

2011

**HSBC Bank Canada
Capital and Risk Management
Pillar 3 Supplemental Disclosures
as at September 30, 2011**



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Notes to Users

Capital and Risk Management Pillar 3 Disclosures

The Pillar 3 Supplemental Disclosures are additional summary descriptions and quantitative financial information which supplement those already made in the Annual Report and Accounts 2010 for the disclosure requirements under OSFI's Pillar 3 Disclosure Requirements Advisory issued September 29, 2006 consistent with the "International Convergence of Capital Measurement and Capital Standards" ("Basel II") issued by the Basel Committee on Banking Supervision in June 2006.

The supervisory objectives of Basel II, which replaces the 1988 Basel Capital Accord, are to promote safety and soundness in the financial system and maintain an appropriate level of capital in the system, enhance competitive equality, constitute a more comprehensive approach to addressing risks, and focus on internationally active banks. Basel II is structured around three "pillars": pillar 1, minimum capital requirements, pillar 2, supervisory review and pillar 3, market discipline.

Pillar 3 complements the minimum capital requirements and the supervisory review process. Its aim is to encourage market discipline by developing a set of disclosure requirements which will allow market participants to assess certain specified information on the scope of application of Basel II, capital, particular risk exposures, risk assessment processes, and hence the capital adequacy of the institution.

The Office of the Superintendent of Financial Institutions ("OSFI") supervises HSBC Bank Canada (the "Bank") on a consolidated basis. Effective November 1, 2007, OSFI implemented a new regulatory capital management framework, which gives effect to Basel II. OSFI has approved the Bank's application to apply the Advanced Internal Ratings Based ("AIRB") approach to credit risk on our portfolio and the Standardized Approach for measuring Operational Risk. Please refer to the Annual Report and Accounts 2010 for further information on the Bank's risk and capital management framework.

Further information regarding HSBC Group Risk Management Processes can be found in HSBC Holdings plc Capital and Risk Management Pillar 3 Disclosures available on HSBC Group's investor relations web site.

Commencing January 1, 2011, financial results are reported in accordance with the International Financial Reporting Standards ("IFRS"). Further information can be found in the First Quarter 2011 Interim Report

This report is unaudited and all amounts are in rounded millions of Canadian dollars, unless otherwise indicated.

Basel II Regulatory Capital (1)

(\$ millions except as noted)



Qualifying Regulatory Capital	September 30	June 30	March 31	December 31	September 30	June 30	March 31	December 31
	2011	2011	2011	2010	2010	2010	2010	2009
Common shares	1,225	1,225	1,225	1,225	1,225	1,225	1,225	1,225
Retained earnings	2,306	2,241	2,133	2,274	2,238	2,218	2,131	2,120
Non-cumulative preferred shares	946	946	946	946	946	946	946	946
Non-controlling interests in trust and subsidiary	230	230	230	230	430	430	430	430
Securitization-related deductions and other	(9)	(12)	(11)	(116)	(138)	(143)	(155)	(139)
Goodwill	(26)	(26)	(26)	(15)	(15)	(15)	(15)	(15)
Total Tier 1 capital	4,672	4,605	4,497	4,544	4,686	4,661	4,562	4,567
Subordinated debentures	753	742	735	739	751	742	735	833
Other	157	178	186	195	192	190	199	208
Total Tier 2 capital	910	920	920	934	943	932	934	1,041
Total capital available for regulatory purposes	5,582	5,524	5,418	5,478	5,629	5,593	5,496	5,608

Capital Ratios (2)	September 30	June 30	March 31	December 31	September 30	June 30	March 31	December 31
	2011	2011	2011	2010	2010	2010	2010	2009
Tier 1 capital ratio	13.43%	13.30%	13.41%	13.30%	13.18%	12.98%	12.25%	12.12%
Total capital ratio	16.05%	15.95%	16.16%	16.04%	15.83%	15.58%	14.76%	14.89%
Assets to capital multiple	13.48	13.76	13.51	13.34	13.38	13.00	13.05	12.93

(1) As per the Basel II Capital Adequacy Requirement guidelines issued by OSFI.

(2) OSFI's target capital ratios for well capitalized Canadian banks are 7% for Tier 1 Capital and 10% for Total Capital.

Basel II Risk-Weighted Assets⁽¹⁾

(\$ millions except as noted)



Risk-Weighted Assets (RWA)	September 30, 2011				June 30, 2011				March 31, 2011				December 31, 2010						
	Exposure (2)	RWA			Exposure (2)	RWA			Exposure (2)	RWA			Exposure (2)	RWA					
		Standardized Approach	Advanced Approach	Total		Standardized Approach	Advanced Approach	Total		Standardized Approach	Advanced Approach	Total		Standardized Approach	Advanced Approach	Total			
(\$ millions except as noted)																			
Corporate	40,737		18,740	18,740	42,334		18,466	18,466	41,452		18,295	18,295	40,638		18,858	18,858		18,858	
Sovereign	20,252		455	455	19,488		383	383	17,292		336	336	19,084		345	345		345	
Bank	11,400		728	728	11,481		572	572	11,461		497	502	11,718		538	544		544	
Residential Mortgages	18,685	407	1,665	2,071	18,494	419	1,625	2,043	18,515	437	1,619	2,056	18,747	455	1,626	2,081		2,081	
HELOC's	6,117		852	852	6,195		869	869	6,303		894	894	6,318		909	909		909	
Other Retail (excluding QRR and SME)	6,340	2,489	896	3,385	6,232	2,402	928	3,330	6,357	2,447	1,374	3,821	6,266	2,403	1,365	3,767		3,767	
Qualifying Revolving Retail	1,167		328	328	1,163		317	317	1,171		318	318	1,174		317	317		317	
Retail SME	853		378	378	875		394	394	890		395	395	945		422	422		422	
Exposures subject to standardized or IRB approaches	105,552	2,896	24,041	26,936	106,262	2,821	23,553	26,374	103,439	2,889	23,729	26,617	104,890	2,864	24,380	27,244		27,244	
Equity (3)	161		161	161	265		265	265	181		181	181	199		199	199		199	
Securitization (4)	18	65		65	23	81		81	22	78		78	126	72		72		72	
Other assets not included in standardized or IRB approaches	1,045			856	1,253			1,011	1,223			1,052	1,176			972		972	
Adjustment to IRB risk-weighted assets for scaling factor				1,452				1,429				1,435				1,475		1,475	
Total Credit Risk	106,777			29,470	107,803			29,161	104,865			29,363	106,391			29,962		29,962	
Market Risk (5)																			
Operational Risk - Standardized Approach				4,222				4,173				4,168				4,190		4,190	
Total Risk-Weighted Assets				33,692				33,333				33,531				34,152		34,152	
Adjustment for Regulatory Floor (6)				1,094				1,300				-				-		-	
Total Transitional Risk-Weighted Assets				34,786				34,633				33,531				34,152		34,152	

