOSURES TO CCPs** | |

**Part IIIf: Risk-weighted Amount for CVA**

**Division A: Advanced CVA Method**

| Item | Nature of item | End of quarter HK$'000 | Latest available HK$'000 | Average VaR / Stressed VaR HK$'000 | Multiplication factor for VaR / Stressed VaR | Risk-weighted Amount HK$'000 |
|---|---|---|---|---|---|---|
| 1. | VaR | | | | | |
| 2. | Stressed VaR | | | | | |
| **TOTAL** | | | | | | |

**Division B: Standardized CVA Method**

| Item | Default Risk Exposures HK$'000 | Capital Charge HK$'000 | Risk-weighted Amount HK$'000 |
|---|---|---|---|
| 3. | | | |

**Part IV:** **Risk-weighted Amount for Market Risk**

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

**A.1** **Interest rate exposures - specific risk**

**(a)** **Non-securitization exposures that do not fall within a correlation trading portfolio and that are not n$^{th}$-to-default credit derivative contracts**

(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 |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | Residual maturity | | | | | | |
| | | | | 6 months or less | Over 6 months to 24 months | Over 24 months | | | To be specified ( %) | |
| | | | (0.00%) | (0.25%) | (1.00%) | (1.60%) | (8.00%) | (12.00%) | | |
| | **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 | | | | | | | | |
| 1.14 | **TOTAL (Items 1.1 to 1.13)** | Long | | | | | | | | |
| | | Short | | | | | | | | |
| 1.15 | Market risk capital charge factor | | 0.00% | 0.25% | 1.00% | 1.60% | 8.00% | 12.00% | _____% | |
| **1.16** | **TOTAL MARKET RISK CAPITAL CHARGE FOR SPECIFIC RISK FOR INTEREST RATE EXPOSURES (ON GROSS POSITIONS - LONG PLUS SHORT)** | | | | | | | | | |

Note: (1) 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.1** **Interest rate exposures - specific risk**

**(b)** **Securitization exposures that do not fall within a correlation trading portfolio (Note (1))** (HK$'000)

**A. Market risk capital charge calculations**

| | | Credit quality grades | | Positions incurred as an investing institution | | Positions incurred as an originating institution | | Market risk capital charge factor for specific risk | | Market risk capital charge for specific risk | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Securitization Exposures** | | Long-term | Short-term | Long | Short | Long | Short | For investing institutions | For originating institutions | For long positions | For short positions | Applicable amount (Note (2)) |
| | | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) |
| **1. Under STC(S) approach** | | | | | | | | | | | | |
| 1.1 Rated securitization exposures (exclude re-securitization exposures) | (a) | 1 | 1 | | | | | 1.60% | 1.60% | | | |
| | (b) | 2 | 2 | | | | | 4.00% | 4.00% | | | |
| | (c) | 3 | 3 | | | | | 8.00% | 8.00% | | | |
| | (d) | 4 | | | | | | 28.00% | 100.00% | | | |
| | (e) | 5 | 4 | | | | | 100.00% | 100.00% | | | |
| Sub-total | (f) | | | | | | | | | | | |
| 1.2 Rated re-securitization exposures | (a) | 1 | 1 | | | | | 3.20% | 3.20% | | | |
| | (b) | 2 | 2 | | | | | 8.00% | 8.00% | | | |
| | (c) | 3 | 3 | | | | | 18.00% | 18.00% | | | |
| | (d) | 4 | | | | | | 52.00% | 100.00% | | | |
| | (e) | 5 | 4 | | | | | 100.00% | 100.00% | | | |
| Sub-total | (f) | | | | | | | | | | | |
| 1.3 All other securitization exposures that are not subject to capital deductions | | | | | | | | | | | | |
| 1.4 Total (item 1.1(f) + item 1.2(f) + Item 1.3) | | | | | | | | | | | | |
| **2. Under IRB(S) approach** | | | | | | | | | | | | |
| 2.1 Rated securitization exposures (exclude re-securitization exposures) - Senior and granular | (a) | 1 | 1 | | | | | 0.56% | 0.56% | | | |
| | (b) | 2 | | | | | | 0.64% | 0.64% | | | |
| | (c) | 3 | | | | | | 0.80% | 0.80% | | | |
| | (d) | 4 | 2 | | | | | 0.96% | 0.96% | | | |
| | (e) | 5 | | | | | | 1.60% | 1.60% | | | |
| | (f) | 6 | | | | | | 2.80% | 2.80% | | | |
| | (g) | 7 | 3 | | | | | 4.80% | 4.80% | | | |
| | (h) | 8 | | | | | | 8.00% | 8.00% | | | |
| | (i) | 9 | | | | | | 20.00% | 20.00% | | | |
| | (j) | 10 | | | | | | 34.00% | 34.00% | | | |
| | (k) | 11 | | | | | | 52.00% | 52.00% | | | |
| | (l) | 12 | 4 | | | | | 100.00% | 100.00% | | | |
| Sub-total | (m) | | | | | | | | | | | |
| 2.2 Rated securitization exposures (exclude re-securitization exposures) - Non-senior, granular | (a) | 1 | 1 | | | | | 0.96% | 0.96% | | | |
| | (b) | 2 | | | | | | 1.20% | 1.20% | | | |
| | (c) | 3 | | | | | | 1.44% | 1.44% | | | |
| | (d) | 4 | 2 | | | | | 1.60% | 1.60% | | | |
| | (e) | 5 | | | | | | 2.80% | 2.80% | | | |
| | (f) | 6 | | | | | | 4.00% | 4.00% | | | |
| | (g) | 7 | 3 | | | | | 6.00% | 6.00% | | | |
| | (h) | 8 | | | | | | 8.00% | 8.00% | | | |
| | (i) | 9 | | | | | | 20.00% | 20.00% | | | |
| | (j) | 10 | | | | | | 34.00% | 34.00% | | | |
| | (k) | 11 | | | | | | 52.00% | 52.00% | | | |
| | (l) | 12 | 4 | | | | | 100.00% | 100.00% | | | |
| Sub-total | (m) | | | | | | | | | | | |

