BASEL III
Leverage Ratio

June 30, 2017

Contents

A. Summary Comparison

Date: **30-Jun-17**

TABLE 1: LEVERAGE DISCLOSURE		
Summary comparison of accounting assets versus leverage ratio exposure measure		
Row #	**Item**	**In SR 000's**
1	Total consolidated assets as per published financial statements	345,597,227
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	-
3	Adjustment for fiduciary assets recognized on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	-
4	Adjustments for derivative financial instruments	-
5	Adjustment for securities financing transactions (i.e. repos and similar secured lending)	-
6	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	4,740,465
7	Other adjustments	5,853,228
8	**Leverage ratio exposure**	**356,190,920**

Leverage Ratio Common Disclosure Template

Date: 30-Jun-17

TABLE 2: LEVERAGE DISCLOSURE		
Row #	**Item**	**In SR 000's**
	On-balance sheet exposures	
1	On-balance sheet items (excluding derivatives and SFTs, but including collateral)	351,450,455
2	(Relevant Asset amounts deducted in determining Basel III Tier 1 capital)	-
3	**Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 and 2)**	**351,450,455**
	Derivative Exposures	
4	Replacement cost associated with all derivatives transactions (i.e. net of eligible cash variation margin)	-
5	Add-on amounts for Potential Financial Exposure (PFE) associated with all derivatives transactions	-
6	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework	-
7	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	-
8	(Exempted CCP leg of client-cleared trade exposures)	-
9	Adjusted effective notional amount of written credit derivatives	-
10	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-
11	**Total derivative exposures (sum of lines 4 to 10)**	**-**
	Securities financing transaction exposures	
12	Gross SFT assets (with no recognition of netting), after adjusting for sales accounting transactions	-
13	(Netted amounts of cash payables and cash receivables of gross SFT assets)	-
14	Credit Conversion Factor (CCR) exposure for Security Financing Transaction (SFT) assets	-
15	Agent transaction exposures	-
16	**Total securities financing transaction exposures (sum of lines 12 to 15)**	**-**
	Other off-balance sheet exposures	
17	Off-balance sheet exposure at gross notional amount	12,241,039
18	(Adjustments for conversion to credit equivalent amounts)	(7,500,574)
19	**Off-balance sheet items (sum of lines 17 and 18)**	4,740,465
	Capital and total exposures	
20	**Tier 1 capital**	53,605,494
21	**Total exposures (sum of lines 3, 11, 16 and 19)**	356,190,920
	Leverage ratio	
22	**Basel III leverage ratio**	**15.05%**

B. Explanation of each row

TABLE 3: LEVERAGE DISCLOSURE	
Row #*	**Item**
1	On-balance sheet assets according to paragraph 15.
2	Deductions from Basel III Tier 1 capital determined by paragraphs 9 and 16 and excluded from the leverage ratio exposure measure, reported as negative amounts.
3	Sum of lines 1 and 2.
4	Replacement cost (RC) associated with all derivatives transactions (including exposures resulting from transactions described in paragraph 28), net of cash variation margin received and with, where applicable, bilateral netting according to paragraphs 19–21 and 26.
5	Add-on amount for all derivative exposures according to paragraphs 19–21.
6	Grossed-up amount for collateral provided according to paragraph 24.
7	Deductions of receivables assets from cash variation margin provided in derivatives transactions according to paragraph 26, reported as negative amounts.
8	Exempted trade exposures associated with the CCP leg of derivatives transactions resulting from client-cleared transactions according to paragraph 27, reported as negative amounts.
9	Adjusted effective notional amount (i.e. the effective notional amount reduced by any negative change in fair value) for written credit derivatives according to paragraph 30.
10	Adjusted effective notional offsets of written credit derivatives according to paragraph 30 and deducted add-on amounts relating to written credit derivatives according to paragraph 31, reported as negative amounts.
11	Sum of lines 4–10.
12	Gross SFT assets with no recognition of any netting other than novation with QCCPs as set out in footnote 19, removing certain securities received as determined by paragraph 33 (i) and adjusting for any sales accounting transactions as determined by paragraph 34.
13	Cash payables and cash receivables of gross SFT assets netted according to paragraph 33 (i), reported as negative amounts.
14	Measure of counterparty credit risk for SFTs as determined by paragraph 33 (ii).
15	Agent transaction exposure amount determined according to paragraphs 35 to 37.
16	Sum of lines 12–15.
17	Total off-balance sheet exposure amounts on a gross notional basis, before any adjustment for credit conversion factors according to paragraph 39.
18	Reduction in gross amount of off-balance sheet exposures due to the application of credit conversion factors in paragraph 39.
19	Sum of lines 17 and 18.
20	Tier 1 capital as determined by paragraph 10.
21	Sum of lines 3, 11, 16 and 19.
22	Basel III leverage ratio according to paragraph 54.

* These row item explanations (1 to 22) concern the Leverage Ratio Common Disclosure Template – Table 2

C. Explanation when there are changes in Leverage Ratio

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TABLE 4: LEVERAGE DISCLOSURE		
Changes in the Leverage Ratio exceeding 15% from the end of the previous reporting period to the end of the current reporting period		
Row #	**Item**	**In SR 000's**
1	Capital measure	-
2	Exposure measure	-
3	**Leverage ratio (%)***	-

*Bank to provide an analysis for both the numerator (Tier-1 Capital) and exposure measure (denominator)

D. Reconciliation requirements that details sources of material differences between the bank' total balance sheet assets in their financial statements and on-balance sheet exposures in the table 2

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TABLE 5: LEVERAGE DISCLOSURE		
Row #	**Item**	**In SR 000's**
1	Total Assets amounts on Financial Statements	345,597,227
2	Total On balance sheet assets according Row # 1 on Table 2	351,450,455
3	**Difference between 1 and 2 above***	(5,853,228)

***** Other adjustments represent cumulative provisions of total assets.