

MAS NOTICE 637 (AMENDMENT) 2019

Issued on: 10 June 2019

RISK BASED CAPITAL ADEQUACY REQUIREMENTS FOR BANKS INCORPORATED IN SINGAPORE

Introduction

- 1 This document reflects amendments made to MAS Notice 637 to:
 - (a) allow the recognition of on-balance sheet netting agreements for loans and deposits for credit risk mitigation purposes;
 - (b) introduce proportionality for disclosure requirements;
 - (c) revise certain disclosure templates; and
 - (d) implement other technical revisions.
- 2 For presentational purposes, the amendments in this document are compared with the version of MAS Notice 637 issued on 14 September 2012, as last revised on 13 November 2018 (the "Original Notice").
- 3 This document shall be interpreted as follows:
 - (a) Text which is coloured and struck through represent deletions;
 - (b) Text which is coloured and underlined represent insertions;
 - (c) Text which is highlighted in yellow are annotations to describe changes, and will not appear in the published untracked version of MAS Notice 637. For instance, portions of the Original Notice which are deleted in entirety are accompanied by the following explanatory text in yellow highlights:
[The previous Division xx / Sub-division xx / Annex xx / Paragraph xx / Table xx is deleted.];
 - (d) Any inserted portions are inserted in numerical or alphabetical order (as appropriate) with the existing text in the Original Notice;
 - (e) Any inserted definitions in the Glossary at Annex 2A are inserted in alphabetical order with the existing definitions in the Original Notice; and
 - (f) Portions of the Original Notice which are not reflected in this document are unchanged.
- 4 The amendments reflected in this document shall take effect from 30 June 2019.
- 5 In the event of discrepancies between the amendments in this document and the published version of MAS Notice 637 revised on 10 June 2019 (with effect from 30 June 2019), the published version of MAS Notice 637 shall prevail. This document is to be used for reference only.

Amendments to Part I: Introduction

Amendments to Paragraph 1.1.1

1.1.1 This Notice is issued pursuant to section 10(2), [section 10A\(1\)](#), [section 10B\(1\)](#), [and section 65\(2\)](#) ~~section 36(2) and section 55~~ of the Banking Act and applies to all Reporting Banks.

Amendments to Part II: Definitions

Insertion and amendment of following definitions in Annex 2A

<u>internationally active bank</u>	<u>means a bank incorporated in Singapore which has been notified by the Authority that the Authority considers it to be internationally active, taking into consideration whether the bank has one or more banking group entity outside Singapore which is approved, licensed, registered or otherwise regulated by a bank regulatory agency in a foreign jurisdiction to carry on banking business as defined in the Banking Act, and whether the banking group entity's operations are significant in that foreign jurisdiction;</u>
netting	<p>means bilateral netting, including –</p> <p>(a) netting by novation, where obligations between two counterparties to deliver a given currency on a given value date under a transaction are automatically amalgamated with all other obligations under other transactions to deliver on the same currency and value date, thereby extinguishing former transactions with a single legally binding new transaction; and</p> <p>(b) close-out netting, where some or all of the ongoing transactions between two counterparties are terminated due to the default of either counterparty or upon the occurrence of a termination event as defined in the netting agreement, whereupon the values of such transactions are combined and reduced to a single payable sum; <u>and</u></p> <p><u>(c) in relation to a qualifying on-balance sheet netting agreement, the reduction of the loans and deposits of a Reporting Bank covered by the qualifying on-balance sheet netting agreement to a net sum that is to be paid to a counterparty or received by the Reporting Bank from a counterparty,</u></p> <p>but excluding does not include payments netting which is designed to reduce the operational cost of daily settlements, where the gross obligations of the counterparties are not in any way affected;</p>
PSE or public sector entity	<p>means –</p> <p>(a) a regional government or local authority that is able to exercise one or more functions of the central government at the regional or local level;</p> <p>(b) an administrative body or non-commercial undertaking responsible to, or owned by, a central government, regional government or local authority, which performs regulatory or non-commercial functions;</p> <p>(c) a statutory board in Singapore (other than the Authority); or</p> <p>(d) a town council in Singapore established pursuant to the Town Councils Act (Cap. 329A<u>392A</u>);</p>

qualifying on-
balance sheet
netting agreement means a netting agreement covering loans and deposits between
a Reporting Bank and a counterparty where the requirements set
out in Annex 7D of Part VII are complied with;

Deletion of following definition in Annex 2A

~~recognised group
A-exchange~~ ~~has the same meaning as in regulation 2 of the Securities and
Futures (Financial and Margin Requirements for Holders of Capital
Markets Services Licenses) Regulations;~~

Amendments to Part VII: Credit Risk

Division 2: Measurement of Exposures

Sub-division 2: Measurement of E or EAD for On-balance Sheet Assets

Amendments to Paragraph 7.2.5

7.2.5 A Reporting Bank may recognise the effect of a qualifying on-balance sheet netting agreement for loans and deposits. ~~A~~ However, the Reporting Bank shall not recognise the effect of netting agreements relating to all other types of on-balance sheet assets and liabilities. For the avoidance of doubt, this prohibition on the recognition of netting agreements does not apply to the calculation of E or EAD, whichever is applicable, for pre-settlement counterparty exposures arising from derivative transactions and long settlement transactions under the SA-CCR set out in Annex 7O.

[MAS Notice 637 (Amendment) 2016]

Insertion of Paragraph 7.2.5A

7.2.5A For the purpose of paragraph 7.2.5, a Reporting Bank shall –

- (a) calculate E or EAD, whichever is applicable, for loans;
- (b) calculate E* or EAD*, whichever is applicable, as the net exposure of loans and deposits, by treating deposits as cash collateral and in accordance with paragraph 1.1 of Annex 7J of Part VII, subject to the following –
 - (i) all applicable haircuts in paragraph 1.1 of Annex 7J are zero, except where there is a currency mismatch between the loans and deposits covered under the qualifying on-balance sheet netting agreement;
 - (ii) where there is a currency mismatch between the loans and deposits held, the Reporting Bank shall reduce the amount of exposure to be netted by applying a haircut in accordance with paragraphs 2.3 and 2.4 of Annex 7J; and
 - (iii) where there is a maturity mismatch between the loans and deposits covered under the qualifying on-balance sheet netting agreement, the Reporting Bank shall comply with the requirements set out in Section 6 of Annex 7F.

Division 6: Securitisation

Sub-division 4: Internal Ratings-Based Approach (SEC-IRBA)

Deletion of Footnotes 195C and 195D

7.6.21 For structures involving an SPE, a Reporting Bank shall treat all of the SPE's exposures related to the securitisation as exposures in the pool^{195C}. Such exposures related to the securitisation include reserve accounts, such as cash collateral accounts, and claims against counterparties resulting from interest swaps or currency swaps^{195D}.

7.6.22 In the case of swaps other than credit derivatives, the Reporting Bank shall include, in the computation of the IRB capital requirement of the underlying pool used in calculating K_{IRB} , the positive current market value multiplied by the risk weight of the swap provider and by 8%. The Reporting Bank shall not include such swaps in the computation of the exposure amount of the underlying pool used in calculating K_{IRB} .

7.6.23 Notwithstanding paragraph 7.6.21, the Reporting Bank may exclude the SPE's exposures from the pool for capital calculation purposes if the Reporting Bank can demonstrate to the Authority that the risk associated with the exposures does not affect its particular securitisation exposure or that the risk is immaterial, for example, because it has been mitigated.

Insertion of Annex 7D

QUALIFYING ON-BALANCE SHEET NETTING AGREEMENTS

Section 1: Introduction

1.1 A qualifying on-balance sheet netting agreement is a netting agreement covering loans and deposits (collectively "Transactions") between a Reporting Bank and a counterparty for which the requirements set out in Sections 2 to 4 of this Annex are complied with.

Section 2: Requirements for On-Balance Sheet Netting Agreements

2.1 A Reporting Bank shall –

^{195C} ~~The Reporting Bank may exclude the SPE's exposures from the pool for capital calculation purposes if the Reporting Bank can demonstrate to the Authority that the risk associated with the exposures does not affect its particular securitisation exposure or that the risk is immaterial, for example, because it has been mitigated.~~

^{195D} ~~In particular, in the case of swaps other than credit derivatives, the IRB capital requirement of the underlying pool used in calculating K_{IRB} shall include the positive current market value multiplied by the risk weight of the swap provider multiplied by 8%. In contrast, the sum of the exposure amounts of underlying exposures shall not take into account such a swap, as such a swap would not provide a credit enhancement to any tranche.~~

- (a) have a well-founded legal basis to conclude that the netting agreement is legally enforceable in all relevant jurisdictions regardless of whether the counterparty is liquidated, insolvent or bankrupt or other similar circumstances;
- (b) obtain a written independent legal opinion²¹⁸ that satisfies the requirements set out in paragraphs 3.1 and 3.2 of this Annex, confirming that the netting agreement is valid, effective and enforceable for each of the following jurisdictions:
 - (i) the jurisdiction in which the counterparty is incorporated or established;
 - (ii) if a foreign branch of the Reporting Bank or the counterparty has entered or will be entering into the Transaction, the jurisdiction in which the branch of the Reporting Bank or the counterparty, as the case may be, is located;
 - (iii) the jurisdiction whose law governs the netting agreement; and
 - (iv) the jurisdiction whose law governs any Transaction subject to the netting agreement if different from sub-paragraph (iii),

(referred to as "relevant jurisdictions" in this Annex) and which satisfies the requirements set out in Section 3 of this Annex; and
- (c) provide to the Authority the information and documents set out in paragraphs 2.2 and 2.3 of this Annex.

2.2 A Reporting Bank shall provide to the Authority, upon request, a summary listing²¹⁹ of the source and date of each legal opinion obtained for the purposes of paragraph 2.1(b) of this Annex, stating in each case, whether such legal opinion was commissioned specifically by the Reporting Bank, by the Reporting Bank collectively with any other party, or by some other third party.

