

**BASEL II PILLAR 3 DISCLOSURES – FOR YEAR ENDING
DECEMBER 31 2013**

J.P.Morgan UK-regulated entities

Basel II Pillar 3 qualitative disclosures as at 31 December 2013

JPMorgan Chase & Co's view is that the application of Pillar 3 disclosures for groups is most useful at the ultimate consolidated level. It is our belief that the application of Pillar 3 at individual entity level is potentially misleading, since it is not necessarily an accurate reflection of the risk profile of the business lines concerned, which may manage their risks across legal entities. For this reason, users are advised that the information should not be used for decision-making purposes.

The Basel II Pillar 3 disclosures included herein are made solely to meet the requirements in the United Kingdom, and relate to the activities of the following UK consolidation groups:

- J.P. Morgan Capital Holdings Limited (primary subsidiaries: J.P. Morgan Securities plc, J.P. Morgan Europe Limited, J.P. Morgan International Bank Limited, J.P. Morgan Limited and JPMorgan Cazenove Holdings).
- Bear Stearns UK Holdings Limited (primary subsidiary: J.P. Morgan Markets Limited)
- JPMorgan Asset Management International Limited (primary subsidiary: JPMorgan Asset Management (UK) Limited). The basis for consolidation for accounting and prudential purposes differ as the JPMorgan Life Limited, an insurance company, is excluded from the regulatory consolidation group. JPMorgan Life Limited has capital resources that are surplus to the required minimum.

Where disclosures are not provided, there are no transactions or exposures within J.P. Morgan Asset Management International group that are required to be disclosed under the rules.

Outside regulatory requirements to hold capital, there are no current or foreseen material practical or legal impediments to the prompt transfer of funds or repayment of liabilities among the parent undertakings or, where applicable, their subsidiaries.

Pillar 3 disclosures comprise two types:

- Qualitative disclosures relating primarily to risk management practices and
- Quantitative disclosures relating primarily to actual risk exposures

Qualitative disclosures applicable to all J.P. Morgan entities globally

J.P.Morgan has published the required qualitative disclosures in the JPMorgan Chase & Co. 2013 Annual Report and more recent quarterly United States Securities and Exchange Commission Form 10-Q & 10-K filings, which can be accessed via the following links:

<http://investor.shareholder.com/jpmorganchase/annual.cfm> (JPMorgan Chase & Co 2013 Annual Report)

<http://investor.shareholder.com/jpmorganchase/sec.cfm?doctype=Annual> (10-K For period ending 31.12.2013)

<http://investor.shareholder.com/jpmorganchase/sec.cfm?doctype=Quarterly> (10-Q For period ending 30.9.2014)

Additional qualitative disclosures applicable only to relevant UK entities

Pillar 1 Operational Risk Capital Requirement

J.P.Morgan UK entities subject to local capital requirements for operational risk have adopted the Basic Indicator Approach for Pillar 1 purposes.

Nominated ECAs for Pillar 1 Standardised Credit Risk Capital Requirement

The external credit assessment institutions (“ECAs”) used in the determination of credit quality steps are Fitch, Moody’s and Standard and Poors. The ratings from each of these ECAs are used for all standardised risk classes.

Remuneration Policies and Disclosures

Compensation disclosures are set out in the following link <http://investor.shareholder.com/jpmorganchase/basel.cfm>

Counterparty Credit Risk Exposure

Detailed disclosures on counterparty credit risk exposure are contained in the JPMC annual report which is available from the Annual Report & Proxy website. <http://investor.shareholder.com/jpmorganchase/annual.cfm>

In particular, counterparty credit risk exposure is discussed in the section entitled “Management’s discussion and analysis” and in particular the sub-sections entitled “Capital Management”; “Credit Risk Management” and the other sub-sections on risk management.

J.P.Morgan UK entities operate within the wider JPM group and adopt the relevant policies, processes, methodologies and controls established and operating within the group where appropriate and required. They adopt the JPMC methods for assigning internal capital and credit limits for counterparty credit exposures. None of the J.P. Morgan UK entities are externally rated by ECAs at the present time.

Securitisation

Detailed disclosures on securitisations are contained in Note 16 on pages 288 – 299 of the JPMC annual report which is available from the Annual Report & Proxy website <http://investor.shareholder.com/jpmorganchase/annual.cfm>

Internal Capital Adequacy Assessment Process (ICAAP)

J.P. Morgan UK entities perform internal capital adequacy assessments in accordance with the Capital Requirements Directive and the requirements of the Prudential Regulation Authority (PRA) and Financial Conduct Authority (FCA).

The purpose of the ICAAP is to assess the current and potential risks run by each entity to determine whether the current and forecasted levels of capital are sufficient relative to those risks under Pillar 2 of the revised Basel framework.

Internal assessments are made of the level of capital required for each significant risk area (both for those which are covered by Pillar 1 capital and for those which are not). These are based on JPMC’s group-wide risk and capital models.

In addition, stress testing and capital planning analysis is used to determine the size of capital buffer required to ensure the J.P. Morgan UK entities continue to maintain adequate capital through the economic cycle, including a range of severe but plausible stresses.

Quantitative disclosures

Capital Resources

As at 31 December 2013, the J.P. Morgan entities in scope had capital resources which were more than the required minimum.

The following table shows capital resources as at 31 December 2013.

