Risk-Weighted Capital Adequacy Framework (Basel II)
Pillar 3 Disclosure

1.0 Overview

The Pillar 3 Disclosure introduced by Bank Negara Malaysia (BNM)'s Risk-Weighted Capital Adequacy Framework (RWCAF) came into effect for annual reporting periods on and after 1 January 2010. This is corresponding to Basel II issued by the Basel Committee on Banking Supervision (BCBS). Basel II consists of the following Pillars:

(i) Pillar 1

Outlines the minimum regulatory capital that banking institutions must hold benchmark against the credit, market and operational risks assumed.

(ii) Pillar 2

Focuses on strenghtening the supervisory review process in developing more rigorous risk management framework and techniques. The purpose is for banking institutions to implement an effective and rigorous internal capacity adequacy assessment process that commensurates with the scale, nature and complexity of its operations.

(iii) Pillar 3

Outlines the minimum disclosure requirements of information on the risk management practices and capital adequacy of banking institutions. The aim is to enhance transparency and market discipline in regulating the risk-taking behaviours of banking institutions. In turn, this will contribute to BNM's supervisory monitoring efforts and strengthen incentives for the banking institutions to implement robust risk management systems.

The approaches adopted by Industrial and Commercial Bank of China (Malaysia) Berhad (the Bank), are shown in table below:

	Risk Type	**Approach adopted**	**Capital requirement assessment**
1	Credit	Standardised Approach	Standard risk weights
2	Market	Standardised Approach	Standard risk weights
3	Operational	Basic Indicator Approach (BIA)	Fixed percentage over average gross income for a fixed number of years

The Bank is principally engaged in the provision of conventional banking and other related financial services. The Bank's Pillar 3 Disclosure is in compliance with the Basel II, RWCAF requirement. The information provided herein has been reviewed by external auditors and certified by the Bank's Chief Executive Officer.

2.0 Capital Management and Capital Adequacy

The Bank's lead regulator, BNM sets and monitors capital requirement for the Bank. The Bank is required to comply with the provisions of the Basel II framework in respect of regulatory capital adequacy.

The Bank seeks to diversify its capital base in a range of different forms from various sources. On top of the minimum regulatory capital requirements, the Bank ensures adequacy of capital to support the current and anticipated business growth. Hence, the Bank’s performance against the internal capital levels is reviewed on a regular basis by the senior management. Should there be a need for capital raising exercise, it will be presented to the Board for approval.

In the event of extreme market conditions, the Bank will undertake stress test exercise to assess the Bank’s capability to withstand the adverse environment. The results of the stress test together with the proposed mitigating actions shall be tabled to the senior management and the Board for deliberations.

2.0 Capital Management and Capital Adequacy *(continued)*

The Bank's regulatory capital is analysed in two tiers:

• Tier 1 capital, which includes ordinary share capital, retained earnings, statutory reserves and other regulatory adjustments relating to items that are included in equity but are treated differently for capital adequacy purpose.

• Tier 2 capital, which includes collective impairment allowances (excluding collective impairment allowances attributable to financing classified as impaired).

Capital adequacy ratios of the Bank are computed in accordance with BNM's RWCAF. The minimum regulatory capital adequacy requirement is 8% on the risk-weighted assets ("RWA"). The following information presents the capital adequacy ratios of the Bank and the breakdown of RWA:

(a) Capital Adequacy Ratio

Core Capital Ratio	71.40%
Risk-Weighted Capital Ratio	71.79%

(b) The breakdown of RWA by exposures in each major risk category under standardised approach are as follow:

					2010	
Risk type			**Gross Exposures RM'000**	**Net Exposures RM'000**	**Risk Weighted Assets RM'000**	**Capital Requirement RM'000**
Credit Risk						
On-Balance Sheet Exposures						
Sovereigns/Central Bank			173,896	173,896	-	-
Banks, Development Financial Institutions and MDBs			714,325	714,325	260,405	20,832
Corporates			120,626	120,626	60,138	4,811
Other assets			8,871	8,871	7,548	604
Total On-Balance Sheet Exposures			1,017,718	1,017,718	328,091	26,247
Off-Balance Sheet Exposures						
Credit-related off-balance sheet exposures			215,460	215,460	107,730	8,618
OTC derivatives			427	427	384	31
Total Off-Balance Sheet Exposures			215,887	215,887	108,114	8,649
Total On and Off-Balance Sheet Exposures			1,233,605	1,233,605	436,205	34,896
Large exposure risk requirement*			-	-	-	-
Market Risk	Long Position	Short Position				
Foreign currency risk	4,498	-		4,498	4,498	360
Operational Risk	-	-		-	24,781	1,982
Total RWA and Capital Requirements					465,484	37,238