**A.1** **Interest rate exposures - specific risk**

**(b)** **Securitization exposures that do not fall within a correlation trading portfolio (Note (1))** (HK$'000)

**A. Market risk capital charge calculations**

| | | Credit quality grades | | Positions incurred as an investing institution | | Positions incurred as an originating institution | | Market risk capital charge factor for specific risk | | Market risk capital charge for specific risk | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Securitization Exposures** | | Long-term | Short-term | Long | Short | Long | Short | For investing institutions | For originating institutions | For long positions | For short positions | Applicable amount (Note (2)) |
| | | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) |
| 2.3 Rated securitization exposures (exclude re-securitization exposures) - Non-granular | (a) | 1 | 1 | | | | | 1.60% | 1.60% | | | |
| | (b) | 2 | | | | | | 2.00% | 2.00% | | | |
| | (c) | 3 | | | | | | 2.80% | 2.80% | | | |
| | (d) | 4 | 2 | | | | | 2.80% | 2.80% | | | |
| | (e) | 5 | | | | | | 2.80% | 2.80% | | | |
| | (f) | 6 | | | | | | 4.00% | 4.00% | | | |
| | (g) | 7 | 3 | | | | | 6.00% | 6.00% | | | |
| | (h) | 8 | | | | | | 8.00% | 8.00% | | | |
| | (i) | 9 | | | | | | 20.00% | 20.00% | | | |
| | (j) | 10 | | | | | | 34.00% | 34.00% | | | |
| | (k) | 11 | | | | | | 52.00% | 52.00% | | | |
| | (l) | 12 | 4 | | | | | 100.00% | 100.00% | | | |
| Sub-total | (m) | | | | | | | | | | | |
| 2.4 Rated re-securitization exposures - Senior | (a) | 1 | 1 | | | | | 1.60% | 1.60% | | | |
| | (b) | 2 | | | | | | 2.00% | 2.00% | | | |
| | (c) | 3 | | | | | | 2.80% | 2.80% | | | |
| | (d) | 4 | 2 | | | | | 3.20% | 3.20% | | | |
| | (e) | 5 | | | | | | 4.80% | 4.80% | | | |
| | (f) | 6 | | | | | | 8.00% | 8.00% | | | |
| | (g) | 7 | 3 | | | | | 12.00% | 12.00% | | | |
| | (h) | 8 | | | | | | 16.00% | 16.00% | | | |
| | (i) | 9 | | | | | | 24.00% | 24.00% | | | |
| | (j) | 10 | | | | | | 40.00% | 40.00% | | | |
| | (k) | 11 | | | | | | 60.00% | 60.00% | | | |
| | (l) | 12 | 4 | | | | | 100.00% | 100.00% | | | |
| Sub-total | (m) | | | | | | | | | | | |
| 2.5 Rated re-securitization exposures - Non-senior | (a) | 1 | 1 | | | | | 2.40% | 2.40% | | | |
| | (b) | 2 | | | | | | 3.20% | 3.20% | | | |
| | (c) | 3 | | | | | | 4.00% | 4.00% | | | |
| | (d) | 4 | 2 | | | | | 5.20% | 5.20% | | | |
| | (e) | 5 | | | | | | 8.00% | 8.00% | | | |
| | (f) | 6 | | | | | | 12.00% | 12.00% | | | |
| | (g) | 7 | 3 | | | | | 18.00% | 18.00% | | | |
| | (h) | 8 | | | | | | 28.00% | 28.00% | | | |
| | (i) | 9 | | | | | | 40.00% | 40.00% | | | |
| | (j) | 10 | | | | | | 52.00% | 52.00% | | | |
| | (k) | 11 | | | | | | 68.00% | 68.00% | | | |
| | (l) | 12 | 4 | | | | | 100.00% | 100.00% | | | |
| Sub-total | (m) | | | | | | | | | | | |
| 2.6 All other securitization exposures that are not subject to capital deductions | | | | | | | | | | | | |