BIPRU 11.5.3R (2), (3), (4) and (5)

Tier 1, Tier 2 and Tier 3 Capital Resources

As at 31 Dec 13	Reference	Consolidated	Significant Subsidiary	Significant Subsidiary	Significant Subsidiary	Consolidated	Significant Subsidiary	Consolidated	Significant Subsidiary
		JPMCHL \$MM	JPMS Plc \$MM	JPMEL \$MM	JPMIB \$MM	BSUKHL \$MM	JPMML \$MM	JPMAM Int \$MM	JPMAM UK \$MM
Tier 1 Capital									
Called-up share capital		4,069	9,615	1,398	840	629	25	363	40
Eligible reserves		24,975	7,878	2,524	394	306	3,995	1,563	492
Minority interests		2,446	-	-	-	-	-	-	-
Share premium		4,012	6,684	231	-	-	126	-	-
Perpetual non-cumulative preference shares		-	5,153	-	-	-	-	-	-
Total Tier 1 capital before deductions (excluding innovative Tier 1)	a	35,502	29,331	4,153	1,234	935	4,145	1,926	532
<i>Deductions from Tier 1</i>									
Goodwill and other intangible assets		(1,907)	(1,718)	(72)	(1)	-	-	(168)	-
Total deductions from Tier 1	b	(1,907)	(1,718)	(72)	(1)	-	-	(168)	-
Total Tier 1 capital after deductions and restrictions	a + b = c	33,595	27,612	4,081	1,233	935	4,145	1,758	532
Tier 2 Capital									
Revaluation reserves		8	-	8	-	-	-	-	-
Perpetual cumulative preference shares		-	2,000	-	-	-	-	-	-
Dated subordinated debt		-	142	-	-	-	-	496	-
Upper Tier 2 capital before deductions	8	2,142	8	8	-	-	-	496	-
Lower tier two capital instruments		-	-	-	-	2,168	-	-	-
Excess on limits for lower tier two capital		-	-	-	-	1,701	-	-	-
Lower tier two capital		-	-	-	-	466	-	-	-
Total Tier 2 capital before deductions	d	8	2,142	8	-	466	-	496	-
<i>Deductions from Tier 2</i>									
Other deductions		-	-	(3)	-	-	-	-	-
Total deductions from Tier 2	e	-	-	(3)	-	-	-	-	-
Total Tier 2 capital after deductions and restrictions	d + e = f	8	2,142	5	-	466	-	496	-
<i>Regulatory deductions from Tier 1 and Tier 2 capital</i>									
Investment in subs which are not Material Holdings or Qualifying Holdings		(36)	-	-	-	-	-	-	-
Material holdings deduction Tier 1		-	(1,813)	-	-	-	-	-	-
Material holdings deduction Tier 2		-	(1,813)	-	-	-	-	-	-
Connected lending of a capital nature		(249)	-	-	-	-	-	-	-
Total deductions from Tier 1 and Tier 2	g	(285)	(3,625)	-	-	-	-	-	-
Tier 3 Capital									
Illiquid assets		-	-	-	-	1,701	-	-	-
Total net capital resources	c + f + g + h	33,318	26,129	4,086	1,233	3,103	4,145	1,929	471

Note - reference letters have been included to indicate how the totals/sub totals are derived

Minimum Capital Requirements

The below information shows the minimum capital requirements for Credit risk, Market risk and Operational risk, using the Standardised approach.

BIPRU 11.5.4 (2):

Minimal Capital Requirements for Credit Risk (Banking Book) under the Standardised Approach

	<u>Consolidated</u>	<u>Significant Subsidiary</u>	<u>Significant Subsidiary</u>	<u>Significant Subsidiary</u>	<u>Consolidated</u>	<u>Significant Subsidiary</u>	<u>Consolidated</u>	<u>Significant Subsidiary</u>
As at 31 Dec 13	JPMCHL	JPMS Plc	JPMEL	JPMIB	BSUKHL	JPMML	JPMAM Int*	JPMAM UK
	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM
Credit Risk Exposure: Analysis by Exposure Class								
Central governments or central banks	2	-	-	-	-	-	-	-
Institutions	130	92	1	-	2	2	-	-
Corporates	620	370	226	14	-	-	-	-
Short term claims on institutions and corporates	725	-	89	636	-	-	-	-
Other items	8	-	2	5	-	-	-	-
Total - Standardised Approach Requirement	1,485	462	318	655	2	2	-	-

* The credit risk capital requirement for JPMorgan Asset Management Limited group has been calculated using the 'Simplified Method' outlined by BIPRU 3.5. Under the simplified method, the credit risk is \$273mm

BIPRU 11.5.4 (4):

Minimum capital requirements for market risk, counterparty risk and concentration risk

	<u>Consolidated</u>	<u>Significant Subsidiary</u>	<u>Significant Subsidiary</u>	<u>Significant Subsidiary</u>	<u>Consolidated</u>	<u>Significant Subsidiary</u>	<u>Consolidated</u>	<u>Significant Subsidiary</u>
As at 31 Dec 13	JPMCHL	JPMS Plc	JPMEL	JPMIB	BSUKHL	JPMML	JPMAM Int	JPMAM UK
	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM
CAD 1 Model based PRR	224	224	-	-	-	-	-	-
Interest rate PRR	2,288	2,230	59	4	3	4	-	-
Equity PRR	2,225	2,166	-	-	1	1	-	-
Option PRR	891	891	-	-	-	-	-	-
Collective investment schemes PRR	216	216	-	-	-	-	-	-
Commodity PRR	518	518	-	-	-	-	1	-
Foreign exchange PRR	767	763	3	-	1	-	98	6
Total Market Risk Capital Requirement	7,129	7,008	62	4	5	5	99	6
Counterparty risk capital component	2,976	2,895	11	69	26	24	-	-
Concentration risk capital component	762	650	81	23	14	-	-	-

BIPRU 11.5.4 (5):

Minimum Capital Requirement for Operational Risk

	<u>Consolidated</u>	<u>Significant Subsidiary</u>	<u>Significant Subsidiary</u>	<u>Significant Subsidiary</u>	<u>Consolidated</u>	<u>Significant Subsidiary</u>	<u>Consolidated</u>	<u>Significant Subsidiary</u>
As at 31 Dec 13	JPMCHL	JPMS Plc	JPMEL	JPMIB	BSUKHL	JPMML	JPMAM Int	JPMAM UK
	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM
Operational Risk - Basic Indicator Capital Requirement	1,250	643	261	39	-	6	-	-
Total Operational Risk Capital Requirement	1,250	643	261	39	-	6	-	-

Counterparty (Trading Book) Credit Risk Exposures

The following shows the Counterparty Credit Risk Exposures.

There are no such exposures within the JPMAM Int group or JPMAM UK.

