Annex 2

Master Direction DOR.CAP.REC.No.61/21.01.002/2021-22 dated October 26, 2021 on Prudential Norms on Capital Adequacy for Local Area Banks (Directions), 2021:

Sr	Ref.	Existing Extract	Amended text in RBI regulation (track change mode)
Ν	Para.		
ο			
1	7(i)	Paid-up capital (ordinary shares), statutory reserves, and other disclosed free reserves, if any;	Paid-up capital (ordinary shares), statutory reserves, <u>AFS</u> reserve ^{1A} , and other disclosed free reserves, if any;
			Footnote 1A: Please refer to Master Direction - Classification, Valuation and Operation of Investment Portfolio of Commercial Banks (Directions), 2023 dated September 12, 2023. It is also clarified that any negative balance in the AFS reserve shall be deducted from Tier I capital.
2	12(i)	 The following deductions shall be made from Tier I capital: (a) Intangible assets and losses in the current period and those brought forward from previous periods (b) Deferred tax assets (DTA) 	The following deductions shall be made from Tier I capital: (a) Intangible assets and losses in the current period and those brought forward from previous periods (b) Deferred tax assets (DTA) (c) The net unrealised gains arising on fair valuation of Level 3 financial instruments recognised in the Profit and Loss Account or in the AFS-Reserve ^{1B} . Footnote 1B: Please refer to clause 28 and 41 of Master Direction - Classification, Valuation and Operation of Investment Portfolio of Commercial Banks (Directions), 2023 dated September 12, 2023.
3	17	The capital charge for market risk shall cover the capital charges for interest rate related instruments in the trading book, equities in the trading book and foreign exchange risk (including gold and other precious metals) in both trading and banking books. Trading book for the purpose of capital	The capital charge for market risk shall cover the capital charges for interest rate related instruments in the trading book, equities in the trading book and foreign exchange risk (including gold and other precious metals) in both trading and banking books. Trading book for the purpose of capital adequacy shall include <u>all</u>

Ref.	Existing Extract	Amended text in RBI regulation (track change mode)
Para.		
		instruments?; that are classified as "I lold for Trading" as your
		instruments ² : that are classified as "Held for Trading" as per
		Master Direction - Classification, Valuation and Operation of
		Investment Portfolio of Commercial Banks (Directions), 2023
		dated September 12, 2023. All other instruments ^{2A} will be
		included in the banking book and attract corresponding capital
		charge for credit risk (or counterparty credit risk, where
		applicable).
	(v) Trading positions in derivatives, and	(i) Securities included under the Held for Trading category
	(vi) Derivatives entered into for hedging trading book	(ii) Securities included under the Available for Sale category
	exposures.	(iii) Open gold position
		(iv) Open foreign exchange position
	Footnote 2: At present, LABs are not permitted to carry out	(v) Trading positions in derivatives, and
	activities mentioned in points (iii) to (vi). However, as and	(vi) Derivatives entered into for hedging trading book
	when these activities are allowed, the relevant instructions	exposures.
	would become applicable to them.	
		Footnote 2: At present, LABs are not permitted to carry out
		activities mentioned in points (iii) to (vi) involving foreign
		exchange or derivative positions. However, as and when these
		activities are allowed, the relevant instructions would become
		applicable to them.
		Footnote 2A: Accordingly, instruments classified under HTM,
		AFS, FVTPL (non-HFT) and investments in own subsidiaries,
		joint ventures and associates will also be part of banking book
		and will not attract market risk capital charge.
	Ref. Para.	Para. adequacy shall include ² : (i) Securities included under the Held for Trading category (ii) Securities included under the Available for Sale category (iii) Open gold position (iv) Open foreign exchange position (v) Trading positions in derivatives, and (vi) Derivatives entered into for hedging trading book exposures. Footnote 2: At present, LABs are not permitted to carry out activities mentioned in points (iii) to (vi). However, as and when these activities are allowed, the relevant instructions