2.3 The Authority may, where it considers it necessary, require a Reporting Bank to provide copies of, or access to, the netting agreement and the legal opinions obtained for the purposes of paragraph 2.1(b) of this Annex.

Section 3: Legal Opinions obtained for purposes of paragraph 2.1(b)

3.1 The legal opinion shall –

- (a) be in the form of a memorandum of law and addressed directly to the Reporting Bank or the sponsors of a particular netting agreement or form of netting agreement; or

²¹⁸ While a Reporting Bank may use either an in-house or external legal counsel for the purpose of obtaining a written independent legal opinion, it should consider whether or not an in-house counsel opinion is appropriate. In the case of an in-house legal counsel, such a party should be independent of the parties originating transactions covered by the on-balance sheet netting agreement.

²¹⁹ This can be prepared by either an in-house or external legal counsel of the Reporting Bank.

- (b) be the product of a number of parties (including the Reporting Bank) pooling together to seek a collective opinion on a particular netting agreement.

3.2 The legal opinion shall, at the minimum –

- (a) confirm that in an event of default as defined under the netting agreement, including liquidation, bankruptcy, insolvency or other similar circumstances of either the counterparty or the Reporting Bank, the courts and administrative authorities²²⁰ of the relevant jurisdiction will find that the claims and obligations of the Reporting Bank pursuant to the relevant Transactions would be limited to a net sum calculated in accordance with the netting agreement under the law of the relevant jurisdiction;
- (b) highlight the material clauses in the netting agreement that provide for the netting of Transactions (“material netting clauses”);
- (c) confirm that the unenforceability or illegality of any clause (other than a material netting clause) in the netting agreement is unlikely to undermine the material netting clauses referred to in sub-paragraph (b) above;
- (d) state the circumstances under which the netting agreement may be relied upon, including –
- (i) the legal form of, or activities conducted by, the counterparty; and
- (ii) whether certain counterparties (such as banks, insurance companies or local authorities) may be subject to special rules relating to insolvency as a result of the legal form of, or activities conducted by, the counterparties;
- (e) state whether the netting or other default provisions in the netting agreement are enforceable or enforceable differently (and if so, the extent of the difference) in a non-liquidation event, such as administration, judicial management, receivership, voluntary arrangement and a scheme of arrangement;
- (f) state to what extent, if at all, the netting needs to be reflected in the records of the counterparties in order for it to be valid, effective and enforceable;
- (g) state whether a court or administrative authority in the jurisdiction covered by the legal opinion would uphold the rate chosen for the conversion of foreign currency obligations for the purpose of calculating the net amount and whether there are any statutory or other applicable rules that may affect this aspect of the netting agreement;
- (h) state whether, under the law of the jurisdiction covered by the legal opinion, it is necessary for the enforceability of the netting that all Transactions be regarded as part of a single agreement, and if so, whether there is anything in the netting methodology which may be held to be inconsistent with the

²²⁰ This includes a court-appointed administrator and an administrator appointed by a regulatory authority.

treatment of all Transactions as part of a single agreement and the effect it may have on the netting;

- (i) state whether there is any reason to believe that the netting agreement would be unenforceable because of the law of another jurisdiction;
- (j) state whether there are legal problems in exercising any discretion or flexibility provided for in the netting agreement, and if so, whether such problems affect the enforceability of the netting agreement; and
- (k) if other clauses are added to a standard form agreement, confirm that such additional clauses do not throw any reasonable doubt or affect the overall validity, effectiveness or enforceability of the netting agreement.

3.3 The Authority is aware that it may not be possible for a Reporting Bank to obtain a legal opinion that provides a definitive view on the validity, effectiveness and enforceability of the netting agreement without certain assumptions or qualifications. The presence per se of assumptions and qualifications within the legal opinion will not render the legal opinion unsatisfactory for the purposes of this Notice. However, the assumptions underlying the legal opinion shall not be unduly restrictive. They shall be specific, be of a factual nature and be adequately explained within the legal opinion. Where qualifications are made, these shall be specific and their effect shall be adequately explained within the legal opinion. A Reporting Bank shall examine and assess the assumptions and qualifications in the legal opinion.

3.4 If the Reporting Bank determines that –

- (a) the absence of any of the information listed in paragraph 3.2 of this Annex;
or
- (b) any of the assumptions or qualifications in the legal opinion,

gives rise to reasonable doubt as to the validity, effectiveness or enforceability of the netting agreement, the Reporting Bank shall not treat the netting agreement as a qualifying on-balance sheet netting agreement.

3.5 In this regard, where there is more than one relevant jurisdiction in relation to a netting agreement, the Reporting Bank shall not treat the netting agreement as a qualifying on-balance sheet netting agreement, if the Reporting Bank has any reasonable doubt, based on its own evaluation of the legal opinions, as to whether the netting agreement is valid, effective and enforceable in any relevant jurisdiction considering the potential for conflicts of laws and whether action may be taken by insolvency officials in other jurisdictions.

3.6 The Reporting Bank shall review each legal opinion and obtain updates as necessary, including in the form of a fresh legal opinion, confirming that the opinion on the validity, effectiveness and enforceability of the netting agreement remains unchanged. The Reporting Bank shall also document the sources of the legal opinions, and the expertise of the persons giving the legal opinions.

3.7 Notwithstanding paragraph 2.1(b) of this Annex, where any relevant jurisdiction does not recognise netting or recognises netting only in a limited form, the Reporting Bank shall report Transactions for which that jurisdiction is a relevant jurisdiction on a gross basis. All other Transactions under the same netting agreement may be reported on a net basis.

3.8 Where a Reporting Bank is aware that a supervisory authority of the counterparty of the Reporting Bank (whether the supervisory authority is the home or host supervisor) is not satisfied that a netting agreement is legally valid, effective or enforceable under the law of the jurisdiction of that supervisory authority, the Reporting Bank shall not treat the netting agreement as a qualifying on-balance sheet netting agreement, notwithstanding any legal opinion obtained by the Reporting Bank.

Section 4: Policies, Systems and Controls

4.1 A Reporting Bank shall have in place a netting policy that sets out, as a minimum, the following:

- (a) the person responsible for setting and reviewing the policy on netting;
- (b) the frequency of review of the netting policy;
- (c) the person responsible for approving the application of a netting agreement to any Transaction (including determining whether the netting agreement is covered by an existing legal opinion or whether separate legal opinions are required);
- (d) how the Reporting Bank monitors legal developments affecting its netting agreements and the need to obtain additional legal opinions;
- (e) what the Reporting Bank is to include in its netting agreements to ensure that its interests, rights and obligations are duly reflected; and
- (f) the processes for determining and reporting net exposures to individual counterparties.

4.2 The Reporting Bank shall also have in place adequate systems and controls to monitor the Transactions, including systems and controls to ensure that –

- (a) only Transactions entered into by the Reporting Bank with a counterparty that are covered by a netting agreement are netted, and such Transactions can be determined at any time;
- (b) net exposures arising from such Transactions subject to netting are monitored and controlled, including on a global basis involving each branch of the Reporting Bank against each branch of the counterparty, where applicable, and accurately determined and reported;
- (c) documentary evidence of the Transactions subject to netting are maintained and appropriately safeguarded and the Reporting Bank is able to produce such documentary evidence, if required by the Authority;

- (d) the legal opinions are not superceded by subsequent changes in the laws of the relevant jurisdictions. The following shall be duly documented and updated, as necessary, to ensure the continued legal enforceability of such netting agreements:
 - (i) the types of counterparties and Transactions covered by each netting agreement; and
 - (ii) the relevant jurisdictions for each netting agreement to which the Reporting Bank is a party. The Reporting Bank shall note any jurisdiction for which any doubt may exist as to the legal validity, effectiveness or enforceability of netting and what action the Reporting Bank has taken as a result;
- (e) counterparty limits are monitored in terms of such net exposures; and
- (f) roll-off risks are monitored and controlled. The Reporting Bank shall only net from the loan exposures the amount of deposits²²¹ which:
 - (i) withdrawal is conditional upon the loan exposures being repaid; and
 - (ii) the condition is stipulated in the contractual agreement²²² with the counterparty.

4.3 A Reporting Bank shall maintain adequate documentation in relation to meeting the requirements in Sections 2 and 3 of this Annex at all times.

²²¹ For the avoidance of doubt, for the calculation of the net exposure of loans and deposits, any applicable currency mismatch haircut or maturity mismatch adjustment set out in paragraphs 7.2.5A(b)(ii) and (iii) will apply to the deposit amount subject to withdrawal conditions.

²²² Such withdrawal restrictions are intended to safeguard against the withdrawal of deposits prior to a default, which would increase the risk of under-capitalisation by a Reporting Bank.

Amendments to Sections 3, 4 and 5 of Annex 7N

Section 3: Requirements for Netting Agreements

3.1 ~~Subject to this Section and Sections 4 and 5, a~~ Reporting Bank shall –

(a) obtain a written independent legal opinion^{278A} that satisfies the requirements set out in paragraphs 4.1 to 4.3 of this Annex confirming that the netting agreement is valid, effective and enforceable for each of the following jurisdictions:

- (i) the jurisdiction in which the counterparty is incorporated or established;
- (ii) if a foreign branch of the Reporting Bank or the counterparty has entered or will be entering into the Transaction, the jurisdiction in which the branch of the Reporting Bank or the counterparty, as the case may be, is located;
- (iii) the jurisdiction whose law governs the netting agreement; and
- (iv) the jurisdiction whose law governs any Transaction subject to the netting agreement if different from sub-paragraph (iii),

(referred to as “relevant jurisdictions” in this Annex) and which satisfies the requirements set out in Section 4 of this Annex;

(b) in relation to a netting agreement containing transactions in paragraph 2.1(b) and (c) above, ensure that -

- (i) the netting agreement –
 - (A) provides the non-defaulting party the right to terminate and close out in a timely manner all transactions upon the occurrence of a termination event as defined in the netting agreement, including the default or insolvency of the defaulting party; and
 - (B) allows for the prompt liquidation or set-off of collateral upon the event of default; and
- (ii) where the netting agreement covers transactions in both the banking book and trading book, –
 - (A) the transactions are marked-to-market daily^{278A278B}; and

^{278A} While a Reporting Bank may use either an in-house or external legal counsel for the purpose of obtaining a written independent legal opinion, it should consider whether or not an in-house counsel opinion is appropriate. In the case of an in-house legal counsel, such a party should be independent of the parties originating transactions covered by the on-balance sheet netting agreement.