Risk-Weighted Assets (RWA)	September 30, 2010				June 30, 2010				March 31, 2010				December 31, 2009						
	Exposure (2)	RWA			Exposure (2)	RWA			Exposure (2)	RWA			Exposure (2)	RWA					
		Standardized Approach	Advanced Approach	Total		Standardized Approach	Advanced Approach	Total		Standardized Approach	Advanced Approach	Total		Standardized Approach	Advanced Approach	Total			
(\$ millions except as noted)																			
Corporate	43,969		20,098	20,098	43,637		20,606	20,606	43,289		21,780	21,780	42,663		22,101	22,101		22,101	
Sovereign	18,974		384	384	16,724		287	287	17,639		323	323	16,875		297	297		297	
Bank	12,378	5	627	632	9,241	5	439	444	9,184	34	425	458	10,870	10	433	443		443	
Residential Mortgages	19,061	495	1,634	2,129	19,303	534	1,607	2,141	19,417	584	1,622	2,206	19,496	577	1,572	2,150		2,150	
HELOC's	6,356		888	888	6,291		878	878	6,159		872	872	5,221		508	508		508	
Other Retail (excluding QRR and SME)	6,258	2,388	1,327	3,715	6,309	2,476	1,303	3,778	6,319	2,502	1,321	3,824	6,794	2,981	1,311	4,292		4,292	
Qualifying Revolving Retail	1,178		207	207	1,176		214	214	1,174		213	213	1,092		205	205		205	
Retail SME	986		454	454	1,048		478	478	1,033		489	489	1,027		504	504		504	
Exposures subject to standardized or IRB approaches	109,160	2,888	25,619	28,507	103,728	3,015	25,811	28,826	104,213	3,120	27,046	30,166	104,038	3,566	26,931	30,499		30,499	
Equity (3)	229			229	260			260	276			276	304			304		304	
Securitization (4)																			
Other assets not included in standardized or IRB approaches	1,343			1,093	1,242			1,019	1,164			918	1,360			938		938	
Adjustment to IRB risk-weighted assets for scaling factor				1,551				1,564				1,639				1,634		1,634	
Total Credit Risk	110,732			31,380	105,230			31,669	105,653			33,000	105,702			33,375		33,375	
Market Risk (5)																			
Operational Risk - Standardized Approach				4,171				4,225				4,236				4,298		4,298	
Total Risk-Weighted Assets				35,551				35,894				37,236				37,674		37,674	
Adjustment for Regulatory Floor (6)				-				-				-				-		-	
Total Transitional Risk-Weighted Assets				35,551				35,894				37,236				37,674		37,674	

(1) As per the Basel II Capital Adequacy Requirement guidelines issued by OSFI.

(2) Exposure represents gross exposure at default before allowances and credit risk mitigation.

(3) Under OSFI guidelines the Bank is exempt from using the AIRB approach based on materiality.

Accordingly equity investments are risk weighted at 100%.

(4) Securitization exposures are currently treated as on balance sheet exposures and included in the Basel II counterparty category to which the exposures relate.

(5) Under OSFI guidelines the value of the bank's trading assets or liabilities do not meet the threshold for the capital adequacy requirements for market risk.

(6) The Bank is subject to a regulatory capital floor according to transitional arrangements prescribed by OSFI. OSFI has given the Bank their approval to reduce the capital floor to 90% commencing with the third quarter 2008 regulatory reporting period.

Credit Exposure by Counterparty Type

(\$ millions except as noted)



	Loans (Drawn)	Commitments (Undrawn)	Repo Style Transactions	OTC	Other Off Balance Sheet Items	Total	Loans (Drawn)	Commitments (Undrawn)	Repo Style Transactions	OTC	Other Off Balance Sheet Items	Total
September 30, 2011						June 30, 2011						
Corporate	23,242	9,902	2,068	1,469	4,056	40,737	23,232	9,749	4,680	806	3,868	42,334
Sovereign	20,212	15		24		20,252	19,441	16		32		19,488
Bank	3,367	786	4,735	2,385	127	11,400	2,823	795	6,052	1,780	31	11,481
Total Corporate, Sovereign and Bank	46,822	10,703	6,803	3,878	4,182	72,388	45,496	10,560	10,732	2,617	3,899	73,304
Residential Mortgages	18,680	6				18,685	18,486	8				18,494
HELOC's	2,989	3,129				6,117	3,050	3,145				6,195
Other Retail (excluding QRR and SME)	4,008	2,324			8	6,340	3,986	2,238			8	6,232
Qualifying Revolving Retail	375	792				1,167	371	792				1,163
Retail SME	505	310			39	853	529	311			35	875
Total Retail	26,557	6,560			47	33,164	26,423	6,494			42	32,959
Total Gross Credit Exposure	73,379	17,263	6,803	3,878	4,229	105,552	71,919	17,053	10,732	2,617	3,942	106,262
March 31, 2011						December 31, 2010						
Corporate	23,032	9,408	4,987	686	3,340	41,452	22,766	10,762	3,451	586	3,074	40,638
Sovereign	17,244	15		33		17,292	17,796	17	1,259	13		19,084
Bank	2,445	800	6,511	1,654	51	11,461	3,084	917	6,108	1,569	40	11,718
Total Corporate, Sovereign and Bank	42,720	10,222	11,497	2,373	3,391	70,204	43,645	11,696	10,818	2,167	3,114	71,440
Residential Mortgages	18,512	3				18,515	18,740	7				18,747
HELOC's	3,134	3,169				6,303	3,160	3,158				6,318
Other Retail (excluding QRR and SME)	4,055	2,274			28	6,357	4,109	2,129			28	6,266
Qualifying Revolving Retail	379	792				1,171	383	791				1,174
Retail SME	547	305			37	890	582	323			40	945
Total Retail	26,627	6,543			65	33,235	26,974	6,408			68	33,450
Total Gross Credit Exposure	69,347	16,765	11,497	2,373	3,456	103,439	70,619	18,104	10,818	2,167	3,182	104,890
September 30, 2010						June 30, 2010						
Corporate	24,413	10,479	5,588	621	2,868	43,969	24,111	10,596	5,661	561	2,709	43,637
Sovereign	17,847	161	895	56	15	18,974	15,664	149	828	69	14	16,724
Bank	3,995	950	5,786	1,620	27	12,378	1,956	974	4,810	1,476	26	9,241
Total Corporate, Sovereign and Bank	46,255	11,590	12,269	2,297	2,910	75,321	41,731	11,719	11,299	2,105	2,748	69,603
Residential Mortgages	19,033	28				19,061	19,273	30				19,303
HELOC's	3,190	3,166				6,356	3,158	3,133				6,291
Other Retail (excluding QRR and SME)	4,103	2,125			30	6,258	4,104	2,175			30	6,309
Qualifying Revolving Retail	389	789				1,178	389	787				1,176
Retail SME	611	335			40	986	617	394			37	1,048
Total Retail	27,326	6,443			70	33,839	27,540	6,518			67	34,126
Total Gross Credit Exposure	73,581	18,033	12,269	2,297	2,980	109,160	69,272	18,237	11,299	2,105	2,815	103,728
March 31, 2010						December 31, 2009						
Corporate	25,399	10,575	4,266	513	2,536	43,289	25,243	10,857	3,505	527	2,531	42,663
Sovereign	15,711	33	1,805	89		17,638	14,571	31	2,190	83		16,875
Bank	2,073	992	4,856	1,241	22	9,184	1,912	1,019	6,623	1,286	30	10,870
Total Corporate, Sovereign and Bank	43,183	11,600	10,927	1,843	2,558	70,111	41,726	11,907	12,318	1,896	2,561	70,407
Residential Mortgages	19,389	28				19,417	19,480	16				19,496
HELOC's	3,113	3,046				6,159	2,956	2,265				5,221
Other Retail (excluding QRR and SME)	4,178	2,108			33	6,319	4,411	2,352			31	6,794
Qualifying Revolving Retail	396	778				1,174	392	700				1,092
Retail SME	630	369			34	1,033	650	343			34	1,027
Total Retail	27,706	6,329			67	34,102	27,889	5,676			65	33,630
Total Gross Credit Exposure	70,889	17,929	10,927	1,843	2,625	104,213	69,615	17,583	12,318	1,896	2,626	104,038