Sr	Ref.	Existing Extract	Amended text in RBI regulation (track change mode)
Ν	Para.		
ο			
4	19	The capital charge for interest rate related instruments shall apply to the current market value of these items in bank's trading book. The current market value shall be determined as per the extant RBI guidelines on valuation of	The capital charge for interest rate related instruments shall apply to the <u>current marketfair</u> value of these items in bank's trading book. The <u>current marketfair</u> value shall be determined as per the extant RBI guidelines on valuation of investments
5	23(a)	investments Capital charge for equities in the trading book shall be applied to all instruments that exhibit market behavior similar to equities but not to non-convertible preference shares (which are covered by the interest rate risk requirements). The instruments covered include equity shares, whether voting or non-voting, convertible securities that behave like equities, such as units of mutual funds, and commitments to buy or sell equity. The capital charge for equities shall apply to the current market value of these items in the bank's trading book	Capital charge for equities in the trading book shall be applied to all instruments that exhibit market behavior similar to equities but not to non-convertible preference shares (which are covered by the interest rate risk requirements). The instruments covered include equity shares, whether voting or non-voting, convertible securities that behave like equities, such as units of mutual funds, and commitments to buy or sell equity. The capital charge for equities shall apply to the <u>current_marketfair</u> value of these items in the bank's trading book
6	23(b)	Investments in shares and units of Venture Capital Funds (VCFs) shall be assigned 150% risk weight for measuring the credit risk during first three years when these are held under HTM category. When these are held under or transferred to AFS, the capital charge for specific risk component of the market risk shall be fixed at 13.5% to reflect the risk weight of 150%. The charge for general market risk component shall be at 9% as in the case of other equities.	Investments in shares and units of Venture Capital Funds (VCFs) shall be assigned 150% risk weight for measuring the credit risk during first three years when these are held under HTM categorybanking book. When these are held under or transferred to AFStrading book, the capital charge for specific risk component of the market risk shall be fixed at 13.5% to reflect the risk weight of 150%. The charge for general market risk component shall be at 9% as in the case of other equities.
7	Annex 6 (A.	Sr. Item Risk No. Weight	Sr. Item Risk Weight %

Sr	Ref.		Exi	sting Extract		Ame	nded text in RBI re	egulation (track c	hange mode)
Ν	Para.								
ο									
	Funded		I Balances				Balances		
	Risk		 						
	Assets)						••••		
		Ш	Investments securities he	a (applicable to eld in HTM)		Ш	Investments (ap securities held		
							book)		
8	Annex 7	S.No	Nature of Investment	Maturit У	Specific Risk Capital	S.No.	Nature of Investment	Maturity	Specific Risk Capital
					Charge (as % of exposur				Charge (as % of exposure)
					e)				,
						18.	Investments in		
		18.	Investments in Security Receipts issued by Securitisatio n Company/ Asset reconstructio n Company and held under AFS	All	13.5		Security Receipts issued by Securitisation Company/ Asset reconstruction Company and held under AFS portfolio	All	13.5
0	Δρρογ	A book o	portfolio	owing position:		A book m	av have the fellowin	a position:	
9	Annex	A Darik N	hay have the follo	owing position:		A Dank M	ay have the followir	ig position:	

Sr N O	Ref. Para.	a.							Amendeo	d text in RB	l regulatior	n (track (change	mode)
	12 Exampl e l	SI. No.	De	tails		Amount (in ₹ Crore)			SI. No.	De	etails		Amour (in ₹ Crore	
	Para 1.1	1	Cash & Ba RBI	alances with	ו	200.00			1	Cash & E RBI	Balances wi	th	200.00)
		2	Bank bala	nces		200.00			2	Bank bal	ances		200.00)
		3.	Investmen	ts	2	2000.00			3.	Investme	ents		2000.0	0
			-	alue) ble for Sale		500.00 1000.00				(Market	rading Boo	<u>k</u>	500 <u>1500</u>	
			(Market Va 3.3 Held to	,		500.00				3.2 Avaii (Market)		e 4	000 <u>500</u>	.00
		4	Advances	,		2000.00				Banking	<u>Book</u>			
		5	Other Ass	· /		300.00					to Maturity		500.00	
		6	Total Ass	ets		4700.00			4	Advance	()		2000.0	-
									5	Other As			300.00	
									6	Total As			4700.0	-
10	Annex	For simplicity		ails of inve	stments	are assu	umed		• •	sake the det	tails of inve	stments	are ass	umed to be
	12 Example	to be as under	: Iment Securit	iaa					s under:	nment Secur	ition			
	Exampl e I	i) Goverr Date of			A	C ourse	T	i)	Date of	Date of	1	A	C over o	Turne
	Para	Issue		Maturity Date	Amoun t ₹	Coupo n (%)	гур е		lssue	reporting	Maturity Date	Amoun t ₹	Coupo n (%)	гуре
	1.3	01/03/201	31/03/202	01/03/202	in crore	12.50	AFS		15542	reporting	Dute	in crore		
		01/03/201	1	2	100	12.50			01/03/201	31/03/202	01/03/202	100	12.50	AFS <u>Trading</u>
		01/05/201	31/03/202	01/05/202	100	12.00	AFS		0	1	2			Book
		1	1	1					01/05/201	31/03/202	01/05/202	100	12.00	AFS <u>Trading</u>