^{278A} ~~The holding period for the haircuts will depend on the frequency of margining.~~

^{278B} The holding period for the haircuts will depend on the frequency of margining.

- (B) the collateral in the transactions are recognised as eligible financial collateral in the banking book in accordance with Annex 7F of Part VII; and
- (c) provide to the Authority the information and documents set out in paragraphs 3.2 and 3.3 [of this Annex](#).

3.2 A Reporting Bank shall provide to the Authority a summary listing²⁷⁹ of the source and date of each legal opinion obtained for the purposes of paragraph 3.1(a), stating in each case, whether such legal opinion was commissioned specifically by the Reporting Bank, by the Reporting Bank collectively with any other party, or by some other third party. The summary listing should be provided at least once every 12 months, but in any case shall be provided no later than 15 months from the previous submission.

3.3 The Authority may, where it considers it necessary, require a Reporting Bank to provide copies of, or access to, the netting agreement and the legal opinions obtained for the purposes of paragraph 3.1(a).

Section 4: Legal Opinions obtained for purposes of paragraph 3.1(a)

4.1 ~~A~~[The](#) legal opinion shall —

- (a) be in the form of a memorandum of law and addressed directly to the Reporting Bank or the sponsors of a particular netting agreement or form of netting agreement²⁸⁰; or
- (b) be the product of a number of parties (including the Reporting Bank) pooling together to seek a collective opinion on a particular netting agreement.

4.2 ~~Each~~[The](#) legal opinion shall confirm that in an event of default as defined under the netting agreement, including liquidation, bankruptcy or other similar [circumstance circumstances](#) of either the counterparty or the Reporting Bank, the courts and administrative authorities²⁸¹ of the relevant jurisdiction will find that the claims and obligations of the Reporting Bank pursuant to the relevant Transactions would be limited to a net sum calculated in accordance with the netting agreement under the law of the relevant jurisdiction.

4.3 In addition, ~~each~~[the](#) legal opinion shall²⁸² -

- (a) highlight the material clauses in the netting agreement that provide for the netting of Transactions (“material netting clauses”);
- (b) confirm that the unenforceability or illegality of any clause (other than a material netting clause) in the netting agreement is unlikely to undermine the material netting clauses referred to in sub-paragraph (a) above;

²⁷⁹ This can be prepared by either the [in-house or](#) external ~~or internal~~ legal [counsel adviser](#) of the Reporting Bank.

²⁸⁰ The Authority would normally consider independent legal opinions commissioned and collated by ISDA as complying with the requirements set out in paragraphs 4.1 to 4.6 of this Annex.

²⁸¹ This includes a court-appointed administrator and an administrator appointed by a regulatory authority.

²⁸² This is not intended to be an exhaustive list of all the matters that should be covered in a legal opinion obtained for the purposes of paragraph 3.1(a).

- (c) state the circumstances under which the netting agreement may be relied upon, including -
 - (i) the legal form of, or activities conducted by, the counterparty; and
 - (ii) whether certain counterparties (such as banks, insurance companies or local authorities) may be subject to special rules relating to insolvency as a result of the legal form of, or activities conducted by, the counterparties;
- (d) state whether the netting or other default provisions in the netting agreement are enforceable or enforceable differently (and if so, the extent of the difference) in a non-liquidation event, such as administration, judicial management, receivership, voluntary arrangement and a scheme of arrangement;
- (e) state to what extent, if at all, the netting needs to be reflected in the records of the counterparties in order for it to be valid, effective and enforceable;
- (f) state whether a court or administrative authority in the jurisdiction covered by the legal opinion would uphold the rate chosen for the conversion of foreign currency obligations for the purpose of calculating the close-out amount and whether there are any statutory or other applicable rules that may affect this aspect of the netting agreement;
- (g) state whether, under the law of the jurisdiction covered by the legal opinion, it is necessary for the enforceability of the netting that all Transactions be regarded as part of a single agreement, and if so, whether there is anything in the close-out methodology which may be held to be inconsistent with the treatment of all Transactions as part of a single agreement and the effect it may have on the netting;
- (h) state whether there is any reason to believe that the netting agreement would be unenforceable because of the law of another jurisdiction;
- (i) state whether there is any preference specified in the netting agreement for automatic rather than optional close-out, and if so, whether such preference would affect the enforceability of the netting agreement;
- (j) state whether there are legal problems in exercising any discretion or flexibility provided for in the netting agreement, and if so, whether such problems affect the enforceability of the netting agreement; and
- (k) if other clauses are added to a standard form agreement, confirm that such additional clauses do not throw any reasonable doubt or affect the overall validity, effectiveness or enforceability of the netting agreement.

4.4 The Authority is aware that it may not be possible for a Reporting Bank to obtain a legal opinion that provides a definitive view on the validity, effectiveness and enforceability of the netting agreement without certain assumptions or qualifications. The presence *per se* of assumptions and qualifications within the legal opinion will not render the legal opinion unsatisfactory for the purposes of this Notice. However, the assumptions underlying the legal opinion shall not be unduly restrictive. They shall be specific, be of a factual nature and be adequately explained within the legal opinion. Where qualifications are made, these shall be specific and their effect shall be adequately explained within the legal opinion. A Reporting Bank shall examine and assess the assumptions and qualifications in the legal opinion.

4.5 If the Reporting Bank determines that —

- (a) the absence of any of the information listed in paragraph 4.3; or
- (b) any of the assumptions or qualifications in the legal opinion,

gives rise to reasonable doubt as to the validity, effectiveness or enforceability of the netting agreement, the Reporting Bank shall not treat the netting agreement as a qualifying bilateral netting agreement or a qualifying cross-product netting agreement, as the case may be.

4.6 In this regard, where there is more than one relevant jurisdiction in relation to a netting agreement, the Reporting Bank shall not treat the netting agreement as a qualifying bilateral netting agreement or a qualifying cross-product netting agreement, as the case may be, if the Reporting Bank has any reasonable doubt, based on its own evaluation of the legal opinions, as to whether the netting agreement is valid, effective and enforceable in any relevant jurisdiction considering the potential for conflicts of laws and whether action may be taken by insolvency officials in other jurisdictions.

4.7 The Reporting Bank shall review each legal opinion and obtain updates thereto, either in the form of a fresh legal opinion or a letter from an external firm of lawyers confirming that the opinion on the validity, effectiveness and enforceability of the netting agreement remains unchanged. Each legal opinion should be reviewed at least once every 12 months, but in any case shall be reviewed no later than 15 months from the previous review. The Reporting Bank shall also document the sources of the legal opinions, and the expertise of the persons giving the legal opinions.

4.8 Notwithstanding paragraph 3.1(a), where any relevant jurisdiction does not recognise netting or recognises netting only in a limited form, the Reporting Bank shall report Transactions for which that jurisdiction is a relevant jurisdiction on a gross basis. All other Transactions under the same netting agreement may be reported on a net basis.

4.9 The Reporting Bank shall alert the Authority when it becomes aware of any relevant jurisdiction that does not recognise netting or recognises netting only in a limited form (whether as to certain products, or with counterparties of certain legal forms or counterparties performing certain activities).

4.10 Where a Reporting Bank is aware that a supervisory authority of the counterparty of the Reporting Bank (whether the supervisory authority is the home or host supervisor) is not satisfied that a netting agreement is legally valid, effective or enforceable under the law of the jurisdiction of that supervisory authority, the Reporting Bank shall not treat the netting agreement as a qualifying bilateral netting agreement or a qualifying cross-product netting agreement, as the case may be, notwithstanding any legal opinion obtained by the Reporting Bank.

Section 5: Policies, Systems and Controls

5.1 A Reporting Bank shall have in place a netting policy that sets out, as a minimum, the following:

- (a) the person responsible for setting and reviewing the policy on netting;
- (b) the frequency of review of the netting policy;
- (c) the person responsible for approving the application of a netting agreement to any Transaction (including determining whether the netting agreement is covered by an existing legal opinion or whether separate legal opinions are required);
- (d) how the Reporting Bank monitors legal developments affecting its netting agreements and the need to obtain additional legal opinions;
- (e) what the Reporting Bank is to include in its netting agreements to ensure that its interests, rights and obligations are duly reflected; and
- (f) the processes for determining and reporting net exposures to individual counterparties.

5.2 The Reporting Bank shall also have in place adequate systems and controls to monitor the Transactions, including systems and controls to ensure that -

- (a) only Transactions entered into by the Reporting Bank with a counterparty that are covered by a netting agreement are netted;
- (b) net exposures to individual counterparties are accurately determined and reported²⁸³;
- (c) documentary evidence of the Transactions subject to netting are maintained and appropriately safeguarded and the Reporting Bank is able to produce such documentary evidence, if required by the Authority;
- (d) the legal opinions are not superceded by subsequent changes in the laws of the relevant jurisdictions. The following shall be duly documented and should be updated at least once every 12 months, but in any case, shall be updated no later than 15 months from the previous update:

²⁸³ A Reporting Bank should have systems in place which are capable of aggregating net exposures to each counterparty on a global basis including each branch of the Reporting Bank against each branch of the counterparty.

- (i) the types of counterparties and Transactions covered by each netting agreement; and
 - (ii) the relevant jurisdictions for each netting agreement to which the Reporting Bank is a party. The Reporting Bank shall note any jurisdiction for which any doubt may exist as to the legal validity, effectiveness or enforceability of netting and what action the Reporting Bank has taken as a result;
- (e) counterparty limits are monitored in terms of such net exposures; and
 - (f) potential roll-off exposures, which occur upon maturity of short-dated obligations that are netted against longer dated claims, are monitored.