**A.1** **Interest rate exposures - specific risk**

**(b)** **Securitization exposures that do not fall within a correlation trading portfolio (Note (1))** (HK$'000)

**A. Market risk capital charge calculations**

| | Credit quality grades | | Positions incurred as an investing institution | | Positions incurred as an originating institution | | Market risk capital charge factor for specific risk | | Market risk capital charge for specific risk | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Securitization Exposures** | Long-term | Short-term | Long | Short | Long | Short | For investing institutions | For originating institutions | For long positions | For short positions | Applicable amount (Note (2)) |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) |
| 2.7 Total (Item 2.7 = sum of (row (m) of items 2.1 to 2.5) + item 2.6) | | | | | | | | | | | |
| (a) Of which securitization (exclude re-securitization) exposures | | | | | | | | | | | |
| (i) rated | | | | | | | | | | | |
| (ii) unrated | | | | | | | | | | | |
| (b) Of which re-securitization exposures | | | | | | | | | | | |
| (i) rated | | | | | | | | | | | |
| (ii) unrated | | | | | | | | | | | |
| **2.8 Total market risk capital charge for specific risk (Item 2.8(9) / 2.8(10) = Item 2.7(9) / 2.7(10) multiplied by scaling factor 1.06)** | | | | | | | | | | | |
| **3. Total**<br>**- Position col. (3) to (6): Item 1.4 + item 2.7**<br>**- Market risk capital charge col. (9) & (10): Item 1.4 + item 2.8** | | | | | | | | | | | |

**B. Capital deductions**

| | Positions incurred as an investing institution | Positions incurred as an originating institution | Total |
|---|---|---|---|
| | (a) | (b) | (c) |
| 1. Gain-on-sale arising from securitization transaction as an originating institution | | | |
| 2. Other exposures as specified by the Monetary Authority | | | |
| 3. Total deductions | | | |

Note: (1) Securitization exposures include re-securitization exposures unless otherwise stated.
(2) During the transitional period (securitization) of 1 January 2012 to 31 December 2013, both dates inclusive, the applica ble total market risk capital charge for specific risk (i.e. column (11)) for the interest rate exposures of a reporting institution is calculated as the larger of the market risk capital charge for the long positions (i.e. column (9)) or the market risk capital charge for the short po sitions (i.e. column (10)). Upon the expiry of the transitional period (securitization), the applicable total market risk capital charge for specific risk (i.e. column (11)) of the institution is calculated as the sum of the market risk capital charge for the gross (i.e. long + short) positions (i.e. column (9) + column (10)).
(3) STC(S) approach means the method of calculating credit risk for securitization exposures under the standardized (securit ization) approach.
(4) IRB(S) approach means the method of calculating credit risk for securitization exposures under the internal ratings -based (securitization) approach.
(5) "Rated securitization exposures" means exposures with an ECAI issue specific rating under STC(S) approach and IRB(S) app roach, or in the absence of an ECAI issue specific rating, an inferred rating under IRB(S) approach.
(6) "Unrated" securitization exposures means securitization exposures other than rated securitization exposures and those t reated as if not rated for regulatory capital purposes.

