Basel Committee
on Banking Supervision

Instructions for Basel III monitoring

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Contents

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Instructions for Basel III monitoring

1. Introduction

The Basel Committee on Banking Supervision ("the Committee")[1] is monitoring the impact of *Basel III: A global regulatory framework for more resilient banks and banking systems* ("the Basel III standards"), the *Basel III leverage ratio framework and disclosure requirements* ("the Basel III leverage ratio framework"), *Basel III: The Liquidity Coverage Ratio and liquidity risk monitoring tools* ("the Basel III LCR standards") and *Basel III: The Net Stable Funding Ratio – Consultative Document* ("Basel III NSFR standards")[2] on participating banks. The exercise will be repeated semi-annually with end-December and end-June reporting dates.

In addition to these recurring items, worksheets have been added to collect data on partial use and for two ongoing policy initiatives of the Committee, the fundamental review of the trading book conducted by the Committee's Trading Book Group[3] and the Committee's Task Force on Interest Rate Risk in the Banking Book.

The Committee will treat all individual bank data collected in this exercise strictly confidential and will not attribute them to individual banks.

The descriptions of data items in these instructions intend to facilitate the completion of the monitoring questionnaire and are not to be construed as an official interpretation of other documents published by the Committee.

This version of the instructions refers to versions 2.7.x of the reporting template which should be used for the 31 December 2013 reporting date. Changes compared to the previous version of the reporting template are highlighted in the Annex.

The remainder of this document is organised as follows. Section 2 discusses general issues such as the scope of the exercise, the process and the overall structure of the quantitative questionnaire. Sections 4 to 7 discuss the worksheets for data collection on the definition of capital, the leverage ratio, liquidity and partial use, respectively. Section 8 presents the new worksheets for collecting data for the Committee's fundamental review of the trading book while Section 9 details the worksheet on interest rate risk in the banking book.

[1] The Basel Committee on Banking Supervision is a committee of banking supervisory authorities which was established by the central bank Governors of the Group of Ten countries in 1975. It consists of senior representatives of bank supervisory authorities and central banks from Argentina, Australia, Belgium, Brazil, Canada, China, France, Germany, Hong Kong SAR, India, Indonesia, Italy, Japan, Korea, Luxembourg, Mexico, the Netherlands, Russia, Saudi Arabia, Singapore, South Africa, Spain, Sweden, Switzerland, Turkey, the United Kingdom and the United States. It usually meets at the Bank for International Settlements (BIS) in Basel, Switzerland, where its permanent Secretariat is located.

[2] Basel Committee on Banking Supervision, *Basel III: A global regulatory framework for more resilient banks and banking systems (revised June 2011)*, June 2011 (www.bis.org/publ/bcbs189.pdf); Basel Committee on Banking Supervision, *Basel III leverage ratio framework and disclosure requirements*, January 2014 (www.bis.org/publ/bcbs270.htm); Basel Committee on Banking Supervision, *Basel III: The Liquidity Coverage Ratio and liquidity risk monitoring tools*, January 2013 (www.bis.org/publ/bcbs238.pdf); Basel Committee on Banking Supervision, *Basel III: The Net Stable Funding Ratio – Consultative Document,* January 2014 (www.bis.org/publ/bcbs271.pdf).

[3] Basel Committee on Banking Supervision, *Fundamental review of the trading book – second consultative document*, October 2013 (www.bis.org/publ/bcbs265.pdf).

2. General

2.1 Scope of the exercise

Participation in the monitoring exercise is voluntary. The Committee expects both large internationally active banks and smaller institutions to participate in the study, as all of them will be materially affected by some or all of the revisions of the various standards. Where applicable and unless noted otherwise, data should be reported for consolidated[4] groups.

The monitoring exercise is targeted at both banks under the Basel II/III frameworks and at those still subject to Basel I.[5] However, as outlined in the remainder of these instructions some parts of the questionnaire are only relevant for banks subject to Basel II or to banks applying a particular approach. If **Basel I** figures are used, they should be calculated based on the **national implementation**, referred to as "Basel I" in this document. In some countries supervisors may have implemented additional rules beyond the 1988 Accord or may have made modifications to the Accord in their national implementation, and these should be considered in the calculation of "Basel I" capital requirements for the purposes of this exercise. If a bank has implemented **Basel II** at a particular reporting date, it should calculate capital requirements based on the **national implementation** of the Basel II framework, referred to as "Basel II" in this document. **Unless stated otherwise**, the changes to the risk-weighted asset calculation of the Basel II framework introduced in 2009 which are collectively referred to as "Basel 2.5" (*Revisions to the Basel II market risk framework*[6] ("the Revisions") and *Enhancements to the Basel II framework*[7] ("the Enhancements")) and through the Basel III framework should only be reflected if they are part of the applicable regulatory framework at the reporting date.

When providing data on Basel III, banks should also take into account the frequently asked questions on capital and counterparty risk published by the Committee.[8]

This data collection exercise should be completed on a best-efforts basis. Ideally, banks should include all their assets in this exercise. However, due to data limitations, inclusion of some assets (for example the portfolio of a minor subsidiary) may turn out to be an unsurpassable hurdle. In these cases, banks should consult their relevant national supervisor to determine how to proceed.

2.2 Filling in the data

The Basel III monitoring workbook available for download on the Committee's website is for information purposes only. While the structure of the workbooks used for the Basel III monitoring exercise is the

[4] This refers to the consolidation for regulatory rather than accounting purposes.

[5] Basel Committee on Banking Supervision, *International convergence of capital measurement and capital standards (updated to April 1998)*, 1998 (www.bis.org/publ/bcbsc111.pdf).

[6] Basel Committee on Banking Supervision, *Revisions to the Basel II market risk framework - updated as of 31 December 2010*, February 2011 (www.bis.org/publ/bcbs193.pdf).

[7] Basel Committee on Banking Supervision, *Enhancements to the Basel II framework*, July 2009 (www.bis.org/publ/bcbs157.htm).

[8] Basel Committee on Banking Supervision, *Basel III definition of capital – Frequently asked questions*, December 2011 (www.bis.org/publ/bcbs211.pdf); Basel Committee on Banking Supervision, *Basel III counterparty credit risk – Frequently asked questions*, December 2012 (www.bis.org/publ/bcbs237.pdf).

same in all participating countries, **it is important that banks only use the workbook obtained from their respective national supervisory agency to submit their returns**. Only these workbooks are adjusted to reflect the particularities of the regulatory frameworks in participating countries. National supervisory agencies may also provide additional instructions if deemed necessary.

Data should only be entered in the yellow and green shaded cells. There are also some pink cells which will be completed by the relevant national supervisory agency. **It is important to note that any modification to the worksheets might render the workbook unusable both for the validation of the final results and the subsequent aggregation process.**

Cell colours used in the Basel III monitoring reporting template

Colour	Worksheet	Content
Yellow	All	Input cell.
Green	General Info, Partial use	To be completed if requested by the national supervisor.
	Leverage Ratio	Additional information needed to monitor the leverage ratio and its components during the transition period, in accordance with the transitional arrangements set out in paragraphs 165 to 167 of the Basel III standards. Banks are encouraged to fill in green cells on a best-efforts basis as well.
	LCR, NSFR	To be completed if requested by the national supervisor in light of national discretion choices.
	TBHPE	Not applicable.
	IRRBB, CSRBB	To be completed if requested by the national supervisor in light of national discretion choices.
Pink	All	To be completed by the supervisor.
White, orange	All	Calculation result. Must not be changed.

Where information is not available, the corresponding cell should be left empty. No text such as "na" should be entered in these cells. However, leaving a cell empty could trigger exclusion from some or all of the analyses if the respective item is required, ie it should be aimed at providing data for **all yellow** cells. The automated calculations in the workbook indicate whether or not a certain item can be calculated using the data provided. The national supervisor will provide guidance on which of the **green** cells should be filled in by a particular bank.

Data can be reported in the most convenient currency. The currency which has been used should be recorded in the "General Info" worksheet. Supervisors will provide the relevant exchange rate for converting the reporting currency to euros. If 1,000 or 1,000,000 currency units are used for reporting, this should also be indicated in this worksheet. When choosing the reporting unit, it should be considered that the worksheet shows all amounts as integers. The same currency and unit should be used for all amounts throughout the workbook, irrespective of the currency of the underlying exposures.

Percentages should be reported as decimals and will be converted to percentages automatically. For example, 1% should be entered as 0.01.[9]

Banks using the Basel II internal ratings-based (IRB) approaches should, where applicable, report risk-weighted assets after applying the scaling factor of 1.06 to credit risk-weighted assets.

The reporting template includes checks in several of the worksheets. If one of these checks shows “No” or “Fail”, please refer to the explanatory text and the formula in the check cell and correct the input data to which the check refers. An overview of the results of all checks is provided on the “Checks” worksheet.

The Committee is aware that some banks might not yet have implemented some of the models and processes required for the calculations. In such cases banks may provide quantitative data on a “best-efforts” basis. In case of doubt, they should discuss with the relevant national supervisor how to proceed. Where the approach used for the Basel III monitoring differs materially from the final implementation, this should be explained in a separate note.

Unless noted otherwise, banks should only report data for the approach they are currently using or are intending to use. Except for some instances on the “General Info” worksheet, cells provided for various approaches are in general intended to facilitate partial use and do **not** require banks to conduct alternative calculations for the same set of exposures.

2.3 Process

The Basel Committee or its Secretariat will not collect any data directly from banks. Therefore, banks in participating countries should contact their supervisory agency to discuss how the completed workbooks should be submitted. National supervisors will forward the relevant data to the Secretariat of the Basel Committee where individual bank data will be treated strictly confidential and will not be attributed to individual banks.

Similarly, banks should direct all questions related to this study, the related rules, standards and consultative documents to their national supervisory agencies. Where necessary, they will coordinate their responses through the Secretariat of the Basel Committee to provide responses that are consistent across countries. A document with responses to frequently asked questions will be maintained on the Basel Committee’s website.[10]

Banks should specify any instance where they had to deviate from the instructions provided in an additional document.

2.4 Reporting date

If possible, and unless the national supervisor has provided different guidance, generally all data should be reported as of end-December or end-June, as applicable. If data availability does not allow a bank to

9 Depending on the regional options of the operating system used, it might be necessary to use a different decimal symbol. It might also be necessary to switch off the option “Enable automatic percent entry” in the Tools/Options/Edit dialog of Excel if percentages cannot be entered correctly.

10 www.bis.org/bcbs/qis/.

use these reporting dates or if the financial year differs from the calendar year, suitable alternatives should be discussed with the relevant national supervisor.

2.5 Structure of the Excel questionnaire

The Excel workbook consists of 11 worksheets. All banks participating in the impact study should generally complete them. Some banks may be directed by their supervisor to complete only the capital-related part or only the liquidity-related part of the workbook. Finally, the "Checks" worksheet provides an overview of all the checks included on the other worksheets. The worksheets requiring data input are the following:

- The worksheet "General Info" is intended to capture **general information** regarding the bank, eligible capital and deductions, capital distribution data, overall capital requirements and actual capital ratios. Except for some additional information on operational risk and the transitional floors which should only be filled in by banks subject to the Basel II framework, this worksheet should be completed by all banks.
- The "DefCapB3" worksheet is related to the **definition of capital**. It captures more detailed information on the Basel III definition of capital and its impact on risk-weighted assets. The "DefCapB3-MI" worksheet helps banks with the calculation of regulatory adjustments for minority interest which is an input required on the "DefCapB3" worksheet.
- The **leverage ratio** worksheet ("Leverage Ratio") captures data necessary for the calculation of the leverage ratio.
- The **liquidity** worksheets ("LCR" and "NSFR") are intended to capture key data regarding the liquidity coverage ratio and net stable funding ratio measures.
- The "Partial use" worksheet aims at collecting information to further investigate the features of exposures of banks using the IRB approaches which remain under **partial use** of the standardised approach (or which are not covered by the IRB approach). This worksheet should only be completed by IRB qualifying banks and aims at improving the quality of the data provided in the end-June 2013 data collection exercise.
- The worksheet "TBHPE" collects data on the hypothetical portolio exercise in the context of the fundamental review of the trading book. **The worksheet should only be filled in by banks which already use the internal models approach to market risk.**
- Two additional worksheets are analysing the potential impact of a framework for measuring interest rate risk in the banking book on participating banks. The worksheet "IRRBB" is intended to capture the term structure of cash flows for banking book positions, the undiscounted cash flows for non-maturity deposits and the structure of sold financial interest rate options in the banking book. The worksheet "CSRBB" is intended to capture the structure of banking book exposures with regard to various categorical variables. **Banks should clarify with their national supervisors which panels of the two worksheets they should fill in.**

3. General information

The "General Info" worksheet gathers basic information that is needed to process and interpret the survey results. Banks only providing liquidity-related data are only required to fill in panels A and B.

3.1 General bank data (panel A)

Panel A of the “General Info” worksheet deals with bank and reporting data conventions.

Row	Column	Heading	Description
A1)	**Reporting data**		
5	C	Country code	Leave blank
6	C	Region code	Leave blank
7	C	Bank number	Leave blank
8	C	CMG-relevant	Leave blank
9	C	Bank is a single legal entity	Leave blank
10	C	Bank is a subsidiary of a banking group	Leave blank
11	C	Bank is a subsidiary with a non-EU parent (EU only)	Leave blank
12	C	Bank type	Leave blank
13	C	Bank group	Leave blank
14	C	Bank type (numeric)	Leave blank
15	C	G-SIB surcharge	Leave blank
16	C	Domestic surcharges, CET1 capital	Leave blank
17	C	Domestic surcharges, Tier 1 capital	Leave blank
18	C	Domestic surcharges, total capital	Leave blank
19	C	Conversion rate (in euros/reporting currency)	Leave blank
20	C	Submission date (yyyy-mm-dd)	Leave blank
21	C	Use capital data	Leave blank
22	C	Comparable to the previous period	Leave blank
23	C	Use Leverage ratio data	Leave blank
24	C	Comparable to the previous period	Leave blank
25	C	Use LCR data	Leave blank
26	C	Comparable to the previous period	Leave blank
27	C	Use NSFR data	Leave blank
28	C	Comparable to the previous period	Leave blank
29	C	Use partial use data	Leave blank
30	C	Comparable to the previous period	Leave blank
31	C	Use trading book data	Leave blank
32	C	Comparable to the previous period	Leave blank
33	C	Use IRRBB data	Leave blank

Row	Column	Heading	Description
34	C	Comparable to the previous period	Leave blank
35	C	Use CSRBB data	Leave blank
36	C	Comparable to the previous period	Leave blank
37	C	Reporting date (yyyy-mm-dd)	Date as of which all data are reported in worksheets.
38	C	Reporting currency (ISO code)	**Three-character** ISO code of the currency in which all data are reported (eg USD, EUR).
39	C	Unit (1, 1000, 1000000)	Units (single currency units, thousands, millions) in which results are reported.
40	C	Accounting standard	Indicate the accounting standard used.
A2)	**Approaches to credit risk**		
Banks using more than one approach to calculate risk-weighted assets for credit risk should select **all** those approaches in rows 33 to 36. However, if a bank uses the foundation IRB approach for all non-retail portfolios subject to the PD/LGD approach and the IRB approach to retail for the retail portfolio, "foundation IRB" should be selected as the only IRB approach (and additionally Basel I or the standardised approach if applicable). If an IRB bank has only a retail portfolio and no other exposures subject to a PD/LGD approach, then "advanced IRB" should be selected as the only IRB approach (and additionally Basel I or the standardised approach if applicable).			
43	C	Basel I	Indicate whether Basel I is used to calculate capital requirements for a portion of the exposures reported in this study.
44	C	Basel II/III standardised approach	Indicate whether the standardised approach of Basel II or III is used to calculate capital requirements for a portion of the exposures reported in this study.
45	C	Basel II/III FIRB approach	Indicate whether the foundation IRB approach of Basel II or III is used to calculate capital requirements for a portion of the exposures reported in this study.
46	C	Basel II/III AIRB approach	Indicate whether the advanced IRB approach of Basel II or III is used to calculate capital requirements for a portion of the exposures reported in this study.
A3)	**Accounting information**		
49	C	Accounting total assets	Total assets following the relevant accounting balance sheet (considering the regulatory consolidation).

3.2 Current capital and capital according to the national implementation of Basel III (panel B)

Panel B of the "General Info" worksheet deals with information on eligible capital and deductions. While the relevant amounts under the 2022 Basel III standards are calculated automatically based on input on the "DefCapB3" worksheet, banks should enter the capital amounts eligible at the reporting date in column C according to the national implementation of the Basel standards. This calculation should be conducted in the same way as the calculation of eligible capital for solvency reporting to the national supervisory agency at the reporting date.

The regulatory adjustments should be assigned to the tier of capital **from which they are actually taken**. For example, if a bank has not enough additional Tier 2 capital to make all those regulatory adjustments which can be made to Tier 2 capital, the adjustment should be reported as an adjustment to the relevant higher tier of capital.

Row	Column	Heading	Description
Total Common Equity Tier 1 capital For reporting dates on which the bank is not yet subject to Basel III, those elements of Tier 1 capital which are **not** subject to a limit under the national implementation of Basel I or Basel II should be reported in column C of these rows.			
58	C	Prior to regulatory adjustments, national rules as at reporting date	Amount of gross Common Equity Tier 1 capital. This line should not include any regulatory adjustments.
59	C	Regulatory adjustments, national rules as at reporting date	Enter all regulatory adjustments to Common Equity Tier 1 capital elements. Banks should generally **not** report regulatory adjustments in this row that are applied to total Tier 1 capital as these should generally be reported in row 62. The only exception to this is in cases where the deductions in row 62 would otherwise exceed the Additional Tier 1 instruments reported in row 61.
Additional Tier 1 capital For reporting dates on which the bank is not yet subject to Basel III, those elements of Tier 1 capital which are subject to a limit under the national implementation of Basel I or Basel II (eg hybrid capital) should be reported in column C of these rows.			
61	C	Prior to regulatory adjustments, national rules as at reporting date	Enter the amount of gross Additional Tier 1 capital. This line should not include any regulatory adjustments.
62	C	Regulatory adjustments, national rules as at reporting date	Enter all regulatory adjustments to Additional Tier 1 capital elements. If the sum of the regulatory adjustments exceeds the amount reported in row 61 the excess should be reported in row 59 (ie the regulatory adjustments reported in row 62 must not exceed the capital reported in row 61).
Tier 2 capital			
66	C	Prior to regulatory adjustments, national rules as at reporting date	Enter the amount of gross Tier 2 capital. This line should not include any regulatory adjustments.
67	C	Regulatory adjustments, national rules as at reporting date	Enter all regulatory adjustments to Tier 2 capital elements and to total capital elements. If the sum of the regulatory adjustments exceeds the amount reported in row 66 the excess should be reported in row 62 (ie the regulatory adjustments reported in row 67 must not exceed the capital reported in row 66).
Tier 3 capital			
69	C	Tier 3 capital	Enter the amount of Tier 3 capital. For banks which are subject to Basel III at the reporting date, this cell should be 0.

3.3 Capital distribution data (panel C)

Panel C of the "General Info" worksheet deals with data on banks' income, capital distributions and capital raised. All data should be provided for the six-month period ending on the reporting date. Distributions should be reported in the period in which they are recognised on the balance sheet.

Row	Column	Heading	Description
Income			
76	C	Profit after tax	Enter the total amount of profit (loss) after tax. This should include profits attributable to minority shareholders.

Row	Column	Heading	Description
77	C	Profit after tax prior to the deduction of relevant (ie expensed) distributions below	Enter the total amount of profit (loss) after tax including profits attributable to minority shareholders, but prior to the relevant distributions listed in the section below. The **relevant** distributions are only those which were included in the income statement in such a way as to reduce profit after tax as set out in row 76 (ie items that were expensed), and thus the relevant distributions are not necessarily the sum of the items listed below. The line seeks to collect the profit after tax which would have been reported had none of the distributions listed below been paid. As such any tax impact of making such payments should also be reversed in this line.
Distributions			
79	C	Common share dividends	Enter the total common share dividend payments. The amount entered should be the amount paid in cash, not stock.
80	C	Other coupon/dividend payments on Tier 1 instruments	Enter the total coupon/dividend payments paid to other Tier 1 instruments. The amount entered should be the amount paid in cash, not stock. It should include both amounts which were reported in the income statement as an interest expense and amounts which were reported as a distribution of profits.
81	C	Common stock share buybacks	Enter the total common stock share buybacks (effective amounts).
82	C	Other Tier 1 buyback or repayment (gross)	Enter the total gross buyback or repayment of other Tier 1 instruments (effective amounts).
83	C	Discretionary staff compensation/bonuses	Enter the total amount of discretionary staff bonuses and other discretionary staff compensation. These amounts should be included if and when they result in a reduction of Tier 1 capital. For purposes of the Basel III monitoring exercise, discretionary staff bonuses and other discretionary compensation include all variable compensation to staff that the bank is not contractually obliged to make. Banks should only include such amounts if they result in a reduction in Tier 1 capital or would have resulted in an increase in Tier 1 capital if they had not been made. For example, under US GAAP, a bank is required to classify as a liability certain shares that give employees the right to require their employer to repurchase shares in exchange for cash equal to the fair value of the shares. As such discretionary compensation results in a reduction in GAAP equity and consequently Tier 1 capital, it would be included in row 83 of the "General Info" worksheet. Similarly, discretionary compensation made out of retained net income would have resulted in an increase in Tier 1 capital if it had not been made and therefore should also be included in row 83. By contrast, compensation to employees in the form of newly issued shares may in certain circumstances result in an increase in the number of outstanding shares with no change in GAAP equity and consequently no reduction in Tier 1 capital. These amounts should not be included in row 83 of the "General Info" worksheet.
84	C	Tier 2 buyback or repayment (gross)	Enter the total gross buyback or repayment of Tier 2 instruments (effective amounts).

Row	Column	Heading	Description
Capital raised (gross) Since these are cells to report newly issued capital amounts, the amounts of capital raised must always be positive or zero. Banks should apply the Basel III definition of capital in all reporting periods. **Even if Basel III is not yet in force in a jurisdiction at the reporting date, all amounts in rows 86 to 88 should be reported based on Basel III definitions, including the 13 January 2011 press release on loss absorbency at the point of non-viability.** **Profit retention should not be included in the amounts of capital raised reported in this panel.**			
86	C	CET1	Enter the total gross Common Equity Tier 1 capital issued.
87	C	Additional Tier 1	Enter the total gross Additional Tier 1 capital issued.
88	C	Tier 2	Enter the total gross Tier 2 capital issued.

3.4 Overall capital requirements and actual capital ratios (panel D)

Panel D of the "General Info" worksheet deals with overall capital requirements and actual capital ratios. **The green cells in this panel should only be filled in by banks that have been asked to do so by their supervisor.**

Row	Column	Heading	Description
D1)	**Data for all banks**		
a)	**Credit risk (including CCR and non-trading credit risk)**		
In panel D1a, banks have to report in column C risk-weighted assets for their exposures subject to the Basel I credit risk framework, in column D risk-weighted assets from the Basel II/III standardised approach to credit risk and in column E risk-weighted assets from the foundation or advanced internal ratings-based approach. The columns for all approaches a bank is using according to the information provided in rows 43 to 46 above must be filled in completely. For example, a bank using the IRB approach and partial use of the standardised approach must fill in both columns D and E. If a bank does not have a particular portfolio, risk-weighted assets should be reported as 0. **The sets of exposures for which RWA are reported in columns C, D and E must be mutually exclusive.** Exposures subject to the slotting criteria approach for specialised lending, settlement risk exposures (to the extent assigned to the banking book) and all other exposures subject to a fixed risk weight rather than a PD/LGD treatment (except for equity exposures where the simple risk weight approach is used and exposures reported under "other assets") should be treated as if they were subject to the standardised approach. If any such exposures exist, zeroes must be reported in all unused cells in column D of panel D1a. Risk-weighted assets under the Basel 2.5/Basel III frameworks are requested in columns F (standardised approach) and G (IRB approach) except for banks which are solely subject to Basel I. For banks which have been asked by their supervisors to provide data in the green cells, risk-weighted assets reported in columns F and G must refer to the same set of exposures for which risk-weighted assets have been calculated in columns C to E. For all other banks they should refer to the same set of exposures for which risk-weighted assets have been calculated in the relevant category of the regulatory reporting system. This also applies to the rows asking for counterparty credit risk exposures specifically, although the exposure amount as such could increase from reporting date to Basel III if the Basel III CCR standards are not yet applied at the reporting date. RWA under Basel 2.5 and Basel III should reflect in particular the following changes: • **The increased asset value correlation for exposures to financial institutions subject to the IRB approach (see paragraph 102 of the Basel III document).** • **The impact of changes to the default risk capital charge for CCR.** Risk-weighted assets should reflect the 1.06 scaling factor to IRB credit risk-weighted assets where relevant and, unless noted otherwise, be calculated using the standards in place at the reporting date. Exposure amounts should reflect all credit risk mitigation if any.			

Row	Column	Heading	Description
100	C–G	Corporate (not including receivables); Counterparty credit risk exposures (not including CVA charges or charges for exposures to CCPs)	Overall risk-weighted assets for corporate (not including receivables) counterparty credit risk exposures, not including CVA capital charges or exposures to CCPs, after applying the 1.06 scaling factor to IRB credit risk-weighted assets. For columns F and G only, risk-weighted assets reported should reflect the impact of changes to the default risk capital charge for CCR. For column G only, this should also include the increased asset value correlation for exposures to financial institutions (see paragraph 102 of the Basel III document). If risk-weighted assets for counterparty credit risk cannot be reported separately, this row should be left **empty** and the risk-weighted assets should be included in the "Other exposures" row below.
100	H–J	Corporate (not including receivables); Counterparty credit risk exposures (not including CVA charges or charges for exposures to CCPs)	Of the **exposure amount** for which risk-weighted assets are reported in columns F and G of this row, the amount which is subject to the CEM (column H), the standardised method (column I) and the IMM (column J). Banks should report only the columns for the approach(es) which they plan to use after Basel III implementation and report zero in all other columns.
101	D–E	Corporate (not including receivables); Specialised lending exposures	Overall risk-weighted assets for specialised lending exposures. Exposures subject to the slotting criteria approach for specialised lending should be treated as if they were subject to the standardised approach and, therefore, be included in column D. Non-IRB banks should enter 0.
102	C–G	Corporate (not including receivables); Other exposures	Overall risk-weighted assets for other corporate exposures (not including receivables), after applying the 1.06 scaling factor to IRB credit risk-weighted assets. For columns F and G only, risk-weighted assets reported should reflect the impact of changes to the default risk capital charge for CCR if such amounts are not reported in row 100 columns F and G. For column G only, this should also include the increased asset value correlation for exposures to financial institutions (see paragraph 102 of the Basel III document).
104	C–G	Sovereign; Counterparty credit risk exposures (not including CVA charges or charges for exposures to CCPs)	Overall risk-weighted assets for sovereign counterparty credit risk exposures, not including CVA capital charges or exposures to CCPs, after applying the 1.06 scaling factor to IRB credit risk-weighted assets. For columns F and G only, risk-weighted assets reported should reflect the impact of changes to the default risk capital charge for CCR. If risk-weighted assets for counterparty credit risk cannot be reported separately, this row should be left **empty** and the risk-weighted assets should be included in the "Other exposures" row below.
104	H–J	Sovereign; Counterparty credit risk exposures (not including CVA charges or charges for exposures to CCPs)	Of the **exposure amount** for which risk-weighted assets are reported in columns F and G of this row, the amount which is subject to the CEM (column H), the standardised method (column I) and the IMM (column J). Banks should report only the columns for the approach(es) which they plan to use after Basel III implementation and report zero in all other columns.
105	C–G	Sovereign; Other exposures	Overall risk-weighted assets for other sovereign exposures, after applying the 1.06 scaling factor to IRB credit risk-weighted assets. For columns F and G only, risk-weighted assets reported should reflect the impact of changes to the default risk capital charge for CCR if such amounts are not reported in row 104 columns F and G.

Row	Column	Heading	Description
107	C–G	Bank; Counterparty credit risk exposures (not including CVA charges or charges for exposures to CCPs)	Overall risk-weighted assets for bank counterparty credit risk exposures, not including CVA capital charges or exposures to CCPs, after applying the 1.06 scaling factor to IRB credit risk-weighted assets. For columns F and G only, risk-weighted assets reported should reflect the impact of changes to the default risk capital charge for CCR. For column G only, this should also include the increased asset value correlation for exposures to financial institutions (see paragraph 102 of the Basel III document). If risk-weighted assets for counterparty credit risk cannot be reported separately, this row should be left **empty** and the risk-weighted assets should be included in the "Other exposures" row below.
107	H–J	Bank; Counterparty credit risk exposures (not including CVA charges or charges for exposures to CCPs)	Of the **exposure amount** for which risk-weighted assets are reported in columns F and G of this row, the amount which is subject to the CEM (column H), the standardised method (column I) and the IMM (column J). Banks should report only the columns for the approach(es) which they plan to use after Basel III implementation and report zero in all other columns.
108	C–G	Bank; Other exposures	Overall risk-weighted assets for other bank exposures, after applying the 1.06 scaling factor to IRB credit risk-weighted assets. For columns F and G only, risk-weighted assets reported should reflect the impact of changes to the default risk capital charge for CCR if such amounts are not reported in row 107 columns F and G. For column G only, this should also include the increased asset value correlation for exposures to financial institutions (see paragraph 102 of the Basel III document).
110	C–G	Retail; Counterparty credit risk exposures (not including CVA charges or charges for exposures to CCPs)	Overall risk-weighted assets for retail counterparty credit risk exposures, not including CVA capital charges or exposures to CCPs, after applying the 1.06 scaling factor to IRB credit risk-weighted assets. For columns F and G only, risk-weighted assets reported should reflect the impact of changes to the default risk capital charge for CCR. If risk-weighted assets for counterparty credit risk cannot be reported separately, this row should be left **empty** and the risk-weighted assets should be included in the "Other exposures" row below.
110	H–J	Retail; Counterparty credit risk exposures (not including CVA charges or charges for exposures to CCPs)	Of the **exposure amount** for which risk-weighted assets are reported in columns F and G of this row, the amount which is subject to the CEM (column H), the standardised method (column I) and the IMM (column J). Banks should report only the columns for the approach(es) which they plan to use after Basel III implementation and report zero in all other columns.
111	C–G	Retail; Other exposures	Overall risk-weighted assets for other retail exposures, after applying the 1.06 scaling factor to IRB credit risk-weighted assets. For columns F and G only, risk-weighted assets reported should reflect the impact of changes to the default risk capital charge for CCR if such amounts are not reported in row 110 columns F and G.
112	C–E, G	Equity	Overall risk-weighted assets for equity exposures, where relevant after applying the 1.06 scaling factor to IRB credit risk-weighted assets. For column G only, this should also include the increased asset value correlation for exposures to financial institutions (see paragraph 102 of the Basel III document).

Row	Column	Heading	Description
113	C–E, G	Purchased receivables	Overall risk-weighted assets for purchased receivables. For column G only, this should also include the increased asset value correlation for exposures to financial institutions (see paragraph 102 of the Basel III document).
114	C–E	Securitisations	Overall risk-weighted assets for securitisations, where relevant after applying the 1.06 scaling factor to IRB credit risk-weighted assets.
114	F–G	Securitisations	Overall risk-weighted assets for securitisations as if the Enhancements were already in place, where relevant after applying the 1.06 scaling factor to IRB credit risk-weighted assets, and separately for exposures subject to the standardised and IRB approaches. **Securitisation exposures for which Basel 2.5 introduces a deduction treatment should be entered with a 1250% risk weight as the deduction treatment will only be in place for a very short timeframe until Basel III replaces it by a 1250% risk weight.**
115	C–E	Related entities	Overall risk-weighted assets for related entities.
116	C–E	Funds/collective investment schemes	Overall risk-weighted assets for funds/collective investment schemes.
117	C–E	Other assets	Overall risk-weighted assets for other assets.
118	D	Partial use (if not assigned to a portfolio)	Overall risk-weighted assets for exposures subject to partial use of the standardised approach to credit risk if they are not assigned to a portfolio. Wherever possible, banks should report those exposures in one of the rows for a particular portfolio rather than in this row.
119	C–G	Trading book counterparty credit risk (if not included above)	Overall risk-weighted assets for counterparty credit risk exposures in the trading book if the bank is not able to include them in the portfolio of the counterparty as specified above. For columns F and G only, risk-weighted assets reported should reflect the impact of changes to the default risk capital charge for CCR. For column G only, this should also include the increased asset value correlation for exposures to financial institutions (see paragraph 102 of the Basel III document).
119	H–J	Trading book counterparty credit risk (if not included above)	Of the **exposure amount** for which risk-weighted assets are reported in columns F and G of this row, the amount which is subject to the CEM (column H), the standardised method (column I) and the IMM (column J). Banks should report only the columns for the approach(es) which they plan to use after Basel III implementation and report zero in all other columns.
120	C–E	Credit risk-weighted assets which the bank is unable to assign to one of the above categories	If a bank is unable to assign credit risk-weighted assets to one of the above categories even on a best-efforts basis, they should be reported in this row.
127	C	Trade exposures (including client cleared trades); RWA	This includes any risk-weighted assets for trade exposures under Method 1 or Method 2, including RWA for SFT cleared through QCCPs. Of note, this includes risk-weighted assets for QCCPs subject to Method 2 where the cap of 20% of trade exposures is binding. Banks should enter a 0 in years in which this capital charge is not yet in force.

Row	Column	Heading	Description
127	F	Trade exposures (including client cleared trades); RWA	This includes any risk-weighted assets for trade exposures under Method 1 or Method 2, including RWA for SFT cleared through QCCPs. Of note, this includes risk-weighted assets for QCCPs subject to Method 2 where the cap of 20% of trade exposures is binding.
127	H–J	Trade exposures (including client cleared trades); Exposure amount	Of the exposure amount for which RWA are reported in cell F127, the amount which is subject to the CEM (column H), the standardised method (column I) and the IMM (column J). Banks should report only the columns for the approach(es) which they plan to use after Basel III implementation and report zero in all other columns.
128	C	Default fund exposures; RWA	This includes any risk-weighted assets for default fund contributions to QCCPs. Of note, this excludes risk-weighted assets for QCCPs subject to Method 2 where the cap of 20% of trade exposures is binding. Banks should enter a 0 in years in which this capital charge is not yet in force.
128	F	Default fund exposures; RWA	This includes any risk-weighted assets for default fund contributions to QCCPs. Of note, this excludes risk-weighted assets for QCCPs subject to Method 2 where the cap of 20% of trade exposures is binding.
135	C	CVA capital charge (risk-weighted asset equivalent); Advanced CVA risk capital charge	Risk-weighted asset equivalent of the advanced CVA risk capital charge (ie the advanced CVA risk capital charge times 12.5). Banks should enter a 0 in years in which this capital charge is not yet in force.
135	F	CVA capital charge (risk-weighted asset equivalent); Advanced CVA risk capital charge	Risk-weighted asset equivalent of the advanced CVA risk capital charge under Basel III as per paragraph 99 of the Basel III document (ie the advanced CVA risk capital charge times 12.5).
136	C	CVA capital charge (risk-weighted asset equivalent); Standardised CVA risk capital charge	Risk-weighted asset equivalent of the standardised CVA risk capital charge (ie the standardised CVA risk capital charge times 12.5). Banks should enter a 0 in years in which this capital charge is not yet in force.
136	F	CVA capital charge (risk-weighted asset equivalent); standardised CVA risk capital charge	Risk-weighted asset equivalent of the standardised CVA risk capital charge under Basel III as per paragraph 99 of the Basel III document (ie the standardised CVA risk capital charge times 12.5).
136	H	CVA capital charge (risk-weighted asset equivalent); standardised CVA risk capital charge	The **exposure amount** subject to the standardised CVA risk capital charge under Basel III as per paragraph 99 of the Basel III document which is externally rated.
136	I	CVA capital charge (risk-weighted asset equivalent); standardised CVA risk capital charge	The **exposure amount** subject to the standardised CVA risk capital charge under Basel III as per paragraph 99 of the Basel III document which is unrated.

b) Market risk

The green cells in panel D1b should only be filled in by banks that have been asked to do so by their supervisor and should be calculated based on the regulatory framework in place at the reporting date. If a bank does not have a particular portfolio or no trading book at all, risk-weighted assets should be reported as 0.

Furthermore, those banks which are affected by the Revisions or the Enhancements should also complete the yellow cells in column D of panel D1b, assuming full implementation of the standards set out in these documents. **The data should only be filled in for reporting dates at which the Revisions or Enhancements are not yet fully in force (and therefore not yet fully reflected in the numbers provided in column C).**

For banks which have been asked by their supervisors to provide data in the green cells, the risk-weighted asset calculation for column D must refer to the same set of exposures for which risk-weighted assets have been calculated in column C. Again, if a bank does not have a particular portfolio or no trading book at all, risk-weighted assets should be

Row	Column	Heading	Description
reported as 0. If a bank cannot provide data for a certain item, the cell should be left empty and **not** be reported as 0. However, leaving a cell empty could trigger exclusion from some analyses if the respective item is required and the bank has been asked to provide the data. The yellow cells in columns E to H should be filled in by all banks.			
143	C–D	Standardised measurement method, general interest rate and equity position risk	Capital charge for general interest rate and equity position risk based on the standardised measurement method as applicable at the reporting date. The capital charge should be inclusive of all risks that enter the standardised interest rate and equity position risk capital charge.
144	C–D	Standardised measurement method, specific interest rate and equity position risk; of which	Capital charge for specific interest rate and equity position risk based on the standardised measurement method as applicable at the reporting date. The capital charge should generally be inclusive of all interest rate and equity positions that incur a standardised specific risk capital charge. However, it should **not** include the capital charges according to the standardised measurement method for exposures included in the correlation trading portfolio or the standardised approach for other securitisation exposures and n-th-to-default credit derivatives.
145	C–D	Standardised measurement method, specific risk; of which Specific interest rate risk	Capital charge for specific interest rate risk based on the standardised measurement method as applicable at the reporting date. The capital charge should generally be inclusive of all interest rate risk positions that incur a standardised specific risk capital charge. However, it should **not** include the capital charges according to the standardised measurement method for exposures included in the correlation trading portfolio or the standardised approach for other securitisation exposures and n-th-to-default credit derivatives.
145	E	Standardised measurement method, specific risk; of which Specific interest rate risk	Of the capital charge in cell D145, the capital charge for externally rated exposures.
145	F	Standardised measurement method, specific risk; of which Specific interest rate risk	Of the capital charge in cell D145, the capital charge for unrated exposures.
145	G	Standardised measurement method, specific risk; of which Specific interest rate risk	Amount of externally rated **exposures** for which the capital charge reported in cell E145 has been calculated.
145	H	Standardised measurement method, specific risk; of which Specific interest rate risk	Amount of unrated **exposures** for which the capital charge reported in cell F145 has been calculated.
147	C–D	Standardised measurement method, specific risk; of which Specific equity position risk	Capital charge for specific equity position risk based on the standardised measurement method as applicable at the reporting date. The capital charge should be inclusive of all equity positions that incur a standardised specific risk capital charge.
148	C–D	Standardised measurement method, foreign exchange and commodities risk	Capital charge for foreign exchange and commodities risk based on the standardised measurement method as applicable at the reporting date. The capital charge should be inclusive of all risks that enter the standardised capital charge for foreign exchange and commodities risk.

Row	Column	Heading	Description
149	C–D	Internal models approach **without** the specific risk surcharge, **actual capital charge**	Capital charge for general and specific risk based on internal models. The capital charge should be inclusive of all positions that receive internal model treatment. This should only include the value-at-risk and, when applicable, the stressed value-at-risk capital requirement, and **reflect the actual multipliers**.
150	C–D	Current 10-day 99% value-at-risk (**without** applying the multiplier)	Bank-wide 10-day value-at-risk inclusive of all sources of risk that are included in the value-at-risk calculation. The reported value-at-risk should not reflect any multiplier, rather the number entered in this cell should simply be the bank's estimate of the 10-day, 99% value-at-risk of the bank's trading book portfolio as of the reporting date. **Note that cell C150 must be filled in by all banks as well.** Banks should report 0 in cell C150 if they do not use the internal models approach.
153	C–D	10-day 99% stressed value-at-risk (**without** applying the multiplier)	Bank-wide 10-day **stressed** value-at-risk inclusive of all sources of risk that are included in the stressed value-at-risk calculation. The reported stressed value-at-risk should not reflect any multiplier, rather the number entered in this cell should simply be the bank's estimate of the 10-day, 99% stressed value-at-risk of the bank's trading book portfolio as of the reporting date. **Note that cell C153 must be filled in by all banks as well.** Banks should report 0 in cell C153 for reporting dates on which this capital charge does not yet apply. Banks should also report 0 in cell C153 if they do not use the internal models approach.
156	C–D	Internal models approach, specific risk surcharge (2011 only)	Surcharge for specific risk based on a multiplier of 4.0. Accordingly, the surcharge is equivalent to one times the internally modelled specific risk capital charge. Once the Revisions are in force, banks should enter 0 in this cell.
157	C–D	Incremental risk capital charge	Capital charge for incremental risk in the trading book. Banks filling in the green cells should report 0 in cell C157 for reporting dates on which this capital charge does not yet apply. However, any incremental default risk capital charge which may be in place in some jurisdictions before the implementation of the Basel 2.5 framework should also be entered in this row.
159	C–D	Correlation trading portfolio; Comprehensive risk model, before application of the floor	Capital charge for exposures in the correlation trading portfolio which are subject to the comprehensive risk model, before the application of the floor. Banks filling in the green cells should report 0 in cell C157 for reporting dates on which this capital charge does not yet apply.
160	E	Correlation trading portfolio; Standardised measurement method (100%) for exposures subject to the CRM	Of the capital charge in cell D160, the capital charge for externally rated exposures. Banks should enter the capital charge for either net long or net short exposures depending on which of the two determines the overall capital charge.
160	F	Correlation trading portfolio; Standardised measurement method (100%) for exposures subject to the CRM	Of the capital charge in cell D160, the capital charge for unrated exposures. Banks should enter the capital charge for either net long or net short exposures depending on which of the two determines the overall capital charge.

