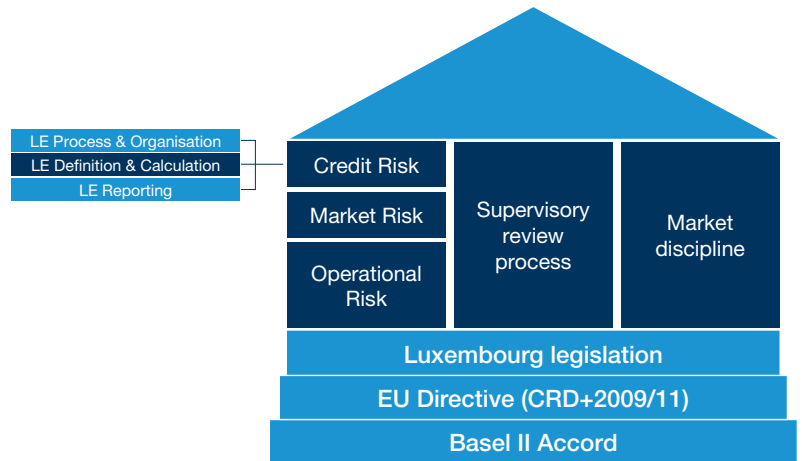
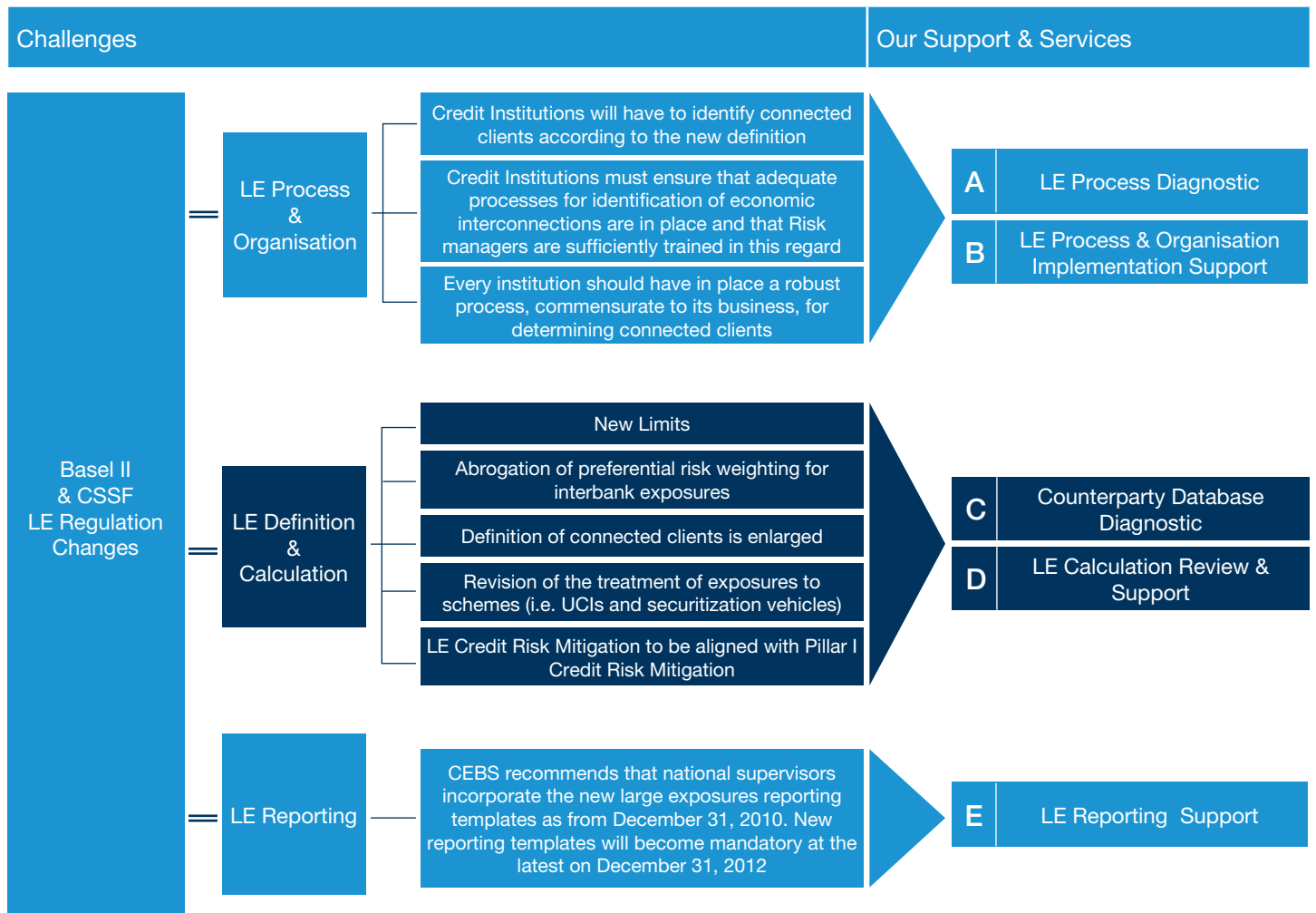