Credit Exposure by Geography

(\$ millions except as noted)



	September 30, 2011						June 30, 2011					
	Loans (Drawn)	Commitments (Undrawn)	Repo Style Transactions	OTC	Other Off Balance Sheet Items	Total	Loans (Drawn)	Commitments (Undrawn)	Repo Style Transactions	OTC	Other Off Balance Sheet Items	Total
British Columbia	21,347	5,868		108	1,060	28,383	21,739	5,709		58	999	28,504
Western Canada, excluding British Columbia	10,087	4,435		349	1,016	15,887	9,607	4,560		236	1,022	15,425
Ontario	35,417	4,952	6,803	2,976	1,434	51,582	33,863	4,861	10,732	2,125	1,318	52,898
Quebec & Atlantic provinces	6,529	2,009		445	718	9,700	6,710	1,924		197	603	9,435
Other												
Total Gross Credit Exposure	73,379	17,263	6,803	3,878	4,229	105,552	71,919	17,053	10,732	2,617	3,942	106,262

	March 31, 2011						December 31, 2010					
	Loans (Drawn)	Commitments (Undrawn)	Repo Style Transactions	OTC	Other Off Balance Sheet Items	Total	Loans (Drawn)	Commitments (Undrawn)	Repo Style Transactions	OTC	Other Off Balance Sheet Items	Total
British Columbia	21,598	5,831		55	933	28,417	22,261	6,436		79	847	29,623
Western Canada, excluding British Columbia	9,904	4,460		196	917	15,477	10,064	4,921		196	840	16,021
Ontario	31,567	4,607	11,497	1,903	1,035	50,610	32,048	4,706	10,818	1,751	945	50,268
Quebec & Atlantic provinces	6,278	1,867		219	571	8,935	6,246	2,041		141	550	8,978
Other												
Total Gross Credit Exposure	69,347	16,765	11,497	2,373	3,456	103,439	70,619	18,104	10,818	2,167	3,182	104,890

	September 30, 2010						June 30, 2010					
	Loans (Drawn)	Commitments (Undrawn)	Repo Style Transactions	OTC	Other Off Balance Sheet Items	Total	Loans (Drawn)	Commitments (Undrawn)	Repo Style Transactions	OTC	Other Off Balance Sheet Items	Total
British Columbia	23,137	6,586		69	730	30,522	23,620	6,570		107	685	30,982
Western Canada, excluding British Columbia	9,832	4,989		206	862	15,889	9,831	5,045		203	838	15,917
Ontario	34,366	4,717	12,269	1,862	874	54,088	29,809	4,830	11,299	1,637	833	48,408
Quebec & Atlantic provinces	6,246	1,741		160	514	8,661	6,012	1,792		158	459	8,421
Other												
Total Gross Credit Exposure	73,581	18,033	12,269	2,297	2,980	109,160	69,272	18,237	11,299	2,105	2,815	103,728

	March 31, 2010						December 31, 2009					
	Loans (Drawn)	Commitments (Undrawn)	Repo Style Transactions	OTC	Other Off Balance Sheet Items	Total	Loans (Drawn)	Commitments (Undrawn)	Repo Style Transactions	OTC	Other Off Balance Sheet Items	Total
British Columbia	24,409	6,248		100	675	31,432	24,277	6,108		111	679	31,175
Western Canada, excluding British Columbia	10,081	4,846		201	794	15,922	10,150	4,851		169	747	15,917
Ontario	30,297	4,957	9,488	1,437	770	46,949	29,160	4,648	10,730	1,503	803	46,843
Quebec & Atlantic provinces	6,102	1,878	1,438	105	387	9,910	6,029	1,976	1,587	113	397	10,103
Other												
Total Gross Credit Exposure	70,889	17,929	10,926	1,843	2,626	104,213	69,615	17,583	12,318	1,896	2,626	104,038

Residual Contract Maturity Breakdown

(\$ millions except as noted)



	September 30, 2011						June 30, 2011					
	Loans (Drawn)	Commitments (Undrawn)	Repo Style Transactions	OTC	Other Off Balance Sheet Items	Total	Loans (Drawn)	Commitments (Undrawn)	Repo Style Transactions	OTC	Other Off Balance Sheet Items	Total
Within 1 year	32,386	16,777	5,004	1,588	4,081	59,836	33,629	15,805	8,953	1,070	3,775	63,232
1-5 years	37,038	375	1,799	1,613	148	40,973	34,686	1,139	1,779	1,194	166	38,963
Greater than 5 years	3,954	111		676		4,742	3,603	110		354	1	4,068
No specific maturity												
Total Gross Credit Exposure	73,379	17,263	6,803	3,878	4,229	105,552	71,919	17,053	10,732	2,617	3,942	106,262

