

#### 10.4. General Responsibilities of Risk Management

- 10.4.1. identifying the key risk exposures and assessing and measuring the extent of risk exposures of the bank and its trust operations;
- 10.4.2. monitoring the risk exposures and determining the corresponding capital requirement in accordance with the Basel capital adequacy framework and based on the bank's internal capital adequacy assessment on an on-going basis;
- 10.4.3. monitoring and assessing decisions to accept particular risks whether these are consistent with board approved policies on risk tolerance and the effectiveness of the corresponding risk mitigation measures; and
- 10.4.4. reporting on a regular basis to senior management and to the board of directors of the results of assessment and monitoring.

Risk management personnel shall possess sufficient experience and qualifications, including knowledge on the banking business, the developments in the market, industry and product lines, as well as mastery of risk disciplines. They shall have the ability and willingness to challenge business lines regarding all aspects of risk arising from the bank's activities.

#### 11. The Trust Officer

##### 11.1. Qualifications

The Trust Officer who shall be appointed shall possess any of the following:

- 11.1.1. At least five (5) years of actual experience in trust operations;
- 11.1.2. At least three (3) years of actual experience in trust operations and must have completed 90 training hours in trust, other fiduciary business, or investment management activities acceptable to the BSP or completed a relevant global or local professional certification program;
- 11.1.3. At least five (5) years actual experience as an officer of a bank and must have completed at least 90 training hours in trust, other fiduciary business, or investment management activities acceptable to the BSP or completed a relevant global or local professional certification program; and
- 11.1.4. He must be fit and proper to discharge his function as Trust Officer with proven integrity/probity, physical/mental fitness, competence, relevant education/ financial literacy/training, diligence and knowledge/experience.

##### 11.2. Responsibilities

The management of day-to-day fiduciary activities shall be vested in the Trust Officer. In this regard, the Trust Officer shall:

- 11.2.1. Ensure adherence to the basic standards in the administration of trust, other fiduciary and investment management accounts;
- 11.2.2. Develop and implement relevant policies and procedures on fiduciary activities;
- 11.2.3. Observe sound risk management practices and maintain necessary controls to protect assets under custody and held in trust or other fiduciary capacity;