Sr N	Ref. Para.		Existi	ing Extract	t				Amendeo	text in RBI	regulation	(track)	change	mode)
ο														
		01/03/201	31/03/202	31/05/202	100	12.00	AFS		1	1	1			<u>Book</u>
		2	1	1					01/03/201	31/03/202	31/05/202	100	12.00	AFS <u>Trading</u>
		01/03/201	31/03/202	01/03/203	100	12.00	AFS		2	1	1			Book
		3	1	3					01/03/201	31/03/202	01/03/203	100	12.00	AFS <u>Trading</u>
		01/03/201	31/03/202	01/03/202	100	11.50	AFS		3	1	3			Book
		6	1	8					01/03/201	31/03/202	01/03/202	100	11.50	AFS <u>Trading</u>
		01/03/201	31/03/202	01/03/202	100	11.00	AFS		6	1	8			<u>Book</u>
		7	1	7					01/03/201	31/03/202	01/03/202	100	11.00	AFS <u>Trading</u>
		01/03/201	31/03/202	01/03/202	100	10.50	HFT		7	1	7			<u>Book</u>
		8	1	3					01/03/201	31/03/202	01/03/202	100	10.50	HFT <u>Trading</u>
		01/03/201	31/03/202	01/03/202	100	10.00	ΗT		8	1	3			<u>Book</u>
		9	1	4			Μ		01/03/201	31/03/202	01/03/202	100	10.00	HTM <u>Bankin</u>
		01/03/202	31/03/202	01/03/203	100	8.00	ΗT		9	1	4			<u>g Book</u>
		0	1	0			Μ		01/03/202	31/03/202	01/03/203	100	8.00	HTM <u>Bankin</u>
		01/03/202	31/03/202	01/03/204	100	6.50	ΗT		0	1	0			<u>g Book</u>
		1	1	1			Μ		01/03/202	31/03/202	01/03/204	100	6.50	HTM <u>Bankin</u>
		Total			1000				1	1	1			<u>g Book</u>
									Total			1000		
		ii) Bank Bonds	.	-				1						
		Date of	Date of	Maturity	Amoun	Coupo	Тур	ii) Bank Bonds	6				
		Issue	reporting	Date	t₹	n (%)	е		Date of	Date of	Maturity	Amoun	Coupo	Туре
					in crore				Issue	reporting	Date	t₹	n (%)	
		01/03/201	31/03/202	01/03/202	100	12.50	AFS					in crore		
		0	1	2				01/03/201	31/03/202	01/03/202	100	12.50	AFS <u>Tradin</u>	
		01/05/201	31/03/202	01/05/202	100	12.00	AFS		0	1	2			g Book
		1	1	1					01/05/201	31/03/202	01/05/202	100	12.00	AFS <u>Tradin</u>
		01/03/201	31/03/202	31/05/202	100	12.00	AFS		1	1	1			<u>g Book</u>

