

Completion Instructions

Certificate of compliance with the Banking Ordinance of an authorized institution incorporated outside Hong Kong Form MA(BS)1F(b)

1. This certificate should be submitted by all authorized institutions incorporated outside Hong Kong for the purpose of certifying their compliance with –
 - section 80;
 - section 85;
 - ***liquidity requirement prescribed in the Rules made under section 97H(1) of the Banking Ordinance that is applicable to the institution***; and
 - Rules made under section 60A(1) of the Banking Ordinance.
2. The certificate is to be submitted not later than 14 days after the end of each quarter (that is, 31 March, 30 June, 30 September or 31 December). If the submission deadline falls on a public holiday, it will be deferred to the next working day.

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3. ***Report in this item whether the reporting institution complied with the minimum liquidity requirement applicable to it during the reporting period.***
 - ***If the reporting institution is a category 1 institution, the minimum liquidity requirement is the minimum required level of Liquidity Coverage Ratio (LCR) set out in rule 4 of the Banking Liquidity Rules (BLR).***
 - ***If the reporting institution is a category 2 institution, the minimum liquidity requirement is the minimum required level of the Liquidity Maintenance Ratio (LMR) set out in rule 7 of the BLR.***

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4. For the purposes of indicating compliance with the rules made under section 60A(1) of the Banking Ordinance (hereafter referred to “the Rules”), the reporting institution is required to complete item 2(d). The certification of compliance should be made in relation to the reporting institution’s most recent disclosure statement issued prior to the Certificate of Compliance. For instance, if the institution’s financial year-end is end-December, it should indicate in its Certificate for the period ending 30 September whether it has contravened the requirements of the Rules in respect of its disclosures for the interim reporting period. Any contraventions of the Rules in

respect of its disclosures for the annual reporting period should be recorded in the Certificate for the period ending 30 March. Where the Certificate of Compliance relates to a quarter in which no disclosure statement has been issued, the reporting institution should give the same answer as on the previous quarter's Certificate of Compliance.

5. The reporting institution should complete item 2(d) by putting a "Y" or "N" in the appropriate column to indicate whether or not the institution has contravened any of the requirements of the Rules. If the answer to item 2(d) is "yes", the institution should specify in the space provided relevant section(s) of the Rules that it contravened. If the institution is exempted by the Monetary Authority for disclosures required under the Rules, it should tick the relevant box as provided in the Certificate.
6. The Rules will only apply to institutions from the start of their 2007-08 financial year. For institutions which have their 2007-08 financial year commencing on a date other than 1 January 2007, they should leave the space blank until a time when they need to make a report concerning their compliance with the Rules.

Hong Kong Monetary Authority
December 2014