BIPRU 11.5.7 (5):

Counterparty credit exposure

Standardised Approach

	<u>Consolidated</u>	<u>Significant</u>	<u>Significant</u>	<u>Significant</u>	<u>Consolidated</u>	<u>Significant</u>
<u>As at 31 Dec 13</u>	JPMCHL	JPMS Plc	JPMEL	JPMIB	BSUKHL	JPMMML
	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM
Gross Positive Fair Value of Contracts	79,294	78,493	163	638	173	173
Potential Future Credit Exposure	68,406	67,053	127	1,226	60	60
Netting Benefits	98,616	98,100	-	516	37	37
Netted Current Credit Exposure	49,084	47,446	290	1,348	196	196
Collateral Held	20,292	20,292	-	-	3	3
Net Derivatives Credit Exposure	28,792	27,154	290	1,348	193	193

BIPRU 11.5.7 (7):

Notional value of credit derivative contracts held for hedging purposes

	<u>Consolidated</u>	<u>Significant</u>	<u>Consolidated</u>
<u>As at 31 Dec 13</u>	JPMCHL	JPMS Plc	BSUKHL
	\$MM	\$MM	\$MM
Notional value of credit derivative hedges under the Mark to Market Method	154,973	154,973	-
Total	154,973	154,973	-

BIPRU 11.5.7 (7):**Counterparty credit exposure analysed by financial contract type**

(Distribution of current credit exposure by types of credit exposure)

	<u>Consolidated</u>	<u>Significant</u> <u>Subsidiary</u>	<u>Significant</u> <u>Subsidiary</u>	<u>Significant</u> <u>Subsidiary</u>	<u>Consolidated</u>	<u>Significant</u> <u>Subsidiary</u>
As at 31 Dec 13	JPMCHL	JPMS Pic	JPMEL	JPMIB	BSUKHL	JPMML
	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM
Exposure post CRM under Standardised Approach						
Financial Contract Type as at 31 Dec 13						
Interest Rate Contracts	5,256	5,184	-	73	-	-
Foreign Currency Contracts	5,524	5,103	168	253	14	14
Gold Contracts	-	-	-	-	-	-
Equities Contracts	8,437	7,453	-	984	66	66
Precious Metal Other than Gold Contracts	-	-	-	-	-	-
Commodities other than precious Contracts	5,508	5,504	-	4	88	88
Credit Derivatives	3,945	3,910	-	34	-	-
Other	122	-	122	-	25	25
Total	28,792	27,154	290	1,348	193	193

BIPRU 11.5.7 (8):**Notional of credit derivative contracts**

This information has not been disclosed as it is deemed confidential information.

Credit Risk Exposures before Credit Risk Mitigation (CRM)

The following shows the Credit Risk Exposures before the application of credit risk mitigation. In regards to the geographical analysis, the exposures relate to the location in which the customer is based.

BIPRU 11.5.8 (3):

Credit risk exposure under the Standardised approach

Consolidated

JPMCHL	Exposure Pre CRM	Average Exposure Pre CRM over the year
As at 31 Dec 13	\$MM	\$MM
Credit Risk Exposure Class Pre CRM		
Central governments or central banks	3,422	3,319
Regional governments or local authorities	-	73
Administrative bodies and non-commercial undertakings	5	4
Multilateral development banks	-	7
Institutions	5,837	5,359
Corporates	8,457	9,392
Past due items	-	4
Short term claims on institutions and corporates	10,250	10,937
Other items	97	249
Total Standardised Approach Credit Risk Exposure	28,068	29,344

Significant Subsidiary

JPMS Plc	Exposure Pre CRM	Average Exposure Pre CRM over the year
As at 31 Dec 13	\$MM	\$MM
Credit Risk Exposure Class Pre CRM		
Central governments or central banks	58	127
Regional governments or local authorities	-	65
Multilateral development banks	-	4
Institutions	7,051	7,148
Corporates	4,947	5,334
Total Standardised Approach Credit Risk Exposure	12,056	12,678

Significant Subsidiary

<u>JPMEL</u>	Exposure Pre CRM	Average Exposure Pre CRM over the year
<u>As at 31 Dec 13</u>	\$MM	\$MM
Credit Risk Exposure Class Pre CRM		
Central governments or central banks	5	3
Institutions	53	132
Corporates	3,186	3,405
Past due items	-	2
Short term claims on institutions and corporates	3,523	3,878
Other items	30	152
Total Standardised Approach Credit Risk Exposure	6,797	7,572

Significant Subsidiary

<u>JPMIB</u>	Exposure Pre CRM	Average Exposure Pre CRM over the year
<u>As at 31 Dec 13</u>	\$MM	\$MM
Credit Risk Exposure Class Pre CRM		
Central governments or central banks	3,330	3,078
Administrative bodies and non-commercial undertakings	5	4
Institutions	6	3
Corporates	171	665
Short term claims on institutions and corporates	11,610	11,038
Other items	68	51
Total Standardised Approach Credit Risk Exposure	15,190	14,839

Consolidated

<u>BSUKHL</u>	Exposure Pre CRM	Average Exposure Pre CRM over the year
<u>As at 31 Dec 13</u>	\$MM	\$MM
Credit Risk Exposure Class Pre CRM		
Institutions	112	132
Corporates	4	43
Other items	-	7
Total Standardised Approach Credit Risk Exposure	116	182

Significant Subsidiary

<u>JPMML</u>	Exposure Pre CRM	Average Exposure Pre CRM over the year
<u>As at 31 Dec 13</u>	\$MM	\$MM
Credit Risk Exposure Class Pre CRM		
Institutions	27	59
Corporates	4	26
Other items	-	6
Total Standardised Approach Credit Risk Exposure	31	91

BIPRU 11.5.8 (4):**Geographical analysis of Credit risk exposure under the Standardised approach****Consolidated**

JPMCHL	United Kingdom	Other European Union	United States	Africa	Asia	Rest of the World	Total
As at 31 Dec 13	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM
Credit Risk Exposure Class Pre CRM							
Central governments or central banks	58	139	3,226	-	-	-	3,423
Administrative bodies and non-commercial undertakings	-	-	-	-	-	5	5
Institutions	1,362	1,741	2,471	3	102	157	5,836
Corporates	315	4,181	2,915	-	28	1,018	8,457
Short term claims on institutions and corporates	1,089	2,226	1,904	162	1,487	3,381	10,250
Other items	-	-	97	-	-	-	97
Total Standardised Approach Credit Risk Exposure	2,824	8,287	10,613	165	1,618	4,561	28,068

