

Habib Metropolitan Bank Limited
Capital Adequacy and Leverage Ratio Disclosures - Consolidated
As at 31 December 2019

1. CAPITAL ASSESSMENT AND ADEQUACY

Scope of Applications

The State Bank of Pakistan (SBP) through its BPRD Circular No 6 dated 15 August 2013 has issued Basel III Capital instructions for Banks / DFIs. The revision to the previously applicable Capital Adequacy regulations pertain to components of eligible capital and related deductions. The amendments have been introduced with an aim to further strengthen the existing capital related rules. Basel III instructions have become effective from 31 December 2013 with full implementation by 31 December 2019. This Capital Adequacy framework is applicable to the Group.

The Group's capital adequacy is reported using the rules and ratios provided by the State Bank of Pakistan. The capital adequacy ratio is a measure of the amount of a Group's capital expressed as a percentage of its risk weighted assets (RWAs). Banking operations are categorized as either Trading Book or Banking Book and RWAs are determined according to specific treatments as per the requirement of SBP that measure the varying levels of risk attached to on balance sheet and off-balance sheet exposures. Under the current capital adequacy regulations, credit risk and market risk exposures are measured using the Standardized Approach and operational risk is measured using the Basic Indicator Approach. Credit risk mitigants are also applied against the Group's exposures based on eligible collateral.

Capital Management

The objective of managing capital is to safeguard the Group's ability to continue as a going concern. It is the policy of the Group to maintain a strong capital base so as to maintain investor, depositor and market confidence and to sustain future development of the business. The Group aims to maintain an optimum level of capital along with maximizing shareholders' return.

Statutory minimum capital requirement and Capital Adequacy Ratio

The SBP through its BSD Circular No. 07 dated 15 April 2009 has prescribed the minimum paid-up capital (net of accumulated losses) for Banks to be raised to Rs.10 billion by the year ending 31 December 2013. The paid-up capital of the holding company for the year ended 31 December 2019 stood at Rs. 10,478 million (2018: Rs. 10,478 million) and is in compliance with SBP requirements.

Banks are also required to maintain a minimum Capital Adequacy Ratio (CAR) of 12.50% of the risk weighted exposures of the Bank. Further, under Basel III instructions, Banks are also required to maintain a Common Equity Tier 1 (CET 1) ratio and Tier 1 ratio of 6.00% and 7.50%, respectively, as at 31 December 2019. As at 31 December 2019 the Group was fully compliant with prescribed ratios as the Group's CAR was 14.65% whereas CET 1 and Tier 1 ratios stood at 14.04 and 14.08% respectively. The Group and its individually regulated operations have complied with all capital requirements throughout the year.

Tier 1 capital comprises of Common Equity Tier 1 (CET 1) and Additional Tier 1 (AT 1) capital.

CET 1 capital includes fully paid-up capital, balance in share premium account, general reserves as per the financial statements, net un-appropriated profits meeting the eligibility criteria.

AT 1 capital includes instruments meeting the prescribed SBP criteria e.g. perpetual non-cumulative preference shares.

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The deductions from Tier 1 capital include mainly;

- i) Book value of goodwill / intangibles;
- ii) Deficit on revaluation of available for sale investments;
- iii) Reciprocal cross holdings in equity capital instruments of other banks, financial institutions and insurance companies;
- iv) Investment in mutual funds above a prescribed ceiling; and
- v) Threshold deductions applicable from 2014 on deferred tax assets and certain investments.

Tier 2 capital includes general provisions for loan losses, surplus on the revaluation of assets - net of tax, foreign exchange translation reserves and subordinated debts (meeting the revised eligibility criteria).