5.3 A Reporting Bank shall maintain adequate ~~all-necessary~~ documentation in relation to meeting the requirements in Sections 3 and 4 of this Annex at all times.

[MAS Notice 637 (Amendment No. 2) 2014]

Amendments to Part VIII: Market Risk

Amendments to footnote 553 in Annex 8C

Table 8C-1 – Specific Risk Capital Requirement - Specific Risk Charges for Positions other than Securitisation Exposures

Category	Credit Quality Grade as set out in Table 7R-1	Residual term to final maturity	Specific risk charge
Government ⁵⁵²	1	N.A.	0.00%
	2 or 3	6 months or less	0.25%
		more than 6 and up to and including 24 months	1.00%
		more than 24 months	1.60%
	4 or 5	N.A.	8.00%
	6	N.A.	12.00%
	Unrated	N.A.	8.00%
Qualifying ⁵⁵³		6 months or less	0.25%

⁵⁵² The "government" category includes –
(a) all forms of government-issued securities, including bonds, treasury bills and other short-term instruments; and
(b) securities issued by PSEs which qualify for a 0% risk weight under the SA(CR).
An exposure to any security issued by –
(i) the Government or the Authority; or
(ii) other central governments with a credit quality grade of "3" or better as set out in Table 7R-1, which is denominated in the domestic currency and funded by the Reporting Bank in the same currency shall be assigned a 0% specific risk charge.
The Authority may, at its discretion, assign a higher risk charge other than the above to securities issued by certain governments, especially in cases where the securities are denominated in a currency other than that of the issuing government.

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⁵⁵³ The "qualifying" category includes –
(a) any security that is issued by an MDB;
(b) any security issued by a PSE which has a credit quality grade of "3" or better as set out in Table 7R-1 or any unrated security issued by a PSE which belongs to a country with a credit quality grade of "1" as set out in Table 7R-1;
(c) any security which has a credit quality grade of "3" or better as set out in Table 7R-1, from external credit assessments by at least two recognised ECAIs; and

Category	Credit Quality Grade as set out in Table 7R-1	Residual term to final maturity	Specific risk charge
		more than 6 and up to and including 24 months	1.00%
		more than 24 months	1.60%
Others⁵⁵⁴	4	N.A.	8.00%
	5 or 6	N.A.	12.00%
	Unrated	N.A.	8.00%

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(d) subject to supervisory monitoring, any security which has a credit quality grade of "3" or better as set out in Table 7R-1.

Where a security has more than one external credit assessment and these map into different credit quality grades, paragraph 7.3.4 shall apply. A Reporting Bank adopting the IRBA may also include an unrated security in this category if the security is internally rated and associated with a PD equivalent to a credit quality grade of "3" or better as set out in Table 7R-1 and the issuer has securities listed on any ~~approved exchange in Singapore or any recognised group A exchange~~ [regulated exchange](#).

⁵⁵⁴ For securities which have a high yield to redemption relative to government debt securities issued in the same country, the Authority will have the discretion –

- (a) to apply a higher specific risk charge to such instruments; and/or
- (b) to disallow offsetting for the purpose of defining the extent of general market risk between such instruments and any other debt instruments.

Amendments to paragraph 1.4 of Annex 8H

1.4 A Reporting Bank should treat a commodity swap⁵⁵⁹ as a series of notional positions, one for each payment under the swap, each of which equals the total quantity of the commodity underlying the contract, has a maturity ~~equal to the payment date~~ corresponding to each payment and is long or short as follows:

	Receiving amounts unrelated to any commodity's price	Receiving the price of commodity 'b'
Paying amounts unrelated to any commodity's price	N.A.	Long positions in commodity 'b'
Paying the price of commodity 'a'	Short positions in commodity 'a'	Short positions in commodity 'a' and long positions in commodity 'b'

⁵⁵⁹ Where one of the legs involves receiving/paying a fixed or floating interest rate, that exposure shall be slotted into the appropriate re-pricing time-band for interest rate risk as set out in Sub-division 1 of Division 2.

Amendments to Part XI: Public Disclosure Requirements

Division 2: General Requirements

Sub-division 2: Frequency and Timing of Disclosures

Insertion of Paragraph 11.2.3A and amendments to Paragraph 11.2.5

11.2.3A Notwithstanding paragraph 11.2.3(a), a Reporting Bank that has not been notified by the Authority that it is a D-SIB and –

(a) has not been notified by the Authority that it is an internationally active bank; or

(b) is a subsidiary of a banking institution incorporated outside Singapore,

may make the disclosures required under Sub-divisions 2 to 7 and 10 to 13 of Division 3 of this Part, except for disclosure requirements set out in Table 11-1A, as follows:

(i) where the frequency of disclosure for a disclosure requirement set out in Table 11-1 is on a quarterly basis, the Reporting Bank may make such disclosures on a semi-annual basis; and

(ii) where the frequency of disclosure for a disclosure requirement set out in Table 11-1 is on a semi-annual basis, the Reporting Bank may make such disclosures on an annual basis.

11.2.5 For disclosures which are required to be made for a reporting period ending at the close of an annual reporting period in this Part, a Reporting Bank which issues an annual report shall make such disclosure concurrently with the publication of its annual report or financial statements, and in any case no later than 4 months after the end of the reporting period. A Reporting Bank which does not issue an annual report shall make such disclosure no later than 4 months after the end of the reporting period.

Sub-division 4: Omissions

Amendments to Paragraph 11.2.15

11.2.15 A Reporting Bank may omit disclosures required under any item in this Part, marked as qualitative disclosures, if the Reporting Bank -

(a) the ultimate holding company as defined under section 5A of the Companies Act (Cap. 50) of the Reporting Bank is incorporated, formed or established outside Singapore and is a subsidiary of a banking institution that is incorporated outside Singapore and the banking institution is subject to disclosure requirements similar to those set out in this Part apply to the ultimate parent company on a consolidated basis that is inclusive of the operations of the Reporting Bank; and

- (b) ~~the Reporting Bank~~ makes clear reference in the standalone Pillar 3 report to the location of the relevant disclosures made by the ~~ultimate parent company~~ banking institution referred to in sub-paragraph (a).

Division 3: Specific Disclosure Requirements

Sub-division 2: Overview of key prudential metrics, risk management and RWA

Amendments to Table 11-3C

Table 11-3C: Explanatory Notes to Overview of RWA

Definitions	
(a)	<i>RWA in columns (a) and (b)</i> : Risk-weighted assets, including the 1.06 scaling factor under paragraph 7.1.1(b).
(b)	<i>Minimum capital requirements in column (c)</i> : Pillar 1 capital requirements (based on the minimum Total CAR requirement applicable to the Reporting Bank as defined in paragraph 4.1.4) at the reporting date.
(c)	<i>Credit risk (excluding CCR)</i> : This excludes capital requirements for – (i) securitisation exposures (which are reported in row 16); (ii) CVA (which is reported in row 10); and (iii) CCR (which is reported in row 6), i.e. capital requirements for pre-settlement counterparty exposures arising from OTC derivative transactions, long settlement transactions and SFTs and capital requirements for exposures to CCPs included in the calculation of CCP RWA.
(d)	<i>Credit risk (excluding CCR) of which: Standardised Approach</i> : This comprises SA(CR) exposures and SA(EQ) exposures (excluding equity investments in funds held in the banking book, which are reported in rows 12 to 14a).
(e)	<i>Credit risk (excluding CCR) of which: F-IRBA</i> : This comprises IRBA exposures for which the Reporting Bank is using the F-IRBA to calculate credit-risk weighted exposure amounts, and IRBA(EQ) exposures for which the Reporting Bank is using the PD/LGD method under paragraphs 7.5.46 to 7.5.60 to calculate credit risk-weighted exposure amounts (excluding equity investments in funds held in the banking book, which are reported in rows 12 to 14a).
(f)	<i>Supervisory slotting approach</i> : This is in accordance with Sub-division 12 of Division 4 of Part VII.
(g)	<i>Credit risk (excluding CCR) of which: A-IRBA</i> : This comprises IRBA exposures for which the Reporting Bank is using the A-IRBA or the IRBA for the IRBA retail asset class to calculate credit risk-weighted exposure amounts.
(h)	<i>CCR</i> : Row 6 relates to capital requirements for CCR (excluding CVA RWA and including CCP RWA). A Reporting Bank shall report in row 7 of this table, information corresponding to CCR exposures calculated using the SA-CCR in accordance with Annex 70. CVA RWA and CCP RWA are excluded in rows 7 and 8.