Row	Column	Heading	Description
160	G	Correlation trading portfolio; Standardised measurement method (100%) for exposures subject to the CRM	Amount of externally rated **exposures** for which the capital charge reported in cell E160 has been calculated. Banks should enter either net long or net short exposures depending on which of the two determines the overall capital charge.
160	H	Correlation trading portfolio; Standardised measurement method (100%) for exposures subject to the CRM	Amount of unrated **exposures** for which the capital charge reported in cell F160 has been calculated. Banks should enter either net long or net short exposures depending on which of the two determines the overall capital charge.
162	C–D	Correlation trading portfolio; Standardised measurement method (100%) for exposures subject to the CRM; Net long exposures	**100%** of the capital charge according to the standardised measurement method for **net long** exposures in the correlation trading portfolio **which are subject** to the comprehensive risk model. Net long exposures are those which result in the bank being long credit risk. Banks filling in the green cells should report 0 in cell C162 for reporting dates on which this capital charge does not yet apply.
163	C–D	Correlation trading portfolio; Standardised measurement method (100%) for exposures subject to the CRM; Net short exposures	**100%** of the capital charge according to the standardised measurement method for **net short** exposures in the correlation trading portfolio **which are subject** to the comprehensive risk model. Net short exposures are those which result in the bank being short credit risk. Banks filling in the green cells should report 0 in cell C163 for reporting dates on which this capital charge does not yet apply.
164	E	Correlation trading portfolio; Standardised measurement method (100%) for exposures not subject to the CRM	Of the capital charge in cell D164, the capital charge for externally rated exposures. Banks should enter the capital charge for either net long or net short exposures depending on which of the two determines the overall capital charge.
164	F	Correlation trading portfolio; Standardised measurement method (100%) for exposures not subject to the CRM	Of the capital charge in cell D164, the capital charge for unrated exposures. Banks should enter the capital charge for either net long or net short exposures depending on which of the two determines the overall capital charge.
164	G	Correlation trading portfolio; Standardised measurement method (100%) for exposures not subject to the CRM	Amount of externally rated **exposures** for which the capital charge reported in cell E164 has been calculated. Banks should enter either net long or net short exposures depending on which of the two determines the overall capital charge.
164	H	Correlation trading portfolio; Standardised measurement method (100%) for exposures not subject to the CRM	Amount of unrated **exposures** for which the capital charge reported in cell F164 has been calculated. Banks should enter either net long or net short exposures depending on which of the two determines the overall capital charge.
166	C–D	Correlation trading portfolio; Standardised measurement method (100%) for exposures not subject to the CRM; Net long exposures	Capital charge according to the standardised measurement method for **net long** exposures in the correlation trading portfolio **not subject** to the comprehensive risk model. Net long exposures are those which result in the bank being long credit risk. Banks filling in the green cells should report 0 in cell C166 for reporting dates on which this capital charge does not yet apply.

Row	Column	Heading	Description
167	C–D	Correlation trading portfolio; Standardised measurement method (100%) for exposures not subject to the CRM; Net short exposures	Capital charge according to the standardised measurement method for **net short** exposures in the correlation trading portfolio **not subject** to the comprehensive risk model. Net short exposures are those which result in the bank being short credit risk. Banks filling in the green cells should report 0 in cell C167 for reporting dates on which this capital charge does not yet apply.
168	C–D	Standardised measurement method for other securitisation exposures and n-th-to-default credit derivatives	Overall capital charge according to the standardised measurement method for other securitisation exposures and n-th-to-default credit derivatives. Banks filling in the green cells should report 0 in cell C168 for reporting dates on which this capital charge does not yet apply.
168	E	Standardised measurement method for other securitisation exposures and n-th-to-default credit derivatives	Of the capital charge in cell D168, the capital charge for externally rated exposures. Banks should enter the sum of the capital charges for net long and net short exposures.
168	F	Standardised measurement method for other securitisation exposures and n-th-to-default credit derivatives	Of the capital charge in cell D168, the capital charge for unrated exposures. Banks should enter the sum of the capital charges for net long and net short exposures.
168	G	Standardised measurement method for other securitisation exposures and n-th-to-default credit derivatives	Amount of externally rated **exposures** for which the capital charge reported in cell E168 has been calculated. Banks should enter the sum of net long and net short exposures.
168	H	Standardised measurement method for other securitisation exposures and n-th-to-default credit derivatives	Amount of unrated **exposures** for which the capital charge reported in cell F168 has been calculated. Banks should enter the sum of net long and net short exposures.
170	C–D	Standardised measurement method for other securitisation exposures and n-th-to-default credit derivatives; Net long exposures	Capital charge according to the standardised measurement method for **net long** other securitisation exposures and n-th-to-default credit derivatives. Net long exposures are those which result in the bank being long credit risk. Banks filling in the green cells should report 0 in cell C170 for reporting dates on which this capital charge does not yet apply.
171	C–D	Standardised measurement method for other securitisation exposures and n-th-to-default credit derivatives; Net short exposures	Capital charge according to the standardised measurement method for **net short** other securitisation exposures and n-th-to-default credit derivatives. Net short exposures are those which result in the bank being short credit risk. Banks filling in the green cells should report 0 in cell C171 for reporting dates on which this capital charge does not yet apply.
172	C–D	Other Pillar 1 requirements for market risk	Other Pillar 1 capital charges for market risk imposed by the national regulator. If no such requirements exist, 0 should be entered.
173	C–D	Market risk capital charge which the bank is unable to assign to one of the above categories	If a bank is unable to assign a portion of their market risk capital charge to one of the above categories even on a best-efforts basis, they should be reported in this row.
c)	**Other Pillar 1 capital requirements**		
178	C	Settlement risk	Risk-weighted assets for settlement risk. The capital charge **should** be converted to risk-weighted assets.

Row	Column	Heading	Description
179	C	Other Pillar 1 capital requirements	Risk-weighted assets for other **Pillar 1** capital requirements according to national discretion. The capital charge **should** be converted to risk-weighted assets. If no such requirements exist, 0 should be entered.
D2)	**Data for Basel II/III banks** The following items **should only be filled in by Basel II/III banks**.		
a)	**Operational risk** If a particular approach to operational risk is not applicable or not used by a bank, **risk-weighted assets should be reported as 0**.		
184	C	Basic indicator approach	Risk-weighted assets for operational risk of the parts under the basic indicator approach. The capital charge **should** be converted to risk-weighted assets.
185	C	Standardised approach	Risk-weighted assets for operational risk of the parts under the standardised approach. The capital charge **should** be converted to risk-weighted assets.
186	C	Alternative standardised approach	Risk-weighted assets for operational risk of the parts under the alternative standardised approach. The capital charge **should** be converted to risk-weighted assets.
187	C	Advanced measurement approach	Risk-weighted assets for operational risk of the parts under the advanced measurement approach. The capital charge **should** be converted to risk-weighted assets.
b)	**Data on transitional floors**		
192	C	Additional risk-weighted assets to adjust for the transitional floor	Risk-weighted assets to adjust for the transitional floor according to national implementation. If the floor is not binding, 0 should be entered.
195	C	Level of the floor according to the national implementation	Level of the floor expressed in per cent of the Basel I capital requirements (for example 95%, 90%, 80%) according to national implementation, irrespective of whether or not the floor is binding for a particular bank.
196	C	Actual CET1 capital ratio (**after** application of the transitional floor)	The CET1 capital ratio should be reported after application of the transitional floor according to national implementation. For reporting dates at which the bank is not yet subject to Basel III, the ratio based on those elements of Tier 1 capital which are not subject to a limit under the national implementation of Basel I or Basel II should be reported in this row.
197	C	Actual Tier 1 capital ratio (**after** application of the transitional floor)	The Tier 1 capital ratio should be reported after application of the transitional floor according to national implementation.
198	C	Actual total capital ratio (**after** application of the transitional floor)	The total capital ratio should be reported after application of the transitional floor according to national implementation.
c)	**Additional data on CCR RWA**		
201	C	Number of counterparties to which the ACVA is applied	The number of counterparties to which **only** the ACVA was applied.
202	C	Number of counterparties to which the SCVA is applied	The number of counterparties to which **only** the SCVA was applied.
203	C	Number of counterparties to which both the ACVA and SCVA are applied	The number of counterparties to which **both** the ACVA and SCVA were applied (partial use of IMM).
206	C	Total EAD that entered the ACVA calculation	The total EAD that was inputted into the advanced CVA calculation.

Row	Column	Heading	Description
207	C	Total EAD that entered the SCVA calculation; of which	The total EAD that was inputted into the standardised CVA calculation.
208	C	CEM	Of the exposure amount in row 207, the amount which is subject to the CEM.
209	C	Standardised method	Of the exposure amount in row 207, the amount which is subject to the standardised method.
210	C	IMM	Of the exposure amount in row 207, the amount which is subject to the IMM.
215	C	Number of ACVA counterparts that have actively traded credit spreads (ie liquid CDS)	The number of counterparties for whom the CDS spread was used in the advanced CVA calculation.
216	C	Number of ACVA counterparts where a proxy was used to determine a counterparty's credit spreads	The number of counterparties for whom a proxy credit spread was used in the advanced CVA calculation.
218	C	RWA from VaR component for ACVA	The RWA arising from the VaR component of the advanced CVA calculation.
219	C	RWA from stressed VaR component for ACVA	The RWA arising from the stressed VaR component of the advanced CVA calculation.
220	C	Start of stress period used for exposure for stressed VaR component of ACVA (yyyy-mm-dd)	Start date of the three-year stress period selected for the exposure for the stressed VaR component of the advanced CVA calculation.
221	C	Start of stress period used for spreads for stressed VaR component of ACVA (yyyy-mm-dd)	Start date of the one-year stress period selected for the spreads for the stressed VaR component of the advanced CVA calculation.
223	C	Sum of CVA EADs belonging to margined exposures	The sum of EADs inputted into the CVA calculation that belong to margined exposures.
224	C	Sum of CVA EADs for CCPs (if not excluded by the national supervisor per paragraph 99 of Basel III)	The sum of EADs inputted into the CVA calculation that belong to CCPs. If CCPs are excluded by your national supervisor, leave the cell blank.
225	C	Sum of CVA EADs for repo lending EADs (if not excluded by the national supervisor per paragraph 99 of Basel III)	The sum of EADs inputted into the CVA calculation that belong to repo lending trades. **If repo lending trades are excluded by your national supervisor, leave the cell blank.**
226	C	Sum of CVA EADs belonging to non-margined exposures	The sum of EADs inputted into the CVA calculation that belong to non-margined exposures.
231	C	Did you set the full maturity adjustment to 1 while calculating Basel III RWA?	**For advanced CVA banks only:** When calculating Basel III RWAs, and in particular the default risk capital charge under IMM for OTC derivatives, was the IRB full maturity adjustment set to 1? (Yes or No)
236	C	Exchange-traded derivatives (including client cleared trades) with CCPs for which Method 1 is used	EAD for exchange-traded derivatives with QCCPs for which Method 1 is used. This includes EAD for the CCP leg of client cleared trades.
236	D	Exchange-traded derivatives (including client cleared trades) with CCPs for which Method 1 is used	RWA for exchange-traded derivatives with QCCPs for which Method 1 is used. This includes RWA for the CCP leg of client cleared trades.

Row	Column	Heading	Description
237	C	OTC derivatives (including client cleared trades) with CCPs for which Method 1 is used	EAD for OTC derivatives with QCCPs for which Method 1 is used. This includes EAD for the CCP leg of client cleared trades.
237	D	OTC derivatives (including client cleared trades) with CCPs for which Method 1 is used	RWA for OTC derivatives with QCCPs for which Method 1 is used. This includes RWA for the CCP leg of client cleared trades.
238	C	Securities financing transactions (including client cleared trades) with CCPs for which Method 1 is used	EAD for SFTs with QCCPs for which Method 1 is used. This includes EAD for the CCP leg of client cleared trades.
238	D	Securities financing transactions (including client cleared trades) with CCPs for which Method 1 is used	RWA for SFTs with QCCPs for which Method 1 is used. This includes RWA for the CCP leg of client cleared trades.
239	C	Non-segregated initial margin with CCPs for which Method 1 is used.	EAD for non-segregated initial margin with QCCPs for which Method 1 is used. This includes EAD for the CCP leg of client cleared trades.
239	D	Non-segregated initial margin with CCPs for which Method 1 is used.	RWA for non-segregated initial margin with QCCPs for which Method 1 is used. This includes RWA for the CCP leg of client cleared trades.
241	C	Prefunded default fund contributions with CCPs for which Method 1 is used.	EAD for prefunded default fund contributions for which Method 1 is used. This includes prefunded default fund contributions associated with the CCP leg of client cleared trades.
241	D	Prefunded default fund contributions with CCPs for which Method 1 is used.	RWA for prefunded default fund contributions for which Method 1 is used. This includes prefunded default fund contributions associated with the CCP leg of client cleared trades.
245	C	Exchange-traded derivatives (including client cleared trades) with CCPs for which Method 2 is used	EAD for exchange-traded derivatives with QCCPs for which Method 2 is used. This includes EAD for the CCP leg of client cleared trades.
246	C	OTC derivatives (including client cleared trades) with CCPs for which Method 2 is used	EAD for OTC derivatives with QCCPs for which Method 2 is used. This includes EAD for the CCP leg of client cleared trades.
247	C	Securities financing transactions (including client cleared trades) with CCPs for which Method 2 is used	EAD for SFTs with QCCPs for which Method 2 is used. This includes EAD for the CCP leg of client cleared trades.
248	C	Non-segregated initial margin with CCPs for which Method 2 is used	EAD for non-segregated initial margin with QCCPs for which Method 2 is used. This includes EAD for the CCP leg of client cleared trades.
250	C	Prefunded default fund contributions with CCPs for which Method 2 is used	EAD for prefunded default fund contributions for which Method 2 is used. This includes prefunded default fund contributions associated with the CCP leg of client cleared trades.
252	D	RWA for both trade exposures and default fund contributions with CCPs for which Method 2 is used.	RWA for trade exposures and prefunded default fund contributions for which Method 2 is used. This includes the trade exposures and prefunded default fund contributions associated with the CCP leg of client cleared trades.

4. Definition of capital

The "DefCapB3" worksheet and the "DefCapB3-MI" worksheet together collect the data necessary to calculate the definition of capital under the fully phased-in Basel III standards. To be reported in these worksheets instruments must comply with both the relevant entry criteria set out in the December 2010 Basel III standards and the 13 January 2011 press release on loss absorbency at the point of non-viability.

All data should be provided in the yellow cells in both worksheets and the **data provided should reflect the application of the final Basel III standards set out in paragraphs 49 to 90 and not the transitional arrangements set out in paragraphs 94 to 96. Furthermore, data reported on the "DefCapB3"worksheet should not reflect any instances where the national implementation differs from the Basel III standard.**

While some additional guidance on completing the worksheets is set out below, the worksheets themselves include detailed descriptions of each item to be provided and references to the relevant paragraphs of the Basel III standards. The instructions for completing the worksheets are therefore the combination of the Basel III standards, the descriptions included in the worksheets themselves and the additional guidance below.

4.1 Panel A: Change in risk-weighted assets due to the application of the definition of capital (including changes related to the 10%/15% thresholds)

The data collected in panel A are the *change* in risk-weighted assets, relative to the existing national treatment, as a result of the application of the definition of capital set out in Basel III standards. Negative values should be inserted for a decline in risk-weighted assets and positive values should be inserted for an increase in risk-weighted assets. As with all other sections, banks should contact their national supervisory agency if they are unclear as to how to complete this panel.

The impact on risk-weighted assets will depend on the difference between the Basel III standards and the existing national rule. For example, if a jurisdiction currently risk weights intangibles at 250% and Bank A in this jurisdiction has $100 million of intangibles then risk-weighted assets will decline by $250 million as a result of the application of the full deduction required by the Basel III standards and so -$250 million should be reported in cell D8. By contrast if a jurisdiction currently requires the full deduction of intangibles then there will be no change in risk weighted assets due to the application of the full deduction required by the Basel III standards and zero would be reported in cell D8.

Regarding the three items subject to the threshold deduction set out in paragraphs 87 to 89 of the Basel III standards and items subject to the threshold deduction set out in paragraphs 80 to 83, panel A calculates automatically the risk weight to be applied to amounts falling below the prescribed thresholds and includes the resulting risk weighted assets in cell D17. As a consequence, **the risk-weighted assets to be included in cells D11, D12, D13 and D16 should be the decrease in risk-weighted assets that would occur, relative to the existing national treatment, if these exposures were required to be deducted in full.** For example, suppose that the existing national treatment is to risk weight all deferred tax assets at 100% and the bank has $50 million of such assets, with only $40mn of these to be deducted as a result of the application of the threshold set out in paragraphs 87 to 89. The amount to be reported in cell D11 is -$50 million. The risk weight that will be applied to the $10 million falling below the threshold will be calculated and included automatically in cell D17 from the data provided in the rest of the "DefCapB3" worksheet.

Paragraph 90 of the Basel III standards requires that four items that could be deducted 50% from Tier 1 and 50% from Tier 2 under Basel II must now be risk-weighted at 1250%. The increase in risk-weighted assets that results from the application of these standards should be reported in cells D19 to D22.

4.2 Panel B: Definition of capital

Panel B collects the positive elements of capital (eg issued instruments and related reserves) that meet the criteria set out in the Basel III standards for inclusion in Common Equity Tier 1, Additional Tier 1 and Tier 2.

Amounts are to be reported gross of all regulatory adjustments and follow the measurement approach that applies under the relevant accounting standards (ie reported amounts should equal the amounts reported on the balance sheet in respect of each item). This means that retained earnings and other reserves should include interim/final profits and losses to the extent that they are permitted or required to be included on the balance sheet under the prevailing accounting standards (eg if a bank reports is capital position for 30 June, this should be based on its balance sheet on 30 June, which will reflect profits earned and losses incurred up to and including the 30 June). Similarly retained earnings and other reserves should exclude dividends only to the extent that these are required to be excluded from the relevant balance sheet under the prevailing accounting standards.

This panel combines the positive elements with the regulatory adjustments provided in panel C to calculate the fully phased-in definition of capital under Basel III.

Banks must report data on shares and capital instruments issued by the parent of the consolidated group separately from data on shares and capital instruments issued by subsidiaries of the consolidated group. Shares and capital instruments issued by the parent of the consolidated group should be reported in cells D30, D68 and D80. These cells should not include any capital that has been issued out of subsidiaries of the group irrespective of whether the capital represents equity accounted instruments that appear in the consolidated accounts as minority interest or liability accounted instruments that appear as liabilities. The only exception to this rule is where capital has been raised by the parent of the consolidated group through an SPV that meets the criteria set out in paragraph 65 of the Basel III standards. Such amounts may be included in cells D68 and D80 as appropriate.

Shares and capital instruments issued by subsidiaries[11] of the consolidated group that are held by third parties should be reported in cells D41, D69 and D81. The amount to be included in each cell should exclude amounts in accordance with the procedure set out in paragraphs 62 to 65 of the Basel III standards. The amounts to be included in cells D41, D69 and D81 should equal the amounts reported in the "DefCapB3-MI" worksheet in cells D29, D30 and D31 respectively (see further guidance on the "DefCapB3-MI" worksheet below).

4.3 Panel C: Regulatory adjustments

Panel C collects the data necessary to calculate the various regulatory adjustments required by paragraphs 66 to 89 of the Basel III standards. Set out below is some additional guidance on certain of the regulatory adjustments to supplement the information provided in the relevant section of the Basel III standards and the description provided in the "DefCapB3" template.

- Panel C3: Deferred tax assets. This collects the data necessary to calculate the deduction of deferred tax assets required by paragraphs 69, 70 and 87 of the Basel III standards. The netting of deferred tax assets and deferred tax liabilities in this panel should exclude deferred tax

[11] Subsidiaries includes all consolidated subsidiaries of the group, irrespective of whether they are fully owned or partially owned.

liabilities that are net against the deduction of goodwill (panel C1), intangibles (panel C2), defined benefit pension fund assets (panel C9) and mortgage servicing rights (panel C13).

- Panel C4: Investments in own shares, own Additional Tier 1 and own Tier 2 capital. This collects the data necessary to calculate the deduction of investments in own capital instruments required by paragraph 78 of the Basel III standards. The reported amounts should not include amounts that have already been netted on the balance sheet, as these amounts have already been excluded from panel B. Indirect investments has the same meaning as indirect holdings as set out in footnote 26 of the Basel III standards.

- Panels C5, C11 and C12. These panels collect the data necessary to calculate the various deductions of investments in the capital of other financial entities set out in paragraphs 79 to 89 of the Basel III standards. In these panels "outside of the scope of regulatory consolidation" has the meaning set out in footnote 29 of the Basel III standards, ie it refers to investments in entities which have not been consolidated at all or have not been consolidated in such a way as to result in their assets being included in the calculation of consolidated risk-weighted assets of the group. It therefore includes holdings of entities which have been consolidated according to the equity method. Regarding the definition of "indirect holdings" applicable in these panels, the following examples provide an illustration of its application:

  - Example 1: If a bank has a holding in an index fund and the fund has holdings in the bank's own shares, a proportion of the bank's holding in the index fund will lose value equal to the loss in the value of a direct holding. Similarly, if a bank has holdings in an index fund and the fund has holdings of the common stock of financials, a proportion of the bank's holding in the index fund will lose value equal to the loss in value of a direct holding. In both these cases the proportion of the index invested in either the bank's own stock or the common stock of financial institutions should be considered an indirect holding. For example, if a bank's investment in an index is $100, and the bank's own stock accounts for 10% of the index's holdings, the bank should deduct $10.

  - Example 2: If a bank enters into a guarantee or total return swap of a third party's holding of the common stock of a financial institution, the bank is considered to have an indirect holding as the bank will suffer the loss if the third party's direct holding loses its value.

- Panel C8: Row 165 of this panel collects the information to calculate the deduction, as set out in paragraph 75, of unrealised gains and losses that have resulted from changes in the fair value of all liabilities (ie both derivative and non-derivative liabilities) that are due to changes in the bank's own credit risk. Row 166 collects the amount reported in row 165 that relates to derivatives. Row 168 collects the total DVA in respect of derivatives (where DVA is defined as the difference between the value of a derivative assuming that the bank is default-risk free and the value reflecting default risk of the bank), which the consultative document published in December 2011[12] proposes to be deducted from CET1.

[12] Basel Committee on Banking Supervision, *Application of own credit risk adjustments to derivatives*, consultative document, December 2011 (www.bis.org/publ/bcbs214.pdf).

4.4 Panel D: Capital issued out of subsidiaries to third parties (paragraphs 62 to 65)

The "DefCapB3-MI" worksheet collects data on all consolidated subsidiaries of banking groups that have issued capital to third party investors. Based on this data the worksheet calculates the amount of each subsidiary's capital that will be permitted to be included in the consolidated capital of the group and the amount that will be excluded due to the application of paragraphs 62 to 65 of the Basel III standards. Annex 3 of the Basel III standards sets out an illustrative example of the treatment of capital issued out of subsidiaries.

The amounts reported in respect of each consolidated subsidiary that has issued capital instruments to third parties should reflect the application of the final standards set out in paragraphs 49 to 90 of the Basel III standards to that subsidiary and not the transitional arrangements set out in paragraphs 94 to 96.

For each subsidiary that has issued capital to third parties, the relevant data should be included in the yellow cells in the "DefCapB3-MI" worksheet. A separate column should be completed for each subsidiary. The aggregated amount to be included in consolidated capital in respect of all consolidated subsidiaries of the group is calculated automatically in cells D29, D30 and D31. These amounts should be reported in the "DefCapB3" worksheet in cells D41, D69 and D81 respectively.

5. Leverage ratio

5.1 Introduction

The "Leverage Ratio" worksheet collects data on the exposure measure of the leverage ratio (the denominator of the ratio) as defined by the Basel III leverage ratio framework.

As for other parts of the reporting template, exposures are to be reported in the worksheet on a group-wide consolidated basis for all entities which are consolidated by the bank for risk-based regulatory purposes.

Yellow cells are fundamental to the calculation of the leverage ratio based on the design agreed by the Group of Governors and Heads of Supervision on 12 January 2014 and will serve as the basis for testing during the parallel run period. The yellow cells are in (i) panel A, which covers on-balance sheet items; (ii) panel B, which covers the add-on for potential future exposure for derivatives calculated in accordance with paragraphs 19 to 21 of the Basel III leverage ratio framework and off-balance sheet items calculated in accordance with paragraph 39 of the Basel III leverage ratio framework; (iii) panel E, which includes data on the offsetting of credit derivatives in accordance with paragraphs 29 to 31 of the Basel III leverage ratio framework.

The green cells collect additional information necessary to monitor the leverage ratio and its components during the transition period. Green cells are in (i) panels A, B, and E as described above; (ii) panel C, which provides an additional breakdown of on- and off-balance sheet exposures, according to their risk weights under the Basel II framework[13]; (iii) panel D, which allows for a reconciliation of

[13] References to the Basel II framework include the July 2009 Basel II enhancements.

accounting standards; and (iv) panel G, which provides additional data for the purposes of the categorisation of business models.

Data on the capital measure of the leverage ratio (the numerator of the ratio) are collected in the "General Info" and "DefCapB3" worksheets.

The leverage ratio standards ensure consistency between the capital and exposure measures in the design of the leverage ratio, and paragraph 16 of the Basel III leverage ratio framework by stating that any deductions from regulatory capital may also be made from the exposure measure. However, when reporting data for the leverage ratio worksheet, banks should not make these deductions from the exposure measure as these will be made during the calculation phase, in panel F.

The worksheet should be compiled on a quarterly basis[14] by including end-of-quarter exposures (see Basel III leverage ratio framework, paragraph 53). **The data for the most recent quarter, ending as of the reporting date, should be entered in columns J through N (labelled "Reporting date"); the data for the preceding quarter should be entered in columns D through H (labelled "Previous quarter").**

5.2 On-balance sheet items (panel A)

In panel A for on-balance sheet items, there are four columns for the exposure value of derivatives, securities financing transactions (SFT) and other assets. The first three columns require, respectively, the accounting value, the gross value, and – for SFT and derivatives only – the counterparty credit risk exposure according to the Basel II framework. The fourth column applies to SFT exposures only and asks for the adjusted gross SFT asset.

5.2.1 Accounting values as reported in the banks' financial statements

Column D (and J) requires data as reported in the banks' financial statements prepared in accordance with the applicable accounting standards. Data in these columns should correspond to figures as reported in the financial statements (considering the regulatory scope of consolidation). These data should be net of specific provisions and valuation adjustments and include the effects of balance sheet offsetting as a result of netting agreements and credit risk mitigation only when permitted under the applicable accounting standards.

Derivatives

Rows 10, 11 and 12 collect data on the positive fair values of derivatives, as reported on the bank's financial statement, which may reflect the effect of balance sheet offsetting as a result of netting agreements and credit risk mitigation only when permitted under the applicable accounting standards.

14 Since the Basel III monitoring exercise is carried out on a semiannual basis, each exercise will collect data covering the two quarters included in the relevant six-month period.

Securities financing transactions (SFT)[15]

Rows 16 and 17 collect data on the on-balance sheet amounts for SFTs, as reported in accordance with the applicable accounting standards separating out those agent transactions eligible for the exceptional treatment as set out in paragraphs 35 and 36 of the Basel III leverage ratio framework from all other SFT assets. Amounts may reflect the effect of balance sheet offsetting as a result of netting agreements and credit risk mitigation only when permitted under the applicable accounting standards.

5.2.2 Gross values

Column E (and K) require data to be entered using the sum of accounting values (net of specific provisions and valuation adjustments), assuming no accounting netting or credit risk mitigation effects (ie gross values).[16] Items that are not eligible for accounting netting or subject to credit risk mitigation should be the same as those reported in column D (and J).

Derivatives

Rows 10, 11 and 12 include gross value of **all** derivative exposure amounts,[17] assuming no accounting netting and no credit risk mitigation effects.

The amount of any derivatives collateral provided other than initial margin for client cleared derivative transactions with a qualifying CCP (QCCP), and eligible cash variation margin as defined in paragraphs 25 and 26 of the Basel III leverage ratio framework, where the provision of that collateral has reduced the value of the balance sheet under the applicable accounting framework should be reported in row 21. Similarly, the receivable assets for eligible cash variation margin *provided* in derivative transactions are to be reported in row 22 if the bank is required under the applicable accounting standard to recognise these receivable assets. Initial margin *provided* as a result of client-cleared derivative transactions with a QCCP where the bank acts as a clearing member and exempted from the leverage ratio measure in accordance with paragraph 27 of the Basel III leverage ratio framework are to be reported in row 23.

SFT

Rows 16 and 17 require SFT assets to be reported with no recognition of the accounting netting of (cash) payables against (cash) receivables as currently permitted under the applicable accounting standards separating out those agent transactions eligible for the exceptional treatment as set out in paragraphs 35 and 36 of the Basel III leverage ratio framework from all other SFT assets.

If the applicable accounting standards require a bank to recognise the security received in a SFT as an asset, the asset amount must be reported in row 24.[18] Where SFTs are treated like a sale of asset

15 SFT as defined by the Basel II framework include transactions such as repurchase agreements, reverse repurchase agreements, security lending and borrowing, and margin lending transactions, where the value of the transactions depends on the market valuations and the transactions are often subject to margin agreements.

16 For example, if a bank is permitted to net cash collateral against the net derivatives exposure amount under the applicable accounting standards (as reported in columns D and J), then the bank must take that cash collateral out (ie gross up its exposure amount) for purposes of columns E and K.

17 Including derivatives that are treated off-balance sheet under the applicable accounting standards.

18 For example, under US GAAP, a security transferor must recognise a security received in a securities lending transaction as an asset if the transferor has the right to hypothecate the security but has not done so.

under the bank's applicable accounting framework, the exposure amount for this SFT is to be reported in row 25 as if it had been treated like a financing transaction according to subparagraphs (i) and (ii) of paragraph 33 of the Basel III leverage ratio framework.

5.2.3 Counterparty credit risk exposure after applying the regulatory netting standards

Column F (and L) requires reporting of the counterparty credit risk exposure of derivatives[19] and SFTs after applying the regulatory netting standards based on the Basel II framework (not the accounting rules for netting as applied under column D (and J)) .[20] Data should not include any other credit risk mitigation effects.

Derivatives

In row 9 banks are required to report the replacement cost of their derivative positions gross of cash variation margin and using Basel II netting standards, including positions resulting from paragraph 28 of the Basel III leverage ratio framework. Collateral received should not be netted against the (net) derivatives position.[21]

If a derivatives transaction is not covered under a qualifying Basel II netting agreement, the derivative exposure amount should be reported on a gross basis, the same as the amount reported in column E (and K).

Row 13 asks for the amount of cash variation margin received and eligible for offsetting against the replacement cost portion of the derivative exposures according to paragraphs 25 and 26 of the Basel III leverage ratio framework.

Row 14 asks for the replacement cost portion of exempted trade exposures to a *qualifying* CCP (QCCP) from client-cleared derivatives transactions, where the bank acting as clearing member is not obligated to reimburse the client for any losses suffered due to changes in the value of its transactions in the event the QCCP defaults as set out in paragraph 27 of the Basel III leverage ratio framework.

SFT

For SFT, the counterparty credit risk exposure value is determined as the total fair value amount of securities and cash lent to a counterparty for all transactions included in a qualifying Basel II netting agreement[22], less the total fair value amount of cash and securities received from the counterparty for those transactions, floored at zero.[23]

Where no qualifying Basel II netting agreement is in place, the counterparty exposure value of SFT must be calculated on a transaction by transaction basis (that is, each SFT is treated as its own netting set) as set out in in paragraph 33(ii), second bullet of the Basel III leverage ratio framework.

[19] Including derivatives that are treated off-balance sheet under the applicable accounting standards.

[20] Banks should always apply Basel II standards for netting (even if they are currently applying the Basel I framework).

[21] A net derivatives position is the (positive) difference between positive and negative fair values of derivatives in a netting set.

[22] A qualifying netting agreement is a netting agreement that meets the requirements under paragraphs 173 and 174 of the Basel II framework.

[23] Banks should apply the following part of the formula as set forth in paragraph 33(ii), first bullet of the Basel III leverage ratio framework: $E^*=\max\{0,[(\sum E_i - \sum C_i]\}$.

These amounts have to be reported in rows 16 and 17 separating out those agent transactions eligible for the exceptional treatment as set out in paragraphs 35 and 36 of the Basel III leverage ratio framework from all other SFT assets

5.2.4 Adjusted gross SFT assets

Row 17 of column G (and M) requires banks to report the adjusted gross SFT asset amounts for all SFTs other than the SFT agent transactions eligible for the exceptional treatment as set out in paragraphs 36 and 37 of the Basel III leverage ratio framework, according to paragraph 33 (i), second bullet of the Basel III leverage ratio framework.

5.2.5 Description of the data

The following table provides a description of the data to be entered in each row.

Row	Column	Heading	Description
8	D, E, J, K	Derivatives	Non entry cells: Items in rows 10 to 12 provide a breakdown of derivatives and should sum to total derivatives.
8	F, L	Derivatives	Non entry cells: The replacement costs associated with all derivatives transactions as they enter the leverage ratio exposure measure.
9	F, L	Replacement cost associated with all derivatives transactions (gross of variation margin)	The replacement cost of derivatives using Basel II netting standards, with no recognition of collateral (whether cash or non-cash), see paragraphs 19, 20, 21, 23 and 28 of the Basel III leverage ratio framework. Derivatives traded OTC, on an exchange and through a CCP should all be included.
10	D, E, J, K	Credit derivatives (protection sold)	Positive fair values of written credit derivatives (ie where the bank is providing credit protection to a counterparty). Columns D and J must be reported on a net basis (ie reflecting the effect of netting agreements and credit risk mitigation when permitted under the applicable accounting standards); columns E and K must be reported on a gross basis.
11	D, E, J, K	Credit derivatives (protection bought)	Positive fair values of purchased credit derivatives (ie where the bank is buying credit protection from a counterparty). Columns D and J must be reported on a net basis (ie reflecting the effect of netting agreements and credit risk mitigation when permitted under the applicable accounting standards); columns E and K must be reported on a gross basis.
12	D, E, J, K	Financial derivatives	Positive fair values of financial derivatives (eg interest rates derivatives, FX and gold derivatives, equities derivatives, etc). Columns D and J must be reported on a net basis (ie reflecting the effect of netting agreements and credit risk mitigation when permitted under the applicable accounting standards); columns E and K must be reported on a gross basis.
13	F, L	Eligible cash variation margin offset against derivatives market values	Cash variation margin received eligible for offsetting against the replacement cost portion of the derivatives exposures according to paragraphs 25 and 26 of the Basel III leverage ratio framework.

Row	Column	Heading	Description
14	F, L	Exempted CCP leg of client-cleared trade exposures (replacement costs)	The replacement cost portion of exempted trade exposures to a QCCP from client-cleared derivatives transactions, where the bank acting as clearing member is not obligated to reimburse the client for any losses suffered due to changes in the value of its transactions in the event that the QCCP defaults, see paragraph 27 of the Basel III leverage ratio framework.
15	D, E, J, K	Securities financing transactions	Non entry cells: Items in rows 16 and 17 provide a breakdown of SFTs and should sum to total SFTs.
15	F, L	Securities financing transactions	Non entry cells: Sum of counterparty credit risk exposure of SFT covered and not covered by eligible netting agreements, see paragraph 33(ii) of the Basel III leverage ratio framework. SFT traded OTC, on an exchange and through a CCP should all be included.
15	G, M	Securities financing transactions	Non entry cells: Sum of the adjusted gross SFT assets of SFTs, see paragraph 33(i), second bullet of the Basel III leverage ratio framework. SFT traded OTC, on an exchange and through a CCP should all be included.
16	D, E, J, K	SFT agent transactions eligible for the exceptional treatment	Only SFT agent transactions where the bank acting as agent provides an indemnity or guarantee to a customer or counterparty that is limited to the difference between the value of the security or cash the customer has lent and the value of collateral the borrower has provided are eligible for this exceptional treatment, see paragraphs 36 and 37 of the Basel III leverage ratio framework. Columns D and J must be reported net of specific provisions and valuation adjustments and include the effects of netting agreements and credit risk mitigation only as per the relevant accounting standards. Columns E and K must be reported with no recognition of accounting netting of (cash) payables against (cash) receivables as permitted under relevant accounting standards. The securities lent in a SFT that remain recognised on the balance sheet must not be included here but in row 19. The value of securities received in a SFT that are recognised as an asset under the applicable accounting standard must be reported in row 24. The securities lent in a SFT that are derecognised due to a sales accounting transaction must not be included here but in row 25. SFT traded OTC, on an exchange and through a CCP should all be included.
16	F, L	SFT agent transactions eligible for the exceptional treatment	The exposure measure of eligible SFT agent transactions calculated by applying subparagraph (ii) of paragraph 33 of the Basel III leverage ratio framework.

Row	Column	Heading	Description
17	D, E, J, K	Other SFTs	SFTs other than SFT agent transactions reported in row 16. Columns D and J must be reported net of specific provisions and valuation adjustments and include the effects of netting agreements and credit risk mitigation only as per the relevant accounting standards. Columns E and K must be reported with no recognition of accounting netting of (cash) payables against (cash) receivables as permitted under relevant accounting standards. The securities lent in a SFT that remain recognised on the balance sheet must not be included here but in row 19. The value of securities received in a SFT that are recognised as an asset under the applicable accounting standard must be reported in row 24. The securities lent in a SFT that are derecognised due to a sales accounting transaction must not be included here but in row 25. SFT traded OTC, on an exchange and through a CCP should all be included.
17	F, L	Other SFTs	The counterparty credit risk exposure of all SFTs other than SFT agent transactions reported in row 16 calculated according to subparagraph (ii) of paragraph 33 of the Basel III leverage ratio framework.
17	G, M	Other SFTs	The adjusted gross SFT assets of all SFTs other than SFT agent transactions reported in row 16 calculated according to subparagraph (i) of paragraph 33 of the Basel III leverage ratio framework.
18	E, K	Other assets	Non entry cells: Other assets as adjusted for the purposes of the leverage ratio.
19	D, E, J, K	Accounting other assets	Any other assets not specifically identified in any of the rows 8 to 17 above (ie any other accounting assets not included under derivatives or SFT items, eg accounting receivables for cash variation margin provided where recognised under operative accounting framework, liquid assets as defined under the liquidity coverage ratio, failed and unsettled transactions). This includes any instrument (including cash) borrowed or lent through an SFT when it is reported on the accounting balance sheet.
20	E, K	Adjustments to accounting other assets for the purposes of the leverage ratio	Non entry cells: adjustments to accounting other assets for the purposes of the leverage ratio.
21	E, K	Grossed-up assets for derivatives collateral provided	The amount of any derivatives collateral provided where the provision of that collateral has reduced the value of the balance sheet assets under the applicable accounting framework, see paragraph 24 of the Basel III leverage ratio framework. However, initial margin for client cleared derivative transactions with a qualifying CCP (QCCP) and eligible cash variation margin, as defined in paragraphs 25 and 26 of the Basel III leverage ratio framework, must not be included.