Note:
MDBs - Multilateral Development Banks
OTC - Over the counter

**The Bank does not need to fulfill the capital requirement for Large Exposure Risk as there is no amount in excess of the lowest threshold arising from equity holdings as specified in the BNM's RWCAF.*

3.0 Capital Structure

The Tier 1 and Tier 2 Capital and capital base of the Bank are as follows:

	2010 RM'000
Tier 1 Capital	
Paid-up share capital	331,000
Retained earnings	1,059
Statutory reserves	1,060
	333,119
Less: Deferred tax assets	(766)
Total Tier 1 Capital (a)	332,353
Tier 2 Capital	
Collective assessment allowance	1,809
Total Tier 2 Capital (b)	1,809
Total Capital Base (a) + (b)	334,162

4.0 Risk Management Framework

The Bank's risk management policies are established to identify the risks faced by the Bank, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in the market condition, products and services offered. The Bank, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment, in which all employees understand their roles and obligations.

The Audit Committee is responsible for monitoring compliance with the Bank's risk management policies and procedures, and reviewing the adequacy of the risk management framework in relation to the risks faced by the Bank.

The Bank has exposure to the following risks from financial instruments:

• Credit risk
• Market risk
• Operational risk
• Liquidity risk.

5.0 Credit Risk

Credit risk is the risk of financial loss to the Bank if a customer or counterparty fails to meet its contractual obligations, and arises principally from the Bank's trade finance, direct financing, loans and advances to customers and other banks.

The Board of Directors has delegated responsibility for the oversight of credit risk to the Credit Committee. The Credit Committee is supervised by the Risk Management Committee. The functions of the Credit Committee include:

• Formulating and reviewing credit policies
• Setting underwriting standards
• Recommending approval on credit requests
• Monitoring and controlling exposures.

5.0 Credit Risk *(continued)*

The credit risk grading system employs a 12 risk grade system to ensure that the system captures the various levels of credit risk with the performing loans covering grades 1 to 4 and the impaired loans graded between 5 and 12, as illustrated below:

Loan Class	*Grade*
Pass	1 to 4
Special Mention	5, 6 and 7
Substandard	8 and 9
Doubtful	10 and 11
Loss	12

A collective impairment provision of 1.5% will be applied to all loans.

In the case of impaired loans (graded 5 to 12), individual impairment provision is made when required. If there is objective evidence that an impairment loss on loans has been incurred, the amount of the loss is measured as the difference between the loan asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the loan asset's original effective interest rate.

A loan is classified as impaired:-

(i) where the principal or interest or both is past due for more than 90 days or 3 months. In the case of revolving facilities (e.g. overdraft facilities), the facility shall be classified as impaired where the outstanding amount has remained in excess of the approved limit for a period of more than 90 days or 3 months; or

(ii) where the amount is past due or the outstanding amount has been in excess of the approved limit for 90 days or 3 months or less, the loan exhibits weaknesses that render a classification appropriate according to the Bank’s credit risk grading framework.

Where repayments are scheduled on intervals of 3 months or longer, the loan is classified as impaired as soon as a default occurs, unless it does not exhibit any weakness that would render it classified according to the Bank’s credit risk grading framework.

For rescheduled and restructured facilities, the account shall be classified as impaired in accordance with paragraph (i) and (ii) above based on the revised or restructured terms.

5.1 Distribution of Credit Exposures

The following tables present the credit exposures of financial assets broken down by relevant category and class against the relevant industry, geography and maturity. For on-balance sheet exposure, the maximum exposure to credit risk equals to their carrying amounts.