## A.1 Interest rate exposures - specific risk

### (c) Correlation trading portfolio

(HK$'000)

| | Positions | | Market risk capital charge for specific risk | | |
|---|---|---|---|---|---|
| | Long | Short | For long positions | For short positions | Applicable amount |
| | (1) | (2) | (3) | (4) | (5) = Higher of (3) or (4) |
| Correlation trading portfolio (Note (1)) | | | | | |

Note: (1) 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.1 Interest rate exposures - specific risk**

**(d) Non-securitization exposures that are n$^{th}$-to-default credit derivative contracts (excluding those that fall within a correlation trading portfolio)**

(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 |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | Residual maturity | | | | | | |
| | | | | 6 months or less | Over 6 months to 24 months | Over 24 months | | | To be specified ( %) | |
| | | | (0.00%) | (0.25%) | (1.00%) | (1.60%) | (8.00%) | (12.00%) | | |
| | **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 | | | | | | | | |
| 1.14 | **TOTAL (Items 1.1 to 1.13)** | Long | | | | | | | | |
| | | Short | | | | | | | | |
| **1.15** | Market risk capital charge factor | | 0.00% | 0.25% | 1.00% | 1.60% | 8.00% | 12.00% | _____% | |
| **1.16** | **MARKET RISK CAPITAL CHARGE FOR SPECIFIC RISK FOR INTEREST RATE EXPOSURES** | Long | | | | | | | | |
| | | Short | | | | | | | | |
| **1.17** | **APPLICABLE TOTAL MARKET RISK CAPITAL CHARGE FOR SPECIFIC RISK FOR INTEREST RATE EXPOSURES (Note (2))** | | | | | | | | | |

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

(2) During the transitional period (securitization) of 1 January 2012 to 31 December 2013, both dates inclusive, the applica ble market risk capital charge for specific risk (i.e. Item 1.17) for the interest rate exposures of a reporting institution is c alculated as the larger of the total market risk capital charge for the long positions or the total market risk capital charge for the short position s reported in the last column of Item 1.16. Upon the expiry of the transitional period (securitization), the applicable market risk capital charge for specific risk (i.e. Item 1.17) of the institution is calculated as the sum of the market risk capital charge for the gross (i.e. long + short) positions reported in the last column of Item 1.16.

**A.2** **Interest rate exposures - 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, subject to any applicable adjustments specified in paragraphs 6(b), 79 and 80 of the completion instructions.

(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(a).
(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(a).

(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.2** **Delta-plus approach - gamma and vega risks** *(For reporting institutions which use the delta-plus approach to report option contracts)*

**2(a)** **Debt-related and interest rate option contracts**

**Currency:** _____ (separate form for each currency)

(HK$'000)

| Time band | | Market risk capital charge for gamma risk (negative gamma impact) | Market risk capital charge for vega risk |
|---|---|---|---|
| Coupon of not less than 3% per annum | Coupon of less than 3% per annum | | |
| ≤1 month | ≤1 month | | |
| >1 to 3 months | >1 to 3 months | | |
| >3 to 6 months | >3 to 6 months | | |
| >6 to 12 months | >6 to 12 months | | |
| >1 to 2 years | >1.0 to 1.9 years | | |
| >2 to 3 years | >1.9 to 2.8 years | | |
| >3 to 4 years | >2.8 to 3.6 years | | |
| >4 to 5 years | >3.6 to 4.3 years | | |
| >5 to 7 years | >4.3 to 5.7 years | | |
| >7 to 10 years | >5.7 to 7.3 years | | |
| >10 to 15 years | >7.3 to 9.3 years | | |
| >15 to 20 years | >9.3 to 10.6 years | | |
| >20 years | >10.6 to 12 years | | |
| | >12 to 20 years | | |
| | >20 years | | |
| **Total 2(a)** | | | |

**2(b)** **Equity option contracts**

(HK$'000)

| Types of underlying exposure | Market risk capital charge for gamma risk (negative gamma impact) | Market risk capital charge for vega risk |
|---|---|---|
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| **Total 2(b)** | | |

Note: Report the delta-weighted position of option contracts into Divisions A to D as appropriate.