Row	Column	Heading	Description
22	E, K	Receivables for cash variation margin provided in derivatives transactions	The receivables for eligible cash variation margin provided in derivatives transactions if the bank is required, under the applicable accounting standards, to recognise these receivables as an asset, see paragraphs 25 and 26 of the Basel III leverage ratio framework. The amount reported must also be included in the accounting other assets reported in row 19.
23	E, K	Exempted CCP leg of client-cleared trade exposures (initial margin)	The initial margin portion of exempted trade exposures to a QCCP from client-cleared derivatives transactions, where the bank acting as clearing member is not obligated to reimburse the client for any losses suffered due to changes in the value of its transactions in the event that the QCCP defaults, see paragraph 27 of the Basel III leverage ratio framework. The amount reported should also be included in the accounting other assets reported in row 19.
24	E, K	Securities received in a SFT that are recognised as an asset	Securities received in a SFT that are recognised as an asset under the applicable accounting standards and therefore included in row 19, see paragraph 33 of the Basel III leverage ratio framework.
25	E, K	Adjustments for SFT sales accounting transactions	The value of securities lent in a SFT that are derecognised due to a sales accounting transaction, see paragraph 34 of the Basel III leverage ratio framework.
26	E, K	Fiduciary assets	Fiduciary assets that are included in row 19 and that meet the IAS 39 criteria for derecognition and, where applicable, IFRS 10 for deconsolidation, see footnote 4 to paragraph 15 of the Basel III leverage ratio framework.
27	D, E, F, G, J, K, L, M	Totals	This is a non data entry row.
29	F, G, L, M	Memo item: SFT exposures to QCCPs from client-cleared transactions	The SFT exposures to QCCPs from client-cleared SFT transactions, where the bank acting as clearing member is not obligated to reimburse the client for any losses suffered due to changes in the value of its transactions in the event that the QCCP defaults. These exposures must be included in rows 16 and 17.
31	E, K	Check row	This is a non data entry row. It checks that the sum of single values included in the accounting other assets is lower or equal to the accounting other assets.

5.3 Derivatives and off-balance sheet items (panel B)

In panel B for derivatives and off-balance sheet items, there are three columns. The first two columns apply to derivatives solely and require, respectively, the potential future exposure (PFE) assuming no netting or credit risk mitigation, and the PFE with Basel II netting standards. The third column refers to both derivatives and off-balance sheet items and requires the notional values of those exposures.

The PFE and notional amounts excluded from panel B according to paragraph 27 of the Basel III leverage ratio framework must be reported in row 43.

5.3.1 Potential future exposure of derivatives measured using the current exposure method without the effect of Basel II netting

Column D (and J) requires potential future exposure of all derivatives, irrespective of whether or not they are centrally cleared, as well as exposures arising from the application of paragraph 28 of the Basel III leverage ratio framework, measured using the current exposure method (CEM) without the effect of Basel II netting.[24] Data in these columns only include the add-on for potential future exposure, since the total replacement cost is already captured in the on-balance sheet panel A. Data on the add-on for derivatives having a negative fair value (thus not reported in panel A) should be included as well.

When compiling the separate line items referred to as "Credit derivatives protection sold" the following criteria should be applied: For sold CDS subject to close out, the full text of paragraph 3 of the Annex of the Basel III leverage ratio framework should be applied; therefore, the add-on should be capped at unpaid premiums. For sold CDS not subject to close out, the treatment provided by the footnote in paragraph 3 of the Annex of the Basel III leverage ratio framework should not be applied and the add-on of 5% or 10% – depending on the nature (qualifying or non-qualifying) of the reference obligation – should always be calculated.[25]

Paragraph 3 of the Annex of the Basel III leverage ratio framework should be applied to all credit derivatives, whether they are included in the banking book or in the trading book.

Data should be reported gross of any netting agreement and credit risk mitigation effect (in line with the criteria for compiling column E (and K) in panel A). All banks should calculate the potential future exposure using the current exposure method, even if they do not apply such a method under the counterparty credit risk framework. For derivatives traded on an exchange or through a CCP the current exposure method is always applied, irrespectively of whether or not an exposure value of zero for counterparty credit risk is attributed under the Basel II framework.

Banks may choose to not include the individual add-on amount relating to a written credit derivative which is not offset by purchased protection with the characteristics described in Section 5.6, letter (c) of the present instructions.

5.3.2 Potential future exposure of derivatives with the effect of the Basel II netting

Column E (and K) requires potential future exposure of derivatives with the effect of the Basel II netting as set out in paragraphs 8 to 11 of the Annex of the Basel III leverage ratio framework. As noted above, banks should always apply the CEM netting standards as defined in the Basel II framework, irrespective of their actual approach to credit risk. Data should not include any credit risk mitigation effect other than the said Basel II netting.

The add-on for credit derivatives should be calculated according to the full text of paragraph 3 of the Annex of the Basel III leverage ratio framework, including the footnote. This implies that the add-on of sold CDS subject to close out should be capped at unpaid premiums, while the add-on for sold CDS not subject to close out should not be included.

Paragraph 3 of the Annex of the Basel III leverage ratio framework should be applied to all credit derivatives, whether they are included in the banking book or in the trading book.

[24] See also Annex IV of the Basel II framework.

[25] The footnote in paragraph 3 of the Annex of the Basel III leverage ratio framework states the following: "The protection seller of a credit default swap shall only be subject to the add-on factor where it is subject to closeout upon the insolvency of the protection buyer while the underlying is still solvent. Add-on should then be capped to the amount of unpaid premiums."

Banks may choose not to include the individual add-on amount relating to a written credit derivative which is not offset by purchased protection following the criteria described in Section 5.6, letter (c) of the present instructions.[26]

When calculating the add-on for netted transactions (A_{Net} in the formula in paragraph 10 of Annex of the Basel III leverage ratio framework) and irrespective of the treatment of the collateral by the applicable accounting standards, banks must not recognise the collateral received in the calculation of the net replacement cost.

5.3.3 Notional amounts

Column F (and L) requires banks to report the notional amounts of derivatives and off-balance sheet items.

5.3.4 Description of the data

The following table provides a description of the data to be entered in each row.

Row	Column	Heading	Description
B1)	**Derivatives**		
38	E, K	Potential future exposure for derivatives entering the leverage ratio exposure measure	Non entry cell: Provides for the total PFE entering the exposure measure related to derivative transactions according to paragraphs 19 to 28 of the Basel III leverage ratio framework.
39	E, K	Derivatives	Potential future exposure of derivatives when applying the current exposure method and Basel II netting standards.
39	D, F, J, L	Derivatives	Non entry cells: Items in rows 40 to 42 provide a breakdown of derivatives which should sum up to total derivatives.
40	D, F, J, L	Credit derivatives (protection sold)	Potential future exposure with no netting or CRM (columns D and J) or notional amount (columns F and L) for credit derivatives sold subject to close out, including the full treatment set out in paragraph 3 of the Annex of the Basel III leverage ratio framework (capping add-on at unpaid premiums). Where the effective notional amount of written credit derivatives is included in the exposure measure and not offset pursuant to paragraph 30 of Basel III leverage ratio framework, banks may choose to set the individual potential future exposure amounts relating to those written credit derivatives to zero.
41	D, F, J, L	Credit derivatives (protection bought)	Potential future exposure with no netting or CRM (columns D and J) or notional amount (columns F and L) of purchased credit derivatives (ie where the bank is buying credit protection from a counterparty)

[26] In these cases, where effective bilateral netting contracts are in place, and when calculating $A_{Net}=0.4*A_{Gross}+0.6*NGR*A_{Gross}$, A_{Gross} may be reduced by the individual add-on amounts (ie notionals multiplied by the appropriate add-on factors) which relate to written credit derivatives whose notional values are included as exposures of the leverage ratio. No adjustments should be made to NGR. Where effective bilateral netting contracts are not in place, the add-on can be set to zero in order to avoid double counting. See paragraph 31 of the Basel III leverage ratio framework.

Row	Column	Heading	Description
42	D, F, J, L	Financial derivatives	Potential future exposure with no netting or CRM (columns D and J) or notional amount (columns F and L) of financial derivatives.
43	D, J	Exempted CCP leg of client-cleared trade exposures (potential future exposure)	Potential future exposure using the current exposure method and assuming no netting or CRM associated with exempted CCP leg of client-cleared trade exposures (potential future exposure fulfilling the exemption criteria laid down in paragraph 27 of the Basel III leverage ratio framework).
43	E, F, K, L	Exempted CCP leg of client-cleared trade exposures (potential future exposure)	Potential future exposure of derivatives when applying the current exposure method and Basel II netting standards (columns E and K), or notional amount (columns F and L) for exempted CCP leg of client-cleared trade exposures according to paragraph 27 of the Basel III leverage ratio framework.
B2)	**Off-balance sheet items**		
45	F, L	Off-balance sheet items with a 0% CCF in the RSA; of which:	Off-balance sheet items that would be assigned a 0% credit conversion factor as defined in the standardised approach to credit risk in the Basel II framework. That is commitments that are unconditionally cancellable at any time by the bank without prior notice (UCC), or that effectively provide for automatic cancellation due to deterioration in a borrower's creditworthiness (see paragraph 83 of the Basel II framework and the footnote to this paragraph). Note that rows 46 and 47 do not sum up to row 45 since the latter includes commitments that effectively provide for automatic cancellation due to deterioration in a borrower's creditworthiness but that are not UCCs.
46	F, L	Unconditionally cancellable credit cards commitments	Credit cards commitments that are unconditionally cancellable at any time by the bank without prior notice (UCC) that would receive a 0% CCF under the standardised approach to credit risk. Credit card commitments that effectively provide for automatic cancellation due to deterioration in a borrower's creditworthiness but that are not UCC should not be included in this row.
47	F, L	Other unconditionally cancellable commitments	Other commitments that are unconditionally cancellable at any time by the bank without prior notice, that would receive a 0% CCF under the standardised approach to credit risk. Commitments that effectively provide for automatic cancellation due to deterioration in a borrower's creditworthiness but that are not UCC should not be included in this row.
48	F, L	Off-balance sheet items with a 20% CCF in the RSA	Off-balance sheet items that would be assigned a 20% credit conversion factor as defined in the standardised approach to credit risk (see paragraphs 83 and 85 of the Basel II framework and the footnote to paragraph 83).
49	F, L	Off-balance sheet items with a 50% CCF in the RSA	Off-balance sheet items that would be assigned a 50% credit conversion factor as defined in the standardised approach to credit risk (see paragraphs 83, 84(ii) and 84(iii) of the Basel II framework). This includes liquidity facilities and other commitments to securitisations incorporating the changes according to the Enhancements. That is the CCF for all eligible liquidity facilities in the securitisation framework is 50% regardless of the maturity.

Row	Column	Heading	Description
50	F, L	Off-balance sheet items with a 100% CCF in the RSA	Off-balance sheet items that would be assigned a 100% credit conversion factor as defined in the standardised approach to credit risk (see paragraphs 83(i), 83 (ii), 84 and 84(i) of the Basel II framework. This includes liquidity facilities and other commitments to securitisations incorporating the changes according to the Enhancements.
51	F, L	Total off-balance sheet items	This is a non data entry row.
53	F, L	Check row	This is a non data entry row. It checks that the unconditionally cancellable commitments do not exceed the off-balance sheet items with a 0% CCF.

5.4 On- and off-balance sheet items – additional breakdown of exposures (panel C)

Panel C provides an additional breakdown for on- and off-balance sheet exposures belonging to the banking book, according to the risk weights applied under the Basel II framework.[27]

Banks adopting the standardised approach for credit risk should report each exposure according to the regulatory risk weight as provided by the Basel II framework (under the standardised approach or the securitisation framework).[28,29] For banks adopting the internal ratings-based approach, for exposure (other than those for which specific regulatory risk weights are provided for – eg specialised lending exposures under the supervisory slotting criteria approach, securitisations exposures with an external credit assessment, equity exposures under the simple risk weight method, etc) belonging to each borrower grade, the risk weight should be derived by dividing the risk weighted exposure obtained from the risk-weight formula or the supervisory formula (for credit risk or securitisations exposures, respectively) by the EAD after recognition of eligible credit risk mitigation techniques. Under the internal ratings-based approach, exposures classified as in default should be excluded from the rows 60 to 67 and included in row 68.

Exposures deducted from the regulatory capital should be considered as being applied a 1250% risk weight.[30]

The exposure value of on-balance sheet items (columns D and J) should correspond to the solvency-based value under the Basel II framework,[31] after recognition of eligible credit risk mitigation

27 Transactions subject to the treatment for counterparty credit risk (see Annex 4 of the Basel II framework) should be included irrespective of whether they are classified in the banking or in the trading book.

28 For exposures supported by credit risk mitigation techniques implying the substitution of the risk weighting of the counterparty with the risk weighting of the guarantee (eg financial collateral under the simple approach), banks should refer to the risk weight after the substitution effect.

29 Banks currently adopting the Basel I framework should refer to the risk weights currently applied for the calculation of the credit risk capital requirement; for reporting purposes, the exposures should be mapped to the risk weights buckets as provided in this panel.

30 Deductions from the capital base under Annex 1a part C of the Basel II framework as well as regulatory adjustments under paragraphs 66 to 88 of the Basel III standards should not be included in panel C. Exposures for which the Basel II framework allows the option of being deducted or risk weighted (eg certain securitisation exposures) should be included in panel C with a 1250% risk weight even if they are deducted from the capital base.

techniques (eg EAD for the internal ratings-based approach). Off-balance sheet items (columns E and K) should be reported as for their notional value multiplied by the regulatory CCF[32] under the Basel II framework.

The following table provides a description of the data to be entered in each row.

Row	Column	Heading	Description
59	D, E, J, K	Total on- and off-balance sheet exposures belonging to the banking book (breakdown according to the effective risk weight):	This is a non-data entry row.
60	D, E, J, K	= 0%	Exposures with effective risk weight of 0%.
61	D, E, J, K	> 0 and ≤ 12%	Exposures with effective risk weights exceeding 0% but not more than 12%.
62	D, E, J, K	> 12 and ≤ 20%	Exposures with effective risk weights exceeding 12% but not more than 20%.
63	D, E, J, K	> 20 and ≤ 50%	Exposures with effective risk weights exceeding 20% but not more than 50%.
64	D, E, J, K	> 50 and ≤ 75%	Exposures with effective risk weights exceeding 50% but not more than 75%.
65	D, E, J, K	> 75 and ≤ 100%	Exposures with effective risk weights exceeding 75 but not more than 100%.
66	D, E, J, K	> 100 and ≤ 425%	Exposures with effective risk weights exceeding 100% but not more than 425%.
67	D, E, J, K	> 425 and ≤ 1250%	Exposures with effective risk weights exceeding 425% but not more than 1250%.
68	D, E, J, K	Defaulted exposures under the IRB approach	Exposures classified as in default under the internal ratings-based approach.

5.5 Reconciliation (panel D)

Panel D on reconciliation is a summary table that seeks to ensure the data is entered correctly and consistently. The reconciliation is between total accounting balance sheet exposures and total exposures after the effects of accounting netting (and other credit risk mitigation effects) have been eliminated. The non-netted values will provide a consistent comparison of exposures across accounting standards.

The following table provides a description of the data to be entered in each row.

31 Or under the Basel I framework, if currently applied by a bank, in which case the bank should correspondingly apply the Basel I standards for netting.

32 The applicable CCF should be based on the approach to credit risk used by the bank (eg standardised approach or internal ratings-based approach).

Row	Column	Heading	Description
74	D	Accounting total assets, previous quarter	Total assets following the relevant accounting balance sheet (considering the regulatory consolidation). The figure should be the same as the total value in cell D27.
74	J	Accounting total assets, reporting date	This is a non data entry row. Total assets following the relevant accounting balance sheet (considering the regulatory consolidation) should be entered in cell C49 of the "General Info" worksheet. The figure should be the same as the total value in cell J27.
75	D, J	Check row	This is a non data entry row. It checks that the total assets figure in panel D is the same as reported in panel A.
76	D, J	Reverse out on-balance sheet netting	Enter the amount of on-balance sheet netting (ie netting of loans against deposits) following the relevant accounting standards. This figure should equal the difference between the gross (column E (and K)) and the netted figures (column D (and J)) in panel A for the other assets (row 19).
77	D, J	Reverse out derivatives netting	Enter the amount of derivatives netting following the relevant accounting standards. This figure should equal the difference between the gross (column E (and K)) and the netted figures (column D (and J)) in panel A for derivatives (row 8).
78	D, J	Reverse out SFT netting	Enter the amount of netting related to SFT following the relevant accounting standards. This figure should equal the difference between the gross (column E (and K)) and the netted figures (column D (and J)) in panel A for SFT (row 15).
79	D, J	Reverse out other netting and other adjustments	Adjustment to the accounting other assets for the purpose of the leverage ratio. This should correspond to row 20.
80	D, J	Totals	This is a non-data entry row.
81	D, J	Check row	This is a non-data entry row. It checks that the total assets figure calculated in row 80 is the same as the total of gross values in panel A (row 27).

5.6 Adjusted notional exposures for written credit derivatives (panel E)

In panel E for the additional treatment for written credit derivatives exposure[33], there are three columns.

(a) Column D (and J) requires the effective notional amounts[34] for written credit derivatives, capped at maximum potential loss as defined in paragraph 30 of the Basel III leverage ratio framework.

(b) Column E (and K) requires the effective notional amounts capped at maximum potential loss, for credit derivatives bought on the same reference name as the written credit derivatives.

[33] Both credit derivatives belonging to the banking book and to the trading book should be reported.

[34] That is reflecting the true exposure of contracts that are leveraged or otherwise enhanced by the structure of the transaction as provided in footnote 13 of the Basel III leverage framework.

(c) Column F (and L) requires the effective notional amounts capped at maximum potential loss, for credit derivatives bought on the same reference name, where in the addition the maturity of the protection bought is equal to or greater than the maturity of the protection sold.

Reference names are considered the same if the conditions in footnote 14 of the Basel III leverage ratio framework are met.

Assuming Bank A has sold credit protection on $100 of Corporate X debt for five years, and purchased credit protection on the same debt through the following transactions: (i) $40 for five years; (ii) $40 for two years; (iii) $20 for six months, and assuming Bank A has not entered in other credit derivatives transactions, the notional amounts of credit protection written and purchased under the criteria described above are the following:

	Capped notional amount	Capped notional amount (same reference name)	Capped notional amount (same reference name with no maturity mismatch)
Credit derivatives (protection sold)	100		
Credit derivatives (protection bought)	100	100	40

The following table provides a description of the data to be entered in each row.

Row	Column	Heading	Description
87	D, J	Credit derivatives:	This is a non-data entry row.
88	D, J	Credit derivatives (protection sold)	Capped notional value of written credit derivatives (ie where the bank is providing credit protection to a counterparty) as set out in paragraph 30 of the Basel III leverage ratio framework.
89	D, J	Credit derivatives (protection bought)	Capped notional value of purchased credit derivatives (ie where the bank is buying credit protection from a counterparty) as set out in paragraph 30 of the Basel III leverage ratio framework.
89	E, K	Credit derivatives (protection bought)	Capped notional value of purchased credit derivatives (ie where the bank is buying credit protection from a counterparty) as set out in paragraph 30 of the Basel III leverage ratio framework, on the same underlying reference names as those credit derivatives written by the bank as defined in footnote 14 of the Basel III leverage ratio framework. Hence, the value should not be greater than the value entered in cell D89 (and J89) for each reference name.
89	F, L	Credit derivatives (protection bought)	Capped notional value of purchased credit derivatives (ie where the bank is buying credit protection from a counterparty) on the same underlying reference names as those credit derivatives written by the bank, where the maturity of the purchased protection is equal to or greater than the maturity of the sold protection. Hence, the value should not be greater than the value entered in cell E89 (and K89) for each reference name.
90	E, F, K, L	Credit derivatives (protection sold less protection bought)	This is a non data entry row. It calculates the difference between written and purchased credit derivatives on the same underlying reference names, for each of the two hypotheses for the offsetting as described above.
92	D, J	Check row	This is a non data entry row. It checks that the notional amount of written credit derivatives is the same as or less than that in panel B.

Row	Column	Heading	Description
93	D, J	Check row	This is a non data entry row. It checks that the notional amount of purchased credit derivatives is the same as or less than that in panel B.
94	D, E, F, J, K, L	Check row	This is a non data entry row. It checks that the notional amount of purchased credit derivatives for each of the two hypotheses for the offsetting as described above is consistently filled-in.

5.7 Calculation of the leverage ratio (panel F)

Panel F provides with the calculation of the leverage ratio, on the basis of the exposures data reported in the "Leverage Ratio" worksheet as well as of other relevant data as reported in the "DefCapB3" worksheet (Tier 1 capital, regulatory adjustments).

The following table provides a description of the data to be entered in each row.

Row	Column	Heading	Description
100	D, J	Tier 1 capital	This is a non-data entry row. It includes the amount of Tier 1 capital as reported in the "DefCapB3" worksheet (numerator of the leverage ratio).
101	D, J	Total exposures	This is a non-data entry row. It calculates the total exposures to be included in the denominator of the leverage ratio (before the deduction of regulatory adjustments).
101	E, K	Data complete	This is a non data entry row. It checks that all required exposures amounts entering the leverage ratio calculation are reported in previous panels.
102	D, J	Regulatory adjustments	This is a non-data entry row. It includes the amount of regulatory adjustments from Tier 1 as reported in the "DefCapB3" worksheet.
103	D, J	Total exposures for the calculation of the leverage ratio	This is a non-data entry row. It calculates the total exposures to be used for calculating the leverage ratio.
104	D, J	Leverage ratio	This is a non-data entry row. It calculates the leverage ratio on the basis of the previous values.

5.8 Business model categorisation (panel G)

Panel G provides additional data for the purposes of the categorisation of business models. The definitions for the line items correspond as far as possible with those provided in the Basel II framework (cross references as provided below).

The following table provides a description of the data to be entered in each row.

Row	Column	Heading	Description
110	J	Total exposures; of which:	This is a non-data entry row. Rows 111, 114 and 140 provide a breakdown of total exposures.
111	J	Total trading book exposures; of which:	This is a non-data entry row. Items in rows 112 and 113 provide a breakdown of the leverage ratio exposure amount for exposures that meet the definition in paragraphs 685 to 689(iii) of the Basel II framework.
112	J	Derivatives, SFTs	Leverage ratio exposure amount for derivatives and SFT that belong to the trading book according to paragraphs 685 to 689(iii) of the Basel II framework.

Row	Column	Heading	Description
113	J	Other trading book exposures	Leverage ratio exposure amount for instruments that belong to the trading book according to paragraphs 685 to 689(iii) of the Basel II framework other than derivatives and SFT.
114	J	Total banking book exposures; of which:	This is a non-data entry row. Items in rows 115 to 117 provide a breakdown of the leverage ratio exposure amount for all exposures that do not meet the definition in paragraphs 685 to 689(iii) of the Basel II framework.
115	J	Derivatives, SFTs	Leverage ratio exposure amount for derivatives and SFT.
116	J	Investments in covered bonds	Leverage ratio exposure amount for covered bonds.
117	J	Other banking book exposures; of which:	This is a non-data entry row. Items in rows 118, 125, 126, 131 and 137 provide a breakdown of the leverage exposure amount of banking book exposures other than derivatives, SFT and covered bonds.
118	J	Sovereigns; of which:	This is a non-data entry row. Leverage ratio exposure amount for exposures which meet the definition in paragraph 229 of the Basel II framework, as well as leverage ratio exposures that meet the definition of claims on domestic PSEs and of exposures to MDBs in paragraph 230 of the Basel II framework. Items in rows 119, 123 and 124 provide a breakdown of the sovereign exposures.
119	J	Public sector entities (PSEs); of which:	Leverage ratio exposure amount for exposures to PSEs referred to in paragraphs 229 and 230 of the Basel II framework.
120	J	PSE guaranteed by central government	Leverage ratio exposure amount for PSE exposures guaranteed by central government (of which item, also to be included in row 119).
121	J	PSEs not guaranteed by central government but treated as a sovereign under paragraph 229 of the Basel II framework	Leverage ratio exposure amount for PSEs not guaranteed by central government but treated as a sovereign under paragraph 229 of the Basel II framework (of which item, also to be included in row 119).
122	J	Check row	This is a non-data entry row. It checks that the sum of the exposure amounts in rows 120 and 121 is smaller than the amount of total PSE exposures.
123	J	MDBs	Leverage ratio exposure amount for exposures to MDBs referred to in paragraphs 229 and 230 of the Basel II framework.
124	J	Other sovereign exposures	Leverage ratio exposure amount for sovereigns exposures, excluding exposures to PSEs and MDBs.
125	J	Banks	Leverage ratio exposure amount for exposures which meet the definition in paragraph 230 of the Basel II framework, excluding exposures to PSEs and MDBs.
126	J	Retail exposures; of which:	This is a non-data entry row. Items in rows 127 to 130 provide a breakdown of leverage ratio exposure amount for exposures which meet the definition in paragraphs 231 to 234 of the Basel II framework.
127	J	Residential real estate exposures	Leverage ratio exposure amount for exposures which meet the definition in the second bullet of paragraph 231 of the Basel II framework.
128	J	SME exposures	Leverage ratio exposure amount for exposures which meet the definition in the third bullet of paragraph 231 and in paragraph 232 of the Basel II framework.

Row	Column	Heading	Description
129	J	Qualifying revolving retail exposures	Leverage ratio exposure amount for exposures which meet the definition in paragraph 234 of the Basel II framework.
130	J	Other retail exposures	Leverage ratio exposure amount for retail exposures other than residential real estate, SME and qualifying revolving retail exposures.
131	J	Corporate ; of which:	This is a non-data entry row. Items in rows 132 and 133 provide a breakdown of leverage ratio exposure amount for exposures which meet the definition in paragraphs 218 to 228 of the Basel II framework.
132	J	Financial	Leverage ratio exposure amount for corporate exposures which meet the definition in paragraph 102 of the Basel III framework, excluding exposures to banks.
133	J	Non-financial; of which:	This is a non-data entry row. Items in rows 134 to 136 provide a breakdown of non-financial exposures.
134	J	SME exposures	Leverage ratio exposure amount for exposures which meet the definition in paragraph 273 of the Basel II framework excluding exposures that meet the definition in paragraphs 231, third bullet, and 232.
135	J	Commercial real estate	Leverage ratio exposure amount for commercial real estate exposures which meet the definition in paragraphs 219 to 228 of the Basel II framework.
136	J	Other corporate non-financial	Leverage ratio exposure amount for non-financial corporate exposures which meet the definition in paragraphs 219 to 228 of the Basel II framework, other than SME and commercial real estate exposures.
137	J	Other exposures (eg equity and other non-credit obligation assets); of which:	Leverage ratio exposure amount for banking book exposures other than sovereigns, banks, retail and corporate exposures.
138	J	Securitisation exposures	Leverage ratio exposure amount for securitisation exposures (of which item, also to be included in row 137).
139	J	Check row	This is a non-data entry row. It checks that the exposure amount for securitisation exposures is smaller than the amount of total other exposures.
140	J	Exposure amounts resulting from the additional treatment for credit derivatives	Leverage ratio exposure amount for capped notional amounts for credit derivatives (panel E).
141	J	Check row	This is a non-data entry row. It checks that total in row 110 equals total exposures in panels A, B and E.
143	J	Memo item: Trade finance exposures	Leverage ratio exposure amount for issued and confirmed import and export letters of credit which are short-term and self-liquidating, and similar transactions. Trade finance exposures should also be included in one of the rows 111 to 138.

Banks should report all exposure values consistent with the calculations for the purposes of the leverage ratio in the rest of this worksheet. As a result, row 110 should equal total exposures in panels A, B and E. Unless mentioned otherwise, the input rows in this panel are mutually exclusive. Rows 110, 111 114, 117, 118, 126, 131 and 133 are non-data entry rows, and rows 122, 139 and 141 include checks.

6. Liquidity

This chapter of the Instructions regards the LCR and NSFR. The data collection is predominantly aimed at monitoring the LCR as specified in *Basel III: The Liquidity Coverage Ratio and liquidity risk monitoring tools*, published by the Committee in January 2013 and the NSFR as specified in *Basel III: The Net Stable Funding Ratio* – Consultative Document, published by the Committee in January 2014. These documents are referred to in the remainder of this chapter as the "Basel III LCR standards" and "Basel III NSFR standards", respectively.

Purpose of this exercise is to collect information that enables the Committee to monitor banks migration towards compliance with the LCR and NSFR as specified in the Basel III LCR standards and Basel III NSFR standards, respectively.

The liquidity data are collected in two templates: one for the LCR and one for the NSFR. The template for the LCR is built up the same way as the LCR section in the Basel III LCR standards.

All specifications and criteria specified in the Basel III LCR standards and the Basel III NSFR standards apply. The instructions indicate which paragraph of these documents the data requested refer to. If the instruction contradicts these documents, the standards overrule the instructions. Where the instructions provide further specification on the requested data beyond the standards, however, these instructions should be followed.

The template should be filled in on a consolidated basis following the existing scope of application set out in Part I (Scope of Application) of the Basel II framework (Basel III LCR standards paragraph 164). Consistent with all other worksheets, data for the "LCR" and "NSFR" worksheets should be reported in the most convenient currency. The currency which has been used should be recorded in the "General Info" worksheet (see Section 2.2).

6.1 Liquidity coverage ratio (LCR)

The LCR has two components:

(a) The value of the stock of high-quality liquid assets (HQLA) in stressed conditions (see sub-section 6.1.1 below); and

(b) Total net cash outflows, calculated according to the scenario parameters set by the supervisors. The term "total net cash outflows" is defined as "total expected cash outflows" (see sub-section 6.1.2 below) minus "total expected cash inflows" (see sub-section 6.1.3 below) in the specified stress scenario for the subsequent 30 calendar days (the stressed period).

6.1.1 Liquid assets (panel A)

Operational requirements (paragraphs 28 to 40 in the Basel III LCR standards)**:** All assets in the stock are subject to the following operational requirements. These operational requirements are designed to ensure that the stock of HQLA is managed in such a way that the bank can, and is able to demonstrate that it can, immediately use the stock of assets as a source of contingent funds that is available for the bank to convert into cash through outright sale or repo, to fill funding gaps between cash inflows and outflows at any time during the 30 day stress period, with no restriction on the use of the liquidity generated.

All assets in the stock should be unencumbered, per the definition below. Banks should exclude from the stock those assets that, although meeting the definition of "unencumbered" specified below, the bank would not have the operational capability to monetise to meet outflows during the stressed period. Operational capability to monetise assets requires having procedures and appropriate systems in place, including providing the function noted below with access to all necessary information to execute monetisation of any asset at any time. Monetisation of the asset must be executable, from an operational perspective, in the standard settlement period for the asset class in the relevant jurisdiction.

All assets accounted for in this section should be under the control of the function charged with managing the liquidity of the bank (eg the treasurer), meaning the function has the continuous authority, and legal and operational capability, to monetise any asset in the stock. Control must be evidenced either by maintaining assets in a separate pool managed by the function with the sole intent for use as a source of contingent funds, or by demonstrating that the function can monetise the asset at any point in the 30 day stress period and that the proceeds of doing so are available to the function throughout the 30 day stress period without directly conflicting with a stated business or risk management strategy. For example, an asset should not be included in the stock if the sale of that asset, without replacement throughout the 30 day period, would remove a hedge that would create an open risk position in excess of internal limits.

A bank is permitted to hedge the market risk associated with ownership of the stock of liquid assets and still include the assets in the stock. If it chooses to hedge the market risk, the bank should take into account (in the market value applied to each asset) the cash outflow that would arise if the hedge were to be closed out early (in the event of the asset being sold).

In accordance with Principle 9 of the *Sound Principles* a bank "should monitor the legal entity and physical location where collateral is held and how it may be mobilised in a timely manner". Specifically it should have a policy in place that identifies legal entities, geographical locations, currencies and specific custodial or bank accounts where HQLA are held. In addition the bank should determine whether any such assets should be excluded for operational reasons and, therefore, have the ability to determine the composition of its stock on a daily basis.

Qualifying HQLA that are held to meet statutory liquidity requirements at the legal entity or sub-consolidated level (where applicable) may only be included in the stock at the consolidated level to the extent that the related risks (as measured by the legal entity's or sub-consolidated group's net cash outflows in the LCR) are also reflected in the consolidated LCR. Any surplus of HQLA held at the legal entity can only be included in the consolidated stock if those assets would also be freely available to the consolidated (parent) entity in times of stress.

In assessing whether assets are freely transferable for regulatory purposes, banks should be aware that assets may not be freely available to the consolidated entity due to regulatory, legal, tax, accounting or other impediments. Assets held in legal entities without market access should only be included to the extent that they can be freely transferred to other entities that could monetise the assets.

In certain jurisdictions, large, deep and active repo markets do not exist for eligible asset classes, and therefore such assets are likely to be monetised through outright sale. In these circumstances, a bank should exclude from the stock of HQLA those assets where there are impediments to sale, such as large fire-sale discounts which would cause it to breach minimum solvency requirements, or requirements to hold such assets, including, but not limited to, statutory minimum inventory requirements for market-making.

Banks should not include in the stock of HQLA any assets, or liquidity generated from assets, they have received under right of rehypothecation, if the beneficial owner has the contractual right to withdraw those assets during the 30 day stress period.

Assets received as collateral for derivatives transactions that are not segregated and legally able to be rehypothecated may be included in the stock of HQLA provided that the bank records an appropriate outflow for the associated risks as set out in the Basel III LCR standards paragraph 116.

As part of the stock, the liquid assets cannot be counted as cash inflows even if they mature within 30 days (ie no double-counting is allowed).

Definition of unencumbered: free of legal, regulatory, contractual or other restrictions on the ability of the bank to liquidate, sell, transfer, or assign the asset. An asset in the stock should not be pledged by the bank (either explicitly or implicitly) to secure, collateralise or credit-enhance any transaction, nor be designated to cover operational costs (such as rents and salaries). However, assets that the bank received as collateral in reverse repo and securities financing transactions can be considered as part of the stock if they are held at the bank, have not been rehypothecated, and are legally and contractually available for the bank's use. In addition, assets which qualify for the stock of HQLA that have been prepositioned or deposited with, or pledged to, the central bank or a public sector entity (PSE) but have not been used to generate liquidity may be included in the stock. If a bank has deposited, pre-positioned or pledged Level 1, Level 2 and other assets in a collateral pool and no specific securities are assigned as collateral for any transactions, it may assume that assets are encumbered in order of increasing liquidity value in the LCR, ie assets ineligible for the LCR are assigned first, followed by Level 2B, then other Level 2 and finally Level 1. This determination must be made in compliance with any requirements, such as concentration or diversification, of the central bank or PSE.

Criteria of liquid assets: To qualify as a "high quality liquid asset", assets should be liquid in markets during a time of stress and, with the exception of Level 2B assets, ideally be central bank eligible. Such assets should generally possess the fundamental and market-related characteristics specified in paragraphs 24(i) and 24(ii) of the Basel III LCR standards. Securities that can be included in the stock of HQLA should meet the following common criteria (note that additional security-specific criteria are included in the individual line item descriptions):

- they should neither be issued by, nor be an obligation of, a financial institution[35] or any of its affiliated entities (except in the case of covered bonds and RMBS which should not be issued by the bank itself or any of its affiliated entities);
- they should be traded in large, deep and active repo or cash markets characterised by a low level of concentration;
- they should have a proven record as a reliable source of liquidity in the markets (repo or sale) even during stressed market conditions; and
- with the exception of Level 2B assets, they should ideally be central bank eligible.[36]

Row	Heading	Description	Basel III LCR standards reference
A)a)	**Level 1 assets**		
6	Coins and banknotes	Coins and banknotes currently held by the bank that are immediately available to meet obligations. Deposits placed at, or receivables from, other institutions should be reported in the inflows section.	50(a)

35 Financial institutions, in this context, include banks, securities firms and insurance companies.

36 Central bank eligibility alone is not a sufficient basis for determining which assets qualify as HQLA.

Row	Heading	Description	Basel III LCR standards reference
7	Total central bank reserves; of which:	Total amount held in central bank reserves (including required reserves) including banks' overnight deposits with the central bank, and term deposits with the central bank that: (i) are explicitly and contractually repayable on notice from the depositing bank; or (ii) that constitute a loan against which the bank can borrow on a term basis or on an overnight but automatically renewable basis (only where the bank has an existing deposit with the relevant central bank). Other term deposits with central banks are not eligible for the stock of HQLA; however, if the term expires within 30 days, the term deposit could be considered as an inflow (reported in line 304).	50(b), footnote 12
8	part of central bank reserves that can be drawn in times of stress	Total amount held in central bank reserves and overnight and term deposits at the same central bank (as reported in line 7) which can be drawn down in times of stress. Amounts required to be installed in the central bank reserves within 30 days should be reported in line 165 of the outflows section. **Please refer to the instructions from your supervisor for the specification of this item.**	50(b), footnote 13
Securities with a 0% risk weight:			
11	issued by sovereigns	Marketable debt securities issued by sovereigns, receiving a 0% risk weight under the standardised approach to credit risk of the Basel II framework (paragraph 53).	50(c)
12	guaranteed by sovereigns	Marketable debt securities guaranteed by sovereigns, receiving a 0% risk weight under the standardised approach to credit risk of the Basel II framework (paragraph 53).	50(c)
13	issued or guaranteed by central banks	Marketable debt securities issued or guaranteed by central banks, receiving a 0% risk weight under the standardised approach to credit risk of the Basel II framework (paragraph 53).	50(c)
14	issued or guaranteed by PSEs	Marketable debt securities issued or guaranteed by public sector entities, receiving a 0% risk weight under the standardised approach to credit risk of the Basel II framework (paragraphs 57 and 58).	50(c)
15	issued or guaranteed by BIS, IMF, ECB and European Community or MDBs	Marketable debt securities issued or guaranteed by the Bank for International Settlements, the International Monetary Fund, the European Central Bank (ECB) and European Community. or multilateral development banks (MDBs), receiving a 0% risk weight under the standardised approach to credit risk of the Basel II framework (paragraphs 56 and 59).	50(c)
For non-0% risk-weighted sovereigns:			
17	sovereign or central bank debt securities issued in domestic currency by the sovereign or central bank in the country in which the liquidity risk is taken or in the bank's home country	Debt securities issued by the sovereign or central bank in the domestic currency of that country, that are not eligible for inclusion in line items 11 or 13 because of the non-0% risk weight of that country. Banks are only permitted to include debt issued by sovereigns or central banks of their home jurisdictions or, to the extent of the liquidity risk taken in other jurisdictions, of those jurisdictions.	50(d)

Row	Heading	Description	Basel III LCR standards reference
18	domestic sovereign or central bank debt securities issued in foreign currencies, up to the amount of the bank's stressed net cash outflows in that specific foreign currency stemming from the bank's operations in the jurisdiction where the bank's liquidity risk is being taken	Debt securities issued by the domestic sovereign or central bank in foreign currencies (that are not eligible for inclusion in line items 11 or 13 because of the non-0% risk weight), up to the amount of the bank's stressed net cash outflows in that specific foreign currency stemming from the bank's operations in the jurisdiction where the bank's liquidity risk is being taken.	50(e)
Total Level 1 assets:			
19	Total stock of Level 1 assets	Total outright holdings of Level 1 assets plus all borrowed securities of Level 1 assets	49
20	Adjustment to stock of Level 1 assets	Adjustment to the stock of Level 1 assets for purpose of calculating the caps on Level 2 and Level 2B assets.	Annex 1
21	Adjusted amount of Level 1 assets	Adjusted amount of Level 1 assets used for the purpose of calculating the adjustment to the stock of HQLA due to the cap on Level 2 assets in line item 49 and the cap on Level 2B assets in line item 48.	Annex 1
A)b)	**Level 2A assets**		
Securities with a 20% risk weight:			
25	issued by sovereigns	Marketable debt securities issued by sovereigns, receiving a 20% risk weight under the standardised approach to credit risk of the Basel II framework (paragraph 53), satisfying all the conditions listed in paragraph 52(a) of the Basel III LCR standards, and not included in lines 17 or 18.	52(a)
26	guaranteed by sovereigns	Marketable debt securities guaranteed by sovereigns, receiving a 20% risk weight under the standardised approach to credit risk of the Basel II framework (paragraph 53), satisfying all the conditions listed in paragraph 52(a) of the Basel III LCR standards.	52(a)
27	issued or guaranteed by central banks	Marketable debt securities issued or guaranteed by central banks, receiving a 20% risk weight under the standardised approach to credit risk of the Basel II framework (paragraph 53), satisfying all the conditions listed in paragraph 52(a) of the Basel III LCR standards, and not included in lines 17 or 18.	52(a)
28	issued or guaranteed by PSEs	Marketable debt securities issued or guaranteed by PSEs, receiving a 20% risk weight under the standardised approach to credit risk of the Basel II framework (paragraphs 57 and 58), satisfying all the conditions listed in paragraph 52(a) of the Basel III LCR standards.	52(a)
29	issued or guaranteed by MDBs	Marketable debt securities issued or guaranteed by multilateral development banks, receiving a 20% risk weight under the standardised approach to credit risk of the Basel II framework (paragraph 59), satisfying all the conditions listed in paragraph 52(a) of the Basel III LCR standards.	52(a)

Row	Heading	Description	Basel III LCR standards reference
Non-financial corporate bonds:			
30	rated AA- or better	Non-financial corporate bonds (including commercial paper) (i) having a long-term credit assessment by a recognised ECAI of at least AA- or in the absence of a long term rating, a short-term rating equivalent in quality to the long-term rating or (ii) not having a credit assessment by a recognised ECAI but are internally rated as having a probability of default (PD) corresponding to a credit rating of at least AA-, satisfying the conditions listed in paragraph 52(b) of the Basel III LCR standards.	52(b)
Covered bonds (not self-issued):			
31	rated AA- or better	Covered bonds, not self-issued, (i) having a long-term credit assessment by a recognised ECAI of at least AA- or in the absence of a long term rating, a short-term rating equivalent in quality to the long-term rating or (ii) not having a credit assessment by a recognised ECAI but are internally rated as having a probability of default (PD) corresponding to a credit rating of at least AA-, satisfying the conditions listed in paragraph 52(b) of the Basel III LCR standards.	52(b)
Total Level 2A assets:			
32	Total stock of Level 2A assets	Total outright holdings of Level 2A assets plus all borrowed securities of Level 2A assets, after applying haircuts	52(a),(b)
33	Adjustment to stock of Level 2A assets	Adjustment to the stock of Level 2A assets for purpose of calculating the caps on Level 2 and Level 2B assets.	Annex 1
34	Adjusted amount of Level 2A assets	Adjusted amount of Level 2A assets used for the purpose of calculating the adjustment to the stock of HQLA due to the cap on Level 2 assets in line item 49 and the cap on Level 2B assets in line item 48.	Annex 1
A)c) Level 2B assets **Please refer to the instructions from your supervisor for the specification of items in the Level 2B assets subsection.** In choosing to include any Level 2B assets in Level 2, national supervisors are expected to ensure that (i) such assets fully comply with the qualifying criteria set out Basel III LCR standards, paragraph 54; and (ii) banks have appropriate systems and measures to monitor and control the potential risks (eg credit and market risks) that banks could be exposed to in holding these assets.			
37	Residential mortgage backed securities (RMBS), rated AA or better	RMBS that satisfy all of the conditions listed in paragraph 54(a) of the Basel III LCR standards.	54(a)
38	Non-financial corporate bonds, rated BBB- to A+	Non-financial corporate debt securities (including commercial paper) rated BBB- to A+ that satisfy all of the conditions listed in paragraph 54(b) of the Basel III LCR standards.	54(b)
39	Non-financial common equity shares	Non-financial common equity shares that satisfy all of the conditions listed in paragraph 54(c) of the Basel III LCR standards.	54(c)
Total Level 2B assets:			
40	Total stock of Level 2B RMBS assets	Total outright holdings of Level 2B RMBS assets plus all borrowed securities of Level 2B RMBS assets, after applying haircuts.	54(a)
41	Adjustment to stock of Level 2B RMBS assets	Adjustment to the stock of Level 2B RMBS assets for purpose of calculating the caps on Level 2 and Level 2B assets.	Annex 1

Row	Heading	Description	Basel III LCR standards reference
42	Adjusted amount of Level 2B RMBS assets	Adjusted amount of Level 2B RMBS assets used for the purpose of calculating the adjustment to the stock of HQLA due to the cap on Level 2 assets in line item 49 and the cap on Level 2B assets in line item 48.	Annex 1
43	Total stock of Level 2B non-RMBS assets	Total outright holdings of Level 2B non-RMBS assets plus all borrowed securities of Level 2B non-RMBS assets, after applying haircuts.	54(b),(c)
44	Adjustment to stock of Level 2B non-RMBS assets	Adjustment to the stock of Level 2B non-RMBS assets for purpose of calculating the caps on Level 2 and Level 2B assets.	Annex 1
45	Adjusted amount of Level 2B non-RMBS assets	Adjusted amount of Level 2B non-RMBS assets used for the purpose of calculating the adjustment to the stock of HQLA due to the cap on Level 2 assets in line item 49 and the cap on Level 2B assets in line item 48.	Annex 1
46	Adjusted amount of Level 2B (RMBS and non-RMBS) assets	Sum of adjusted amount of Level 2B RMBS assets and adjusted amount of Level 2B non-RMBS assets	Annex 1
48	Adjustment to stock of HQLA due to cap on Level 2B assets	Adjustment to stock of HQLA due to 15% cap on Level 2B assets.	47, Annex 1
49	Adjustment to stock of HQLA due to cap on Level 2 assets	Adjustment to stock of HQLA due to 40% cap on Level 2 assets.	51, Annex 1
A)d)	**Total stock of HQLA**		
52	Total stock of HQLA	Total stock of HQLA after taking haircuts and the adjustment for the caps on Level 2 and Level 2B assets into account.	
56	Assets held at the entity level, but excluded from the consolidated stock of HQLA	Any surplus of liquid assets held at the legal entity that is excluded (ie not reported in lines above) from the consolidated stock because of reasonable doubts that they would be freely available to the consolidated (parent) entity in times of stress. Eligible liquid assets that are held by a legal entity being consolidated to meet its local LCR requirements (where applicable) can be included in the consolidated LCR to the extent that such liquid assets are used to cover the total net cash outflows of that entity, notwithstanding that the assets are subject to liquidity transfer restrictions. If the liquid assets held in excess of the total net cash outflows of the legal entity are not transferable, such surplus liquidity should be excluded from the standard and reported in this line. For practical reasons, the liquidity transfer restrictions to be accounted for in the consolidated ratio are confined to existing restrictions imposed under applicable laws, regulations and supervisory requirements. Banks should report the market value of Level 1 assets excluded in column D, the market value of Level 2A assets excluded in column E, the market value of Level 2B RMBS assets excluded in column F and the market value of Level 2B non-RMBS assets excluded in column G.	36–37, 171–172
57	of which, can be included in the consolidated stock by the time the standard is implemented	Any assets reported in row 56 but which the bank believes will, through management actions executed prior to the implementation date of the standard, meet the eligibility requirements for the stock of liquid assets.	

