1. **Section II.2 – The treatment of regular-way purchases and sales of financial assets**

Under Option B, the Committee is proposing to consider the offsetting of cash payables and cash receivables to a counterparty in relation to security sales and purchases. The DFSA suggests adding a condition requiring the availability of a bilateral netting agreement between counterparties, in addition to the other proposed offsetting conditions.

2. **Section II.4 – Additional Requirements for G-SIBs**

2.1. **Characteristic #1: A limit on Additional Tier 1 to satisfy an additional requirement**

The DFSA does not support imposing a limit on Additional Tier 1 capital. Such limit, if introduced, will impact the comparability of the leverage ratio across all banking institutions.

2.2. **Characteristic #2: An additional requirement to be fixed and applied uniformly to all G-SIBs or should vary based on a scaling of the G-SIB’s higher loss absorbency requirement**

The DFSA is of the view that an additional requirement should be variable and scaled based on the relevant higher loss absorbency requirement.

2.3. **Characteristic #3: An additional requirement consisting of a higher minimum requirement or a buffer requirement:**

The DFSA supports the introduction of a buffer rather than a higher minimum requirement. Such a buffer would provide supervisors flexibility in dealing with specific situations, such as where a breach is caused by exceptional factors outside the direct control of the bank.

**Dubai Financial Services Authority**

6 July 2016