Q-17

BASLE II

PACKAGE OF BANK PRUDENTIAL RETURNS AND GUIDANCE NOTES CONCERNING STANDARDIZED APPROACH

SAUDI ARABIAN MONETARY AGENCY
BANKING SUPERVISION DEPARTMENT
MARCH 2007

GUIDANCE NOTES AND PRUDENTIAL RETURNS
BASLE II – STANDARDIZED APPROACH

A. PILLAR 1

B. PILLAR 2

PILLAR 1

GENERAL GUIDANCE NOTES GN-1

GUIDANCE NOTES

I. GENERAL GUIDANCE NOTES

1. These returns are related to the section on Standardized Approaches of the Basle II document issued by the Basle Committee in July, 2006 entitled "International Convergence of Capital Measurement and Capital Standards: A Revised Framework, Comprehensive Version".

   This document incorporates all the Basel II related documents including the one issued in June, 2006 in a single document but does not make any substantial adjustment to their contents.

2. These returns apply to conventional and Islamic banking operations and are to be prepared on a consolidated and solo basis, and are to be submitted to SAMA on a quarterly basis starting 31 March, 2008. Solo basis refers to major operating banking subsidiaries owned by a banking group.

3. Guidance to prepare these returns is to be obtained from SAMA's Detailed Guidance Document consultative draft # 2 issued in June, 2006 (referred to as SAMA's document in these Notes), as well as the document issued by the Basle Committee in June 2006 entitled "Internal Convergence of Capital Measurement and Capital Standards - A revised Framework, Comprehensive version" referred to as the Basle Committee Document in these notes. In this regard, references have been made on these prudential returns to the applicable paragraphs of these Documents.

4. Prudential Returns for the IRB approaches for credit risk and Advanced Management Approaches for Operational Risk will be issued by SAMA in due course. In specific the following options within the Basle II framework are covered in these returns.

   - Credit Risk : Standardized Approach
   - Market Risk : Standardized Approach or Internal Models
   - Operational Risk : Basic Indicator Approach or the Standardized or the Alternative Standardized Approaches.

5. All amounts are to be expressed in SR. 000's.
All monetary assets have to be accounted for in accordance with IAS #39.

6. Returns Related to Credit Risk

- Returns relating to credit risk include Q 17.4 to Q 17.6 series, and accordingly they cover credit risk relating to on balance sheet, off balance sheet and derivative activities.
- A bottom-up approach is employed and in this regard, banks should complete all applicable returns starting from Q 17.5 and Q 17.6 series. These returns are the building blocks and through internal cross referencing and other linkages, amounts relating to net exposure value, risk classifications, risk weights and capital requirement for credit risk are developed and linked to Q 17.4, and Q 17.2.
- For the present, all investments made by banks into securitized assets are to be risk weighted at 100% until further guidance is issued by SAMA.
- Capital Requirements for Credit Risk are brought forward to Q 17.2 for capital adequacy ratio calculation.
- Returns Q 17.4, Q 17.5 and Q 17.6 Column 1 represents the original book values prior to:
  i. Fair valuing of concerned assets.
  ii. Application of credit conversion factors for Off Balance Sheet items.
  iii. Replacement cost methodology for derivative.

7. Returns Relating to Market risk

- Market Risk Capital charges are covered in Return Nos. Q17.7, Q 17.7.1, Q 17.7.2 and Q 17.7.3.
- Both the Standardized Approach and the Internal Models are permitted.
- For the above alternatives, relevant details, on Risk Weighted Assets and Capital Requirements are to be obtained from the Methodology and Returns relating to market risk issued by SAMA in Dec. 2004 under circular # BCS 355 of 29.12.2004 Entitled "Capital Adequacy Requirements for Market Risk".
- Applicable VaR capital requirements and value at risk calculations are to be obtained from the following SAMA prudential returns:
  - Standardized Approach: Return Q 14.a – Section 5
  - Section 2.11 - Debt securities - Specific Risk
  - Section 2.12 - Debt Securities - General Risk
  - Section 2.2 - Equity Risk
  - Section 2.3 - Foreign Exchange Risk
  - Section 2.4 - Commodity risk

- Section 3.1 & 3.2 - Options
- Internal Models - Return Q 14 A – Section 4.
- An additional return relating to Settlement and Delivery risk is being incorporated - Q 17.7.3
- Capital requirements for Market Risk determined under the Standardized Approach or through Internal Models and Settlement and Delivery Risks are linked to Q 17.2 for Capital Adequacy ratio calculation.

8. <u>Others</u>

8.1 <u>Issuer vs. Issue Assessments</u>
Banks must apply Issue specific assessment by Moodys, Fitch and S&P. However, in the absence of an issue specific assessment, the general principle outlined in the Basle document Para 99, 100 and 101 will apply.

8.2 <u>Mutual Funds</u>
All Mutual Funds will be Risk weighted like any other monetary asset i.e. according to their external rating or as unrated.

9. <u>Operational Risk</u>

- Returns relating to Operational Risk include Q 17.8, Q 17.8.1 and Q 17.8.2.
- Capital requirements relating to Operational risk are to be computed on the basis of any of the following options:
  - Basic indicator Approach.
  - Standardized Approach or the Alternative Standardized Approach.

- Calculated operational risk capital requirements are to be brought forward in the appropriate column on return # Q 17.2.
- Banks are expected to have a working operational risk management system under both approaches.
- In order to ensure that the Banks are in compliance with operational risk management system requirements set by SAMA, in its detailed Guidance Document of June 2006, the following prudential controls are to be complied with.

  - Basic Indicator Approach: Banks to submit a document outlining the major features of their operational risk management system. SAMA shall verify through on site supervisory visits or through regular inspections.

  - Standardized Approach an Alternative Standardized Approach: Banks will be expected to collect relevant data and complete the returns Q 17.8.1 and Q 17.8.2 returns.

ADDITIONAL GUIDANCE NOTES GN-2

Additional Guidance Notes

1 On-balance Sheet Assets Portfolio Classifications may include the following;

- Total sovereign and Central Banks
  - SAMA and Saudi Government
  - Other Sovereigns and Central Banks
- Public sector entities (PSEs)
- Multilateral Development banks (MDBs)
- Banks and Securities firms
- Corporates
- Total Retail Non Mortgages
  - Retail SBFE's[1]
  - Other Retail Non Mortgages
- Total Mortgages – Retail and Commercial
  - Mortgages - Retail
  - Commercial mortgages
- Securitized Assets
- Equities
- Other assets
- Past due exposures (No allowance is being currently made for qualifying residential mortgage outlined in para 75 of the based document)

The portfolios are mutually exclusive and therefore any given asset should be reported under only one of these with the exception where total and components are separately identified. For instance, any asset which is past due should only be reported as such.

2. Determination of Risk Weights

The risk weights for an exposure or a credit risk mitigant is determined by its credit assessment made by an External Credit Assessment Institution (ECAI). For eligible ECAI's (Moody's, Fitch, S&P, CI, etc), SAMA shall be mappings their credit risk assessments to risk weights available under the Standardized Approach.

2.1 Risk Weighting for Saudi Arabia and GCC Sovereigns.

A O% risk weight is to be applied for Saudi Arabia and other GCC Sovereigns.

3. Multilateral Development Banks

The following institutions are classified as Multilateral Development[2] Banks (MBDs) by SAMA for the purpose of these returns:

- The Islamic Development Bank*
- The African Development Bank*

[1] Small Business Facilities Enterprises – Refer to Para 4.1 of SAMA's Document.

[2] This list is subject to change, and Banks may seek specific guidance on specific MBD's.

* These MDB's are high rated and qualify for = 0% Risk Weight.

- Nordic Investment Bank*
- The European Bank for Reconstruction and Development (EBRD)*
- The Arab Bank for Economic Development
- International Bank for Reconstruction and Development (IBRD)*
- International Finance Corporation (IFC)*
- Inter-American Development Bank (IABD)*
- Asian Development Bank (ADB)*
- European Investment Bank (EIB)*
- Caribbean Development Bank (CDB)*
- The Council of European Development Bank*
- Arab Monetary Fund

4. Public Sector Entities (PSEs)
PSEs are principally regional and local authorities. Banks may include these bodies locally as PSEs where the relevant banking supervisor has published a list of general guidance. For Saudi Arabia, refer to Attachment-1. Certain entities are excluded from the list for the purposes of this return as they have a commercial nature to their operations i.e. SAUDIA, SABIC, Saudi Arabian Agricultural Bank. Agencies of government and such local bodies may be classified as PSEs that carry out non-commercial functions. Also include bodies owned by the central or regional governments or local authorities which perform regulatory or other non-commercial functions. Commercial entities or companies owned by the public sector, including public utilities, should not be classified as PSEs.

5. Reciprocal holdings of banking organization's capital instruments.[1]
    - Only reciprocal holdings of banking organizations capital instruments (that is, instruments that qualify as Tier I or Tier 2 capital) will be deducted from a banks total capital component
    - Reciprocal holdings are cross-holding resulting from formal or informal arrangements in which two or more banking organizations agree to hold each others capital instruments.
    - The Agency, does not require banks to deduct from capital non reciprocal holdings of other banks capital instruments. Such instrument in other banks capital is given a risk weight of 100%.
    - Deductions are to be at 50% from Tier –I; and 50% from Tier II.

6. Double counting of exposure arising from the same contract or transaction should be avoided. For example, only the undrawn portion of a loan commitment should be reported as an off balance sheet

[1] Besides Reciprocal Holdings of Capital instruments, investments in Insurance and Commercial Organizations and significant Minority interests in Financial Institutions are also deducted. For details, refer to Specific Guidance Notes on Q17.3 p.25.

* These MDB's are high rated and qualify for a 0% Risk Weight.

exposure while the actual amount which has been lent out will be reported as an on balance sheet asset in the relevant portfolio. Trade-related contingencies such as guarantees for which the exposures have already been reported as letters of credit issued or loans against import bills etc. are not required to be reported.

7. In certain cases, credit exposures arising from derivative contracts may already be reflected, in part, on the balance sheet. For example, a bank may have recorded current credit exposures to counterparties (i.e. mark-to-market values) under foreign exchange and interest rate related contracts on the balance sheet, typically as either other asset or other liability. To avoid double counting, such exposures should be excluded from the on-balance sheet assets and treated as off-balance sheet exposures for the purposes of this return.

8. Accruals on a claim should be classified and weighted in the same way as the claim.

9. Banks should adopt the "economic substance" approach for capital treatment of Repo-style transactions and report them as on-balance sheet assets as outlined in Paras 10 and 11 below:

10. Repos of Securities – where the reporting Bank has sold securities under Repo agreements, the securities sold should continue to be treated as an asset with capital requirements provided for the credit risk relevant to the securities.

11. Reverse Repos of securities – where the Bank has acquired securities under reverse Repo agreements, the transaction should be treated as a collateralized lending to the counterparty, provided the securities acquired meet the relevant criteria for recognizing collateral under the capital Rules. Capital requirements should then be provided for the credit risk to the counterparty, taking into account the CRM effect of the collateral.

11.1 Others – All other assets including VIP accounts, retail claims of greater than SR5 million, fixed assets, equities, securitized assets should be risk weighted at 100%.

11.2 Overdrafts for individuals are to be accounted for as loans.

11.3 Small Business Facility Enterprises with Maximum exposure of SR5 Million can be accounted for as a Non-Mortgage Retail Portfolio with a Risk Weight of 75%. In this regard, exposure includes all on-balance sheet, off-balance sheet and Derivatives at their respective Credit Equivalent values.

12. GCC

The term GCC covers full members of the GCC. At present these countries comprise; Saudi Arabia, Qatar, Kuwait, Oman, Bahrain, U.A.E. For the purpose of determining whether a bank is in the GCC or not, the place of incorporation is relevant. For example, a loan made to a branch located in GCC country of a non GCC incorporated bank, should be classified as a loan to a non-GCC bank. Likewise, loans made to a subsidiary would be rated in accordance with the risk rating of the country of incorporation of the subsidiary.

13. All exposures to the non mortgage retail sector are to be at 75% provided they meet qualifying conditions set in SAMA's Guidance Document section 4.1.6. All exposures to the retail mortgages sector are to be risk weighted at 100% and all exposures to commercial mortgages at 100%.

14. For all other classifications including past due loans Risk Weights, refer to SAMA's document section 4.1.1 to 4.1.10.

15. Credit Risk Mitigation – Also Refer to SAMA's Document of June 2006 entitled “Basel II – SAMA’s Detailed Guidance Document Relating to Pillar 1” of June 2006 Section # 6 and Basle Committee Document of June 2006 Para 145 to Para 187.

The Basle Committee Document suggests two approaches as given below;

1. Simple Approach where substitution is maintained as in the 1988 Accord.

   For example, a Corporate Loan Risk Weighted in accordance with its external risk rating at say 100% is guaranteed by a Sovereign Government risk rated at 20%. In this case, the substitution effect would mean that the exposure class originally classified at 100% would be substituted by a 20% exposure class. Consequently, commercial exposure guaranteed by a qualifying PSE will qualify for a risk weight according to the risk weight of the PSE classification.

2. Comprehensive Approach which involves adjustments to exposures and collateral values due to volatility caused as a result of currency and maturity mismatches and through other price movements. This produces a volatility adjusted value for both exposure and collateral.

   Where the residual maturity of the CRM is less than that of the underlying credit exposure a maturity mismatch occurs. Where there is a maturity mismatch and the CRM has an original maturity of less than one year, the CRM is not recognized for capital purposes.

   In other cases where there is a maturity mismatch, partial recognition is given to the CRM for regulatory capital purposes as detailed in para 202 – 205, International Convergence of Capital Measurement and Capital Standards – June 2006. Under the simple approach for collateral maturity mismatches will not be allowed.

(Please refer to Paragraph 143 of International Convergence of Capital Measurement and Capital Standards – June 2006)

3. SAMA provides the flexibility to utilize any of the two above, but not both, for Standardized Approach for Credit risk.

4. SAMA's approved collateral included all listed in Para 145 of the Basle Document with the exception of Equities and Collective Investment scheme. However, the following conditions apply.

   1. <u>Cash Collateral</u>

      For this purpose, an exposure is collateralized by cash only if the cash is held by the bank in Saudi Arabia, or in another country where the exposure is recorded in the books of the branch or a subsidiary in that country for the account of the depositor/customer on express terms such that;

      1. The cash may not be withdrawn for the duration of the exposure; and
      2. The bank may apply the cash to discharge the exposure if and to the extent that it is not discharged by the borrower/customer in accordance with the terms of the agreement with the borrower/customer.
      3. The customer(s) and the office (s) of the bank involved in the transaction(s) must have "local resident" status, i.e. they must all be domiciled in the same country.
      4. The cash must be held with the bank.
      5. The bank should have a right of set-off over the cash which is legally enforceable in a liquidation of the debtor.

   2. <u>Guarantees</u>

      - Eligible guarantees includes all entities, comprising of sovereign, PSE's, banks, MDB's and security firm with lower risk weight than the counterparty, and other entities rated A- or better. This may include credit protection provided by parent, subsidiary and affiliate companies with a lower risk weight than the obligor.
      - Claims that have been explicitly, irrevocably and unconditionally guaranteed may be weighted according to the risk weight of the guarantor where the effect is to reduce the risk weighting. Such guarantees should be legally enforceable. Where a claim is partially guaranteed, only that part of the claim which is fully guaranteed, will be weighted according to the risk weight of the guarantor.
      - 2nd Mortgage SIDF – Junior Lien.
        In this regard, assignment in favor of a bank of the residual proceeds of the security enforced by the SIDF, could be considered as a 2nd Mortgage SIDF – Junior Lien.
      - The guarantees must also meet the provisions of the Basle II document described in Paras 140 to 142, 195 and 200.

Comprehensive Method [1]

All adjustments or haircuts to exposure and collateral permitted under the Basle Committee document, described in Para 147, due to currency, maturity and other volatilities are to be incorporated in establishing the adjusted exposure for risk weighting. This adjusted "E" value as given below for Capital Calculation purposes would be risk weighted according to the counterparty risk weight.

$$"E" = \max [0, E*(1+He) - Cx\ (1-Hc-Hfx)]$$

Hfx = where exposures and collateral are held in different currencies an additional downward adjustment has to be made to the volatility adjusted collateral amount.

He and Hc: These refer to volatility haircuts for exposure and collateral respectively. These are statistical measures of volatility at 99% percentile confidence interval with 10 day holding period.

SAMA permits haircuts by (i) Standard Supervisory haircuts refer to SAMA document Section 6.1 and Basle II Document Para 151 to 153 ii) Own estimate haircut – subject to conditions on Basle Document Para 154 to 168. These conditions relate to Quantitative and Qualitative requirements for establishing or estimating Haircuts.

Calculation of capital requirement

Where the collateral is a basket of assets, the haircut on the basket will be

$H = \Sigma a\ H$, where a_1 is the weight of the asset (as measured by units of currency) in the basket and H_1 the haircut applicable to that asset.
(Please refer to Paragraph 150 of International Convergence of Capital Measurement and Capital Standards – June 2006)

16. Off Balance Sheet Credit Conversion Factors (CCF)

- Letters of Credit
  - 20% - if collateralized by underlying shipment irrespective of maturity for both the issuing bank and confirming bank.
  - 100% - for standby letters of credit serving as a guarantee.
- Transaction related contingent items e.g. Performance bonds, Bid bonds, Warranties and Stand by letters of credit relative to particular transactions, will receive a CCF of 50%.
- General Guarantees
  100%
- Acceptances
  100%
- Endorsements
  100%

[1] Also refer to SAMA's Detailed Guidance Document – Section 6 on Credit Risk Mitigants covering haircuts to collateral.

- <u>Commitments – Non Cancelable</u>
  100% - If unconditional and irrevocable
  50% - If a standby facility and original maturity more than 1 year
  20% - for maturity equal to or less than 1 year

- Commitments - Cancelable
  0% - Original maturity of up to 1 year which can be cancelled any time.

  Where there is an undertaking to provide a commitment on an off balance sheet item, i.e. to issue a LC or a guarantee, banks are to apply the lower of the two applicable CCF.

- Sales and Repurchase Agreement (REPOS).
  Where the Credit Risk remains with the Bank, the CCF is 100%. Also refer to item 9, 10 and 11 of GN2.

- Note Issuance Facilities (NIF) and Revolving Underwriting Facilities (RUFs): 50%

17. <u>Derivatives</u>

These include the following types of derivative contracts.

Foreign Exchange related derivatives: These include all derivative instruments related to foreign exchange including the following;

1. Outright forward purchases and sales of foreign currencies.
2. Currency swaps.
3. Currency futures.
4. Currency options
5. Other Fx Related derivatives

Interest rate related derivatives: These include all derivative instruments related to the interest rate, including the following;

1. Interest rate futures.
2. Interest rate swaps
3. Interest rate options
4. Floors, Caps, Collars.
5. Fixed rate agreements.
6. Other interest rate related derivatives.

Equity related derivatives: These include all derivative instruments related to equities, including.

1. Forward purchases and sales of equities
2. Equity futures
3. Equity Swaps.

4. Equity options
5. Other equity related derivatives.

Fixed rate securities related derivatives: These include all derivative instruments related to fixed rate securities;

1. Fixed rate securities futures.
2. Forward purchases and sales of fixed rate securities.
3. Fixed rate securities swaps.
4. Fixed rate securities options.
5. Other fixed rate securities derivatives.

Commodity related derivatives: These include all derivatives related to commodities other than metals, oil, and other tangible assets. Accordingly these include the following;

1. Commodity swaps
2. Commodity futures.
3. Commodity options.
4. Forward purchases and sales of commodities.
5. Other derivatives related to commodities.

Metals related derivatives: These include all derivative related to metals. Accordingly these include futures, option, swaps, etc.

Other derivatives: These include all derivative activity in the market excluding Fx. interest rate, equity, fixed rate securities and commodities as the underlying market. Accordingly it includes, futures, option, swaps, forward purchase and sales of such derivative instruments.