The new Large Exposures (LE) Regime

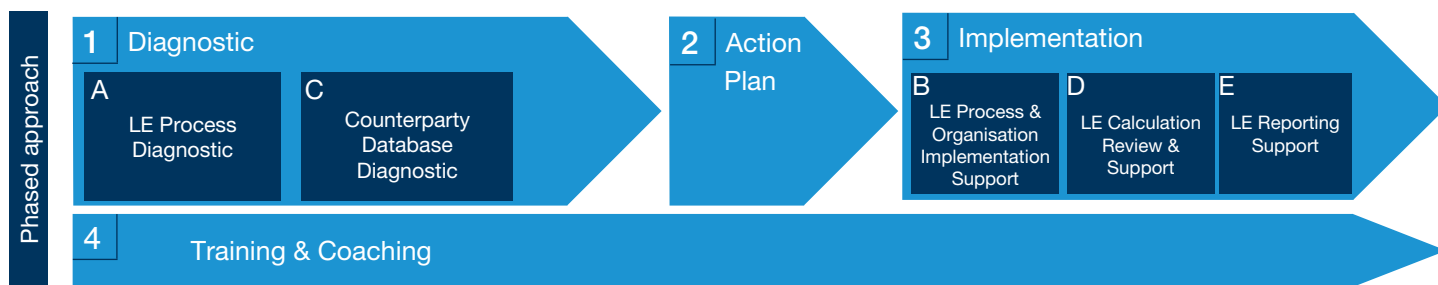
During the last few months there have been numerous new regulations in consultative or final forms aiming at strengthening the resilience of the banking sector. The Directive 2009/111/EC, amending namely the Capital Requirement Directives (CRD) 2006/48/EC and 2006/49/EC, has been published in the Official Journal of the European Union on November 17, 2009. Some modifications of the CRD deeply impacting credit institutions relate to the Large Exposures (LE) regime. This Directive will be transposed into Luxembourg regulations by October 31, 2010 and will be applicable by December 31, 2010. The CSSF just issued Circular 10/450 warning banks about the new LE regime for interbank exposures.



PricewaterhouseCoopers Luxembourg is offering a comprehensive set of services especially designed to help your institution to proactively face the challenges implied by the new LE Regime.



Our phased approach will enable to address thoroughly the LE issues resulting from the last CRD directives changes:



1. Large Exposures Diagnostic	2. Action Plan	3. Implementation	4. Training & Coaching
<ul style="list-style-type: none"> A complete diagnostic of your current LE process will identify the critical areas of improvement (A); A Counterparty Database Diagnostic will determine the level of reliability, integrity and compliance of the information currently in use for the LE calculation (C). A review of the definition of connected clients will be especially performed. 	<ul style="list-style-type: none"> Based on the critical areas identified, a tailor-made action plan will be proposed in order to adjust both practices and tools to the new LE requirements. 	<ul style="list-style-type: none"> A redesign and redefinition of processes, roles and responsibilities will be performed in order to ensure a robust LE management by your Risk Managers and Loan Officers (B). A complete review of the LE limits, the treatment of exposure to schemes or the management of credit risk mitigation scope will be provided in order to enable the optimal LE calculation (D). Based on accurate LE calculation, a support to the production of LE reports based on new templates and latest XBRL standards will be performed in your own LE management system (E). 	<ul style="list-style-type: none"> Because a change that sticks relies on a perfect knowledge appropriation, tailor-made training and coaching sessions will be proposed to your LE practitioners.

Our dedicated team of experts remains at your disposal to provide you with a clear picture of your organisation at any steps of your Risk Management framework and to help you managing your risks effectively and leveraging your benefits.

Why PricewaterhouseCoopers Luxembourg?

PricewaterhouseCoopers Luxembourg (www.pwc.com/lu) has about 2000 professionals from 53 different countries. PricewaterhouseCoopers (www.pwc.com) provides industry-focused assurance, tax and advisory services to build public trust and enhance value for our clients and their stakeholders. More than 163,000 people in 151 countries across our network share their thinking, experience and solutions to develop fresh perspectives and practical advice.

“PricewaterhouseCoopers” refers to the group of independent firms that are members of PricewaterhouseCoopers International network, each of which is a separate and independent legal entity.

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