**E.2 Delta-plus approach - gamma and vega risks** *(For reporting institutions which use the delta-plus approach to report option contracts)*

**2(c) Foreign exchange and gold option contracts**

(HK$'000)

| Types of underlying exposure | Market risk capital charge for gamma risk (negative gamma impact) | Market risk capital charge for vega risk |
|---|---|---|
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| **Total 2(c)** | | |

**2(d) Commodity option contracts**

(HK$'000)

| Types of underlying exposure | Market risk capital charge for gamma risk (negative gamma impact) | Market risk capital charge for vega risk |
|---|---|---|
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| **Total 2(d)** | | |

Note: Report the delta-weighted position of option contracts into Divisions A to D as appropriate.

**Division F: IMM Approach (Note (1a))**

**F.1 Market risk capital charge under the IMM approach**

(HK$'000)

| Item | Nature of items | VaR / Stressed VaR | | Number of back-testing exceptions | | Multiplication factor for VaR ($m_c$) / Stressed VaR ($m_s$) (Note (2)) | Total market risk capital charge |
|---|---|---|---|---|---|---|---|
| | | End of quarter VaR / Stressed VaR (Note (2a)) | Average VaR / Stressed VaR over last 60 trading days | Based on actual profit & loss | Based on hypothetical profit & loss | | |
| | | (a) | (b) | (c) | (d) | (e) | (f) |
| **(a)** | **General market risk - VaR and stressed VaR** | | | | | | |
| **1.** | **VaR** | | | | | | |
| 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 $m_c$ (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) | | | | | | |
| **2.** | **Stressed VaR** | | | | | | |
| 2.1 | Interest rate | | | | | | |
| 2.2 | Equity | | | | | | |
| 2.3 | Foreign exchange | | | | | | |
| 2.4 | Commodity | | | | | | |
| 2.5 | Aggregate of all risk categories (Note (1)) | | | | | | |
| 2.6 | Average stressed VaR x multiplication factor $m_s$ (Item 2.6 = Item 2.5 (b) x item 2.5 (e)) | | | | | | |
| 2.7 | Market risk capital charge for general market risk calculated by internal models (Item 2.5(a) or item 2.6, whichever is higher) | | | | | | |
| **3.** | **Total market risk capital charge for general market risk calculated by internal models - VaR and stressed VaR (Item 1.7 + item 2.7)** | | | | | | |
| **(b)** | **Specific risk - VaR and stressed VaR** | | | | | | |
| **1.** | **VaR** | | | | | | |
| 1.1 | Specific risk calculated by internal models (Note (3)) | | | | | | |
| 1.2 | Average VaR x multiplication factor $m_c$ (Item 1.2 = Item 1.1 (b) x Item 1.1 (e)) | | | | | | |
| 1.3 | Market risk capital charge for specific risk calculated by internal models (Item 1.1(a) or item 1.2, whichever is higher) | | | | | | |
| **2.** | **Stressed VaR** | | | | | | |
| 2.1 | Specific risk calculated by internal models (Note (3)) | | | | | | |
| 2.2 | Average stressed VaR x multiplication factor $m_s$ (Item 2.2 = Item 2.1 (b) x item 2.1 (e)) | | | | | | |
| 2.3 | Market risk capital charge for specific risk calculated by internal models (Item 2.1(a) or item 2.2, whichever is higher) | | | | | | |
| **3.** | **Total market risk capital charge for specific risk calculated by internal models - VaR and stressed VaR (Item 1.3 + Item 2.3)** | | | | | | |

**F.1** **Market risk capital charge under the IMM approach**

(HK$'000)