<table>
<tr><th>Row</th><th>Heading</th><th>Description</th><th>Basel III LCR standards reference</th></tr>
<tr><td>59</td><td>Assets excluded from the stock of HQLA due to operational restrictions</td><td>Level 1 and Level 2 assets held by the bank that are not included in the stock of HQLA (ie not reported in lines above), because of the operational restrictions noted in paragraphs 31-34 and 38-40 of the Basel III LCR standards.

Banks should report the market value of Level 1 assets excluded in column D, the market value of Level 2A assets excluded in column E, the market value of Level 2B RMBS assets excluded in column F and the market value of Level 2B non-RMBS assets excluded in column G.</td><td>31–34, 38–40</td></tr>
<tr><td>60</td><td>of which, can be included in the stock by the time the standard is implemented</td><td>Any assets reported in row 59 but which the bank believes will, through management actions executed prior to the implementation date of the standard, meet the eligibility requirements for the stock of liquid assets.</td><td></td></tr>
<tr><td colspan="4">A)e) Treatment for jurisdictions with insufficient HQLA
Please refer to the instructions from your supervisor for the specification of this subsection.

Some jurisdictions may not have sufficient supply of Level 1 assets (or both Level 1 and Level 2 assets) in their domestic currency to meet the aggregate demand of banks with significant exposures in this currency (note that an insufficiency in Level 2 assets alone does not qualify for the alternative treatment). To address this situation, the Committee has developed alternative treatments for the holdings in the stock of HQLA, which are expected to apply to a limited number of currencies and jurisdictions.

Eligibility for such alternative treatment will be judged on the basis of qualifying criteria set out in Annex 2 of the Basel III LCR standards and will be determined through an independent peer review process overseen by the Committee. The purpose of this process is to ensure that the alternative treatments are only used when there is a true shortfall in HQLA in the domestic currency relative to the needs in that currency.

There are three potential options for this treatment (line items 67 to 71). If your supervisor intends to adopt this treatment, it is expected that they provide specific instructions to the banks under its supervision for reporting the relevant information under the option it intends to use. To avoid double-counting, if an asset has already been included in the eligible stock of HQLA, it should not be reported under these options.</td></tr>
<tr><td colspan="4">Option 1 – Contractual committed liquidity facilities from the relevant central bank, with a fee

These facilities should not be confused with regular central bank standing arrangements. In particular, these facilities are contractual arrangements between the central bank and the commercial bank with a maturity date which, at a minimum, falls outside the 30-day LCR window. Further, the contract must be irrevocable prior to maturity and involve no ex-post credit decision by the central bank.

Such facilities are only permissible if there is also a fee for the facility which is charged regardless of the amount, if any, drawn down against that facility and the fee is set so that banks which claim the facility line to meet the LCR, and banks which do not, have similar financial incentives to reduce their exposure to liquidity risk. That is, the fee should be set so that the net yield on the assets used to secure the facility should not be higher than the net yield on a representative portfolio of Level 1 and Level 2 assets, after adjusting for any material differences in credit risk.</td></tr>
<tr><td>67</td><td>Option 1 – Contractual committed liquidity facilities from the relevant central bank</td><td>Only include the portion of facility that is secured by available collateral accepted by the central bank, after haircut specified by the central bank. Please refer to the instructions from your supervisor for the specification of this item.</td><td>58</td></tr>
</table>

Row	Heading	Description	Basel III LCR standards reference
Option 2 – Foreign currency HQLA to cover domestic currency liquidity needs For currencies that do not have sufficient HQLA, supervisors may permit banks that evidence a shortfall of HQLA in the domestic currency (which would match the currency of the underlying risks) to hold HQLA in a currency that does not match the currency of the associated liquidity risk, provided that the resulting currency mismatch positions are justifiable and controlled within limits agreed by their supervisors. To account for foreign exchange risk associated with foreign currency HQLA used to cover liquidity needs in the domestic currency, such liquid assets should be subject to a minimum haircut of 8% for major currencies that are active in global foreign exchange markets. For other currencies, supervisors should increase the haircut to an appropriate level on the basis of historical (monthly) exchange rate volatilities between the currency pair over an extended period of time. If the domestic currency is formally pegged to another currency under an effective mechanism, the haircut for the pegged currency can be lowered to a level that reflects the limited exchange rate risk under the peg arrangement. Haircuts for foreign currency HQLA used under Option 2 would apply only to HQLA in excess of a threshold specified by supervisors which is not greater than 25% that are used to cover liquidity needs in the domestic currency.			
69	Level 1 assets	Subject to the limit mentioned above, the aggregate amount of the excess of Level 1 assets in a given foreign currency or currencies that can be used to cover the associated liquidity need of the domestic currency. **Please refer to the instructions from your supervisor for the specification of this item.**	59
70	Level 2 assets	Subject to the limit mentioned above, the aggregate amount of the excess of Level 2 assets in a given foreign currency or currencies that can be used to cover the associated liquidity need of the domestic currency. **Please refer to the instructions from your supervisor for the specification of this item.**	59
Option 3 – Additional use of Level 2 assets with a higher haircut This option addresses currencies for which there are insufficient Level 1 assets, as determined by the qualifying principles and criteria, but where there are sufficient Level 2A assets. In this case, supervisors may choose to allow banks that evidence a shortfall of liquid assets in the domestic currency (to match the currency of the liquidity risk incurred) to hold additional Level 2A assets in the stock. These additional Level 2A assets should be subject to a minimum 20% – ie 5% higher than the 15% haircut applicable to Level 2A assets that are included in the 40% cap. Any Level 2B assets held by the bank would remain subject to the cap of 15%, regardless of the amount of other Level 2 assets held.			
71	Option 3 – Additional use of Level 2 assets with a higher haircut	Assets reported in lines 25 to 31 that are **not** counted towards the regular stock of HQLA because of the cap on Level 2 assets. **Please refer to the instructions from your supervisor for the specification of this item.**	62
Total usage of alternative treatment			
72	Total usage of alternative treatment (post-haircut) before applying the cap	Sum of the usage of alternative treatment should be equal to total outright holdings and all borrowed securities under different options. **Please refer to the instructions from your supervisor for the specification of this item.**	
73	Cap on usage of alternative treatment	**Please refer to the instructions from your supervisor for the specification of this item.**	
74	Total usage of alternative treatment (post-haircut) after applying the cap	The lower of the cap and eligible alternative treatment (post-haircut) before applying the cap. **Please refer to the instructions from your supervisor for the specification of this item.**	
A)f)	**Total stock of HQLA plus usage of alternative treatment**		
77	Total stock of HQLA plus usage of alternative treatment	Sum of stock of HQLA and usage of alternative treatment after cap.	

6.1.2 Outflows, Liquidity Coverage Ratio (LCR) (panel B1)

This section calculates the total expected cash outflows in the LCR stress scenario for the subsequent 30 calendar days. They are calculated by multiplying the outstanding balances of various categories or types of liabilities and off-balance sheet commitments by the rates at which they are expected to run off or to be drawn down (Basel III LCR standards paragraph 69).

Where there is potential that an item could be reported in multiple outflow categories, (eg committed liquidity facilities granted to cover debt maturing within the 30 calendar day period), a bank only has to assume up to the maximum contractual outflow for that product (Basel III LCR standards paragraph 72).

Row	Heading	Description	Basel III LCR standards reference
a)	**Retail deposit run-off**		
	Retail deposits are defined as deposits placed with a bank by a natural person. Deposits from legal entities, sole proprietorships and partnerships are captured in wholesale deposit categories. Retail deposits reported in lines 87 to 104 include demand deposits and term deposits maturing in or with a notice period up to 30 days. Term deposits with a residual contractual maturity greater than 30 days which may be withdrawn within 30 days without entailing a significant withdrawal penalty materially greater than the loss of interest, should be considered to mature within the 30-day horizon and should also be included in lines 87 to 104 as appropriate. If a portion of the term deposit can be withdrawn without incurring such a penalty, only that portion should be treated as a demand deposit. The remaining balance of the deposit should be treated as a term deposit. Notes, bonds and other debt securities sold exclusively to the retail market and held in retail accounts can be reported in the appropriate retail deposit category (Basel III LCR standards paragraph 110). To be treated in this manner, it is not sufficient that the debt instruments are specifically designed and marketed to retail customers. Rather there should be limitations placed such that those instruments cannot be bought and held by parties other than retail customers. Per paragraph 76 of the Basel III LCR standards, an "effective deposit insurance scheme" refers to a scheme (i) that guarantees that it has the ability to make prompt payouts, (ii) for which the coverage is clearly defined and (iii) of which public awareness is high. The deposit insurer in an effective deposit insurance scheme has formal legal powers to fulfil its mandate and is operationally independent, transparent and accountable. A jurisdiction with an explicit and legally binding sovereign deposit guarantee that effectively functions as deposit insurance can be regarded as having an effective deposit insurance scheme.		
83	Total retail deposits; of which	Total retail deposits as defined above.	73–84
84	Insured deposits; of which:	The portion of retail deposits that are fully insured by an effective deposit insurance scheme.	75–78
85	in transactional accounts; of which:	Total insured retail deposits in transactional accounts (eg accounts where salaries are automatically credited).	75, 78
86	eligible for a 3% run-off rate; of which:	The amount of insured transactional retail deposits that are in jurisdictions where the supervisor chooses to apply a 3% run-off rate given the deposits are fully insured by an effective deposit insurance scheme that meets the conditions outlined in paragraph 78 of the Basel III LCR standards. **Please refer to the instructions from your supervisor for the specification of these items.**	78
87	are in the reporting bank's home jurisdiction	Of the deposits referenced in line 86, the amount that **are** in the reporting bank's home jurisdiction.	78
88	are not in the reporting bank's home jurisdiction	Of the deposits referenced in line 86, the amount that **are not** in the reporting bank's home jurisdiction.	78
89	eligible for a 5% run-off rate; of which:	The amount of insured transactional retail deposits that are in jurisdictions where the supervisor does **not** choose to apply a 3% run-off rate. **Please refer to the instructions from your supervisor for the specification of these items.**	75

Row	Heading	Description	Basel III LCR standards reference
90	are in the reporting bank's home jurisdiction	Of the deposits referenced in line 89, the amount that **are** in the reporting bank's home jurisdiction.	75
91	are not in the reporting bank's home jurisdiction	Of the deposits referenced in line 89, the amount that **are not** in the reporting bank's home jurisdiction.	75
92	in non-transactional accounts with established relationships that make deposit withdrawal highly unlikely; of which:	Total insured retail deposits in non-transactional accounts where the customer has another relationship with the bank that would make deposit withdrawal highly unlikely.	75, 78
93	eligible for a 3% run-off rate; of which:	The amount of insured non-transactional established relationship retail deposits that are in jurisdictions where the supervisor chooses to apply a 3% run-off rate given the deposits are fully insured by an effective deposit insurance scheme that meets the conditions outlined in paragraph 78 of the Basel III LCR standards. **Please refer to the instructions from your supervisor for the specification of these items.**	78
94	are in the reporting bank's home jurisdiction	Of the deposits referenced in line 93, the amount that **are** in the reporting bank's home jurisdiction.	78
95	are not in the reporting bank's home jurisdiction	Of the deposits referenced in line 93, the amount that **are not** in the reporting bank's home jurisdiction.	78
96	eligible for a 5% run-off rate; of which:	The amount of insured non-transactional established relationship retail deposits that are in jurisdictions where the supervisor does not choose to apply a 3% run-off rate. **Please refer to the instructions from your supervisor for the specification of these items.**	75
97	are in the reporting bank's home jurisdiction	Of the deposits referenced in line 96, the amount that **are** in the reporting bank's home jurisdiction.	75
98	are not in the reporting bank's home jurisdiction	Of the deposits referenced in line 96, the amount that **are not** in the reporting bank's home jurisdiction.	75
99	in non-transactional and non-relationship accounts	Insured retail deposits in non-transactional accounts where the customer does **not** have another relationship with the bank that would make deposit withdrawal highly unlikely.	79
100	Uninsured deposits	The portion of retail deposits that are non-maturing or mature within 30 days that are not fully insured by an effective deposit insurance scheme (ie all retail deposits not reported in lines 87 to 99, excluding any deposits included in lines 102 to 104).	79
101	Additional deposit categories with higher run-off rates as specified by supervisor	Other retail deposit categories, as defined by the supervisor. These amounts should **not** be included in the lines above.	79
102	Category 1	As defined by supervisor	79
103	Category 2	As defined by supervisor	79
104	Category 3	As defined by supervisor	79
105	Term deposits (treated as having >30 day remaining maturity); of which	Retail deposits with a residual maturity or withdrawal notice period greater than 30 days where the depositor has no legal right to withdraw deposits within 30 days, or where early withdrawal results in a significant penalty that is materially greater than the loss of interest.	82–84
106	With a supervisory run-off rate	As defined by supervisor.	84
107	Without supervisory run-off rate	All other term retail deposits treated as having > 30 day remaining maturity as defined in line 105.	82

<table>
<tr><th>Row</th><th>Heading</th><th>Description</th><th>Basel III LCR standards reference</th></tr>
<tr><td colspan="4">b) Unsecured wholesale funding run-off
Unsecured wholesale funding is defined as liabilities and general obligations that are raised from non-natural persons (ie legal entities, including sole proprietorships and partnerships) and are not collateralised by legal rights to specifically designated assets owned by the borrowing institution in the case of bankruptcy, insolvency, liquidation or resolution, excluding derivatives.
Wholesale funding included in the LCR is defined as all funding that is callable within the LCR’s 30-day horizon or that has its earliest possible contractual maturity date within this horizon (such as maturing term deposits and unsecured debt securities) as well as funding with an undetermined maturity. This includes all funding with options that are exercisable at the investor’s discretion within the 30-day horizon. It also includes funding with options exercisable at the bank’s discretion where the bank’s ability not to exercise the option is limited for reputational reasons. In particular, where the market expects certain liabilities to be redeemed before their legal final maturity date and within the 30-day horizon, such liabilities should be included in the appropriate outflows category.
Small business customers
Unsecured wholesale funding provided by small business customers consists of deposits and other extensions of funds made by non-financial small business customers. “Small business customers” are defined in line with the definition of loans extended to small businesses in paragraph 231 of the Basel II framework that are managed as retail exposures and are generally considered as having similar liquidity risk characteristics to retail accounts, provided the total aggregated funding raised from the small business customer is less than €1 million (on a consolidated basis where applicable) (Basel III LCR standards paragraph 90).
“Aggregated funding” means the gross amount (ie not netting any form of credit extended to the legal entity) of all forms of funding (eg deposits or debt securities or similar derivative exposure for which the counterparty is known to be a small business customer) (Basel III LCR standards footnote 41).
Applying the limit on a consolidated basis means that where one or more small business customers are affiliated with each other, they may be considered as a single creditor such that the limit is applied to the total funding received by the bank from this group of customers (Basel III LCR standards footnote 41).
Where a bank does not have any exposure to a small business customer that would enable it to use the definition under paragraph 231 of the Basel II framework, the bank may include such a deposit in this category provided that the total aggregate funding raised from the customer is less than €1 million (on a consolidated basis where applicable) and the deposit is managed as a retail deposit. This means that the bank treats such deposits in its internal risk management systems consistently over time and in the same manner as other retail deposits, and that the deposits are not individually managed in a way comparable to larger corporate deposits.
Term deposits from small business customers with a residual contractual maturity of greater than 30 days which can be withdrawn within 30 days without a significant withdrawal penalty materially greater than the loss of interest should be considered to fall within the 30-day horizon and should also be included in lines 116 to 133 as appropriate. If a portion of the term deposit can be withdrawn without incurring such a penalty, only that portion should be treated as a demand deposit. The remaining balance of the deposit should be treated as a term deposit.</td></tr>
<tr><td>111</td><td>Total unsecured wholesale funding</td><td></td><td>85–111</td></tr>
<tr><td>112</td><td>Total funding provided by small business customers; of which:</td><td>Total small business customer deposits as defined above.</td><td>89–92</td></tr>
<tr><td>113</td><td>Insured deposits; of which:</td><td>The portion of deposits or other forms of unsecured wholesale funding which are provided by non-financial small business customers and are non-maturing or mature within 30 days that are fully insured by an effective deposit insurance scheme.</td><td>89, 75–78</td></tr>
<tr><td>114</td><td>in transactional accounts; of which:</td><td>Total insured small business customer deposits in transactional accounts (eg accounts where salaries are paid out from).</td><td>89, 75, 78</td></tr>
<tr><td>115</td><td>eligible for a 3% run-off rate; of which:</td><td>The amount of insured transactional small business customer deposits that are in jurisdictions where the supervisor chooses to apply a 3% run-off rate given the deposits are fully insured by an effective deposit insurance scheme that meets the conditions outlined in paragraph 78 of the Basel III LCR standards. Please refer to the instructions from your supervisor for the specification of these items.</td><td>89, 78</td></tr>
</table>

Row	Heading	Description	Basel III LCR standards reference
116	are in the reporting bank's home jurisdiction	Of the deposits referenced in line 115, the amount that **are** in the reporting bank's home jurisdiction.	89, 78
117	are not in the reporting bank's home jurisdiction	Of the deposits referenced in line 115, the amount that **are not** in the reporting bank's home jurisdiction.	89, 78
118	eligible for a 5% run-off rate; of which:	The amount of insured transactional small business customer deposits that are in jurisdictions where the supervisor does not choose to apply a 3% run-off rate. **Please refer to the instructions from your supervisor for the specification of these items.**	89, 75
119	are in the reporting bank's home jurisdiction	Of the deposits referenced in line 118, the amount that **are** in the reporting bank's home jurisdiction.	89, 75
120	are not in the reporting bank's home jurisdiction	Of the deposits referenced in line 118, the amount that **are not** in the reporting bank's home jurisdiction.	89, 75
121	in non-transactional accounts with established relationships that make deposit withdrawal highly unlikely; of which:	Total insured small business customer deposits in non-transactional accounts where the customer has another relationship with the bank that would make deposit withdrawal highly unlikely.	89, 75, 78
122	eligible for a 3% run-off rate; of which:	The amount of insured non-transactional established relationship small business customer deposits that are in jurisdictions where the supervisor chooses to apply a 3% run-off rate given the deposits are fully insured by an effective deposit insurance scheme that meets the conditions outlined in paragraph 78 of the Basel III LCR standards. **Please refer to the instructions from your supervisor for the specification of these items.**	89, 78
123	are in the reporting bank's home jurisdiction	Of the deposits referenced in line 122, the amount that **are** in the reporting bank's home jurisdiction.	89, 78
124	are not in the reporting bank's home jurisdiction	Of the deposits referenced in line 122, the amount that **are not** in the reporting bank's home jurisdiction.	89, 78
125	eligible for a 5% run-off rate; of which:	The amount of insured non-transactional established relationship small business customer deposits that are in jurisdictions where the supervisor does not choose to apply a 3% run-off rate. **Please refer to the instructions from your supervisor for the specification of these items.**	89, 75
126	are in the reporting bank's home jurisdiction	Of the deposits referenced in line 125, the amount that **are** in the reporting bank's home jurisdiction.	89, 75
127	are not in the reporting bank's home jurisdiction	Of the deposits referenced in line 125, the amount that **are not** in the reporting bank's home jurisdiction.	89, 75
128	in non-transactional and non-relationship accounts	Insured small business customer deposits in non-transactional accounts, where the customer does not have another relationship with the bank that would make deposit withdrawal highly unlikely.	89, 79
129	Uninsured deposits	The portion of small business customer deposits that are non-maturing or mature within 30 days, that are not fully insured by an effective deposit insurance scheme (ie all small business customer deposits not reported in lines 116 to 128, excluding any reported in lines 131 to 133).	89, 79
130	Additional deposit categories with higher run-off rates as specified by supervisor	Other small business customer deposits, as defined by supervisor. Amounts in these categories should not be included in the lines above.	89, 79
131	Category 1	As defined by supervisor.	89, 79

Row	Heading	Description	Basel III LCR standards reference
132	Category 2	As defined by supervisor.	89, 79
133	Category 3	As defined by supervisor.	89, 79
134	Term deposits (treated as having >30 day maturity); of which:	Small business customer deposits with a residual maturity or withdrawal notice period of greater than 30 days where the depositor has no legal right to withdraw deposits within 30 days, or if early withdrawal is allowed, would result in a significant penalty that is materially greater than the loss of interest.	92, 82-84
135	With a supervisory run-off rate	As defined by supervisor.	92, 84
136	Without supervisory run-off rate	All other term small business customer deposits treated as having > 30 day remaining maturity as defined in line 134.	92, 82

Unsecured wholesale funding generated by clearing, custody and cash management activities ("operational deposits"):

Reported in lines 140 to 153 are portions of deposits and other extensions of funds from financial and non-financial wholesale customers (excluding deposits less than €1 million from small business customers which are reported in lines 116 to 136) generated out of clearing, custody and cash management activities ("operational deposits"). These funds may receive a 25% run-off factor only if the customer has a substantive dependency with the bank and the deposit is required for such activities.

Qualifying activities in this context refer to clearing, custody or cash management activities that meet the following criteria:

- The customer is reliant on the bank to perform these services as an independent third party intermediary in order to fulfil its normal banking activities over the next 30 days. For example, this condition would not be met if the bank is aware that the customer has adequate back-up arrangements.
- These services must be provided under a legally binding agreement to institutional customers.
- The termination of such agreements shall be subject either to a notice period of at least 30 days or significant switching costs (such as those related to transaction, information technology, early termination or legal costs) to be borne by the customer if the operational deposits are moved before 30 days.

Qualifying operational deposits generated by such an activity are ones where:

- The deposits are by-products of the underlying services provided by the banking organisation and not sought out in the wholesale market in the sole interest of offering interest income.
- The deposits are held in specifically designated accounts and priced without giving an economic incentive to the customer (not limited to paying market interest rates) to leave any excess funds on these accounts. In the case that interest rates in a jurisdiction are close to zero, it would be expected that such accounts are non-interest bearing.

Any excess balances that could be withdrawn and would still leave enough funds to fulfil these clearing, custody and cash management activities do not qualify for the 25% factor. In other words, only that part of the deposit balance with the service provider that is proven to serve a customer's operational needs can qualify as stable. Excess balances should be treated in the appropriate category for non-operational deposits. If banks are unable to determine the amount of the excess balance, then the entire deposit should be assumed to be excess to requirements and, therefore, considered non-operational.

Deposits arising out of correspondent banking or from the provision of prime brokerage services (as defined in Basel III LCR standards footnote 42) should not be reported in these lines rather as non-operational deposits in lines 156 to 163 as appropriate (Basel III LCR standards paragraph 99) and lines 169 and 171, respectively.

A clearing relationship, in this context, refers to a service arrangement that enables customers to transfer funds (or securities) indirectly through direct participants in domestic settlement systems to final recipients. Such services are limited to the following activities: transmission, reconciliation and confirmation of payment orders; daylight overdraft, overnight financing and maintenance of post-settlement balances; and determination of intra-day and final settlement positions. (Basel III LCR standards, paragraph 101)

A custody relationship, in this context, refers to the provision of safekeeping, reporting, processing of assets or the facilitation of the operational and administrative elements of related activities on behalf of customers in the process of their transacting and retaining financial assets. Such services are limited to the settlement of securities transactions, the transfer of contractual payments, the processing of collateral, and the provision of custody related cash management services. Also included are the receipt of dividends and other income, client subscriptions and redemptions. Custodial services can furthermore extend to asset and corporate trust servicing, treasury, escrow, funds transfer, stock transfer

Row	Heading	Description	Basel III LCR standards reference
and agency services, including payment and settlement services (excluding correspondent banking), and depository receipts. (Basel III LCR standards, paragraph 102) A cash management relationship, in this context, refers to the provision of cash management and related services to customers. Cash management services, in this context, refers to those products and services provided to a customer to manage its cash flows, assets and liabilities, and conduct financial transactions necessary to the customer's ongoing operations. Such services are limited to payment remittance, collection and aggregation of funds, payroll administration, and control over the disbursement of funds. (Basel III LCR standards, paragraph 103)			
137	Total operational deposits; of which:	The portion of unsecured operational wholesale funding generated by clearing, custody and cash management activities as defined above.	93–104
138	provided by non-financial corporates	Such funds provided by non-financial corporates. Funds from small business customers that meet the requirements outlined in paragraphs 90 and 91 of the Basel III LCR standards should not be reported here but are subject to lower run-off rates in rows 116 to 129.	93–104
139	insured, with a 3% run-off rate	The portion of such funds provided by non-financial corporates that **are** fully covered by an effective deposit insurance scheme that meets the conditions outlined in paragraph 78 of the Basel III LCR standards and are in jurisdictions where the supervisor chooses to prescribe a 3% run-off rate. **Please refer to the instructions from your supervisor for the specification of these items.**	104
140	insured, with a 5% run-off rate	The portion of such funds provided by non-financial corporates that **are** fully covered by an effective deposit insurance scheme but that are not prescribed a 3% run-off rate. **Please refer to the instructions from your supervisor for the specification of these items.**	104
141	uninsured	The portion of such funds provided by non-financial corporates that **are not** fully covered by an effective deposit insurance scheme.	93–103
142	provided by sovereigns, central banks, PSEs and MDBs	Such funds provided by sovereigns, central banks, PSEs and multilateral development banks.	93–104
143	insured, with a 3% run-off rate	The portion of such funds provided by sovereigns, central banks, PSEs and multilateral development banks that **are** fully covered by an effective deposit insurance scheme that meets the conditions outlined in paragraph 78 of the Basel III LCR standards and are in jurisdictions where the supervisor chooses to prescribe a 3% run-off rate. **Please refer to the instructions from your supervisor for the specification of these items.**	104
144	insured, with a 5% run-off rate	The portion of such funds provided by sovereigns, central banks, PSEs and multilateral development banks that **are** fully covered by an effective deposit insurance scheme but that are not prescribed a 3% run-off rate. **Please refer to the instructions from your supervisor for the specification of these items.**	104
145	uninsured	The portion of such funds provided by sovereigns, central banks, PSEs and multilateral development banks that **are not** fully covered by an effective deposit insurance scheme.	93–103
146	provided by banks	Such funds provided by banks.	93–104

<table>
<tr><th>Row</th><th>Heading</th><th>Description</th><th>Basel III LCR standards reference</th></tr>
<tr><td>147</td><td>insured, with a 3% run-off rate</td><td>The portion of such funds provided by banks that are fully covered by an effective deposit insurance scheme that meets the conditions outlined in paragraph 78 of the Basel III LCR standards and are in jurisdictions where the supervisor chooses to prescribe a 3% run-off rate. Please refer to the instructions from your supervisor for the specification of these items.</td><td>104</td></tr>
<tr><td>148</td><td>insured, with a 5% run-off rate</td><td>The portion of such funds provided by banks that are fully covered by an effective deposit insurance scheme but that are not prescribed a 3% run-off rate. Please refer to the instructions from your supervisor for the specification of these items.</td><td>104</td></tr>
<tr><td>149</td><td>uninsured</td><td>The portion of such funds provided by banks that are not fully covered by an effective deposit insurance scheme.</td><td>93–103</td></tr>
<tr><td>150</td><td>provided by other financial institutions and other legal entities</td><td>Such funds provided by financial institutions (other than banks) and other legal entities.</td><td>93–104</td></tr>
<tr><td>151</td><td>insured, with a 3% run-off rate</td><td>The portion of such funds provided by financial institutions (other than banks) and other legal entities that are fully covered by an effective deposit insurance scheme that meets the conditions outlined in paragraph 78 of the Basel III LCR standards and are in jurisdictions where the supervisor chooses to prescribe a 3% run-off rate. Please refer to the instructions from your supervisor for the specification of these items.</td><td>104</td></tr>
<tr><td>152</td><td>insured, with a 5% run-off rate</td><td>The portion of such funds provided by financial institutions (other than banks) and other legal entities that are fully covered by an effective deposit insurance scheme but that are not prescribed a 3% run-off rate. Please refer to the instructions from your supervisor for the specification of these items.</td><td>104</td></tr>
<tr><td>153</td><td>uninsured</td><td>The portion of such funds provided by financial institutions (other than banks) and other legal entities that are not fully covered by an effective deposit insurance scheme.</td><td>93–103</td></tr>
<tr><td colspan="4">Non-operational deposits in lines 156 to 163 include all deposits and other extensions of unsecured funding not included under operational deposits in lines 140 to 153, excluding notes, bonds and other debt securities, covered bond issuance or repo and secured funding transactions (reported below). Deposits arising out of correspondent banking or from the provision of prime brokerage services (as defined in the Basel III LCR standards, footnote 42) should not be included in these lines (Basel III LCR standards, paragraph 99).
Customer cash balances arising from the provision of prime brokerage services, including but not limited to the cash arising from prime brokerage services as identified in Basel III LCR standards, paragraph 99, should be considered separate from any required segregated balances related to client protection regimes imposed by national regulations, and should not be netted against other customer exposures included in this standard. These offsetting balances held in segregated accounts are treated as inflows in Basel III LCR standards, paragraph 154 and should be excluded from the stock of HQLA (Basel III LCR standards, paragraph 111).</td></tr>
<tr><td>154</td><td>Total non-operational deposits; of which</td><td>The portion of unsecured wholesale funding not considered as “operational deposits” as defined above.</td><td>105–109</td></tr>
<tr><td>155</td><td>provided by non-financial corporates; of which:</td><td>Total amount of such funds provided by non-financial corporates.</td><td>107–108</td></tr>
<tr><td>156</td><td>where entire amount is fully covered by an effective deposit insurance scheme</td><td>Amount of such funds provided by non-financial corporates where the entire amount of the deposit is fully covered by an effective deposit insurance scheme.</td><td>108</td></tr>
<tr><td>157</td><td>where entire amount is not fully covered by an effective deposit insurance scheme</td><td>Amount of such funds provided by non-financial corporates where the entire amount of the deposit is not fully covered by an effective deposit insurance scheme.</td><td>107</td></tr>
</table>

Row	Heading	Description	Basel III LCR standards reference
158	provided by sovereigns, central banks, PSEs and MDBs; of which:	Such funds provided by sovereigns, central banks (other than funds to be reported in line item 165), PSEs, and multilateral development banks.	107-108
159	where entire amount is fully covered by an effective deposit insurance scheme	Amount of such funds provided by sovereigns, central banks, PSEs and MDBs where the entire amount of the deposit **is** fully covered by an effective deposit insurance scheme.	108
160	where entire amount is not fully covered by an effective deposit insurance scheme	Amount of such funds provided by sovereigns, central banks, PSEs and MDBs where the entire amount of the deposit **is not** fully covered by an effective deposit insurance scheme.	107
161	provided by members of institutional networks of cooperative (or otherwise named) banks	An institutional network of cooperative (or otherwise named) banks is a group of legally autonomous banks with a statutory framework of cooperation with common strategic focus and brand where specific functions are performed by central institutions or specialised service providers. Central institutions or specialised central service providers of such networks should report in this line the amount of deposits placed by network member institutions (that are not reported in line items 148 or 149 and that are) (a) due to statutory minimum deposit requirements which are registered at regulators or (b) in the context of common task sharing and legal, statutory or contractual arrangements so long as both the bank that has received the monies and the bank that has deposited participate in the same institutional network's mutual protection scheme against illiquidity and insolvency of its members. Deposits from network member institutions that are neither included in line items 148 or 149, nor placed for purposes as referred to in letters (a) and (b) above, are to be reported in line items 162 or 163. Banks that are not the central institutions or specialised central service provider of such network should report zero in this line.	105
162	provided by other banks	Such funds provided by other banks, not reported in line 161.	109
163	provided by other financial institutions and other legal entities	Such funds provided by financial institutions other than banks and by other legal entities not included in the categories above. Funding from fiduciaries, beneficiaries, conduits and special purpose vehicles and affiliated entities should also be reported here.	109
Notes, bonds and other debt securities issued by the bank are included in line 164 regardless of the holder, unless the bond is sold exclusively in the retail market and held in retail accounts (including small business customers treated as retail), in which case the instruments can be reported in the appropriate retail or small business customer deposit category in lines 87 to 107 or lines 116 to 136, respectively. Outflows on covered bonds should be reported in line 227.			
164	Unsecured debt issuance	Outflows on notes, bonds and other debt securities, excluding on bonds sold exclusively to the retail or small business customer markets, and excluding outflows on covered bonds.	110
165	Additional balances required to be installed in central bank reserves	Amounts to be installed in the central bank reserves within 30 days. Funds reported in this line should not be included in line 159 or 160. **Please refer to the instructions from your supervisor for the specification of this item.**	Extension of 50(b)

Row	Heading	Description	Basel III LCR standards reference
168	Of the non-operational deposits reported above, amounts that could be considered operational in nature but per the standards have been excluded from receiving the operational deposit treatment due to:		
169	correspondent banking activity	Amounts in accounts with a clearing, custody or cash management relationship but which have been excluded from the operational deposit category because the account is a correspondent banking account. Correspondent banking refers to arrangements under which one bank (correspondent) holds deposits owned by other banks (respondents) and provides payment and other services in order to settle foreign currency transactions (eg so-called nostro and vostro accounts used to settle transactions in a currency other than the domestic currency of the respondent bank for the provision of clearing and settlement of payments).	99, footnote 42
171	prime brokerage services	Amounts in accounts with a clearing, custody or cash management relationship but which have been excluded from the operational deposit category because the account holder is a prime brokerage client of the reporting institution. Prime brokerage is a package of services offered to large active investors, particularly hedge funds.	99, footnote 42
173	excess balances in operational accounts that could be withdrawn and would leave enough funds to fulfil the clearing, custody and cash management activities	Amounts in accounts with a clearing, custody or cash management relationship but which have been excluded from the operational deposit category because these funds are excess balances and could be withdrawn and would leave enough funds to fulfil the clearing, custody and cash management activities.	96

c) Secured funding run-off

Secured funding is defined as those liabilities and general obligations that are collateralised by legal rights to specifically designated assets owned by the borrowing institution in the case of bankruptcy, insolvency, liquidation or resolution. In this section any transaction in which the bank has received a collateralised loan in cash, such as repo transactions, expiring within 30 days should be reported. Collateral swaps where the bank receives a collateralised loan in the form of other assets than cash, should not be reported here, but in panel C below.

Additionally, collateral lent to the bank's customers to effect short positions should be treated as a form of secured funding. A customer short position in this context describes a transaction where a bank's customer sells a security it does not own, and the bank subsequently obtains the same security from internal or external sources to make delivery into the sale. Internal sources include the bank's own inventory of collateral as well as rehypothecatable Level 1 or Level 2 collateral held in other customer margin accounts. The contingent risk associated with non-contractual obligations where customer short positions are covered by other customers' collateral that does not qualify as Level 1 or Level 2 should be reported in line 263. External sources include collateral obtained through a securities borrowing, reverse repo, or like transaction.

If the bank has deposited both liquid and non-liquid assets in a collateral pool and no assets are specifically assigned as collateral for the secured transaction, the bank may assume for this monitoring exercise that the assets with the lowest liquidity get assigned first: assets that are not eligible for the stock of liquid assets are assumed to be assigned first. Only once all those assets are fully assigned should Level 2B assets be assumed to be assigned, followed by Level 2A assets. Only once all Level 2 assets are assigned should Level 1 assets be assumed to be assigned.

