

## Credit risks: Equity - IRB approaches to capital requirements

Exposure after conversion factors   Margin number 340 of the Credit Risks Circular-banks and art. 54 of the Capital Ordinance.	ID	Label	Legal references and comments
PD assigned to the obligor grade   Applies to equity exposures treated according to the PD/LGD approach. See «PD assigned to the obligor grade or pools in the CRIRB form, as well as §350−355 of the Basel Basis Text.	Columns	5	
See «PD assigned to the obligor grade or pools in the CRIRB form, as well as §350–355 of the Basel Basis Text.  Original exposure pre conversion factors \$359–361 of the Basel Basis Text.  Margin number 340 of the Credit Risks Circular-banks and art. 54 of the Capital Ordinance.  Credit risk mitigation (CRM) techniques with substitution effects on the exposure with substitution effects on the exposure of Credit derivatives See CRIRB form.  Cec Credit derivatives See CRIRB form.  Cec CRIRB form.	01	Internal rating system	
03Exposure after conversion factorsMargin number 340 of the Credit Risks Circular-banks and art. 54 of the Capital Ordinance.04-07Credit risk mitigation (CRM) techniques with substitution effects on the exposureSee CRIRB form and §345, 349 and 355 of the Basel Basis Text.04GuaranteesSee CRIRB form.05Credit derivativesSee CRIRB form.06-07Substitution of the exposure due to CRMSee CRIRB form.06Outflows (-)See CRIRB form.07Inflows (+)See CRIRB form.08Exposure after CRM substitution effects and after conversion factorsSee CRIRB form.09Exposure weighted average LGD (%)Applies to equity exposures treated according to the PD/LGD approach. See also §350-355 of the Basel Basis Text.10Risk weighted exposure amountsFor simple risk weight approach, §344-345 of the Basel Basis Text and precisions in margin numbers 359 and 361 of the Credit Risks Circular-banks. For PD/LGD approach, §350-355 of the Basel Basis Text.11Capital requirementsSee CRIRB form.12Expected loss amount§375, 376 of the Basel Basis Text.13Value adjustments and provisionsSee CRIRB form.Rows01-105IRB equity exposures\$235-238 of the Basel Basis Text and precision in margin numbers 320-322 and 354 of the Credit Risks Circular-banks.02, 104, Simple risk weight approach\$346-349 of the Basel Basis Text and precisions in margin numbers 359-361 of the Credit Risks Circular-banks.07-NPD/LGD approach\$350-355 of the Basel Basis Text.08-NObligor grade <t< td=""><td>01</td><td>PD assigned to the obligor grade</td><td>See «PD assigned to the obligor grade or pool» in the CRIRB form,</td></t<>	01	PD assigned to the obligor grade	See «PD assigned to the obligor grade or pool» in the CRIRB form,
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with substitution effects on the exposure           04         Guarantees         See CRIRB form.           05         Credit derivatives         See CRIRB form.           06-07         Substitution of the exposure due to CRM         See CRIRB form.           06         Outflows (-)         See CRIRB form.           07         Inflows (+)         See CRIRB form.           08         Exposure after CRM substitution effects and after conversion factors         See CRIRB form.           09         Exposure weighted average LGD (%)         Applies to equity exposures treated according to the PD/LGD approach. See also §350–355 of the Basel Basis Text.           10         Risk weighted exposure amounts For simple risk weight approach, §344–345 of the Basel Basis Text. For the internal models approach, §346–349 of the Basel Basis Text. For PD/LGD approach, §350–355 of the Basel Basis Text.           11         Capital requirements         See CRIRB form.           12         Expected loss amount         §375, 376 of the Basel Basis Text.           13         Value adjustments and provisions         See CRIRB form.           Rows         See CRIRB form.           10-10         IRB equity exposures         \$3235–238 of the Basel Basis Text and precision in margin numbers 320–322 and 354 of the Credit Risks Circular-banks.           02, 104, Implies the seed of the passel Basis Text and precisions in mar	03	Exposure after conversion factors	
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06-07       Substitution of the exposure due to CRM       See CRIRB form.         06       Outflows (-)       See CRIRB form.         07       Inflows (+)       See CRIRB form.         08       Exposure after CRM substitution effects and after conversion factors       See CRIRB form.         09       Exposure weighted average LGD (%)       Applies to equity exposures treated according to the PD/LGD approach. See also §350-355 of the Basel Basis Text.         10       Risk weighted exposure amounts       For simple risk weight approach, §344-345 of the Basel Basis Text and precisions in margin numbers 359 and 361 of the Credit Risks Circular-banks. For PD/LGD approach, §350-355 of the Basel Basis Text.         11       Capital requirements       See CRIRB form.         12       Expected loss amount       §375, 376 of the Basel Basis Text.         13       Value adjustments and provisions       See CRIRB form.         Rows         01-105       IRB equity exposures       §235-238 of the Basel Basis Text and precision in margin numbers 320-322 and 354 of the Credit Risks Circular-banks.         02, 104, 105       Simple risk weight approach       §344-345 of the Basel Basis Text and precisions in margin numbers 359-361 of the Credit Risks Circular-banks.         07-N       PD/LGD approach       §346-349 of the Basel Basis Text.         08-N       Obligor grade       See «Obligor grade or pool» in CRIRB form. <td>04</td> <td>Guarantees</td> <td>See CRIRB form.</td>	04	Guarantees	See CRIRB form.
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