(i) Industry Analysis

The following table presents the credit exposures of financial assets of the Bank analysed by industrial distribution.

	As at 31 December 2010						
	Central Bank	Financial Services	Agriculture	Mining & Quarrying	Manufacturing	Others	Total
On-Balance Sheet exposures	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Cash and short-term funds	3,896	317,411	-	-	-	-	321,307
Deposits and placements with banks and other financial institutions	170,000	398,236	-	-	-	-	568,236
Loans, advances and financing	-	-	56,971	397	47	63,211	120,626
	173,896	715,647	56,971	397	47	63,211	1,010,169
Commitments and Contingencies							
Contingent liabilities	-	-	-	-	-	215,460	215,460
Commitments	-	53	-	-	374	-	427
	-	53	-	-	374	215,460	215,887
Total Credit Exposures	173,896	715,700	56,971	397	421	278,671	1,226,056

5.1 Distribution of Credit Exposures *(continued)*

(ii) Geographical Analysis

The following table presents the credit exposures of financial assets analysed by geographical distribution based on the geographical location where the credit risk resides.

	As at 31 December 2010		
	Malaysia	**China**	**Total**
On-Balance Sheet exposures	**RM'000**	**RM'000**	**RM'000**
Cash and short-term funds	297,627	23,680	321,307
Deposits and placements with banks and other financial institutions	65,200	503,036	568,236
Loans, advances and financing	57,414	63,212	120,626
	420,241	589,928	1,010,169
Commitments and Contingencies			
Contingent liabilities	139	215,321	215,460
Commitments	427	-	427
	566	215,321	215,887
Total Credit Exposures	420,807	805,249	1,226,056

5.1 Distribution of Credit Exposures *(continued)*

(iii) Maturity Analysis

The following table presents the residual contractual maturity for major types of gross credit exposures for on-balance sheet exposures of financial assets. Approximately 47% of the Bank's exposure has maturity of >3 months to 12 months, comprising mainly deposits and placements with banks and other financial institutions and contingent liabilities.

	As at 31 December 2010					
On-Balance Sheet exposures	**Up to 1 month RM'000**	**>1 - 3 months RM'000**	**>3 - 12 months RM'000**	**1 - 5 years RM'000**	**Over 5 years RM'000**	**Total RM'000**
Cash and short-term funds	321,307	-	-	-	-	321,307
Deposits and placements with banks and other financial institutions	-	135,180	433,056	-	-	568,236
Loans, advances and financing	38,591	57,367	-	24,668	-	120,626
	359,898	192,547	433,056	24,668	-	1,010,169
Commitments and Contingencies						
Contingent liabilities	197	-	142,110	25,792	47,361	215,460
Commitments	113	231	83	-	-	427
	310	231	142,193	25,792	47,361	215,887
Total Credit Exposures	360,208	192,778	575,249	50,460	47,361	1,226,056

5.1 Distribution of Credit Exposures *(continued)*

(iv) Collective impairment provision broken down by sector

The following table presents the collective impairment provision of loans, advances and financing of the Bank analysed by industrial distribution.

	As at 31 December 2010						
	Central Bank	Financial Services	Agriculture	Mining & Quarrying	Manufacturing	Others	Total
On-Balance Sheet exposures	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Loans, advances and financing	-	-	855	6	1	948	1,809
	-	-	855	6	1	948	1,809

(v) Collective impairment provision broken down by geographical

The following table presents the collective impairment provision of loans, advances and financing analysed by geographical distribution based on the geographical location where the credit risk resides.

	As at 31 December 2010		
	Malaysia	China	Total
On-Balance Sheet exposures	RM'000	RM'000	RM'000
Loans, advances and financing	861	948	1,809
	861	948	1,809

(vi) Movements in collective allowance for impairment on loans, advances and financing

	2010
	RM'000
At beginning of the financial period	-
Allowance made during the financial period	1,809
Allowance written back	-
At end of the financial period	1,809
As % of gross loans, advances and financing (net of individual allowance)	1.5%

5.2 Off-Balance Sheet Exposures and Counterparty Credit Risk

Off-balance sheet exposures of the Bank comprise bank guarantees and principal amount of derivative financial instruments.