1.1 Capital Structure

	<i>Note</i>	31 December 2019	31 December 2018	Source based on reference number from note 1.3.2
		----- Rupees in '000 -----		
Common Equity Tier 1 capital (CET 1):				
Instruments and reserves				
Fully Paid-up capital / capital deposited with SBP		10,478,315	10,478,315	(t)
Balance in share premium account		2,550,985	2,550,985	(t)
Reserve for issue of bonus shares		-	-	
Discount on issue of shares		-	-	
General / statutory reserves		15,155,369	13,820,443	(v)
Gain / (loss) on derivatives held as cash flow hedge		-	-	
Unappropriated/unremitted profits / (losses)		19,224,491	15,950,329	(w)
Minority interests arising from CET 1 capital instruments issued to third party by consolidated bank subsidiaries (amount allowed in CET 1 capital of the consolidation group)		666,614	645,987	(x)
CET 1 before regulatory adjustments		48,075,774	43,446,059	
Total regulatory adjustments applied to CET 1	<i>1.2.1</i>	3,363,124	8,538,358	
CET 1 after regulatory adjustments		44,712,650	34,907,701	
Additional Tier 1 (AT 1) Capital				
Qualifying AT 1 instruments plus any related share premium		-	-	
of which: classified as equity		-	-	
of which: classified as liabilities		-	-	
AT 1 capital instruments issued to third parties by consolidated subsidiaries (amount allowed in group AT 1)		117,613	-	(y)
of which: instrument issued by subsidiaries subject to phase out		-	-	
AT 1 before regulatory adjustments		117,613	-	
Total regulatory adjustment applied to AT 1 capital	<i>1.2.2</i>	-	-	
AT 1 capital after regulatory adjustments		-	-	
Additional Tier 1 capital recognized for capital adequacy		117,613	-	
Tier 1 (T 1) Capital (CET1 + admissible AT1)		44,830,263	34,907,701	

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	<i>Note</i>	31 December 2019	31 December 2018	Source based on reference number from note 1.3.2
		----- (Rupees in '000) -----		
Tier 2 (T2) Capital				
Qualifying Tier 2 capital instruments under Basel III plus any related share premium		-	-	
T2 capital instruments subject to phase out arrangement issued under pre-Basel III Rules		-	-	
T2 capital instruments issued to third party by consolidated subsidiaries (amount allowed in group T 2)		196,021	-	(z)
of which: instruments issued by subsidiaries subject to phase out		-	-	
General Provisions or general reserves for loan losses-up to maximum of 1.25% of credit risk weighted assets		1,634,410	1,236,190	(g)
Revaluation reserves (net of taxes)		-	-	
of which: revaluation reserves on fixed assets		-	-	
of which: unrealized gains / (losses) on AFS		-	-	
Undisclosed / other Reserves (if any)		-	-	
T2 before regulatory adjustments		1,830,431	1,236,190	
Total regulatory adjustment applied to T2 capital	<i>1.2.3</i>	-	320,868	
T2 after regulatory adjustments		1,830,431	915,322	
T2 capital recognized for capital adequacy		1,830,431	915,322	
Portion of AT 1 capital recognized in T2 capital		-	-	
Total Tier 2 capital admissible for capital adequacy		1,830,431	915,322	
TOTAL CAPITAL (T1 + admissible T2)		46,660,694	35,823,023	
Total Risk Weighted Assets (RWA)		318,421,991	273,721,847	
Capital ratios and buffers				
(in percentage of risk weighted assets)				
CET 1 to total RWA		14.04%	12.75%	
Tier-1 capital to total RWA		14.08%	12.75%	
Total capital to total RWA		14.65%	13.09%	
Bank specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus any other buffer requirement)		6.00%	6.00%	
of which: capital conservation buffer requirement		-	-	
of which: countercyclical buffer requirement		-	-	
of which: D-SIB or G-SIB buffer requirement		-	-	
CET1 available to meet buffers (as a percentage of risk weighted assets)		8.04%	6.75%	
National minimum capital requirements prescribed by SBP				
CET 1 minimum ratio		6.00%	6.00%	
Tier 1 minimum ratio		7.50%	7.50%	
Total capital minimum ratio		12.50%	11.90%	

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1.2 Regulatory adjustments & additional information

31 December 2019	Amounts subject to Pre- Basel III treatment (Rupees in '000)	31 December 2018	Source based on reference number from note 1.3.2
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1.2.1 Common Equity Tier 1 capital: Regulatory adjustments