Sr	Ref.	Existing Extract							Amende	d text in RBI	regulation	n (track	change	e mode)
N O	Para.													
		2	1	1					01/03/201	31/03/202	31/05/202	100	12.00	AFS <u>Tradi</u>
		01/03/2	201 31/03/202	01/03/202	100	12.50	AFS		2	1	1			<u>g Book</u>
		3	1	4					01/03/201	31/03/202	01/03/202	100	12.50	AFSTradi
		01/03/2	201 31/03/202	01/03/202	100	11.50	HFT	_	3	1	4			<u>g Book</u>
		6	1	5					01/03/201	31/03/202	01/03/202	100	11.50	HFT <u>Tradi</u>
		Tota	l		500			-	6	1	5			<u>g Book</u>
									Total			500		
		iii) Other S			T		1		Other Secu	ritico				
		Date o		Maturity		-	Туре				N A a b a a b a b a b a b a b a b b a b b a b b b b b b b b b b	A	C	Turne
		Issue	reporting	Date	₹	(%)			Date of Issue	Date of reporting	Maturity Date	Amoun t₹	Coupo n (%)	Туре
		01/02/20	10 21/02/2021	01/02/2022	in crore		HFT		Issue	reporting		in crore	11 (70)	
		01/03/20				12.50			01/03/201	31/03/202	01/03/202		12.50	HFTTradin
		01/05/20				12.00	HFT		0	1	2			Book
		01/03/20	12 31/03/2021	31/05/2021	100	12.00	HFT	(01/05/201	31/03/202	01/05/202	100	12.00	HFTTradin
		01/03/20	13 31/03/2021	01/03/2024	100	12.50	HTM		1	1	1			Book
		01/03/20	16 31/03/2021	01/03/2035	5 100	11.50	HTM	0	01/03/201	31/03/202	31/05/202	100	12.00	HFT <u>Tradin</u>
		Total			500				2	1	1			<u>Book</u>
					1		11	0	01/03/201	31/03/202	01/03/202	100	12.50	HTM <u>Banki</u>
		iv) Overall Position							3	1	4			<u>g Book</u>
				Break-up o	f total				01/03/201 6	31/03/202	01/03/203	100	11.50	HTM <u>Banki</u>
			in	vestments (t in crore)			-	1	<u>с</u>	500		<u>g Book</u>
			Government	Bank	Other		otal	tal	Total			500		
			Securities	bonds	securities	5		iv	Overall Po	sition				
		HFT	100	100	300	!	500				Dreat			
		AFS 600 400 0			1	000	Break-up of total investments (₹ in crore)							

Sr N	Ref. Para.		Existi	ng Ext	ract			Am	ended	l text in RBI re	gulation (track change	mode)	
0		Trading Book	700	500	300	1500				Government Securities	Bank bonds	Other securities	Total	
		HTM	300	0	200	500		HFT		100	100	300	500	
		Total	1000	500	500	2000		AFS		600	400	θ	1000	
								Tradin Book	ng	700	500	300	1500	
								HTMB Book	anking	300	0	200	500	
								Total		1000	500	500	2000	
	12 Exampl e I Para 2.1	Book. Th ₹1500 cro risk, the excluded would be 	urities would qualit nus, trading book ore as indicated ab securities held and hence the risk as under:	in the bove. W under <-weigh	instant case /hile computir trading book ted assets for	e would be ng the credit would be	ti ii h v	trading book in the instant case would be ₹1500 indicated above. While computing the credit risk, the held under trading book would be excluded and henc weighted assets for credit risks would be as under:						
12	Annex		ay have the followi	ing pos		1	A		may ha	ave the following	g position:			
	12 Exampl	Sr. No.	Details		₹ in C	rore		Sr. No.		Details		₹ in Cro	re	
	e II Para		Cash & Balances v RBI	with	200.	00		1	Cash RBI	a & Balances wi	th	200.00		
	1.1	2	Bank balances		200.	00		2	Bank	balances		200.00		
		3	Investments					3	Inves	stments				

Sr N o	Ref. Para.	Existing Ex 3.1 Interest Rate related				ł			Am	nende	d text in RB	l regulation	n (track	change	mode)
			3.1 In Secu		related					-	Interest Rate urities	related			
			Held	for Trading		500	0.00			Held	I for Trading	Trading	5	00<u>1500</u>	00
			Availa	able for Sale		100	0.00			Boo		D. L.		000500	00
			Held	to Maturity		500	00.00			Ava Boo	i <mark>lable for Sal</mark> ı k	Banking	4	000<u>500</u>.	00
			3.2 E	quities		300	0.00				to Maturity			500.00	L .
		4	Adva	nces (net)		200	0.00			3.2	Equities <u>– Tr</u>	ading		300.00	
		5	Other	Assets		300	0.00			Boo					-
		6 Total Assets		500	0.00		4	-	ances (net)			2000.0			
									5	-	er Assets al Assets			300.00 5000.0	
13	Annex 12 Exampl	in intere	est rate	sake let us a related secu ment Securi	rities as un		f investn	nents	terest	plicity rate re	sake let us elated securi nment Secur	ties as und			-
	e II Para 1.3	Date of Issue	_	Date of reporting 31/03/202	Maturity Date 01/03/202	Amoun t ₹ in crore 100	Coupo n (%) 12.50	Typ e AFS	Date Issue	of	Date of reporting	Maturity Date	Amoun t ₹ in crore	Coupo n (%)	Туре
)	1	2				01/03	-	31/03/202	01/03/202	100	12.50	AFS <u>Trading</u>
		01/05	5/201 1	31/03/202 1	01/05/202	100	12.00	AFS	01/05) 5/201	1 31/03/202	2 01/05/202	100	12.00	<u>Book</u> AFSTrading
		01/03	3/201	31/03/202	31/05/202	100	12.00	AFS	1	Ĺ	1	1			Book
			2	1	1				01/03	•	31/03/202		100	12.00	AFS <u>Trading</u>
		01/03	3/201 3	31/03/202 1	01/03/203	100	12.00	AFS		$\frac{2}{2}$	1	1	100	12.00	Book
		01/03	-	-	3 01/03/202	100	11.50	AFS	01/03	3/201 3	31/03/202 1	01/03/203	100	12.00	AFS<u>Trading</u> Book