17.2 <u>Counterparty Credit Risk On Derivative Contracts</u>

Current Exposure Method

Under the Current Exposure Method, banks must calculate the current replacement cost by marking contracts to market, thus capturing the current exposure without any need for estimation, and then adding a factor (the "add-on") to reflect the potential future exposure over the remaining life of the contract. In order to calculate the credit equivalent amount of these instruments under the current exposure method, a bank would sum:

- The total replacement cost (obtained by "marking to market") of all its contracts with positive value: and

- An amount for potential future credit exposure calculated on the basis of the total notional principal amount of its book, split by residual maturity as follows;

	Interest Rates	FX and Gold	Equities	Precious Metals Except Gold	Other Commodities
One year or less	0.0%	1.0%	6.0%	7.0%	10.0%
Over one year to five years	0.5%	5.0%	8.0%	7.0%	12.0%
Over five years	1.5%	7.5%	10.0%	8.0%	15.0%

Notes:

- For contracts with multiple exchanges of principal, the factors are to be multiplied by the number of remaining payments in the contract.
- Forwards, swaps, purchased options and similar derivative contracts not covered by any of the columns of this matrix are to be treated as "other commodities".
- No potential future credit exposure would be calculated for single currency floating/floating interest rate swaps; the credit exposure on these contracts would be evaluated solely on the basis of their mark-to-market value.
- Add-ons are to be based on effective rather than apparent notional amounts. In the event that the stated notional amount is leveraged or enhanced by the structure of the transaction, banks must use the effective notional amount when determining potential future exposure.
- Banks can obtain capital relief for collateral. The methodology for the recognition of eligible collateral follows that of the applicable approach for credit risk.

  Under the Current Exposure Method, the calculation of the counterparty credit risk charge for an individual contract will be as follows:
  counterparty charge = [(RC + add-on) – CA] x r x 8%

  where:

  RC = the replacement cost, add-on = the amount for potential future exposure calculated according to paragraph 92(i) and 92(ii) of Annex 4, International Convergence of Capital Measurement and Capital Standards – June 2006

  CA = the volatility adjusted collateral amount under the comprehensive approach prescribed in paragraphs 147 to 172, International Convergence of Capital Measurement and Capital Standards – June 2006, or zero if no eligible collateral is applied to the transaction, and

  r = the risk weight of the counterparty.
  (Please refer to Paragraph 186 of International Convergence of Capital Measurement and Capital Standards – June 2006)

18. Operational Risk: Banks have 3 options to calculate operational risk charges as given below. However, these Returns are only applicable for the Basic Indicator, the Standardized Approach and the Alternative Standardized Approach.

18.1. Basic Indicator Approach
Gross Income is defined to be Net Interest Income plus Non interest income. These measures should be:

i. Gross of any provisions.
ii. Gross of operating expenses including fees paid to external service provider.
iii. Exclude realized profits/losses from the sale of securities on banking book.
iv. Exclude extra-ordinary and items or irregular or income derived from Insurance.

Capital Requirement = Average Gross Income, where positive over the previous three year, multiplied by Factor Alpha of 15%.

18.2. Standardized Approach and the Alternative Standardized Approach
- Capital Requirements = Gross Income multiplied by Beta factor.
- For details, refer to Q17.8.A on p.98.

18.3. Advanced Management Approach (AMA)
Under AMA, the regulatory capital requirement will equal the risk measure generated by the Bank's internal operational risk management system, using the qualitative and quantitative criteria described in Basle's Document 664 to 676.

18.4. Minimum Qualifying Requirements for Operational Risk

Banks are expected to have Operational Risk Management Systems as described in SAMA's Document Paras. 10.1.4 and Para. 10.2.

The level of sophistication of the risk management systems expected by SAMA from banks depends on the Option adopted by the Bank to establish the Operational Risk Capital Charge. i.e. the Basic Indicator Approach, the Standardized or the Alternative Standardized Approach or the Advanced Management Approach (AMA).

For the Basic Indicator Approach, Banks are expected to meet the Operational Risk Management Requirements described in the Basle document of 2003 entitled: "Sound Practices for the Management and Supervision of Operational Risk."

For the Standardized Approach or the Alternative Standardized Approach, Banks should meet the Operational Risk Requirements in Basle Document Para's 660 to 663.

For the AMA, Banks should meet the requirements set in Basle's Document Paras. 664 to 676.

ATTACHMENT- I

MINISTERIES, DEPARTMENTS and AGENCIES

Ministry of Agriculture

Ministry of Commerce and Industry

Ministry of Communications & Information Technology

Ministry of Defense & Aviation

Ministry of Education

Ministry of Higher Education

Ministry of Finance

Ministry of Foreign Affairs

Ministry of Health

Ministry of Water & Electricity

Ministry of culture and Information

Ministry of Interior

Ministry of Justice

Ministry of Labor

Ministry of Social Affairs

Ministry of Islamic Affairs & Endowments

Ministry of Municipal & Rural Affairs

Ministry of Petroleum & Minerals Resources

Ministry of Pilgrimage

Ministry of Economy & Planning

Ministry of Transport

Ministry of Civil Service

Contractors Financing Fund

Grain, Silos & Flour Mills Corp.

HIDA-AL-Hassa Irrigation & Drainage Authority

CA-General Authority of Civil Aviation

PIF-Public Investment Fund

Human Resources Development Fund

REDF-Real Estate Development Fund

Royal Commission for Jubail & Yanbu

Saudi Credit and Saving Bank

Saudi Consulting House

Saudi Fund for Development

Saudi Government Railroad Organization

Saudi Port Authority

Saline Water Conversion Corp. (SWCC)

Saudi Arabian General Investment Authority (SAGIA)

Saudi Organization for Certified Public Accountants (SOCPA)

Shura Council

Council of Ministers

Civil Service Board

Comptroller General

Al-Dawah, Ifta, Irshad

Research Directorate

Female Education (General Directorate)

Female Universities (General Directorate)

Grievance Board (General)

Institute of General Administration

Intelligence Directorate (General)

All Government Funded and Sponsored Universities and Hospitals

Pension Directorate

Public Morality Committee

Water & Sewerage, Department of Riyadh

Youth Directorate General

King Abdulaziz National Dialog Secretariat

Regional Office for the Blind

Saudi Red Crescent Association

Supreme Commission for Tourism (SCT)

Presidency of Meteorology & Environment (PME)

The council of cooperative health Insurance

Saudi Organization for Industrial Estates and Technology Zones (SOIETZ)

Saudi Arabian Minings (Ma'aden)

Saudi Press Agency

King Abdul Aziz City of Science And Technology

Saudi Arabian Standards Organization (SASO)

National Commission for Wildlife

Conservation and Development

General Organization of Technical Education and Vocational Training

King Abdulaziz City for Science & Technology (KACST)

King Faisal Specialist Hospital & Research Centre

Military Industries Organization

Communications and Information Technology Commission (C.I.T.C)

Saudi Food and Drug Authority (SFDA)

Saudi Post Organization

UNIVERSITIES

King Abdulaziz University

King Fahd University for Petroleum and Minerals

Imam Muhammed Ibn Saud University

Islamic University

King Faisal University

Umm Al Qura University

King Khalid University

Taibah University

Al-Qassim University

Taif University

Jazan University

Al-Jawf University

Ha'il University

GOVERNMENT-OWNED COMMERCIAL CORPORATIONS*

SAUDIA-Saudi Arabian Airlines

SABIC–Saudi Arabian Basic Industries

SAPTCO-Saudi Arabian Public Transport Co.

Saudi Telecom Company

Saudi Electricity Corporations

Marafiq – Arabic Agricultural Bank

ARAMCO

Saudi Industrial Development Bank

All other GOVT Owned corporations (Over 50% Ownership) that competes with the Private Sector.

---

* These entities are to be excluded as "Public sector entities (PSE's) for Risk Asset Capital Adequacy purposes (Q-17)".

SPECIFIC GUIDANCE NOTES GN-3

SPECIFIC GUIDANCE NOTES

These refer to the specific Guidance to assist banks in completing the following prudential returns[1].

1	Capital and Reserves	Q 17.3
2	Summary of Credit Risk Exposures by type and Risk weights	Q 17.4
3	Details an Exposure Value and Credit Risk Mitigation Techniques	Q 17.5 Series
4	Details an Each exposure Classification by Exposure Type	Q 17.6 Series
5	Market Risk	Q 17.7
6	Operational Risk	Q 17.8

[1] No specific Guidance is provided for Q 17.1 and Q 17.2, as these returns are based on data obtained from returns Q 17.3 to Q 17.8.

SPECIFIC GUIDANCE

CAPITAL AND RESERVES

CAPITAL < Tier-I, Tier-II and Tier-III>

CORE CAPITAL– TIER-I

Core Capital or Tier-I Capital is the most significant and stable source of capital and it generally comprises of paid up capital and legal and general reserves including retained earnings. Other components of Tier-I capital include:

- Minority interest or outside interest in the common shareholders equity of partly owned subsidiary company or minority owned company.
- Unpublished losses during the period.
- Goodwill and other intangible assets.
- IAS type adjustments relate to marking to market or fair valuing of monetary assets. "Held for Sale" is a asset classification where the resulting gains or losses are accounted for through the other reserves (on M1) for the period. Gains and losses are channeled through the Income statement on the subsequent sale of the security.
- Deductions at 50% related to i) Reciprocal holdings of bank capital, and to qualifying investments at 10% and above such as (i) Non consolidated financial organizations (ii) Insurance Organizations and (iii) Commercial Organizations.

  The limits on Tier 2 and on innovative Tier 1 instruments will be based on the amount of Tier 1 capital after deduction of goodwill but before the deductions of investments pursuant to this part on scope of application (see Annex 1, International Convergence of Capital Measurement and Capital Standards – June 2006, for an example how to calculate the 15% limit for innovative Tier 1 instruments).

  (Please refer to Paragraph 39 of International Convergence of Capital Measurement and Capital Standards – June 2006)

TIER II CAPITAL

- Subordinated term debt.

    - The amount of such debt should not exceed 50% of Tier 1 capital.

    - A minimum original fixed term maturity of 5 years. During the 5 years to maturity, an amortization factor of 20% per annum will apply to reflect the diminishing strength of this instrument as capital.

- General Provisions

    General provisions that qualify for Tier-II should not exceed 1.25% of Risk Weighted Assets.

- Revaluation Gains and Reserves

    These relate to gains and reserves relating to asset revaluations including fixed assets.

- Deduction at 50% from Tier-II Capital related to i) Reciprocal holding of bank capital; and qualifying investment at 10% and above in i) Non consolidated financial organization; Insurance organization and commercial organization.

- **Tier III Capital**[1]:

    1. Short term subordinated debt

        - Original maturity of at least 2 years.
        - Unsecured, sub-ordinated and fully paid.
        - Not to be repayable before maturity, unless approved by SAMA.

    2. Other Conditions

        - Unused Tier-I and II can be used to support market risk.
        - Limited to 250% of Tier 1 to support risk.
        - Minimum of 28% of Market Risk is required to be supported by Tier-I.
        - Tier-II elements can be substituted for Tier-III up to 250%.
        - Tier-II and III cannot exceed Tier-I.

    3. For a Worked example refer to Attachment-II. (p. 120)

[1] Also refer to SAMA document entitled "Capital Adequacy requirements for market Risk" issued under circular # BCS 355 on 29.12.2004

SPECIFIC GUIDANCE: Q 17.4

ENTITLED

SUMMARY OF CREDIT RISK BY EXPOSURE TYPE AND RISK WEIGHTS

ID	COLUMNS	Regulatory References & Comments
1	Original credit and counterparty exposure pre conversion factors – credit	Exposure value without taking into account IAS value adjustments, provisions, conversion factors and the effect of credit risk mitigation techniques.[2]
2	(-) Value adjustments and provision associated with the original exposure	Includes IAS Value adjustments, provisions,[3] credit conversions, and others that affect the valuation of assets, off-balance sheet items, derivatives, etc.
3	Exposure net of value adjustments and provisions	Columns This should represent net credit equivalent (1+2) exposure before CRM
4	Unfunded Credit Protection - Guarantees	Includes the Non Funded CRM offered through Guarantees
5	Unfunded Credit Protection – Credit Derivatives	Includes the Non Funded CRM offered through Credit Derivatives
6	Exposure after unfunded CRM	Exposure after value adjustments, provisions conversion factors and unfunded CRM.
7	Financial Collateral – Simple Approach[4]	Value of funded collateral employed refer to SAMA document section 6 and Additional[2] Guidance Notes relating to collateral.
8	Other Funded credit Projection	Value of other approved funded credit protection employed and item 7 above.
9-10 9 10	Substitution effect on Exposure Total Outflows (-) Total Inflows (+)	Outflows correspond to the covered[1] part of the exposure net of value adjustments, provisions and non funded CRMs. This amount is deducted from the obligor's exposure class and, when relevant, risk weight or obligor grade, and subsequently assigned to the protection provider exposure class and, when relevant, risk weight or obligor grade. This amount will also be considered as an Inflow into the protection provider's exposure class and, when relevant, risk weights or obligor grades. Inflows and outflows within the same exposure class and, when relevant, risk weights or obligor grades should also be reported.

[1] Covered by Collateral

[2] SAMAs additional Guidance Notes on Collateral (item 15 of this Document).

[3] Amounts given in Col. 1 are not at On Balance Sheet, cash, or fair values. Consequently, they need to be revalued through an application of fair valuing or marking to market, credit conversion factors and other means. For On Balance sheet items fair valuing has to be implemented for monetary assets. For Off Balance sheet items CCF have to be used and for Derivatives, the replacement cost method has to be applied.

[4] Refer to item 15 of this document.

11	Net exposure after CRM substitution effect - Simple Approach	Exposure after taking into account, the CRM-Simple method i.e. outflows and inflows due to credit risk mitigations substitution effect, To this value the counterparty RW is applied. Under the Simple Approach, refer to SAMA's Document section 6.1.i.
12-14	Credit Risk Mitigation techniques affecting the amount of the exposure: Funded Credit Protection, Financial Collateral Comprehensive Approach	Refers to Comprehensive Approach-CRM adjustments. SAMA's document section 6.1.11; Basle committee document para 147 to Para 150.
12	Volatility adjustment to the exposure[5] (+)	The Comprehensive Approach of CRM incorporating haircut (He) or volatility adjustment to exposure. Refer to Basel Document Para 147 to Para 150.
13	(-) Financial collateral: adjusted value	The amount to be reported corresponds to the adjusted value of collateral incorporating joint impact of price volatility, currencies and maturity adjustment. Refer to Para's 147, of the Basle Committee document to calculate Hfx and Hc, and SAMA's Guidance Notes.
14	(-) Volatility and Maturity Adjustments	As above, and Para 141 and 204 of Basle[4] Committee Document.
15	Fully adjusted exposure value (E*) Using comprehensive Approach	Fully adjusted E exposure value under the Comprehensive Approach. It refers to the adjusted exposure Net of collaterals incorporating adjustment for all types of volatility. On this amount, the counterparty RW is applied, under the Comprehensive Approach Refers to Para 147 of Basle Committee Document.
16-19	Breakdown of the fully adjusted exposure of off-balance sheet items by conversion factors.	This is for disclosure purposes only relating to off balance sheet items underlying conversion factors.
20	Exposure value	Exposure value after taking into account all value adjustments, and CRMs. It can be items 11 or 19 above to which applicable RW are applied..
21	Risk weighted exposure amount	Aggregate risk weighted exposure amount i.e. product of item 20 and 8%.
22	Capital requirements	Cell linked to Q 17.2. Product of item 21 and 8%

[5] Banks may use either the Simple Approach or the Comprehensive Approach but not both. Consequently, for the Comprehensive Approach, the current value of the Exposure after incorporating volatility effects is to be utilized. Consequently, no substitution effect is incorporated in the Comprehensive Approach. Further, item 12 is the value of the adjustment itself.

SPECIFIC GUIDANCE :

SERIES 17.5.1; 17.5.2; 17.5.3
ENTITLED

DETAILS OF EXPOSURE VALUE AND CREDIT RISK MITIGATION TECHNIQUES

ID	COLUMNS	Regulatory References & Comments
1	Original exposure credit and counterparty risk pre credit conversion factors	Exposure value without taking into account IAS value adjustments, provisions, conversion factors, the effect of credit risk mitigation (CRM) techniques.
2	(-) Value adjustments and provision associated with the original exposure	Includes IAS Value adjustments, provisions,[1] credit conversion and others that affect the valuation of on balance sheet assets, off-balance sheet items and derivatives.
3	Exposure net of value adjustments and provisions	Columns 1+2. This should represent credit Equivalent value of net exposure, before CRMs.
4.	Un funded Credit Protection – Guarantees (Ga)	Represents the value of unfunded CRM offered by guarantees. Refer to SAMA's document section 6.1.1, Basle Committee Document Para No. 189 and 200
5	Unfunded credit protection: - Credit Derivatives	Represent the value of unfunded CRM offered through credit derivatives
6	Exposure after Non Funded CRM	Represent Exposure value in (3) above net of non funded CRMs.
7	Funded credit protection – Financial collateral Simple Approach	Value of funded collateral or CRM offered through the Simple Method i.e. via substitution. Refer to SAMA's document section 6 and Additional Guidance on collateral.
8	Other Funded Credit Protection	Value of other approved CRM - funded collateral employed and item (7) above. Refer to Additional Guidance on Collateral.

[1]Refer to Footnote #3 covering Specific Guidance on Q17.4.

9 10	Substitution effect on exposure Total Outflows (-) Substitution effect on Exposures Total Inflows (+)	Outflows correspond to the covered part of the exposure net of value adjustment, provisions and CRMs. This amount is deducted from the obligor's exposure class and, when relevant, risk weight or obligor grade, and subsequently assigned to the protection provider exposure class and, when relevant, risk weight or obligor grade. The exposure will be considered as an Inflow into the protection providers exposure-class and, when relevant, risk weights or obligor grades and vice versa for outflow. Inflows and outflows within the same exposure class and, when relevant, risk weights or obligor grades should also be reported.
11	Net exposure after, CRM substitution effect: Simple Approach.	Exposure after taking into account outflows and inflows due to credit risk mitigation (CRM) techniques with substitution on the exposure. Under the Simple Method, the counterparty RW is applied.
12- 17	Credit Risk Mitigation techniques affecting the amount of the exposure: Funded Credit Protection Financial Collateral Comprehensive Approach	Refers to Comprehensive Approach to CRM adjustment. Refer to SAMA's document 6.1. (ii) and Basle Committee's Document Para 147 and 150, and SAMA's Additional Guidance Notes on Collateral
12	Volatility adjustment to the exposure (+) He	Refers to Comprehensive Approach of CRM. The amount to be reported is given by the impact of the volatility adjustment to the exposure relating to He. Refer to above. Basle Committee Document Paras 147 to 150.
13	(-) Financial collateral: Adjusted value	Adjustment made to collateral value incorporating joint impact of volatility, currency and maturity adjustment. Refer to Para's 147 of the BC Document and Additional Guidance Notes on Collateral.
14	(-) Volatility and Maturity Adjustments	As above.
15	Total Volatility Adjustments[2] to the Collateral HC	Represents the total volatility adjusted value of collateral to be deducted from exposure value.
16	Volatility adjustment to collateral due to covering mismatch.	Represents the volatility adjustment to collateral due to currency mismatch.
17	Volatility adjustment due to Maturity Mismatch	Represents the volatility adjustment to collateral due to currency mismatch.
18	Fully adjusted exposure value[3] (E*) using comprehensive Approach	Refer to value of the fully adjusted value E in Para 147 of Basle Committee document under the Comprehensive Approach. On this the applicable RW is applied under the Comprehensive Approach. Refer to Para 147 of Basle Committee Document.
19	Exposure value	Exposure value after taking into account all value adjustments, all credit risk mitigants and credit conversion factors i.e. item 11 or 18.
20	Risk weighted exposure amount	Product of item 19 and applicable RW.
21	Capital requirements	Cell linked to 17.2. and product of items 20 above and 8%.

[2] Volatility Adjustment or Haircut is a composite of currency and maturity volatility. However, it may also be reported as a single amount. This amount will be subject to SAMA verification for its components. Refer to note 15 of these Guidance Notes.

[3] Refer to footnote #5 of Specific Guidance on Return Q17.4.

