

COMPLIANCE WITH NORMATIVES

(K AZN)

Normatives and description	Max/Min	Actual
Maximum risk limit for one borrower or group of related borrowers	XXX	XXX
a) on secured loan demand (%)	max. 25%	14.9
b) on unsecured loan demand (%)	max. 10%	13.4
c) secured and unsecured aggregate loan demand	max. 25%	19.7
d) Credit requirement of non-resident bank with minimum investment rating given by bank operating in the Republic of Azerbaijan, as well as international rating agencies (%)	max. 20%	11.4
e) systemic bank significant credit risk on other systemic bank (%)	maks. 15%	0.0
Maximum risk level for non bank credit organisations.	XXX	XXX
a) One non-bank financial organisation over Tier 1 capital %	max. 7%	4.0
b) non bank financial organisation liability over Tier 1%	max. 30%	12.1
Ratio of large loans to bank`s funds	max. 8 times	1.1
Maximum amount of loan extended to related persons or to persons performing on behalf of them (total) (%)	max. 20%	42.8
a) if they are legal entities (for one) (%)	max. 10%	19.3
b) if they are individuals (for one) (%)	max. 3%	0.1
Restrictions set for purchasing shares (stocks) of other legal entities	XXX	XXX
a) Ratio of participation in the capital of a legal entity to bank`s capital (%)	max. 10%	24.0
b) Ratio of total participation in the capital of other legal entities to bank`s capital (%)	max. 40%	35.7
Quick liquidity ratio (%)	min. 30%	61.0
Adequacy ratio of Tier I capital (%)	min. 5%	13.1
Adequacy ratio of total regulatory capital (%)	min. 10%	13.3
Leverage Ratio (%)	min. 4%	6.3
Total open currency position on freely convertible currency (%)	max. 20%	(5.4)
Total open currency position on inconvertible currency (%)	max. 15%	(0.0)
Minimum requirement for total capital (thousand AZN)	50,000	423,262.5