Attachment 1

SECRET

Leverage Ratio

As at _____

Combined / **Consolidated position**

Name of Authorized Institution	Date of Submission

Notes on completion:

1. Before completing the form, please read the completion instructions carefully.

2. Please complete this form and return it to the Hong Kong Monetary Authority via STET not later than 6 weeks after the end of each quarter ending on 31 March, 30 June, 30 September and 31 December.

To the best of our knowledge, the data in this form are correct.

_____ _____

Chief Accountant *Chief Executive*

_____ _____

Name *Name*

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

_____ _____

Name *Telephone Number*

Reporting of Leverage Ratio

Item	Nature of Item	Column 1 (HK$ '000)	Column 2 (HK$ '000)	Column 3 (HK$ '000)
Section 1: Exposure Measure				
(1)	On-balance Sheet Exposures			**(I)** = (1) in column 1 - (1)(a) in column 2
	(a) *Less : Regulatory adjustments*			
(2)	Derivative Exposures	Gross value (with no netting or CRM)		**(II)** = 2(a) + (b) + (c) + (d) - (e) - (f) - (g) in column 2
	(a) Replacement cost associated with all derivatives transactions			
	(b) Add-on amounts for potential future exposure associated with all derivatives transactions			
	(c) Gross-up for collateral provided in respect of derivatives transactions			
	(d) Adjusted effective notional amount of written credit derivatives			
	(e) *Less : Permitted reductions in notional amount and permitted deductions from add-on amounts for potential future exposure of written credit derivatives*			
	(f) *Less : Receivables in respect of cash variation margin provided in derivatives transactions*			
	(g) *Less : Exempted CCP legs of client-cleared trade exposures*			
(3)	Securities Financing Transaction (SFT) Exposures	Gross value (with no netting or CRM)		**(III)** = 3(a) - (b) + (c) + (d) in column 2
	(a) Gross SFT assets, after adjusting for sales accounting transactions			
	(b) *Less : Netted amount of cash payables and cash receivables of gross SFT assets*			
	(c) Counterparty credit risk exposure for SFT assets			
	(d) Agent transaction exposures			
(4)	Other Off-balance Sheet Exposures		CCF (%)	**(IV)** = (4)(a) + (b) + (c) + (d) in column 3
	(a) Exposures with a 10% CCF for the calculation of Leverage Ratio	Gross notional amount	10	= (4)(a) in column 1 * 10%
	(b) Exposures with a 20% CCF for the calculation of Leverage Ratio	Gross notional amount	20	= (4)(b) in column 1 * 20%
	(c) Exposures with a 50% CCF for the calculation of Leverage Ratio	Gross notional amount	50	= (4)(c) in column 1 * 50%
	(d) Exposures with a 100% CCF for the calculation of Leverage Ratio	Gross notional amount	100	= (4)(d) in column 1 * 100%
Section 2: Calculation of the Leverage Ratio				
(5)	Exposure Measure for the calculation of the Leverage Ratio **(A)**			**(V)** = (I) + (II) + (III) + (IV) in column 3
(6)	Tier 1 Capital After Deductions **(B)**			**(VI)**
(7)	**LEVERAGE RATIO** **[(B) / (A)) * 100%]** **(C)**			**(VII)** = ((VI) / (V)) * 100%