Q 17.6

SPECIFIC GUIDANCE : Q 17.6
Series i.e. 17.6.1, 17.6.2, 17.6.3
ENTITLED
DETAILS ON EACH EXPOSURE CLASSIFICATION BY RISK WEIGHT TYPE

ID	COLUMNS	Regulatory References & Comments
1.	Original credit and counterparty risk exposure pre credit conversion factor.	Exposure value without taking into account value[1] adjustments relating to IAS, provisions, credit conversion factors, or any other credit risk mitigation (CRM) technique
2.	Value adjustments and includes provision associated with the original exposure (-)	Includes IAS Value adjustments, provisions, credit conversion and other adjustments that[1] affect the valuation of On balance sheet assets and Off-balance sheet items and derivatives.[1]
3.	Exposure net of value adjustments and provisions	(1+2) This refers to the credit equivalent Net value of exposure after all adjustments excluding CRM.
4.	Net Exposure after CRM substitution under Simple Approach.	Exposure after taking into account outflows and inflows due to CRM technique with substitution. Under the Simple Approach the counterparty RW is applied.
5.	Fully adjusted exposure value (E) Using comprehensive Approach	Refers to fully adjusted exposure value – Basle Committee document Para 147, incorporating the Comprehensive Approach for CRM. On this the applicable RW is applied under the Comprehensive Approach.
6. to 9.	Breakdown of the adjusted exposure of off-balance sheet items by credit conversion factors.	This is for disclosure purposes only for off balance sheet items underlying credit conversion factors.
10.	Net Exposure value using simple or comprehensive Approach	Exposure value after taking into account all value adjustments, all credit risk mitigants using the Simple Approach or Comprehensive Approach for CRM i.e. 4 or 5 above.
11.	Risk weighted exposure amount	Represents risk weighted assets i.e. product of item (10) above and applicable risk weights.
12.	Minimum Capital requirements	Product of item 11 above and 8% - Linked to Q 17.2
13.	IAS-related adjustments to the exposure value	IAS adjustment to applicable exposure value
14.	Number of obligors Risk weight 0% to 150%	Number of obligor or distinct counterparties according to risk classification of exposures

[1] For definition refer to footnote 3 relating to Specific Guidance as Q17.4.

SPECIFIC GUIDANCE : Q 17.6.3A
ENTITLED
DETAILS ON EACH EXPOSURE
CLASSIFICATION BY RISK WEIGHT

1. Principal Amount (Notional Amount)

   Represent the Notional Amount of the Derivative contract.

2. Current Exposures (MTM)

   Represent the mark to market replacement cost of the Derivative contract.

3. Potential Exposure (PE)

   Represent the potential exposure from the time of Mark to Market or establishment of replacement cost to the maturity of the contract.

4. Credit Equivalent Amount (CEA)

   Sum of 2+3 above.

Q 17.7.1 or

Q 14 A Section # 4

SPECIFIC GUIDANCE
CAPITAL ADEQUACY RATIO
CALCULATION INCORPORATING
MARKET RISK EXPOSURE

1. **Standardized Approach**

Refer to SAMA's Document entitled "Capital Adequacy Requirements for Market Risks" issued under SAMA circular # BCS 355 of 29.12.2004.

In specific terms, refer to Return Q14A Attachment-2 entitled "SAMA's Summarized Guidelines and Instructions to complete Returns on Market Risk assumed by Banks in Saudi Arabia - Section 2.11 to Section 3.2.

SPECIFIC GUIDANCE CAPITAL ADEQUACY RATIO CALCULATION INCORPORATING INTERNAL MODELS APPROACH

1. **Internal Models Approach**

Refer to SAMA's Document entitled "Capital Adequacy Requirements for Market Risks" issued under circular # BCS 355 of 29.12.2004.

In specific terms, refer to Return Q14A Attachment-2 entitled "SAMA's Summarized Guidelines and Instructions to complete Returns on Market Risk assumed by Banks in Saudi Arabia - Section 4.

SPECIFIC GUIDANCE

ID	COLUMNS	Regulatory References & Comments
1	Instrument code	The Instrument code indicates the instrument category or categories covered by the regulatory model: 1 = equities; 2 = debt instruments; 3 = foreign currencies; 4 = commodities. For instance, if a VaR (total) is calculated for equities, debt instruments and foreign currencies, the code is 123.
2	P&L code used for the calculation of number of over shootings	The P&L code indicates the type of results that are used to calculate the plus-factor: 1= actual trading results for the days concerned 2 = hypothetical trading results for the days concerned on the positions fixed at the end of the previous (trading) day
3	Confidence interval of internal VaR	Confidence interval used for risk management purpose. To be filled out in case that the internal VaR calculation is based on a confidence interval different from 99 %
4	Holding period of internal VaR	Holding period used for risk management purpose To be filled out in case that the internal VaR calculation is based on a holding period different from 10 days
5	Day	Ranging from 1 to 91
6	Regulatory VaR (confidence interval = 99 %) Var (T=10)	VaR calculated in accordance with provisions of SAMA circular section 4, before application of a multiplication factor, with a holding period of 10 days and an confidence interval of 99 %.
7	Regulatory VaR (confidence interval = 99 %) Var (T=1)	VaR calculated in accordance with provisions of SAMA circular section 4, before application of a multiplication factor, with a holding period of 1 day and an confidence interval of 99 %.
8	Internal VaR	VaR result used for risk management purposes. Calculations must be based on the information provided in columns 3 and 4.
9	Internal VaR Limit	Internal VaR limit related to the internal VaR. Calculations must be based on the information provided in columns 3 and 4.
	P&L effectively used for back testing:	Only one of the following two P&L will be used
10	Hypothetical	Hypothetical daily P&L defined in SAMA circular section 4
11	Actual	Real daily P&L defined in SAMA circular section 4

[1] SAMA circular corresponds to the circular # BCS 355 of 31.12.2004 concerning Market Risk

SPECIFIC GUIDANCE ON Q 17.7.3

TRADING BOOK SETTLEMENT/DELIVERY RISK[1]

1. Overview

This capital treatment is applicable to all Trading Book transactions on securities, foreign exchange instruments, or commodities that give rise to a risk of delayed settlement or delivery. This includes transactions through recognized clearing houses that are subject to daily mark-to-market and payment of daily variation margins.

2. Positive Current Exposure

Transactions settled through a delivery-versus-payment system, providing simultaneous exchanges of securities for cash, expose firms to a risk of loss on the difference between the transaction valued at the agreed settlement price and the transaction valued at current market price (i.e. positive current exposure),

3. Definition of Unsettled Transactions

If the payment has not taken place for five business days after the settlement date.

4. Capital Requirements

Firms must calculate a capital charge by multiplying the positive current exposure of the transaction by the appropriate factor, according to the Table below:

Capital requirement	Number of working days after the agreed settlement date	Corresponding risk multiplier
	From 5 to 15	8%
	From 16 to 30	50%
	From 31 to 45	75%
	46 or more	100%

Notes Q 17.4 (New)

[1]Refers to Delivery Risk for the Bank on all types of conventional trading transactions. Does not include Islamic or Derivative transactions.

PACKAGE OF PRUDENTIAL RETURNS FOR PILLAR-I RISKS

PILLAR-I
LIST OF RETURNS

▪ Summary of Capital Adequacy Requirements	Q17.1
▪ Capital Adequacy Ratio Calculations	Q17.2
▪ Capital and Reserves Tier-I, Tier-II and Tier-III	Q17.3
▪ Summary of Credit Risk Exposure by Type and Risk Weights	Q17.4
▪ Details of Exposure Value and Credit Risk Mitigation Techniques	Q17.5
- On Balance Sheet	Q17.5.1
- Off Balance Sheet	Q17.5.2
- Derivatives	Q17.5.3
▪ Details of Each Exposure Classifications by Risk Weight	Q17.6
- On Balance Sheet	Q17.6.1
- Off Balance Sheet	Q17.6.2
- Derivatives	Q17.6.3
▪ Market Risk	Q17.7
- Standardized Approach	Q17.7.1
- Internal Models	Q17.7.2
- Trading Book Settlement and Delivery Risk	Q17.7.3
▪ Operational Risk	Q17.8
- Gross Losses by Business Lines and Event Types in the last year	Q17.8.1
- Major Operational Losses by Business Lines	Q17.8.2

BANKING GROUP

Q17.1
SR 000's

SUMMARY OF CAPITAL ADEQUACY REQUIREMENTS

For Quarter Ending

CONSOLIDATED SUB-GROUPS AND REGULATED ENTITIES		TOTAL CAPITAL REQUIREMENTS, COUNTERPARTY CREDIT RISK	TOTAL CAPITAL REQUIREMENTS FOR MARKET RISK	TOTAL CAPITAL REQUIREMENTS FOR OPERATIONAL RISK	TOTAL CAPITAL REQUIREMENTS FOR PILLAR 1 RISK	CAPITAL AND RESERVES	SURPLUS (+) / DEFICIT (-) OF CAPITAL & RESERVES - PILLAR 1 RISKS	CAPITAL REQUIREMENTS FOR PILLAR 2 RISKS: SUPERVISORY REVIEW PROCESS	SURPLUS (+) / DEFICIT (-) OF CAPITAL & RESERVES TAKING INTO ACCOUNT PILLAR 1 AND PILLAR 2 RISKS
NAME	CODE								
1	2	3	4	5	6	7	8=7-6	9	10=7-8-9

Q17.1
SR 000's

GROUP Solvency Details

ID	LABEL	REGULATORY REFERENCES & COMMENTS
	COLUMNS	
	CONSOLIDATED SUB-GROUPS AND REGULATED ENTITIES	Relates to the Bank at the consolidated level, and any other consolidated regulated Financial Institutions subject to individual solvency requirements.
1	Name	Name of Entity
2	Code	Bank Internal Code (if any)
3	Total Capital Requirements for Credit Risk	Linked to Q17.2
4	Total Capital Requirements for Market Risk	"
5	Operational Risk	"
6	Capital Requirements for Pillar 1 Risks	"
7	Capital and Reserves	"
8	Surplus(+) / deficit (-) of Capital & Reserves	"
9	Capital Requirements for Pillar 2 Risks (Supervisory Review Process)	"
9	Surplus(+) / deficit (-) of Capital and Reserves taking into account Pillar 1 and Pillar 2 Risk	"

BANKING GROUP

Q17.2
SR 000's

CAPITAL ADEQUACY RATIO CALCULATIONS

For Quarter Ending

LABEL		REGULATORY REFERENCES & COMMENTS
A. PILLAR 1 CAPITAL REQUIREMENTS	**AMOUNTS**	
I. Credit Risk Capital Requirements		Linked to Q 17.5,[2] Q 17.4

Credit risk Standardized approach
• Sovereign and Central Banks
  • SAMA and Saudi Government
  • Others
• Multilateral Development Banks
• Public Sector Entities
• Banks and Securities Firms
• Corporates
• Retail – Non Mortgages
  • SBFES [1]
• Mortgages
  • Residential
  • Commercial
• Securtized assets
• Equity
• Others		

II. Market Risks Capital Requirements		Linked to Q 17.7[2]
Standardized Approach Traded debt instruments Equity Foreign Exchange Commodities		
Internal Models Traded debt instruments Equity Foreign Exchange Commodities		
Trading book settlement		
III. Operational risks capital requirements (OPR)		Linked to Q 17.8[2]
OPR Basic Indicator Approach OPR Standardized Approach OPR Alternative Standardized Approach		

[1] Small Business Facilities Enterprise
[2] All cells in the respective specific section are linked as indicated.

SR 000's

LABEL	AMOUNTS	REGULATORY REFERENCES & COMMENTS
B. Pillar 2 Capital requirements – Refer to D		Based on Internal Assessment as given in below
C. Capital and Reserves		Linked to Q 17.3
Capital Adequacy ratio (%) A+B ÷C		
D. Pillar 2 Capital requirements		Linked to Q 17.9
SAMA's assessment of capital requirements for:		
▪ Credit risk		Linked to Q 17.9.1
▪ Market risk		Linked to Q 17.9.2
▪ Operational risk		Linked to Q 17.9.3
▪ Securitization risk		Linked to Q 17.9.4
▪ Liquidity risk		Linked to Q 17.9.5
▪ Interest rate risk		Linked to Q 17.9.6
▪ Concentration risk		Linked to Q 17.9.7
▪ Macroeconomic and business cycle risk		Linked to Q 17.9.8
▪ Strategic risk		Linked to Q 17.9.9
▪ Reputational risk		Linked to Q 17.9.10
▪ Global risk		Linked to Q 17.9.11
▪ Other risks		Linked to Q 17.9.12

BANKING GROUP

Q17.3
SR 000's

CAPITAL AND RESERVES
TIER I, TIER II and TIER III

For Quarter Ending

ID	LABEL	AMOUNTS	REGULATORY REFERENCES & COMMENTS
I	**CORE CAPITAL – TIER I**		= 2+3+4+5+6-7+8-10-1-12-13
2	**Eligible Paid Up Capital**		Item 29.5 on M.1[1]
3	**Shares premium accounts**		Item 29.5 on M.1 – Component
4	**Eligible reserves**		Item 29.2 + 29.3
	Legal Reserves		Item 29.2
	Other Reserves		Item 29.3
5	**Net Consolidation Adjustments**		Refer to SAMA's Guidance Notes[2]
	Minority interests		"
	Goodwill (-)		"
	Others		"
6	**Retained Earnings**		Item 29.4
7	**Interim Losses During the Year**		Item 29.5 (if losses) – Unpublished[2]
8	**IAS-Type Adjustments**		Refer to SAMA's Guidance Notes
	Adjustments to the effects of IAS-Type valuation on securities held for sale[3]		"
9	**Deductions from Tier I Capital**		"
10	**(-) Intangible assets**		"
11	**(-) Other country specific deductions from Tier I at 50%**		"
12	**Significant Minority Investments at 10% and above at 50% Deduction**		"
	Banking and Securities not fully consolidated		"
	Insurance Organizations		"
	Commercial Organizations		"
13	**Reciprocal holding of Bank Capital at 50% Deduction**		"
14	**TOTAL – TIER I**		"

[1] Refers to M-1 Statement of Assets and Liabilities for the period.
[2] Refers to SAMA's Guidelines - Specific Guidance for this section.
[3] Refers to Fair valuing of Investments "held for Sale". This occurs when securities held for Resale are marked to market and the off setting credit is to Tier-1 Capital.

Q17.3
SR 000's

II	SUPPLEMENTARY CAPITAL TIER II	AMOUNTS	REGULATORY REFERENCES & COMMENTS
1	**Revaluation Gains/Reserves**		Refer to SAMA's Guidance Notes[2]
2	**Subordinated loan capital**		
3	**Qualifying General Provisions**		
4	**Interim Profits**		Item 29.5 – Unpublished profits
5	**Deductions from Supplementary – Tier II Capital at 50%**		Refer to SAMA's Guidance Notes
	Reciprocal Holding of Bank Capital at 50%		"
6	**Significant Minority Investment at 10% and above at 50%**		"
	Banking/Security firms not consolidated		"
	Insurance Organizations		"
	Commercial Organizations		"
	Other Adjustments		"
7	**TOTAL TIER II**		"
8	**TOTAL TIER I and TIER II**		"
III	**CAPITAL TO COVER MARKET RISKS – TIER III**		
1	**Transferred from Tier I and Tier II**		"
2	**Short term subordinated loan capital**		"
3	**(-) Excess of Tier I and Tier II Specific to Cover Market Risks**		"
4	**(-) Unused but eligible and not eligible Capital Specific to Cover Market Risks**		"
5	**TOTAL REGULATORY CAPITAL TO COVER FOR MARKET RISK – TIER III**		"
6	**TOTAL TIER I, TIER II AND TIER III REGULATORY CAPITAL**		Linked to Q17.2
7	**Excess of Tier II**		"
8	**Excess of Tier III**		"
9	**Other Adjustments, if any**		"
10	**TOTAL CAPIAL AND RESERVES – TIER I, TIER II AND TIER III**		"

Q17.4
SR 000's

SUMMARY OF CREDIT RISK BY EXPOSURE BY TYPE AND RISK WEIGHTS

For Quarter Ending

	ORIGINAL CREDIT AND COUNTERPARTY RISK EXPOSURE PRE CONVERSION FACTORS	VALUE ADJUSTMENTS AND PROVISIONS ASSOCIATED WITH THE ORIGINAL EXPOSURE (-)	EXPOSURE NET OF VALUE ADJUSTMENTS AND PROVISIONS	CREDIT RISK MITIGATION (CRM) TECHNIQUES WITH SUBSTITUTION EFFECTS ON THE EXPOSURE							NET EXPOSURE AFTER CRM SUBSTITUTION EFFECTS - SIMPLE APPROACH	CREDIT RISK MITIGATION TECHNIQUES AFFECTING THE EXPOSURE: VALUE FUNDED CREDIT PROTECTION, FINANCIAL COLLATERAL COMPREHENSIVE APPROACH			FULLY ADJUSTED EXPOSURE VALUE (E*) USING COMPREHENSIVE APPROACH	BREAKDOWN OF THE FULLY ADJUSTED EXPOSURE OF OFF-BALANCE SHEET ITEMS BY CONVERSION FACTORS				EXPOSURE VALUE USING SIMPLE OR COMPREHENSIVE APPROACH	RISK WEIGHTED EXPOSURE AMOUNT	MINIMUM CAPITAL REQUIREMENT
				UNFUNDED CREDIT PROTECTION: ADJUSTED VALUES (Ga)		EXPOSURE AFTER UNFUNDED CRM	FUNDED CREDIT PROTECTION: SIMPLE APPROACH		SUBSTITUTION EFFECT ON EXPOSURE			VOLATILITY ADJUSTMENT TO THE EXPOSURE	FINANCIAL COLLATERAL: ADJUSTED VALUE (-)	VOLATILITY AND MATURITY ADJUSTMENTS (-)		0%	20%	50%	100%			
				GUARANTEES	CREDIT DERIVATIVES		FINANCIAL COLLATERAL: SIMPLE APPROACH	OTHER FUNDED CREDIT PROTECTION	TOTAL OUTFLOWS (-)	TOTAL INFLOWS												
	1	2	3 (1-2)	4	5	6=3-4-5	7	8	9	10	11=6-7-8	12	13	14	15	16	17	18	19	20: 11 or 15	21	22
TOTAL EXPOSURES[1]																						CELL LINKED TO Q17.2
BREAKDOWN OF TOTAL EXPSOURES BY EXPOSURE TYPES:																						
On balance sheet items[1]																						
Off balance sheet items[1]																						
Derivatives[1]																						
BREAKDOWN OF TOTAL EXPSOURES BY RISK WEIGHTS:																						
0%[2]																						
20%[2]																						
35%[2]																						
50%[2]																						
75%[2]																						
of which: past due																						
100%[2]																						
150%[2]																						
Other risk weights[2]																						
Total																						

[1] These items linked to Q17.5, Q17.5.1, Q17.5.2, and Q17.5.3 respectively.
[2] These items linked to Q17.6 respectively.

SR 000's

DETAILS OF EXPOSURE VALUE AND CREDIT RISK MITIGATION TECHNIQUES

For Quarter Ending

Exposure type: Sum of On Balance Sheet (Q17.5.1), Off Balance Sheet (Q17.5.2) and Derivatives (Q17.5.3)

EXPOSURE CLASS	ORIGINAL CREDIT & COUNTERPARTY RISK EXPOSURE PRE CREDIT CONVERSION FACTORS	VALUE ADJUSTMENTS AND PROVISIONS ASSOCIATED WITH THE ORIGINAL EXPOSURE (-)	EXPOSURE NET OF VALUE ADJUSTMENTS AND PROVISIONS	CREDIT RISK MITIGATION (CRM) TECHNIQUES WITH SUBSTITUTION EFFECTS ON THE EXPOSURE ALONG EXPOSURE CLASSES AND SUB-PORTFOLIOS							NET EXPOSURE AFTER CRM SUBSTITUTION EFFECT - SIMPLE APPROACH
				UNFUNDED CREDIT PROTECTION: ADJUSTED VALUES (Ga)		EXPOSURE AFTER UNFUNDED CRM	FUNDED CREDIT PROTECTION SIMPLE APPROACH		SUBSTITUTION EFFECT ON EXPOSURE (a)		
				GUARANTEES	CREDIT DERIVATIVES		FINANCIAL COLLATERAL: SIMPLE APPROACH	OTHER FUNDED CREDIT PROTECTION	TOTAL OUTFLOWS (-)	TOTAL INFLOWS (+)	
	1	2	3=1+2	4	5	6=3-4-5	7	8	9	10	11=6-7-8
SOVEREIGNS AND CENTRAL BANKS											
• SAMA and Saudi Government											
• Others											
MULTILATERAL DEVELOPMENT BANKS											
PUBLIC SECTOR ENTITIES											
BANKS AND SECURITIES FIRMS											
CORPORATES											
RETAIL – NON MORTGAGES											
• SBFE's[1]											
MORTGAGES											
• Residential											
• Commercial											
SECURITIZED ASSETS											
EQUITY											
OTHERS											
TOTAL											

(a) When the exposure and the protection provider belong to different portfolios, both treated in the standardized approach, the covered part of the exposure will be assigned to the portfolio of the risk mitigant provider. Inflows and outflows generated by the risk mitigation within the same portfolio must also be reported.