Significant Subsidiary

JPMS Plc	United Kingdom	Other European Union	United States	Africa	Asia	Rest of the World	Total
As at 31 Dec 13	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM
Credit Risk Exposure Class Pre CRM							
Central governments or central banks	58	-	-	-	-	-	58
Institutions	2,642	1,741	2,465	3	103	98	7,052
Corporates	133	2,477	1,780	-	-	556	4,946
Total Standardised Approach Credit Risk Exposure	2,833	4,218	4,245	3	103	654	12,056

Significant Subsidiary

JPMEL	United Kingdom	Other European Union	United States	Asia	Rest of the World	Total
As at 31 Dec 13	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM
Credit Risk Exposure Class Pre CRM						
Central governments or central banks	-	-	5	-	-	5
Institutions	-	1	-	-	59	60
Corporates	166	1,604	987	-	429	3,186
Short term claims on institutions and corporates	1,415	355	1,675	1	70	3,516
Other items	-	-	30	-	-	30
Total Standardised Approach Credit Risk Exposure	1,581	1,960	2,697	1	558	6,797

Significant Subsidiary

JPMIB	United Kingdom	Other European Union	United States	Asia	Rest of the World	Total
As at 31 Dec 13	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM
Credit Risk Exposure Class Pre CRM						
Central governments or central banks	-	139	3,191	-	-	3,330
Administrative bodies and non-commercial undertakings	-	-	-	-	5	5
Institutions	6	-	-	-	-	6
Corporates	15	97	1	28	30	171
Short term claims on institutions and corporates	4,550	1,872	228	1,485	3,474	11,609
Other items	-	-	68	-	-	68
Total Standardised Approach Credit Risk Exposure	4,571	2,108	3,488	1,513	3,510	15,190

Consolidated

BSUKHL	United Kingdom	Other European Union	United States	Total
As at 31 Dec 13	\$MM	\$MM	\$MM	\$MM
Credit Risk Exposure Class Pre CRM				
Institutions	-	1	111	112
Corporates	4	-	-	4
Total Standardised Approach Credit Risk Exposure	4	1	111	116

Significant Subsidiary

JPMML	United Kingdom	Other European Union	United States	Total
As at 31 Dec 13	\$MM	\$MM	\$MM	\$MM
Credit Risk Exposure Class Pre CRM				
Institutions	-	1	26	27
Corporates	4	-	-	4
Total Standardised Approach Credit Risk Exposure	4	1	26	31

BIPRU 11.5.8 (5):**Industry analysis of Credit risk exposure under the Standardised approach****Consolidated**

JPMCHL	Banks	Non-Bank Financial	Non-Financial Corporations	Other	Total
As at 31 Dec 13	\$MM	\$MM	\$MM	\$MM	\$MM
Credit Risk Exposure Class Pre CRM					
Central governments or central banks	58	26	-	3,339	3,423
Administrative bodies and non-commercial undertakings	-	-	-	5	5
Institutions	5,388	379	69	-	5,836
Corporates	18	2,078	6,300	62	8,457
Short term claims on institutions and corporates	1,458	4,565	1,219	3,008	10,250
Other items	-	97	-	-	97
Total Standardised Approach Credit Risk Exposure	6,922	7,145	7,588	6,414	28,068

Significant Subsidiary

JPMS Plc	Banks	Non-Bank Financial	Non-Financial Corporations	Other	Total
As at 31 Dec 13	\$MM	\$MM	\$MM	\$MM	\$MM
Credit Risk Exposure Class Pre CRM					
Central governments or central banks	58	-	-	-	58
Institutions	6,927	56	69	-	7,052
Corporates	16	1,497	3,432	-	4,946
Total Standardised Approach Credit Risk Exposure	7,001	1,553	3,501	-	12,056

Significant Subsidiary

JPMEL	Banks	Non-Bank Financial	Non-Financial Corporations	Other	Total
As at 31 Dec 13	\$MM	\$MM	\$MM	\$MM	\$MM
Credit Risk Exposure Class Pre CRM					
Central governments or central banks	-	5	-	-	5
Institutions	60	-	-	-	60
Corporates	-	471	2,701	14	3,186
Past due items	-	-	-	-	-
Short term claims on institutions and corporates	2,601	559	356	-	3,516
Other items	-	30	-	-	30
Total Standardised Approach Credit Risk Exposure	2,661	1,065	3,057	14	6,797

Significant Subsidiary

JPMIB	Banks	Non-Bank Financial	Non-Financial Corporations	Other	Total
As at 31 Dec 13	\$MM	\$MM	\$MM	\$MM	\$MM
Credit Risk Exposure Class Pre CRM					
Central governments or central banks	-	21	-	3,309	3,330
Administrative bodies and non-commercial undertakings	-	-	-	5	5
Institutions	6	-	-	-	6
Corporates	-	101	22	48	171
Short term claims on institutions and corporates	3,733	4,007	863	3,006	11,610
Other items	-	68	-	-	68
Total Standardised Approach Credit Risk Exposure	3,739	4,198	885	6,368	15,190

Consolidated

BSUKHL	Banks	Non-Bank Financial	Non-Financial Corporations	Other	Total
As at 31 Dec 13	\$MM	\$MM	\$MM	\$MM	\$MM
Credit Risk Exposure Class Pre CRM					
Institutions	63	48	-	1	112
Corporates	-	4	-	-	4
Total Standardised Approach Credit Risk Exposure	63	52	-	1	116

Significant Subsidiary

JPMML	Banks	Non-Bank Financial	Non-Financial Corporations	Other	Total
As at 31 Dec 13	\$MM	\$MM	\$MM	\$MM	\$MM
Credit Risk Exposure Class Pre CRM					
Institutions	26	1	-	-	27
Corporates	-	4	-	-	4
Total Standardised Approach Credit Risk Exposure	26	5	-	-	31

BIPRU 11.5.8 (6):