Counterparty credit risk on derivative financial instruments is the risk that the Bank's counterparty in a foreign exchange contract defaults prior to maturity date of the contract and the Bank still has a claim on the counterparty at that time. The derivatives risks are mitigated through hedging, by taking a position in one market to offset and balance against the risk adopted by assuming a position in a contrary or opposing market.

For off-balance sheet exposures (e.g. forward foreign exchange), the counterparty is required to place a margin with the Bank. The Bank will square its positions by entering into offsetting trades with other financial institutions. The netting arrangements are in place to minimise the credit risk of its derivatives counterparties as the cash flows are netted on the settlement date.

5.2.1 Composition of Off-Balance Sheet Exposures

The off-balance sheet exposures and their related counterparty credit risk of the Bank as at reporting date is as follows:

	2010			
	Principal Amount RM'000	**Positive Value of Derivate Contracts RM'000**	**Credit Equivalent Amount RM'000**	**Risk Weighted Assets RM'000**
Credit-related exposures				
Transaction-related contingent items	430,919	-	215,460	107,730
Derivative financial contracts				
Foreign exchange related contracts:				
- less than one year	11,400	228	427	384
Total	442,319	228	215,887	108,114

5.3 Credit Risk Mitigation

The Bank takes prudent approach in granting credit facilities to customers. The main considerations in the credit assessment process are assessing customer's credit-worthiness, reliability of source of repayment and debt servicing ability. Credit Risk Mitigants (“CRM”) such as collateral and guarantee provide further comfort to the Bank’s exposures but these are deemed as the secondary safeguard measure. Depending on the credit standing of the customer, the Bank may provide facilities to customer on a clean basis.

As at reporting date, the types of collateral obtained to mitigate credit risks are in the form of cash deposits and bank guarantees. Prior to accepting the CRM, proper assessment on the aspect of legal enforceability and guarantor's credibility was undertaken to arrive at reasonable security coverage.

Proper legal documentations are in place to ensure that the Bank’s interests are protected and CRM are enforceable in the event of default by the customer. The value and status of CRM will be reviewed periodically (at least once a year), to ensure the Bank’s exposures are adequately covered.

5.3 Credit Risk Mitigation *(continued)*

The following table presents the credit exposures covered by guarantee (bank guarantees) and eligible financial collateral (fixed deposits) as at reporting date:

	2010		
Credit Risk	**Total Exposures before CRM RM'000**	**Total Exposures Covered by Guarantees RM'000**	**Total Exposures Covered by Eligible Financial Collateral RM'000**
On-Balance Sheet Exposures			
Sovereigns/Central Bank	173,896	-	-
Banks, Development Financial Institutions and MDBs	714,325	-	-
Corporates	120,626	120,229	397
Other assets	8,871	-	-
Total On-Balance Sheet Exposures	1,017,718	120,229	397
Off-Balance Sheet Exposures			
Credit-related off-balance sheet exposures	215,460	215,460	-
OTC derivatives	427	-	-
Total Off-Balance Sheet Exposures	215,887	215,460	-
Total On and Off-Balance Sheet Exposures	1,233,605	335,689	397

5.4 Assignment of Risk Weights for Portfolios under the Standardised Approach

The Bank refers to the credit ratings assigned by credit rating agencies in its calculation of credit-risk weighted assets. The following are the External Credit Assessment Institutions ("ECAI") ratings used by the Bank and are recognised by BNM in the RWCAF:

(a) Standard & Poor's Rating Services ("S & P")
(b) Moody's Investors Service ("Moody's")
(c) Fitch Ratings ("Fitch")
(d) RAM Rating Services Berhad ("RAM")
(e) Malaysian Rating Corporation Berhad ("MARC")
(f) Rating and Investment Information, Inc. ("R&I")

The ECAI ratings accorded to the following counterparty exposure classes are used in the calculation of risk-weighted assets for capital adequacy purposes:

(a) Sovereigns and Central Bank
(b) Banking institutions
(c) Corporate.