This return sums up Q17.5.1, Q17.5.2 and Q17.5.3.

Applicable Cells linked to Q17.2 and Q17.4.

[1] Small Business Facilities Enterprises.

SR 000's

DETAILS OF EXPOSURE VALUE AND CREDIT RISK MITIGATION TECHNIQUES

For Quarter Ending

EXPOSURE CLASS	CREDIT RISK MITIGATION TECHNIQUES AFFECTING THE EXPOSURE VALUE						FULLY ADJUSTED EXPOSURE VALUE (E*) USING COMPREHENSIVE APPROACH	EXPOSURE VALUE USING EITHER SIMPLE OR COMPREHENSIVE APPROACH	RISK WEIGHTED EXPOSURE AMOUNT	MINIMUM[1] CAPITAL REQUIREMENT
	FUNDED CREDIT PROTECTION: FINANCIAL COLLATERAL COMPREHENSIVE APPROACH[2]									
	VOLATILITY ADJUSTMENT TO THE EXPOSURE (+) He	FINANCIAL COLLATERAL: ADJUSTED VALUE	MEMORANDUM ITEMS: VOLATILITY AND MATURITY ADJUSTMENTS							
			TOTAL (-)	TO THE COLLATERAL (-) Hc	CURRENCY MISMATCH (-) (Hfx)	MATURITY MISMATCH (-)				
	12	13	14=15+16+17	15	16	17	18=6+12-13	19=11 or 18	20	
SOVEREIGNS AND CENTRAL BANKS										
• SAMA and Saudi Government										
• Others										
MULTILATERAL DEVELOPMENT BANKS										
PUBLIC SECTOR ENTITIES										
BANKS AND SECURITIES FIRMS										
CORPORATES										
RETAIL – NON MORTGAGES										
• SBFE's										
MORTGAGES										
• Residential										
• Commercial										
SECURITIZED ASSETS										
EQUITY										
OTHERS										
TOTAL										

[1] Linked to Q17.2.
[2] Only applicable if comprehensive approach is used to incorporate effect of Credit Risk Mitigants.

Q17.5.1
SR 000's

DETAILS OF EXPOSURE VALUE AND CREDIT RISK MITIGATION TECHNIQUES

For Quarter Ending

Exposure type: On Balance Sheet

EXPOSURE CLASS	ORIGINAL CREDIT & COUNTERPARTY RISK EXPOSURE PRE CREDIT CONVERSION FACTORS	VALUE ADJUSTMENTS AND PROVISIONS ASSOCIATED WITH THE ORIGINAL EXPOSURE (-)	EXPOSURE NET OF VALUE ADJUSTMENTS AND PROVISIONS	CREDIT RISK MITIGATION (CRM) TECHNIQUES WITH SUBSTITUTION EFFECTS ON THE EXPOSURE ALONG EXPOSURE CLASSES AND SUB-PORTFOLIOS							NET EXPOSURE AFTER CRM SUBSTITUTION EFFECT - SIMPLE APPROACH
				UNFUNDED CREDIT PROTECTION: ADJUSTED VALUES (Ga)		EXPOSURE AFTER UNFUNDED CRM	FUNDED CREDIT PROTECTION SIMPLE APPROACH		SUBSTITUTION EFFECT ON EXPOSURE (a)		
				GUARANTEES	CREDIT DERIVATIVES		FINANCIAL COLLATERAL: SIMPLE APPROACH	OTHER FUNDED CREDIT PROTECTION	TOTAL OUTFLOWS (-)	TOTAL INFLOWS (+)	
	1	2	3=1+2	4	5	6=3-4-5	7	8	9	10	11=6-7-8
SOVEREIGNS AND CENTRAL BANKS											
• SAMA and Saudi Government											
• Others											
MULTILATERAL DEVELOPMENT BANKS											
PUBLIC SECTOR ENTITIES											
BANKS AND SECURITIES FIRMS											
CORPORATES											
RETAIL – NON MORTGAGES											
• SBFE's[1]											
MORTGAGES											
• Residential											
• Commercial											
SECURITIZED ASSETS											
EQUITY											
OTHERS											
TOTAL											

(a) When the exposure and the protection provider belong to different portfolios, both treated in the standardized approach, the covered part of the exposure will be assigned to the portfolio of the risk mitigant provider. Inflows and outflows generated by the risk mitigation within the same portfolio must also be reported.
This return sums up Q17.5.1, Q17.5.2 and Q17.5.3.
Applicable Cells linked to Q17.2 and Q17.4.

[1] Small Business Facilities Enterprises.

Q17.5.1
SR 000's

DETAILS OF EXPOSURE VALUE AND CREDIT RISK MITIGATION TECHNIQUES

For Quarter Ending

EXPOSURE CLASS	CREDIT RISK MITIGATION TECHNIQUES AFFECTING THE EXPOSURE VALUE						FULLY ADJUSTED EXPOSURE VALUE (E*) USING COMPREHENSIVE APPROACH	EXPOSURE VALUE USING EITHER SIMPLE OR COMPREHENSIVE APPROACH	RISK WEIGHTED EXPOSURE AMOUNT	MINIMUM[1] CAPITAL REQUIREMENT
	FUNDED CREDIT PROTECTION: FINANCIAL COLLATERAL COMPREHENSIVE APPROACH [2]									
	VOLATILITY ADJUSTMENT TO THE EXPOSURE (+) He	FINANCIAL COLLATERAL: ADJUSTED VALUE	MEMORANDUM ITEMS: VOLATILITY AND MATURITY ADJUSTMENTS							
			TOTAL (-)	TO THE COLLATERAL (-) Hc	CURRENCY MISMATCH (-) (Hfx)	MATURITY MISMATCH (-)				
	12	13	14=15+16+17	15	16	17	18=6+12-13	19=11 or 18	20	
SOVEREIGNS AND CENTRAL BANKS										
• SAMA and Saudi Government										
• Others										
MULTILATERAL DEVELOPMENT BANKS										
PUBLIC SECTOR ENTITIES										
BANKS AND SECURITIES FIRMS										
CORPORATES										
RETAIL – NON MORTGAGES										
• SBFE's										
MORTGAGES										
• Residential										
• Commercial										
SECURITIZED ASSETS										
EQUITY										
OTHERS										
TOTAL										

[1] Linked to Q17.2.
[2] Only applicable if comprehensive approach is used to incorporate effect of Credit Risk Mitigants.

Q17.5.2
SR 000's

DETAILS OF EXPOSURE VALUE AND CREDIT RISK MITIGATION TECHNIQUES
For Quarter Ending

Exposure type: Off Balance Sheet

EXPOSURE CLASS	ORIGINAL CREDIT & COUNTERPARTY RISK EXPOSURE PRE CREDIT CONVERSION FACTORS	VALUE ADJUSTMENTS AND PROVISIONS ASSOCIATED WITH THE ORIGINAL EXPOSURE (-)	EXPOSURE NET OF VALUE ADJUSTMENTS AND PROVISIONS	CREDIT RISK MITIGATION (CRM) TECHNIQUES WITH SUBSTITUTION EFFECTS ON THE EXPOSURE ALONG EXPOSURE CLASSES AND SUB-PORTFOLIOS							NET EXPOSURE AFTER CRM SUBSTITUTION EFFECT - SIMPLE APPROACH
				UNFUNDED CREDIT PROTECTION: ADJUSTED VALUES (Ga)		EXPOSURE AFTER UNFUNDED CRM	FUNDED CREDIT PROTECTION SIMPLE APPROACH		SUBSTITUTION EFFECT ON EXPOSURE (a)		
				GUARANTEES	CREDIT DERIVATIVES		FINANCIAL COLLATERAL: SIMPLE APPROACH	OTHER FUNDED CREDIT PROTECTION	TOTAL OUTFLOWS (-)	TOTAL INFLOWS (+)	
	1	2	3=1+2	4	5	6=3-4-5	7	8	9	10	11=6-7-8
SOVEREIGNS AND CENTRAL BANKS											
• SAMA and Saudi Government											
• Others											
MULTILATERAL DEVELOPMENT BANKS											
PUBLIC SECTOR ENTITIES											
BANKS AND SECURITIES FIRMS											
CORPORATES											
RETAIL – NON MORTGAGES											
• SBFE's[1]											
MORTGAGES											
• Residential											
• Commercial											
SECURITIZED ASSETS											
EQUITY											
OTHERS											
TOTAL											

(a) When the exposure and the protection provider belong to different portfolios, both treated in the standardized approach, the covered part of the exposure will be assigned to the portfolio of the risk mitigant provider. Inflows and outflows generated by the risk mitigation within the same portfolio must also be reported.
This return sums up Q17.5.1, Q17.5.2 and Q17.5.3.
Applicable Cells linked to Q17.2 and Q17.4.

[1] Small Business Facilities Enterprises.

Q17.5.2
SR 000's

DETAILS OF EXPOSURE VALUE AND CREDIT RISK MITIGATION TECHNIQUES

For Quarter Ending

EXPOSURE CLASS	CREDIT RISK MITIGATION TECHNIQUES AFFECTING THE EXPOSURE VALUE						FULLY ADJUSTED EXPOSURE VALUE (E*) USING COMPREHENSIVE APPROACH	EXPOSURE VALUE USING EITHER SIMPLE OR COMPREHENSIVE APPROACH	RISK WEIGHTED EXPOSURE AMOUNT	MINIMUM[1] CAPITAL REQUIREMENT
	FUNDED CREDIT PROTECTION: FINANCIAL COLLATERAL COMPREHENSIVE APPROACH [2]									
	VOLATILITY ADJUSTMENT TO THE EXPOSURE (+) He	FINANCIAL COLLATERAL: ADJUSTED VALUE	MEMORANDUM ITEMS: VOLATILITY AND MATURITY ADJUSTMENTS							
			TOTAL (-)	TO THE COLLATERAL (-) Hc	CURRENCY MISMATCH (-) (Hfx)	MATURITY MISMATCH (-)				
	12	13	14=15+16+17	15	16	17	18=6+12-13	19=11 or 18	20	
SOVEREIGNS AND CENTRAL BANKS										
• SAMA and Saudi Government										
• Others										
MULTILATERAL DEVELOPMENT BANKS										
PUBLIC SECTOR ENTITIES										
BANKS AND SECURITIES FIRMS										
CORPORATES										
RETAIL – NON MORTGAGES										
• SBFE's										
MORTGAGES										
• Residential										
• Commercial										
SECURITIZED ASSETS										
EQUITY										
OTHERS										
TOTAL										

[1] Linked to Q17.2.
[2] Only applicable if comprehensive approach is used to incorporate effect of Credit Risk Mitigants.

DETAILS OF EXPOSURE VALUE AND CREDIT RISK MITIGATION TECHNIQUES

For Quarter Ending

Exposure type: Derivatives

EXPOSURE CLASS	ORIGINAL CREDIT & COUNTERPARTY RISK EXPOSURE PRE CREDIT CONVERSION FACTORS	VALUE ADJUSTMENTS AND PROVISIONS ASSOCIATED WITH THE ORIGINAL EXPOSURE (-)	EXPOSURE NET OF VALUE ADJUSTMENTS AND PROVISIONS	CREDIT RISK MITIGATION (CRM) TECHNIQUES WITH SUBSTITUTION EFFECTS ON THE EXPOSURE ALONG EXPOSURE CLASSES AND SUB-PORTFOLIOS							NET EXPOSURE AFTER CRM SUBSTITUTION EFFECT - SIMPLE APPROACH
				UNFUNDED CREDIT PROTECTION: ADJUSTED VALUES (Ga)		EXPOSURE AFTER UNFUNDED CRM	FUNDED CREDIT PROTECTION SIMPLE APPROACH		SUBSTITUTION EFFECT ON EXPOSURE (a)		
				GUARANTEES	CREDIT DERIVATIVES		FINANCIAL COLLATERAL: SIMPLE APPROACH	OTHER FUNDED CREDIT PROTECTION	TOTAL OUTFLOWS (-)	TOTAL INFLOWS (+)	
	1	2	3=1+2	4	5	6=3-4-5	7	8	9	10	11=6-7-8
SOVEREIGNS AND CENTRAL BANKS											
• SAMA and Saudi Government											
• Others											
MULTILATERAL DEVELOPMENT BANKS											
PUBLIC SECTOR ENTITIES											
BANKS AND SECURITIES FIRMS											
CORPORATES											
RETAIL – NON MORTGAGES											
• SBFE's[1]											
MORTGAGES											
• Residential											
• Commercial											
SECURITIZED ASSETS											
EQUITY											
OTHERS											
TOTAL											

(a) When the exposure and the protection provider belong to different portfolios, both treated in the standardized approach, the covered part of the exposure will be assigned to the portfolio of the risk mitigant provider. Inflows and outflows generated by the risk mitigation within the same portfolio must also be reported.
This return sums up Q17.5.1, Q17.5.2 and Q17.5.3.
Applicable Cells linked to Q17.2 and Q17.4.

[1] Small Business Facilities Enterprises.

Q17.5.3
SR 000's

<u>DETAILS OF EXPOSURE VALUE AND CREDIT RISK MITIGATION TECHNIQUES</u>

For Quarter Ending

EXPOSURE CLASS	CREDIT RISK MITIGATION TECHNIQUES AFFECTING THE EXPOSURE VALUE						FULLY ADJUSTED EXPOSURE VALUE (E*) USING COMPREHENSIVE APPROACH	EXPOSURE VALUE USING EITHER SIMPLE OR COMPREHENSIVE APPROACH	RISK WEIGHTED EXPOSURE AMOUNT	MINIMUM[1] CAPITAL REQUIREMENT
	FUNDED CREDIT PROTECTION: FINANCIAL COLLATERAL COMPREHENSIVE APPROACH [2]									
	VOLATILITY ADJUSTMENT TO THE EXPOSURE (+) He	FINANCIAL COLLATERAL: ADJUSTED VALUE	MEMORANDUM ITEMS: VOLATILITY AND MATURITY ADJUSTMENTS							
			TOTAL (-)	TO THE COLLATERAL (-) Hc	CURRENCY MISMATCH (-) (Hfx)	MATURITY MISMATCH (-)				
	12	13	14=15+16+17	15	16	17	18=6+12-13	19=11 or 18	20	
SOVEREIGNS AND CENTRAL BANKS										
• SAMA and Saudi Government										
• Others										
MULTILATERAL DEVELOPMENT BANKS										
PUBLIC SECTOR ENTITIES										
BANKS AND SECURITIES FIRMS										
CORPORATES										
RETAIL – NON MORTGAGES										
• SBFE's										
MORTGAGES										
• Residential										
• Commercial										
SECURITIZED ASSETS										
EQUITY										
OTHERS										
TOTAL										

[1] Linked to Q17.2.
[2] Only applicable if comprehensive approach is used to incorporate effect of Credit Risk Mitigants.

SR 000's

DETAILS OF EACH EXPOSURE CLASSIFICATIONS BY RISK WEIGHT

For Quarter Ending

Exposure Classification	**:**	**Total Exposures**
Exposure type	**:**	**All On Balance Sheet, Off Balance Sheet and Derivatives**

	Risk Weights	Original Credit[1] & Counterparty Risk Exposure Pre Credit Conversion Factor	Value[2] Adjustments & Provisions Associated with the Original Exposure (-)	Exposure Net of Value Adjustments & Provisions	Net Exposure[3] After CRM Substitution Using Simple Approach	Fully[4] Adjusted Exposure Value (E) Using Comprehensive Approach	Breakdown of the Fully Adjusted Exposure of Off Balance Sheet items by Credit Conversion Factors (%)				Net Exposure Value Using Simple or Comprehensive Approach	Risk Weighted Exposure Amount	Minimum Capital Requirements	Memorandum Items	
							0	20	50	100				IAS Related Adjustment to the Exposure Value	Number of Obligors
		1	2	3=1-2	4	5	6	7	8	9	10: 4 or 5	11	12	13	14
1	Total														
2	0%														
3	20 %														
4	35%														
5	50%														
6	75%														
7	100%														
8	150%														
9	Other risk weights														

This returns sums up the total exposure by risk weights for exposures related to On Balance, Off Balance Sheet and Derivative Exposures.
This return sum up Q17.6.1, Q17.6.2 and Q17.6.3.
Cells Linked to applicable exposure type and classification on Q17.4.

Footnotes

[1] Original Exposure before any adjustment.
[2] After Credit Conversion and Provisions and other Value Adjustments.
[3] Exposure Values Net of Non-funded CRM's; and after using the CRM-Simple Approach for Funded CRM.
[4] Net Exposure Value Net of Non-funded CRM's; and after using the CRM-Comprehensive Approach for Funded CRM.

Q17.6.1
SR 000's

DETAILS OF EACH EXPOSURE CLASSIFICATIONS BY RISK WEIGHT

For Quarter Ending

Exposure Classification	:	**All Classifications**
Exposure type	:	**On Balance Sheet**

	Risk Weights	Original Credit[1] & Counterparty Risk Exposure Pre Credit Conversion Factor	Value[2] Adjustments & Provisions Associated with the Original Exposure (-)	Exposure Net of Value Adjustments & Provisions	Net Exposure[3] After CRM Substitution Using Simple Approach	Fully[4] Adjusted Exposure Value (E) Using Comprehensive Approach	Breakdown of the Fully Adjusted Exposure of Off Balance Sheet items by Credit Conversion Factors (%)				Net Exposure Value Using Simple or Comprehensive Approach	Risk Weighted Exposure Amount	Minimum Capital Requirements	Memorandum Items	
							0	20	50	100				IAS Related Adjustment to the Exposure Value	Number of Obligors
		1	2	3=1-2	4	5	6	7	8	9	10: 4 or 5	11	12	13	14
1	Total														
2	0%														
3	20 %														
4	35%														
5	50%														
6	75%														
7	100%														
8	150%														
9	Other risk weights														

This returns sums up the total exposure by risk weights for exposures related to On Balance sheet asset.
This return sum up Q17.6.1.
Cells Linked to applicable exposure type and classification on Q17.4.

Footnotes

[1] Original Exposure before any adjustment.
[2] After Credit Conversion and Provisions and other Value Adjustments.
[3] Exposure Values Net of Non-funded CRM's; and after using the CRM-Simple Approach for Funded CRM.
[4] Net Exposure Value Net of Non-funded CRM's; and after using the CRM-Comprehensive Approach for Funded CRM.

Q17.6.1.1
SR 000's

DETAILS OF EACH EXPOSURE CLASSIFICATIONS BY RISK WEIGHT

For Quarter Ending

Exposure Classification	**:**	**Total Sovereign and Central Banks**
Exposure type	**:**	**On Balance Sheet**

	Risk Weights	Original Credit[1] & Counterparty Risk Exposure Pre Credit Conversion Factor	Value[2] Adjustments & Provisions Associated with the Original Exposure (-)	Exposure Net of Value Adjustments & Provisions	Net Exposure[3] After CRM Substitution Using Simple Approach	Fully[4] Adjusted Exposure Value (E) Using Comprehensive Approach	Breakdown of the Fully Adjusted Exposure of Off Balance Sheet items by Credit Conversion Factors (%)				Net Exposure Value Using Simple or Comprehensive Approach	Risk Weighted Exposure Amount	Minimum Capital Requirements	Memorandum Items	
							0	20	50	100				IAS Related Adjustment to the Exposure Value	Number of Obligors
		1	2	3=1-2	4	5	6	7	8	9	10: 4 or 5	11	12	13	14
1	Total														
2	0%														
3	20 %														
4	35%														
5	50%														
6	75%														
7	100%														
8	150%														
9	Other risk weights														

Cells Linked to applicable exposure type and classification on Q17.4.

Footnotes

[1] Original Exposure before any adjustment.
[2] After Credit Conversion and Provisions and other Value Adjustments.
[3] Exposure Values Net of Non-funded CRM's; and after using the CRM-Simple Approach for Funded CRM.
[4] Net Exposure Value Net of Non-funded CRM's; and after using the CRM-Comprehensive Approach for Funded CRM.