Residual maturity analysis of Credit risk exposure under the Standardised approach

Consolidated

Exposure Pre CRM Standardised Approach Credit Risk Exposure Class							
JPMCHL	On demand and qualifying revolving	Under one year	Over one year but not more than three years	Over three years but not more than five years	Over five years but not more than ten years	Over ten years or undated	Total
As at 31 Dec 13	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM
Credit Risk Exposure Class Pre CRM							
Central governments or central banks	196	3,193	-	-	-	34	3,423
Administrative bodies and non-commercial undertakings	-	-	-	-	-	5	5
Institutions	-	2,482	454	-	-	2,901	5,836
Corporates	21	1,039	2,168	3,734	127	1,368	8,457
Short term claims on institutions and corporates	3,142	7,109	-	-	-	-	10,250
Other items	-	30	-	-	-	68	97
Total Standardised Approach Credit Risk Exposure	3,359	13,853	2,622	3,734	127	4,376	28,068

Significant Subsidiary

Exposure Pre CRM Standardised Approach Credit Risk Exposure Class							
JPMS Plc	On demand and qualifying revolving	Under one year	Over one year but not more than three years	Over three years but not more than five years	Over five years but not more than ten years	Over ten years or undated	Total
As at 31 Dec 13	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM
Credit Risk Exposure Class Pre CRM							
Central governments or central banks	58	-	-	-	-	-	58
Institutions	-	4,982	454	-	-	1,616	7,052
Corporates	21	699	684	2,341	81	1,120	4,946
Total Standardised Approach Credit Risk Exposure	79	5,681	1,138	2,341	81	2,736	12,056

Significant Subsidiary

Exposure Pre CRM Standardised Approach Credit Risk Exposure Class							
JPMEL	On demand and qualifying revolving	Under one year	Over one year but not more than three years	Over three years but not more than five years	Over five years but not more than ten years	Over ten years or undated	Total
As at 31 Dec 13	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM
Credit Risk Exposure Class Pre CRM							
Central governments or central banks	-	-	-	-	-	5	5
Institutions	-	59	1	-	-	-	60
Corporates	-	293	1,446	1,368	45	34	3,186
Short term claims on institutions and corporates	109	3,407	-	-	-	-	3,516
Other items	-	30	-	-	-	-	30
Total Standardised Approach Credit Risk Exposure	109	3,789	1,447	1,368	45	39	6,797

Significant Subsidiary

Exposure Pre CRM Standardised Approach Credit Risk Exposure Class							
JPMIB	On demand and qualifying revolving	Under one year	Over one year but not more than three years	Over three years but not more than five years	Over five years but not more than ten years	Over ten years or undated	Total
As at 31 Dec 13	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM
Credit Risk Exposure Class Pre CRM							
Central governments or central banks	139	3,191	-	-	-	-	3,330
Administrative bodies and non-commercial undertakings	-	-	-	5	-	-	5
Institutions	-	6	-	-	-	-	6
Corporates	-	47	36	23	1	64	171
Short term claims on institutions and corporates	3,032	8,578	-	-	-	-	11,610
Other items	-	-	-	-	-	68	68
Total Standardised Approach Credit Risk Exposure	3,171	11,822	36	28	1	132	15,190

Consolidated

Exposure Pre CRM Standardised Approach Credit Risk Exposure Class							
BSUKHL	On demand and qualifying revolving	Under one year	Over one year but not more than three years	Over three years but not more than five years	Over five years but not more than ten years	Over ten years or undated	Total
As at 31 Dec 13	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM
Credit Risk Exposure Class Pre CRM							
Institutions	-	112	-	-	-	-	112
Corporates	-	4	-	-	-	-	4
Total Standardised Approach Credit Risk Exposure	-	116	-	-	-	-	116

Significant Subsidiary

Exposure Pre CRM Standardised Approach Credit Risk Exposure Class							
JPMML	On demand and qualifying revolving	Under one year	Over one year but not more than three years	Over three years but not more than five years	Over five years but not more than ten years	Over ten years or undated	Total
As at 31 Dec 13	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM
Credit Risk Exposure Class Pre CRM							
Institutions	-	26	-	-	-	1	27
Corporates	-	4	-	-	-	-	4
Total Standardised Approach Credit Risk Exposure	-	30	-	-	-	1	31

Methodology for determining impairment provisions

Primary responsibility for determining impairment provisions is managed according to the Firm's Credit Policy. Specifically, responsibility resides with Global Credit Risk Management (credit analysis) and Credit Executives (credit approval). Credit risk associated with operational overdrafts is mitigated by Credit Risk Mitigation techniques including pledges/liens over assets under custody

BIPRU 11.5.8 (7):

Industry analysis of impaired and past due exposures and allowance for impairment

Consolidated

<u>JPMCHL</u>	Impaired exposures	Past Due exposures	Provision
<u>As at 31 Dec 13</u>	\$MM	\$MM	\$MM
Total	-	-	-

Significant Subsidiary

<u>JPMIB</u>	Impaired exposures	Past Due exposures	Provision
<u>As at 31 Dec 13</u>	\$MM	\$MM	\$MM
Total	-	-	-

Consolidated

<u>JPMAM Int</u>	Impaired exposures	Past Due exposures	Provision
<u>As at 31 Dec 13</u>	\$MM	\$MM	\$MM
Corporate	-	2	-
Pension Funds	-	4	-
Central Governments	-	2	-
Total	-	8	-

Significant Subsidiary

<u>JPMAM (UK)</u>	Impaired exposures	Past Due exposures	Provision
<u>As at 31 Dec 13</u>	\$MM	\$MM	\$MM
Corporate	-	2	-
Pension Funds	-	4	-
Central Governments	-	2	-
Total	-	8	-

Industry analysis and Geographical analysis of impaired and past due exposures and allowance for impairment

BIPRU 11.5.8 (8):

Geographical analysis of impaired and past due exposures and allowance for impairment

Consolidated

<u>JPMCHL</u>	Impaired exposures	Past Due exposures	Provision
As at 31 Dec 13	\$MM	\$MM	\$MM
Total	-	-	-