	March 31, 2011						December 31, 2010					
	Loans (Drawn)	Commitments (Undrawn)	Repo Style Transactions	OTC	Other Off Balance Sheet Items	Total	Loans (Drawn)	Commitments (Undrawn)	Repo Style Transactions	OTC	Other Off Balance Sheet Items	Total
Within 1 year	34,437	16,404	9,618	1,177	3,368	65,004	34,325	17,880	9,126	990	3,125	65,445
1-5 years	31,418	250	1,879	956	87	34,591	32,557	83	1,692	914	44	35,289
Greater than 5 years	3,492	112		240	1	3,845	3,737	141		264	13	4,155
No specific maturity												
Total Gross Credit Exposure	69,347	16,765	11,497	2,373	3,456	103,439	70,619	18,104	10,818	2,167	3,182	104,890

	September 30, 2010						June 30, 2010					
	Loans (Drawn)	Commitments (Undrawn)	Repo Style Transactions	OTC	Other Off Balance Sheet Items	Total	Loans (Drawn)	Commitments (Undrawn)	Repo Style Transactions	OTC	Other Off Balance Sheet Items	Total
Within 1 year	35,587	17,767	10,621	964	2,905	67,844	33,205	17,920	9,853	1,031	2,754	64,764
1-5 years	32,578	83	1,648	1,017	47	35,373	31,833	107	1,446	834	43	34,263
Greater than 5 years	5,416	183		316	28	5,943	4,234	210		241	18	4,702
No specific maturity												
Total Gross Credit Exposure	73,581	18,033	12,269	2,297	2,980	109,160	69,271	18,237	11,299	2,105	2,815	103,728

	March 31, 2010						December 31, 2009					
	Loans (Drawn)	Commitments (Undrawn)	Repo Style Transactions	OTC	Other Off Balance Sheet Items	Total	Loans (Drawn)	Commitments (Undrawn)	Repo Style Transactions	OTC	Other Off Balance Sheet Items	Total
Within 1 year	33,732	17,608	9,766	749	2,590	64,445	32,255	17,262	11,083	655	2,574	63,829
1-5 years	32,284	96	1,161	875	19	34,435	32,364	36	1,235	929	26	34,590
Greater than 5 years	4,873	225		219	16	5,333	4,996	285		312	26	5,619
No specific maturity												
Total Gross Credit Exposure	70,889	17,929	10,927	1,843	2,625	104,213	69,615	17,583	12,318	1,896	2,626	104,038

Portfolio Breakdown by Basel II Approaches

(\$ millions except as noted)



	September 30, 2011				June 30, 2011				March 31, 2011				December 31, 2010			
	Standardized		AIRB		Standardized		AIRB		Standardized		AIRB		Standardized		AIRB	
	Loans (Drawn)	Credit Equivalent Amount on Undrawn	Loans (Drawn)	Credit Equivalent Amount on Undrawn	Loans (Drawn)	Credit Equivalent Amount on Undrawn	Loans (Drawn)	Credit Equivalent Amount on Undrawn	Loans (Drawn)	Credit Equivalent Amount on Undrawn	Loans (Drawn)	Credit Equivalent Amount on Undrawn	Loans (Drawn)	Credit Equivalent Amount on Undrawn	Loans (Drawn)	Credit Equivalent Amount on Undrawn
Corporate			23,242	9,902			23,232	9,749			23,032	9,408			22,766	10,762
Sovereign			20,212	15			19,441	16			17,244	15			17,796	17
Bank			3,367	786	1		2,823	795	28		2,416	800	31		3,053	917
Total Corporate, Sovereign and Bank			46,822	10,703	1		45,495	10,560	28		42,692	10,222	31		43,614	11,696
Residential Mortgages	773	3	17,907	3	805	3	17,681	5	844	3	17,668		882	2	17,858	5
HELOC's			2,989	3,129			3,050	3,145			3,134	3,169			3,160	3,158
Other Retail (excluding QRR and SME)	1,673	1,610	2,336	714	1,632	1,537	2,354	701	1,630	1,551	2,425	723	1,708	1,409	2,401	720
Qualifying Revolving Retail			375	792			371	792			379	792			383	791
Retail SME			505	310			529	311			547	305			582	323
Total Retail	2,446	1,613	24,111	4,948	2,437	1,540	23,985	4,954	2,474	1,553	24,153	4,989	2,590	1,411	24,384	4,997
Total Gross Credit Exposure	2,446	1,613	70,933	15,650	2,438	1,540	69,481	15,513	2,502	1,553	66,845	15,212	2,621	1,411	67,998	16,693

	September 30, 2010				June 30, 2010				March 31, 2010				December 31, 2009			
	Standardized		AIRB		Standardized		AIRB		Standardized		AIRB		Standardized		AIRB	
	Loans (Drawn)	Credit Equivalent Amount on Undrawn	Loans (Drawn)	Credit Equivalent Amount on Undrawn	Loans (Drawn)	Credit Equivalent Amount on Undrawn	Loans (Drawn)	Credit Equivalent Amount on Undrawn	Loans (Drawn)	Credit Equivalent Amount on Undrawn	Loans (Drawn)	Credit Equivalent Amount on Undrawn	Loans (Drawn)	Credit Equivalent Amount on Undrawn	Loans (Drawn)	Credit Equivalent Amount on Undrawn
Corporate			24,413	10,479			24,112	10,596			25,400	10,575			25,243	10,857
Sovereign			17,847	161			15,663	149			15,710	33			14,571	31
Bank	28		3,966	950	26		1,930	974	168		1,905	992	34		1,878	1,019
Total Corporate, Sovereign and Bank	28		46,226	11,590	26		41,705	11,719	168		43,015	11,600	34		41,692	11,907
Residential Mortgages	943	28	18,090		1,019	28	18,252	2	1,111	28	18,276		1,128		18,352	16
HELOC's			3,189	3,166			3,158	3,133			3,113	3,046			2,956	2,265
Other Retail (excluding QRR and SME)	1,700	1,393	2,403	732	1,749	1,453	2,355	721	1,841	1,382	2,338	726	2,100	1,750	2,311	602
Qualifying Revolving Retail			389	789			389	787			396	778			392	700
Retail SME			611	335			617	394			630	369			650	343
Total Retail	2,643	1,421	24,682	5,022	2,768	1,482	24,772	5,037	2,952	1,410	24,753	4,919	3,228	1,750	24,661	3,926
Total Gross Credit Exposure	2,671	1,421	70,908	16,612	2,794	1,482	66,477	16,755	3,120	1,410	67,768	16,519	3,262	1,750	66,353	15,833