A bank should report all outstanding secured funding transactions with remaining maturities within the 30 calendar day stress horizon, including customer short positions that do not have a specified contractual maturity. The amount of funds raised through the transaction should be reported in column D ("amount received"). The value of the underlying collateral extended in the transaction should be reported in column E ("market value of extended collateral"). Both

Row	Heading	Description	Basel III LCR standards reference
values are needed to calculate the caps on Level 2 and Level 2B assets and both should be calculated at the date of reporting, not the trade or settlement date of the transaction. **Please refer to the instructions from your supervisor for the specification of items related to Level 2B assets in this subsection.**			
177	Transactions conducted with the bank's domestic central bank; of which:	In column D: Amount raised in secured funding or repo transactions with the bank's domestic central bank that mature within 30 days. In column E: The market value of the collateral extended on these transactions.	114–115
178	Backed by Level 1 assets; of which:	In column D: Amount raised in secured funding or repo transactions with the bank's domestic central bank that mature within 30 days and are backed by Level 1 assets. In column E: The market value of the Level 1 asset collateral extended on these transactions.	114–115
179	Transactions involving eligible liquid assets	In column D: Of the amount reported in line 174, that which is raised in secured funding or repo transactions that mature within 30 days and are backed by Level 1 assets where these assets would otherwise qualify to be reported in panel Aa of the "LCR" worksheet (if they were not already securing the particular transaction in question), because: (i) they would be held unencumbered; and (ii) they would meet the operational requirements for HQLA as specified in paragraphs 28 to 40 of the Basel III LCR standards. In column E: The market value of the Level 1 asset collateral extended on these transactions.	114–115
181	Backed by Level 2A assets; of which:	In column D: Amount raised in secured funding or repo transactions with the bank's domestic central bank that mature within 30 days and are backed by Level 2A assets. In column E: The market value of the Level 2A asset collateral extended on these transactions.	114–115
182	Transactions involving eligible liquid assets	In column D: Of the amount reported in line 181, that which is raised in secured funding or repo transactions that mature within 30 days and are backed by Level 2A assets where these assets would otherwise qualify to be reported in panel Ab of the "LCR" worksheet (if they were not already securing the particular transaction in question) because: (i) they would be held unencumbered; and (ii) they would meet the operational requirements for HQLA as specified in paragraphs 28 to 40 of the Basel III LCR standards. In column E: The market value of the Level 2A asset collateral extended on these transactions.	114–115
184	Backed by Level 2B RMBS assets; of which:	In column D: Amount raised in secured funding or repo transactions with the bank's domestic central bank that mature within 30 days and are backed by Level 2B RMBS assets. In column E: The market value of the Level 2B RMBS asset collateral extended on these transactions.	114–115

Row	Heading	Description	Basel III LCR standards reference
185	Transactions involving eligible liquid assets	In column D: Of the amount reported in line 184, that which is raised in secured funding or repo transactions that mature within 30 days and are backed by Level 2B RMBS assets where these assets would otherwise qualify to be reported in panel Ac of the "LCR" worksheet (if they were not already securing the particular transaction in question) because: (i) they would be held unencumbered; and (ii) they would meet the operational requirements for HQLA as specified in paragraphs 28 to 40 of the Basel III LCR standards. In column E: The market value of the Level 2B RMBS asset collateral extended on these transactions.	114–115
187	Backed by Level 2B non-RMBS assets; of which:	In column D: Amount raised in secured funding or repo transactions with the bank's domestic central bank that mature within 30 days and are backed by Level 2B non-RMBS assets. In column E: The market value of the Level 2B non-RMBS asset collateral extended on these transactions.	114–115
188	Transactions involving eligible liquid assets	In column D: Of the amount reported in line 187, that which is raised in secured funding or repo transactions that mature within 30 days and are backed by Level 2B non-RMBS assets where these assets would otherwise qualify to be reported in panel Ac of the "LCR" worksheet (if they were not already securing the particular transaction in question) because: (i) they would be held unencumbered; and (ii) they would meet the operational requirements for HQLA as specified in paragraphs 28 to 40 of the Basel III LCR standards. In column E: The market value of the Level 2B non-RMBS asset collateral extended on these transactions.	114–115
190	Backed by other assets	In column D: Amount raised on secured funding or repo transactions with the bank's domestic central bank that mature within 30 days and are backed by all other assets (ie other than Level 1 or Level 2 assets). In column E: The market value of the other asset collateral extended on these transactions.	114–115
191	Transactions not conducted with the bank's domestic central bank and backed by Level 1 assets; of which:	In column D: Amount raised in secured funding or repo transactions that are not conducted with the bank's domestic central bank and that mature within 30 days and are backed by Level 1 assets.	114–115
192	Transactions involving eligible liquid assets	In column D: Of the amount reported in line 191, that which is raised in secured funding or repo transactions that mature within 30 days and are backed by Level 1 assets where these assets would otherwise qualify to be reported in panel Aa of the "LCR" worksheet (if they were not already securing the particular transaction in question), because: (i) they would be held unencumbered; and (ii) they would meet the operational requirements for HQLA as specified in paragraphs 28 to 40 of the Basel III LCR standards. In column E: The market value of the Level 1 asset collateral extended on these transactions.	114–115

Row	Heading	Description	Basel III LCR standards reference
194	Transactions not conducted with the bank's domestic central bank and backed by Level 2A assets; of which:	In column D: Amount raised in secured funding or repo transactions that are not conducted with the bank's domestic central bank and that mature within 30 days and are backed by Level 2A assets. In column E: The market value of the Level 2A asset collateral extended on these transactions.	114–115
195	Transactions involving eligible liquid assets	In column D: Of the amount reported in line 194, that which is raised in secured funding or repo transactions that mature within 30 days and are backed by Level 2A assets where these assets would otherwise qualify to be reported in panel Ab of the "LCR" worksheet (if they were not already securing the particular transaction in question) because: (i) they would be held unencumbered; and (ii) they would meet the operational requirements for HQLA as specified in paragraphs 28 to 40 of the Basel III LCR standards. In column E: The market value of the Level 2A asset collateral extended on these transactions.	114–115
197	Transactions not conducted with the bank's domestic central bank and backed by Level 2B RMBS assets; of which:	In column D: Amount raised in secured funding or repo transactions that are not conducted with the bank's domestic central bank and that mature within 30 days and are backed by Level 2B RMBS assets. In column E: The market value of the Level 2B RMBS asset collateral extended on these transactions.	114–115
198	Transactions involving eligible liquid assets	In column D: Of the amount reported in line 197, that which is raised in secured funding or repo transactions that mature within 30 days and are backed by Level 2B RMBS assets where these assets would otherwise qualify to be reported in panel Ac of the "LCR" worksheet (if they were not already securing the particular transaction in question) because: (i) they would be held unencumbered; and (ii) they would meet the operational requirements for HQLA as specified in paragraphs 28 to 40 of the Basel III LCR standards. In column E: The market value of the Level 2B RMBS asset collateral extended on these transactions.	114–115
200	Transactions not conducted with the bank's domestic central bank and backed by Level 2B non-RMBS assets; of which:	In column D: Amount raised in secured funding or repo transactions that are not conducted with the bank's domestic central bank and that mature within 30 days and are backed by Level 2B non-RMBS assets. In column E: The market value of the Level 2B non-RMBS asset collateral extended on these transactions.	114–115
201	Counterparties are domestic sovereigns, MDBs or domestic PSEs with a 20% risk weight; of which:	In column D: Secured funding transactions with domestic sovereign, multilateral development banks or domestic PSEs that are backed by Level 2B non-RMBS assets. PSEs that receive this treatment should be limited to those that are 20% or lower risk weighted. In column E: The market value of collateral extended on these transactions.	114–115

Row	Heading	Description	Basel III LCR standards reference
202	Transactions involving eligible liquid assets	In column D: Of the amount reported in line 201, that which is raised in secured funding or repo transactions that mature within 30 days and are backed by Level 2B non-RMBS assets where these assets would otherwise qualify to be reported in panel Ac of the "LCR" worksheet (if they were not already securing the particular transaction in question) because: (i) they would be held unencumbered; and (ii) they would meet the operational requirements for HQLA as specified in paragraphs 28 to 40 of the Basel III LCR standards. In column E: The market value of the Level 2B non-RMBS asset collateral extended on these transactions.	114–115
204	Counterparties are not domestic sovereigns, MDBs or domestic PSEs with a 20% risk weight; of which:	In column D: Secured funding transactions with counterparties other than domestic sovereign, multilateral development banks or domestic PSEs with a 20% risk weight that are backed by Level 2B non-RMBS assets. In column E: The market value of collateral extended on these transactions.	114–115
205	Transactions involving eligible liquid assets	In column D: Of the amount reported in line 204, that which is raised in secured funding or repo transactions that mature within 30 days and are backed by Level 2B non-RMBS assets where these assets would otherwise qualify to be reported in panel Ac of the "LCR" worksheet (if they were not already securing the particular transaction in question) because: (i) they would be held unencumbered; and (ii) they would meet the operational requirements for HQLA as specified in paragraphs 28 to 40 of the Basel III LCR standards. In column E: The market value of the Level 2B non-RMBS asset collateral extended on these transactions.	114–115
207	Transactions not conducted with the bank's domestic central bank and backed by other assets (non-HQLA); of which:	In column D: Amount raised in secured funding or repo transactions that are not conducted with the bank's domestic central bank and that mature within 30 days and are backed by other assets (non-HQLA). In column E: The market value of the other (non-HQLA) asset collateral extended on these transactions.	114–115
208	Counterparties are domestic sovereigns, MDBs or domestic PSEs with a 20% risk weight; of which:	In column D: Secured funding transactions with domestic sovereign, multilateral development banks or domestic PSEs that are backed by other assets (non-HQLA). PSEs that receive this treatment should be limited to those that are 20% or lower risk weighted. In column E: The market value of collateral extended on these transactions.	114–115
209	Counterparties are not domestic sovereigns, MDBs or domestic PSEs with a 20% risk weight; of which:	In column D: Secured funding transactions with counterparties other than domestic sovereign, multilateral development banks or PSEs that are backed by other assets (non-HQLA). In column E: The market value of collateral extended on these transactions.	114–115

Row	Heading	Description	Basel III LCR standards reference
d)	**Additional requirements**		
213	Derivatives cash outflow	Banks should calculate, in accordance with their existing valuation methodologies, expected contractual derivative cash inflows and outflows. Cash flows may be calculated on a net basis (ie inflows can offset outflows) by counterparty, only where a valid master netting agreement exists. The sum of all net cash outflows should be reported here. The sum of all net cash inflows should be reported in line 315. Banks should exclude from such calculations those liquidity requirements that would result from increased collateral needs due to market value movements (to be reported in line 221) or falls in value of collateral posted (reported in line 216 and line 217). Options should be assumed to be exercised when they are 'in the money' to the option buyer. Where derivative payments are collateralised by HQLA, cash outflows should be calculated net of any corresponding cash or collateral inflows that would result, all other things being equal, from contractual obligations for cash or collateral to be provided to the bank, if the bank is legally entitled and operationally capable to re-use the collateral in new cash raising transactions once the collateral is received. This is in line with the principle that banks should not double count liquidity inflows and outflows. **Note that cash flows do not equal the marked-to-market value, since the marked-to-market value also includes estimates for contingent inflows and outflows and may include cash flows that occur beyond the 30-day horizon.** It is generally expected that a positive amount would be provided for both this line item and line 315 for institutions engaged in derivatives transactions.	116, 117
214	Increased liquidity needs related to downgrade triggers in derivatives and other financing transactions	The amount of collateral that would need to be posted for or contractual cash outflows generated by any downgrade up to and including a 3-notch downgrade of the bank's long-term credit rating. Triggers linked to a bank's short-term rating should be assumed to be triggered at the corresponding long-term rating in accordance with published ratings criteria. The impact of the downgrade should consider impacts on all types of margin collateral and contractual triggers which change rehypothecation rights for non-segregated collateral.	118
215	Increased liquidity needs related to the potential for valuation changes on posted collateral securing derivative and other transactions:		119
216	Cash and Level 1 assets	Current market value of relevant collateral posted as margin for derivatives and other transactions that, if they had been unencumbered, would have been eligible for inclusion in line items 6 to 18.	

Row	Heading	Description	Basel III LCR standards reference
217	For other collateral (ie all non-Level 1 collateral)	Current market value of relevant collateral posted as margin for derivatives and other transactions other than those included in line item 216 (all non-Level 1 collateral). This amount should be calculated net of collateral received on a counterparty basis (provided that the collateral received is not subject to restrictions on reuse or rehypothecation). Any collateral that is in a segregated margin account can only be used to offset outflows that are associated with payments that are eligible to be offset from that same account.	
218	Increased liquidity needs related to excess non-segregated collateral held by the bank that could contractually be called at any time by the counterparty	The amount of non-segregated collateral that the reporting institution currently has received from counterparties but could under legal documentation be recalled because the collateral is in excess of that counterparty's current collateral requirements.	120
219	Increased liquidity needs related to contractually required collateral on transactions for which the counterparty has not yet demanded the collateral be posted	The amount of collateral that is contractually due from the reporting institution, but for which the counterparty has not yet demanded the posting of such collateral.	121
220	Increased liquidity needs related to contracts that allow collateral substitution to non-HQLA assets	The amount of HQLA collateral that can be substituted for non-HQLA without the bank's consent that has been received to secure transactions and that has not been segregated (eg otherwise included in HQLAs, as secured funding collateral or in other bank operations).	122
221	Increased liquidity needs related to market valuation changes on derivative or other transactions	Any potential liquidity needs deriving from full collateralisation of mark-to-market exposures on derivative and other transactions. Unless its national supervisor has provided other instructions, banks should calculate any outflow generated by increased needs related to market valuation changes by identifying the largest absolute net 30-day collateral flow realised during the preceding 24 months, where the absolute net collateral flow is based on both realised outflows and inflows. Inflows and outflows of transactions executed under the same master netting agreement can be treated on a net basis.	123
222	Loss of funding on ABS and other structured financing instruments issued by the bank, excluding covered bonds	Balances of term asset-backed securities and other structured financing instruments, excluding covered bonds (which should be reported in line 227), issued by the bank that mature in 30 days or less. To the extent that sponsored conduits/SPVs are required to be consolidated under liquidity requirements, their assets and liabilities should be taken into account.	124

Row	Heading	Description	Basel III LCR standards reference
223	Loss of funding on ABCP, conduits, SIVs and other such financing activities; of which:	All funding on asset-backed commercial paper, conduits, securities investment vehicles and other such financing facilities maturing or returnable within 30 days. Banks having structured financing facilities that include the issuance of short-term debt instruments, such as asset backed commercial paper, should report the potential liquidity outflows from these structures. These include, but are not limited to, (i) the inability to refinance maturing debt, and (ii) the existence of derivatives or derivative-like components contractually written into the documentation associated with the structure that would allow the "return" of assets in a financing arrangement, or that require the original asset transferor to provide liquidity, effectively ending the financing arrangement ("liquidity puts") within the 30-day period. Where the structured financing activities are conducted through a special purpose entity (such as a special purpose vehicle, conduit or SIV), the bank should, in determining the HQLA requirements, look through to the maturity of the debt instruments issued by the entity and any embedded options in financing arrangements that may potentially trigger the "return" of assets or the need for liquidity, irrespective of whether or not the SPV is consolidated.	125
224	debt maturing ≤ 30 days	Portion of the funding specified in line 223 maturing within 30 days.	125
225	with embedded options in financing arrangements	Portion of the funding specified in line 223 **not** maturing within 30 days but with embedded options that could reduce the effective maturity of the debt to 30 days or less.	125
226	other potential loss of such funding	Portion of the funding specified in line 223 that is not included in line 224 or 225.	125
227	Loss of funding on covered bonds issued by the bank	Balances of covered bonds, issued by the bank that mature in 30 days or less.	124

Credit and liquidity facilities are defined as explicit contractual agreements or obligations to extend funds at a future date to retail or wholesale counterparties. For the purpose of the standard, these facilities only include contractually irrevocable ("committed") or conditionally revocable agreements to extend funds in the future (Basel III LCR standards, paragraph 126).

Unconditionally revocable facilities that are unconditionally cancellable by the bank (in particular, those without a precondition of a material change in the credit condition of the borrower) are excluded from this section and should be reported in lines 249 to 261, as appropriate (Basel III LCR standards, paragraph 126).

The currently undrawn portion of these facilities should be reported. The reported amount may be net of any HQLAs eligible for the stock of HQLAs, if the HQLAs have already been posted as collateral by the counterparty to secure the facilities or that are contractually obliged to be posted when the counterparty will draw down the facility (eg a liquidity facility structured as a repo facility), if the bank is legally entitled and operationally capable to re-use the collateral in new cash raising transactions once the facility is drawn, and there is no undue correlation between the probability of drawing the facility and the market value of the collateral. The collateral can be netted against the outstanding amount of the facility to the extent that this collateral is not already counted in the stock of HQLAs (Basel III LCR standards, paragraph 127).

A liquidity facility is defined as any committed, undrawn back-up facility that would be utilised to refinance the debt obligations of a customer in situations where such a customer is unable to rollover that debt in financial markets (eg pursuant to a commercial paper programme, secured financing transactions, obligations to redeem units, etc).

The amount of a commitment to be treated as a liquidity facility is the amount of the currently outstanding debt issued by the customer (or proportionate share, if a syndicated facility) maturing within a 30 day period that is backstopped by the facility. The portion of a liquidity facility that is backing debt that does not mature within the 30-day window is excluded from the scope of the definition of a facility. Any additional capacity of the facility (ie the remaining commitment) would be treated as a committed credit facility and should be reported as such.

General working capital facilities for corporate entities (eg revolving credit facilities in place for general corporate and/or working capital purposes) will not be classified as liquidity facilities, but as credit facilities.

Row	Heading	Description	Basel III LCR standards reference
Notwithstanding the above, any facilities provided to hedge funds, money market funds and special purpose funding vehicles, for example SPEs (as defined in the Basel III LCR standards, paragraph 125) or conduits, or other vehicles used to finance the banks own assets, should be captured in their entirety as a liquidity facility and reported in line 238. For that portion of financing programs that are captured in the Basel III LCR standards, paragraphs 124 and 125 (ie are maturing or have liquidity puts that may be exercised in the 30-day horizon), banks that are providers of associated liquidity facilities do not need to double count the maturing financing instrument and the liquidity facility for consolidated programs.			
228	Undrawn committed credit and liquidity facilities to retail and small business customers	Balances of undrawn committed credit and liquidity facilities extended by the bank to natural persons and small business customers, as defined above.	131(a)
229	Undrawn committed credit facilities to		
230	non-financial corporates	Balances of undrawn committed credit facilities extended by the bank to non-financial institution corporations (excluding small business customers). The amount reported in this line should also include any 'additional capacity' of liquidity facilities (as defined above) provided to non-financial corporates.	131(b)
231	sovereigns, central banks, PSEs and MDBs	Balances of undrawn committed credit facilities extended by the bank to sovereigns, central banks, PSEs, multilateral development banks and any other entity not included in other drawdown categories. The amount reported in this line should also include any 'additional capacity' of liquidity facilities (as defined above) provided to sovereigns, central banks, PSEs, multilateral development banks.	131(b)
232	Undrawn committed liquidity facilities to		
233	non-financial corporates	The amount of undrawn committed liquidity facilities should be the amount of currently outstanding debt (or proportionate share if a syndicated facility) issued by non-financial institution corporations (excluding small business customers) maturing within a 30 day period that is backstopped by the facility. Any 'additional capacity' of liquidity facilities (as defined above) provided to non-financial corporates should not be reported here, rather should be reported in line 230.	131(c)
234	sovereigns, central banks, PSEs and MDBs	The amount of undrawn committed liquidity facilities should be the amount of currently outstanding debt (or proportionate share if a syndicated facility) issued by sovereigns, central banks, PSEs, or multilateral development banks maturing within a 30 day period that is backstopped by the facility. Any 'additional capacity' of liquidity facilities (as defined above) provided to sovereigns, central banks, PSEs, or multilateral development banks should not be reported here, rather should be reported in line 231.	131(c)
235	Undrawn committed credit and liquidity facilities provided to banks subject to prudential supervision	Balances of undrawn committed credit and liquidity facilities extended to banks that are subject to prudential supervision.	131(d)

Row	Heading	Description	Basel III LCR standards reference
236	Undrawn committed credit facilities provided to other FIs	Balances of undrawn committed credit facilities extended by the bank to other financial institutions (including securities firms, insurance companies, fiduciaries and beneficiaries). The amount reported in this line should also include any 'additional capacity' of liquidity facilities (as defined above) provided to other financial institutions (including securities firms, insurance companies, fiduciaries and beneficiaries).	131(e)
237	Undrawn committed liquidity facilities provided to other FIs	The amount of undrawn committed liquidity facilities should be the amount of currently outstanding debt (or proportionate share if a syndicated facility) issued by to other financial institutions (including securities firms, insurance companies, fiduciaries and beneficiaries) maturing within a 30 day period that is backstopped by the facility. Any 'additional capacity' of liquidity facilities (as defined above) provided to other financial institutions (including securities firms, insurance companies, fiduciaries and beneficiaries) should not be reported here, rather should be reported in line 236.	131(f)
238	Undrawn committed credit and liquidity facilities to other legal entities	Balances of undrawn committed credit and liquidity facilities extended to other legal entities, including hedge funds, money market funds and special purpose funding vehicles, for example SPEs (as defined in the Basel III LCR standards, paragraph 125) or conduits, or other vehicles used to finance the banks own assets (not included in lines 228 to 237).	131(g)
Other contractual obligations to extend funds			
240	Other contractual obligations to extend funds to:	Any contractual lending obligations not captured elsewhere in the standard.	132-133
241	financial institutions	Any contractual lending obligations to financial institutions not captured elsewhere.	132
242	retail clients	The full amount of contractual obligations to extend funds to retail clients within the next 30 calendar days (not netted for the assumed roll-over on the inflows in line 301).	133
243	small business customers	The full amount of contractual obligations to extend funds to small business customers within the next 30 calendar days (not netted for the assumed roll-over on the inflows in line 302).	133
244	non-financial corporates	The full amount of contractual obligations to extend funds to non-financial corporate clients within the next 30 calendar days (not netted for the assumed roll-over on the inflows in line 303).	133
245	other clients	The full amount of contractual obligations to extend funds to other clients within the next 30 calendar days (not netted for the assumed roll-over on the inflows in line 309).	133
246	retail, small business customers, non-financials and other clients	The amounts of contractual obligations to extend funds to retail, small business customers, non-financial corporate and other clients within the next 30 calendar days (lines 242 to 245) are added up in this line. The roll-over of funds that is implicitly assumed in the inflow section (lines 301, 302, 303 and 309) are then subtracted. If the result is positive, it is included here as an outflow in column H. Otherwise, the outflow included here is zero.	133

Row	Heading	Description	Basel III LCR standards reference
Other contingent funding obligations (treatment determined by national supervisor) These contingent funding obligations may be either contractual or non-contractual and are not lending commitments. Non-contractual contingent funding obligations include associations with, or sponsorship of, products sold or services provided that may require the support or extension of funds in the future under stressed conditions. Non-contractual obligations may be embedded in financial products and instruments sold, sponsored, or originated by the institution that can give rise to unplanned balance sheet growth arising from support given for reputational risk considerations (Basel III LCR standards, paragraph 135). Stressed conditions in this context refer to the scenario as described in paragraph 19 of the Basel III LCR standards. Banks should report the full amount of any exposure and national supervisors should set appropriate outflow rates for their jurisdictions.			
253	Non-contractual obligations related to potential liquidity draws from joint ventures or minority investments in entities	Non contractual contingent funding obligations related to potential liquidity draws from joint ventures or minority investments in entities, which are not consolidated per paragraph 164 of the Basel III LCR standards, where there is the expectation that the bank will be the main liquidity provider when the entity is in need of liquidity. The amount included should be calculated in accordance with the methodology agreed by the bank's supervisor. **Please refer to the instructions from your supervisor for the specification of this item.**	137
254	Unconditionally revocable "uncommitted" credit and liquidity facilities	Balances of undrawn credit and liquidity facilities where the bank has the right to unconditionally revoke the undrawn portion of these facilities.	140
255	Trade-finance related obligations (including guarantees and letters of credit)	Trade finance instruments consist of trade-related obligations directly underpinned by the movement of goods or the provision of services. Amounts to be reported here include items such as: • outstanding documentary trade letters of credit, documentary and clean collection, import bills, and export bills; and • outstanding guarantees directly related to trade finance obligations, such as shipping guarantees. Lending commitments, such as direct import or export financing for non-financial corporate firms, are excluded from this treatment and reported in lines 228 to 238.	138, 139
256	Guarantees and letters of credit unrelated to trade finance obligations	The outstanding amount of letters of credit issued by the bank and guarantees unrelated to trade finance obligations described in line 255.	140
257	Non-contractual obligations:		
258	Debt-buy back requests (incl related conduits)	Potential requests for debt repurchases of the bank's own debt or that of related conduits, securities investment vehicles and other such financing facilities. In case debt amounts qualify for both line 258 and line 262, please enter them in just one of these lines.	140
259	Structured products	Structured products where customers anticipate ready marketability, such as adjustable rate notes and variable rate demand notes (VRDNs).	140
260	Managed funds	Managed funds that are marketed with the objective of maintaining a stable value such as money market mutual funds or other types of stable value collective investment funds etc.	140
261	Other non-contractual obligations	Any other non-contractual obligation not entered above.	140

Row	Heading	Description	Basel III LCR standards reference
262	Outstanding debt securities with remaining maturity > 30 days	For issuers with an affiliated dealer or market maker, there may be a need to include an amount of the outstanding debt securities (unsecured and secured, term as well as short term) having maturities greater than 30 calendar days, to cover the potential repurchase of such outstanding securities. In case debt amounts qualify for both line 258 and line 262, please enter them in just one of these lines.	140
263	Non contractual obligations where customer short positions are covered by other customers' collateral	Amount of contingent obligations related to instances where banks have internally matched client assets against other clients' short positions where the collateral does not qualify as Level 1 or Level 2, and the bank may be obligated to find additional sources of funding for these positions in the event of client withdrawals. Instances where the collateral qualifies as Level 1 or Level 2 should be reported in the appropriate line of the secured funding section (lines 191 to 205).	140
264	Bank outright short positions covered by a collateralised securities financing transaction	Amount of the bank's outright short positions that are being covered by collateralised securities financing transactions. Such short positions are assumed to be maintained throughout the 30-day period and receive a 0% outflow. The corresponding collateralised securities financing transactions that are covering such short positions should be reported in lines 290 to 295 or 405 to 429.	147
265	Other contractual cash outflows (including those related to unsecured collateral borrowings and uncovered short positions)	Any other contractual cash outflows within the next 30 calendar days should be captured in this standard, such as such as outflows to cover unsecured collateral borrowings, uncovered short positions, dividends or contractual interest payments, **with explanation given in an accompanying note to your supervisor** as to what comprises the amounts included in this line. This amount should exclude outflows related to operating costs.	141, 147

6.1.3 Inflows, Liquidity Coverage Ratio (LCR) (panel B2)

Row	Heading	Description	Basel III LCR standards reference
Total expected contractual cash inflows are calculated by multiplying the outstanding balances of various categories of contractual receivables by the rates at which they are expected to flow in under the scenario up to an aggregate cap of 75% of total expected cash outflows (Basel III LCR standards, paragraph 69). Items must not be double counted – if an asset is included as part of the "stock of HQLA" (ie the numerator), the associated cash inflows cannot also be counted as cash inflows (ie part of the denominator) (Basel III LCR standards, paragraph 72). When considering its available cash inflows, the bank should only include contractual inflows (including interest payments) from outstanding exposures that are fully performing and for which the bank has no reason to expect a default within the 30-day time horizon (Basel III LCR standards, paragraph 142). Pre-payments on loans (not due within 30 days) should not be included in the inflows. Contingent inflows are not included in total net cash outflows (Basel III LCR standards, paragraph 142).			

Row	Heading	Description	Basel III LCR standards reference
a)	**Secured lending including reverse repos and securities borrowing**		
Secured lending is defined as those loans that the bank has extended and are collateralised by legal rights to specifically designated assets owned by the borrowing institution, which the bank use or rehypothecate for the duration of the loan, and for which the bank can claim ownership to in the case of default by the borrower. In this section any transaction in which the bank has extended a collateralised loan in cash, such as reverse repo transactions, expiring within 30 days should be reported. Collateral swaps where the bank has extended a collateralised loan in the form of other assets than cash, should not be reported here, but in panel C below. A bank should report all outstanding secured lending transactions with remaining maturities within the 30 calendar day stress horizon. The amount of funds extended through the transaction should be reported in column D ("amount extended"). The value of the underlying collateral received in the transactions should be reported in column E ("market value of received collateral"). Both values are needed to calculate the caps on Level 2 and Level 2B assets and both should be calculated at the date of reporting, not the date of the transaction. Note that if the collateral received in the form of Level 1 or Level 2 assets is not rehypothecated and is legally and contractually available for the bank's use it should be reported in the appropriate lines of the stock of HQLA section (lines 11 to 39) as well as in this subsection (see paragraph 31 of the Basel III LCR standards). **Please refer to the instructions from your supervisor for the specification of items related to Level 2B assets in this subsection.**			
273	Reverse repo and other secured lending or securities borrowing transactions maturing ≤ 30 days	All reverse repo or securities borrowing transactions maturing within 30 days, in which the bank has extended cash and obtained collateral.	145–146
274	Of which collateral **is not** re-used (ie is not rehypothecated) to cover the reporting institution's outright short positions	Such transactions in which the collateral obtained is not re-used (ie is not rehypothecated) to cover the reporting institution's outright short positions. If the collateral is re-used, the transactions should be reported in lines 290 to 295.	145–146
275	Transactions backed by Level 1 assets	All such transactions in which the bank has obtained collateral in the form of Level 1 assets. These transactions are assumed to roll-over in full, not giving rise to any cash inflows. In column D: The amounts extended in these transactions. In column E: The market value of the Level 1 collateral received in these transactions.	145–146
276	Transactions involving eligible liquid assets	Of the transactions backed by Level 1 assets, those where the collateral obtained is reported in panel Aa of the "LCR" worksheet as the assets meet the operational requirements for HQLA as specified in paragraphs 28 to 40 of the Basel III LCR standards. In column D: The amounts extended in these transactions. In column E: The market value of the Level 1 collateral received in these transactions.	145–146
278	Transactions backed by Level 2A assets; of which:	All such transactions in which the bank has obtained collateral in the form of Level 2A assets. These are assumed to lead to a 15% cash inflow due to the reduction of funds extended against the collateral. In column D: The amounts extended in these transactions. In column E: The market value of the Level 2A collateral received in these transactions.	145–146

Row	Heading	Description	Basel III LCR standards reference
279	Transactions involving eligible liquid assets	Of the transactions backed by Level 2A assets, those where the collateral obtained is reported in panel Ab of the "LCR" worksheet as the assets meet the operational requirements for HQLA as specified in paragraphs 28 to 40 of the Basel III LCR standards. In column D: The amounts extended in these transactions. In column E: The market value of the Level 2A collateral received in these transactions.	145–146
281	Transactions backed by Level 2B RMBS assets; of which:	All such transactions in which the bank has obtained collateral in the form of Level 2B RMBS assets. These are assumed to lead to a 25% cash inflow due to the reduction of funds extended against the collateral. In column D: The amounts extended in these transactions. In column E: The market value of the Level 2B RMBS collateral received in these transactions.	145–146
282	Transactions involving eligible liquid assets	Of the transactions backed by Level 2B RMBS assets, those where the collateral obtained is reported in panel Ac of the "LCR" worksheet as the assets meet the operational requirements for HQLA as specified in paragraphs 28 to 40 of the Basel III LCR standards. In column D: The amounts extended in these transactions. In column E: The market value of the Level 2B RMBS collateral received in these transactions.	145–146
284	Transactions backed by Level 2B non-RMBS assets; of which:	All such transactions in which the bank has obtained collateral in the form of Level 2B non-RMBS assets. These are assumed to lead to a 50% cash inflow due to the reduction of funds extended against the collateral. In column D: The amounts extended in these transactions. In column E: The market value of the Level 2B non-RMBS collateral received in these transactions.	145–146
285	Transactions involving eligible liquid assets	Of the transactions backed by Level 2B non-RMBS assets, those where the collateral obtained is reported in panel Ac of the "LCR" worksheet as the assets meet the operational requirements for HQLA as specified in paragraphs 28 to 40 of the Basel III LCR standards. In column D: The amounts extended in these transactions. In column E: The market value of the Level 2B non-RMBS collateral received in these transactions.	145–146
287	Margin lending backed by non-Level 1 or non-Level 2 collateral	Collateralised loans extended to customers for the purpose of taking leveraged trading positions ("margin loans") made against non-HQLA collateral. These are assumed to lead to a 50% cash inflow. In column D: The amounts extended in these transactions. In column E: The market value of the collateral received in these transactions.	145–146
288	Transactions backed by other collateral	All such transactions (other than those reported in line 287) in which the bank has obtained collateral in another form than Level 1 or Level 2 assets. These are assumed not to roll over and therefore lead to a 100% cash inflow. In column D: The amounts extended in these transactions. In column E: The market value of the collateral received in these transactions.	145–146

Row	Heading	Description	Basel III LCR standards reference
289	Of which collateral is re-used (ie is rehypothecated) to cover the reporting institution's outright short positions	If the collateral obtained in these transactions **is** re-used (ie rehypothecated) to cover the reporting institution's outright short positions that could be extended beyond 30 days, it should be assumed that the transactions will be rolled-over and will not give rise to any cash inflows. This reflects the need to continue to cover the short position or to repurchase the relevant securities. Institutions should only report reverse repo amounts in these cells where it itself is short the collateral. If the collateral is not re-used, the transaction should be reported in lines 274 to 288.	145–146
290	Transactions backed by Level 1 assets	All such transactions in which the bank has obtained collateral in the form of Level 1 assets. In column D: The amounts extended in these transactions. In column E: The market value of the Level 1 collateral received in these transactions.	145–146
291	Transactions backed by Level 2A assets	All such transactions in which the bank has obtained collateral in the form of Level 2A assets. In column D: The amounts extended in these transactions. In column E: The market value of the Level 2A collateral received in these transactions.	145–146
292	Transactions backed by Level 2B RMBS assets	All such transactions in which the bank has obtained collateral in the form of Level 2B RMBS assets. In column D: The amounts extended in these transactions. In column E: The market value of the Level 2B RMBS collateral received in these transactions.	145–146
293	Transactions backed by Level 2B non-RMBS assets	All such transactions in which the bank has obtained collateral in the form of Level 2B non-RMBS assets. In column D: The amounts extended in these transactions. In column E: The market value of the Level 2B non-RMBS collateral received in these transactions.	145–146
294	Margin lending backed by non-Level 1 or non-Level 2 collateral	Collateralised loans extended to customers for the purpose of taking leveraged trading positions ("margin loans") made against non-HQLA collateral. In column D: The amounts extended in these transactions. In column E: The market value of the collateral received in these transactions.	145–146
295	Transactions backed by other collateral	All such transactions (other than those reported in line 294) in which the bank has obtained collateral in another form than Level 1 or Level 2 assets. In column D: The amounts extended in these transactions. In column E: The market value of collateral received in these transactions.	145–146

b) Other inflows by counterparty

Contractual inflows (including interest payments and instalments) due in ≤ 30 days from fully performing loans, not reported in lines 275 to 295. These include maturing loans that have already been agreed to roll over. The agreed roll-over should also be reported in lines 241 to 245 as appropriate.

Inflows should only be taken at the latest possible date, based on the contractual rights available to counterparties. For revolving credit facilities, this assumes that the existing loan is rolled over and that any remaining balances are treated in the same way as a committed facility according to Basel III LCR standards, paragraph 131.