Significant Subsidiary

<u>JPMIB</u>	Impaired exposures	Past Due exposures	Provision
As at 31 Dec 13	\$MM	\$MM	\$MM
Total	-	-	-

Consolidated

<u>JPMAM Int</u>	Impaired exposures	Past Due exposures	Provision
As at 31 Dec 13	\$MM	\$MM	\$MM
United Kingdom	-	3	-
Other European Union	-	2	-
United States	-	1	-
Asia	-	2	-
Total	-	8	-

Significant Subsidiary

<u>JPMAM (UK)</u>	Impaired exposures	Past Due exposures	Provision
As at 31 Dec 13	\$MM	\$MM	\$MM
United Kingdom	-	3	-
Other European Union	-	2	-
United States	-	1	-
Asia	-	2	-
Total	-	8	-

BIPRU 11.5.8 (9):

Analysis of movement on impairment and amounts taken directly to the income statement

Consolidated

<u>JPMCHL</u>	Provision \$MM
Impairment Movement	
As at 31 Dec 12	3
Amounts charged against profit	(3)
As at 31 Dec 13	-

Significant Subsidiary

<u>JPMIB</u>	Provision \$MM
Impairment Movement	
As at 31 Dec 12	3
Amounts charged against profit	(3)
As at 31 Dec 13	-

Consolidated

<u>JPMAM Int</u>	Provision \$MM
Impairment Movement	
As at 31 Dec 12	2
Amounts charged against profit	(2)
As at 31 Dec 13	-

Significant Subsidiary

<u>JPMAM (UK)</u>	Provision \$MM
Impairment Movement	
As at 31 Dec 12	2
Amounts charged against profit	(2)
As at 31 Dec 13	-

BIPRU 11.5.10 (5):

Credit quality steps before and after Credit Risk Mitigation using the Standardised Approach.

Credit quality step analysis of Pre CRM exposure under the Standardised Approach**Consolidated**

JPMCHL	Credit Quality Step 1	Credit Quality Step 2	Credit Quality Step 3	Credit Quality Step 4	Credit Quality Step 5	Credit Quality Step 6	Unrated	Total
As at 31 Dec 13	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM
Credit Exposure/ Capital Pre CRM								
Central governments or central banks	8,350	613	1,674	9	-	-	1,400	12,047
Regional governments or local authorities	-	-	-	-	-	-	472	472
Administrative bodies and non-commercial undertakings	2,932	-	-	-	-	-	331	3,263
Multilateral development banks	1	-	-	-	-	-	-	1
International organisations	-	-	-	-	-	-	48	48
Institutions	29,551	64,355	918	514	3	-	19,730	115,071
Corporates	6,238	4,106	2,307	666	179	-	61,442	74,938
Short term claims on institutions and corporates	1,244	-	-	-	-	-	9,190	10,434
Other items	-	-	-	-	-	-	97	97
Total Standardised Approach Credit Risk Exposure/	48,316	69,074	4,899	1,189	182	-	92,710	216,371

Significant Subsidiary

JPMS Plc	Credit Quality Step 1	Credit Quality Step 2	Credit Quality Step 3	Credit Quality Step 4	Credit Quality Step 5	Credit Quality Step 6	Unrated	Total
As at 31 Dec 13	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM
Credit Exposure/ Capital Pre CRM								
Central governments or central banks	5,200	613	1,674	9	-	-	1,206	8,701
Regional governments or local authorities	-	1	-	-	-	-	472	473
Administrative bodies and non-commercial undertakings	2,932	-	1	-	-	-	327	3,260
Multilateral development banks	1	-	-	-	-	-	-	1
Institutions	29,857	64,048	918	514	3	-	20,519	115,859
Corporates	6,238	4,108	2,306	666	179	-	50,672	64,169
Total Standardised Approach Credit Risk Exposure/	44,228	68,769	4,899	1,189	182	-	73,196	192,463

Significant Subsidiary

JPMEL	Credit Quality Step 1	Credit Quality Step 2	Credit Quality Step 3	Credit Quality Step 4	Credit Quality Step 5	Credit Quality Step 6	Unrated	Total
As at 31 Dec 13	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM
Credit Exposure/ Capital Pre CRM								
Central governments or central banks	-	-	-	-	-	-	5	5
Institutions	-	-	35	-	-	-	25	60
Corporates	121	909	773	180	111	-	1,093	3,187
Short term claims on institutions and corporates	1,169	68	-	-	-	-	2,278	3,515
Other items	-	-	-	-	-	-	30	30
Total Standardised Approach Credit Risk Exposure/	1,290	977	808	180	111	-	3,431	6,797

Significant Subsidiary

JPMIB	Credit Quality Step 1	Credit Quality Step 2	Credit Quality Step 3	Credit Quality Step 4	Credit Quality Step 5	Credit Quality Step 6	Unrated	Total
As at 31 Dec 13	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM
Credit Exposure/ Capital Pre CRM								
Central governments or central banks	3,170	-	-	-	-	-	160	3,330
Administrative bodies and non-commercial undertakings	-	-	-	-	-	-	5	5
Institutions	-	-	-	-	-	-	6	6
Corporates	-	-	-	-	-	-	171	171
Short term claims on institutions and corporates	138	-	-	-	-	-	11,472	11,610
Other items	-	-	-	-	-	-	68	68
Total Standardised Approach Credit Risk Exposure/	3,308	-	-	-	-	-	11,882	15,190

Consolidated

BSUKHL	Credit Quality Step 1	Credit Quality Step 2	Credit Quality Step 3	Credit Quality Step 4	Credit Quality Step 5	Credit Quality Step 6	Unrated	Total
As at 31 Dec 13	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM
Credit Exposure/ Capital Pre CRM								
Institutions	109	-	-	-	-	-	3	112
Corporates	-	-	-	-	-	-	4	4
Total Standardised Approach Credit Risk Exposure/	109	-	-	-	-	-	7	116

Significant Subsidiary

JPMML	Credit Quality Step 1	Credit Quality Step 2	Credit Quality Step 3	Credit Quality Step 4	Credit Quality Step 5	Credit Quality Step 6	Unrated	Total
As at 31 Dec 13	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM
Credit Exposure/ Capital Pre CRM								
Institutions	26	-	-	-	-	-	1	27
Corporates	-	-	-	-	-	-	4	4
Capital	26	-	-	-	-	-	5	31