Standardized Exposures by Risk Weight Category

(\$ millions except as noted)



	September 30, 2011							June 30, 2011									
	Risk Weight Category							Risk Weight Category									
	0%	20%	35%	50%	75%	100%	150%	Total	0%	20%	35%	50%	75%	100%	150%	Total	
Corporate																	
Sovereign																	
Bank																	
<i>Total Corporate, Sovereign and Bank</i>																	
Residential Mortgages			460		279	36		776			489		289	31		809	
Heloc's					3,247		36	3,283					3,134		34	3,168	
Other Retail																	
Retail SME																	
<i>Total Retail</i>			460		3,526	36	36	4,058			489		3,423	31	34	3,977	
Total Exposure at Default			460		3,526	36	36	4,058			1		489		31	34	3,978

	March 31, 2011							December 31, 2010								
	Risk Weight Category							Risk Weight Category								
	0%	20%	35%	50%	75%	100%	150%	Total	0%	20%	35%	50%	75%	100%	150%	Total
Corporate																
Sovereign																
Bank		28						28		31						31
<i>Total Corporate, Sovereign and Bank</i>		28						28		31						31
Residential Mortgages			516		298	33		846			543		305	37		884
Heloc's					3,099		81	3,181					3,030		87	3,117
Other Retail																
Retail SME																
<i>Total Retail</i>			516		3,397	33	81	4,027			543		3,335	37	87	4,001
Total Exposure at Default		28	516		3,397	33	81	4,055		31	543		3,335	37	87	4,032

	September 30, 2010							June 30, 2010								
	Risk Weight Category							Risk Weight Category								
	0%	20%	35%	50%	75%	100%	150%	Total	0%	20%	35%	50%	75%	100%	150%	Total
Corporate																
Sovereign																
Bank		28						28		26						26
<i>Total Corporate, Sovereign and Bank</i>		28						28		26						26
Residential Mortgages			608		324	39		971			656		346	45		1,047
Heloc's					3,002		91	3,093					3,103	2	98	3,203
Other Retail																
Retail SME																
<i>Total Retail</i>			608		3,326	39	91	4,064			656		3,449	47	98	4,250
Total Exposure at Default		28	608		3,326	39	91	4,092		26	656		3,449	47	98	4,276

	March 31, 2010							December 31, 2009								
	Risk Weight Category							Risk Weight Category								
	0%	20%	35%	50%	75%	100%	150%	Total	0%	20%	35%	50%	75%	100%	150%	Total
Corporate																
Sovereign																
Bank		168						168		34						34
<i>Total Corporate, Sovereign and Bank</i>		168						168		34						34
Residential Mortgages			710		375	55		1,139			684		424	20		1,128
Heloc's					3,108	2	113	3,223					3,723	3	124	3,850
Other Retail																
Retail SME																
<i>Total Retail</i>			710		3,482	57	113	4,362			684		4,147	23	124	4,978
Total Exposure at Default		168	710		3,482	57	113	4,530		34	684		4,147	23	124	5,012

Risk Assessment - IRB Retail Credit Portfolio

(\$ millions except as noted)



	September 30, 2011						June 30, 2011					
	Residential Mortgages	Heloc's	Other Retail (excl. QRR and SME)	Qualifying Revolving Retail	Retail SME	Total	Residential Mortgages	Heloc's	Other Retail (excl. QRR and SME)	Qualifying Revolving Retail	Retail SME	Total
Strong	17,534	5,999	2,912	807	642	27,894	17,269	6,061	2,910	809	660	27,709
Medium	258	94	125	350	195	1,022	305	108	130	343	198	1,085
Sub-Standard			2	7	2	10			2	6	1	10
Impaired/Default	118	25	19	4	14	180	112	26	21	4	15	178
Total Exposure at Default	17,910	6,117	3,058	1,167	853	29,106	17,686	6,195	3,063	1,163	875	28,981

	March 31, 2011						December 31, 2010					
	Residential Mortgages	Heloc's	Other Retail (excl. QRR and SME)	Qualifying Revolving Retail	Retail SME	Total	Residential Mortgages	Heloc's	Other Retail (excl. QRR and SME)	Qualifying Revolving Retail	Retail SME	Total
Strong	17,229	6,165	2,939	811	670	27,814	17,414	6,147	2,906	813	726	28,005
Medium	318	109	170	349	202	1,148	330	151	180	350	200	1,213
Sub-Standard			2	8	3	13			3	8	3	14
Impaired/Default	121	28	65	3	15	232	118	20	61	3	16	217
Total Exposure at Default	17,668	6,303	3,176	1,171	890	29,208	17,863	6,318	3,149	1,174	945	29,449

	September 30, 2010						June 30, 2010					
	Residential Mortgages	Heloc's	Other Retail (excl. QRR and SME)	Qualifying Revolving Retail	Retail SME	Total	Residential Mortgages	Heloc's	Other Retail (excl. QRR and SME)	Qualifying Revolving Retail	Retail SME	Total
Strong	17,688	6,214	2,968	1,039	754	28,663	17,879	6,172	2,921	1,035	802	28,809
Medium	293	123	130	129	211	886	285	98	122	130	222	857
Sub-Standard			3	7	2	12			3	7	2	12
Impaired/Default	109	17	64	4	19	213	90	21	61	4	22	198
Total Exposure at Default	18,090	6,354	3,165	1,179	986	29,774	18,254	6,291	3,107	1,176	1,048	29,876

	March 31, 2010						December 31, 2009					
	Residential Mortgages	Heloc's	Other Retail (excl. QRR and SME)	Qualifying Revolving Retail	Retail SME	Total	Residential Mortgages	Heloc's	Other Retail (excl. QRR and SME)	Qualifying Revolving Retail	Retail SME	Total
Strong	17,913	6,021	2,896	1,036	752	28,618	18,000	5,100	2,711	964	752	27,527
Medium	261	117	134	127	258	897	275	108	169	118	245	915
Sub-Standard			4	7	3	14			7	6	7	20
Impaired/Default	104	21	62	4	20	211	94	13	57	4	23	191
Total Exposure at Default	18,278	6,159	3,096	1,174	1,033	29,740	18,369	5,221	2,944	1,092	1,027	28,653