Q17.6.1.2
SR 000's

DETAILS OF EACH EXPOSURE CLASSIFICATIONS BY RISK WEIGHT

For Quarter Ending

Exposure Classification	**:**	**SAMA and Saudi Government**
Exposure type	**:**	**On Balance Sheet**

	Risk Weights	Original Credit[1] & Counterparty Risk Exposure Pre Credit Conversion Factor	Value[2] Adjustments & Provisions Associated with the Original Exposure (-)	Exposure Net of Value Adjustments & Provisions	Net Exposure[3] After CRM Substitution Using Simple Approach	Fully[4] Adjusted Exposure Value (E) Using Comprehensive Approach	Breakdown of the Fully Adjusted Exposure of Off Balance Sheet items by Credit Conversion Factors (%)				Net Exposure Value Using Simple or Comprehensive Approach	Risk Weighted Exposure Amount	Minimum Capital Requirements	Memorandum Items: IAS Related Adjustment to the Exposure Value	Memorandum Items: Number of Obligors
							0	20	50	100					
		1	2	3=1-2	4	5	6	7	8	9	10: 4 or 5	11	12	13	14
1	Total														
2	0%														
3	20 %														
4	35%														
5	50%														
6	75%														
7	100%														
8	150%														
9	Other risk weights														

Cells Linked to applicable exposure type and classification on Q17.4.

Footnotes

[1] Original Exposure before any adjustment.
[2] After Credit Conversion and Provisions and other Value Adjustments.
[3] Exposure Values Net of Non-funded CRM's; and after using the CRM-Simple Approach for Funded CRM.
[4] Net Exposure Value Net of Non-funded CRM's; and after using the CRM-Comprehensive Approach for Funded CRM.

Q17.6.1.3
SR 000's

DETAILS OF EACH EXPOSURE CLASSIFICATIONS BY RISK WEIGHT

For Quarter Ending

Exposure Classification	**:**	**Other Sovereigns and Central Banks**
Exposure type	**:**	**On Balance Sheet**

	Risk Weights	Original Credit[1] & Counterparty Risk Exposure Pre Credit Conversion Factor	Value[2] Adjustments & Provisions Associated with the Original Exposure (-)	Exposure Net of Value Adjustments & Provisions	Net Exposure[3] After CRM Substitution Using Simple Approach	Fully[4] Adjusted Exposure Value (E) Using Comprehensive Approach	Breakdown of the Fully Adjusted Exposure of Off Balance Sheet items by Credit Conversion Factors (%)				Net Exposure Value Using Simple or Comprehensive Approach	Risk Weighted Exposure Amount	Minimum Capital Requirements	Memorandum Items: IAS Related Adjustment to the Exposure Value	Memorandum Items: Number of Obligors
							0	20	50	100					
		1	2	3=1-2	4	5	6	7	8	9	10: 4 or 5	11	12	13	14
1	Total														
2	0%														
3	20 %														
4	35%														
5	50%														
6	75%														
7	100%														
8	150%														
9	Other risk weights														

Cells Linked to applicable exposure type and classification on Q17.4.

Footnotes

[1] Original Exposure before any adjustment.
[2] After Credit Conversion and Provisions and other Value Adjustments.
[3] Exposure Values Net of Non-funded CRM's; and after using the CRM-Simple Approach for Funded CRM.
[4] Net Exposure Value Net of Non-funded CRM's; and after using the CRM-Comprehensive Approach for Funded CRM.

Q17.6.1.4
SR 000's

DETAILS OF EACH EXPOSURE CLASSIFICATIONS BY RISK WEIGHT

For Quarter Ending

Exposure Classification	:	**Public Sector Entities (PSEs)**
Exposure type	:	**On Balance Sheet**

	Risk Weights	Original Credit[1] & Counterparty Risk Exposure Pre Credit Conversion Factor	Value[2] Adjustments & Provisions Associated with the Original Exposure (-)	Exposure Net of Value Adjustments & Provisions	Net Exposure[3] After CRM Substitution Using Simple Approach	Fully[4] Adjusted Exposure Value (E) Using Comprehensive Approach	Breakdown of the Fully Adjusted Exposure of Off Balance Sheet items by Credit Conversion Factors (%)				Net Exposure Value Using Simple or Comprehensive Approach	Risk Weighted Exposure Amount	Minimum Capital Requirements	Memorandum Items	
														IAS Related Adjustment to the Exposure Value	Number of Obligors
							0	20	50	100					
		1	2	3=1-2	4	5	6	7	8	9	10: 4 or 5	11	12	13	14
1	Total														
2	0%														
3	20 %														
4	35%														
5	50%														
6	75%														
7	100%														
8	150%														
9	Other risk weights														

Cells Linked to applicable exposure type and classification on Q17.4.

Footnotes

[1] Original Exposure before any adjustment.
[2] After Credit Conversion and Provisions and other Value Adjustments.
[3] Exposure Values Net of Non-funded CRM's; and after using the CRM-Simple Approach for Funded CRM.
[4] Net Exposure Value Net of Non-funded CRM's; and after using the CRM-Comprehensive Approach for Funded CRM.

Q17.6.1.5
SR 000's

DETAILS OF EACH EXPOSURE CLASSIFICATIONS BY RISK WEIGHT
For Quarter Ending

Exposure Classification	**:**	**Multilateral Development Banks (MDBs)**
Exposure type	**:**	**On Balance Sheet**

	Risk Weights	Original Credit[1] & Counterparty Risk Exposure Pre Credit Conversion Factor	Value[2] Adjustments & Provisions Associated with the Original Exposure (-)	Exposure Net of Value Adjustments & Provisions	Net Exposure[3] After CRM Substitution Using Simple Approach	Fully[4] Adjusted Exposure Value (E) Using Comprehensive Approach	Breakdown of the Fully Adjusted Exposure of Off Balance Sheet items by Credit Conversion Factors (%)				Net Exposure Value Using Simple or Comprehensive Approach	Risk Weighted Exposure Amount	Minimum Capital Requirements	Memorandum Items	
							0	20	50	100				IAS Related Adjustment to the Exposure Value	Number of Obligors
		1	2	3=1-2	4	5	6	7	8	9	10: 4 or 5	11	12	13	14
1	Total														
2	0%														
3	20 %														
4	35%														
5	50%														
6	75%														
7	100%														
8	150%														
9	Other risk weights														

Cells Linked to applicable exposure type and classification on Q17.4.

Footnotes

[1] Original Exposure before any adjustment.
[2] After Credit Conversion and Provisions and other Value Adjustments.
[3] Exposure Values Net of Non-funded CRM's; and after using the CRM-Simple Approach for Funded CRM.
[4] Net Exposure Value Net of Non-funded CRM's; and after using the CRM-Comprehensive Approach for Funded CRM.

Q17.6.1.6
SR 000's

DETAILS OF EACH EXPOSURE CLASSIFICATIONS BY RISK WEIGHT

For Quarter Ending

Exposure Classification	**:**	**Banks and Securities Firms**
Exposure type	**:**	**On Balance Sheet**

	Risk Weights	Original Credit[1] & Counterparty Risk Exposure Pre Credit Conversion Factor	Value[2] Adjustments & Provisions Associated with the Original Exposure (-)	Exposure Net of Value Adjustments & Provisions	Net Exposure[3] After CRM Substitution Using Simple Approach	Fully[4] Adjusted Exposure Value (E) Using Comprehensive Approach	Breakdown of the Fully Adjusted Exposure of Off Balance Sheet items by Credit Conversion Factors (%)				Net Exposure Value Using Simple or Comprehensive Approach	Risk Weighted Exposure Amount	Minimum Capital Requirements	Memorandum Items	
							0	20	50	100				IAS Related Adjustment to the Exposure Value	Number of Obligors
		1	2	3=1-2	4	5	6	7	8	9	10: 4 or 5	11	12	13	14
1	Total														
2	0%														
3	20 %														
4	35%														
5	50%														
6	75%														
7	100%														
8	150%														
9	Other risk weights														

Cells Linked to applicable exposure type and classification on Q17.4.

Footnotes

[1] Original Exposure before any adjustment.
[2] After Credit Conversion and Provisions and other Value Adjustments.
[3] Exposure Values Net of Non-funded CRM's; and after using the CRM-Simple Approach for Funded CRM.
[4] Net Exposure Value Net of Non-funded CRM's; and after using the CRM-Comprehensive Approach for Funded CRM.

Q17.6.1.7
SR 000's

DETAILS OF EACH EXPOSURE CLASSIFICATIONS BY RISK WEIGHT

For Quarter Ending

Exposure Classification	:	**Corporates**
Exposure type	:	**On Balance Sheet**

	Risk Weights	Original Credit[1] & Counterparty Risk Exposure Pre Credit Conversion Factor	Value[2] Adjustments & Provisions Associated with the Original Exposure (-)	Exposure Net of Value Adjustments & Provisions	Net Exposure[3] After CRM Substitution Using Simple Approach	Fully[4] Adjusted Exposure Value (E) Using Comprehensive Approach	Breakdown of the Fully Adjusted Exposure of Off Balance Sheet items by Credit Conversion Factors (%)				Net Exposure Value Using Simple or Comprehensive Approach	Risk Weighted Exposure Amount	Minimum Capital Requirements	Memorandum Items	
							0	20	50	100				IAS Related Adjustment to the Exposure Value	Number of Obligors
		1	2	3=1-2	4	5	6	7	8	9	10: 4 or 5	11	12	13	14
1	Total														
2	0%														
3	20 %														
4	35%														
5	50%														
6	75%														
7	100%														
8	150%														
9	Other risk weights														

Cells Linked to applicable exposure type and classification on Q17.4.

Footnotes

[1] Original Exposure before any adjustment.
[2] After Credit Conversion and Provisions and other Value Adjustments.
[3] Exposure Values Net of Non-funded CRM's; and after using the CRM-Simple Approach for Funded CRM.
[4] Net Exposure Value Net of Non-funded CRM's; and after using the CRM-Comprehensive Approach for Funded CRM.

Q17.6.1.8
SR 000's

DETAILS OF EACH EXPOSURE CLASSIFICATIONS BY RISK WEIGHT

For Quarter Ending

Exposure Classification	**:**	**Total Retail Non Mortgages**
Exposure type	**:**	**On Balance Sheet**

	Risk Weights	**Original Credit[1] & Counterparty Risk Exposure Pre Credit Conversion Factor**	**Value[2] Adjustments & Provisions Associated with the Original Exposure (-)**	**Exposure Net of Value Adjustments & Provisions**	**Net Exposure[3] After CRM Substitution Using Simple Approach**	**Fully[4] Adjusted Exposure Value (E) Using Comprehensive Approach**	**Breakdown of the Fully Adjusted Exposure of Off Balance Sheet items by Credit Conversion Factors (%)**				**Net Exposure Value Using Simple or Comprehensive Approach**	**Risk Weighted Exposure Amount**	**Minimum Capital Requirements**	**Memorandum Items**	
							0	20	50	100				**IAS Related Adjustment to the Exposure Value**	**Number of Obligors**
		1	2	3=1-2	4	5	6	7	8	9	10: 4 or 5	11	12	13	14
1	Total														
2	0%														
3	20 %														
4	35%														
5	50%														
6	75%														
7	100%														
8	150%														
9	Other risk weights														

Cells Linked to applicable exposure type and classification on Q17.4.

Footnotes

[1] Original Exposure before any adjustment.
[2] After Credit Conversion and Provisions and other Value Adjustments.
[3] Exposure Values Net of Non-funded CRM's; and after using the CRM-Simple Approach for Funded CRM.
[4] Net Exposure Value Net of Non-funded CRM's; and after using the CRM-Comprehensive Approach for Funded CRM.

Q17.6.1.9
SR 000's

DETAILS OF EACH EXPOSURE CLASSIFICATIONS BY RISK WEIGHT
For Quarter Ending

Exposure Classification	**:**	**Retail SBFE's**
Exposure type	**:**	**On Balance Sheet**

	Risk Weights	Original Credit[1] & Counterparty Risk Exposure Pre Credit Conversion Factor	Value[2] Adjustments & Provisions Associated with the Original Exposure (-)	Exposure Net of Value Adjustments & Provisions	Net Exposure[3] After CRM Substitution Using Simple Approach	Fully[4] Adjusted Exposure Value (E) Using Comprehensive Approach	Breakdown of the Fully Adjusted Exposure of Off Balance Sheet items by Credit Conversion Factors (%)				Net Exposure Value Using Simple or Comprehensive Approach	Risk Weighted Exposure Amount	Minimum Capital Requirements	Memorandum Items: IAS Related Adjustment to the Exposure Value	Memorandum Items: Number of Obligors
							0	20	50	100					
		1	2	3=1-2	4	5	6	7	8	9	10: 4 or 5	11	12	13	14
1	Total														
2	0%														
3	20 %														
4	35%														
5	50%														
6	75%														
7	100%														
8	150%														
9	Other risk weights														

Cells Linked to applicable exposure type and classification on Q17.4.

Footnotes

[1] Original Exposure before any adjustment.
[2] After Credit Conversion and Provisions and other Value Adjustments.
[3] Exposure Values Net of Non-funded CRM's; and after using the CRM-Simple Approach for Funded CRM.
[4] Net Exposure Value Net of Non-funded CRM's; and after using the CRM-Comprehensive Approach for Funded CRM.

Q17.6.1.10
SR 000's

DETAILS OF EACH EXPOSURE CLASSIFICATIONS BY RISK WEIGHT

For Quarter Ending

Exposure Classification	**:**	**Other Retail Non Mortgages**
Exposure type	**:**	**On Balance Sheet**

	Risk Weights	Original Credit[1] & Counterparty Risk Exposure Pre Credit Conversion Factor	Value[2] Adjustments & Provisions Associated with the Original Exposure (-)	Exposure Net of Value Adjustments & Provisions	Net Exposure[3] After CRM Substitution Using Simple Approach	Fully[4] Adjusted Exposure Value (E) Using Comprehensive Approach	Breakdown of the Fully Adjusted Exposure of Off Balance Sheet items by Credit Conversion Factors (%)				Net Exposure Value Using Simple or Comprehensive Approach	Risk Weighted Exposure Amount	Minimum Capital Requirements	Memorandum Items	
							0	20	50	100				IAS Related Adjustment to the Exposure Value	Number of Obligors
		1	2	3=1-2	4	5	6	7	8	9	10: 4 or 5	11	12	13	14
1	Total														
2	0%														
3	20 %														
4	35%														
5	50%														
6	75%														
7	100%														
8	150%														
9	Other risk weights														

Cells Linked to applicable exposure type and classification on Q17.4.

Footnotes

[1] Original Exposure before any adjustment.
[2] After Credit Conversion and Provisions and other Value Adjustments.
[3] Exposure Values Net of Non-funded CRM's; and after using the CRM-Simple Approach for Funded CRM.
[4] Net Exposure Value Net of Non-funded CRM's; and after using the CRM-Comprehensive Approach for Funded CRM.

Q17.6.1.11
SR 000's

DETAILS OF EACH EXPOSURE CLASSIFICATIONS BY RISK WEIGHT

For Quarter Ending

Exposure Classification	**:**	**Total Mortgages – Residential and Commercial**
Exposure type	**:**	**On Balance Sheet**

	Risk Weights	Original Credit[1] & Counterparty Risk Exposure Pre Credit Conversion Factor	Value[2] Adjustments & Provisions Associated with the Original Exposure (-)	Exposure Net of Value Adjustments & Provisions	Net Exposure[3] After CRM Substitution Using Simple Approach	Fully[4] Adjusted Exposure Value (E) Using Comprehensive Approach	Breakdown of the Fully Adjusted Exposure of Off Balance Sheet items by Credit Conversion Factors (%)				Net Exposure Value Using Simple or Comprehensive Approach	Risk Weighted Exposure Amount	Minimum Capital Requirements	Memorandum Items	
							0	20	50	100				IAS Related Adjustment to the Exposure Value	Number of Obligors
		1	2	3=1-2	4	5	6	7	8	9	10: 4 or 5	11	12	13	14
1	Total														
2	0%														
3	20 %														
4	35%														
5	50%														
6	75%														
7	100%														
8	150%														
9	Other risk weights														

Cells Linked to applicable exposure type and classification on Q17.4.

Footnotes

[1] Original Exposure before any adjustment.
[2] After Credit Conversion and Provisions and other Value Adjustments.
[3] Exposure Values Net of Non-funded CRM's; and after using the CRM-Simple Approach for Funded CRM.
[4] Net Exposure Value Net of Non-funded CRM's; and after using the CRM-Comprehensive Approach for Funded CRM.

Q17.6.1.12
SR 000's

DETAILS OF EACH EXPOSURE CLASSIFICATIONS BY RISK WEIGHT

For Quarter Ending

Exposure Classification	**:**	**Mortgages – Residential**
Exposure type	**:**	**On Balance Sheet**

	Risk Weights	Original Credit[1] & Counterparty Risk Exposure Pre Credit Conversion Factor	Value[2] Adjustments & Provisions Associated with the Original Exposure (-)	Exposure Net of Value Adjustments & Provisions	Net Exposure[3] After CRM Substitution Using Simple Approach	Fully[4] Adjusted Exposure Value (E) Using Comprehensive Approach	Breakdown of the Fully Adjusted Exposure of Off Balance Sheet items by Credit Conversion Factors (%)				Net Exposure Value Using Simple or Comprehensive Approach	Risk Weighted Exposure Amount	Minimum Capital Requirements	Memorandum Items: IAS Related Adjustment to the Exposure Value	Memorandum Items: Number of Obligors
							0	20	50	100					
		1	2	3=1-2	4	5	6	7	8	9	10: 4 or 5	11	12	13	14
1	Total														
2	0%														
3	20 %														
4	35%														
5	50%														
6	75%														
7	100%														
8	150%														
9	Other risk weights														

Cells Linked to applicable exposure type and classification on Q17.4.

Footnotes

[1] Original Exposure before any adjustment.
[2] After Credit Conversion and Provisions and other Value Adjustments.
[3] Exposure Values Net of Non-funded CRM's; and after using the CRM-Simple Approach for Funded CRM.
[4] Net Exposure Value Net of Non-funded CRM's; and after using the CRM-Comprehensive Approach for Funded CRM.

Q17.6.1.13
SR 000's

DETAILS OF EACH EXPOSURE CLASSIFICATIONS BY RISK WEIGHT

For Quarter Ending

Exposure Classification	**:**	**Commercial Mortgages**
Exposure type	**:**	**On Balance Sheet**

	Risk Weights	Original Credit[1] & Counterparty Risk Exposure Pre Credit Conversion Factor	Value[2] Adjustments & Provisions Associated with the Original Exposure (-)	Exposure Net of Value Adjustments & Provisions	Net Exposure[3] After CRM Substitution Using Simple Approach	Fully[4] Adjusted Exposure Value (E) Using Comprehensive Approach	Breakdown of the Fully Adjusted Exposure of Off Balance Sheet items by Credit Conversion Factors (%)				Net Exposure Value Using Simple or Comprehensive Approach	Risk Weighted Exposure Amount	Minimum Capital Requirements	Memorandum Items: IAS Related Adjustment to the Exposure Value	Memorandum Items: Number of Obligors
							0	20	50	100					
		1	2	3=1-2	4	5	6	7	8	9	10: 4 or 5	11	12	13	14
1	Total														
2	0%														
3	20 %														
4	35%														
5	50%														
6	75%														
7	100%														
8	150%														
9	Other risk weights														

Cells Linked to applicable exposure type and classification on Q17.4.

Footnotes

[1] Original Exposure before any adjustment.
[2] After Credit Conversion and Provisions and other Value Adjustments.
[3] Exposure Values Net of Non-funded CRM's; and after using the CRM-Simple Approach for Funded CRM.
[4] Net Exposure Value Net of Non-funded CRM's; and after using the CRM-Comprehensive Approach for Funded CRM.

Q17.6.1.14
SR 000's

DETAILS OF EACH EXPOSURE CLASSIFICATIONS BY RISK WEIGHT

For Quarter Ending

Exposure Classification	**:**	**Securitized Assets**
Exposure type	**:**	**On Balance Sheet**

	Risk Weights	Original Credit[1] & Counterparty Risk Exposure Pre Credit Conversion Factor	Value[2] Adjustments & Provisions Associated with the Original Exposure (-)	Exposure Net of Value Adjustments & Provisions	Net Exposure[3] After CRM Substitution Using Simple Approach	Fully[4] Adjusted Exposure Value (E) Using Comprehensive Approach	Breakdown of the Fully Adjusted Exposure of Off Balance Sheet items by Credit Conversion Factors (%)				Net Exposure Value Using Simple or Comprehensive Approach	Risk Weighted Exposure Amount	Minimum Capital Requirements	Memorandum Items	
							0	20	50	100				IAS Related Adjustment to the Exposure Value	Number of Obligors
		1	2	3=1-2	4	5	6	7	8	9	10: 4 or 5	11	12	13	14
1	Total														
2	0%														
3	20 %														
4	35%														
5	50%														
6	75%														
7	100%														
8	150%														
9	Other risk weights														

Cells Linked to applicable exposure type and classification on Q17.4.