BIPRU 11.5.10 (5):**Credit quality step analysis of Post CRM exposure****Consolidated**

JPMCHL	Credit Quality Step 1	Credit Quality Step 2	Credit Quality Step 3	Credit Quality Step 4	Credit Quality Step 5	Credit Quality Step 6	Unrated	Total
As at 31 Dec 13	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM
Credit Exposure/ Capital Post CRM								
Central governments or central banks	5,171	589	1,264	3	-	-	911	7,939
Regional governments or local authorities	-	1	-	-	-	-	459	460
Administrative bodies and non-commercial undertakings	120	-	1	-	-	-	331	452
Multilateral development banks	1	-	-	-	-	-	0	1
International organisations	-	-	-	-	-	-	48	48
Institutions	15,455	3,810	648	459	3	-	16,585	36,960
Corporates	1,593	1,683	1,283	489	91	-	29,976	35,114
Short term claims on institutions and corporates	1,244	-	-	-	-	-	9,091	10,335
Other items	-	-	-	-	-	-	97	97
Total Standardised Approach Credit Risk Exposure/	23,584	6,083	3,196	951	94	-	57,498	91,406

Significant Subsidiary

JPMS Plc	Credit Quality Step 1	Credit Quality Step 2	Credit Quality Step 3	Credit Quality Step 4	Credit Quality Step 5	Credit Quality Step 6	Unrated	Total
As at 31 Dec 13	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM
Credit Exposure/ Capital Post CRM								
Central governments or central banks	2,001	589	1,264	3	-	-	717	4,575
Regional governments or local authorities	-	-	-	-	-	-	459	460
Administrative bodies and non-commercial undertakings	120	-	1	-	-	-	327	447
Multilateral development banks	1	-	-	-	-	-	-	1
International organisations	-	-	-	-	-	-	48	48
Institutions	15,515	3,751	648	460	3	-	17,374	37,750
Corporates	1,593	1,684	1,283	488	91	-	22,273	27,412
Total Standardised Approach Credit Risk Exposure/	19,229	6,024	3,196	951	94	-	41,198	70,693

Significant Subsidiary

JPMEL	Credit Quality Step 1	Credit Quality Step 2	Credit Quality Step 3	Credit Quality Step 4	Credit Quality Step 5	Credit Quality Step 6	Unrated	Total
As at 31 Dec 13	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM
Credit Exposure/ Capital Post CRM								
Central governments or central banks	-	-	-	-	-	-	5	5
Institutions	-	-	35	-	-	-	25	60
Corporates	121	909	773	180	111	-	1,093	3,187
Short term claims on institutions and corporates	1,169	68	-	-	-	-	2,278	3,515
Other items	-	-	-	-	-	-	30	30
Total Standardised Approach Credit Risk Exposure/	1,290	977	808	180	111	-	3,431	6,797

Significant Subsidiary

JPMIB	Credit Quality Step 1	Credit Quality Step 2	Credit Quality Step 3	Credit Quality Step 4	Credit Quality Step 5	Credit Quality Step 6	Unrated	Total
As at 31 Dec 13	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM
Credit Exposure/ Capital Post CRM								
Central governments or central banks	3,170	-	-	-	-	-	160	3,330
Administrative bodies and non-commercial undertakings	-	-	-	-	-	-	5	5
Institutions	-	-	-	-	-	-	6	6
Corporates	-	-	-	-	-	-	171	171
Short term claims on institutions and corporates	138	-	-	-	-	-	11,472	11,610
Other items	-	-	-	-	-	-	68	68
Capital	3,308	-	-	-	-	-	11,882	15,190

Consolidated

BSUKHL	Credit Quality Step 1	Credit Quality Step 2	Credit Quality Step 3	Credit Quality Step 4	Credit Quality Step 5	Credit Quality Step 6	Unrated	Total
As at 31 Dec 13	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM
Credit Exposure/ Capital Post CRM								
Institutions	109	-	-	-	-	-	3	112
Corporates	-	-	-	-	-	-	4	4
Total Standardised Approach Credit Risk Exposure/	109	-	-	-	-	-	7	116

Significant Subsidiary

JPMML	Credit Quality Step 1	Credit Quality Step 2	Credit Quality Step 3	Credit Quality Step 4	Credit Quality Step 5	Credit Quality Step 6	Unrated	Total
As at 31 Dec 13	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM	\$MM
Credit Exposure/ Capital Post CRM								
Institutions	26	-	-	-	-	-	1	27
Corporates	-	-	-	-	-	-	4	4
Total Standardised Approach Credit Risk Exposure/	26	-	-	-	-	-	5	31

Non Trading Book exposures in Equities.

The following shows the exposures in equities in regards to the Non Trading Book.

BIPRU 11.5.15 (2), (3), (4) and (5):

Significant Subsidiary

JPMS Plc Non Trading Book Equity Investments	As at 31 Dec 13 \$MM
Fair Value	
Exchange Traded	-
Private Equity	-
Other	3,625
Total	3,625

Significant Subsidiary

JPMEI Fair value of and gains and losses on equity investments Non Trading Book Equity Investments	As at 31 Dec 13 \$MM
Fair Value	
Exchange Traded	-
Private Equity	-
Other	8
Total	8

Consolidated

JPMAM Int	
Fair value of and gains and losses on equity investments Non Trading Book Equity Investments	As at 31 Dec 13 \$MM
Fair Value	
Exchange Traded	22
Private Equity	9
Other - Investments in Collective Investment Undertakings	1,996
Total	2,027
Cumulative Realised Gains / Losses from Sale and Liquidations of equity investments	(11)
Unrealised gains/(losses)	
Total Gains or Losses	40
Amount included in Tier 1,2 or 3 Capital	(5)

Significant Subsidiary

JPMAM UK	
Fair value of and gains and losses on equity investments Non Trading Book Equity Investments	As at 31 Dec 13 \$MM
Fair Value	
Exchange Traded	-
Private Equity	-
Other - Investments in Collective Investment Undertakings	612
Total	612
Cumulative Realised Gains / Losses from Sale and Liquidations of equity investments	(1)
Unrealised gains/(losses)	
Total Gains or Losses	24
Amount included in Tier 1,2 or 3 Capital	(4)
Latent Revaluation gains/(losses)	
Total Gains or Losses	73
Amount included in Tier 1,2 or 3 Capital	-

Non Trading Book exposure to Interest Rate risk.