Note:
MDBs - Multilateral Development Banks
OTC - Over the counter

5.4 Assignment of Risk Weights for Portfolios under the Standardised Approach *(continued)*

Rated and Unrated Counterparties

The issue rating i.e. the rating specific to the credit exposure is used. If there is no specific rating available, the credit rating assigned to the issuer or counterparty of the particular credit exposure is used. In cases where an exposure has neither an issue or issuer rating, it is deemed as unrated.

Where a counterparty or an exposure is rated by more than one ECAI, all available external ratings of the counterparty will be captured and the following rules will be observed:

- Where 2 recognised external ratings are available, the lower rating is to be applied; or
- Where 3 or more recognised external ratings are available, the lower of the highest 2 ratings will be used for the capital adequacy calculation purposes.

In cases where the credit exposures are secured by guarantees issued by eligible or rated guarantors, the risk weights similar to that of the guarantor are assigned.

The following is a summary of the risk weights and rating categories used in assigning credit quality to each exposure under the Standardised Approach.

Sovereigns and Central Banks

Rating Category	S&P	Moody's	Fitch	R&I	Risk Weight
1	AAA to AA-	Aaa to Aa3	AAA to AA-	AAA to AA-	0%
2	A+ to A-	A1 to A3	A+ to A-	A+ to A-	20%
3	BBB+ to BBB-	Baa1 to Baa3	BBB+ to BBB-	BBB+ to BBB-	50%
4	BB+ to B-	Ba1 to B3	BB+ to B-	BB+ to B-	100%
5	CCC+ to D	Caa1 to C	CCC+ to D	CCC+ to C	150%
Unrated					100%

Banking Institutions

Rating Category	S&P	Moody's	Fitch	R&I	RAM	MARC	Risk weight
1	AAA to AA-	Aaa to Aa3	AAA to AA-	AAA to AA-	AAA to AA3	AAA to AA-	20%
2	A+ to A-	A1 to A3	A+ to A-	A+ to A-	A1 to A3	A+ to A-	50%
3	BBB+ to BBB-	Baa1 to Baa3	BBB+ to BBB-	BBB+ to BBB-	BBB1 to BBB3	BBB+ to BBB-	50%
4	BB+ to B-	Ba1 to B3	BB+ to B-	BB+ to B-	BB1 to B3	BB+ to B-	100%
5	CCC+ to D	Caa1 to C	CCC+ to D	CCC+ to C	C1 to D	C+ to D	150%
Unrated							50%

Banking Institutions

<table>
<tr><th>Rating Category</th><th>Risk weight (original maturity of ≤6 months)</th><th>Risk weight (original maturity of ≤3 months)</th></tr>
<tr><td>1</td><td>20%</td><td rowspan="6">20%</td></tr>
<tr><td>2</td><td>20%</td></tr>
<tr><td>3</td><td>20%</td></tr>
<tr><td>4</td><td>50%</td></tr>
<tr><td>5</td><td>150%</td></tr>
<tr><td>Unrated</td><td>20%</td></tr>
</table>

Corporate

Rating Category	S&P	Moody's	Fitch	R&I	RAM	MARC	Risk weight
1	AAA to AA-	Aaa to Aa3	AAA to AA-	AAA to AA-	AAA to AA3	AAA to AA-	20%
2	A+ to A-	A1 to A3	A+ to A-	A+ to A-	A1 to A3	A+ to A-	50%
3	BBB+ to BB-	Baa1 to Ba3	BBB+ to BB-	BBB+ to BB-	BBB1 to BB3	BBB+ to BB-	100%
4	B+ to D	B1 to C	B+ to D	B+ to D	B1 to D	B+ to D	150%
Unrated							100%

5.4.1 Rated Exposures As Per ECAIs

The following tables present the credit exposures, categorised according to the credit quality rating as at 31 December 2010:

	Ratings of Sovereigns and Central Bank					
	1	**2**	**3**	**4**	**5**	**Unrated**
	RM'000	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
On and Off-Balance Sheet Exposures						
Sovereigns and Central Bank	-	-	-	-	-	173,896

	Ratings of Banking Institutions					
	1	**2**	**3**	**4**	**5**	**Unrated**
	RM'000	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
On and Off-Balance Sheet Exposures						
Banks, MDBs and FDIs	-	667,025	47,290	-	-	10