(i)	<i>CCR of which: other CCR</i> : Row 9 relates to capital requirements for CCR calculated using a method other than the SA-CCR or CCR internal models method and excludes CVA RWA and CCP RWA, which are reported in rows 10 and 9a respectively.
(j)	<i>CCR of which: CCP</i> : Row 9a relates to capital requirements for CCP exposures.
(k)	<i>CVA</i> : Row 10 relates to capital requirements for CVA calculated in accordance with Annex 7AI.
(l)	<i>Equity exposures under the simple risk weight method</i> : IRBA(EQ) exposures for which the Reporting Bank is using the simple risk weight method under paragraphs 7.5.24 to 7.5.26 to calculate credit risk-weighted exposure amounts (excluding equity investments in funds held in the banking book, which are reported in rows 12 to 14a).
(m)	<i>Equity exposures under the IMM</i> : IRBA(EQ) exposures for which the Reporting Bank is using the IMM under paragraphs 7.5.27 to 7.5.45 to calculate credit risk-weighted exposure amounts (excluding equity investments in funds held in the banking book, which are reported in rows 12 to 14a).
(n)	<i>Equity investments in funds – look-through approach</i> : This is in accordance with paragraphs 7.5.62 to 7.5.66 and 7.5.73.
(o)	<i>Equity investments in funds – mandate-based approach</i> : This is in accordance with paragraphs 7.5.67 to 7.5.69 and 7.5.73.
(p)	<i>Equity investments in funds – fall-back approach</i> : This is in accordance with paragraphs 7.5.70 and 7.5.70A.
(q)	<i>Equity investment in funds – partial use of an approach</i> : This is in accordance with paragraph 7.5.72.
(r)	<i>Unsettled transactions</i> : This is in accordance with paragraphs 7.3.36 to 7.3.40 and paragraphs 7.4.70 to 7.4.74.
(s)	<i>Securitisation exposures in the banking book</i> : The RWA amounts do not systematically correspond to the RWA reported in Tables 11-34 and 11-35, which are before application of the cap.
(t)	<i>Market risk</i> : This includes capital requirements for securitisation exposures booked in the trading book but excludes capital requirements for CCR.
(u)	<i>Operational risk</i> : This is in accordance with Part IX.
(v)	<i>Amounts below the thresholds for deduction (subject to 250% risk weight)</i> : The amounts correspond to items as defined under paragraph 6.1.3(p)(iii), subject to a 250% risk weight.
(w)	<p><i>Floor adjustment</i>: This is the impact of any Pillar 1 floor adjustment on total RWA and total capital such that the total row reflects the total RWA and total capital requirements, after including such an adjustment. A Reporting Bank shall not disclose Pillar 2 adjustments in this row.</p> <p>The floor adjustment on total RWA shall be calculated as</p> <p><i>(Floored total capital resources requirement - total capital requirement without floor) x the reciprocal of the minimum Total CAR requirement applicable to the Reporting Bank</i></p> <p>where –</p>

	<p><i>Floored total capital resources requirement</i> = the Total Capital Resources Requirement of the Reporting Bank when the total capital floor is binding, calculated in accordance with Part V of this Notice;</p> <p><i>total capital requirement without floor</i> = Total Capital Resources Requirement calculated using the approaches adopted by the Reporting Bank under this Notice; and</p> <p><i>Total Capital Resources Requirement</i> is as defined in paragraph 5.1.6.</p> <p><i>Minimum Total CAR requirement applicable to the Reporting Bank</i> is as defined in paragraph 4.1.4.</p> <p>For column (c), the minimum capital requirements attributed to the floor adjustment shall be calculated as the floor adjustment on total RWA multiplied by the minimum Total CAR requirement applicable to the Reporting Bank.</p>
(x)	<i>Total</i> : This is the sum of rows 1, 6, 10, 11, 11a, 12, 13, 14, 14a, 15, 16, 20, 24, 25 and 26.
Linkages across tables	
(y)	Amount in [Table 11-3B:2/a] is equal to [Table 11-14:14/e].
(z)	Amount in [Table 11-3B:3/a + Table 11-3B:4/a + Table 11-3B:5/a] is equal to the sum of [Table 11-17: Total (all portfolios)/i] + [Table 11-21: Specialised lending total RWA for HVCRE and other than HVCRE].
(aa)	Amount in [Table 11-3B:6/a] is equal to the sum of [Table 11-23:6/f + Table 11-30:1/b + Table 11-30:11/b].
(ab)	Amount in [Table 11-3B: 11/a] is equal to [Table 11-21/Equities exposures: Simple risk weight method/Total RWA].
(ac)	Amount in [Table 11-3B: 16/c] is equal to the sum of [Table 11-34:1/n + Table 11-34:1/o + Table 11-34:1/p + Table 11-34:1/q] + [Table 11-35:1/n + Table 11-35:1/o + Table 11-35:1/p + Table 11-35:1/q].
(ad)	Amount in [Table 11-3B:21/a] is equal to [Table 11-38:9/a].
(ae)	Amount in [Table 11-3B:22/a] is equal to [Table 11-39:8/f].

[MAS Notice 637 (Amendment No. 3) 2017]

Sub-division 3: Linkages between financial statements and regulatory exposures

Amendments to Tables 11-6A and 11-6B

Table 11-6A: Prudent Valuation Adjustments

Purpose	To provide a breakdown of the constituent elements of a Reporting Bank's prudent valuation adjustments in accordance with paragraphs 1.17 to 1.21 in Annex 8N. A Reporting Bank shall take into account the guidance set out in <i>Supervisory Guidance for Assessing Banks' Financial Instrument Fair Value Practices</i> issued by the BCBS in April 2009, in particular Principle 10 in providing the breakdown.
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Scope of application	This table is mandatory for all Reporting Banks.
Content	Prudent valuation adjustments for all assets measured at fair value (marked to market or marked to model) and for which valuation adjustments are required. Assets can be non-derivative or derivative instruments.
Frequency	Annual
Format	Fixed. The row numbers cannot be altered. Rows which are not applicable to a Reporting Bank should be filled with "0" and the reason why they are not applicable should be explained in the accompanying narrative.
Accompanying narrative	A Reporting Bank shall supplement the table with a narrative commentary to explain any significant changes over the reporting period and the key drivers of such changes. In particular, Reporting Banks must provide details on other prudent valuation adjustments in row 11, where significant, and define them in the narrative commentary when they are not listed in Annex 8N. Reporting Banks must also explain the types of financial instruments for which high amounts of valuation adjustments are observed.

		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
		Equity	Interest rates	FX	Credit	Commodities	Total	of which: in the trading book	of which: in the banking book
1	Closeout uncertainty								
2	of which: Mid-market value								
3	of which: Closeout cost								
4	of which: Concentration								
5	Early termination								
6	Model risk								
7	Operational risk								
8	Investing and funding costs								
9	Unearned credit spreads								
10	Future administrative costs								
11	Other								
12	Total adjustment								
13	of which:								

exceeds the valuation adjustment under financial reporting standards									
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[MAS Notice 637 (Amendment No. 3) 2017]

Table 11-6B: Explanatory Notes to Prudent Valuation Adjustments

Definitions	
(a)	<i>Closeout cost (in row 3)</i> : Valuation adjustments required to take account of the valuation uncertainty to adjust for the fact that the position level valuations calculated do not reflect an exit price for the position or portfolio. ^{800D}
(b)	<i>Concentration (in row 4)</i> : Valuation adjustments over and above market price and closeout costs that would be required to get to a prudent exit price for positions that are larger than the size of positions for which the valuation has been calculated i.e. cases where the aggregate position held by the institution is larger than normal traded volume or larger than the position sizes on which observable quotes or trades that are used to calibrate the price or inputs used by the core valuation model are based.
(c)	<i>Early termination (in row 5)</i> : Valuation adjustments to take into account the potential losses arising from contractual or non-contractual early terminations of customer trades that are not reflected in the valuation.
(d)	<i>Model risk (in row 6)</i> : Valuation adjustments to take into account valuation model risk which arises due to: (i) the potential existence of a range of different models or model calibrations which are used by users of Pillar 3 data; (ii) the lack of a firm exit price for the specific product being valued; (iii) the use of an incorrect valuation methodology; (iv) the risk of using unobservable and possibly incorrect calibration parameters; or (v) the fact that market or product factors are not captured by the core valuation model.
(e)	<i>Operational risk (in row 7)</i> : Valuation adjustments to take into account the potential losses that may be incurred as a result of operational risk related to valuation processes.
(f)	<i>Investing and funding costs (in row 8)</i> : Valuation adjustments to reflect the valuation uncertainty in the funding costs that other users of Pillar 3 data would factor into the exit price for a position or portfolio. It includes funding valuation adjustments on derivatives exposures.
(g)	<i>Unearned credit spreads (in row 9)</i> : Valuation adjustments to take account of the valuation uncertainty in the adjustment necessary to include the current value of expected losses due to counterparty default on derivative positions, including the valuation uncertainty on CVAs.
(h)	<i>Future administrative costs (in row 10)</i> : Valuation adjustments to take into account the administrative costs and future hedging costs over the expected life of the exposures for which a direct exit price is not applied for the closeout costs. This valuation adjustment has to include the operational costs arising from

^{800D} For example, where such valuations are calibrated to a mid-market price.

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	hedging, administration and settlement of contracts in the portfolio. The future administrative costs are incurred by the portfolio or position but are not reflected in the core valuation model or the prices used to calibrate inputs to that model.
(i)	<i>Other (in row 11)</i> : Valuation adjustments which are required to take into account factors that will influence the exit price but which do not fall in any of the categories listed in paragraph 1.19 in Annex 8N. These should be described by Reporting Banks in the narrative commentary that supports the disclosure.
Linkages across tables	
(j)	[Table 11-6A: 13 12/f] is equal to [11B-1:7/a].

[MAS Notice 637 (Amendment No. 3) 2017]

Sub-division 4: Credit Risk

Amendments to Tables 11-8, 11-8A, 11-10, 11-12 and 11-12A

Table 11-8: Credit Quality of Assets

Purpose	To provide a comprehensive overview of the credit quality of a Reporting Bank's on- and off-balance sheet assets.
Scope of application	This table is mandatory for all Reporting Banks.
Content	Carrying amounts
Frequency	Semi-annually
Format	Fixed
Accompanying narrative	A Reporting Bank shall provide its definition of default.