Inflows from loans that have no specific maturity (ie have non-defined or open maturity) should not be included; therefore, no assumptions should be applied as to when maturity of such loans would occur. An exception to this, as noted below, would be minimum payments of principal, fee or interest associated with an open maturity loan, provided

Row	Heading	Description	Basel III LCR standards reference
that such payments are contractually due within 30 days.			
301	Retail customers	All payments (including interest payments and instalments) from retail customers on fully performing loans not reported in lines 275 to 295 that are contractually due within the 30-day horizon. Only contractual payments due should be reported, eg required minimum payments of principal, fee or interest, and not total loan balances of undefined or open maturity.	153
302	Small business customers	All payments (including interest payments and instalments) from small business customers on fully performing loans not reported in lines 275 to 295 that are contractually due within the 30-day horizon. Only contractual payments due should be reported, eg required minimum payments of principal, fee or interest, and not total loan balances of undefined or open maturity.	153
303	Non-financial corporates	All payments (including interest payments and instalments) from non-financial corporates on fully performing loans not reported in lines 275 to 295 that are contractually due within the 30-day horizon. Only contractual payments due should be reported, eg required minimum payments of principal, fee or interest, and not total loan balances of undefined or open maturity.	154
304	Central banks	All payments (including interest payments and instalments) from central banks on fully performing loans. Central bank reserves (including required reserves) including banks' overnight deposits with the central bank, and term deposits with the central bank that: (i) are explicitly and contractually repayable on notice from the depositing bank; or (ii) that constitute a loan against which the bank can borrow on a term basis or on an overnight but automatically renewable basis (only where the bank has an existing deposit with the relevant central bank), should be reported in lines 7 or 8 and not here. If the term of other deposits (not included in lines 7 or 8) expires within 30 days, it should be included in this line.	154
305	Financial institutions, of which	All payments (including interest payments and instalments) from financial institutions on fully performing loans not reported in lines 275 to 295 that are contractually due within the 30-day horizon. Only contractual payments due should be reported, eg required minimum payments of principal, fee or interest, and not total loan balances of undefined or open maturity.	154
306	operational deposits	All deposits held at other financial institutions for operational activities, as outlined in the Basel III LCR standards, paragraphs 93 to 104, such as for clearing, custody, and cash management activities.	156
307	deposits at the centralised institution of an institutional network that receive 25% run-off	For banks that belong to a cooperative network as described in paragraphs 105 and 106 of the Basel III LCR standards, this item includes all (portions of) deposits (not included in line item 306) held at the centralised institution in the cooperative banking network that are placed (a) due to statutory minimum deposit requirements which are registered at regulators, or (b) in the context of common task sharing and legal, statutory or contractual arrangements. These deposits receive a 25% run-off at the centralised institution.	157

Row	Heading	Description	Basel III LCR standards reference
308	all payments on other loans and deposits due in ≤ 30 days	All payments (including interest payments and instalments) from financial institutions on fully performing unsecured and secured loans, that are contractually due within the 30-day horizon, and the amount of deposits held at financial institutions that is or becomes available within 30 days, and that are not included in lines 306 or 307. Banks may also recognise in this category inflows from the release of balances held in segregated accounts in accordance with regulatory requirements for the protection of customer trading assets, provided that these segregated balances are maintained in Level 1 or Level 2 assets. This inflow should be calculated in line with the treatment of other related outflows and inflows covered in this standard.	154
309	Other entities	All payments (including interest payments and instalments) from other entities (including sovereigns, multilateral development banks, and PSEs) on fully performing loans that are contractually due within 30 days, not included in lines 301 to 308.	154
c)	**Other cash inflows**		
315	Derivatives cash inflow	Banks should calculate, in accordance with their existing valuation methodologies, expected contractual derivative cash inflows and outflows. Cash flows may be calculated on a net basis (ie inflows can offset outflows) by counterparty, only where a valid master netting agreement exists. The sum of all net cash inflows should be reported here. The sum of all net cash outflows should be reported in line 213. Banks should exclude from such calculations those liquidity requirements that would result from increased collateral needs due to market value movements (to be reported in line 221) or falls in value of collateral posted (reported in line 216 and line 217). Options should be assumed to be exercised when they are 'in the money' to the option buyer. Where derivatives are collateralised by HQLA, cash inflows should be calculated net of any corresponding cash or contractual collateral outflows that would result, all other things being equal, from contractual obligations for cash or collateral to be posted by the bank, given these contractual obligations would reduce the stock of HQLA. This is in line with the principle that banks should not double count liquidity inflows and outflows. **Note that cash flows do not equal the marked-to-market value, since the marked-to-market value also includes estimates for contingent inflows and outflows and may include cash flows that occur beyond the 30-day horizon.** It is generally expected that a positive amount would be provided for both this line item and line 213 for institutions engaged in derivatives transactions.	158, 159
316	Contractual inflows from securities maturing ≤ 30 days and not included anywhere above	Contractual inflows from securities, including certificates of deposit, maturing ≤ 30 days that are not already included in any other item of the LCR framework, provided that they are fully performing (ie no default expected). Level 1 and Level 2 securities maturing within 30 days should be included in the stock of liquid assets in panel A, provided that they meet all operational and definitional requirements outlined in the Basel III LCR standards.	155

Row	Heading	Description	Basel III LCR standards reference
317	Other contractual cash inflows	Any other contractual cash inflows to be received ≤ 30 days that are not already included in any other item of the LCR framework. Inflow percentages should be determined as appropriate for each type of inflow by supervisors in each jurisdiction. Cash inflows related to non-financial revenues are **not** to be included, since they are not taken into account in the calculation of LCR. Any non-contractual contingent inflows should not be reported, as they are not included in the LCR. **Please provide your supervisor with an explanatory note on any amounts included in this line.**	160
Cap on cash inflows In order to prevent banks from relying solely on anticipated inflows to meet their liquidity requirement, and also to ensure a minimum level of HQLA holdings, the amount of inflows that can offset outflows is capped at 75% of total expected cash outflows as calculated in the standard. This requires that a bank must maintain a minimum amount of stock of HQLA equal to 25% of the total net cash outflows (Basel III LCR standards, paragraph 144).			
323	Cap on cash inflows	The cap on cash inflows is equal to 75% of total cash outflows.	69, 144
324	Total cash inflows after applying the cap	The amount of total cash inflows after applying the cap is the lower of the total cash inflows before applying the cap and the level of the cap.	69, 144

6.1.4 Collateral swaps (panel C)

Any transaction maturing within 30 days in which non-cash assets are swapped for other non-cash assets, should be reported in this panel. “Level 1 assets” in this section refers to Level 1 assets other than cash. **Please refer to the instructions from your supervisor for the specification of items related to Level 2B assets in this subsection.**

Row	Heading	Description	Basel III LCR standards reference
329	Collateral swaps maturing ≤ 30 days	Any transaction maturing within 30 days in which non-cash assets are swapped for other non-cash assets.	48, 113, 146, Annex 1
330	Of which the borrowed assets are not re-used (ie are not rehypothecated) to cover short positions	Such transactions in which the collateral obtained is not re-used (ie is not rehypothecated) in transactions to cover short positions. If the collateral is re-used, the transaction should be reported in lines 405 to 429.	48, 113, 146, Annex 1
331	Level 1 assets are lent and Level 1 assets are borrowed; of which:	Such transactions in which the bank has swapped Level 1 assets (lent) for other Level 1 assets (borrowed).	48, 113, 146, Annex 1

Row	Heading	Description	Basel III LCR standards reference
332	Involving eligible liquid assets	Of the transactions where Level 1 assets are lent and Level 1 assets are borrowed, those where: (i) the Level 1 collateral borrowed is reported in panel Aa of the "LCR" worksheet (which should also be reported in E332), as the assets meet the operational requirements for HQLA as specified in paragraphs 28 to 40 of the Basel III LCR standards; **and** (ii) the Level 1 collateral lent would otherwise qualify to be reported in panel Aa of the "LCR" worksheet (which is the value that should be reported in D332), if they were not already securing the particular transaction in question (ie would be unencumbered and would meet the operational requirements for HQLA as specified in paragraphs 28 to 40 of the Basel III LCR standards).	48, 113, 146, Annex 1
334	Level 1 assets are lent and Level 2A assets are borrowed; of which:	Such transactions in which the bank has swapped Level 1 assets (lent) for Level 2A assets (borrowed).	48, 113, 146, Annex 1
335	Involving eligible liquid assets	Of the transactions where Level 1 assets are lent and Level 2A assets are borrowed, those where: (i) the Level 2A collateral borrowed is reported in panel Ab of the "LCR" worksheet (which should also be reported in E335), as the assets meet the operational requirements for HQLA as specified in paragraphs 28 to 40 of the Basel III LCR standards; **and** (ii) the Level 1 collateral lent would otherwise qualify to be reported in panel Aa of the "LCR" worksheet (which is the value that should be reported in D335), if they were not already securing the particular transaction in question (ie would be unencumbered and would meet the operational requirements for HQLA as specified in paragraphs 28 to 40 of the Basel III LCR standards).	48, 113, 146, Annex 1
337	Level 1 assets are lent and Level 2B RMBS assets are borrowed; of which:	Such transactions in which the bank has swapped Level 1 assets (lent) for Level 2B RMBS assets (borrowed).	48, 113, 146, Annex 1
338	Involving eligible liquid assets	Of the transactions where Level 1 assets are lent and Level 2B RMBS assets are borrowed, those where: (i) the Level 2B RMBS collateral borrowed is reported in panel Ac of the "LCR" worksheet (which should also be reported in E338), as the assets meet the operational requirements for HQLA as specified in paragraphs 28 to 40 of the Basel III LCR standards; **and** (ii) the Level 1 collateral lent would otherwise qualify to be reported in panel Aa of the "LCR" worksheet (which is the value that should be reported in D338), if they were not already securing the particular transaction in question (ie would be unencumbered and would meet the operational requirements for HQLA as specified in paragraphs 28 to 40 of the Basel III LCR standards).	48, 113, 146, Annex 1
340	Level 1 assets are lent and Level 2B non-RMBS assets are borrowed; of which:	Such transactions in which the bank has swapped Level 1 assets (lent) for Level 2B non-RMBS assets (borrowed).	48, 113, 146, Annex 1

Row	Heading	Description	Basel III LCR standards reference
341	Involving eligible liquid assets	Of the transactions where Level 1 assets are lent and Level 2B non-RMBS assets are borrowed, those where: (i) the Level 2B non-RMBS collateral borrowed is reported in panel Ac of the "LCR" worksheet (which should also be reported in E341), as the assets meet the operational requirements for HQLA as specified in paragraphs 28 to 40 of the Basel III LCR standards; **and** (ii) the Level 1 collateral lent would otherwise qualify to be reported in panel Aa of the "LCR" worksheet (which is the value that should be reported in D341), if they were not already securing the particular transaction in question (ie would be unencumbered and would meet the operational requirements for HQLA as specified in paragraphs 28 to 40 of the Basel III LCR standards).	48, 113, 146, Annex 1
343	Level 1 assets are lent and other assets are borrowed; of which:	Such transactions in which the bank has swapped Level 1 assets (lent) for other assets than Level 1 or Level 2 assets (borrowed).	48, 113, 146, Annex 1
344	Involving eligible liquid assets	Of the transactions where Level 1 assets are lent and other assets are borrowed, those where: (i) the Level 1 collateral lent would otherwise qualify to be reported in panel Aa of the "LCR" worksheet (value to be reported in D344), if they were not already securing the particular transaction in question (ie would be unencumbered and would meet the operational requirements for HQLA as specified in paragraphs 28 to 40 of the Basel III LCR standards); **and** (ii) the collateral borrowed is non-Level 1 and non-Level 2 assets (which is the value that should be reported in E344).	48, 113, 146, Annex 1
346	Level 2A assets are lent and Level 1 assets are borrowed; of which:	Such transactions in which the bank has swapped Level 2A assets (lent) for Level 1 assets (borrowed).	48, 113, 146, Annex 1
347	Involving eligible liquid assets	Of the transactions where Level 2A assets are lent and Level 1 assets are borrowed, those where: (i) the Level 1 collateral borrowed is reported in panel Aa of the "LCR" worksheet (which should also be reported in E347), as the assets meet the operational requirements for HQLA as specified in paragraphs 28 to 40 of the Basel III LCR standards; **and** (ii) the Level 2A collateral lent would otherwise qualify to be reported in panel Ab of the "LCR" worksheet (which is the value that should be reported in D347), if they were not already securing the particular transaction in question (ie would be unencumbered and would meet the operational requirements for HQLA as specified in paragraphs 28 to 40 of the Basel III LCR standards).	48, 113, 146, Annex 1
349	Level 2A assets are lent and Level 2A assets are borrowed; of which:	Such transactions in which the bank has swapped Level 2A assets (lent) for other Level 2A assets (borrowed).	48, 113, 146, Annex 1

Row	Heading	Description	Basel III LCR standards reference
350	Involving eligible liquid assets	Of the transactions where Level 2A assets are lent and Level 2A assets are borrowed, those where: (i) the Level 2A collateral borrowed is reported in panel Ab of the "LCR" worksheet (which should also be reported in E350), as the assets meet the operational requirements for HQLA as specified in paragraphs 28 to 40 of the Basel III LCR standards; **and** (ii) the Level 2A collateral lent would otherwise qualify to be reported in panel Ab of the "LCR" worksheet (which is the value that should be reported in D350), if they were not already securing the particular transaction in question (ie would be unencumbered and would meet the operational requirements for HQLA as specified in paragraphs 28 to 40 of the Basel III LCR standards).	48, 113, 146, Annex 1
352	Level 2A assets are lent and Level 2B RMBS assets are borrowed; of which:	Such transactions in which the bank has swapped Level 2A assets (lent) for Level 2B RMBS assets (borrowed).	48, 113, 146, Annex 1
353	Involving eligible liquid assets	Of the transactions where Level 2A assets are lent and Level 2B RMBS assets are borrowed, those where: (i) the Level 2B RMBS collateral borrowed is reported in panel Ac of the "LCR" worksheet (which should also be reported in E353), as the assets meet the operational requirements for HQLA as specified in paragraphs 28 to 40 of the Basel III LCR standards; **and** (ii) the Level 2A collateral lent would otherwise qualify to be reported in panel Ab of the "LCR" worksheet (which is the value that should be reported in D353), if they were not already securing the particular transaction in question (ie would be unencumbered and would meet the operational requirements for HQLA as specified in paragraphs 28 to 40 of the Basel III LCR standards).	48, 113, 146, Annex 1
355	Level 2A assets are lent and Level 2B non-RMBS assets are borrowed; of which:	Such transactions in which the bank has swapped Level 2A assets (lent) for other Level 2B non-RMBS assets (borrowed).	48, 113, 146, Annex 1
356	Involving eligible liquid assets	Of the transactions where Level 2A assets are lent and Level 2B non-RMBS assets are borrowed, those where: (i) the Level 2B non-RMBS collateral borrowed is reported in panel Ac of the "LCR" worksheet (which should also be reported in E356), as the assets meet the operational requirements for HQLA as specified in paragraphs 28 to 40 of the Basel III LCR standards; **and** (ii) the Level 2A collateral lent would otherwise qualify to be reported in panel Ab of the "LCR" worksheet (which is the value that should be reported in D356), if they were not already securing the particular transaction in question (ie would be unencumbered and would meet the operational requirements for HQLA as specified in paragraphs 28 to 40 of the Basel III LCR standards).	48, 113, 146, Annex 1
358	Level 2A assets are lent and other assets are borrowed; of which:	Such transactions in which the bank has swapped Level 2A assets (lent) for other assets than Level 1 or Level 2 assets (borrowed).	48, 113, 146, Annex 1

Row	Heading	Description	Basel III LCR standards reference
359	Involving eligible liquid assets	Of the transactions where Level 2A assets are lent and other assets are borrowed, those where: (i) the Level 2A collateral lent would otherwise qualify to be reported in panel Ab of the "LCR" worksheet (which is the value that should be reported in D359), if they were not already securing the particular transaction in question (ie would be unencumbered and would meet the operational requirements for HQLA as specified in paragraphs 28 to 40 of the Basel III LCR standards); **and** (ii) the collateral borrowed is non-Level 1 and non-Level 2 assets (which is the value that should be reported in E359).	48, 113, 146, Annex 1
361	Level 2B RMBS assets are lent and Level 1 assets are borrowed; of which:	Such transactions in which the bank has swapped Level 2B RMBS assets (lent) for Level 1 assets (borrowed).	48, 113, 146, Annex 1
362	Involving eligible liquid assets	Of the transactions where Level 2B RMBS assets are lent and Level 1 assets are borrowed, those where: (i) the Level 1 collateral borrowed is reported in panel Aa of the "LCR" worksheet (which should also be reported in E362), as the assets meet the operational requirements for HQLA as specified in paragraphs 28 to 40 of the Basel III LCR standards; **and** (ii) the Level 2B RMBS collateral lent would otherwise qualify to be reported in panel Ac of the "LCR" worksheet (which is the value that should be reported in D362), if they were not already securing the particular transaction in question (ie would be unencumbered and would meet the operational requirements for HQLA as specified in paragraphs 28 to 40 of the Basel III LCR standards).	48, 113, 146, Annex 1
364	Level 2B RMBS assets are lent and Level 2A assets are borrowed; of which:	Such transactions in which the bank has swapped Level 2B RMBS assets (lent) for Level 2A assets (borrowed).	48, 113, 146, Annex 1
365	Involving eligible liquid assets	Of the transactions where Level 2B RMBS assets are lent and Level 2A assets are borrowed, those where: (i) the Level 2A collateral borrowed is reported in panel Ab of the "LCR" worksheet (which should also be reported in E365), as the assets meet the operational requirements for HQLA as specified in paragraphs 28 to 40 of the Basel III LCR standards; **and** (ii) the Level 2B RMBS collateral lent would otherwise qualify to be reported in panel Ac of the "LCR" worksheet (which is the value that should be reported in D365), if they were not already securing the particular transaction in question (ie would be unencumbered and would meet the operational requirements for HQLA as specified in paragraphs 28 to 40 of the Basel III LCR standards).	48, 113, 146, Annex 1
367	Level 2B RMBS assets are lent and Level 2B RMBS assets are borrowed; of which:	Such transactions in which the bank has swapped Level 2B RMBS assets (lent) for Level 2B RMBS assets (borrowed).	48, 113, 146, Annex 1

Row	Heading	Description	Basel III LCR standards reference
368	Involving eligible liquid assets	Of the transactions where Level 2B RMBS assets are lent and Level 2B RMBS assets are borrowed, those where: (i) the Level 2B RMBS collateral borrowed is reported in panel Ac of the "LCR" worksheet (which should also be reported in E368), as the assets meet the operational requirements for HQLA as specified in paragraphs 28 to 40 of the Basel III LCR standards; **and** (ii) the Level 2B RMBS collateral lent would otherwise qualify to be reported in panel Ac of the "LCR" worksheet (which is the value that should be reported in D368), if they were not already securing the particular transaction in question (ie would be unencumbered and would meet the operational requirements for HQLA as specified in paragraphs 28 to 40 of the Basel III LCR standards).	48, 113, 146, Annex 1
370	Level 2B RMBS assets are lent and Level 2B non-RMBS assets are borrowed; of which:	Such transactions in which the bank has swapped Level 2B RMBS assets (lent) for other Level 2B non-RMBS assets (borrowed).	48, 113, 146, Annex 1
371	Involving eligible liquid assets	Of the transactions where Level 2B RMBS assets are lent and Level 2B non-RMBS assets are borrowed, those where: (i) the Level 2B non-RMBS collateral borrowed is reported in panel Ac of the "LCR" worksheet (which should also be reported in E371), as the assets meet the operational requirements for HQLA as specified in paragraphs 28 to 40 of the Basel III LCR standards; **and** (ii) the Level 2B RMBS collateral lent would otherwise qualify to be reported in panel Ac of the "LCR" worksheet (which is the value that should be reported in D371), if they were not already securing the particular transaction in question (ie would be unencumbered and would meet the operational requirements for HQLA as specified in paragraphs 28 to 40 of the Basel III LCR standards).	48, 113, 146, Annex 1
373	Level 2B RMBS assets are lent and other assets are borrowed; of which:	Such transactions in which the bank has swapped Level 2B RMBS assets (lent) for other assets than Level 1 or Level 2 assets (borrowed).	48, 113, 146, Annex 1
374	Involving eligible liquid assets	Of the transactions where Level 2B RMBS assets are lent and other assets are borrowed, those where: (i) the Level 2B RMBS collateral lent would otherwise qualify to be reported in panel Ac of the "LCR" worksheet (which is the value that should be reported in D374), if they were not already securing the particular transaction in question (ie would be unencumbered and would meet the operational requirements for HQLA as specified in paragraphs 28 to 40 of the Basel III LCR standards); **and** (ii) the collateral borrowed is non-Level 1 and non-Level 2 assets (which is the value that should be reported in E374).	48, 113, 146, Annex 1
376	Level 2B non-RMBS assets are lent and Level 1 assets are borrowed; of which:	Such transactions in which the bank has swapped Level 2B non-RMBS assets (lent) for Level 1 assets (borrowed).	48, 113, 146, Annex 1

Row	Heading	Description	Basel III LCR standards reference
377	Involving eligible liquid assets	Of the transactions where Level 2B non-RMBS assets are lent and Level 1 assets are borrowed, those where: (i) the Level 1 collateral borrowed is reported in panel Aa of the “LCR” worksheet (which should also be reported in E377), as the assets meet the operational requirements for HQLA as specified in paragraphs 28 to 40 of the Basel III LCR standards; **and** (ii) the Level 2B non-RMBS collateral lent would otherwise qualify to be reported in panel Ac of the “LCR” worksheet (which is the value that should be reported in D377), if they were not already securing the particular transaction in question (ie would be unencumbered and would meet the operational requirements for HQLA as specified in paragraphs 28 to 40 of the Basel III LCR standards).	48, 113, 146, Annex 1
379	Level 2B non-RMBS assets are lent and Level 2A assets are borrowed; of which:	Such transactions in which the bank has swapped Level 2B non-RMBS assets (lent) for Level 2A assets (borrowed).	48, 113, 146, Annex 1
380	Involving eligible liquid assets	Of the transactions where Level 2B non-RMBS assets are lent and Level 2A assets are borrowed, those where: (i) the Level 2A collateral borrowed is reported in panel Ab of the “LCR” worksheet (which should also be reported in E380), as the assets meet the operational requirements for HQLA as specified in paragraphs 28 to 40 of the Basel III LCR standards; **and** (ii) the Level 2B non-RMBS collateral lent would otherwise qualify to be reported in panel Ac of the “LCR” worksheet (which is the value that should be reported in D380), if they were not already securing the particular transaction in question (ie would be unencumbered and would meet the operational requirements for HQLA as specified in paragraphs 28 to 40 of the Basel III LCR standards).	48, 113, 146, Annex 1
382	Level 2B non-RMBS assets are lent and Level 2B RMBS assets are borrowed; of which:	Such transactions in which the bank has swapped Level 2B non-RMBS assets (lent) for Level 2B RMBS assets (borrowed).	48, 113, 146, Annex 1
383	Involving eligible liquid assets	Of the transactions where Level 2B non-RMBS assets are lent and RMBS assets are borrowed, those where: (i) the RMBS collateral borrowed is reported in panel Ac of the “LCR” worksheet (which should also be reported in E383), as the assets meet the operational requirements for HQLA as specified in paragraphs 28 to 40 of the Basel III LCR standards; **and** (ii) the Level 2B non-RMBS collateral lent would otherwise qualify to be reported in panel Ac of the “LCR” worksheet (which is the value that should be reported in D383), if they were not already securing the particular transaction in question (ie would be unencumbered and would meet the operational requirements for HQLA as specified in paragraphs 28 to 40 of the Basel III LCR standards).	48, 113, 146, Annex 1
385	Level 2B non-RMBS assets are lent and Level 2B non-RMBS assets are borrowed; of which:	Such transactions in which the bank has swapped Level 2B non-RMBS assets (lent) for other Level 2B non-RMBS assets (borrowed).	48, 113, 146, Annex 1

Row	Heading	Description	Basel III LCR standards reference
386	Involving eligible liquid assets	Of the transactions where Level 2B non-RMBS assets are lent and Level 2B non-RMBS assets are borrowed, those where: (i) the Level 2B non-RMBS collateral borrowed is reported in panel Ac of the "LCR" worksheet (which should also be reported in E386), as the assets meet the operational requirements for HQLA as specified in paragraphs 28 to 40 of the Basel III LCR standards; **and** (ii) the Level 2B non-RMBS collateral lent would otherwise qualify to be reported in panel Ac of the "LCR" worksheet (which is the value that should be reported in D386), if they were not already securing the particular transaction in question (ie would be unencumbered and would meet the operational requirements for HQLA as specified in paragraphs 28 to 40 of the Basel III LCR standards).	48, 113, 146, Annex 1
388	Level 2B non-RMBS assets are lent and other assets are borrowed; of which:	Such transactions in which the bank has swapped Level 2B non-RMBS assets (lent) for other assets than Level 1 or Level 2 assets (borrowed).	48, 113, 146, Annex 1
389	Involving eligible liquid assets	Of the transactions where Level 2B non-RMBS assets are lent and other assets are borrowed, those where: (i) the Level 2B non-RMBS collateral lent would otherwise qualify to be reported in panel Ac of the "LCR" worksheet (which is the value that should be reported in D389), if they were not already securing the particular transaction in question (ie would be unencumbered and would meet the operational requirements for HQLA as specified in paragraphs 28 to 40 of the Basel III LCR standards); **and** (ii) the collateral borrowed is non-Level 1 and non-Level 2 assets (which is the value that should be reported in E389).	48, 113, 146, Annex 1
391	Other assets are lent and Level 1 assets are borrowed; of which:	Such transactions in which the bank has swapped other assets than Level 1 or Level 2 assets (lent) for Level 1 assets (borrowed).	48, 113, 146, Annex 1
392	Involving eligible liquid assets	Of the transactions where other assets are lent and Level 1 assets are borrowed, those where: (i) the Level 1 collateral borrowed is reported in panel Aa of the "LCR" worksheet (which should also be reported in E392), as the assets meet the operational requirements for HQLA as specified in paragraphs 28 to 40 of the Basel III LCR standards; **and** (ii) the collateral lent is non-Level 1 and non-Level 2 assets (which is the value that should be reported in D392).	48, 113, 146, Annex 1
394	Other assets are lent and Level 2A assets are borrowed; of which:	Such transactions in which the bank has swapped other assets than Level 1 or Level 2 assets (lent) for Level 2A assets (borrowed).	48, 113, 146, Annex 1
395	Involving eligible liquid assets	Of the transactions where other assets are lent and Level 2A assets are borrowed, those where: (i) the Level 2A collateral borrowed is reported in panel Ab of the "LCR" worksheet (which should also be reported in E395), as the assets meet the operational requirements for HQLA as specified in paragraphs 28 to 40 of the Basel III LCR standards; **and** (ii) the collateral lent is non-Level 1 and non-Level 2 assets (which is the value that should be reported in D395).	48, 113, 146, Annex 1

Row	Heading	Description	Basel III LCR standards reference
397	Other assets are lent and Level 2B RMBS assets are borrowed; of which:	Such transactions in which the bank has swapped other assets than Level 1 or Level 2 assets (lent) for Level 2B RMBS assets (borrowed).	48, 113, 146, Annex 1
398	Involving eligible liquid assets	Of the transactions where other assets are lent and Level 2B RMBS assets are borrowed, those where: (i) the Level 2B RMBS collateral borrowed is reported in panel Ac of the "LCR" worksheet (which should also be reported in E398), as the assets meet the operational requirements for HQLA as specified in paragraphs 28 to 40 of the Basel III LCR standards; **and** (ii) the collateral lent is non-Level 1 and non-Level 2 assets (which is the value that should be reported in D398).	48, 113, 146, Annex 1
400	Other assets are lent and Level 2B non-RMBS assets are borrowed; of which:	Such transactions in which the bank has swapped other assets than Level 1 or Level 2 assets (lent) for Level 2B non-RMBS assets (borrowed).	48, 113, 146, Annex 1
401	Involving eligible liquid assets	Of the transactions where other assets are lent and Level 2B non-RMBS assets are borrowed, those where: (i) the Level 2B non-RMBS collateral borrowed is reported in panel Ac of the "LCR" worksheet (which should also be reported in E401), as the assets meet the operational requirements for HQLA as specified in paragraphs 28 to 40 of the Basel III LCR standards; **and** (ii) the collateral lent is non-Level 1 and non-Level 2 assets (which is the value that should be reported in D401).	48, 113, 146, Annex 1
403	Other assets are lent and other assets are borrowed	Such transactions in which the bank has swapped other assets than Level 1 or Level 2 assets (lent) for other assets than Level 1 or Level 2 assets (borrowed).	48, 113, 146, Annex 1
404	Of which the borrowed assets are re-used (ie are rehypothecated) in transactions to cover short positions	If the collateral obtained in these transactions is re-used (ie rehypothecated) to cover short positions that could be extended beyond 30 days, it should be assumed that the transactions will be rolled-over and will not give rise to any cash inflows. This reflects the need to continue to cover the short position or to repurchase the relevant securities. If the collateral is not re-used, the transaction should be reported in lines 331 to 403.	48, 113, 146, Annex 1
405	Level 1 assets are lent and Level 1 assets are borrowed	Such transactions in which the bank has swapped Level 1 assets (lent) for other Level 1 assets (borrowed).	48, 113, 146, Annex 1
406	Level 1 assets are lent and Level 2A assets are borrowed	Such transactions in which the bank has swapped Level 1 assets (lent) for Level 2A assets (borrowed).	48, 113, 146, Annex 1
407	Level 1 assets are lent and Level 2B RMBS assets are borrowed	Such transactions in which the bank has swapped Level 1 assets (lent) for Level 2B RMBS assets (borrowed).	48, 113, 146, Annex 1
408	Level 1 assets are lent and Level 2B non-RMBS assets are borrowed	Such transactions in which the bank has swapped Level 1 assets (lent) for Level 2B non-RMBS assets (borrowed).	48, 113, 146, Annex 1
409	Level 1 assets are lent and other assets are borrowed	Such transactions in which the bank has swapped Level 1 assets (lent) for other assets than Level 1 or Level 2 assets (borrowed).	48, 113, 146, Annex 1

Row	Heading	Description	Basel III LCR standards reference
410	Level 2A assets are lent and Level 1 assets are borrowed	Such transactions in which the bank has swapped Level 2A assets (lent) for Level 1 assets (borrowed).	48, 113, 146, Annex 1
411	Level 2A assets are lent and Level 2A assets are borrowed	Such transactions in which the bank has swapped Level 2A assets (lent) for other Level 2A assets (borrowed).	48, 113, 146, Annex 1
412	Level 2A assets are lent and Level 2B RMBS assets are borrowed	Such transactions in which the bank has swapped Level 2A assets (lent) for Level 2B RMBS assets (borrowed).	48, 113, 146, Annex 1
413	Level 2A assets are lent and Level 2B non-RMBS assets are borrowed	Such transactions in which the bank has swapped Level 2A assets (lent) for Level 2B non-RMBS assets (borrowed).	48, 113, 146, Annex 1
414	Level 2A assets are lent and other assets are borrowed	Such transactions in which the bank has swapped Level 2A assets (lent) for other assets than Level 1 or Level 2 assets (borrowed).	48, 113, 146, Annex 1
415	Level 2B RMBS assets are lent and Level 1 assets are borrowed	Such transactions in which the bank has swapped Level 2B RMBS assets (lent) for Level 1 assets (borrowed).	48, 113, 146, Annex 1
416	Level 2B RMBS assets are lent and Level 2A assets are borrowed	Such transactions in which the bank has swapped Level 2B RMBS assets (lent) for Level 2A assets (borrowed).	48, 113, 146, Annex 1
417	Level 2B RMBS assets are lent and Level 2B RMBS assets are borrowed	Such transactions in which the bank has swapped Level 2B RMBS assets (lent) for other Level 2B RMBS assets (borrowed).	48, 113, 146, Annex 1
418	Level 2B RMBS assets are lent and Level 2B non-RMBS assets are borrowed	Such transactions in which the bank has swapped Level 2B RMBS assets (lent) for Level 2B non-RMBS assets (borrowed).	48, 113, 146, Annex 1
419	Level 2B RMBS assets are lent and other assets are borrowed	Such transactions in which the bank has swapped Level 2B RMBS assets (lent) for other assets than Level 1 or Level 2 assets (borrowed).	48, 113, 146, Annex 1
420	Level 2B non-RMBS assets are lent and Level 1 assets are borrowed	Such transactions in which the bank has swapped Level 2B non-RMBS assets (lent) for Level 1 assets (borrowed).	48, 113, 146, Annex 1
421	Level 2B non-RMBS assets are lent and Level 2A assets are borrowed	Such transactions in which the bank has swapped Level 2B non-RMBS assets (lent) for Level 2A assets (borrowed).	48, 113, 146, Annex 1
422	Level 2B non-RMBS assets are lent and Level 2B RMBS assets are borrowed	Such transactions in which the bank has swapped Level 2B non-RMBS assets (lent) for Level 2B RMBS assets (borrowed).	48, 113, 146, Annex 1
423	Level 2B non-RMBS assets are lent and Level 2B non-RMBS assets are borrowed	Such transactions in which the bank has swapped Level 2B non-RMBS assets (lent) for other Level 2B non-RMBS assets (borrowed).	48, 113, 146, Annex 1
424	Level 2B non-RMBS assets are lent and other assets are borrowed	Such transactions in which the bank has swapped Level 2B non-RMBS assets (lent) for other assets than Level 1 or Level 2 assets (borrowed).	48, 113, 146, Annex 1
425	Other assets are lent and Level 1 assets are borrowed	Such transactions in which the bank has swapped other assets than Level 1 or Level 2 assets (lent) for Level 1 assets (borrowed).	48, 113, 146, Annex 1
426	Other assets are lent and Level 2A assets are borrowed	Such transactions in which the bank has swapped other assets than Level 1 or Level 2 assets (lent) for Level 2A assets (borrowed).	48, 113, 146, Annex 1

Row	Heading	Description	Basel III LCR standards reference
427	Other assets are lent and Level 2B RMBS assets are borrowed	Such transactions in which the bank has swapped other assets than Level 1 or Level 2 assets (lent) for Level 2B RMBS assets (borrowed).	48, 113, 146, Annex 1
428	Other assets are lent and Level 2B non-RMBS assets are borrowed	Such transactions in which the bank has swapped other assets than Level 1 or Level 2 assets (lent) for Level 2B non-RMBS assets (borrowed).	48, 113, 146, Annex 1
429	Other assets are lent and other assets are borrowed	Such transactions in which the bank has swapped other assets than Level 1 or Level 2 assets (lent) for other assets than Level 1 or Level 2 assets (borrowed).	48, 113, 146, Annex 1

6.2 Net Stable Funding Ratio (NSFR)

The Net Stable Funding Ratio has been developed to ensure a stable funding profile in relation to the characteristics of the composition of an institution's assets and off-balance sheet activities. A sustainable funding structure is intended to reduce the likelihood that disruptions to a bank's regular sources of funding will erode its liquidity position in a way that would increase the risk of its failure and potentially lead to broader systemic stress. This metric establishes a minimum level of stable funding based on the liquidity characteristics of an institution's on- and off-balance sheet items over a one year horizon.

The NSFR is defined as the ratio of the amount of available stable funding to the amount of required stable funding. *Available* stable funding is defined as the portion of capital and liabilities expected to be reliable over the time horizon considered by the NSFR, which extends to one year. The amount of such funding *required* of a specific institution is a function of the liquidity characteristics and residual maturities of the various assets held by that institution as well as those of its off-balance sheet exposures.

Banks should report their NSFR using the same scope of application as for the Liquidity Coverage Ratio.

The template asks banks to allocate their liabilities and capital as reported on their balance sheet to the specific Available Stable Funding (ASF) categories outlined below. Banks should allocate the assets reported on their balance sheet to specific Required Stable Funding (RSF) categories according to:

(i) their remaining maturity;

(ii) whether they are unencumbered or encumbered; and,

(iii) if they are encumbered, the duration of the encumbrance.

Treatment of securities financing transactions

Use of balance sheet and accounting treatments should generally result in banks **excluding,** from their assets, securities which they have borrowed in securities financing transactions (such as reverse repos and collateral swaps) where they do not have beneficial ownership. In contrast, banks should **include** securities they have lent in securities financing transactions (such as repos or collateral swaps) where they retain beneficial ownership.

Banks should also not include any securities they have received through collateral swaps if these securities do not appear on their balance sheets.

Where banks have encumbered securities in repos or other securities financing transactions, but have retained beneficial ownership and those assets remain on the bank's balance sheet, the bank should allocate such securities to the appropriate RSF category.

Treatment of encumbrance

In accordance with the principle that a bank cannot derive liquidity benefit from assets that they have encumbered, banks are required to identify whether specific assets have been encumbered – separately for transactions related to central bank liquidity operations and for transactions with counterparties other than central banks – and for what duration. For each category of assets, banks should report in separate lines the balances of encumbered and unencumbered assets in the appropriate column, depending on the residual maturity of the asset.

Further details of how encumbrance is to be reported are included at the start of section 6.2.2.

Treatment of derivatives payables and derivatives receivables

A bank will usually have both net derivatives liabilities (ie payables) and net derivative assets (ie receivables) on its balance sheet. Banks should calculate these balances according to regulatory netting rules, and not accounting rules, and it is these net figures that should be reported on the Basel III monitoring template.

Although reported separately in the Basel III monitoring template to aid reconciliation, they will be taken into account on a **net basis** in calculating the NSFR. That is to say, any reported net payable will be deducted from any reported net receivable and the outcome allocated 100% RSF if a net receivable position or 0% ASF if a net payable position.

6.2.1 Available stable funding (panel A)

The available amount of stable funding is calculated by first assigning the **carrying value** (ie **prior to the application of any ASF factors)** of an institution's capital and liabilities to the categories below, which are also listed in Table 1, page 5 of the Basel III NSFR standards[37]. Carrying value represents the amount at which a liability or equity instrument is recorded before the application of any regulatory deductions, filters or other adjustments.

Some amendments have been made to the definitions in the Basel III NSFR standards to take into account the collection of data in quarterly buckets.

- Institutions should report all capital and liabilities to the appropriate columns based on maturity.
- When determining the maturity of an instrument, investors are assumed to redeem a call option at the earliest possible date. For funding with options exercisable at the bank's discretion, banks should assume that they will be exercised at the earliest possible date unless the bank can demonstrate to their supervisor's satisfaction that the bank would not exercise this option under any circumstances. For long-dated liabilities, only the portion of cash flows falling at or beyond the six-month and one-year time horizons should be treated as having an effective residual maturity of six months or more and one year or more, respectively.
- For retail and small business customers the same methodology for determining maturity should be followed in the NSFR as in the LCR.

[37] http://www.bis.org/publ/bcbs271.pdf.

- Deposits with a fixed term should be allocated to the appropriate maturity bucket; non-maturity (demand) deposits should be reported in the column for less than three months.

Row	Heading	Description	Basel III NSFR standards reference (unless otherwise noted)
6	Tier 1 and 2 capital (Basel III 2022), before the application of capital deductions and excluding the proportion of Tier 2 instruments with residual maturity of less than one year	The total amount of regulatory capital, before the application of capital deductions, as defined in paragraph 49 of the Basel III capital standards, excluding the proportion of Tier 2 instruments with residual maturity of less than one year. Amounts reported here should only include amounts after transitional arrangements have expired under fully implemented Basel III standards (ie as in 2022). Standards governing Tier 1 and Tier 2 capital are described in the Basel III capital standards.	18(a)
8	Capital instruments not included above with an effective residual maturity of one year or more	The total amount of any capital instrument not included in line 6 that has an effective residual maturity of one year or greater excluding any instruments with explicit or embedded options that, if exercised, would reduce the expected maturity to less than one year.	18(b)
9	"Stable" (as defined in the LCR) demand and/or term deposits from retail and small business customers	"Stable" non-maturity (demand) deposits and/or term deposits (as defined in the LCR in paragraphs 75 to 78) provided by retail customers and small business customers. Term deposits, regardless of the residual contractual maturity, which may be withdrawn early without entailing a withdrawal penalty significantly greater than the loss of interest should be reported in the <3 month column.	18(c), 19
11	"Less stable" (as defined in the LCR) demand and/or term deposits from retail and small business customers	"Less stable" (as defined in the LCR in paragraphs 79 to 81) non-maturity (demand) deposits and/or term deposits provided by retail and small business customers. Term deposits, regardless of the residual contractual maturity, which may be withdrawn early without entailing a withdrawal penalty significantly greater than the loss of interest should be reported in the <3 month column.	18(c), 20
13	Unsecured funding from non-financial corporates	Unsecured wholesale funding, non-maturity deposits and/or term deposits provided by non-financial corporates (excluding small business customers).	18(c), 21(a)
14	Of which is an operational deposit (as defined in the LCR)	Banks should report the portion of unsecured wholesale deposits provided by non-financial corporates with operational relationships, as defined in the LCR.	93–104 (Basel III LCR standards)
15	Of which is a non-operational deposit (as defined in the LCR)	Banks should report the portion of unsecured wholesale deposits provided by non-financial corporates without operational relationships, as defined in the LCR.	107-108 (Basel III LCR standards)
16	Of which is non-deposit unsecured funding	Banks should report any non-deposit unsecured wholesale funding provided by non-financial corporates.	
20	Unsecured funding from central banks	Unsecured wholesale funding, non-maturity deposits and/or term deposits provided by central banks.	18(c), 21(d), 22(a)
21	Of which is an operational deposit (as defined in the LCR)	Banks should report the portion of unsecured wholesale deposits provided by central banks with operational relationships, as defined in the LCR.	93–104 (Basel III LCR standards)

Row	Heading	Description	Basel III NSFR standards reference (unless otherwise noted)
22	Of which is a non-operational deposit (as defined in the LCR)	Banks should report the portion of unsecured wholesale deposits provided by central banks without operational relationships, as defined in the LCR.	107-108 (Basel III LCR standards)
23	Of which is non-deposit unsecured funding	Banks should report any non-deposit unsecured wholesale funding provided by central banks.	
25	Unsecured funding from sovereigns, PSEs, MDBs and NDBs	Unsecured wholesale funding, non-maturity deposits and/or term deposits provided by sovereigns, multilateral development banks (MDBs) and national development banks (NDBs) and PSEs. Banks should include in this line unsecured funding received from the Bank for International Settlements, the International Monetary Fund and the European Commission.	18(c), 21(c)
26	Of which is an operational deposit (as defined in the LCR)	Banks should report the portion of unsecured wholesale deposits provided by sovereigns, PSEs, MDBs and NDBs with operational relationships, as defined in the LCR.	93–104 (Basel III LCR standards)
27	Of which is a non-operational deposit (as defined in the LCR)	Banks should report the portion of unsecured wholesale deposits provided by sovereigns, PSEs, MDBs and NDBs without operational relationships, as defined in the LCR.	107-108 (Basel III LCR standards)
28	Of which is non-deposit unsecured funding	Banks should report any non-deposit unsecured wholesale funding provided by sovereigns, PSEs, MDBs and NDBs.	
32	Unsecured funding from other legal entities (including financial corporates and financial institutions)	The total amount of unsecured borrowings and liabilities (including term deposits) not reported in rows 13 to 28, comprising funding from other legal entities (including financial corporates and financial institutions (other than members of institutional network of cooperative banks)).	18(c), 21(d), 22(a)
33	Of which is an operational deposit (as defined in the LCR)	Banks should report the total amount of unsecured wholesale deposits provided by other legal entities with operational relationships, as defined in the LCR.	93–104 (Basel III LCR standards)
34	Of which is a non-operational deposit (as defined in the LCR)	Banks should report the total amount of unsecured wholesale deposits provided by other legal entities without operational relationships, as defined in the LCR.	109 (Basel III LCR standards)
35	Of which is non-deposit unsecured funding	Banks should report any non-deposit unsecured wholesale funding provided by other legal entities (including financial corporates and financial institutions). Banks should report here any non-deposit unsecured wholesale funding for which a counterparty cannot be determined (and is thus not reported in lines 16, 23, and/or 28).	

Row	Heading	Description	Basel III NSFR standards reference (unless otherwise noted)
39	Statutory minimum deposits from members of an institutional network of cooperative banks	Banks should report the total amount of deposits received from members of their institutional network of cooperative banks that qualify for a run-off rate of 25% in the LCR according to paragraph 105(a) of the Basel III LCR standards – ie they are "due to statutory minimum deposit requirements, which are registered at regulators". In accordance with footnote 7 of the Basel III NSFR standards, such deposits should also be allocated to an underlying funding source. Banks should report the underlying funding source in lines 288 to 305, and the total balance reported in those lines should equal the balance reported here. Any deposits from members of their institutional network of cooperative banks that are operational deposits according to paragraphs 93 to 104 of the Basel III LCR standards or other deposits from members of their institutional networks of cooperative networks would be reported in line 41 "Other deposits from members of an institutional network of cooperative banks".	105(a) (Basel III LCR standards), footnote 7
41	Other deposits from members of an institutional network of cooperative banks	Banks should report any deposits from members of their institutional network of cooperative banks that are operational deposits according to paragraphs 93 to 104 of the Basel III LCR standards or other deposits from members of their institutional networks of cooperative networks that are not included in line 39.	
42	Secured borrowings and liabilities (including secured term deposits): of which are from:	The total amount of secured borrowings and liabilities (including term deposits). Secured funding is defined as those liabilities and general obligations that are collateralised by legal rights to specifically designated assets owned by the borrowing institution in the case of bankruptcy, insolvency, liquidation or resolution.	18(c), 23
43	Retail and small business customers	The amount of secured borrowings and liabilities (including term deposits) from retail and small business customers.	
44	Non-financial corporates	The amount of secured borrowings and liabilities (including term deposits) from non-financial corporates.	
45	Central banks	The amount of secured borrowings and liabilities (including term deposits) from central banks.	
46	Sovereigns/PSEs/MDBs/NDBs	The amount of secured borrowings and liabilities (including term deposits) from sovereigns/PSEs and multilateral and national development banks.	
47	Other legal entities (including financial corporates and financial institutions)	The amount of secured borrowings and liabilities (including term deposits) from other legal entities (including financial corporates and financial institutions).	
48	Net derivatives payables	All derivatives payables and receivables, irrespective of the derivatives' maturity, should be reported net by counterparty as stated in "Treatment of derivatives payables and receivables" at the start of Section 6.2. Banks should report here the net derivatives payables calculated according to regulatory netting rules.	22(c)

Row	Heading	Description	Basel III NSFR standards reference (unless otherwise noted)
50	Deferred tax liabilities (DTLs)	The amount of deferred tax liabilities, reported according to the nearest possible date in which such liabilities could be realised.	22(b)
51	Minority interest	The amount of minority interest, reported according to the term of the instrument, usually in perpetuity.	22(b)
52	All other liability and equity categories not included above	All other liabilities of the institution (not otherwise reported in above categories) should be accounted for in this row at their carrying value. The value of short positions and open maturity positions should be reported in the < 3 month column. Note: deductions from capital should not be included in the amount reported in this line item, and should instead be reported according to the instructions in the relevant asset categories in panel B.	22(a), 22(b), 18(c)

6.2.2 Required stable funding (panel B)

The amount of required stable funding (RSF) is measured using assumptions on the broad characteristics of the liquidity risk profile of an institution's assets and off-balance sheet exposures. The amount of required stable funding is calculated by first assigning the **carrying** value of an institution's assets to the categories below, which are also listed in Table 2, page 9 of the Basel III NSFR standards. The amount assigned to each category is then multiplied by an RSF factor and the total RSF is the sum of the weighted amounts added to the amount of off-balance sheet activity (or potential liquidity exposure) multiplied by its associated RSF factor.