Sr N o	Ref. Para.		Existi	ing Extrac	t			Amende	text in RBI	regulatior	n (track o	change	mode)
		6	1	8				01/03/201	31/03/202	01/03/202	100	11.50	AFS <u>Trading</u>
		01/03/201	31/03/202	01/03/202	100	11.00	AFS	6	1	8			<u>Book</u>
		7	1	7				01/03/201		01/03/202	100	11.00	AFS <u>Trading</u>
		01/03/201	31/03/202	01/03/202	100	10.50	HFT	7	1	7			<u>Book</u>
		8	1	3				01/03/201		01/03/202	100	10.50	HFT <u>Trading</u>
		01/03/201	31/03/202	01/03/202	100	10.00	ΗT	8	1	3			<u>Book</u>
		9	1	4			Μ	01/03/201		01/03/202	100	10.00	HTMBankir
		01/03/202	31/03/202	01/03/203	100	8.00	HT	9	1	4	100	0.00	<u>g Book</u>
		0	1	0	100		M	01/03/202 0	31/03/202 1	01/03/203 0	100	8.00	HTM<u>Bankir</u> g Book
		01/03/202	31/03/202	01/03/204	100	6.50	HT	01/03/202	31/03/202	01/03/204	100	6.50	HTMBankir
		1	1	1	4000		М	1	1	1	100	0.50	g Book
		Total			1000			Total	-		1000		<u>B Book</u>
		ii) Bank Bonds		1	1) Bank Bonds					
		Date of	Date of	Maturity	Amoun	Coupo	Тур	/		N A a b a a b a b a b a b a b a b a b b b b b b b b b b	A	C	Ture
		Issue	reporting	Date	t₹	n (%)	е	Date of Issue	Date of reporting	Maturity Date	Amoun t₹	coupo n (%)	Туре
		01/02/201	21/02/202	01/02/202	in crore	12.50	A.F.C.	issue	reporting	Date	in crore		
		01/03/201	31/03/202	01/03/202	100	12.50	AFS	01/03/201	31/03/202	01/03/202		12.50	AFS Tradin
		01/05/201	31/03/202	01/05/202	100	12.00	AFS	0	1	2	100	12.50	g Book
		1	1	1	100	12.00	Агэ	01/05/201	31/03/202	01/05/202	100	12.00	AFS Tradin
		01/03/201	31/03/202	31/05/202	100	12.00	ΔFS	1	1	1			g Book
		2	1	1	100	12.00	AFS	01/03/201	31/03/202	31/05/202	100	12.00	AFS Tradin
		01/03/201	31/03/202	01/03/202	100	12.50	AFS	2	1	1			g Book
		$\begin{vmatrix} 01/03/201 \\ 3 \end{vmatrix} 1 4$		0		01/03/201	31/03/202	01/03/202	100	12.50	AFSTradin		
		01/03/201	31/03/202	01/03/202	100	11.50	HFT	3	1	4			<u>g Book</u>
		6	1	5				01/03/201	31/03/202	01/03/202	100	11.50	HFTTradin