Footnotes

[1] Original Exposure before any adjustment.
[2] After Credit Conversion and Provisions and other Value Adjustments.
[3] Exposure Values Net of Non-funded CRM's; and after using the CRM-Simple Approach for Funded CRM.
[4] Net Exposure Value Net of Non-funded CRM's; and after using the CRM-Comprehensive Approach for Funded CRM.

Q17.6.1.15
SR 000's

DETAILS OF EACH EXPOSURE CLASSIFICATIONS BY RISK WEIGHT

For Quarter Ending

Exposure Classification	**:**	**Equities**
Exposure type	**:**	**On Balance Sheet**

	Risk Weights	Original Credit[1] & Counterparty Risk Exposure Pre Credit Conversion Factor	Value[2] Adjustments & Provisions Associated with the Original Exposure (-)	Exposure Net of Value Adjustments & Provisions	Net Exposure[3] After CRM Substitution Using Simple Approach	Fully[4] Adjusted Exposure Value (E) Using Comprehensive Approach	Breakdown of the Fully Adjusted Exposure of Off Balance Sheet items by Credit Conversion Factors (%)				Net Exposure Value Using Simple or Comprehensive Approach	Risk Weighted Exposure Amount	Minimum Capital Requirements	Memorandum Items	
							0	20	50	100				IAS Related Adjustment to the Exposure Value	Number of Obligors
		1	2	3=1-2	4	5	6	7	8	9	10: 4 or 5	11	12	13	14
1	Total														
2	0%														
3	20 %														
4	35%														
5	50%														
6	75%														
7	100%														
8	150%														
9	Other risk weights														

Cells Linked to applicable exposure type and classification on Q17.4.

Footnotes

1 Original Exposure before any adjustment.
2 After Credit Conversion and Provisions and other Value Adjustments.
3 Exposure Values Net of Non-funded CRM's; and after using the CRM-Simple Approach for Funded CRM.
4 Net Exposure Value Net of Non-funded CRM's; and after using the CRM-Comprehensive Approach for Funded CRM.

Q17.6.1.16

SR 000's

DETAILS OF EACH EXPOSURE CLASSIFICATIONS BY RISK WEIGHT
For Quarter Ending

Exposure Classification	**:**	**Other Assets**
Exposure type	**:**	**On Balance Sheet**

	Risk Weights	Original Credit[1] & Counterparty Risk Exposure Pre Credit Conversion Factor	Value[2] Adjustments & Provisions Associated with the Original Exposure (-)	Exposure Net of Value Adjustments & Provisions	Net Exposure[3] After CRM Substitution Using Simple Approach	Fully[4] Adjusted Exposure Value (E) Using Comprehensive Approach	Breakdown of the Fully Adjusted Exposure of Off Balance Sheet items by Credit Conversion Factors (%)				Net Exposure Value Using Simple or Comprehensive Approach	Risk Weighted Exposure Amount	Minimum Capital Requirements	Memorandum Items	
							0	20	50	100				IAS Related Adjustment to the Exposure Value	Number of Obligors
		1	2	3=1-2	4	5	6	7	8	9	10: 4 or 5	11	12	13	14
1	Total														
2	0%														
3	20 %														
4	35%														
5	50%														
6	75%														
7	100%														
8	150%														
9	Other risk weights														

Cells Linked to applicable exposure type and classification on Q17.4.
Other assets includes all other On Balance sheet and not covered in Q17.6.1

Footnotes

[1] Original Exposure before any adjustment.
[2] After Credit Conversion and Provisions and other Value Adjustments.
[3] Exposure Values Net of Non-funded CRM's; and after using the CRM-Simple Approach for Funded CRM.
[4] Net Exposure Value Net of Non-funded CRM's; and after using the CRM-Comprehensive Approach for Funded CRM.

Q17.6.1.17
SR 000's

DETAILS OF EACH EXPOSURE CLASSIFICATIONS BY RISK WEIGHT

For Quarter Ending

Exposure Classification	**:**	**Past Due Exposures**
Exposure type	**:**	**On Balance Sheet**

	Risk Weights	Original Credit[1] & Counterparty Risk Exposure Pre Credit Conversion Factor	Value[2] Adjustments & Provisions Associated with the Original Exposure (-)	Exposure Net of Value Adjustments & Provisions	Net Exposure[3] After CRM Substitution Using Simple Approach	Fully[4] Adjusted Exposure Value (E) Using Comprehensive Approach	Breakdown of the Fully Adjusted Exposure of Off Balance Sheet items by Credit Conversion Factors (%)				Net Exposure Value Using Simple or Comprehensive Approach	Risk Weighted Exposure Amount	Minimum Capital Requirements	Memorandum Items: IAS Related Adjustment to the Exposure Value	Memorandum Items: Number of Obligors
							0	20	50	100					
		1	2	3=1-2	4	5	6	7	8	9	10: 4 or 5	11	12	13	14
1	Total														
2	0%														
3	20 %														
4	35%														
5	50%														
6	75%														
7	100%														
8	150%														
9	Other risk weights														

Cells Linked to applicable exposure type and classification on Q17.4.

Footnotes

[1] Original Exposure before any adjustment.
[2] After Credit Conversion and Provisions and other Value Adjustments.
[3] Exposure Values Net of Non-funded CRM's; and after using the CRM-Simple Approach for Funded CRM.
[4] Net Exposure Value Net of Non-funded CRM's; and after using the CRM-Comprehensive Approach for Funded CRM.

Q17.6.2
SR 000's

DETAILS OF EACH EXPOSURE CLASSIFICATIONS BY RISK WEIGHT
For Quarter Ending

Exposure Classification	**:**	**All Classifications**
Exposure type	**:**	**Off Balance Sheet**

	Risk Weights	Original Credit[1] & Counterparty Risk Exposure Pre Credit Conversion Factor	Value[2] Adjustments & Provisions Associated with the Original Exposure (-)	Exposure Net of Value Adjustments & Provisions	Net Exposure[3] After CRM Substitution Using Simple Approach	Fully[4] Adjusted Exposure Value (E) Using Comprehensive Approach	Breakdown of the Fully Adjusted Exposure of Off Balance Sheet items by Credit Conversion Factors (%)				Net Exposure Value Using Simple or Comprehensive Approach	Risk Weighted Exposure Amount	Minimum Capital Requirements	Memorandum Items	
							0	20	50	100				IAS Related Adjustment to the Exposure Value	Number of Obligors
		1	2	3=1-2	4	5	6	7	8	9	10: 4 or 5	11	12	13	14
1	Total														
2	0%														
3	20 %														
4	35%														
5	50%														
6	75%														
7	100%														
8	150%														
9	Other risk weights														

This return sum up all the Off Balance Sheet Q17.6.1 to Q17.6.3.
Cells Linked to applicable exposure type and classification on Q17.4.

Footnotes

[1] Original Exposure before any adjustment.
[2] After Credit Conversion and Provisions and other Value Adjustments.
[3] Exposure Values Net of Non-funded CRM's; and after using the CRM-Simple Approach for Funded CRM.
[4] Net Exposure Value Net of Non-funded CRM's; and after using the CRM-Comprehensive Approach for Funded CRM.

Q17.6.2.1
SR 000's

DETAILS OF EACH EXPOSURE CLASSIFICATIONS BY RISK WEIGHT

For Quarter Ending

Exposure Classification	**:**	**Letters of Credit**
Exposure type	**:**	**Off Balance Sheet**

	Risk Weights	Original Credit[1] & Counterparty Risk Exposure Pre Credit Conversion Factor	Value[2] Adjustments & Provisions Associated with the Original Exposure (-)	Exposure Net of Value Adjustments & Provisions	Net Exposure[3] After CRM Substitution Using Simple Approach	Fully[4] Adjusted Exposure Value (E) Using Comprehensive Approach	Breakdown of the Fully Adjusted Exposure of Off Balance Sheet items by Credit Conversion Factors (%)				Net Exposure Value Using Simple or Comprehensive Approach	Risk Weighted Exposure Amount	Minimum Capital Requirements	Memorandum Items: IAS Related Adjustment to the Exposure Value	Memorandum Items: Number of Obligors
							0	20	50	100					
		1	2	3=1-2	4	5	6	7	8	9	10: 4 or 5	11	12	13	14
1	Total														
2	0%														
3	20 %														
4	35%														
5	50%														
6	75%														
7	100%														
8	150%														
9	Other risk weights														

This return relates exclusively to Letters of Credit.

Cells Linked to applicable exposure type and classification on Q17.4.

Footnotes

[1] Original Exposure before any adjustment.
[2] After Credit Conversion and Provisions and other Value Adjustments.
[3] Exposure Values Net of Non-funded CRM's; and after using the CRM-Simple Approach for Funded CRM.
[4] Net Exposure Value Net of Non-funded CRM's; and after using the CRM-Comprehensive Approach for Funded CRM.

SR 000's

DETAILS OF EACH EXPOSURE CLASSIFICATIONS BY RISK WEIGHT

For Quarter Ending

Exposure Classification	**:**	**Guarantees**
Exposure type	**:**	**Off Balance Sheet**

	Risk Weights	Original Credit[1] & Counterparty Risk Exposure Pre Credit Conversion Factor	Value[2] Adjustments & Provisions Associated with the Original Exposure (-)	Exposure Net of Value Adjustments & Provisions	Net Exposure[3] After CRM Substitution Using Simple Approach	Fully[4] Adjusted Exposure Value (E) Using Comprehensive Approach	Breakdown of the Fully Adjusted Exposure of Off Balance Sheet items by Credit Conversion Factors (%)				Net Exposure Value Using Simple or Comprehensive Approach	Risk Weighted Exposure Amount	Minimum Capital Requirements	Memorandum Items	
							0	20	50	100				IAS Related Adjustment to the Exposure Value	Number of Obligors
		1	2	3=1-2	4	5	6	7	8	9	10: 4 or 5	11	12	13	14
1	Total														
2	0%														
3	20 %														
4	35%														
5	50%														
6	75%														
7	100%														
8	150%														
9	Other risk weights														

This return relates exclusively for Guarantees.
Cells Linked to applicable exposure type and classification on Q17.4.

Footnotes

[1] Original Exposure before any adjustment.
[2] After Credit Conversion and Provisions and other Value Adjustments.
[3] Exposure Values Net of Non-funded CRM's; and after using the CRM-Simple Approach for Funded CRM.
[4] Net Exposure Value Net of Non-funded CRM's; and after using the CRM-Comprehensive Approach for Funded CRM.

SR 000's

DETAILS OF EACH EXPOSURE CLASSIFICATIONS BY RISK WEIGHT

For Quarter Ending

Exposure Classification	**:**	**Acceptances**
Exposure type	**:**	**Off Balance Sheet**

	Risk Weights	Original Credit[1] & Counterparty Risk Exposure Pre Credit Conversion Factor	Value[2] Adjustments & Provisions Associated with the Original Exposure (-)	Exposure Net of Value Adjustments & Provisions	Net Exposure[3] After CRM Substitution Using Simple Approach	Fully[4] Adjusted Exposure Value (E) Using Comprehensive Approach	Breakdown of the Fully Adjusted Exposure of Off Balance Sheet items by Credit Conversion Factors (%)				Net Exposure Value Using Simple or Comprehensive Approach	Risk Weighted Exposure Amount	Minimum Capital Requirements	Memorandum Items	
							0	20	50	100				IAS Related Adjustment to the Exposure Value	Number of Obligors
		1	2	3=1-2	4	5	6	7	8	9	10: 4 or 5	11	12	13	14
1	Total														
2	0%														
3	20 %														
4	35%														
5	50%														
6	75%														
7	100%														
8	150%														
9	Other risk weights														

This return relates exclusively to Acceptances.
Cells Linked to applicable exposure type and classification on Q17.4.

Footnotes

[1] Original Exposure before any adjustment.
[2] After Credit Conversion and Provisions and other Value Adjustments.
[3] Exposure Values Net of Non-funded CRM's; and after using the CRM-Simple Approach for Funded CRM.
[4] Net Exposure Value Net of Non-funded CRM's; and after using the CRM-Comprehensive Approach for Funded CRM.

Q17.6.2.4
SR 000's

DETAILS OF EACH EXPOSURE CLASSIFICATIONS BY RISK WEIGHT

For Quarter Ending

Exposure Classification	:	**Commitments**
Exposure type	:	**Off Balance Sheet**

	Risk Weights	Original Credit[1] & Counterparty Risk Exposure Pre Credit Conversion Factor	Value[2] Adjustments & Provisions Associated with the Original Exposure (-)	Exposure Net of Value Adjustments & Provisions	Net Exposure[3] After CRM Substitution Using Simple Approach	Fully[4] Adjusted Exposure Value (E) Using Comprehensive Approach	Breakdown of the Fully Adjusted Exposure of Off Balance Sheet items by Credit Conversion Factors (%)				Net Exposure Value Using Simple or Comprehensive Approach	Risk Weighted Exposure Amount	Minimum Capital Requirements	Memorandum Items	
							0	20	50	100				IAS Related Adjustment to the Exposure Value	Number of Obligors
		1	2	3=1-2	4	5	6	7	8	9	10: 4 or 5	11	12	13	14
1	Total														
2	0%														
3	20 %														
4	35%														
5	50%														
6	75%														
7	100%														
8	150%														
9	Other risk weights														

This return relates exclusively to Commitments.
Cells Linked to applicable exposure type and classification on Q17.4.

Footnotes

[1] Original Exposure before any adjustment.
[2] After Credit Conversion and Provisions and other Value Adjustments.
[3] Exposure Values Net of Non-funded CRM's; and after using the CRM-Simple Approach for Funded CRM.
[4] Net Exposure Value Net of Non-funded CRM's; and after using the CRM-Comprehensive Approach for Funded CRM.

Q17.6.2.5
SR 000's

DETAILS OF EACH EXPOSURE CLASSIFICATIONS BY RISK WEIGHT

For Quarter Ending

Exposure Classification	**:**	**Endorsements**
Exposure type	**:**	**Off Balance Sheet**

	Risk Weights	Original Credit[1] & Counterparty Risk Exposure Pre Credit Conversion Factor	Value[2] Adjustments & Provisions Associated with the Original Exposure (-)	Exposure Net of Value Adjustments & Provisions	Net Exposure[3] After CRM Substitution Using Simple Approach	Fully[4] Adjusted Exposure Value (E) Using Comprehensive Approach	Breakdown of the Fully Adjusted Exposure of Off Balance Sheet items by Credit Conversion Factors (%)				Net Exposure Value Using Simple or Comprehensive Approach	Risk Weighted Exposure Amount	Minimum Capital Requirements	Memorandum Items: IAS Related Adjustment to the Exposure Value	Memorandum Items: Number of Obligors
							0	20	50	100					
		1	2	3=1-2	4	5	6	7	8	9	10: 4 or 5	11	12	13	14
1	Total														
2	0%														
3	20 %														
4	35%														
5	50%														
6	75%														
7	100%														
8	150%														
9	Other risk weights														

This return relates exclusively to Endorsements.
Cells Linked to applicable exposure type and classification on Q17.4.

Footnotes

[1] Original Exposure before any adjustment.
[2] After Credit Conversion and Provisions and other Value Adjustments.
[3] Exposure Values Net of Non-funded CRM's; and after using the CRM-Simple Approach for Funded CRM.
[4] Net Exposure Value Net of Non-funded CRM's; and after using the CRM-Comprehensive Approach for Funded CRM.

Q17.6.2.6
SR 000's

DETAILS OF EACH EXPOSURE CLASSIFICATIONS BY RISK WEIGHT

For Quarter Ending

Exposure Classification	**:**	**Revolving Underwriting Facilities (RUFs) and Notes Issuance Facilities (NIFs)**
Exposure type	**:**	**Off Balance Sheet**

	Risk Weights	Original Credit[1] & Counterparty Risk Exposure Pre Credit Conversion Factor	Value[2] Adjustments & Provisions Associated with the Original Exposure (-)	Exposure Net of Value Adjustments & Provisions	Net Exposure[3] After CRM Substitution Using Simple Approach	Fully[4] Adjusted Exposure Value (E) Using Comprehensive Approach	Breakdown of the Fully Adjusted Exposure of Off Balance Sheet items by Credit Conversion Factors (%)				Net Exposure Value Using Simple or Comprehensive Approach	Risk Weighted Exposure Amount	Minimum Capital Requirements	Memorandum Items	
							0	20	50	100				IAS Related Adjustment to the Exposure Value	Number of Obligors
		1	2	3=1-2	4	5	6	7	8	9	10: 4 or 5	11	12	13	14
1	Total														
2	0%														
3	20 %														
4	35%														
5	50%														
6	75%														
7	100%														
8	150%														
9	Other risk weights														

This return relates exclusively to RUFs and NIFs.
Cells Linked to applicable exposure type and classification on Q17.4.

Footnotes

[1] Original Exposure before any adjustment.
[2] After Credit Conversion and Provisions and other Value Adjustments.
[3] Exposure Values Net of Non-funded CRM's; and after using the CRM-Simple Approach for Funded CRM.
[4] Net Exposure Value Net of Non-funded CRM's; and after using the CRM-Comprehensive Approach for Funded CRM.

Q17.6.2.7
SR 000's

DETAILS OF EACH EXPOSURE CLASSIFICATIONS BY RISK WEIGHT

For Quarter Ending

Exposure Classification	**:**	**Asset Sale and Repurchases**
Exposure type	**:**	**Off Balance Sheet**

	Risk Weights	Original Credit[1] & Counterparty Risk Exposure Pre Credit Conversion Factor	Value[2] Adjustments & Provisions Associated with the Original Exposure (-)	Exposure Net of Value Adjustments & Provisions	Net Exposure[3] After CRM Substitution Using Simple Approach	Fully[4] Adjusted Exposure Value (E) Using Comprehensive Approach	Breakdown of the Fully Adjusted Exposure of Off Balance Sheet items by Credit Conversion Factors (%)				Net Exposure Value Using Simple or Comprehensive Approach	Risk Weighted Exposure Amount	Minimum Capital Requirements	Memorandum Items	
							0	20	50	100				IAS Related Adjustment to the Exposure Value	Number of Obligors
		1	2	3=1-2	4	5	6	7	8	9	10: 4 or 5	11	12	13	14
1	Total														
2	0%														
3	20 %														
4	35%														
5	50%														
6	75%														
7	100%														
8	150%														
9	Other risk weights														

This return relates exclusively to Asset Sale and Repurchases.
Cells Linked to applicable exposure type and classification on Q17.4.

Footnotes

[1] Original Exposure before any adjustment.
[2] After Credit Conversion and Provisions and other Value Adjustments.
[3] Exposure Values Net of Non-funded CRM's; and after using the CRM-Simple Approach for Funded CRM.
[4] Net Exposure Value Net of Non-funded CRM's; and after using the CRM-Comprehensive Approach for Funded CRM.

Q17.6.2.8
SR 000's

DETAILS OF EACH EXPOSURE CLASSIFICATIONS BY RISK WEIGHT

For Quarter Ending

Exposure Classification	:	**Others**
Exposure type	:	**Off Balance Sheet**

	Risk Weights	Original Credit[1] & Counterparty Risk Exposure Pre Credit Conversion Factor	Value[2] Adjustments & Provisions Associated with the Original Exposure (-)	Exposure Net of Value Adjustments & Provisions	Net Exposure[3] After CRM Substitution Using Simple Approach	Fully[4] Adjusted Exposure Value (E) Using Comprehensive Approach	Breakdown of the Fully Adjusted Exposure of Off Balance Sheet items by Credit Conversion Factors (%)				Net Exposure Value Using Simple or Comprehensive Approach	Risk Weighted Exposure Amount	Minimum Capital Requirements	Memorandum Items	
							0	20	50	100				IAS Related Adjustment to the Exposure Value	Number of Obligors
		1	2	3=1-2	4	5	6	7	8	9	10: 4 or 5	11	12	13	14
1	Total														
2	0%														
3	20 %														
4	35%														
5	50%														
6	75%														
7	100%														
8	150%														
9	Other risk weights														

This return sum up all Off Balance sheet items cover as Q17.6.2.1 to Q17.6.2.7 and Derivatives. This return covers all Off Balance sheet items not covered in Returns Q17.6.2.1 to Q17.6.2.7.
Cells Linked to applicable exposure type and classification on Q17.4.