The RSF factor applied to the reported values of each asset or off-balance sheet exposure is intended to approximate the amount of a particular asset that would have to be funded, either because it will be rolled over or because it could not be monetised through sale or used as collateral in a secured borrowing transaction over the course of one year without significant expense. Under the standard, such amounts are expected to be supported by stable funding.

In completing this section of the template banks should allocate the assets recorded on their balance sheet to the appropriate RSF category.

Treatment of encumbrance

Where indicated, banks should report assets according to:

(i) whether they are encumbered or unencumbered; and,

(ii) if they are encumbered, according to the period of encumbrance.

In determining encumbrance where it is not tied to specific assets, eg the encumbrance is allocated against a pool of assets that includes different RSF categories, the bank should assume that the highest RSF factor assets are encumbered first.

Where a bank has rehypothecated assets in which it has both positions it owns outright and borrowed positions, a bank should assume it has encumbered the borrowed securities first, unless it has an internal process for making this allocation, or it has applied a different methodology for determining the encumbrance of positions in the LCR. For example, if for the LCR the bank assumes positions held outright are encumbered before borrowed positions in order to recognise inflows from maturing borrowed positions, then the bank must use an equivalent approach for these transactions in the NSFR.

For their encumbered assets, banks should first report their value in the appropriate column **according to residual maturity** at the carrying value on the balance sheet, and not the value assigned to it for the purposes of the encumbrance transaction. If the bank is required to over-collateralise transactions, for example due to the application of haircuts, or to achieve a desired credit-rating on a funding instrument, then these excess assets should be reported as encumbered.

The bank should then report that same value **according to the period of encumbrance** in the same column of the appropriate row beneath. Banks should consider whether specific assets have a term of encumbrance that is longer than the maturity of the asset, eg where in practice there is a requirement to encumber additional assets at the contracted maturity date of the currently encumbered asset. For example, if debt is secured on loans of a shorter maturity and the bank will be required to pledge additional collateral to maintain appropriate collateralisation levels, as may be the case with mortgage-backed securities.

For example, if a bank had securities that had a value of 50 with a residual maturity of 10 months, 25 of which were encumbered for two months, and 25 of which were encumbered for seven months, it would complete the template as follows:

	Amount				
	< 3 months	**≥ 3 months to < 6 months**	**≥ 6 months to < 9 months**	**≥ 9 months to < 1 year**	**≥1 year**
Loans to non-financial corporate clients with residual maturities less than one year					
Unencumbered					
Encumbered for central bank liquidity operations; of which:					
Encumbered for periods < 6 months				25	
Encumbered for periods ≥ 6 months to < 1 year				25	
Encumbered for periods ≥ 1 year					

<table>
<tr><th>Row</th><th>Heading</th><th>Description</th><th>Basel III NSFR standards reference</th></tr>
<tr><td>B)</td><td colspan="3">Required stable funding</td></tr>
<tr><td colspan="4">The required amount of stable funding is calculated by first assigning the carrying value of an institution’s assets to the categories below, which are also listed in Table 2, page 9 of the Basel III NSFR standards. The amount assigned to each category is to be multiplied by an RSF factor and the total RSF is the sum of the weighted amounts.
Of note, definitions in the NSFR mirror those in the LCR, unless otherwise specified. In addition, for purposes of calculating the NSFR, HQLA is defined as all HQLA (defined in LCR paragraphs 24 to 54) without regard to LCR operational requirements (defined in LCR paragraphs 28 to 43) and LCR caps on Level 2 and Level 2B assets that may limit the ability of some HQLA to be included as eligible HQLA in the calculation of the LCR.
Assets that are deducted from capital should be reported in the relevant asset categories below.
Treatment of maturity
• Institutions should allocate all assets to the appropriate columns based on their residual maturity or liquidity value.
• When determining the maturity of an instrument, investors are assumed to exercise any option to extend maturity.
• Asset maturities should be treated at their residual maturity or amortisation schedules rather than behavioural maturities. For amortising loans, the portion that comes due within the one-year horizon can be treated in the “less than one year” residual maturity category.</td></tr>
<tr><td>B1)</td><td colspan="3">On-balance sheet items</td></tr>
<tr><td>61</td><td>Coins and banknotes</td><td>Coins and banknotes currently held and immediately available to meet obligations.
Banks should not report loans to counterparties in this row.</td><td>29(a)</td></tr>
</table>

Row	Heading	Description	Basel III NSFR standards reference
62	Total central bank reserves	Total amount held in central bank reserves (including required and excess reserves) including banks' overnight deposits with the central bank, and term deposits with the central bank that: (i) are explicitly and contractually repayable on notice from the depositing bank; or (ii) that constitute a loan against which the bank can borrow on a term basis or on an overnight but automatically renewable basis (only where the bank has an existing deposit with the relevant central bank).	29(b)
63	Of which are central bank reserves which can be drawn in times of stress	Total amount held in central bank reserves and overnight and term deposits at the same central bank (as reported in line 62) which can be drawn down in times of stress. **Please refer to the instructions from your supervisor for the specification of this item.**	
67	Short-term unsecured instruments and transactions with outstanding maturities of less than one year, of which are:	Banks should report the balances of short-term unsecured instruments with outstanding maturities of less than one year. Such instruments include but are not limited to: short-term government and corporate bills, notes, and obligations; commercial paper; negotiable CDs; bankers' acceptances; money market mutual funds. **Banks should not report in this row any central bank reserves, Level 1, Level 2A and Level 2B assets, unsecured interbank and other money market placements (eg federal funds or eurocurrencies sold) or instruments in default. These are reported elsewhere on the template.**	32(d)
68	Unencumbered	Banks should report in this row all such **unencumbered** instruments and transactions in the appropriate column according to their residual maturity.	
69	Encumbered for central bank liquidity operations; of which:	Banks should report in this row all such **encumbered** instruments and transactions that result from central bank liquidity operations in the appropriate column according to their residual maturity.	
70	encumbered for < 6 months	For each cell containing instruments that have been encumbered, banks should **in addition** allocate them to a cell in one of the three rows directly below **according to the term of encumbrance**. Attention is drawn to the worked example at the start of this section.	
71	encumbered for ≥ 6 months to < 1 year		
72	encumbered for ≥ 1 year		
73	Encumbered with counterparties other than central banks; of which:	Banks should report in this row all such **encumbered** instruments and transactions conducted with counterparties other than central banks in the appropriate column according to their residual maturity.	
74	encumbered for < 6 months	For each cell containing instruments that have been encumbered, banks should **in addition** allocate them to a cell in one of the three rows directly below **according to the term of encumbrance**. Attention is drawn to the worked example at the start of this section.	
75	encumbered for ≥ 6 months to < 1 year		
76	encumbered for ≥ 1 year		

Row	Heading	Description	Basel III NSFR standards reference
77	Securities held where the institution has an offsetting reverse repurchase transaction when the security on each transaction has the same unique identifier (eg ISIN number or CUSIP) and such securities are reported on the balance sheet of the reporting institution	This category is only applicable for jurisdictions whereby accounting standards would require both the reverse repo transaction and the collateral to be reported on-balance sheet. Where this is the case, banks should report in this row, any securities reported on their balance sheet that are borrowed in reverse repurchase transactions. Reverse repo transactions that appear on their balance sheets as secured cash loans and deposits placed should not be reported in this line, rather should be reported in row 87 if the counterparty is a bank subject to prudential supervision or in row 97, if the counterparty is another type of financial entity. Securities in default should not be reported in this row, rather these should be reported in line 364.	
78	Unencumbered	Banks should report in this row all such **unencumbered** securities in the appropriate column according to their residual maturity.	
79	Encumbered for central bank liquidity operations; of which:	Banks should report in this row all such **encumbered** securities that result from central bank liquidity operations in the appropriate column according to their residual maturity.	
80	encumbered for < 6 months	For each cell containing instruments that have been encumbered, banks should **in addition** allocate them to a cell in one of the three rows directly below **according to the term of encumbrance**. Attention is drawn to the worked example at the start of this section.	
81	encumbered for ≥ 6 months to < 1 year		
82	encumbered for ≥ 1 year		
83	Encumbered with counterparties other than central banks; of which:	Banks should report in this row all such **encumbered** securities from transactions conducted with counterparties other than central banks in the appropriate column according to their residual maturity.	
84	encumbered for < 6 months	For each cell containing instruments that have been encumbered, banks should **in addition** allocate them to a cell in one of the three rows directly below **according to the term of encumbrance**. Attention is drawn to the worked example at the start of this section.	
85	encumbered for ≥ 6 months to < 1 year		
86	encumbered for ≥ 1 year		
87	Loans to banks subject to prudential supervision that are not renewable	Loans to banks subject to prudential supervision that are not renewable. Non-performing loans should not be reported in this row, rather these should be reported in line 258. Deposits held at banks subject to prudential supervision for operational purposes should not be reported here and should instead be reported in line 137.	29(c), 32(c), 35(c)
88	Unencumbered	Banks should report in this row all such **unencumbered** loans in the appropriate column according to their residual maturity.	
89	Encumbered for central bank liquidity operations; of which:	Banks should report in this row all such **encumbered** loans that result from central bank liquidity operations in the appropriate column according to their residual maturity.	
90	encumbered for < 6 months	For each cell containing loans that have been encumbered, banks should **in addition** allocate them to a cell in one of the three rows directly below **according to the term of encumbrance**.	
91	encumbered for ≥ 6 months to < 1 year		

Row	Heading	Description	Basel III NSFR standards reference
92	encumbered for ≥ 1 year	Attention is drawn to the worked example at the start of this section.	
93	Encumbered with counterparties other than central banks; of which:	Banks should report in this row all such **encumbered** loans from transactions conducted with counterparties other than central banks in the appropriate column according to their residual maturity.	
94	encumbered for < 6 months	For each cell containing loans that have been encumbered, banks should **in addition** allocate them to a cell in one of the three rows directly below **according to the term of encumbrance**. Attention is drawn to the worked example at the start of this section.	
95	encumbered for ≥ 6 months to < 1 year		
96	encumbered for ≥ 1 year		
97	Loans to financial entities (other than banks subject to prudential supervision) that are not renewable	Loans to financial entities (other than banks subject to prudential supervision) that are not renewable. Non-performing loans should not be reported in this row, rather these should be reported in line 258. Deposits held at financial institutions (other than banks subject to prudential supervision) for operational purposes should not be reported here and instead should be reported in line 137.	32(e), 35(c)
98	Unencumbered	Banks should report in this row all such **unencumbered** loans in the appropriate column according to their residual maturity.	
99	Encumbered for central bank liquidity operations; of which:	Banks should report in this row all such **encumbered** loans that result from central bank liquidity operations in the appropriate column according to their residual maturity.	
100	encumbered for < 6 months	For each cell containing loans that have been encumbered, banks should **in addition** allocate them to a cell in one of the three rows directly below **according to the term of encumbrance**. Attention is drawn to the worked example at the start of this section.	
101	encumbered for ≥ 6 months to < 1 year		
102	encumbered for ≥ 1 year		
103	Encumbered with counterparties other than central banks; of which:	Banks should report in this row all such **encumbered** loans from transactions conducted with counterparties other than central banks in the appropriate column according to their residual maturity.	
104	encumbered for < 6 months	For each cell containing loans that have been encumbered, banks should **in addition** allocate them to a cell in one of the three rows directly below **according to the term of encumbrance**. Attention is drawn to the worked example at the start of this section.	
105	encumbered for ≥ 6 months to < 1 year		
106	encumbered for ≥ 1 year		
107	Securities eligible for Level 1 of the LCR stock of liquid assets	Securities that, if unencumbered, would qualify as Level 1 liquid assets according to paragraph 50 of the Basel III LCR standards. Securities that would otherwise qualify according to that paragraph, but are excluded for operational or other reasons, are reported in this row. Coins and banknotes, and central bank reserves should be reported in lines 61 and 62 respectively and not in this row. Securities in default should not be reported in this row, rather these should be reported in line 258.	30

Row	Heading	Description	Basel III NSFR standards reference
108	Unencumbered	Banks should report in this row all such **unencumbered** securities in the appropriate column according to their residual maturity.	
109	Encumbered for central bank liquidity operations; of which:	Banks should report in this row all such **encumbered** securities that result from central bank liquidity operations in the appropriate column according to their residual maturity.	
110	encumbered for < 6 months	For each cell containing securities that have been encumbered, banks should **in addition** allocate them to a cell in one of the three rows directly below **according to the term of encumbrance**. Attention is drawn to the worked example at the start of this section.	
111	encumbered for ≥ 6 months to < 1 year		
112	encumbered for ≥ 1 year		
113	Encumbered with counterparties other than central banks; of which:	Banks should report in this row all such **encumbered** securities from transactions conducted with counterparties other than central banks in the appropriate column according to their residual maturity.	
114	encumbered for < 6 months	For each cell containing securities that have been encumbered, banks should **in addition** allocate them to a cell in one of the three rows directly below **according to the term of encumbrance**. Attention is drawn to the worked example at the start of this section.	
115	encumbered for ≥ 6 months to < 1 year		
116	encumbered for ≥ 1 year		
117	Securities eligible for Level 2A of the LCR stock of liquid assets	Securities that, if unencumbered, would qualify as Level 2A liquid assets, according to paragraph 52 of the Basel III LCR standards. Securities that would otherwise qualify according to that paragraph, but are excluded for exceeding the 40% cap, or for operational or other reasons, are reported in this row. Securities in default should not be reported in this row, rather these should be reported in line 258.	31
118	Unencumbered	Banks should report in this row all such **unencumbered** securities in the appropriate column according to their residual maturity.	
119	Encumbered for central bank liquidity operations; of which:	Banks should report in this row all such **encumbered** securities that result from central bank liquidity operations in the appropriate column according to their residual maturity.	
120	encumbered for < 6 months	For each cell containing securities that have been encumbered, banks should **in addition** allocate them to a cell in one of the three rows directly below **according to the term of encumbrance**. Attention is drawn to the worked example at the start of this section.	
121	encumbered for ≥ 6 months to < 1 year		
122	encumbered for ≥ 1 year		
123	Encumbered with counterparties other than central banks; of which:	Banks should report in this row all such **encumbered** securities from transactions conducted with counterparties other than central banks in the appropriate column according to their residual maturity.	
124	encumbered for < 6 months	For each cell containing securities that have been encumbered, banks should **in addition** allocate them to a cell in one of the three rows directly below **according to the term of encumbrance**. Attention is drawn to the worked example at the start of this section.	
125	encumbered for ≥ 6 months to < 1 year		
126	encumbered for ≥ 1 year		

Row	Heading	Description	Basel III NSFR standards reference
127	Securities eligible for Level 2B of the LCR stock of liquid assets	Securities that, if unencumbered, would qualify as Level 2B liquid assets, according to paragraph 54 of the Basel III LCR standards. Securities that would otherwise qualify according to that paragraph, but are excluded for exceeding the 15% or 40% caps, or for operational or other reasons, are reported in this row. Securities in default should not be reported in this row, rather these should be reported in line 258.	32(a)
128	Unencumbered	Banks should report in this row all such **unencumbered** securities in the appropriate column according to their residual maturity.	
129	Encumbered for central bank liquidity operations; of which:	Banks should report in this row all such **encumbered** securities that result from central bank liquidity operations in the appropriate column according to their residual maturity.	
130	encumbered for < 6 months	For each cell containing securities that have been encumbered, banks should **in addition** allocate them to a cell in one of the three rows directly below **according to the term of encumbrance**. Attention is drawn to the worked example at the start of this section.	
131	encumbered for ≥ 6 months to < 1 year		
132	encumbered for ≥ 1 year		
133	Encumbered with counterparties other than central banks; of which:	Banks should report in this row all such **encumbered** securities from transactions conducted with counterparties other than central banks in the appropriate column according to their residual maturity.	
134	encumbered for < 6 months	For each cell containing securities that have been encumbered, banks should **in addition** allocate them to a cell in one of the three rows directly below **according to the term of encumbrance**. Attention is drawn to the worked example at the start of this section.	
135	encumbered for ≥ 6 months to < 1 year		
136	encumbered for ≥ 1 year		
137	Deposits held at financial institutions for operational purposes	Deposits held at financial institutions, including banks subject to prudential supervision, for operational purposes, as defined in LCR paragraphs 93 to 104.	32(d)
138	Unencumbered	Banks should report in this row all such **unencumbered** deposits in the appropriate column according to their residual maturity.	
139	Encumbered for central bank liquidity operations; of which:	Banks should report in this row all such **encumbered** deposits that result from central bank liquidity operations in the appropriate column according to their residual maturity.	
140	encumbered for < 6 months	For each cell containing deposits that have been encumbered, banks should **in addition** allocate them to a cell in one of the three rows directly below **according to the term of encumbrance**. Attention is drawn to the worked example at the start of this section.	
141	encumbered for ≥ 6 months to < 1 year		
142	encumbered for ≥ 1 year		
143	Encumbered with counterparties other than central banks; of which:	Banks should report in this row all such **encumbered** deposits.	

Row	Heading	Description	Basel III NSFR standards reference
144	encumbered for < 6 months	For each cell containing deposits that have been encumbered, banks should **in addition** allocate them to a cell in one of the three rows directly below **according to the term of encumbrance**. Attention is drawn to the worked example at the start of this section.	
145	encumbered for ≥ 6 months to < 1 year		
146	encumbered for ≥ 1 year		
147	Loans to non-financial corporate clients with a residual maturity of less than one year	Loans to non-financial corporate clients having a residual maturity of less than one year. Non-performing loans should not be reported in this row, rather these should be reported in line 258. Performing loans to non-financial corporate clients with a residual maturity of less than one year and with a greater than 35% risk weight under the Basel II standardised approach for credit risk should be reported in this category and not in line 207.	32(e)
148	Unencumbered	Banks should report in this row all such **unencumbered** loans in the appropriate column according to their residual maturity.	
149	Encumbered for central bank liquidity operations; of which:	Banks should report in this row all such **encumbered** loans in the appropriate column according to their residual maturity.	
150	encumbered for < 6 months	For each cell containing loans that have been encumbered, banks should **in addition** allocate them to a cell in one of the three rows directly below **according to the term of encumbrance**. Attention is drawn to the worked example at the start of this section.	
151	encumbered for ≥ 6 months to < 1 year		
152	encumbered for ≥ 1 year		
153	Encumbered with counterparties other than central banks; of which:	Banks should report in this row all such **encumbered** loans from transactions conducted with counterparties other than central banks in the appropriate column according to their residual maturity.	
154	encumbered for < 6 months	For each cell containing loans that have been encumbered, banks should **in addition** allocate them to a cell in one of the three rows directly below **according to the term of encumbrance**. Attention is drawn to the worked example at the start of this section.	
155	encumbered for ≥ 6 months to < 1 year		
156	encumbered for ≥ 1 year		
157	Loans to central banks with a residual maturity of less than one year	Loans to central banks having a residual maturity of less than one year that do not qualify to meet local reserve requirements. Balances (including term placements) that qualify toward reserve requirements should be considered as “reserves with the central bank” and reported in row 62, even if these balances are in excess of the required level of reserves. Non-performing loans should not be reported in this row, rather these should be reported in line 258. Performing loans to central banks with a residual maturity of less than one year and a greater than 35% risk weight under the Basel II standardised approach for credit risk should be reported in this category and not in line 207.	32(e)
158	Unencumbered	Banks should report in this row all such **unencumbered** loans in the appropriate column according to their residual maturity.	

Row	Heading	Description	Basel III NSFR standards reference
159	Encumbered for central bank liquidity operations; of which:	Banks should report in this row all such **encumbered** loans that result from central bank liquidity operations in the appropriate column according to their residual maturity.	
160	encumbered for < 6 months	For each cell containing loans that have been encumbered, banks should **in addition** allocate them to a cell in one of the three rows directly below **according to the term of encumbrance**. Attention is drawn to the worked example at the start of this section.	
161	encumbered for ≥ 6 months to < 1 year		
162	encumbered for ≥ 1 year		
163	Encumbered with counterparties other than central banks; of which:	Banks should report in this row all such **encumbered** loans from transactions conducted with counterparties other than central banks in the appropriate column according to their residual maturity.	
164	encumbered for < 6 months	For each cell containing loans that have been encumbered, banks should **in addition** allocate them to a cell in one of the three rows directly below **according to the term of encumbrance**. Attention is drawn to the worked example at the start of this section.	
165	encumbered for ≥ 6 months to < 1 year		
166	encumbered for ≥ 1 year		
167	Loans to sovereigns, PSEs, MDBs and NDBs with a residual maturity of less than one year	Loans to sovereigns, PSEs, MDBs and NDBs having a residual maturity of less than one year. Loans to the Bank for International Settlements, the International Monetary Fund and the European Commission should also be reported in this row. Non-performing loans should not be reported in this row, rather these should be reported in line 258. Performing loans to sovereigns, PSEs, MDBs and NDBs with a residual maturity of less than one year and a greater than 35% risk weight under the Basel II standardised approach for credit risk should be reported in this category and not in line 207.	32(e)
168	Unencumbered	Banks should report in this row all such **unencumbered** loans in the appropriate column according to their residual maturity.	
169	Encumbered for central bank liquidity operations; of which:	Banks should report in this row all such **encumbered** loans that result from central bank liquidity operations in the appropriate column according to their residual maturity.	
170	encumbered for < 6 months	For each cell containing loans that have been encumbered, banks should **in addition** allocate them to a cell in one of the three rows directly below according to the term of encumbrance. Attention is drawn to the worked example at the start of this section.	
171	encumbered for ≥ 6 months to < 1 year		
172	encumbered for ≥ 1 year		
173	Encumbered with counterparties other than central banks; of which:	Banks should report in this row all such **encumbered** loans from transactions conducted with counterparties other than central banks in the appropriate column according to their residual maturity.	
174	encumbered for < 6 months	For each cell containing loans that have been encumbered, banks should **in addition** allocate them to a cell in one of the three rows directly below **according to the term of encumbrance**. Attention is drawn to the worked example at the start of this section.	
175	encumbered for ≥ 6 months to < 1 year		
176	encumbered for ≥ 1 year		

Row	Heading	Description	Basel III NSFR standards reference
177	Residential mortgages of any maturity that would qualify for the 35% or lower risk weight under the Basel II standardised approach for credit risk	Residential mortgages of any maturity that would qualify for the 35% or lower risk weight under the Basel II standardised approach for credit risk. Non-performing residential mortgages should not be reported in this row, rather these should be reported in line 258.	32(e), 33(a)
178	Unencumbered	Banks should report in this row all such **unencumbered** mortgages in the appropriate column according to their residual maturity.	
179	Encumbered for central bank liquidity operations; of which:	Banks should report in this row all such **encumbered** mortgages that result from central bank liquidity operations in the appropriate column according to their residual maturity.	
180	encumbered for < 6 months	For each cell containing residential mortgages that have been encumbered, banks should **in addition** allocate them to a cell in one of the three rows directly below **according to the term of encumbrance**. Attention is drawn to the worked example at the start of this section.	
181	encumbered for ≥ 6 months to < 1 year		
182	encumbered for ≥ 1 year		
183	Encumbered with counterparties other than central banks; of which:	Banks should report in this row all such **encumbered** mortgages from transactions conducted with counterparties other than central banks in the appropriate column according to their residual maturity.	
184	encumbered for < 6 months	For each cell containing residential mortgages that have been encumbered, banks should **in addition** allocate them to a cell in one of the three rows directly below according to the term of encumbrance. Attention is drawn to the worked example at the start of this section.	
185	encumbered for ≥ 6 months to < 1 year		
186	encumbered for ≥ 1 year		
187	Other loans, excluding loans to financial institutions, with a residual maturity of one year or greater, that would qualify for the 35% or lower risk weight under the Basel II standardised approach for credit risk	Include balances of all other loans, excluding loans to financial institutions, with a residual maturity of one year or more, that would qualify for the 35% or lower risk weight under the Basel II standardised approach for credit risk. Non-performing loans should not be reported in this row, rather these should be reported in line 258.	33(b)
188	Unencumbered	Banks should report in this row all such **unencumbered** loans in the appropriate column according to their residual maturity.	
189	Encumbered for central bank liquidity operations; of which:	Banks should report in this row all such **encumbered** loans that result from central bank liquidity operations in the appropriate column according to their residual maturity.	
190	encumbered for < 6 months	For each cell containing loans that have been encumbered, banks should **in addition** allocate them to a cell in one of the three rows directly below **according to the term of encumbrance**. Attention is drawn to the worked example at the start of this section.	
191	encumbered for ≥ 6 months to < 1 year		
192	encumbered for ≥ 1 year		

Row	Heading	Description	Basel III NSFR standards reference
193	Encumbered with counterparties other than central banks; of which:	Banks should report in this row all such **encumbered** loans from transactions conducted with counterparties other than central banks in the appropriate column according to their residual maturity.	
194	encumbered for < 6 months	For each cell containing loans that have been encumbered, banks should **in addition** allocate them to a cell in one of the three rows directly below **according to the term of encumbrance**. Attention is drawn to the worked example at the start of this section.	
195	encumbered for ≥ 6 months to < 1 year		
196	encumbered for ≥ 1 year		
197	Loans to retail and small business customers (excluding residential mortgages reported above) with a residual maturity of less than one year	Loans to retail (eg natural persons) and small business customers (as defined in the LCR) having a residual maturity of less than one year. Non-performing loans should not be reported in this row, rather these should be reported in line 258. Performing loans to retail and small business customers with a residual maturity less than one year with a greater than 35% risk weight under the Basel II standardised approach for credit risk should also be reported in this category and not in line 207.	32(e)
198	Unencumbered	Banks should report in this row all such **unencumbered** loans in the appropriate column according to their residual maturity.	
199	Encumbered for central bank liquidity operations; of which:	Banks should report in this row all such **encumbered** loans that result from central bank liquidity operations in the appropriate column according to their residual maturity.	
200	encumbered for < 6 months	For each cell containing loans that have been encumbered, banks should **in addition** allocate them to a cell in one of the three rows directly below **according to the term of encumbrance**. Attention is drawn to the worked example at the start of this section.	
201	encumbered for ≥ 6 months to < 1 year		
202	encumbered for ≥ 1 year		
203	Encumbered with counterparties other than central banks; of which:	Banks should report in this row all such **encumbered** loans from transactions conducted with counterparties other than central banks in the appropriate column according to their residual maturity.	
204	encumbered for < 6 months	For each cell containing loans that have been encumbered, banks should **in addition** allocate them to a cell in one of the three rows directly below **according to the term of encumbrance**. Attention is drawn to the worked example at the start of this section.	
205	encumbered for ≥ 6 months to < 1 year		
206	encumbered for ≥ 1 year		
207	Performing loans with risk weights greater than 35% (except loans to financial institutions and loans reported in above categories)	Performing loans, not captured by one of the above categories, with a greater than 35% risk weight under the Basel II standardised approach for credit risk, excluding loans to financial institutions. Non-performing loans should not be reported in this row, rather these should be reported in line 258.	32(e), 34(a)
208	Unencumbered	Banks should report in this row all such **unencumbered** loans in the appropriate column according to their residual maturity.	

Row	Heading	Description	Basel III NSFR standards reference
209	Encumbered for central bank liquidity operations; of which:	Banks should report in this row all such **encumbered** loans that result from central bank liquidity operations in the appropriate column according to their residual maturity.	
210	encumbered for < 6 months	For each cell containing loans that have been encumbered, banks should **in addition** allocate them to a cell in one of the three rows directly below **according to the term of encumbrance**. Attention is drawn to the worked example at the start of this section.	
211	encumbered for ≥ 6 months to < 1 year		
212	encumbered for ≥ 1 year		
213	Encumbered with counterparties other than central banks; of which:	Banks should report in this row all such **encumbered** loans from transactions conducted with counterparties other than central banks in the appropriate column according to their residual maturity.	
214	encumbered for < 6 months	For each cell containing loans that have been encumbered, banks should **in addition** allocate them to a cell in one of the three rows directly below **according to the term of encumbrance**. Attention is drawn to the worked example at the start of this section.	
215	encumbered for ≥ 6 months to < 1 year		
216	encumbered for ≥ 1 year		
217	Non-HQLA exchange traded equities	Exchange traded equities that do not qualify as Level 2B assets. This includes exchange traded FI equities as well as exchange traded non-FI equities that do not meet all of the requirements outlined in paragraph 54(c) of the Basel III LCR standards. Amounts related to non-HQLA exchange traded equities that are deducted from capital should not be reported here, rather should be reported in the ≥ 1 year column in row 261.	34(b)
218	Unencumbered	Banks should report in this row all such **unencumbered** equities in the appropriate column according to their residual maturity.	
219	Encumbered for central bank liquidity operations; of which:	Banks should report in this row all such **encumbered** equities that result from central bank liquidity operations in the appropriate column according to their residual maturity.	
220	encumbered for < 6 months	For each cell containing equities that have been encumbered, banks should **in addition** allocate them to a cell in one of the three rows directly below **according to the term of encumbrance**. Attention is drawn to the worked example at the start of this section.	
221	encumbered for ≥ 6 months to < 1 year		
222	encumbered for ≥ 1 year		
223	Encumbered with counterparties other than central banks; of which:	Banks should report in this row all such **encumbered** equities from transactions conducted with counterparties other than central banks in the appropriate column according to their residual maturity.	
224	encumbered for < 6 months	For each cell containing equities that have been encumbered, banks should **in addition** allocate them to a cell in one of the three rows directly below **according to the term of encumbrance**. Attention is drawn to the worked example at the start of this section.	
225	encumbered for ≥ 6 months to < 1 year		
226	encumbered for ≥ 1 year		

Row	Heading	Description	Basel III NSFR standards reference
227	Non-HQLA securities not in default	Securities that are not eligible for HQLA treatment as defined by Basel III LCR standards, other than non-HQLA exchange traded equities, which should be reported in line 217, and which are not in default. Securities in default should not be reported in this row, rather these should be reported in line 258.	34(b)
228	Unencumbered	Banks should report in this row all such **unencumbered** securities in the appropriate column according to their residual maturity.	
229	Encumbered for central bank liquidity operations; of which:	Banks should report in this row all such **encumbered** securities that result from central bank liquidity operations in the appropriate column according to their residual maturity.	
230	encumbered for < 6 months	For each cell containing securities that have been encumbered, banks should **in addition** allocate them to a cell in one of the three rows directly below **according to the term of encumbrance**. Attention is drawn to the worked example at the start of this section.	
231	encumbered for ≥ 6 months to < 1 year		
232	encumbered for ≥ 1 year		
233	Encumbered with counterparties other than central banks; of which:	Banks should report in this row all such **encumbered** securities from transactions conducted with counterparties other than central banks in the appropriate column according to their residual maturity.	
234	encumbered for < 6 months	For each cell containing securities that have been encumbered, banks should **in addition** allocate them to a cell in one of the three rows directly below **according to the term of encumbrance**. Attention is drawn to the worked example at the start of this section.	
235	encumbered for ≥ 6 months to < 1 year		
236	encumbered for ≥ 1 year		
237	Gold	Total balance of gold should be reported in the ≥ 1 year maturity column.	34(b)
238	Unencumbered	Banks should report in this row all such **unencumbered** gold.	
239	Encumbered for central bank liquidity operations; of which:	Banks should report in this row all such **encumbered** gold that result from central bank liquidity operations.	
240	encumbered for < 6 months	For each cell containing gold that has been encumbered, banks should **in addition** allocate them to a cell in one of the three rows directly below according to the term of encumbrance. Attention is drawn to the worked example at the start of this section.	
241	encumbered for ≥ 6 months to < 1 year		
242	encumbered for ≥ 1 year		
243	Encumbered with counterparties other than central banks; of which:	Banks should report in this row all such **encumbered** gold from transactions conducted with counterparties other than central banks.	
244	encumbered for < 6 months	For each cell containing gold that has been encumbered, banks should **in addition** allocate them to a cell in one of the three rows directly below **according to the term of encumbrance**. Attention is drawn to the worked example at the start of this section.	
245	encumbered for ≥ 6 months to < 1 year		
246	encumbered for ≥ 1 year		
247	Physical traded commodities other than gold	Total balance of physical traded commodities (other than gold) should be reported in the ≥ 1 year maturity column.	34(b)

Row	Heading	Description	Basel III NSFR standards reference
248	Unencumbered	Banks should report in this row all such **unencumbered** physical traded commodities (other than gold).	
249	Encumbered for central bank liquidity operations; of which:	Banks should report in this row all such **encumbered** physical traded commodities (other than gold) that result from central bank liquidity operations.	
250	encumbered for < 6 months	For each cell containing physical traded commodities (other than gold) that have been encumbered, banks should **in addition** allocate them to a cell in one of the three rows directly below **according to the term of encumbrance**. Attention is drawn to the worked example at the start of this section.	
251	encumbered for ≥ 6 months to < 1 year		
252	encumbered for ≥ 1 year		
253	Encumbered with counterparties other than central banks; of which:	Banks should report in this row all such **encumbered** physical traded commodities (other than gold) from transactions conducted with counterparties other than central banks.	
254	encumbered for < 6 months	For each cell containing instruments that have been encumbered, banks should **in addition** allocate them to a cell in one of the three rows directly below **according to the term of encumbrance**. Attention is drawn to the worked example at the start of this section.	
255	encumbered for ≥ 6 months to < 1 year		
256	encumbered for ≥ 1 year		
257	Net derivatives receivables	All derivatives payables and receivables, irrespective of the derivatives' maturity, should be reported net by counterparty as stated in "*Treatment of derivatives payables and receivables*" at the start of Section 6.2. Banks should report here the net derivatives receivables calculated according to regulatory netting rules.	22(c), 35(b)
258	Defaulted securities and non-performing loans	All defaulted securities and non-performing loans should be reported in this line and **not** in one of the above categories.	35(c)
259	Intangibles	Intangible assets including, but not limited to, goodwill and mortgage servicing rights. Intangible assets deducted from capital should be reported here.	35(c)
260	Deferred tax assets (DTAs)	The amount of deferred tax assets, reported according to the nearest possible date in which such liabilities could be realised. DTAs deducted from capital should be reported here.	35(c)
261	All other assets not included in above categories that qualify for 100% treatment	Include the carrying value of all other assets not included in the above categories. Note that all deductions from capital that have not already been reported in lines 259 or 260 should be reported here.	35(c)
B2)	**Off-balance sheet items**		
266	Irrevocable and conditionally revocable liquidity facilities	Balances of undrawn committed liquidity facilities extended by the bank that are either irrevocable or conditionally revocable.	38
267	Irrevocable and conditionally revocable credit facilities	Balances of undrawn committed credit facilities extended by the bank that are either irrevocable or conditionally revocable.	38
268	Unconditionally revocable liquidity facilities	Balances of undrawn liquidity facilities where the bank has the right to unconditionally revoke the undrawn portion of these facilities.	38

Row	Heading	Description	Basel III NSFR standards reference
269	Unconditionally revocable credit facilities	Balances of undrawn credit facilities where the bank has the right to unconditionally revoke the undrawn portion of these facilities.	38
270	Trade finance-related obligations (including guarantees and letters of credit)	Balances of trade finance-related obligations (including guarantees and letters of credit)	38
271	Guarantees and letters of credit unrelated to trade finance obligations	Balances of guarantees and letters of credit unrelated to trade finance obligations.	38
272	Non-contractual obligations, such as:		
273	Debt-buy back request (incl related conduits)	Potential requests for debt repurchases of the bank's own debt or that of related conduits, securities investment vehicles and other such financing facilities.	38
274	Structured products	Structured products where customers anticipate ready marketability, such as adjustable rate notes and variable rate demand notes (VRDNs).	38
275	Managed funds	Managed funds that are marketed with the objective of maintaining a stable value such as money market mutual funds or other types of stable value collective investment fund, etc.	38
276	Other non-contractual obligations	Other non-contractual obligations not entered above.	38
277	All other off balance-sheet obligations not included in the above categories	All other off balance-sheet obligations not reported in lines 266 to 276 above. **Please refer to the instructions from your supervisor for the specification of this item.**	38

6.2.3 For completion only by central institutions of networks of cooperative (or otherwise named) banks (panel D)

Panel D collects data on available stable funding for central institutions of networks of cooperative (or otherwise named) banks applying the treatment in footnote 7 of the Basel III NSFR standards for deposits from members of their network.

- The reporting institution must be the centralised institution of a cooperative network which has supervisory approval to use this treatment. **All other banks should leave this section blank.**
- This section should only be used to report deposits that qualify for the 25% run-off in the LCR according to paragraph 105 (a) of the Basel III LCR standards, ie stable deposits from cooperative banks that are required by law to be placed at the central organisation and are legally constrained within the cooperative bank network as "minimum deposit requirements". It should not be used to report other deposits from members of institutional networks placed at the centralised institutions for other reasons, including paragraphs 93 to 104 and 105(b) of the Basel III LCR standards.
- The total amount of funding reported in this section should be equal to that reported in line 39 above.
- Also, if there are certain assets that are required to be held with the funds from these minimum deposit requirements, the bank would assign the same ASF factor as the RSF factor of the corresponding assets. Banks should inform their supervisors if such requirements exist.

- This section should be completed according to the proportion of the underlying deposits at the depositing institution.

Row	Heading	Description	Basel III NSFR standards reference
288–305	Categories are identical to those reported in Panel A	Definitions are identical to rows 6 to 52 with the exception of rows 42 to 47 where all secured borrowings and liabilities may be reported and, unlike the first panel, there is no qualification on the type of assets used as collateral.	

6.2.4 Supplementary information (panel E)

Row	Heading	Description	Basel III NSFR standards reference
313	RMBS eligible for Level 2B of the LCR stock of liquid assets	RMBS that, if unencumbered, would qualify as Level 2B liquid assets, according to paragraph 54(a) of the Basel III LCR standards. Securities that would otherwise qualify according to that paragraph, but are excluded for exceeding the 15% or 40% caps, or for operational or other reasons, are reported in this row. **Note that amounts reported here should also be reported in line 127 (Level 2B assets).**	
314	Unencumbered	Banks should report in this row all such **unencumbered** securities in the appropriate column according to their residual maturity.	
315	Encumbered for central bank liquidity operations; of which:	Banks should report in this row all such **encumbered** securities that result from central bank liquidity operations in the appropriate column according to their residual maturity.	
316	encumbered for < 6 months	For each cell containing securities that have been encumbered, banks should **in addition** allocate them to a cell in one of the three rows directly below **according to the term of encumbrance**. Attention is drawn to the worked example at the start of section 6.2.2.	
317	encumbered for ≥ 6 months to < 1 year		
318	encumbered for ≥ 1 year		
319	Encumbered with counterparties other than central banks; of which:	Banks should report in this row all such **encumbered** securities from transactions conducted with counterparties other than central banks in the appropriate column according to their residual maturity.	
320	encumbered for < 6 months	For each cell containing securities that have been encumbered, banks should **in addition** allocate them to a cell in one of the three rows directly below **according to the term of encumbrance**. Attention is drawn to the worked example at the start of this section.	
321	encumbered for ≥ 6 months to < 1 year		
322	encumbered for ≥ 1 year		

Row	Heading	Description	Basel III NSFR standards reference
323	Corporate debt securities rated BBB- to BBB+, eligible for Level 2B of the LCR stock of liquid assets	Non-financial corporate debt securities rated BBB- to BBB+ that, if unencumbered, would qualify as Level 2B liquid assets, according to paragraph 54(b) of the Basel III LCR standards. Securities that would otherwise qualify according to that paragraph, but are excluded for exceeding the 15% or 40% caps, or for operational or other reasons, are reported in this row. **Note that amounts reported here should also be reported in line 127 (Level 2B assets).**	
324	Unencumbered	Banks should report in this row all such **unencumbered** securities in the appropriate column according to their residual maturity.	
325	Encumbered for central bank liquidity operations; of which:	Banks should report in this row all such **encumbered** securities that result from central bank liquidity operations in the appropriate column according to their residual maturity.	
326	encumbered for < 6 months	For each cell containing securities that have been encumbered, banks should **in addition** allocate them to a cell in one of the three rows directly below **according to the term of encumbrance**. Attention is drawn to the worked example at the start of section 6.2.2.	
327	encumbered for ≥ 6 months to < 1 year		
328	encumbered for ≥ 1 year		
329	Encumbered with counterparties other than central banks; of which:	Banks should report in this row all such **encumbered** securities from transactions conducted with counterparties other than central banks in the appropriate column according to their residual maturity.	
330	encumbered for < 6 months	For each cell containing securities that have been encumbered, banks should **in addition** allocate them to a cell in one of the three rows directly below **according to the term of encumbrance**. Attention is drawn to the worked example at the start of this section.	
331	encumbered for ≥ 6 months to < 1 year		
332	encumbered for ≥ 1 year		

7. Trading book

The Committee has published some draft standards for a revised market risk framework (see the Annex 1 of the consultative document on the fundamental review of the trading book[38] ("the second consultative document")). The Committee now intends to run a hypothetical portfolio exercise (HPE) on the revised internal models and revised default risk models, as defined by this consultative document.