Sr N o	Ref. Para.		Exi	sting Extr	act				Amende	d text in RBI	regulatio	n (track	chang	e mode))
		Total			500				6	1	5			g Boo	k
			I		I				Total			500			
		iii) Other S										•		•	
		Date of			ty Amount	-	n Type	ii	ii) Other Sec	urities	T	· · · ·		1	
		Issue	reporting	Date	₹ in crore	(%)			Date of Issue	Date of reporting	Maturity Date	Amoun t₹	Coupo n (%)	Тур	e
		01/03/202	0 31/03/202	1 01/03/20)22 100	12.50	HFT					in crore			
		01/05/202	1 31/03/202	1 01/05/20	021 100	12.00	HFT		01/03/201	31/03/202	01/03/202	2 100	12.50	HFT <u>Tra</u>	dir
		01/03/202	2 31/03/202	1 31/05/20	021 100	12.00	HFT		0	1		2		<u>Book</u>	
		01/03/202	31/03/202	1 01/03/20)24 100	12.50	HTM		01/05/201	31/03/202	01/05/202	2 100	12.00	HFT <u>Tra</u> Book	<u>dir</u>
		01/03/202	16 31/03/202	1 01/03/20)35 100	11.50	HTM		01/03/201	31/03/202	31/05/202	2 100	12.00	HFTTra	di
		Total			500				2	1		L	12.00	Book	0
		iv) Overall	Position						01/03/201 3	31/03/202 1	01/03/202	2 100 1	12.50	HTM <u>Ba</u> g Book	
			Break-up	of total inv	estments (₹ in cror	e)		01/03/201	31/03/202	01/03/203	3 100	11.50	HTMBa	
			Interest rate	related ins	truments	Equit	Gran		6	1		5		<u>g Book</u>	
				-	ther Tota uritie I s	y	d Total	i	Total v) Overall Po	sition		500			
		HFT	100	100 3	00 500	300	800			Break	-up of tota	l investm	ents (₹	in crore)	
		AFS	600	400	0 1000	0	1000			Interest	rate relate	d instrum	ents	Equit	Gra
		Tradin g Book	700	500 3	300 1500	300	1800			Governme t Securitie		Other securitie	Tota I	У.	d Tot
		нтм	300	0 2	00 500	0	500				S	S			80
				1		1			HFT	100	100	300	500	300	

Sr	Ref.			Existing I	Extract					Amended	text in	RBI regulati	on (track	chang	je mod	le)
N O	Para.															
		Grand	1000	500	500	2000	300	2300		AFS	600	400	θ	1000	θ	1000
		Total								Trading Book	700	500	300	1500	300	1800
										HTM <u>Bankin</u> g Book	300	0	200	500	0	500
										Grand Total	1000	500	500	2000	300	2300
14	Annex 12 Exampl e II Para 2.1	securities would qualify to be categorized as Trading Bool mample I Thus, trading book in respect of interest rate relate investments in the instant case would be ₹1500 crore. I addition, equities position of ₹300 crore would be in the								s per the gui ecurities would ading book in stant case wo f ₹300 crore w he derivative onsidered as xchange and /hile computin eld under tradi sk based risk-v	l qualify respective ould be yould be product part of gold al g the c ing boc	y to be categ t of interest i ₹1500 crore e in the trad cts held by f trading boo lso would be capital chargo k would be o	orized as ate relate . In additi ing book, banks a bk. Open e conside e for cred excluded a	Trading on, equ as ind re <u>ass</u> positic red for t risk,	g Book stments icated sumed on on [.] mark the se	. Thus, s in the oosition above. to be foreign et risk. curities
			buld be as]		Details of As	ssets	Book Value	Risk		k weigh	
		Details Assets	_	ook Value	Risk Weight	Ris	k weigł Asset			Cash& RBI		200	Weight		Asset	5
		Cash& RI	31	200	0%		0			Bank balances		200	20%		40	
		Bank bal	ances	200	20%		40						1			

Sr N o	Ref. Para.	Existing Extract				Amended text in RBI regulation (track change mode)			
		Investments in (HTM category) Government Banks Corporate Bonds	300 0 200	0% 20% 100%	0 0 200	Investments in (HTM categoryBanking Book) Government Banks	300 0	0% 20%	0 0
		Advances (net)	2000	100%	2000	Corporate Bonds	200	100%	200
		Other Assets	300	100%	300	Advances (net)	2000	100%	2000
		Total	3200		2540	Other Assets	300	100%	300
		Credit Risk for				Total	3200		2540
		OTC Derivatives: IRS	100	100%	8.00	Credit Risk for OTC Derivatives:			
			(Credit conversion factor - 1% + 1% per year)			IRS	100 (Credit conversion factor - 1% + 1%	100%	8.00
		IRF	50 (<i>Credit</i> <i>conversion</i> <i>factor</i> for maturities less than one year – 0.5%)	100%	0.25	IRF	per year) 50 (<i>Credit</i> <i>conversion</i> <i>factor</i> for maturities less than one year – 0.5%)	100%	0.25
		Total	3350		2548.25	Total	3350		2548.25