		(a)	(b)	(c)	(d)	(e)	(f)	(dg)
		Gross carrying amount of		Impairment allowances and impairments	of which: allowances for standardised approach exposures		of which: allowances for IRBA exposures	Net values (a + b - c)
		Defaulted exposures	Non-defaulted exposures		of which: specific allowances	of which: general allowances		
1	Loans							
2	Debt securities							
3	Off-balance sheet exposures							
4	Total							

Table 11-8A: Explanatory Notes of Credit Quality of Assets

Definitions	
(a)	<i>Gross carrying amount:</i> The gross carrying amount is the accounting value before any impairment allowances <u>and impairments</u> but after write-offs. A Reporting Bank shall not take into account any CRM. The gross carrying amount of off-balance sheet exposures, which excludes revocable loan commitments for the purpose of this table, shall be measured as - (a) for guarantees, the maximum amount that a Reporting Bank would have to pay if the guarantees were called, gross of any CCF or CRM; and (b) for irrevocable loan commitments, the total amount that a Reporting Bank has committed to lend, gross of any CCF or CRM.
(b)	<i>Write-offs:</i> This refers <u>to</u> a direct reduction of the carrying amount when a Reporting Bank has no reasonable expectations of recovery.
(c)	<i>Defaulted exposures:</i> This refers to exposures that the Reporting Bank has defined as defaulted for regulatory purposes. For IRBA exposures and IRBA(EQ) exposures, this refers to exposures meeting the definition of default set out in Annex 7X.
(d)	<i>Non-defaulted exposures:</i> This refers to any exposures that are not defaulted exposures.
(e)	<i>Impairment</i> <i>allowances and impairments:</i> This refers to the total amount of impairment, made via an allowance against impaired and non-impaired exposures in accordance with the Accounting Standards specific and general allowances. <u>The categorisation of specific allowances and general allowances for standardised approach exposures must be consistent with the information provided in Table 11-10.</u>
(f)	<i>Net values:</i> This is the total gross carrying amount less impairment allowances <u>and impairments</u> .
Linkages across tables	
(g)	Amount in [Table 11-8:1/ dg] is equal to the sum [Table 11-12:1/a + Table 11-12:1/b + Table 11-12:1/d + Table 11-12:1/f].
(h)	Amount in [Table 11-8:2/ dg] is equal to the sum [Table 11-12:2/a + Table 11-12:2/b + Table 11-12:2/d + Table 11-12:2/f].
(i)	Amount in [Table 11-8:1/a + Table 11-8:2/a] is equal to [Table 11-9:6/a].

Table 11-10: Additional Disclosures related to the Credit Quality of Assets

Purpose	To provide information on the credit quality of a Reporting Bank's assets.
Scope of application	This table is mandatory for all Reporting Banks.
Content	Qualitative and quantitative (carrying amounts) information
Frequency	Annually
Format	Flexible

Qualitative Disclosures	
A Reporting Bank shall provide a description of -	
(a)	Scope and definitions of past due and impaired exposures in accordance with the Accounting Standards and the differences, if any, between the definition of past due and default for accounting and regulatory purposes.
(b)	Extent of exposures that are past due for more than 90 days which are not considered to be impaired and its justifications.
(c)	Methods used for determining if an exposure is impaired specific allowances and general allowances, and information on the rationale for the categorisation of specific allowances and general allowances for standardised approach exposures.
(d)	Definition of a restructured exposure.
Quantitative Disclosures	
(e)	Breakdown of credit risk exposures by geographical areas, industry and residual maturity.
(f)	Amounts of impaired exposures (using the definition of impairment in accordance with the Accounting Standards) and related allowances and write-offs, broken down by geographical areas and industry.
(g)	Ageing analysis of past due exposures in accordance with the Accounting Standards.
(h)	Breakdown of restructured exposures, by impaired and non-impaired exposures.

Table 11-12: Overview of CRM Techniques

Purpose	To provide information on the extent of usage of CRM techniques.
Scope of application	This table is mandatory for all Reporting Banks.
Content	Carrying amounts. A Reporting Bank shall include all CRM techniques used to reduce capital requirements and shall disclose all secured exposures, irrespective of whether the SA(CR) or IRBA is used for RWA calculation.
Frequency	Semi-annually
Format	Fixed. In the event that a Reporting Bank is unable to categorise exposures secured by collateral, financial guarantees and credit derivatives into loans and debt securities, the Reporting Bank may merge row 1 and row 2 or divide the amount by the pro-rata weight of gross carrying amounts. The Reporting Bank shall explain which method it adopted.
Accompanying narrative	A Reporting Bank shall explain any significant changes over the semi-annual reporting period and key drivers of such changes.

		(a)	(b)	(c)	(d)	(e)	(fe)	(g)
		Carrying amount of unsecured exposures Exposures unsecured	Exposures secured by collateral	Exposures secured by collateral, of which: secured amount	Exposures secured by financial guarantees	Exposures secured by financial guarantees, of which: secured amount	Exposures secured by credit derivatives	Exposures secured by credit derivatives, of which: secured amount
1	Loans							
2	Debt securities							
3	Total							
4	Of which: defaulted							

Table 11-12A: Explanatory Notes of Overview of CRM Techniques

Instructions	
(a)	Carrying amount of unsecured exposures <u>unsecured</u> : This refers to the carrying amount of exposures (net of impairment allowances and impairments) that do not benefit from a CRM technique.
(b)	<u>Exposures secured</u> : This refers to the carrying amount of exposures that is secured by at least one CRM technique. The allocation of the carrying amount of multi-secured exposures to their different CRM techniques is by the order which the CRM techniques are to be called first in the event of loss, within the limits of the carrying amount of the secured exposures.
(b) (c)	<u>Exposures secured by collateral</u> : This refers to the carrying amount of exposures (net of impairment allowances and impairments) partly or totally secured by collateral, regardless of what portion of the original exposure is secured . <u>Where an exposure is secured by collateral and other CRM techniques, the carrying amount of the exposure secured by collateral is the remaining share of the exposure secured by collateral after consideration of the shares of the exposure already secured by other CRM techniques expected to be called beforehand in the event of a loss, without considering over-collateralisation.</u>
(c) (e)	Exposures secured by collateral, of which secured amount : This refers to the amount of the exposure portions, which are secured by collateral. Where the value of the collateral (i.e. the amount that the collateral can be settled for) exceeds the amount of the exposure, the Reporting Bank shall report the exposure amount (i.e. the Reporting Bank shall not report the over-collateralisation).
(d)	<u>Exposures secured by financial guarantees</u> : This refers to the carrying amount of exposures (net of impairment allowances and impairments) partly or totally secured by financial guarantees, regardless of what portion of the original exposure is guaranteed . <u>Where an exposure is secured by financial guarantees and other CRM techniques, the carrying amount of the exposure secured by financial guarantees is the remaining share of the exposure secured by financial guarantees after consideration of the shares of the exposure already secured by other CRM techniques expected to be called beforehand in the event of a loss, without considering over-collateralisation.</u>
(e) (e)	Exposures secured by financial guarantees, of which secured amount : This refers to the amount of the exposure portions, which are covered by the financial guarantee. Where the value of the guarantee (i.e. the amount that can be obtained if the guarantee is called) is above the amount of the exposure, the Reporting Bank shall report the exposure amount (i.e. the Reporting Bank shall not report the excess value).
(f) (e)	<u>Exposures secured by credit derivatives</u> : This refers to the carrying amount of exposures (net of impairment allowances and impairments) partly or totally secured by credit derivatives, regardless of what portion of the original exposure is secured . <u>Where an exposure is secured by credit derivatives and other CRM techniques, the carrying amount of the exposure secured by credit derivatives is the remaining share of the exposure secured by credit derivatives after consideration of the shares of</u>

	<u>the exposure already secured by other CRM techniques expected to be called beforehand in the event of a loss, without considering over-collateralisation.</u>
(g)	<i>Exposures secured by credit derivatives, of which secured amount:</i> This refers to the amount of the exposure portions, which are secured by the credit derivatives. Where the value of the credit derivative (i.e. amount that the credit derivative can be settled for) is above the amount of the exposure, the Reporting Bank shall report the exposure amount (i.e. the Reporting Bank shall not report the excess value).

Amendments to Part XII: Reporting Schedules

Insertion of reference to new Reporting Schedule 5H in Table 12-1

Division 1: Introduction

12.1.1 A Reporting Bank shall submit to the Authority, information relating to its capital adequacy calculated according to the requirements and guidelines of this Notice in the format of the reporting schedules set out in Annexes 12A to 12E and such other reporting schedules as the Authority may specify. A summary of the reporting schedules in Annexes 12A to 12E is set out in the Table 12-1 below.

Table 12-1: Summary of Reporting Schedules in Annexes 12A to 12E

Section		Annex/Schedule
1	Capital Adequacy Reporting Schedules	Annex 12A
	Statement of CET1 CAR, Tier 1 CAR and Total CAR	Schedule 1A
	Capital Treatment of Allowances [MAS Notice 637 (Amendment No. 2) 2012]	Schedule 1B
	Leverage Ratio [MAS Notice 637 (Amendment) 2014, with effect from 31 December 2015]	Schedule 1C
	Countercyclical Buffer [MAS Notice 637 (Amendment No. 2) 2017]	Schedule 1D
2	Credit Risk Reporting Schedules	Annex 12B
	Summary of Credit RWA	Schedule 2
2-1	SA(CR)	Schedule 2-1A
2-2	F-IRBA for Wholesale Asset Class	
	Sovereign Asset Sub-Class	Schedule 2-2A
	Bank Asset Sub-Class	Schedule 2-2B
	Corporate Asset Sub-Class	Schedule 2-2C
	Corporate Small Business Asset Sub-Class	Schedule 2-2D
	SL Asset Sub-Class : IPRE	Schedule 2-2E
	SL Asset Sub-Class : PF/OF/CF	Schedule 2-2F
	HVCRE Asset Sub-Class	Schedule 2-2G
	Exposures Subject to Double Default Framework	Schedule 2-2H
2-3	A-IRBA for Wholesale Asset Class	
	Sovereign Asset Sub-Class	Schedule 2-3A
	Bank Asset Sub-Class	Schedule 2-3B
	Corporate Asset Sub-Class	Schedule 2-3C