Internal Rating	September 30, 2011				June 30, 2011				March 31, 2011				December 31, 2010			
	Exposure at Default	Exposure-Weighted Average PD (%)	Exposure-Weighted Average LGD (%)	Exposure-Weighted Average Risk Weight (%)	Exposure at Default	Exposure-Weighted Average PD (%)	Exposure-Weighted Average LGD (%)	Exposure-Weighted Average Risk Weight (%)	Exposure at Default	Exposure-Weighted Average PD (%)	Exposure-Weighted Average LGD (%)	Exposure-Weighted Average Risk Weight (%)	Exposure at Default	Exposure-Weighted Average PD (%)	Exposure-Weighted Average LGD (%)	Exposure-Weighted Average Risk Weight (%)
Corporate																
Minimal Risk	1,722	0.04	48	13	1,398	0.04	48	14	1,125	0.04	46	14	984	0.04	46	13
Low Risk	4,857	0.11	46	23	4,307	0.10	44	21	4,053	0.11	44	21	4,395	0.11	44	20
Satisfactory Risk	16,928	0.44	33	38	16,384	0.44	32	38	15,645	0.44	33	38	15,299	0.44	32	38
Fair Default Risk	12,284	1.15	32	61	12,612	1.17	31	60	12,363	1.17	31	59	13,086	1.19	31	60
Moderate Default Risk	1,332	2.99	28	75	1,470	2.76	28	72	1,710	2.89	28	75	1,711	2.73	29	74
Significant Default Risk	171	6.06	32	110	236	6.15	28	100	237	6.21	29	102	279	6.02	27	95
High Default Risk	430	10.09	31	126	473	10.23	30	125	488	10.12	31	130	568	10.27	31	128
Special Management	456	42.25	28	125	292	34.07	31	154	324	28.19	31	160	337	29.53	31	158
Default	549	100.00	45	196	559	100.00	45	210	602	100.00	45	210	623	100.00	43	232
Total Corporate	38,729	2.73	35	48	37,731	2.62	34	49	36,547	2.81	34	50	37,282	2.87	34	51
Sovereign																
Minimal Risk	19,221	0.01	10	2	19,425	0.01	10	2	17,227	0.01	10	2	17,651	0.01	10	2
Low Risk	1,028	0.07	11	4	61	0.08	24	15	62	0.08	24	16	242	0.07	14	7
Satisfactory Risk	2	0.34	55	55	2	0.22	51	37	2	0.22	48	35	3	0.25	45	34
Fair Default Risk																
Moderate Default Risk																
Significant Default Risk																
High Default Risk																
Special Management																
Default																
Total Sovereign	20,251	0.02	10	2	19,488	0.01	10	2	17,291	0.01	10	2	17,896	0.01	10	2
Bank																
Minimal Risk	5,713	0.04	27	9	4,680	0.04	27	9	4,076	0.04	27	8	4,697	0.04	26	8
Low Risk	1,108	0.11	27	13	958	0.12	27	14	1,100	0.11	27	13	930	0.10	27	13
Satisfactory Risk	63	0.32	40	37	52	0.23	36	27	39	0.37	40	36	285	0.23	17	13
Fair Default Risk	12	0.97	33	53	7	0.98	26	46	15	1.44	28	55	4	1.33	30	62
Moderate Default Risk	3	3.58	50	142	2	2.97	39	96	1	3.09	48	123				
Significant Default Risk																
High Default Risk	2	7.29	69	265						7.85	35	123				
Special Management	1	11.61	81	335	1	12.66	79	339	1	13.00	80	348	1	13.00	82	388
Default																
Total Bank	6,902	0.06	27	10	5,700	0.06	27	10	5,232	0.06	27	9	5,917	0.06	26	9

Internal Rating	September 30, 2010				June 30, 2010				March 31, 2010				December 31, 2009			
	Exposure at Default	Exposure-Weighted Average PD (%)	Exposure-Weighted Average LGD (%)	Exposure-Weighted Average Risk Weight (%)	Exposure at Default	Exposure-Weighted Average PD (%)	Exposure-Weighted Average LGD (%)	Exposure-Weighted Average Risk Weight (%)	Exposure at Default	Exposure-Weighted Average PD (%)	Exposure-Weighted Average LGD (%)	Exposure-Weighted Average Risk Weight (%)	Exposure at Default	Exposure-Weighted Average PD (%)	Exposure-Weighted Average LGD (%)	Exposure-Weighted Average Risk Weight (%)
Corporate																
Minimal Risk	1,251	0.04	46	12	899	0.04	42	11	986	0.04	44	12	988	0.04	44	13
Low Risk	4,586	0.10	43	19	4,338	0.10	43	19	3,984	0.10	42	19	3,818	0.11	42	19
Satisfactory Risk	15,121	0.45	33	39	13,811	0.45	33	39	13,866	0.45	34	41	14,197	0.46	34	42
Fair Default Risk	13,660	1.17	31	60	15,025	1.18	31	60	16,106	1.18	31	60	16,115	1.19	32	61
Moderate Default Risk	1,760	2.74	29	75	1,744	2.76	29	75	1,780	2.78	30	78	1,672	2.84	30	78
Significant Default Risk	325	6.05	29	101	441	5.98	30	101	491	5.94	30	103	517	5.85	30	104
High Default Risk	592	10.08	31	131	678	10.21	33	137	626	10.19	32	134	635	10.36	30	128
Special Management	454	30.50	31	163	437	28.42	32	162	506	32.43	31	156	547	31.85	32	152
Default	721	100.00	43	253	711	100.00	41	265	714	100.00	43	295	768	100.00	40	268
Total Corporate	38,470	3.17	34	52	38,084	3.21	34	54	39,059	3.27	34	56	39,257	3.43	34	57
Sovereign																
Minimal Risk	17,855	0.01	10	2	15,663	0.01	10	2	15,591	0.01	10	2	14,507	0.01	10	2
Low Risk	227	0.07	42	16	229	0.05	45	14	64	0.07	30	17	69	0.06	31	17
Satisfactory Risk	3	0.35	39	39	4	0.27	39	34	5	0.28	33	31	3	0.31	49	43
Fair Default Risk																
Moderate Default Risk																
Significant Default Risk																
High Default Risk																
Special Management																
Default																
Total Sovereign	18,085	0.01	11	2	15,896	0.01	11	2	15,833	0.03	10	2	14,687	0.02	10	2
Bank																
Minimal Risk	5,795	0.04	26	8	3,166	0.03	26	7	3,095	0.03	26	6	3,276	0.03	26	7
Low Risk	672	0.11	31	17	1,072	0.08	27	13	723	0.09	27	15	737	0.08	27	16
Satisfactory Risk	413	0.24	17	14	490	0.24	19	17	586	0.24	21	19	448	0.25	21	21
Fair Default Risk	14	1.51	29	60	2	1.13	46	77	11	1.09	22	37	6	0.99	18	31
Moderate Default Risk					1	1.98	35	78	1	1.98	60	129	2	2.16	32	70
Significant Default Risk																
High Default Risk	1	12.13	53	235	2	4.96	69	229								
Special Management																
Default																
Total Bank	6,895	0.06	26	9	4,733	0.07	25	9	4,416	0.07	25	9	4,470	0.07	25	10