| (c) | Specific risk - Incremental risk charge (IRC), comprehensive risk charge (CRC) and supplemental capital charge (SCC) | | | | |
|---|---|---|---|---|---|
| Item | Nature of items | IRC / CRC | | Scaling factor for IRC ($S_I$) / CRC ($S_c$) (Note (4)) | Total market risk capital charge |
| | | Latest | Average over last 12 weeks | | |
| | | (a) | (b) | (c) | (d) |
| **1.** | **IRC** | | | | |
| 1.1 | IRC - Interest rate | | | | |
| 1.2 | IRC - Equity | | | | |
| 1.3 | Aggregate of risk categories | | | | |
| 1.4 | Market risk capital charge for specific risk calculated by internal models (Item 1.4 = Item 1.3 (c)(Si) x the higher of (Item 1.3 (a) or Item 1.3 (b)) | | | | |
| **2.** | **CRC - Correlation trading portfolio** | | | | |
| 2.1 | CRC | | | | |
| 2.2 | CRC calculated by internal models (Item 2.1 (c) (Sc) x the higher of (Item 2.1 (a) or Item 2.1 (b)) | | | | |
| 2.3.1 | Market risk capital charge for specific risk for long positions calculated under the STM approach | | | | |
| 2.3.2 | Market risk capital charge for specific risk for short positions calculated under the STM approach | | | | |
| 2.3 | Floor for CRC (Item 2.3 = 8% x the higher of (Item 2.3.1 or Item 2.3.2)) | | | | |
| 2.4 | Market risk capital charge for specific risk (Item 2.4 = the higher of Item 2.2 or Item 2.3) | | | | |
| 3. | Supplemental capital charge arising from the correlation trading portfolio | | | | |
| **4.** | **Total market risk capital charge for specific risk calculated by internal models - IRC, CRC and SCC (Item 1.4 + item 2.4 + item 3)** | | | | |

| | | |
|---|---|---|
| **(d)** | **Total market risk capital charge for specific risk calculated by internal models (Item F.1(b)3 + item F.1(c)4)** | |

| | | |
|---|---|---|
| **(e)** | **TOTAL MARKET RISK CAPITAL CHARGE UNDER THE IMM APPROACH (Item F.1(a)3 + item F.1(d))** | |

**F.2** **Largest daily losses over the quarter**

(HK$'000)

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

Note: (1a) A reporting institution must use the STM approach to calculate the market risk capital charge for specific risk for the following specific risk interest rate exposures irrespective of the approach it adopts for calculating the VaR and stressed VaR for general market risk and (where applicable) specific risk for those exposures:
(a) securitization exposures which fall within section 286(a)(ii) of the Banking (Capital) Rules;
(b) exposures which fall within section 286(a)(iii) of the Banking (Capital) Rules (i.e. correlation trading portfolio) but for which the institution does not have the approval of the MA to calculate a comprehensive risk charge; and
(c) $n^{th}$-to-default credit derivative contracts which fall within section 286(a)(iv) of the Banking (Capital) Rules.

(1) For VaR and stressed VaR, the total reported under the individual items is not necessarily equal to the sum of their respective components because of the correlation across the risk categories.

(2a) If the stressed VaR as at the end of the reporting quarter is not available, reporting institutions should report the latest available stressed VaR in the relevant cells.

(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 based on the VaR (but not the stressed VaR); 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 Section (a) in respect of general market risk can cover both general market risk and specific risk, and the institution is not required to complete Section (b) in respect of specific risk.

(4) The scaling factor is 1 or such other value as the MA may specify in a notice in writing given to the institution.

**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 | |
| | (a) | | | | | | 1(a) | | | |
| | (b)A | | | | | | 1(b) | | | |
| | (c) | | | | | | 2(a) (Note (1)) | | | |
| | (d) | | | | | | 2(b) | | | |
| | | | | | | | 2(c) | | | |
| | | | | | | | 2(d) | | | |
| | | | | | | | | | | (A) |
| 2. | Total market risk capital charges under the IMM approach (Item Division F.1(e)) | | | | | | | | | (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

| | | | Gross Income/Loans & Advances HK$'000 | | | Capital Charges HK$'000 | | |
|---|---|---|---|---|---|---|---|---|
| Item | Nature of item | Capital Charge Factor % | 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)** | | | | | | | |

## Part VI: Risk-weighted Amount for Sovereign Concentration Risk

| Item | Countries | Risk-weighted amount HK$'000 |
|---|---|---|
| **1. Countries to which the AI has concentrated sovereign exposure** | | |
| 1(a) | | |
| 1(b) | | |
| 1(c) | | |
| 1(d) | | |
| 1(e) | | |
| 1(f) | | |
| 1(g) | | |
| 1(h) | | |
| 1(i) | | |
| 1(j) | | |
| **2. Total Risk-weighted Amount for Sovereign Concentration Risk** | | |