Goodwill (net of related deferred tax liability)	-	-	-	
All other intangibles (net of any associated deferred tax liability)	105,711	-	163,645	(h) - (p)
Shortfall in provisions against classified assets	-	-	-	
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	-	-	
Defined-benefit pension fund net assets	-	-	-	
Reciprocal cross holdings in CET1 capital instruments of banking, financial and insurance entities	158,848	-	187,396	(d)
Cash flow hedge reserve	-	-	-	
Investment in own shares/ CET1 instruments	-	-	-	
Securitization gain on sale	-	-	-	
Capital shortfall of regulated subsidiaries	-	-	-	
Deficit on account of revaluation from bank's holdings of fixed assets/ AFS	3,098,565	-	5,714,027	(ab)
Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-	-	39,556	
Significant investments in the capital instruments issued by banking, financial and insurance entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	-	-	-	
Deferred Tax Assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	-	-	2,183,957	
Amount exceeding 15% threshold	-	-	-	
of which: significant investments in the common stocks of financial entities	-	-	-	
of which: deferred tax assets arising from temporary differences	-	-	-	
National specific regulatory adjustments applied to CET1 capital	-	-	-	
Investment in TFCs of other banks exceeding the prescribed limit	-	-	-	
Any other deduction specified by SBP	-	-	-	
Regulatory adjustment applied to CET1 due to insufficient AT1 and Tier 2 to cover deductions	-	-	249,777	
Total regulatory adjustments applied to CET1	3,363,124	-	8,538,358	

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	31 December 2019	Amounts subject to Pre- Basel III treatment (Rupees in '000)	31 December 2018	Source based on reference number from note 1.3.2
1.2.2 Additional Tier 1 Capital: Regulatory adjustments				
Investment in mutual funds exceeding the prescribed limit (SBP specific adjustment)	-	-	-	
Investment in own AT1 capital instruments	-	-	-	
Reciprocal cross holdings in AT 1 capital instruments	-	-	-	
Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-	-	249,777	
Significant investments in the capital instruments issued by banking, financial and insurance entities that are outside the scope of regulatory consolidation	-	-	-	
Portion of deduction applied 50:50 to T1 and T 2 capital based on pre-Basel III treatment which, during transitional period, remain subject to deduction from AT 1 capital	-	-	-	
Adjustments applied to AT 1 due to insufficient Tier 2 to cover deductions	-	-	-	
Regulatory adjustment applied to CET1 due to insufficient AT1	-	-	(249,777)	
Total of Regulatory Adjustment applied to AT1 capital	-	-	-	
1.2.3 Tier 2 Capital: regulatory adjustments				
Portion of deduction applied 50:50 to T1 and T 2 capital based on pre-Basel III treatment which, during transitional period, remain subject to deduction from T 2 capital	-	-	-	
Reciprocal cross holdings in T 2 instruments of banking, financial and insurance entities	-	-	-	
Investment in own T 2 capital instrument	-	-	-	
Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-	-	320,868	
Significant investments in the capital instruments issued by banking, financial and insurance entities that are outside the scope of regulatory consolidation	-	-	-	
Amount of Regulatory Adjustment applied to T2 capital	-	-	320,868	

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	31	31
	December	December
	2019	2018
	----- (Rupees in '000) -----	
1.2.4 Additional Information		
Risk weighted assets in respect of amounts subject to Pre-Basel III Treatment		
Risk weighted assets in respect of deduction items (which during the transitional period will be risk weighted subject to Pre-Basel III Treatment)		
of which: deferred tax assets	-	-
of which: defined-benefit pension fund net assets	-	-
of which: recognized portion of investment in capital of banking, financial and insurance entities where holding is less than 10% of the issued common share capital of the entity	-	-
of which: Recognized portion of investment in capital of banking, financial and insurance entities where holding is more than 10% of the issued common share capital of the entity	-	-
Amounts below the thresholds for deduction (before risk weighting)		
Non-significant investments in the capital of other financial entities	4,155,497	4,348,299
Significant investments in the common stock of financial entities	-	-
Deferred tax assets arising from temporary differences (net of related tax liability)	3,831,519	5,918,100
Applicable caps on the inclusion of provisions in T 2		
Provisions eligible for inclusion in T 2 in respect of exposures subject to standardized approach (prior to application of cap)	1,634,410	1,236,190
Cap on inclusion of provisions in T 2 under standardized approach	3,420,744	2,942,729
Provisions eligible for inclusion in T 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	-	-
Cap for inclusion of provisions in T 2 under internal ratings-based approach	-	-

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1.3 Capital Structure Reconciliation

1.3.1 Step 1

The accounting consolidation is identical to the scope of regulatory consolidation.

