Part Twelve

Periodical Data
**Capital Adequacy Ratio**

**First: Capital Adequacy Ratio**

1- **Basel II Capital Adequacy Ratio for National Banks**

All banks should apply Basel II capital adequacy ratio (10% minimum) and provide QCB monthly with such ratio according to the Forms in annex no. (9).

2- **Capital adequacy for Branches of Foreign Banks computing or not computing Basel Capital Adequacy Ratio at their H.O.**

2/1 A foreign bank's branch that does not calculate Basel Capital Adequacy through its main office abroad, must maintain the ratio at all times with a minimum limit of 6%. As for foreign branch that calculates Basel Capital Adequacy through its main offices abroad, the ratio is a minimum 3%. It consists of:

2/1/1 The numerator of the ratio consists of:

Capital + Legal Reserve + Other Reserves.

2/1/2 The denominator of the ratio consists of:

The total assets of the bank, subtracted from the total items 01/206, 03/206, 04/206, 05/206 and the fair value reserve.

2/2 The numerator of the ratio is taken from the Capital Accounts item and the denominator of the ratio is taken from the Total Assets item of the bank’s monthly statement of assets and liabilities, submitted to QCB by banks.

2/3 Each bank calculates this ratio for all the days of the month, and in case of violating the minimum limit in any day, the bank should fill in the two following attached forms and submit to QCB no later than the eighth day of next month of the defaulting month.

- Form no. (1), annex no. (127) shows calculating the assets and reserves to the total net assets ratio
- Form no. (2) annexes no. (128) & (129) shows fines for violation of the ratio of assets and reserves to the total net assets.

2/4 QCB may ask any branch of foreign bank, at any time, to calculate this ratio for all the business days for a certain month and in case of violation, a fine shall be imposed as indicated in page no. (543) in Part Eleven, Penalties and Financial Fines.
3- Approved Electronic System for Capital adequacy

Referring to circular no. (175/2007) dated 23/8/2007 relating to implementation of Basel II capital adequacy pillar 1, and circular no. (86/2005) dated 18/7/2005 regarding proposed electronic system for capital adequacy calculation, the approved electronic system for reporting is attached to in annex no. (134).

This system is effective from January 2008.

4- Capital Adequacy Calculation Reports


5- Basel III: Item no. (5) in page no. (166)

All banks should fill in and provide QCB regularly with the three forms attached to annex no. (10) at the end of each month as from August 2012. Banks should be accurate while filling in the required forms in compliance with the filling up instructions of each ratio and match their figures with the ones mentioned in the monthly statement. National banks should fill in two forms one for each ratio. One of which should be filled in on a solo basis (the bank and its branches inside Qatar) and submitted to QCB within a deadline of the 8th of the next month. The other form should be filled in on a consolidated basis (the bank, its branches and subsidiaries inside and outside Qatar) and submitted to QCB within a deadline of the 25th of the next month. Banks should provide QCB with hard copies of the required forms signed by the bank’s Chief Executive Officer (CEO) and soft copies of the forms (excel sheets).

6- Major Shareholders

QCB shall be provided with a detailed list of the major shareholders mentioned in item (Credit Facilities to related parties) page no. (188) hereof, annex no. (13), in 31th
December each year, and the deadline shall be end of January of the next year (filling instructions in annex no. (13)).