Section		Annex/Schedule
	Corporate Small Business Asset Sub-Class SL Asset Sub-Class : IPRE SL Asset Sub-Class : PF / OF / CF HVCRE Asset Sub-Class Exposures Subject to Double Default Framework	Schedule 2-3D Schedule 2-3E Schedule 2-3F Schedule 2-3G Schedule 2-3H
2-4	Supervisory Slotting Criteria	Schedule 2-4A
2-5	IRBA for Retail Asset Class Residential Mortgage Asset Sub-Class QRRE Asset Sub-Class Other Retail Exposures Asset Sub-Class (Excluding Exposures to Small Business) Other Retail Small Business Exposures Asset Sub-Class	Schedule 2-5A Schedule 2-5B Schedule 2-5C Schedule 2-5D
2-6	Equity Exposures SA(EQ) IRBA(EQ)	Schedule 2-6A Schedule 2-6B
2-7	Securitisation Exposures Securitisation [MAS Notice 637 (Amendment No. 2) 2017]	Schedule 2-7
2-8	Unsettled Transactions [MAS Notice 637 (Amendment No. 2) 2014]	Schedule 2-8A
3	Market Risk Reporting Schedules	Annex 12C
	Summary of Market RWA	Schedule 3
3-1	SA(MR) Interest Rate Risk Interest Rate Risk (General Market Risk) Equity Risk Foreign Exchange Risk Commodities Risk Options Position Risk	Schedule 3-1A Schedule 3-1B Schedule 3-1C Schedule 3-1D Schedule 3-1E Schedule 3-1F
3-2	IMA	Schedule 3-2A
4	Operational Risk Reporting Schedules	Annex 12D
	Summary of Operational RWA BIA, SA(OR), ASA, AMA Operational Loss Details	Schedule 4 Schedule 4-1A Schedule 4-2A
5	Other Reporting Schedules	Annex 12E

Section		Annex/Schedule
	Off-Balance Sheet Exposures (Excluding Derivative Transactions and Securitisation Exposures)	Schedule 5A
	OTC Derivative Transactions and Credit Derivatives	Schedule 5B
	Inflows into and Outflows from Asset Sub-classes due to Credit Protection	Schedule 5C
	Credit Valuation Adjustments	Schedule 5D
	Eligible Financial Collateral and Eligible IRBA Collateral	Schedule 5E
	Exposures to CCPs	Schedule 5F
	Interest Rate Risk in the Banking Book	Schedule 5G
	[MAS Notice 637 (Amendment No. 2) 2014]	
	[MAS Notice 637 (Amendment No. 2) 2018]	
	Qualifying On-Balance Sheet Netting Agreements	Schedule 5H

Amendments to Schedule 2-1A

**MAS NOTICE 637: CREDIT RISK REPORTING SCHEDULES
SCHEDULE 2-1A**

Annex 12B

SA(CR)

Name of the Reporting Bank: _____

Statement as at: _____

Scope of Reporting: _____

(In \$ million)

1. Cash Items

- (a) Cash and cash equivalents
- (b) Gold bullion held in own vault or on an allocated basis backed by gold bullion liabilities
- (c) Receivable funds from DVP transactions up to and including the fourth business day after the settlement date
- (d) Cheques and other items in process of collection

Total for Cash Items

Notional Amount	Risk Weight	Credit RWA
(a)	(b)	(c=a*b)
_____	0%	_____
_____	0%	_____
_____	0%	_____
_____	20%	_____
_____	_____	_____

2. Central Government and Central Bank Asset Class

- (a) On-balance Sheet Exposures
 - Risk Weight 0%
 - Risk Weight 20%
 - Risk Weight 50%
 - Risk Weight 100%
 - Risk Weight 150%
- (b) Off-balance Sheet Exposures (excluding OTC Derivative Transactions & SFTs)
 - Risk Weight 0%
 - Risk Weight 20%
 - Risk Weight 50%
 - Risk Weight 100%
 - Risk Weight 150%
- (c) OTC Derivative Transactions
 - Risk Weight 0%
 - Risk Weight 10%
 - Risk Weight 20%
 - Risk Weight 50%
 - Risk Weight 100%
 - Risk Weight 150%
- (d) SFTs
 - Risk Weight 0%
 - Risk Weight 10%
 - Risk Weight 20%
 - Risk Weight 50%
 - Risk Weight 100%
 - Risk Weight 150%

Total for Central Government and Central Bank Asset Class

- (e) Materiality threshold below which no payment will be made by the protection provider in the event of loss on a SA exposure

Total for Central Government and Central Bank Asset Class (Inclusive of the RWA due to the materiality threshold)

Notional Amount	Before CRM		Net Exposure	CRM Adjustments				After CRM	Risk Weight	Credit RWA
	Before applying qualifying bilateral netting agreements	After applying qualifying bilateral netting agreements (other than SFTs) and qualifying on-balance sheet netting agreements		(Outflows) due to Credit Protection Bought	Inflows due to Credit Protection Sold	Redistribution of Net Exposures due to FC(SA)	Decrease in Net Exposure due to FC(CA)			
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)=(d+e+f+g-h)	(j)	(k=i*j)
_____	_____	_____	_____	_____	_____	_____	_____	_____	0%	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	20%	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	50%	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	100%	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	150%	_____
Sub-Total	_____	_____	_____	_____	_____	Sum to zero	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	0%	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	20%	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	50%	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	100%	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	150%	_____
Sub-Total	_____	_____	_____	_____	_____	Sum to zero	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	0%	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	10%	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	20%	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	50%	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	100%	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	150%	_____
Sub-Total	_____	_____	_____	_____	_____	Sum to zero	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	0%	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	10%	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	20%	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	50%	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	100%	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	150%	_____
Sub-Total	_____	_____	_____	_____	_____	Sum to zero	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	Materiality Threshold Amount	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	1250%	_____

Amendments to Schedule 2-1A

**MAS NOTICE 637: CREDIT RISK REPORTING SCHEDULES
SCHEDULE 2-1A**

Annex 12B

SA(CR)

Name of the Reporting Bank:

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Statement as at:

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Scope of Reporting:

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	National Amount	Before CRM		Net Exposure	CRM Adjustments				After CRM Net Exposure	Risk Weight	Credit RWA
		Gross Exposure			(Outflows) due to Credit Protection Bought	Inflows due to Credit Protection Sold	Redistribution of Net Exposures due to FC(CA)	Decrease in Net Exposure due to FC(CA)			
		Before applying qualifying bilateral netting agreements	After applying qualifying bilateral netting agreements (other than SFTs) and qualifying on-balance sheet netting agreements								
				(a)	(b)	(c)	(d)	(e-f+g-h)	(i)	(k-l)	
3. PSE Asset Class											
(a) On-balance Sheet Exposures											
Risk Weight 0%									0%		
Risk Weight 20%									20%		
Risk Weight 50%									50%		
Risk Weight 100%									100%		
Risk Weight 150%									150%		
Sub-Total							Sum to zero				
(b) Off-balance Sheet Exposures (excluding OTC Derivative Transactions & SFTs)											
Risk Weight 0%									0%		
Risk Weight 20%									20%		
Risk Weight 50%									50%		
Risk Weight 100%									100%		
Risk Weight 150%									150%		
Sub-Total							Sum to zero				
(c) OTC Derivative Transactions											
Risk Weight 0%									0%		
Risk Weight 10%									10%		
Risk Weight 20%									20%		
Risk Weight 50%									50%		
Risk Weight 100%									100%		
Risk Weight 150%									150%		
Sub-Total							Sum to zero				
(d) SFTs											
Risk Weight 0%									0%		
Risk Weight 10%									10%		
Risk Weight 20%									20%		
Risk Weight 50%									50%		
Risk Weight 100%									100%		
Risk Weight 150%									150%		
Sub-Total							Sum to zero				
Total for PSE Asset Class											
									Materiality Threshold Amount		
(e) Materiality threshold below which no payment will be made by the protection provider in the event of loss on a SA exposure										1250%	
Total for PSE Asset Class (Inclusive of the RWA due to the materiality threshold)											
4. MDB Asset Class											
(a) On-balance Sheet Exposures											
Risk Weight 0%									0%		
Risk Weight 20%									20%		
Risk Weight 50%									50%		
Risk Weight 100%									100%		
Risk Weight 150%									150%		
Sub-Total							Sum to zero				
(b) Off-balance Sheet Exposures (excluding OTC Derivative Transactions & SFTs)											
Risk Weight 0%									0%		
Risk Weight 20%									20%		
Risk Weight 50%									50%		
Risk Weight 100%									100%		
Risk Weight 150%									150%		
Sub-Total							Sum to zero				
(c) OTC Derivative Transactions											
Risk Weight 0%									0%		
Risk Weight 10%									10%		
Risk Weight 20%									20%		
Risk Weight 50%									50%		
Risk Weight 100%									100%		
Risk Weight 150%									150%		
Sub-Total							Sum to zero				
(d) SFTs											
Risk Weight 0%									0%		
Risk Weight 10%									10%		
Risk Weight 20%									20%		
Risk Weight 50%									50%		
Risk Weight 100%									100%		
Risk Weight 150%									150%		
Sub-Total							Sum to zero				
Total for MDB Asset Class											
									Materiality Threshold Amount		
(e) Materiality threshold below which no payment will be made by the protection provider in the event of loss on a SA exposure										1250%	
Total for MDB Asset Class (Inclusive of the RWA due to the materiality threshold)											

MAS NOTICE 637: CREDIT RISK REPORTING SCHEDULES
SCHEDULE 2-1A

SA(CR)

Name of the Reporting Bank:

Statement as at:

Scope of Reporting:

5. Bank Asset Class

- (a) On-balance Sheet Exposures
 - Risk Weight 0%
 - Risk Weight 20%
 - Risk Weight 50%
 - Risk Weight 100%
 - Risk Weight 150%

National Amount	Before CRM		Net Exposure	CRM Adjustments				After CRM Net Exposure	Risk Weight	Credit RWA
	Before applying qualifying netting agreements	After applying qualifying bilateral netting agreements (other than SFTs) and qualifying on-balance sheet netting agreements		(Outflows) due to Credit Protection Bought	Inflows due to Credit Protection Sold	Redistribution of Net Exposures due to FC(SA)	Decrease in Net Exposure due to FC(CA)			
	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)=(j)	
Sub-Total						Sum to zero				

(b) Off-balance Sheet Exposures (excluding OTC Derivative Transactions & SFTs)

- Risk Weight 0%
- Risk Weight 20%
- Risk Weight 50%
- Risk Weight 100%
- Risk Weight 150%