1.3.2 Step 2

	Balance sheet as in published financial statements	Under regulatory scope of consolidation	
	31 December 2019		
	----- (Rupees in '000) -----		Ref.
Assets			
Cash and balances with treasury banks	70,713,833	70,713,833	
Balances with other banks	2,691,101	2,691,101	
Lendings to financial institutions	22,197,303	22,197,303	
Investments	443,526,749	443,526,749	
of which: non-significant investments in capital instruments of banking, financial and insurance entities exceeding 10% threshold	-	-	a
of which: significant investments in the capital instruments issued by banking, financial and insurance entities exceeding regulatory threshold	-	-	b
of which: mutual funds exceeding regulatory threshold	-	-	c
of which: reciprocal crossholding of capital instrument (separate for CET1, AT1, T2)	158,848	158,848	d
of which: others	-	-	e
Advances	273,592,854	273,592,854	
shortfall in provisions/ excess of total EL amount over eligible provisions under IRB	-	-	f
general provisions reflected in T 2 capital	1,634,410	1,634,410	g
Fixed Assets	8,489,761	8,489,761	
of which: intangibles	108,370	108,370	h
Deferred tax assets	3,710,134	3,710,134	
of which: DTAs that rely on future profitability excluding those arising from temporary differences	-	-	i
of which: DTAs arising from temporary differences exceeding regulatory threshold	-	-	j
Other assets	40,108,379	40,108,379	
of which: Goodwill	-	-	k
of which: defined-benefit pension fund net assets	-	-	l
Total assets	<u>865,030,114</u>	<u>865,030,114</u>	

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	Balance sheet as in published financial statements	Under regulatory scope of consolidation	
	31 December 2019		
	----- (Rupees in '000) -----		Ref.
Liabilities & Equity			
Bills payable	11,541,474	11,541,474	
Borrowings	145,812,010	145,812,010	
Deposits and other accounts	611,259,968	611,259,968	
Sub-ordinated loans	-	-	m
of which: eligible for inclusion in AT1	-	-	n
of which: eligible for inclusion in T2	-	-	
Liabilities against assets subject to finance lease	-	-	
Deferred tax liabilities	-	-	o
of which: DTLs related to goodwill	-	-	p
of which: DTLs related to intangible assets	2,659	-	q
of which: DTLs related to defined pension fund net assets	-	-	r
of which: other deferred tax liabilities	-	-	
Other liabilities	48,587,058	48,587,058	
Total liabilities	817,200,510	817,200,510	
Share capital	13,029,300	13,029,300	s
of which: amount eligible for CET1	13,029,300	13,029,300	t
of which: amount eligible for AT1	-	-	
Reserves	15,155,369	15,155,369	u
of which: portion eligible for inclusion in CET1 (statutory reserve, special reserve & revenue reserve)	15,155,369	15,155,369	v
of which: portion eligible for inclusion in T2	-	-	
Unappropriated profit/ (losses)	19,224,491	19,224,491	w
Minority Interest	3,293,578	3,293,578	
of which: portion eligible for inclusion in CET 1	666,614	666,614	x
of which: portion eligible for inclusion in AT1	117,613	-	y
of which: portion eligible for inclusion in T2	196,021	-	z
Surplus on revaluation of assets	(2,873,134)	(2,873,134)	aa
of which: Revaluation reserves on Fixed Assets			
of which: Unrealized Gains/Losses on AFS-Recognised	-	-	aaa
of which: Unrealized Gains/Losses on AFS-Unrecognised	(3,098,565)	(3,098,565)	
In case of Deficit on revaluation (deduction from CET 1)	(3,098,565)	(3,098,565)	(ab)
Total Equity	47,829,604	47,829,604	
Total liabilities and Equity	865,030,114	865,030,114	