The following discloses the exposure to interest rate risk in the Non Trading Book.

The following is calculated in USD as it is the material currency of all entities' balance sheets except for JPM AM where a currency breakdown is provided. Net Present Value (NPV) of the net gap is shown as opposed to Present Value (PV) of net gap with +/- shift in USD discount rate.

BIPRU 11.5.16 (2):

Sensitivity of the Banking Book to interest rate changes

Consolidated

<u>JPMCHL</u> As at 31 Dec 13	\$MM + 200 basis points	\$MM - 200 basis points
Change in Net Present Value	(362)	390
Percentage of NPV to Tier 1 and Tier 2 Capital	(1.09)%	1.17%

Significant Subsidiary

<u>JPMS Plc</u> As at 31 Dec 13	\$MM + 200 basis points	\$MM - 200 basis points
Change in Net Present Value	(315)	341
Percentage of NPV to Tier 1 and Tier 2 Capital	(1.21)%	1.30%

Significant Subsidiary

<u>JPMEL</u> As at 31 Dec 13	\$MM + 200 basis points	\$MM - 200 basis points
Change in Net Present Value	(25)	26
Percentage of NPV to Tier 1 and Tier 2 Capital	(0.61)%	0.65%

Significant Subsidiary

JPMIB As at 31 Dec 13	\$MM + 200 basis points	\$MM - 200 basis points
Change in Net Present Value	(16)	16
Percentage of NPV to Tier 1 and Tier 2 Capital	(1.29)%	1.34%

Consolidated

JPMAM Int As at 31 Dec 13	\$MM + 200 basis points	\$MM - 200 basis points
GBP	10	(9)
USD	1	(1)
Euro	16	(16)
Other	2	(2)
Change in Net Present Value	29	(28)
Percentage of NPV to Tier 1 and Tier 2 Capital	1.50%	(1.45)%

Significant Subsidiary

JPMAM (UK) As at 31 Dec 13	\$MM + 200 basis points	\$MM - 200 basis points
GBP	4	(4)
USD	4	(4)
Euro	6	(6)
Other	2	(2)
Change in Net Present Value	16	(16)
Percentage of NPV to Tier 1 and Tier 2 Capital	3.40%	(3.40)%

Note: Interest rate risk for JPMAM Int and JPMAM (UK) is directly generated from bank deposits and holdings in liquidity funds

Securitisation

J.P. Morgan Securities plc calculates risk weighted exposures in accordance with BIPRU 7.2.48A R to BIPRU 7.2.48K R. Securitisation disclosures are applicable for trading book only, so BIPRU 11.5.17(8) is not applicable as none of the UK regulated entities have securitisations in the Banking Book.

The below securitisation disclosures are only applicable for J.P. Morgan Securities plc as it is the only entity in the JPMCHL group that engages in securitisation activity. The Asset Management entities (JPMAM Int and JPMAM UK) do not engage in securitisation activity, nor do any of the entities in the BSUKHL group.

BIPRU 11.5.17(13)(a), BIPRU 11.5.17(13)(c), BIPRU 11.5.17(13)(f) and BIPRU 11.5.17(15) are not applicable as none of the UK regulated entities securitise exposures.

BIPRU 11.5.17(13)(b)

As at 31 Dec 13	Retained \$MM	Purchased \$MM	Total \$MM
Exposure Type - Aggregate Amount of Securitised Positions Retained or Purchased - Trading Book			
Residential Mortgages	-	1,066	1,066
Commercial Mortgages	-	306	306
Credit Card Receivables	-	-	-
Leasing	-	-	-
Loans to Corporates or SMEs	-	134	134
Consumer Loans	-	76	76
Trade Receivables	-	-	-
Securitisations/ Re-securitisations	-	122	122
Other Assets	-	148	148
Total	-	1,852	1,852

BIPRU 11.5.17(13)(d) is not applicable as none of the UK regulated entities have this facility.

BIPRU 11.5.17(13)(e)

Analysis of securitised positions retained BIPRU 11.5.17(13)e

As at 31 Dec 13	Retained \$MM	Purchased \$MM
Risk Weight Band - Aggregate Amount of Securitised Positions Retained or Purchased - Trading Book		
< 10%	-	-
> 10% < 20%	-	637
> 20% < 50%	-	273
> 50% < 100%	-	243
> 100% < 650%	-	254
> 650% < 1250%	-	445
Deducted	-	-
Total	-	1,852

Note:

< means less than and equal to

BIPRU 11.5.17(14)

Aggregate amount of securitisation and resecuritisation positions retained or purchased and the associated capital resources requirements

As at 31 Dec 13	Credit Quality Step 1 \$MM	Credit Quality Step 2 \$MM	Credit Quality Step 3 \$MM	Credit Quality Step 4+ \$MM	Credit Quality Step All other credit quality \$MM	Total \$MM
The Aggregate amount of securitisation and resecuritisation positions						
Securitisations	702	268	305	189	266	1,730
Resecuritisations	24	-	11	10	78	122
Total	726	268	315	199	344	1,852

As at 31 Dec 13	Credit Quality Step 1 \$MM	Credit Quality Step 2 \$MM	Credit Quality Step 3 \$MM	Credit Quality Step 4+ \$MM	Credit Quality Step All other credit quality \$MM	Credit Quality Step Total \$MM
Associated capital resources requirements of securitisation and resecuritisation positions retained or purchased						
Securitisations	11	11	24	53	266	365
Resecuritisations	1	-	2	5	78	86
Total	12	11	26	58	344	451

Collateral and Guarantees

The requirement under **BIPRU 11.6.5** refers to Banking Book exposure. We hold no collateral or guarantees against these exposures.