Footnotes

[1] Original Exposure before any adjustment.
[2] After Credit Conversion and Provisions and other Value Adjustments.
[3] Exposure Values Net of Non-funded CRM's; and after using the CRM-Simple Approach for Funded CRM.
[4] Net Exposure Value Net of Non-funded CRM's; and after using the CRM-Comprehensive Approach for Funded CRM.

Q17.6.3
SR 000's

DETAILS OF EACH EXPOSURE CLASSIFICATIONS BY RISK WEIGHT

For Quarter Ending

Exposure Classification	**:**	**All Classifications**
Exposure type	**:**	**Derivatives**

	Risk Weights	Original Credit[1] & Counterparty Risk Exposure Pre Credit Conversion Factor	Value[2] Adjustments & Provisions Associated with the Original Exposure (-)	Exposure Net of Value Adjustments & Provisions	Net Exposure[3] After CRM Substitution Using Simple Approach	Fully[4] Adjusted Exposure Value (E) Using Comprehensive Approach	Breakdown of the Fully[5] Adjusted Exposure of Off Balance Sheet items by Credit Conversion Factors (%)				Net Exposure Value Using Simple or Comprehensive Approach	Risk Weighted Exposure Amount	Minimum Capital Requirements	Memorandum Items	
							0	20	50	100				IAS Related Adjustment to the Exposure Value	Number of Obligors
		1	2	3=1-2	4	5	6	7	8	9	10: 4 or 5	11	12	13	14
1	Total														
2	0%														
3	20 %														
4	35%														
5	50%														
6	75%														
7	100%														
8	150%														
9	Other risk weights														

This return sum up all Derivative Transaction i.e. Q17.6.3.1 to Q17.6.3.7.
Cells Linked to applicable exposure type and classification on Q17.6.

Footnotes

[1] All amounts linked applicable to Q17.6.3A – Principal Amounts.
[2] Credit Equivalents on Derivatives form applicable to Q17.6.3A. Adjustments for provisions will be established on this return.
[3] Net Exposure Value after CRM using Simple Approach.
[4] Net Exposure Value after CRM using Comprehensive Approach.
[5] Not applicable to Derivatives.

Q17.6.3.1
SR 000's

DETAILS OF EACH EXPOSURE CLASSIFICATIONS BY RISK WEIGHT

For Quarter Ending

Exposure Classification	**:**	**Foreign Exchange Related**
Exposure type	**:**	**Derivatives**

	Risk Weights	Original Credit[1] & Counterparty Risk Exposure Pre Credit Conversion Factor	Value[2] Adjustments & Provisions Associated with the Original Exposure (-)	Exposure Net of Value Adjustments & Provisions	Net Exposure[3] After CRM Substitution Using Simple Approach	Fully[4] Adjusted Exposure Value (E) Using Comprehensive Approach	Breakdown of the Fully[5] Adjusted Exposure of Off Balance Sheet items by Credit Conversion Factors (%)				Net Exposure Value Using Simple or Comprehensive Approach	Risk Weighted Exposure Amount	Minimum Capital Requirements	Memorandum Items: IAS Related Adjustment to the Exposure Value	Memorandum Items: Number of Obligors
							0	20	50	100					
		1	2	3=1-2	4	5	6	7	8	9	10: 4 or 5	11	12	13	14
1	Total														
2	0%														
3	20 %														
4	35%														
5	50%														
6	75%														
7	100%														
8	150%														
9	Other risk weights														

This returns sums up all FX Related Derivatives i.e. Future, Swaps, Function and options, etc.
Cells Linked to applicable exposure type and classification on Q17.6.

Footnotes

[1] All amounts linked applicable to Q17.6.3A – Principal Amounts.
[2] Credit Equivalents on Derivatives form applicable to Q17.6.3A. Adjustments for provisions will be established on this return.
[3] Net Exposure Value after CRM using Simple Approach.
[4] Net Exposure Value after CRM using Comprehensive Approach.
[5] Not applicable to Derivatives.

Q17.6.3.2
SR 000's

DETAILS OF EACH EXPOSURE CLASSIFICATIONS BY RISK WEIGHT

For Quarter Ending

Exposure Classification	:	**Interest Rate Related**
Exposure type	:	**Derivatives**

	Risk Weights	Original Credit[1] & Counterparty Risk Exposure Pre Credit Conversion Factor	Value[2] Adjustments & Provisions Associated with the Original Exposure (-)	Exposure Net of Value Adjustments & Provisions	Net Exposure[3] After CRM Substitution Using Simple Approach	Fully[4] Adjusted Exposure Value (E) Using Comprehensive Approach	Breakdown of the Fully[5] Adjusted Exposure of Off Balance Sheet items by Credit Conversion Factors (%)				Net Exposure Value Using Simple or Comprehensive Approach	Risk Weighted Exposure Amount	Minimum Capital Requirements	Memorandum Items	
														IAS Related Adjustment to the Exposure Value	Number of Obligors
							0	20	50	100					
		1	2	3=1-2	4	5	6	7	8	9	10: 4 or 5	11	12	13	14
1	Total														
2	0%														
3	20 %														
4	35%														
5	50%														
6	75%														
7	100%														
8	150%														
9	Other risk weights														

<u>This returns sums up all Interest Rate Related Derivatives i.e. Future, Swaps, Function and options, etc.</u>
Cells Linked to applicable exposure type and classification on Q17.6.

Footnotes

[1] All amounts linked applicable to Q17.6.3A – Principal Amounts.
[2] Credit Equivalents on Derivatives form applicable to Q17.6.3A. Adjustments for provisions will be established on this return.
[3] Net Exposure Value after CRM using Simple Approach.
[4] Net Exposure Value after CRM using Comprehensive Approach.
[5] Not applicable to Derivatives.

Q17.6.3.3
SR 000's

DETAILS OF EACH EXPOSURE CLASSIFICATIONS BY RISK WEIGHT

For Quarter Ending

Exposure Classification	:	**Equity Related**
Exposure type	:	**Derivatives**

	Risk Weights	Original Credit[1] & Counterparty Risk Exposure Pre Credit Conversion Factor	Value[2] Adjustments & Provisions Associated with the Original Exposure (-)	Exposure Net of Value Adjustments & Provisions	Net Exposure[3] After CRM Substitution Using Simple Approach	Fully[4] Adjusted Exposure Value (E) Using Comprehensive Approach	Breakdown of the Fully[5] Adjusted Exposure of Off Balance Sheet items by Credit Conversion Factors (%)				Net Exposure Value Using Simple or Comprehensive Approach	Risk Weighted Exposure Amount	Minimum Capital Requirements	Memorandum Items: IAS Related Adjustment to the Exposure Value	Memorandum Items: Number of Obligors
							0	20	50	100					
		1	2	3=1-2	4	5	6	7	8	9	10: 4 or 5	11	12	13	14
1	Total														
2	0%														
3	20 %														
4	35%														
5	50%														
6	75%														
7	100%														
8	150%														
9	Other risk weights														

This returns sums up all Equity Related Derivatives i.e. Future, Swaps, and options, etc.
Cells Linked to applicable exposure type and classification on Q17.6.

Footnotes

[1] All amounts linked applicable to Q17.6.3A – Principal Amounts.
[2] Credit Equivalents on Derivatives form applicable to Q17.6.3A. Adjustments for provisions will be established on this return.
[3] Net Exposure Value after CRM using Simple Approach.
[4] Net Exposure Value after CRM using Comprehensive Approach.
[5] Not applicable to Derivatives.

Q17.6.3.4
SR 000's

DETAILS OF EACH EXPOSURE CLASSIFICATIONS BY RISK WEIGHT

For Quarter Ending

Exposure Classification	**:**	**Precious Metals Related**
Exposure type	**:**	**Derivatives**

	Risk Weights	Original Credit[1] & Counterparty Risk Exposure Pre Credit Conversion Factor	Value[2] Adjustments & Provisions Associated with the Original Exposure (-)	Exposure Net of Value Adjustments & Provisions	Net Exposure[3] After CRM Substitution Using Simple Approach	Fully[4] Adjusted Exposure Value (E) Using Comprehensive Approach	Breakdown of the Fully[5] Adjusted Exposure of Off Balance Sheet items by Credit Conversion Factors (%)				Net Exposure Value Using Simple or Comprehensive Approach	Risk Weighted Exposure Amount	Minimum Capital Requirements	Memorandum Items	
							0	20	50	100				IAS Related Adjustment to the Exposure Value	Number of Obligors
		1	2	3=1-2	4	5	6	7	8	9	10: 4 or 5	11	12	13	14
1	Total														
2	0%														
3	20 %														
4	35%														
5	50%														
6	75%														
7	100%														
8	150%														
9	Other risk weights														

This returns sums up all Precious Metals Related Derivatives i.e. Future, Swaps, Function and options, etc.
Cells Linked to applicable exposure type and classification on Q17.6.

Footnotes

[1] All amounts linked applicable to Q17.6.3A – Principal Amounts.
[2] Credit Equivalents on Derivatives form applicable to Q17.6.3A. Adjustments for provisions will be established on this return.
[3] Net Exposure Value after CRM using Simple Approach.
[4] Net Exposure Value after CRM using Comprehensive Approach.
[5] Not applicable to Derivatives.

Q17.6.3.5
SR 000's

DETAILS OF EACH EXPOSURE CLASSIFICATIONS BY RISK WEIGHT

For Quarter Ending

Exposure Classification	**:**	**Commodities Other Than Oil and Metals**
Exposure type	**:**	**Derivatives**

	Risk Weights	Original Credit[1] & Counterparty Risk Exposure Pre Credit Conversion Factor	Value[2] Adjustments & Provisions Associated with the Original Exposure (-)	Exposure Net of Value Adjustments & Provisions	Net Exposure[3] After CRM Substitution Using Simple Approach	Fully[4] Adjusted Exposure Value (E) Using Comprehensive Approach	Breakdown of the Fully[5] Adjusted Exposure of Off Balance Sheet items by Credit Conversion Factors (%)				Net Exposure Value Using Simple or Comprehensive Approach	Risk Weighted Exposure Amount	Minimum Capital Requirements	Memorandum Items	
														IAS Related Adjustment to the Exposure Value	Number of Obligors
							0	20	50	100					
		1	2	3=1-2	4	5	6	7	8	9	10: 4 or 5	11	12	13	14
1	Total														
2	0%														
3	20 %														
4	35%														
5	50%														
6	75%														
7	100%														
8	150%														
9	Other risk weights														

This returns sums up all Commodities Other Than Oil and Metals i.e. Future, options, etc.
Cells Linked to applicable exposure type and classification on Q17.6.

Footnotes

[1] All amounts linked applicable to Q17.6.3A – Principal Amounts.
[2] Credit Equivalents on Derivatives form applicable to Q17.6.3A. Adjustments for provisions will be established on this return.
[3] Net Exposure Value after CRM using Simple Approach.
[4] Net Exposure Value after CRM using Comprehensive Approach.
[5] Not applicable to Derivatives.

Q17.6.3.6
SR 000's

DETAILS OF EACH EXPOSURE CLASSIFICATIONS BY RISK WEIGHT
For Quarter Ending

Exposure Classification	**:**	**Oil Related**
Exposure type	**:**	**Derivatives**

	Risk Weights	Original Credit[1] & Counterparty Risk Exposure Pre Credit Conversion Factor	Value[2] Adjustments & Provisions Associated with the Original Exposure (-)	Exposure Net of Value Adjustments & Provisions	Net Exposure[3] After CRM Substitution Using Simple Approach	Fully[4] Adjusted Exposure Value (E) Using Comprehensive Approach	Breakdown of the Fully[5] Adjusted Exposure of Off Balance Sheet items by Credit Conversion Factors (%)				Net Exposure Value Using Simple or Comprehensive Approach	Risk Weighted Exposure Amount	Minimum Capital Requirements	Memorandum Items	
														IAS Related Adjustment to the Exposure Value	Number of Obligors
							0	20	50	100					
		1	2	3=1-2	4	5	6	7	8	9	10: 4 or 5	11	12	13	14
1	Total														
2	0%														
3	20 %														
4	35%														
5	50%														
6	75%														
7	100%														
8	150%														
9	Other risk weights														

This returns sums up all Oil Related Derivatives i.e. Future, Swaps, Function and options, etc.
Cells Linked to applicable exposure type and classification on Q17.6.

Footnotes

[1] All amounts linked applicable to Q17.6.3A – Principal Amounts.
[2] Credit Equivalents on Derivatives form applicable to Q17.6.3A. Adjustments for provisions will be established on this return.
[3] Net Exposure Value after CRM using Simple Approach.
[4] Net Exposure Value after CRM using Comprehensive Approach.
[5] Not applicable to Derivatives.

Q17.6.3.7
SR 000's

DETAILS OF EACH EXPOSURE CLASSIFICATIONS BY RISK WEIGHT

For Quarter Ending

Exposure Classification	**:**	**Other Derivatives**
Exposure type	**:**	**Derivatives**

	Risk Weights	Original Credit[1] & Counterparty Risk Exposure Pre Credit Conversion Factor	Value[2] Adjustments & Provisions Associated with the Original Exposure (-)	Exposure Net of Value Adjustments & Provisions	Net Exposure[3] After CRM Substitution Using Simple Approach	Fully[4] Adjusted Exposure Value (E) Using Comprehensive Approach	Breakdown of the Fully[5] Adjusted Exposure of Off Balance Sheet items by Credit Conversion Factors (%)				Net Exposure Value Using Simple or Comprehensive Approach	Risk Weighted Exposure Amount	Minimum Capital Requirements	Memorandum Items	
							0	20	50	100				IAS Related Adjustment to the Exposure Value	Number of Obligors
		1	2	3=1-2	4	5	6	7	8	9	10: 4 or 5	11	12	13	14
1	Total														
2	0%														
3	20 %														
4	35%														
5	50%														
6	75%														
7	100%														
8	150%														
9	Other risk weights														

This returns sums up all Derivatives not covered in Q17.6.3 series.
Cells Linked to applicable exposure type and classification on Q17.6.

Footnotes

[1] All amounts linked applicable to Q17.6.3A – Principal Amounts.
[2] Credit Equivalents on Derivatives form applicable to Q17.6.3A. Adjustments for provisions will be established on this return.
[3] Net Exposure Value after CRM using Simple Approach.
[4] Net Exposure Value after CRM using Comprehensive Approach.
[5] Not applicable to Derivatives.

For Quarter Ending

Counterparty Exposures: Derivative Contracts

Item	Nature of item				
1.	**Exchange rate contracts**				
	RESIDUAL MUTURITY	**Principal[1] Amount SR'000**	**Current[3] Exposure SR'000**	**Potential[4] Exposure SR'000**	**Credit Equivalent[2] Amount SR'000**
	1 year or less				
	Over 1 year to 5 years				
	Over 5 years				
SUBTOTAL					
2.	**Interest rate contracts**				
	RESIDUAL MUTURITY	**Principal[1] Amount SR'000**	**Current[3] Exposure SR'000**	**Potential[4] Exposure SR'000**	**Credit Equivalent[2] Amount SR'000**
	1 year or less				
	Over 1 year to 5 years				
	Over 5 years				
SUBTOTAL					
3.	**Equity contracts**				
	RESIDUAL MUTURITY	**Principal[1] Amount SR'000**	**Current[3] Exposure SR'000**	**Potential[4] Exposure SR'000**	**Credit Equivalent[2] Amount SR'000**
	1 year or less				
	Over 1 year to 5 years				
	Over 5 years				
SUBTOTAL					
4.	**Precious metal contracts**				
	RESIDUAL MUTURITY	**Principal[1] Amount SR'000**	**Current[3] Exposure SR'000**	**Potential[4] Exposure SR'000**	**Credit Equivalent[1] Amount SR'000**
	1 year or less				
	Over 1 year to 5 years				
	Over 5 years				
SUBTOTAL					

5. Commodity other than Oil and Metal

RESIDUAL MUTURITY	**Principal[1] Amount SR'000**	**Current[3] Exposure SR'000**	**Potential[4] Exposure SR'000**	**Credit Equivalent[2] Amount SR'000**
1 year or less				
Over 1 year to 5 years				
Over 5 years				
SUBTOTAL				

6. Oil related derivative contracts

RESIDUAL MUTURITY	**Principal[1] Amount SR'000**	**Current[3] Exposure SR'000**	**Potential[4] Exposure SR'000**	**Credit Equivalent[2] Amount SR'000**
1 year or less				
Over 1 year to 5 years				
Over 5 years				
SUBTOTAL				

Item	Nature of Item	**Principal[1] Amount SR'000**	**Current[3] Exposure SR'000**	**Potential[4] Exposure SR'000**	**Credit Equivalent[2] Amount SR'000**
7	Other Derivatives		100		
	SUBTOTAL				
	Total Principal Amount[1]				
	Total Credit Equivalent[2]				

[1] Linked applicable to Q17.6.3 (Row 1, Column 1).
[2] Credit Equivalent amounts linked applicable to Q17.6.3 (Row 1, Column 2).
[3]. Mark to Market.
[4] Represent "Add-on" value.

SR 000's

MARKET RISK
For Quarter Ending

I

	Standardized Approach Col-(A) Q17.7.1 / Q14A Sec. #5	**Internal Models Approach Col-(B)** Q17.7.2 / Q14A Sec. #14
Traded Debt Instruments[2, 3]	Sec 2.11	Line 1.7 and 1.8
Equity[2, 3]	Sec. 2.12	Line 1.7 and 1.8
Foreign Exchange[2, 3]	Sec. 2.13	Line 1.7 and 1.8
Commodities[2, 3]	Sec. 2.4	Line 1.7 and 1.8
Options[2, 3]	Sec. 3.1 and 3.2	Line 1.7 and 1.8
Total[2, 3]		Line 1.9

II

Traded Book Settlement[4]		
Total Market Risk Capital Requirement[1]		
	======	======

[1] Linked to Q17.2.
[2] Col-A Amount of Capital Charges under Standardized Approach obtained from Q17.7.1.
[3] Col-B Amount of Capital Charges under Internal Models Approach from Q17.7.2. Specific and General Market Risk Charges, if applicable, need to be identified and summed up by Traded Debt, Equity, Fx, Commodities and options if Internal Models are employed from Line 1.7, 1.8 and 1.9 on Q17.7.2.
[4] Amount of Capital Charges to be obtained from Q.17.7.3 - to be identical under Col-A and Col-B.

Q17.7.1 or
Q14A Section #5
SR 000's

CAPITAL ADEQUACY RATIO INCORPORATING MARKET RISKS EXPOSURE

For Quarter Ending

1. Market Risk Capital Charges using the Standardized Approach

	Section2.11	Section 2.12	Section 2.3	Section 2.4	Section 3.1 and 3.2		Total	
					1(a)			
					1(b)			
					2(a) (Note)			
					2(b)			
					2(c)			
					2(d)			
								(A)[1]
2. Market Risk Capital Charges for Internal Models Approach (Section #4; Item #1.9)								(B)
3. Market Risk Weighted Exposures 3=(A+B) x 12.5								(C)
4. Total Net Capital Base After Deductions Extracted from Q-14.								(D)
5. Total Credit Risk Weighted Exposures (extracted from Q-14).								
Less:								
(Credit) Risk Weighted Exposure calculated according to Q-14 for the following:								
(a) On-Balance Sheet Debt Securities held in trading portfolio included in Section 2.1.								
(b) On-Balance Sheet Debt Equities held in trading portfolio included in Section 2.2.								
(c) On-Balance Sheet Commodities Positions included Section 2.4.								
Adjusted Net (Credit Risk Weight Exposure)								(E)
6. Capital Adequacy Ratio Incorporating Market Risk Exposures (6=D/C+E) x 100%							%	

Note: Report the sum of the market risk capital charges for all currencies.

[1]NOTE: *AMOUNTS IN LINE "A" UNDER SECTIONS 2.11, 2.12, 2.3, 2.4, 3.1, 3.2 AND TOTAL RELATING TO THE CAPITAL REQUIREMENTS UNDER THE STANDARDIZED APPROACH ARE TO BE LINKED TO Q17.7 COL (A) RESPECTIVELY BY NATURE OF ITEM.
*LINES B, C, D AND E ARE TO BE IGNORED.

