HONG KONG MONETARY AUTHORITY
香港金融管理局

Banking Policy Department

Our Ref: B1/21C
S4/12C
B1/15C

17 May 2018

The Chief Executive
All Authorized Institutions

Dear Sir / Madam,

Supervisory Policy Manual (SPM): Revised module CA-G-4 "Validating Risk Rating Systems under the IRB Approach"

I am writing to inform you that, following consultation with the two industry Associations, the Monetary Authority is issuing today a revised version of the above SPM module as a technical note. The SPM module was revised mainly to bring up-to-date the module with the prevailing regulatory requirements applicable to the use of the IRB approach under the Banking (Capital) Rules.

On-line access to the SPM module is available at the HKMA's public website (http://www.hkma.gov.hk/eng/key-functions/banking-stability/supervisory-policy-manual.shtml) and private website (http://www.stet.iclnet.hk/index.htm).

Should you have any questions regarding this module, please approach your usual supervisory contact at the HKMA.

Yours faithfully,

Daryl Ho
Executive Director (Banking Policy)

Encl

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