



中国工商银行

INDUSTRIAL AND COMMERCIAL BANK OF CHINA

ABN 57 086 866 506 AFSL 324233
Level 1, 220 George Street, Sydney NSW 2000
GPO Box 2734, Sydney NSW 2001
T 61 2 9475 5588 F 61 2 9233 3982

12th September 2014

Mr Pat Brennan
General Manager, Policy Development
Policy, Statistics and International Division
Australian Prudential Regulation Authority

RE Proposed amendments to APS 210

Dear Mr Brennan,

With reference to the new 'Draft' APS 210 and its recommended changes, ICBC wishes to clarify the following three issues:

- 1) It is unclear to us in the current standard as to the mix of liquid assets necessary to cover both AUD and foreign currency net cash outflows.
- 2) Given the above, it is still unclear to ICBC as to whether we can hold foreign currency liquid assets for foreign currency NCO's in liquid assets other than HQLA 1, that is, we noted from earlier information by APRA that HQLA 2 was not applicable due to having the CLF, has this changed?
- 3) It is clear to ICBC as to the process we should in the liquidation of AUD assets through the RBA, however it is not so clear to us the process that we can or may use to liquidate foreign currency liquid assets given that we would not have direct access to the foreign Central Banks for that currency for foreign currency liquid assets. We understand that such paper could be sold to any participant in that market (secondary market), in particular those banks that have direct access to the appropriate Central Bank.

Thank you for the opportunity to give our feedback

Yours faithfully,

Head of Risk Management
Industrial and Commercial Bank of China