Exposures Covered By Credit Risk Mitigation

(\$ millions except as noted)



Counterparty Type	September 30, 2011			June 30, 2011			March 31, 2011			December 31, 2010		
	Standardized		AIRB	Standardized		AIRB	Standardized		AIRB	Standardized		AIRB
	Eligible Financial Collateral	Credit Derivatives/ Guarantees	Credit Derivatives/ Guarantees	Eligible Financial Collateral	Credit Derivatives/ Guarantees	Credit Derivatives/ Guarantees	Eligible Financial Collateral	Credit Derivatives/ Guarantees	Credit Derivatives/ Guarantees	Eligible Financial Collateral	Credit Derivatives/ Guarantees	Credit Derivatives/ Guarantees
Corporate			1,259			1,234			1,461			1,398
Sovereign												
Bank												
Total Corporate, Sovereign and Bank			1,259			1,234			1,461			1,398
Residential Mortgages			7,675			7,934			8,866			1,590
HELOC's												
Other Retail (excluding QRR and SME)												
Qualifying Revolving Retail												
Retail SME												
Total Retail			7,675			7,934			8,866			1,590
Total			8,934			9,168			10,327			2,988

Counterparty Type	September 30, 2010			June 30, 2010			March 31, 2010			December 31, 2009		
	Standardized		AIRB	Standardized		AIRB	Standardized		AIRB	Standardized		AIRB
	Eligible Financial Collateral	Credit Derivatives/ Guarantees	Credit Derivatives/ Guarantees	Eligible Financial Collateral	Credit Derivatives/ Guarantees	Credit Derivatives/ Guarantees	Eligible Financial Collateral	Credit Derivatives/ Guarantees	Credit Derivatives/ Guarantees	Eligible Financial Collateral	Credit Derivatives/ Guarantees	Credit Derivatives/ Guarantees
Corporate			1,695			1,673			1,635			1,597
Sovereign												
Bank												
Total Corporate, Sovereign and Bank			1,695			1,673			1,635			1,597
Residential Mortgages			1,448			1,649			1,288			1,374
HELOC's												
Other Retail (excluding QRR and SME)												
Qualifying Revolving Retail												
Retail SME												
Total Retail			1,448			1,649			1,288			1,374
Total			3,143			3,322			2,923			2,971

AIRB Credit Risk Exposures - Credit Commitments

(\$ millions except as noted)



Counterparty Type	September 30, 2011		June 30, 2011		March 31, 2011		December 31, 2010	
	Notional Undrawn	EAD on Undrawn	Notional Undrawn	EAD on Undrawn	Notional Undrawn	EAD on Undrawn	Notional Undrawn	EAD on Undrawn
Corporate	24,150	9,902	23,778	9,749	22,946	9,408	22,899	10,762
Sovereign	36	15	38	16	37	15	36	17
Bank	1,917	786	1,940	795	1,950	800	1,951	917
Total Corporate, Sovereign and Bank	26,104	10,703	25,755	10,560	24,933	10,222	24,885	11,696
Residential Mortgages	94	3	35	5	33		38	5
HELOC's	3,336	3,129	3,312	3,145	3,320	3,169	3,302	3,158
Other Retail (excluding QRR and SME)	1,481	714	1,521	701	1,564	723	1,578	720
Qualifying Revolving Retail	1,013	792	1,014	792	1,012	792	1,006	791
Retail SME	646	310	505	311	701	305	665	323
Total Retail	6,570	4,948	6,387	4,954	6,630	4,989	6,590	4,997
Total	32,674	15,650	32,143	15,513	31,562	15,212	31,476	16,693

Counterparty Type	September 30, 2010		June 30, 2010		March 31, 2010		December 31, 2009	
	Notional Undrawn	EAD on Undrawn	Notional Undrawn	EAD on Undrawn	Notional Undrawn	EAD on Undrawn	Notional Undrawn	EAD on Undrawn
Corporate	22,296	10,479	22,544	10,596	22,499	10,575	23,101	10,857
Sovereign	343	161	318	149	71	33	67	31
Bank	2,021	950	2,072	974	2,111	992	2,169	1,019
Total Corporate, Sovereign and Bank	24,660	11,590	24,933	11,719	24,681	11,600	25,336	11,908
Residential Mortgages	46		54	2	56		60	16
HELOC's	3,296	3,166	3,273	3,133	3,167	3,046	3,107	2,265
Other Retail (excluding QRR and SME)	1,598	732	1,595	721	1,547	726	1,456	602
Qualifying Revolving Retail	999	789	991	787	980	778	975	700
Retail SME	670	335	640	394	576	369	696	343
Total Retail	6,609	5,022	6,553	5,037	6,324	4,920	6,292	3,926
Total	31,269	16,612	31,486	16,755	31,006	16,520	31,628	15,834

Securitization Portfolio Exposure (1)

(\$ millions except as noted)



Exposure type	September 30, 2011							June 30, 2011						
	Total Outstanding Securitization Exposures Retained/Purchased (2)			Delinquent Portion of Total Outstanding Securitization Exposures		Securitization Activity for the Current Period		Total Outstanding Securitization Exposures Retained/Purchased (2)			Delinquent Portion of Total Outstanding Securitization Exposures		Securitization Activity for the Current Period	
	Retained	Purchased	Total	Impaired & Past Due	Recognised Losses	Exposures Securitized	Recognised Gain/Loss on Sale	Retained	Purchased	Total	Impaired & Past Due	Recognised Losses	Exposures Securitized	Recognised Gain/Loss on Sale
Residential Mortgages		7,308	7,308	29		103			7,073	7,073	28			
Loans to Corporates or SMEs		46	46						74	74				
Other	40	766	807					38	774	812				
Total	40	8,120	8,161	29		103		38	7,921	7,959	28			

Exposure type	March 31, 2011							December 31, 2010						
	Total Outstanding Securitization Exposures Retained/Purchased (2)			Delinquent Portion of Total Outstanding Securitization Exposures		Securitization Activity for the Current Period		Total Outstanding Securitization Exposures Retained/Purchased (2)			Delinquent Portion of Total Outstanding Securitization Exposures		Securitization Activity for the Current Period	
	Retained	Purchased	Total	Impaired & Past Due	Recognised Losses	Exposures Securitized	Recognised Gain/Loss on Sale	Retained	Purchased	Total	Impaired & Past Due	Recognised Losses	Exposures Securitized	Recognised Gain/Loss on Sale
Residential Mortgages		6,979	6,979	32					6,912	6,912	28		96	2
Loans to Corporates or SMEs		105	105						77	77				
Other	41	296	337					218	191	409				
Total	41	7,380	7,422	32				218	7,180	7,397	28		96	2