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1.4 Main features template of regulatory capital instruments

1	Issuer	Habib Metropolitan Bank Ltd.
2	Unique identifier (eg. KSE Symbol or Bloomberg identifier etc.)	HMB
3	Governing law(s) of the instrument	Capital Market Law
	Regulatory treatment	
4	Transitional Basel III rules	Common Equity Tier 1
5	Post-transitional Basel III rules	Common Equity Tier 1
6	Eligible at solo / group / group & solo	Group & standalone
7	Instrument type	Common Shares
8	Amount recognized in regulatory capital (Currency in PKR thousand, as of reporting date)	46,660,694
9	Par value of instrument	PKR 10
10	Accounting classification	Shareholder equity
11	Original date of issuance	1992
12	Perpetual or dated	Perpetual
13	Original maturity date	No maturity
14	Issuer call subject to prior supervisory approval	Not Applicable
15	Optional call date, contingent call dates and redemption amount	Not Applicable
16	Subsequent call dates, if applicable coupons / dividends	Not Applicable
17	Fixed or floating dividend/ coupon	Not Applicable
18	Coupon rate and any related index / benchmark	Not Applicable
19	Existence of a dividend stopper	No
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary
21	Existence of step up or other incentive to redeem	No
22	Noncumulative or cumulative	Not Applicable
23	Convertible or non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	Not Applicable
25	If convertible, fully or partially	Not Applicable
26	If convertible, conversion rate	Not Applicable
27	If convertible, mandatory or optional conversion	Not Applicable
28	If convertible, specify instrument type convertible into	Not Applicable
29	If convertible, specify issuer of instrument it converts into	Not Applicable
30	Write-down feature	Not Applicable
31	If write-down, write-down trigger(s)	Not Applicable
32	If write-down, full or partial	Not Applicable
33	If write-down, permanent or temporary	Not Applicable
34	If temporary write-down, description of write-up mechanism	Not Applicable
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Not Applicable
36	Non-compliant transitioned features	Not Applicable
37	If yes, specify non-compliant features	Not Applicable

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1.5 Risk Weighted Assets

The risk weighted assets to capital ratio, calculated in accordance with the SBP's guidelines on capital adequacy is as follows:

Credit risk	Capital Requirements		Risk Weighted Assets	
	2019	2018	2019	2018
Portfolios subject to standardised approach (<u>Simple</u>)	----- (Rupees in '000) -----			
On-Balance Sheet				
Cash and cash equivalents	-	-	-	-
Government of Pakistan and SBP	-	-	-	-
Public Sector Entities	184,372	198,117	1,843,720	1,981,170
Banks	1,085,879	948,174	10,858,787	9,481,743
Corporate	16,011,285	14,571,537	160,112,846	145,715,373
Retail	1,196,458	1,094,264	11,964,580	10,942,637
Residential mortgage finance	95,576	85,902	955,758	859,020
Past due loans	225,462	242,763	2,254,619	2,427,634
Operating fixed assets	838,139	394,786	8,381,391	3,947,862
Other assets	1,046,189	1,089,597	10,461,893	10,895,971
	20,683,360	18,625,140	206,833,594	186,251,410
Off-Balance Sheet				
Non market related	5,947,657	4,416,826	59,476,565	44,168,257
Market related	289,479	104,542	2,894,793	1,045,419
	6,237,136	4,521,368	62,371,358	45,213,676
Equity Exposure Risk in the Banking Book				
Under simple risk weight method e.g. Listed, Unlisted	445,457	395,323	4,454,568	3,953,233
Under Internal models approach	-	-	-	-
	445,457	395,323	4,454,568	3,953,233
Total Credit Risk	27,365,953	23,541,831	273,659,520	235,418,319
Market risk				
Capital requirement for portfolios subject to <u>Standardised Approach</u>				
Interest rate risk	-	-	-	-
Equity position risk	75,532	72,121	944,156	901,513
Foreign exchange risk	60,039	53,586	750,485	669,829
Total market risk	135,571	125,707	1,694,641	1,571,342
Operational risk				
Capital requirement for operational risks subject to <u>Basic Indicator Approach</u>	3,445,426	2,938,575	43,067,830	36,732,186
Total Risk Weighted Assets	30,946,950	26,606,113	318,421,991	273,721,847
Capital adequacy ratio				
	31 December 2019		31 December 2018	
	Required	Actual	Required	Actual
CET1 to total RWA	6.00%	14.04%	6.00%	12.75%
Tier-1 capital to total RWA	7.50%	14.08%	7.50%	12.75%
Total capital to total RWA	12.50%	14.65%	11.90%	13.09%