	Ratings of Corporate				
	1	**2**	**3**	**4**	**Unrated**
	RM'000	**RM'000**	**RM'000**	**RM'000**	**RM'000**
On and Off-Balance Sheet Exposures					
Corporates	-	306,630	47	-	29,409

5.4.2 Assignment of Risk Weights for Portfolios under the Standardised Approach

The following table presents the breakdown of credit exposures by risk weights for the current financial period:

	Exposures after Netting and Credit Risk Mitigation					
2010	**Sovereigns & Central Bank**	**Banks, MDBs and DFIs**	**Corporates**	**Other assets**	**Total Exposures after Netting & Credit Risk Mitigation**	**Total Risk Weighted Assets**
Risk Weights	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
0%	173,896	-	397	1,324	175,617	-
20%	-	322,524	-	53	322,577	64,515
50%	-	391,801	335,642	-	727,443	363,722
75%	-	-	-	-	-	-
100%	-	-	47	7,921	7,968	7,968
150%	-	-	-	-	-	-
Total Exposures	173,896	714,325	336,086	9,298	1,233,605	436,205
Risk-Weighted Assets by Exposures	-	260,405	167,868	7,932	436,205	
Average Risk Weight	0.0%	36.5%	49.9%	85.3%	35.4%	
Deduction from Capital Base	-	-	-	-	-	

Note:

MDBs - Multilateral Development Banks

DFIs - Development Financial Institutions

6.0 Market Risk

Market risk is the risk that adverse movements in market prices (interest rate, exchange rate, stock price and commodity price) will give rise to losses from the Bank's on and off balance sheet exposures. The types of market risk faced by the Bank mainly include interest rate risk and exchange rate risk.

The Bank's market risk management is the process of identifying, measuring, monitoring, controlling and reporting market risk for the purposes of setting up and enhancing the market risk management system, specifying responsibilities and process, determining and standardising the measurement approaches, limit management indicators and market risk reports, controlling and mitigating market risk and improving the level of market risk management. The objective of market risk management is to manage and control market risk exposures within a tolerable level and maximise risk-adjusted return according to the Bank's risk preference.

As a newly established financial institution in the local banking industry, the Bank tries to minimise and preferably eliminate exposure to market risk. The Bank does not engage in any proprietary trading activities. All significant (>USD 100,000) exposures arising from normal banking activities (deposits, loans, foreign exchange, etc) are immediately hedged. It is impractical to hedge smaller transactions individually; therefore they are only hedged once the total accumulates to at least USD 100,000.

The minimum regulatory capital requirement on market risk exposures for the financial period is disclosed in note 2.0 (b).

7.0 Operational Risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Bank's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risk.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management within each deparment. The responsibility is supported by the development of an overall Bank standard for the management of operational risk in the following areas:

- requirement for appropriate segregation of duties, including the independent authorisation of transactions
- requirements for the reconciliation and monitoring of transactions
- compliance with regulatory and other legal requirements
- documentation of controls and procedures
- development of contingency plans
- training and professional development
- ethical and business standards
- risk mitigation, including insurance where this is effective.

The minimum regulatory capital requirement on operational risk exposures for the financial period is disclosed in note 2.0 (b).

8.0 Liquidity Risk

Liquidity risks are the risks when the Bank fails to raise funds to meet the present or future demand of customers or counterparties at a reasonable cost. The potential liquidity risks of the Bank mainly include customers' premature and collective withdrawal, overdue payment of the debtors, mismatched asset-liability maturity structure and difficulties in realisation of assets, and daily management of its liquidity positions.

The management of liquidity and funding is mainly carried out in compliance with BNM's New Liquidity Framework; and practices and limits set by ICBC Group, and the Asset and Liability Committee (ALCO). The Bank maintains a strong liquidity position and constantly manages the liquidity profile of its assets, liabilities and commitments to ensure that cash flow requirements are appropriately balanced and all obligations are met accordingly.

As a new presence in the Malaysian banking industry, it is imperative for the Bank to continuously seek and maintain new sources of funding to increase and diversify its funding base.