Sub-Total						Sum to zero			
-----------	--	--	--	--	--	-------------	--	--	--

(c) OTC Derivative Transactions

- Risk Weight 0%
- Risk Weight 10%
- Risk Weight 20%
- Risk Weight 50%
- Risk Weight 100%
- Risk Weight 150%

Sub-Total						Sum to zero			
-----------	--	--	--	--	--	-------------	--	--	--

(d) SFTs

- Risk Weight 0%
- Risk Weight 10%
- Risk Weight 20%
- Risk Weight 50%
- Risk Weight 100%
- Risk Weight 150%

Sub-Total						Sum to zero			
-----------	--	--	--	--	--	-------------	--	--	--

Total for Bank Asset Class

- (e) Materiality threshold below which no payment will be made by the protection provider in the event of loss on a SA exposure

Materiality Threshold Amount	
	1250%

Total for Bank Asset Class (Inclusive of the RWA due to the materiality threshold)

6. Corporate Asset Class

- (a) On-balance Sheet Exposures
 - Risk Weight 0%
 - Risk Weight 20%
 - Risk Weight 50%
 - Risk Weight 100%
 - Risk Weight 150%

Sub-Total						Sum to zero			
-----------	--	--	--	--	--	-------------	--	--	--

(b) Off-balance Sheet Exposures (excluding OTC Derivative Transactions & SFTs)

- Risk Weight 0%
- Risk Weight 20%
- Risk Weight 50%
- Risk Weight 100%
- Risk Weight 150%

Sub-Total						Sum to zero			
-----------	--	--	--	--	--	-------------	--	--	--

(c) OTC Derivative Transactions

- Risk Weight 0%
- Risk Weight 10%
- Risk Weight 20%
- Risk Weight 50%
- Risk Weight 100%
- Risk Weight 150%

Sub-Total						Sum to zero			
-----------	--	--	--	--	--	-------------	--	--	--

(d) SFTs

- Risk Weight 0%
- Risk Weight 10%
- Risk Weight 20%
- Risk Weight 50%
- Risk Weight 100%
- Risk Weight 150%

Sub-Total						Sum to zero			
-----------	--	--	--	--	--	-------------	--	--	--

Total for Corporate Asset Class

- (e) Materiality threshold below which no payment will be made by the protection provider in the event of loss on a SA exposure

Materiality Threshold Amount	
	1250%

Total for Corporate Asset Class (Inclusive of the RWA due to the materiality threshold)

Amendments to Schedule 2-1A

MAS NOTICE 637: CREDIT RISK REPORTING SCHEDULES
SCHEDULE 2-1A

Annex 12B

SA(CR)

Name of the Reporting Bank:

Statement as at:

Scope of Reporting:

	Before CRM			CRM Adjustments				After CRM	Risk Weight	Credit RWA
	Netional Amount	Gross Exposure		(Outflows) due to Credit Protection Bought	Inflows due to Credit Protection Sold	Redistribution of Net Exposures due to FC(SA)	Decrease in Net Exposure due to FC(CA)	Net Exposure		
		Before applying qualifying bilateral netting agreements	After applying qualifying bilateral netting agreements (other than SFTs) and qualifying on-balance sheet netting agreements	(a)	(f)	(g)	(h)	(i)=(a+f+g-h)	(j)	(k)=(j)
7. Regulatory Retail Asset Class										
(a) On-balance Sheet Exposures										
Risk Weight 0%									0%	
Risk Weight 20%									20%	
Risk Weight 50%									50%	
Risk Weight 75% - Exposures to individuals									75%	
Risk Weight 75% - Exposures to small business									75%	
Risk Weight 100%									100%	
Risk Weight 150%									150%	
Sub-Total						Sum to zero				
(b) Off-balance Sheet Exposures (excluding OTC Derivative Transactions & SFTs)										
Risk Weight 0%									0%	
Risk Weight 20%									20%	
Risk Weight 50%									50%	
Risk Weight 75% - Exposures to individuals									75%	
Risk Weight 75% - Exposures to small business									75%	
Risk Weight 100%									100%	
Risk Weight 150%									150%	
Sub-Total						Sum to zero				
(c) OTC Derivative Transactions										
Risk Weight 0%									0%	
Risk Weight 10%									10%	
Risk Weight 20%									20%	
Risk Weight 50%									50%	
Risk Weight 75% - Exposures to individuals									75%	
Risk Weight 75% - Exposures to small business									75%	
Risk Weight 100%									100%	
Risk Weight 150%									150%	
Sub-Total						Sum to zero				
(d) SFTs										
Risk Weight 0%									0%	
Risk Weight 10%									10%	
Risk Weight 20%									20%	
Risk Weight 50%									50%	
Risk Weight 75% - Exposures to individuals									75%	
Risk Weight 75% - Exposures to small business									75%	
Risk Weight 100%									100%	
Risk Weight 150%									150%	
Sub-Total						Sum to zero				
Total for Regulatory Retail Asset Class										
(e) Materiality threshold below which no payment will be made by the protection provider in the event of loss on a SA exposure								Materiality Threshold Amount		
Total for Regulatory Retail Asset Class (Inclusive of the RWA due to the materiality threshold)									1250%	
8. Residential Mortgage Asset Class										
(a) On-balance Sheet Exposures										
Risk Weight 0%									0%	
Risk Weight 20%									20%	
Risk Weight 35%									35%	
Risk Weight 50%									50%	
Risk Weight 75%									75%	
Risk Weight 100%									100%	
Sub-Total						Sum to zero				
(b) Off-balance Sheet Exposures										
Risk Weight 0%									0%	
Risk Weight 20%									20%	
Risk Weight 35%									35%	
Risk Weight 50%									50%	
Risk Weight 75%									75%	
Risk Weight 100%									100%	
Sub-Total						Sum to zero				
Total for Residential Mortgage Asset Class										
(c) Materiality threshold below which no payment will be made by the protection provider in the event of loss on a SA exposure								Materiality Threshold Amount		
Total for Residential Mortgage Asset Class (Inclusive of the RWA due to the materiality threshold)									1250%	
8A. CRE Asset Class										
(a) On-balance Sheet Exposures										
Risk Weight 0%									0%	
Risk Weight 20%									20%	
Risk Weight 35%									35%	
Risk Weight 50%									50%	
Risk Weight 75%									75%	
Risk Weight 100%									100%	
Risk Weight 150%									150%	
Sub-Total						Sum to zero				
(b) Off-balance Sheet Exposures										
Risk Weight 0%									0%	
Risk Weight 20%									20%	
Risk Weight 35%									35%	
Risk Weight 50%									50%	
Risk Weight 75%									75%	
Risk Weight 100%									100%	
Risk Weight 150%									150%	
Sub-Total						Sum to zero				
Total for CRE Asset Class										
(c) Materiality threshold below which no payment will be made by the protection provider in the event of loss on a SA exposure								Materiality Threshold Amount		
Total for CRE Asset Class (Inclusive of the RWA due to the materiality threshold)									1250%	

QUALIFYING ON-BALANCE SHEET NETTING AGREEMENTS

Name of the Reporting Bank:

Statement as at:

Scope of Reporting:

(In S\$ million)

Asset Class	Gross Exposure before recognition of netting (a)	Amount of Deposits applied in recognition of netting (b)	Net Exposure After recognition of netting (c=a-b)
1. SA(CR)			
(i) Central Government & Central Bank Asset Class	(d) <input type="text"/>	<input type="text"/>	<input type="text"/>
(ii) PSE Asset Class	(e) <input type="text"/>	<input type="text"/>	<input type="text"/>
(iii) MDB Asset Class	(f) <input type="text"/>	<input type="text"/>	<input type="text"/>
(iv) Bank Asset Class	(g) <input type="text"/>	<input type="text"/>	<input type="text"/>
(v) Corporate Asset Class	(h) <input type="text"/>	<input type="text"/>	<input type="text"/>
(vi) Regulatory Retail Asset Class	(i) <input type="text"/>	<input type="text"/>	<input type="text"/>
(vii) Residential Mortgage Asset Class	(j) <input type="text"/>	<input type="text"/>	<input type="text"/>
(viii) CRE Asset Class	(k) <input type="text"/>	<input type="text"/>	<input type="text"/>
(ix) Other Exposures	(l) <input type="text"/>	<input type="text"/>	<input type="text"/>
Sub-Total	(m=SUM(d:l)) <input type="text"/>	<input type="text"/>	<input type="text"/>

Asset Sub-class	Gross Exposure before recognition of netting (aa)	Amount of Deposits applied in recognition of netting (bb)	Net Exposure After recognition of netting (cc=aa-bb)
2. IRBA			
(i) Sovereign Asset Sub-class	(dd) <input type="text"/>	<input type="text"/>	<input type="text"/>
(ii) Bank Asset Sub-class	(ee) <input type="text"/>	<input type="text"/>	<input type="text"/>
(iii) Corporate Asset Sub-class	(ff) <input type="text"/>	<input type="text"/>	<input type="text"/>
(iv) Corporate Small Business Asset Sub-class	(gg) <input type="text"/>	<input type="text"/>	<input type="text"/>
(v) SL Asset Sub-class (IPRE)	(hh) <input type="text"/>	<input type="text"/>	<input type="text"/>
(vi) SL Asset Sub-class (OF/OF/CF)	(ii) <input type="text"/>	<input type="text"/>	<input type="text"/>
(vii) HVCRE Asset Sub-class	(jj) <input type="text"/>	<input type="text"/>	<input type="text"/>
(viii) Residential Mortgage Asset Sub-class	(kk) <input type="text"/>	<input type="text"/>	<input type="text"/>
(ix) QRRE Asset Sub-class	(ll) <input type="text"/>	<input type="text"/>	<input type="text"/>
(x) Other Retail Asset Sub-class	(mm) <input type="text"/>	<input type="text"/>	<input type="text"/>
Sub-Total	nn=SUM(dd:mm)) <input type="text"/>	<input type="text"/>	<input type="text"/>

3. Total (m+nn)