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1.6 Credit risk - General disclosures

The Group uses the 'Standardised Approach' in calculation of credit risk and capital requirements.

The Group uses reputable and SBP approved rating agencies for deriving risk weight to specific credit exposures. These are applied consistently across the Group credit portfolio for both on - balance sheet and off - balance sheet exposures. The methodology applied for using External Credit Assessment Institutions (ECAI's) inclusive of the alignment of alpha numerical scale of each agency used with risk bucket is as per SBP guidelines as is given below:

Types of Exposures and ECAI's used

Exposures	2019				
	JCR - VIS	PACRA	S & P	Fitch	Moody's
Corporate	√	√	-	-	-
Banks	√	√	√	√	√
Sovereigns	-	-	-	-	-
SME's	√	√	-	-	-
Securitisation	-	-	-	-	-
Others	-	-	-	-	-

1.7 Credit exposures subject to Standardized Approach

Exposures	Rating Category	2019			2018		
		Amount Outstanding	Deduction CRM	Net Amount	Amount Outstanding	Deduction CRM	Net Amount
----- (Rupees in '000) -----							
Corporate	1	43,514,148	8,924,191	34,589,957	24,117,478	455,860	23,661,618
	2	69,419,081	1,868,457	67,550,624	44,166,852	1,781,841	42,385,011
	3,4	20,239,452	-	20,239,452	7,009,370	-	7,009,370
	5,6	-	-	-	-	-	-
Claims on banks with original maturity of 3 months or less		23,300,848	-	23,300,848	16,600,943	3,138,596	13,462,347
Retail		23,833,592	5,602,152	18,231,440	22,350,956	4,732,720	17,618,236
Public sector entities	1	17,665,277	8,440,349	9,224,928	4,892,198	261,074	4,631,124
	2,3	3,464,113	1,542	3,462,571	3,535,030	-	3,535,030
Others		566,746,076	9,185,000	557,561,076	430,907,485	13,273,000	417,634,485
Unrated		174,368,763	30,672,028	143,696,735	177,416,343	30,633,581	146,782,762

The forms of collateral that are deemed eligible under the 'Simple Approach' to credit risk mitigation as per SBP guidelines are used by the Group and primarily includes cash, government and rated debt securities.

The Group applies SBP specified haircut to collateral for credit risk mitigation. Collateral management is embedded in the Group's risk taking and risk management policy and procedures. A standard credit granting procedure exists which has been well-disseminated down the line, ensuring proper pre-sanction evaluation, adequacy of security, pre-examination of charge / control documents and monitoring of each exposure on an ongoing basis.

Collateral information is recorded diligently in the Bank's main processing systems by type of collateral, amount of collateral against relevant credit exposures. A cohesive accounting / risk management system facilitates effective collateral management for Basel II reporting.

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2. LEVERAGE RATIO

The Basel III leverage ratio is defined as the capital measure (the numerator) divided by the exposure measure (the denominator), with this ratio expressed as a percentage. As at 31 December 2019 the Bank's Leverage ratio stood at 4.08% (2018: 4.20%) which is well above the minimum requirement of 3.0%.

	<i>Note</i>	2019	2018
		----- (Rupees in '000) -----	
Eligible Tier-1 Capital (A)	<i>1.1</i>	<u><u>44,830,263</u></u>	<u><u>34,907,701</u></u>
Total exposures (B)		<u><u>1,099,575,387</u></u>	<u><u>830,913,057</u></u>
Leverage Ratio (A/B)		<u><u>4.08%</u></u>	<u><u>4.20%</u></u>