Q17.7.2 or
Q14A Section #4
SR 000's

INTERNAL MODELS APPROACH

For Quarter Ending

1. Value-at-Risk Results

Items NATURE OF ITEMS	Value-at-Risk (VaR) Result		NUMBER OF BACKTESTING EXCEPTION		MULTIPLICATION FACTOR[2]	CAPITAL CHARGE
	END OF QUARTER VaR	AVERAGE VaR OVER PAST 60 TRADING DAYS	BASED ON ACTUAL PROFIT & LOSS	BASED ON HYPOTHETICAL PROFIT & LOSS		
	(a)	(b)	(c)	(d)	(e)	(f)
1.1 Interest Rate or Traded Debt						
1.2 Equities						
1.3 Foreign Exchange						
1.4 Commodities						
1.5 Aggregate of all risk categories[1]						
1.6 Average VaR x multiplication factor (1.6=1.5(b)x1.5(e)						
1.7 CAPITAL CHARGE FOR GENERAL MARKET RISK CALCULATED BY INTERNAL MODELS[3, 5]						
1.8 CAPITAL CHARGE FOR SPECIFIC RISK CALCULATED BY INTERNAL MODELS[5]						
1.9 TOTAL CAPITAL CHARGE CALCULATED BY INTERNAL MODELS (1.9=1.7+1.8)[5]						

2. Largest daily losses over the quarter

DATE	AMOUNT OF LOSS (ABSOLUTE VALUE)[4]	VaR

Note: (1) Item 1.5 does not necessarily equal to the aggregate of Item 1.1 to Item 1.4 because of correlations across the risk categories.
(2) Multiplication factor equals sum of (minimum multiplication factor 3+ "plus" factor based on backtesting results + any additional "Plus" factor as agreed with SAMA.
(3) Capital charge for general market risk is Item 1.5 column (a) or Item 1.6 whichever is larger.
(4) Report the largest loss first of the five largest basis that have occurred in the past quarter.
(5) ONLY LINE 1.7 FOR GENERAL MARKET RISK, LINE 1.8 FOR SPECIFIC MARKET RISK AND 1.9 FOR TOTAL MARKET RISK IS APPLICABLE, I.E. CAPITAL CHARGES FROM MARKET RISK AND ARE TO BE LINKED TO Q17.7 COL (B).

MARKET RISK INTERNAL MODELS DETAILS

TABLE A

BASIC INFORMATION			
REGULATORY VaR		INTERNAL VaR	
INSTRUMENT CODE FOR REGULATORY MODEL	P&L CODE USED FOR THE CALCULATION OF NUMBER OF OVERSHOOTINGS	CONFIDENCE INTERVAL OF INTERNAL VaR	HOLDING PERIOD OF INTERNAL VaR
(1)	(2)	(3)	(4)

TABLE B

DAY	REGULATORY VaR		INTERNAL VaR	INTERNAL VaR LIMIT	P&L EFFECTIVELY USED FOR BACKTESTING	
	CONFIDENCE LEVEL=99%					
	VaR (T=10)	VaR (T=1)			HYPOTHETICAL	ACTUAL
(5)	(6)	(7)	(8)	(9)	(10)	(11)
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
….						
91						

(a) To be filled out in case that the internal VaR calculation is based on a confidence interval different from 99%.
(b) To be filled out in case that the internal VaR calculation is based on a holding period different from 10 days.
(c) To be filled out in case that the internal VaR calculation differs from (6) or (7).

Q17.7.3
SR 000's

TRADING BOOK SETTLEMENT/ DELIVERY RISK

For Quarter Ending

	UNSETTLED TRANSACTIONS AT SETTLEMENT PRICE	PRICE DIFFERENCE EXPOSURE DUE TO UNSETTLED TRANSACTIONS	MINIMUM CAPITAL REQUIREMENT
	(1)	(2)	(3)
1. Total unsettled transactions in the Trading Book			**Link to Q17.2**
1.1 Transactions unsettled up to 4 days			
1.2 Transactions unsettled between 5 and 15 days			
1.3 Transactions unsettled between 16 and 30 days			
1.4 Transactions unsettled between 31 and 45 days			
1.5 Transactions unsettled between 46 days or more			

OPERATIONAL RISK

For Quarter Ending

BANKING ACTIVITIES	GROSS INCOME			LOANS AND ADVANCES (IN CASE OF ASA APPLICATION)			MINIMUM CAPITAL REQUIREMENTS A
	YEAR-3[1, 2]	YEAR-2[1, 2]	LAST YEAR[1, 2]	YEAR-3	YEAR-2	LAST YEAR	
	1	2	3	4	5	6	7
1. TOTAL BANKING ACTIVITIES SUBJECT TO BASIC INDICATOR APPROACH (BIA)	AVERAGE INCOME FOR THE PRIOR YEARS 1 TO 3 RELATED QUARTERS						Cell linked to Q17.2
2. TOTAL BANKING ACTIVITIES SUBJECT TO STANDARDISED (STA)/ALTERNATIVE STANDARDISED (ASA) APPROACHES							Cell linked to Q17.2
SUBJECT TO STA:							
CORPORATE FINANCE (CF) TRADING AND SALES (TS) RETAIL BROKERAGE (RBr) COMMERCIAL BANKING (CB) RETAIL BANKING (RB) PAYMENT AND SETTLEMENT (PS) AGENCY SERVICES (AS) ASSET MANAGEMENT (AM)							
SUBJECT TO ASA:							
COMMERCIAL BANKING (CB) RETAIL BANKING (RB)							

(A) Calculated Capital Requirements under BIA or STA or ASA. Also, refer to Q17.8A.
(1) Last Year: Prior year to current year ending 31 December.
Year 2: Prior year to (1) above.
Year 3: Prior year to (2) above.
Consequently, last year represents the income recognized in the previous calendar year's applicable quarter end.
(2) Refer to the current Quarter end to Quarter end for previous years as in (1) above..

ID	COLUMNS
1,2,3	Gross Income: Refer to SAMA's Document Section 10 and Basle Committee Document Para 650.
4,5,6	Loans and advances (in case of ASA application): Refer to SAMA's Document Section 10 and Basle Committee Document Para 652, Footnote 104.
7	Minimum Capital Requirements: Refer to SAMA's Document Section 10 and Basle Committee Document Para 649, 654. Para 649 suggests Capital Charges for the Basic Indicator Approach (BIA) to be Alpha of 15% multiplied by average income over 3 years described in item 18 of GN2 on p. 17. Para 654 suggests that the Capital charges for the Standardized Approach and the Alternative Standardized Approach (ASA) to be by activity as given below. Each activity's capital charge to be Beta factor as follows multiplied by 3 years average income for the respective activity: ▪ Corporate Finance : 18% ▪ Trading and Sales : 18% ▪ Retail Banking : 12% ▪ Commercial Banking : 18% ▪ Payment and Settlements: 18% ▪ Agency Services : 15% ▪ Asset Management : 12% ▪ Retail Brokerage : 12% However, for the ASA, the Beta charges for the Retail and Commercial Brokerage are a functions of the Average Loans Advances for the past 3 years multiplied by a factor of 3.5%.

Q17.8.1
SR 000's

OPERATIONAL RISK: GROSS LOSSES BY BUSINESS LINES AND EVENT TYPES IN THE LAST YEAR[1]

For Quarter Ending

MAPPING OF LOSSES TO BUSINESS LINES		EVENT TYPES							TOTAL BY EACH BUSINESS LINE	MEMORANDUM ITEM: THRESHOLD APPLIED IN DATA COLLECTION
		INTERNAL FRAUD	EXTERNAL FRAUD	EMPLOYMENT PRACTICES AND WORKPLACE SAFETY	CLIENTS, PRODUCTS AND BUSINESS PRACTICES	DAMAGE TO PHYSICAL ASSETS	BUSINESS DISRUPTION AND SYSTEM FAILURES	EXECUTION DELIVERY & PROCESS MANAGEMENT		LOWEST
		1	2	3	4	5	6	7	8	9
CORPORATE FINANCE (CF)	Number of Events									
	Total loss amount									
	Maximum single loss									
TRADING AND SALES (TS)	Number of Events									
	Total loss amount									
	Maximum single loss									
RETAIL BROKERAGE (RBr)	Number of Events									
	Total loss amount									
	Maximum single loss									
COMMERCIAL BANKING (CB)	Number of Events									
	Total loss amount									
	Maximum single loss									
RETAIL BANKING (RB)	Number of Events									
	Total loss amount									
	Maximum single loss									
PAYMENT & SETTLEMENTS (PS)	Number of Events									
	Total loss amount									
	Maximum single loss									
AGENCY SERVICES (AS)	Number of Events									
	Total loss amount									
	Maximum single loss									
ASSET MANAGEMENT (AM)	Number of Events									
	Total loss amount									
	Maximum single loss									
TOTAL BY EACH EVENT TYPE	Number of Events									
	Total loss amount									
	Maximum single loss									

[1] Return to be completed for all events from the beginning of each calendar year to the current quarter on a cumulative basis. Further, banks should also provide annually this return for each past calendar year.

ID	LABEL	LEGAL REFERENCES & COMMENTS
		COLUMNS
1 to 7	Definition of Event Types	Gross Income.
8	Total event types	For each business line the figures are the simple aggregation (number of events and total loss amount) or the maximum (maximum single loss) of the data by event types. But there is a particular case for the data on number of events and maximum single loss for the "Total business lines" (see comments below).
	Memorandum items: Thresholds applied in Data Collection	Refer to SAMA's Guidance Notes – Section 10.2 and Basle Committee Document Para 663.
9	Lowest	Indicate the lowest threshold of loss data collected by the Bank. For example, loss data in excess of SR10,000 is to be collected.
		ROWS
	Definition of Business Lines	Refer to SAMA's Guidance Notes and Basle Committee Document Para 663.
	Mapping of losses to business lines	The following information required for each business line should be reported according to the threshold applied.
	Number of events	Number of events recorded by business line. If one event has an impact on several business lines, it should be reported in all the business lines where the loss is over the relevant threshold. Also, in this case the total number of events for "Total business lines" and "Total event types" will be lower than the aggregation of the number of events by business lines since those events with multiple impacts will be considered as just one.
	Total loss amount	Aggregation of the losses recorded in the internal data base for each business line and, if it is the case, broken down by event types.
	Maximum single loss	Maximum single loss recorded by business line. In the case of the maximum single loss for "Total business lines" and "Total event types" those events with an impact on different business lines should be considered as a single one and, accordingly, the maximum single loss in that cell may be higher than the higher of the maximum single losses by business lines.
	Total business lines	For each event type the figures are: • The number of events over the threshold by event type for the total business lines. This figure may be lower than the aggregation of the number of events by business lines since here those events with multiple impacts will be considered as just one. • The total loss amount is the simple aggregation of the total loss amount for each business line. • The maximum single loss is the maximum loss over the threshold for each event type and for the total business lines. This figure may be higher than the than the highest single loss recorded at each business line when an event impacts different business line.

MAJOR OPERATIONAL RISK LOSSES RECORDED IN THE LAST YEAR OR WHICH ARE STILL OPEN

For Quarter Ending[1]

OPR LOSS Details

INTERNAL REFERENCE NUMBER	GROSS LOSS AMOUNT	OF WHICH: UNREALIZED	STATUS: ENDED? YES/NO	LOSS ALREADY DIRECTLY RECOVERED	LOSS ALREADY RECOVERED FROM RISK TRANSFER MECHANISMS	LOSS POTENTIALLY TO BE RECOVERED DIRECTLY OR FROM RISK TRANSFER MECHANISMS	RELATED TO "CR" OR "MKR"	BREAKDOWN OF GROSS LOSS (%) BY BUSINESS LINES								RISK EVENT TYPE (NUMBER)	RELEVANT DATES FOR THE EVENTS			
								CF	TS	RBr	CB	RB	PS	AS	AM		OCCURRENCE	RECOGNITION	1ST PAYMENT FROM RISK TRANSFER MECHANISMS	LATEST PAYMENT FROM RISK TRANSFER MECHANISMS
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21

[1]Refer to footnote 1 on Q17.8.1.

Definitions

OPR LOSS Details

ID	LABEL	REGULATORY REFERENCES & COMMENTS
COLUMNS		
1	Internal reference number	Internal Code of Bank.
2	Gross loss amount	Refers to the Total Actual Gross loss amount.
3	Of which: unrealized	Gross Loan Amount not accounted for.
4	Status: ended? Yes/No	If any further losses are expected.
5	Loss already directly recovered	Not to include Insurance recoveries.
6	Loss already recovered from risk transfer mechanisms	Recovery through risk transfer.
7	Loss potentially to be recovered directly or from risk transfer mechanisms	Expected recovery through internal activity or through risk transfers.
8	Related to "CR" or "MKR"	CR: Credit Risk; MKR: Market Risk
9-16	Breakdown of gross loss (%) by business lines.	Refers to allocation of a loss to the business lines expected.
17	Risk event type (number)	Number used for describing each risk type.
18	Date of occurrence	Date when event occurred.
19	Date of recognition	Date when event recognized.
20	Date of the first payment from risk transfer mechanisms	Date of first compensation from risk transfer mechanism.
21	Date of the latest payment from risk transfer mechanisms	Data of latest compensation from risk transfer mechanism.
OTHER		
	Major operational risk losses recorded in the last year or still open	The losses to be reported are to be SR250K and above.

PILLAR - 2

GENERAL GUIDANCE NOTES GN-4

PILLAR 2 CAPITAL REQUIREMENTS

GENERAL GUIDANCE NOTES

INTERNAL ASSESSMENT OF CAPITAL NEEDS

Banks are expected to conduct their own internal capital adequacy assessment process and establish their internal target capital level taking account of their own risk profile and capital strategy. The expectation is that a bank conducts its assessment in a comprehensive manner. In this respect, bank should refer to SAMA Detailed Guidance document – Section II, and to Basle Committee Document – Part 3. Further, internal capital needs concerning Pillar 2 risk should include the following.

- Credit risk (additional to Pillar 1)[1]
- Market risk (additional to Pillar 1)[1]
- Operational risk (additional to Pillar 1) [1]
- Securitization risk
- Liquidity risk
- Interest rate risk
- Concentration risk
- Macroeconomic and business cycle risk
- Strategic risk
- Reputational risk
- Global Risk
- Other risks

It is expected that banks should submit to SAMA in a written form their own internal assessments with respect to each of these risks and the amount of additional capital that the management believes is required for such risks. Further, Bank should also refer to Part 3 of Basle Committee document.

SAMA shall make a supervisory judgment on these internal assessments for Pillar 2 capital requirements, and determine whether the capital set aside by management is adequate or whether there is a need for additional capital. This discussion will be part of the supervisory review process to be undertaken each year.

Pillar 2 capital requirements will be used for the capital adequacy ratio purposes on Q 17.2

[1]Under Pillar II, Banks need to assess if additional capital to Pillar 1 requirement is required for credit, market and operational risk. This is because Pillar 1 methodology caters for the minimum capital requirement for credit, market and operational risks under a prescribed methodology this may result in insufficient capital allocated from an Economic Capital or Pillar II Capital requirements perspective.

ATTACHMENT - IV

PACKAGE OF RETURNS

FOR PILLAR 2 RISKS

Q 17.9

PILLAR - 2

1. Name of Risk: **All Pillar 2 Risks**

2. Summary of Bank's Internal Assessment for Pillar 2 Capital Requirements.

3. Summary of SAMA's Assessment for Pillar 2 Capital[1] Requirements.

[1] Linked to Q 17.2

Q 17.9.1

PILLAR - 2

1. Name of Risk: **Credit Risk**
   (Additional to Pillar -1)

2. Summary of Bank's Internal Assessment for Pillar 2 Capital Requirements.

3. Summary of SAMA's Assessment for Pillar 2 Capital Requirements.

Q 17.9.2

PILLAR - 2

1. Name of Risk: **Market Risk**
   (Additional to Pillar -1)

2. Summary of Bank's Internal Assessment for Pillar 2 Capital Requirements.

3. Summary of SAMA's Assessment for Pillar 2 Capital Requirements,

Q 17.9.3

PILLAR - 2

1. Name of Risk: **Operational Risk (Additional to Pillar 1)**

2. Summary of Bank's Internal Assessment for Pillar 2 Capital Requirements.

3. Summary of SAMA's Assessment for Pillar 2 Capital Requirements.

Q 17.9.4

PILLAR - 2

1. Name of Risk: **Securitization Risk**

2. Summary of Bank's Internal Assessment for Pillar 2 Capital Requirements.

3. Summary of SAMA's Assessment for Pillar 2 Capital Requirements.

Q 17.9.5

PILLAR - 2

1. Name of Risk: **Liquidity Risk**

2. Summary of Bank's Internal Assessment for Pillar 2 Capital Requirement.

3. Summary of SAMA Assessment for Pillar 2 Capital Requirements.

Q 17.9.6

PILLAR - 2

1. Name of Risk: **Interest Rate Risk**

2. Summary of Bank's Internal Assessment for Pillar 2 Capital Requirements.

3. Summary of SAMA's Assessment for Pillar 2 Capital Requirements.

PILLAR - 2

1. Name of Risk: **Concentration Risk**

2. Summary of Bank's Internal Assessment for Pillar 2 Capital Requirements.

3. Summary of SAMA's Assessment for Pillar 2 Capital Requirements.

Q 17.9.8

PILLAR - 2

1. Name of Risk: **Macroeconomic and Business Cycle Risk**

2. Summary of Bank's Internal Assessment for Pillar 2 Capital Requirement'.

3. Summary of SAMA's Assessment for Pillar 2 Capital Requirements.

Q 17.9.9

PILLAR - 2

1. Name of Risk **Strategic Risk**

2. Summary of Bank's Internal Assessment for Pillar 2 Capital Requirements.

3. Summary of SAMA's Assessment for Pillar 2 Capital Requirements.

Q 17.9.10

PILLAR - 2

1. Name of Risk **Reputational Risk**

2. Summary of Bank's Internal Assessment for Pillar 2 Capital Requirements.

3. Summary of SAMA's Assessment for Pillar 2 Capital Requirements.

Q 17.9.11

PILLAR - 2

1. Name of Risk **Global Risk**

2. Summary of Bank's Internal Assessment for Pillar 2 Capital Requirements.

3. Summary of SAMA's Assessment for Pillar 2 Capital Requirements.

Q 17.9.12

PILLAR - 2

1. Name of Risk **Other Risks**

2. Summary of Bank's Internal Assessment for Pillar 2 Capital Requirements.

3. Summary of SAMA's Assessment for Pillar 2 Capital Requirements.

ATTACHMENT - II

Worked Example
Calculation of the Capital Ratio Incorporating Market Risk

1. If a bank has Tier-I capital of 700, Tier-II Capital of 100, Tier-III Capital of 600, weighted risk assets for credit risk of 7,500 and a market risk capital charge of 350, it first has to multiply the measure of market risk by 12.5 to create trading book notional risk weighted assets (see Table below). By doing this the bank creates a numerical link between the calculation of the capital requirement for credit risk, where the capital charge is based on the risk-weighted assets, and the capital requirement for market risk, where instead the capital charge itself is calculated directly on the basis of the measurement system. After the calculation of the minimum capital charge, the amount of capital that is eligible for meeting those requirements must be computed, starting with credit risk, covered in this example by 500 Tier-I capital and 100 Tier-II capital. This leaves 200 Tier-I capital available to support the bank's market risk requirements, which – because of the 250% rule – means that only 500 of the Tier-III capital is eligible. Because this bank only needs to use 100 Tier-I capital and 250 Tier-III capital to meet its market risk capital requirement, the bank has 100 Tier-I capital and 250 Tier-III capital that is unused but eligible for future market risk requirements.

2. For calculating the capital ratio, excess Tier-I capital should be taken into account as it can be used to meet credit and/or market risk requirements. Therefore, the capital ratio is calculated by dividing the eligible capital (excluding unused Tier-III) by the total (notional) risk assets (1,050/11,875=8.8%). Excess Tier-III capital which is unused but eligible can also be calculated as an excess Tier-III capital ratio (250/11,875=2.1%).

Risk Assets	Minimum Capital Charge	Available Capital	Minimum Capital for meeting requirement	Eligible capital (excluding unused Tier-III)	Unused but eligible Tier-III	Unused but not eligible Tier-III
Credit risk 7,500	600	Tier-I 700 Tier-II 100	Tier-I 500 Tier-II 100	Tier-I 700 Tier-II 100		
Market Risk 4,375 (i.e. 350x12.5)	350	Tier-III 600	Tier-I 100 Tier-III 250	Tier-III 250	Tier-III 250	Tier-III 100
				Capital Ratio: 1,050/11,875= 8.8%	Excess Tier-III Capital ratio: 250/111,875= 2.1%	