

Specification of Competency Standards
for the Banking Industry
Unit of Competency

Functional Area - 3a. Other Services on Enterprise Banking Credit Management (for Large Corporations)

(Key Function – 3a.1 Large Corporate Credit Acquisition)

Title	Approve credit application on credit based solutions to large corporations
Code	109286L6
Range	Structuring and approval of credit facilities for large corporations such as real estate development loan / construction finance. This applies to large amount and mid to long term loan extended to large corporate clients.
Level	6
Credit	4 (For Reference Only)
Competency	<p>Performance Requirements</p> <p>1. Knowledge in the Subject Area</p> <p>Be able to:</p> <ul style="list-style-type: none"> • Possess knowledge on the theories and concepts across different disciplines of credit management and apply it to assess the risks of credit application of large corporation; • Understand the latest development in the macroeconomic environment, e.g. the development of Mainland China, development of the property market in Hong Kong, etc. in order to identify the implications on enterprise banking; • Understand related ordinance and legislation, recent updates of government policy, etc. in order to identify the implications on large corporate clients; • Demonstrate specialized knowledge in credit assessment of large corporates by conducting comprehensive examination on their complex credit applications and defining critical factors for approval. <p>2. Applications</p> <p>Be able to:</p> <ul style="list-style-type: none"> • Conduct comprehensive analysis on the business and corporate information of the applicants by employing different analysing technique in order to assess the risks in extending credit facilities; • Demonstrate professional knowledge in accounting and cash flow business analysis in order to estimate the outlook of the applicants' industry and / or business and performance of their businesses; • Assess the information of credit application by analysing the capital structure of clients in order to identify the most suitable means of financing which can balance their assets and liabilities portfolio. <p>3. Professional Behaviour and Attitude</p> <p>Be able to:</p> <ul style="list-style-type: none"> • Determine approval or rejection of loan application based on a thorough analysis of client profile, business model, financial status, collateral values and other relevant data; • Build a trusting relationship with the applicants in order to obtain useful information about the future strategies for identifying their financial needs; • Review draft agreements and modify the terms and conditions (e.g. loan term, interest rate, repayment schedule, etc.) if necessary; • Calculate, assess and ensure the bank's return on the money lent is proportional to the risks and security taken by the bank.

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Assessment Criteria	The integral outcome requirements of this UoC are: <ul style="list-style-type: none">• Decision on approval or rejection of credit application by large corporations based on critical analyses on the projection of future business performance of the applicants, its repayment ability and level of risks involved in the deal.
Remark	