Exposure type	September 30, 2010							June 30, 2010						
	Total Outstanding Securitization Exposures Retained/Purchased (2)			Delinquent Portion of Total Outstanding Securitization Exposures		Securitization Activity for the Current Period		Total Outstanding Securitization Exposures Retained/Purchased (2)			Delinquent Portion of Total Outstanding Securitization Exposures		Securitization Activity for the Current Period	
	Retained	Purchased	Total	Impaired & Past Due	Recognised Losses	Exposures Securitized	Recognised Gain/Loss on Sale	Retained	Purchased	Total	Impaired & Past Due	Recognised Losses	Exposures Securitized	Recognised Gain/Loss on Sale
Residential Mortgages		7,812	7,812	24		261	7		7,101	7,101	29			
Loans to Corporates or SMEs		84	84						37	37				
Other	258	202	460					271	215	486				
Total	258	8,098	8,356	24		261	7	271	7,352	7,623	29			

Exposure type	March 31, 2010							December 31, 2009						
	Total Outstanding Securitization Exposures Retained/Purchased (2)			Delinquent Portion of Total Outstanding Securitization Exposures		Securitization Activity for the Current Period		Total Outstanding Securitization Exposures Retained/Purchased (2)			Delinquent Portion of Total Outstanding Securitization Exposures		Securitization Activity for the Current Period	
	Retained	Purchased	Total	Impaired & Past Due	Recognised Losses	Exposures Securitized	Recognised Gain/Loss on Sale	Retained	Purchased	Total	Impaired & Past Due	Recognised Losses	Exposures Securitized	Recognised Gain/Loss on Sale
Residential Mortgages		6,990	6,990	32		500	10		6,584	6,584	34		655	9
Loans to Corporates or SMEs		292	292						291	291				
Other	337	254	591					310	327	637				
Total	337	7,536	7,873	32		500	10	310	7,202	7,512	34		655	9

(1) Securitization information is presented here for information only
 For capital adequacy purposes, securitization exposures are currently included in the EAD of the Basel II counterparty category to which the exposures relate, including all assets securitized by the bank still outstanding of \$6,280 million.

(2) All securitization exposures result from traditional securitization transactions.

Securitization Exposures by External Credit Rating (1)

(\$ millions except as noted)



External Credit Assessment (S&P)	September 30, 2011			June 30, 2011			March 31, 2011			December 31, 2010		
	Securitization Exposures			Securitization Exposures			Securitization Exposures			Securitization Exposures		
	Retained	Purchased	Total	Retained	Purchased	Total	Retained	Purchased	Total	Retained	Purchased	Total
AAA to AA- A+ to A- BBB+ to BBB- BB+ to BB- B+ and below or unrated	40	8,074	8,114	38	7,847	7,885	41	7,275	7,316	218	7,103	7,321
Total	40	8,092	8,133	38	7,870	7,908	41	7,297	7,339	218	7,124	7,341

Short Term Credit Assessment (DBRS)

A-1 + R1 Mid		28	28		50	50		83	83		56	56
Total		28	28		50	50		83	83		56	56

External Credit Assessment (S&P)	September 30, 2010			June 30, 2010			March 31, 2010			December 31, 2009		
	Securitization Exposures			Securitization Exposures			Securitization Exposures			Securitization Exposures		
	Retained	Purchased	Total	Retained	Purchased	Total	Retained	Purchased	Total	Retained	Purchased	Total
AAA to AA- A+ to A- BBB+ to BBB- BB+ to BB- B+ and below or unrated	236	8,014	8,250	245	7,316	7,561	278	6,864	7,142	278	5,513	5,791
					2	2		304	304		307	307
	16	30	46	16	35	51	17	33	50	17	33	50
Total	252	8,044	8,296	261	7,352	7,614	295	7,201	7,496	295	5,853	6,148

Short Term Credit Assessment (DBRS)

A-1 + R1 Mid		54	54									
	6		6	9		9	15		15	15		15
Total	6	54	60	9		9	15		15	15		15

(1) Securitization information is presented here for information only.

For capital adequacy purposes, securitization exposures are currently included in the EAD of the Basel II counterparty category to which the exposures relate, including all assets securitized by the bank still outstanding of \$6,280 million.

(2) All securitization exposures result from traditional securitization transactions.

Advanced Internal Ratings Based (AIRB) approach for credit risk - Under this approach, banks use their own internal historical experience of PD, LGD, EAD and other key risk assumptions to calculate credit risk capital requirements.

Bank - Includes exposures to deposit taking institutions, securities firms and certain public sector entities.

Commitments (Undrawn) - The amount of credit risk exposure resulting from the unutilized portion of an authorized credit line/committed credit facility.

Corporate - Includes exposures to corporations, partnerships and proprietorships.

Drawn - The amount of credit risk exposure resulting from loans advanced to a borrower.

Exposure At Default (EAD) - An estimate of the amount of exposure to a customer at the time of default.

Home Equity Lines of Credit (HELOC's) - Revolving personal lines of credit secured by home equity.

Loss Given Default (LGD) - An estimate of the economic loss, expressed as a percentage (0%-100%) of the exposure at default, that the Bank will incur in the event a borrower defaults

OTC Derivatives - Includes over-the-counter derivatives contracts.

Other Off Balance Sheet Items - Includes all off-balance sheet arrangements other than derivatives and undrawn commitments, such as standby letters of credit and letters of guarantee.

Other Retail - Includes all other personal loans.

Probability of Default (PD) - An estimate of the likelihood of a customer defaulting on any credit related obligation within a 1 year time horizon, expressed as a percentage.

Qualifying Revolving Retail (QRR) - Includes credit cards and unsecured lines of credit extended to individuals.

Repo-Style Transactions - Includes repurchase and reverse repurchase agreements and securities borrowing and lending.

Retail SME - Includes small business loans.

Sovereign - Includes exposures to central governments, central banks, multilateral development banks and certain public sector entities.

Standardized Approach for credit risk - Under this approach, banks use a standardized set of risk-weights as prescribed by OSFI to calculate credit risk capital requirements. The standardized risk-weights are based on external credit assessments, where available, and other risk-related factors, including exposure asset class, collateral, etc.