



BANK OF ATHENS

Recognising you

1 August 2012

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**Secretariat of the Basel Committee
Banking Supervision**

Framework for dealing with domestically systemically important banks

The consultative document, "A framework for dealing with domestically systemically important banks" considers whether a bank is systemically important and the impact it might have on the financial system and the economy. This theme is carried throughout the document. However it is not clear in the following sections:

Paragraph 35: The host authorities of a G-SIB subsidiary can impose an additional loss absorbency requirement on the subsidiary. It is not clear whether the host authority should only apply the additional requirement, only if the subsidiary in the host country would create systemic risk into the financial system based on the criteria defining D-SIB.

The same rationale should apply to footnote 8 in that the systemic risk of the G-SIB subsidiary in the host country should be considered before additional requirements are imposed and not just to consider the shareholding relationship to the G- SIB.

Yours Sincerely

Spiro Georgopoulos

Chief Executive Officer

The South African Bank of Athens Limited

Chrisanthi Michaelides

Chief Financial Officer

The South African Bank of Athens Limited

Cc: Naresh Balwanth
South African Reserve Bank

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