[38] Basel Committee on Banking Supervision, *Fundamental review of the trading book: A revised market risk framework*, second consultative document, October 2013 (www.bis.org/publ/bcbs265.pdf).

7.1 Scope of the exercise

Participation in the HPE is voluntary. The Committee expects in particular large internationally active banks which are currently using the internal models approach to participate in the study. Small and medium-sized banking institutions' participation is also encouraged, as all of the banking institutions will likely be affected by some or all of the revisions to the reform being considered. These data collections should be completed on a best-efforts basis.

If a bank does not trade all the products listed in the portfolio specifications, it can still partially participate (leaving blank the cells related to those portfolios for which it cannot provide any data).

The portfolios specifications can be found in Annex 3 of this document.

7.2 Reporting timeline

The HPE is a specific exercise among the other QIS-like ones. Data (by data, it is meant the computations of various risk measures according to the own computing tools of the participating bank) will not be collected on actual portfolios of banks; instead, data will be collected on hypothetical portfolios.

This deviates from the usual QISs at least in two respects: (i) there is a pre-exercise validation process, to ensure that the understanding of the portfolios across banks is correct; and (ii) data is to be provided for a range of dates – here 10 days – rather than on a single reporting date.

7.2.1 The pre-validation exercise

Regarding (i), the reporting date (ie the date at which the portfolios should be valued and a value-at-risk be computed) is **21 February 2014**. Banks should provide to their local supervisor on 28 February 2014 the valuation of each portfolio and the 10-day 99% VaR based upon end of day prices observed on 21 February using the pre-exercise validation data template provided. Where possible, the exact timing of the valuation should be as per the table below:

Portfolio number	Valuation time
1 and 4	4.30pm London
2, 3 and 6	4.30pm New York
5 and 7	4.30pm London
8–12 and 14	5.00pm London
13 and 15	4.30pm New York
16	4.30pm New York
17	1.30pm New York
18	2.30pm New York
19–28	5.00pm London

7.2.2 The iterative process

Feedback will then be provided to participating banks either to confirm that their understanding of each portfolio seems correct (if the valuation and value-at-risk of each portfolio is reasonable), or to warn the bank on some portfolio the valuation and/or value-at-risk of which is/are outlier(s) with respect to other banks' computations.

When the feedback is negative (for instance, if a bank is informed that its valuation of a given portfolio is very different from the valuation made by the other banks), the bank should resubmit the data to its supervisors, who will then pass it on to the Secretariat, until the feedback becomes positive for all the portfolios (or most of them, depending on the capacity of the bank to correct its submission, or provide good explanations; submissions with low data quality will be removed from the sample, on a portfolio-by-portfolio basis).

7.2.3 The exercise itself

Regarding (ii), the reporting dates are the 10 trading days from **17 March 2014 to 28 March 2014**. Banks should assume they enter all positions on 21 February 2014, and once positions have been entered, each portfolio ages for the duration of the exercise. Furthermore, banks should assume it does not take any action to manage the portfolio in any way during the entire exercise period. Unless explicitly stated otherwise in the specifications for a particular portfolio, strike prices for options positions should be determined relative to prices for the underlying as observed at market close on 21 February 2014.

Banks participating in the hypothetical portfolio exercise should use version 2.7.2 of the reporting template only.

7.3 Structure of the reporting templates for the HPE

The reporting template for the pre-validation exercise includes two worksheets:

- The worksheet "General Info" should be filled in by supervisors.
- The worksheet "TBHPE" is intended to capture value-at-risk, market value, and some valuation parameters on each of the portfolios, to ensure good understanding by the participating banks.

The reporting template for the exercise itself includes the following eight panels:

A) Update of the hypothetical portfolio exercise pre-exercise validation data;

B) Definition of the stressed period;

C) Modellable stressed expected shortfall with cross asset class diversification and hedging being fully recognised;

D) Modellable stressed expected shortfall with cross asset class diversification and hedging being not recognised;

E) Non-modellable risk factors;

F) Revised default risk;

G) Approval status; and

H) Closed form questions.

7.4 Computational assumptions

7.4.1 Currency and units

Banks should assume their reference currency is, on a portfolio by portfolio basis, the same as stated in column C rows 5 to 39. For instance, for portfolio 1, all banks should assume they are located in the UK, and should therefore compute no FX risk, no matter what their actual reference currency is. In other words, a US bank, when computing the risk measures for portfolio 1, should compute no FX risk. For the aggregate portfolios, for instance for portfolio 30, when the instruments in the portfolio are labelled in various currencies, the participating banks should assume they are located in the currency zone specified in the cell C34 (ie the euro); they should therefore compute some FX risk when applicable for all the non-euro risks.

The unit should always be 1 unit of the reference currency, for all the panels on the "TBHPE" worksheet, irrespective of the reporting currency and unit specified on the "General Info" worksheet.

7.4.2 Computational assumptions underlying the expected shortfall computations

The participating banks should rely on the second consultative document, and apply the standards prescribed in paragraph 181 (c): "*In calculating the expected shortfall, instantaneous shocks equivalent to an n-business day movement in risk factors are to be used. n is defined based on the liquidity characteristics of the risk factor being modelled [...]. These shocks must be calculated based on a sample of n-business day horizon overlapping observations over the relevant sample period*".

When a direct application of those standards is not possible within the timeframe of this exercise, participating banks might make some simplifying assumptions. Those assumptions should be explained in detail through a qualitative document to be sent to the national supervisor of the participating bank. If the national supervisor, or the Committee, does not think the assumptions are correct, or satisfying, then the submission will be removed from the sample of participating banks.

For an assumption to be deemed acceptable, it should at least have the following properties: (i) the assumption must be economically reasonable; (ii) under the assumption made, the expected shortfall should be strictly equal to the one which would have been obtained following strictly the consultative document approach; and (iii) the correlation structure accross risk factors should be respected.

7.4.3 Computational assumptions underlying the default risk computations

The participating banks should apply the standards prescribed in paragraph 186 of the second consultative document. The only change to this paragraph is with respect to (b): the sentence "*Banks must use a two-factor default simulation model with default correlations based on listed equity prices*" should indeed not be applied by the participating banks. Instead, the participating banks are free to use the factors and correlations they are using today for the default component on their current IRC model as long as the correlation estimations are coherent with the one-year risk horizon.

7.4.4 Additional computational assumptions

- Banks should calculate the risks of the positions without taking into account the funding costs associated to the portfolios (ie no assumptions are admitted as per the funding means of the portfolios).
- Banks should exclude to the extent possible counterparty credit risk when valuing the risks of the portfolios.
- For transactions that include long positions in CDS, assume an immediate up-front fee is paid to enter the position as per the market conventions as indicated by Markit Partners (25, 50, 100bps for investment grade, 500bps for high yield).
- Assume that the maturity date for all CDS in the exercise follow conventional quarterly termination dates, often referred to as "IMM dates".
- Additional specifications required in order to compute pricing calculations required for CDS positions should be done in a way that is consistent with commonly used market standards.
- Use the maturity date (ie some options expire on third Saturday of the month, etc) that ensures the deal is closest to the term-to-maturity specified. For any material details of the product specification that are not explicitly stated in this document, please provide the assumptions you have used along with the results (ie day count convention, etc).

- The acronyms ATM, OTM and ITM refer to an option's moneyness: ATM stands for "at the money", OTM stands for "out of the money", and ITM means "in the money".
- Assume that all options are traded over-the-counter unless explicitly specified in the portfolios
- Follow the standard timing conventions for OTC options (ie expiry dates are the business day following a holiday)
- Assume that the timing convention for options is as follows: The time to maturity for a n-month option entered on 21 February is in n months. For example, a 3-month OTC option entered on 21 February 2014 expires on 21 May 2014. If options expire on a non-trading day, adjust the expiration date as per business day conventions consistent with common practices. Also provide explicit details on the nature of the adjustment made.
- Assume that the exercise style for all OTC options specified is as follows:
    - American for single name equities and commodities; and
    - European for equity indices, foreign exchange and swaptions.
- For all options exclude the premium from the initial market value calculations (ie options are to be considered as "naked").
- In the case that a bank is required to make additional assumptions beyond those specified above that it believes are relevant to the interpretation of its exercise results (eg close of business timing, coupon rolls, mapping against indices, etc), it should submit a description of those specifications in a separate document accompanying its return template.

7.5 Pre-exercise validation panel

The panel "Pre-exercise validation data" gathers the value-at-risk (VaR), market value (MV), and inputs used for computing the market value of each of the portfolios. The reporting date is 21 February 2014.

Row	Column	Heading	Description
B)	**Pre-exercise validation data**		
5–39	D	VaR	Value-at-risk of each portfolio, as computed according to the current rules.
5–39	E	MV	Market value of each portfolio
5–39[39]	G	Additional information (further described, portfolio by portfolio, in column F)	Granular information regarding, typically, underlyings of the portfolios (eg the strike of an option), allowing to assess the proper understanding of the portfolio.

Two particularities of this panel are:

- Cells G23 and G28 should be reported in basis points. The other cells in the G column should be reported as 1 unit of the reference currency, as defined in column C.
- For options, the market value should be reported excluding the premium (otherwise, it would be equal to zero).

[39] When applicable.

7.6 Exercise panels

The instructions that follow are not challenging the computational assumptions set previously. They provide precise references to the second consultative document in order to make clear what data are to be computed.

The panel "A) Update of the hypothetical portfolio exercise pre-exercise validation data" is an update of the "Pre-exercise validation data" panel, with the reporting date still set as 21 February 2014.

7.6.1 Definition of the stressed period

This panel gathers information on the stressed period. The stressed period should be the same as the one currently used for sVaR computation.

Row	Column	Heading	Description
C)	**Definition of the stressed period**		
43	C	Start date (yyyy-mm-dd)	Start date of the stressed period
44	C	End date (yyyy-mm-dd)	End date of the stressed period

7.6.2 Revised internal models approach

For all the internal models approach computations, the data should be the one on the exact reporting dates, and not the weighted average of the previous 12 weeks scaled by a multiplier.

The panels C1 to C3 gather information on the modellable stressed expected shortfall with cross asset class diversification and hedging being fully recognised. It reflects the computation described in paragraph 189 of Annex 1 of the second consultative document, and gathers the elements of $IMCC(C)$.

Row	Column	Heading	Description
C1)	**Stressed expected shortfall for the reduced set of risk factors**		
87–121	C–L	$ES_{R,S}$	Computations described in paragraph 189 of Annex 1 of the second consultative document.
C2)	**Current expected shortfall for the full set of risk factors**		
125–159	C–L	$ES_{F,C}$	Computations described in paragraph 189 of Annex 1 of the second consultative document.
C3)	**Current expected shortfall for the reduced set of risk factors**		
163–197	C–L	$ES_{R,C}$	Computations described in paragraph 189 of Annex 1 of the second consultative document.

The panels D1 to D3, for each of the five asset classes, gather information on the modellable stressed expected shortfall with cross asset class diversification and hedging being not recognised. It reflects the computation described in paragraph 189 of Annex 1 of the second consultative document, and gathers the elements of $IMCC(C_i)$. It should be noted that banks are not expected to provide strictly positive numbers in all the cells. For instance, for the portfolio #1, participating banks should report zero in the foreign exchange panels, as they should assume their reference currency to be the same as the portfolio #1's currency, namely the GBP. In contrast, cells should be left empty only if they are related portfolios for which a bank cannot provide any data.

Row	Column	Heading	Description
D-Equity) Equity			
1)	**Stressed expected shortfall for the reduced set of risk factors – equity**		
240–274	C–L	$ES_{R,S}$	Computations described in paragraph 189 of Annex 1 of the second consultative document.
2)	**Current expected shortfall for the full set of risk factors – equity**		
278–312	C–L	$ES_{F,C}$	Computations described in paragraph 189 of Annex 1 of the second consultative document.
3)	**Current expected shortfall for the reduced set of risk factors – equity**		
316–350	C–L	$ES_{R,C}$	Computations described in paragraph 189 of Annex 1 of the second consultative document.
D- Interest rate)	**Interest rate**		
1)	**Stressed expected shortfall for the reduced set of risk factors – interest rate**		
393–427	C–L	$ES_{R,S}$	Computations described in paragraph 189 of Annex 1 of the second consultative document.
2)	**Current expected shortfall for the full set of risk factors – interest rate**		
431–465	C–L	$ES_{F,C}$	Computations described in paragraph 189 of Annex 1 of the second consultative document.
3)	**Current expected shortfall for the reduced set of risk factors – interest rate**		
469–503	C–L	$ES_{R,C}$	Computations described in paragraph 189 of Annex 1 of the second consultative document.
D- Credit spread)	**Credit spread**		
1)	**Stressed expected shortfall for the reduced set of risk factors – credit spread**		
546–580	C–L	$ES_{R,S}$	Computations described in paragraph 189 of Annex 1 of the second consultative document.
2)	**Current expected shortfall for the full set of risk factors – credit spread**		
584–618	C–L	$ES_{F,C}$	Computations described in paragraph 189 of Annex 1 of the second consultative document 65.
3)	**Current expected shortfall for the reduced set of risk factors – credit spread**		
622–656	C–L	$ES_{R,C}$	Computations described in paragraph 189 of Annex 1 of the second consultative document.
D- Commodity)	**Commodity**		
1)	**Stressed expected shortfall for the reduced set of risk factors – commodity**		
699–733	C–L	$ES_{R,S}$	Computations described in paragraph 189 of Annex 1 of the second consultative document
2)	**Current expected shortfall for the full set of risk factors – commodity**		
737–771	C–L	$ES_{F,C}$	Computations described in paragraph 189 of Annex 1 of the second consultative document.
3)	**Current expected shortfall for the reduced set of risk factors – commodity**		
775–809	C–L	$ES_{R,C}$	Computations described in paragraph 189 of Annex 1 of the second consultative document.
D- Foreign exchange)			
1)	**Stressed expected shortfall for the reduced set of risk factors – foreign exchange**		
852–886	C–L	$ES_{R,S}$	Computations described in paragraph 189 of Annex 1 of the second consultative document.
2)	**Current expected shortfall for the full set of risk factors – foreign exchange**		
890–924	C–L	$ES_{F,C}$	Computations described in paragraph 189 of Annex 1 of the second consultative document.

Row	Column	Heading	Description
3)	**Current expected shortfall for the reduced set of risk factors – foreign exchange**		
928–962	C–L	$ES_{R,C}$	Computations described in paragraph 189 of Annex 1 of the second consultative document.

Panel E gathers information on the non modellable risk factors.

Panel E1 gathers information on the sum of the results of the stressed scenarios of the non-modellable risk factors

Row	Column	Heading	Description
E) 1)	**Sum of the results of the stressed scenarios**		
968–1002	C–L	*SES*	Computations described in paragraph 189 of Annex 1 of the second consultative document.

Panel E2 gathers information on the details, on the last date of the 10-day period (28 March 2014), on the most material non-modellable risk factors (NMRF). The capitalisation of non-modellable risk factors is described in paragraph 190 of Annex 1 of the second consultative document.

More precisely, panel E2 gathers information on the five non-modellable risk factors for which the result of the stress scenario is the highest loss (compared with the other non-modellable risk factors). By "non-modellable risk factor 1", it is intended the one for which the scenario result is the highest over all the non-modellable risk factors; by "non-modellable risk factor 2", it is intended the one leading for which the scenario result is the second highest; etc. The name internally used of this risk factor is to be reported, together with the result of the stress scenario on this risk factor. Banks are also asked to map those risk factors to their predominant asset class.

Row	Column	Heading	Description
E) 2)	**Details on the last date of the 10-day period**		
1007–1041	C	Number of NMRFs	In this cell banks should report the total number of non-modellable risk factors for each portfolio.
1007–1041	E, H, K, N, Q	NMRFx: name	In this cell banks should report the name, as internally used, of the non-modellable risk factor.
1007–1041	F, I, L, O, R	NMRFx: stress scenario results	In this cell banks should report the result of the stress scenario for this particular NMRF.
1007–1041	G, J, M, P, S	NMRFx: risk class	In this cell banks should map the non-modellable risk factor to its predominant risk class, picking it from a list box.

Panel F gathers information on the revised default risk (under the internal models approach).

Row	Column	Heading	Description
F)	**Revised default risk**		
1046–1081	C to L	IDR	Computations as described in paragraph 186 of Annex 1 of the second consultative document.

Panel G gathers information on the approval status.

Row	Column	Heading	Description
G)	**Approval status**		
1085–1119	C	ES	Regarding ES computations: whether or not the bank has been granted an approval to use an internal models by its supervisor (tick "Regulatory"), or uses a model for internal risk management (tick "Management"). In case no model is currently being used, the cell should be left blank.

Row	Column	Heading	Description
1085–1119	D	IDR	Regarding IDR computations: whether or not the bank has been granted an approval to use an internal models by its supervisor (tick "Regulatory"), or uses a model for internal risk management (tick "Management"). In case no model is currently being used, the cell should be left blank.

7.6.3 Closed form questions

The Committee asks banks the following seven questions. The questions should be answered in panel H.

Row	Column	Heading	Description
H)	**Closed form questions**		
1160–1172	C	Answer	The bank should select the relevant answer from the pull-down menu. For example, for question 1, if a bank has 220 desks, it should tick 6. For question 3, sub-question 2, if a bank has 10 industry sectors, it should tick 10.

Q1. How many trading desks (as defined in the second consultative document) do you have?

A1. Between 1 and 20.

A2. Between 20 and 50.

A3. Between 50 and 100.

A4. Between 100 and 150.

A5. Between 150 and 200.

A6. More than 200.

Q2. Based on your internal risk assessment, how well spread is risk across your trading desks? In order to assess this, take your 10% most material trading desks (ie if you have 100 desks, take the 10 desks which have the highest standalone risk – as measured, for instance, by a VaR number), and compute the ratio of the sum of the standalone risks from these desks divided by the overall risk (sum of all standalone risks across all desks). Is this ratio greater than:

- 5%
- 10%
- 20%
- 30%
- 40%
- 50%
- 60%
- 70%
- 80%
- 90%

Q3. In addition to the idiosyncratic factor, does your current IRC model take into account the following systematic factors? Please state the number of characteristics which are possible for the individual risk factor (0 if the factor is not included in your model). If you use factors different from global, industry and region, please state the number of possible characteristics each factor could take in sub-questions Q4 to Q6.

Q3 sub Q1. Global factors

Q3 sub Q2. Industry sector factors

Q3 sub Q3. Region factors

Q3 sub Q4. Additional risk factor category:

Q3 sub Q5. Additional risk factor category:

Q3 sub Q6. Additional risk factor category:

Q4. What type of data do you use to calculate correlations which are used in your IDR model?

A1. Equity data only.

A2. CDS data only.

A3. Mix of equity and CDS data.

A4. Mix of equity and other data.

A5. Mix of CDS and other data.

A6. Mix of equity, CDS and other data.

Q5. When implementing the varying liquidity horizon, did you apply…

A1. … purely the bcbs265 approach?

A2. … the "ISDA/GFMA/IIF – Joint response" variant 1?

A3. … the "ISDA/GFMA/IIF – Joint response" variant 2?

A4. … the "ISDA/GFMA/IIF – Joint response" variant 3?

A5. … any other variant (if so, a detailed description of the assumptions made should be provided)?

Q6. When computing the current value-at-risk for interest rate risks, do you use market rates or zero coupon rates?

A1. Market rates.

A2. Zero coupon rates.

A3. Either market rates or zero coupon rates depending of the types of products.

Q7. If you use market rates for your current value-at-risk, does it mean your IT system does not allow you to compute zero coupon rates?

A1. Yes, it does not allow it at all.

A2. No, it does allow it, but it is demanding.

A3. No, it does allow it, easily.

Q8. Regarding the frequency of your input data updates, what is the lowest frequency of update across all your modellable risk factors?

A1. Daily.

A2. Weekly.

A3. Bi-weekly.

A4. Monthly.

A5. Quarterly.

A6. More than quarterly.

In addition, in relation to QA 0.6[40], the Committee asks banks, portfolio by portfolio, if they have made any approximation with respect to the definition of "real prices" (eg if a bank has assumed that a price provided by Markit is a committed quote without having verified it). Panel I gathers this information.

Row	Column	Heading	Description
I)	**Approximation made with respect to the "real price" requirements**		
1177–1211	C	Answer	The bank should tick "Yes" if it has made an approximation for this portfolio.
1177–1211	D	Answer	If the bank has ticked "Yes" in column C, it should provide a short qualitative explanation. Please enter a text in these cells.

7.6.4 Additional risk measures

Panel J gathers information on the difference in variability between the current internal models and the potential inputs to the revised internal models. The computation should be made on 28 March 2014 (last day of the 10-day period).

Row	Column	Heading	Description
J)	**Additional risk measures (to be computed on 28 March 2014)**		
1216–1250	C	10-day 99% VaR	Current 10 day VaR.
1216–1250	D	10-day 99% sVaR	Current 10 day stressed VaR.
1216–1250	E	10-day 97.5% ESrs	Computations described in paragraph 189 of Annex 1 of the second consultative document, but assuming all the risk factors are assigned to a unique same liquidity horizon of 10 days.
1216–1250	F	10-day 97.5% ESfc	Computations described in paragraph 189 of Annex 1 of the second consultative document, but assuming all the risk factors are assigned to a unique same liquidity horizon of 10 days.
1216–1250	G	10-day 97.5% ESrc	Computations described in paragraph 189 of Annex 1 of the second consultative document, but assuming all the risk factors are assigned to a unique same liquidity horizon of 10 days.
1216–1250	H	1-day 97.5% ESrs	Computations described in paragraph 189 of Annex 1 of the second consultative document, but assuming all the risk factors are assigned to a unique same liquidity horizon of one day.

40 See Basel Committee on Banking Supervision, *Frequently asked questions on Basel III monitoring*, Section 6.1 (www.bis.org/bcbs/qis/biiiimplmonifaq_feb14.pdf).

Row	Column	Heading	Description
1216–1250	I	1-day 97.5% ESfc	Computations described in paragraph 189 of Annex 1 of the second consultative document, but assuming all the risk factors are assigned to a unique same liquidity horizon of one day.
1216–1250	J	1-day 97.5% ESrc	Computations described in paragraph 189 of Annex 1 of the second consultative document, but assuming all the risk factors are assigned to a unique same liquidity horizon of one day.

7.6.5 Qualitative information on the modelling assumptions made

In addition to the template, please provide a separate qualitative document (eg a PDF) in order to explain (i) the modelling assumptions you have made for this particular exercise, (ii) the modelling challenges you have faced for this particular exercise.

NB: What is expected here is by no means a description of your internal model, but rather a description of the assumptions you made which deviated from the standards proposed in the second consultative document, when computing the risk measures gathered in this exercise.

Please also specify, for each CDS contained by any portfolio, the running coupon you have assumed. For all the CDS contained in portfolio 25, the running coupon should be 100bps (see QA 12).

8. Interest rate risk in the banking book

Data on interest rate risk in the banking book and credit spread risk in the banking book are collected through the worksheets “IRRBB” and “CSRBB” respectively. **Banks should clarify with their national supervisors which panels of the two worksheets they should fill in.**

Please note that for both templates “IRRBB” and “CSRBB”, data should be reported only for banking book exposures under the boundary definition that is currently in force, ie the recent proposals on the new boundary definition between the trading book and the banking book as set out in the consultative document on the Fundamental review of the trading book: A revised market risk framework should not be considered.

8.1 Worksheet “IRRBB”

Please complete undiscounted cash flows for one row in each panel for each currency in which the bank has a material exposure (ie any currency that represents more than 5% of its total banking book assets and liabilities, but not more than the seven most relevant of them). Each row should be labelled with the appropriate ISO three-character designator for that currency as listed in the pull-down menu in panel A. **All positions should be reported in the reporting currency and unit specified on the “General Info” worksheet.** All foreign currency amounts should be converted to that reporting currency at the spot rate on the reporting date, which should be indicated in column R of panel A.

8.1.1 Time band mapping of cash flows

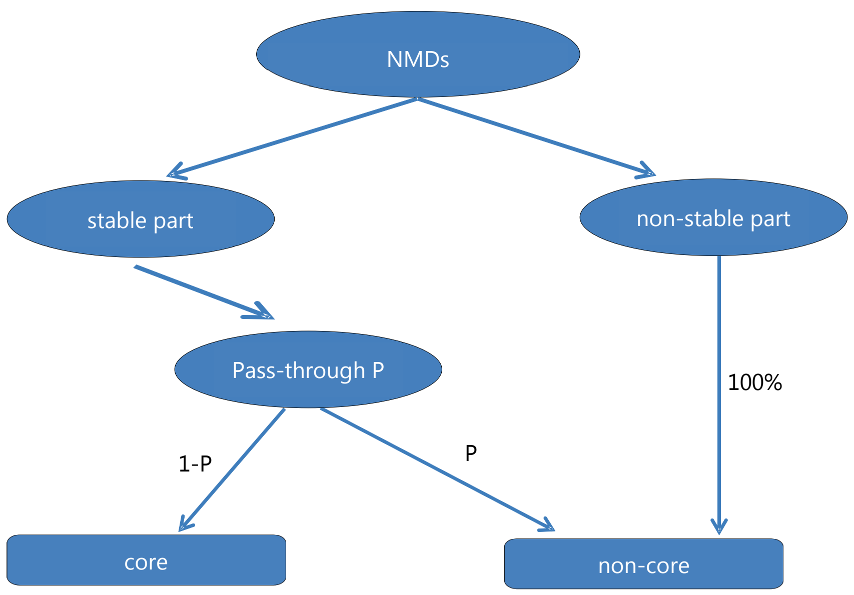
Panels A to C ask for a time band mapping of cash flows of assets and liabilities in the banking book. Incoming cash flow positions should be stated with a plus sign and outgoing cash flow positions with a minus sign.

Each banking book position should be decomposed into undiscounted cash flows and slotted into time bands according to the contractual *repricing* time unless otherwise specified. For floating rate positions, both principal and interest should be reported in the coupon repricing maturity bucket. Fixed rate positions should be decomposed into cash flows for all coupon payments until maturity along with a principal cash flow at maturity. Contractual repricing may be adjusted by management estimates of pre-payment risk or early redemptions of non-maturity deposits in a manner that is consistent with the institution's internal risk measurement systems.

In filling out panel C, the following diagram describes the concept of stable and non-stable non-maturity deposits (NMDs) along with the notion of pass-through. A *non-maturity deposit* can be generally defined as *deposits that the depositors are free to withdraw at any time*. Some share of NMD typically tends to be relatively stable with regard to changes in interest rates and forms hence an important funding source for commercial banking. Even NMD products that are subject to movements in interest rates have varying sensitivities.

As a first step a bank should assess the historical variation in volume of NMDs and determine the portion that is non-stable. The remaining stable funds can be further broken down into two components based on the sensitivities of the rates paid to depositors versus changes in general market interest rates. The pass-through rate refers to the proportion of a market interest rate change that the bank will pass onto its customers in order to maintain the same level of stable deposit balances. On panel C, a bank should report the estimate of its pass through rates (p) on stable NMDs in the event of a 100 basis point increase in market rates. Transaction deposit accounts are consistent in definition and scope with the Liquidity Coverage Ratio and Net Stable Funding Ratio.[41]

Non-maturity deposits



[41] See paragraph 75 of the Basel III LCR standards.

Exposures with embedded automatic options (whether bought or sold) are to be handled in the IRRBB calculation as if the embedded option were not there. For example:

- A floating rate loan or debt security with a floor would be treated as if there were no floor, hence it would be treated as if it fully repriced at the next reset date, and its full outstanding balance slotted in the corresponding time band;
- A bond that was callable by the issuer at a fixed yield would be treated as if it matured at its longest contractual term, ignoring the call option.

Non-optionality derivatives are converted into incoming and outgoing positions in the relevant underlying. The amounts considered are principal amounts of the underlying or of the notional underlying. Futures and forward contracts including forward rate agreements are treated as a combination of incoming and outgoing positions. For instance, a long three-month future is an outgoing cash flow at maturity of the future and an incoming cash flow three months later. Swaps are treated as two notional positions with relevant cash flows based on whether legs are fixed or floating. The separate legs of the cross-currency swaps are to be allocated in the relevant maturity ladders for the currencies concerned.

For sold financial interest rate options in the banking book (embedded and actual) a separate panel is provided.

Row	Column	Heading	Description
9–15	C	Currency 1, ..., Currency 7	Label the cell with the appropriate currency code.
9–15	D–P	Undiscounted incoming cash flows according to repricing dates in the banking book except options	For the appropriate currency and time bands, undiscounted incoming cash flows associated with banking book positions, assuming no customer exercise of explicit options. Cash flows should be slotted into time banks according to their respective contractual repricing time.
9–15	Q	Percentage of total	Percentage of the sum cash flow amounts across the maturities in the currency of the respective row as a percentage of the total, converted sum cash flow amounts across all currencies.
9–15	R	FX conversion rates used	FX rates used to convert cash flows from the currency reported in column C into the reporting currency specified in the "General Info" worksheet.
21–27	C	Currency 1, ..., Currency 7	Non entry cells: Currency code is automatically filled in from rows 9 to 15.
21–27	D–P	Undiscounted outgoing cash flows according to repricing dates in banking book except non-maturity deposits and options	For the appropriate currency and time bands, undiscounted outgoing cash flows associated with banking book positions other than non-maturity deposits and assuming no customer exercise of options. Cash flows should be slotted into time banks according to their respective contractual repricing time.
21–27	Q	Percentage of total	Percentage of the sum cash flow amounts across the maturities in the currency of the respective row as a percentage of the total, converted sum cash flow amounts across all currencies.
34–40	C	Currency 1, ..., Currency 7	Non entry cells: Currency code is automatically filled in from rows 9 to 15.
34–40	D–P	Cash flows from retail transactional non-maturity deposits	For the appropriate currency and time bands, cash flows associated with retail transactional non-maturity deposits (NMD). Transaction accounts are consistent in definition and scope with the Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR). In order to slot cash flows from non-maturity deposits into time buckets, banks should rely on their internal assumptions.

Row	Column	Heading	Description
34-40	Q	Percentage of total	Percentage of the sum cash flow amounts across the maturities in the currency of the respective row as a percentage of the total, converted sum cash flow amounts across all currencies.
34–40	R	Proportion of stable deposits	For the appropriate currency, the bank's estimate of the proportion of stable retail transactional non-maturity deposits. Stable deposits are the portion of non-maturity deposit balances that have demonstrated high levels of long term stability or are expected to demonstrate high levels of long term stability.
34–40	S	Pass-through rate on stable deposits	For the appropriate currency, the bank's estimate of the pass through on stable retail transactional non-maturity deposits resulting from a one per cent increase in market interest rates. Pass through refers to the proportion of a market interest rate change that the bank will pass onto its customers in order to maintain the same level of stable deposit balances.
45–51	C	Currency 1, …, Currency 7	Non entry cells: Currency code is automatically filled in from rows 9 to 15.
45–51	D–P	Cash flows from retail non-transactional non-maturity deposits	For the appropriate currency and time bands, cash flows associated with retail non-transactional non-maturity deposits. Non-transaction accounts are consistent in definition and scope with the Liquidity Coverage Ratio and Net Stable Funding Ratio. In order to slot cash flows from non-maturity deposits into time buckets, banks should rely on their internal assumptions.
45–51	Q	Percentage of total	Percentage of the sum cash flow amounts across the maturities in the currency of the respective row as a percentage of the total, converted sum cash flow amounts across all currencies.
45–51	R	Proportion of stable deposits	For the appropriate currency, the bank's estimate of the proportion of stable retail non-transactional non-maturity deposits. Stable deposits are the portion of non-maturity deposit balances that have demonstrated high levels of long term stability or are expected to demonstrate high levels of long term stability.
45–51	S	Pass-through rate on stable deposits	For the appropriate currency, the bank's estimate of the pass through for stable retail non-transactional non-maturity deposits to a one per cent increase in interest rates. Pass through refers to the proportion of a market interest rate change that the bank will pass onto its customers in order to maintain the same level of stable deposit balances.
56–62	C	Currency 1, …, Currency 7	Non entry cells: Currency code is automatically filled in for rows 9 to 15.
56–62	D–P	Cash flows from wholesale transactional non-maturity deposits	For the appropriate currency and time bands, cash flows associated with wholesale transactional non-maturity deposits. Transaction accounts are consistent in definition and scope with the Liquidity Coverage Ratio and Net Stable Funding Ratio. In order to slot cash flows from non-maturity deposits into time buckets, banks should rely on their internal assumptions.
56–62	Q	Percentage of total	Percentage of the sum cash flow amounts across the maturities in the currency of the respective row as a percentage of the total, converted sum cash flow amounts across all currencies.

Row	Column	Heading	Description
56–62	R	Proportion of stable deposits	For the appropriate currency, the bank's estimate of the proportion of stable wholesale transactional non-maturity deposits. Stable deposits are the portion of non-maturity deposit balances that have demonstrated high levels of long term stability or are expected to demonstrate high levels of long term stability.
56–62	S	Pass-through rate on stable deposits	For the appropriate currency, the bank's estimate of the pass through for stable wholesale transactional non-maturity deposits to a one percent increase in interest rates. Pass through refers to the proportion of a market interest rate change that the bank will pass onto its customers in order to maintain the same level of stable deposit balances.
67–73	C	Currency 1, …, Currency 7	Non entry cells: Currency code is automatically filled in for rows 5 to 11.
67–73	D–P	Cash flows from wholesale non-transactional non-maturity deposits	For the appropriate currency and time bands, cash flows associated with wholesale non-transactional non-maturity deposits. Non-transaction accounts are consistent in definition and scope with the Liquidity Coverage Ratio and Net Stable Funding Ratio. In order to slot cash flows from non-maturity deposits into time buckets, banks should rely on their internal assumptions.
67–73	Q	Percentage of total	Percentage of the sum cash flow amounts across the maturities in the currency of the respective row as a percentage of the total, converted sum cash flow amounts across all currencies.
67–73	R	Proportion of stable deposits	For the appropriate currency, the bank's estimate of the proportion of stable commercial interest bearing non-maturity deposits. Stable deposits are the portion of non-maturity deposit balances that have demonstrated high levels of long term stability or are expected to demonstrate high levels of long term stability.
67–73	S	Pass-through rate on stable deposits	For the appropriate currency, the bank's estimate of the pass through for stable commercial interest bearing non-maturity deposits to a one percent increase in interest rates. Pass through refers to the proportion of a market interest rate change that the bank will pass onto its customers in order to maintain the same level of stable deposit balances.

8.1.2 Sold financial interest rate options in the banking book instructions

Banks may fill in this panel for sold financial interest rate options in the currency with the greatest nominal total. **Banks should seek guidance from their national supervisors whether they should fill in panel D.**

For simplicity, since information are collected for sold options only, **nominal amounts and prices should be stated with a plus sign. The delta will be stated with the sign of a long position in column M. Firms should use their internally used estimates of the implied forward interest rate curve to determine whether an option is in the money or not.**

Row	Column	Heading	Description
78	D	Currency	Non-entry cell: Code of the currency with greatest nominal amount from panel A which this optional panel D refers to.
78	F	Volatility	Volatility (as a percentage) used to calculate the values in the columns M, N O and P of the sold financial interest rate options in the banking book.
83	L	Caps sold over floating loans and debt securities/ Nominal	Total nominal amounts of all floating loans or debt securities, irrespective of whether or not they have interest rate options.
84	L	Caps below reference interest rate in next repricing date (cap in the money)/ Nominal	Nominal amount of the total floating loans or debt securities with caps sold that would be in the money at the next repricing date, considering the implied forward interest rate curve.
85	L	Cap over reference interest rate in next repricing date (cap out of the money)/ Nominal	Nominal amount of total floating loans and debt securities with caps sold that would be out of the money at the next repricing date considering the implied forward interest rate curve.
86	L	Fixed interest rate debt securities with prepayment options for the issuer (swaption receiver sold)/ Nominal	Total nominal amount of all fixed interest rate debt securities, irrespective of whether or not they have prepayment options.
87	L	Reference interest rate (at next prepayment date) below fixed contractual interest rate of assets (swaption in the money)/ Nominal	Nominal amount of total fixed interest rate debt securities with prepayment option for the issuer that would be in the money at next repricing date considering the implied forward interest rate curve.
88	L	Reference interest rate (at next prepayment date) over the fixed contractual interest rate of assets (swaption out of the money)/ Nominal	Nominal amount of total fixed interest rate debt securities with prepayment option for the issuer that would be out of the money at next repricing date considering the implied forward interest rate curve.
90	L	Floors sold over floating debt securities issued/ Nominal	Total nominal amount of all floating debt securities issued, irrespective of whether or not they have interest rate options.
91	L	Floor over reference interest rate at next repricing date (floor in the money)/ Nominal	Nominal amount of total floating debt securities issued with floors sold that would be in the money at the next repricing date considering the implied forward interest rate curve.
92	L	Floor below reference interest rate at next repricing date (floor out of the money)/ Nominal	Nominal amount of total floating debt securities issued with floors sold that would be out of the money at the next repricing date considering the implied forward interest rate curve.
93	L	Fixed Interest rate debt securities issued with prepayment option for the investor (Swaption payer sold) / Nominal	Total nominal amount of all fixed interest rate debt securities issued, irrespective of whether or not they have prepayment options.
94	L	Reference interest rate (at next prepayment date) over the fixed contractual interest rate of debt securities issued (Swaption payer sold in the money)/ Nominal	Nominal amount of total fixed interest rate debt securities issued with prepayment option for the investor that would be in the money at the next prepayment date considering the implied forward interest rate curve.

Row	Column	Heading	Description
95	L	Reference interest rate (at next prepayment date) below the fixed contractual interest rate of debt securities issued (Swaption payer out of the money)/ Nominal	Nominal amount of total fixed interest rate debt securities issued with prepayment option for the investor that would be out of the money at the next prepayment date considering the implied forward interest rate curve.
98	L	Cap below reference interest rate at next repricing date (cap in the money)/ Nominal	Nominal amount of total caps sold that would be in the money at the next repricing date considering the implied forward interest rate curve.
99	L	Cap over reference interest rate at next repricing date (cap out of the money)/ Nominal	Nominal amount of total caps sold that would be out of the money at the next repricing date considering the implied forward interest rate curve.
101	L	Floor over reference interest rate at next repricing date (floor in the money)/ Nominal	Nominal amount of total floors sold that would be in the money at the next repricing date considering the implied forward interest rate curve.
102	L	Floor below reference interest rate at next repricing date (floor out of the money)/ Nominal	Nominal amount of total floors sold that would be out of the money at the next repricing date considering the implied forward interest rate curve.
104	L	Reference interest rate at next exercise date below the swaption rate (swaption receiver in the money)/ Nominal	Fill in the nominal amount of total swaption receiver sold that would be in the money at the next prepayment date considering the implied forward interest rate curve.
105	L	Reference interest rate at next exercise date over the swaption rate (swaption receiver out of the money)/ Nominal	Fill in the nominal amount of total swaption receiver sold that would be out of the money at the prepayment date considering the implied forward interest rate curve.
107	L	Reference interest rate at next exercise date over the swaption rate (swaption payer in the money)/ Nominal	Nominal amount of total swaption payer sold that would be in the money at the next prepayment date considering the implied forward interest rate curve.
108	L	Reference interest rate at next exercise date below the swaption rate (swaption payer out of the money)/ Nominal	Nominal amount of total swaption payer sold that would be out of the money at the next prepayment date considering the implied forward interest rate curve.
84, 85, 87, 88, 91, 92, 94, 95, 98, 99, 101, 102, 104, 105, 107, 108	M	Delta * nominal	Option's delta (considering a long position) multiplied by the nominal amount as reported in column L of the corresponding row.
84, 85, 87, 88, 91, 92, 94, 95, 98, 99, 101, 102, 104, 105, 107, 108	N	Option value under observed IR curve	Option's price under the initial IR curve for the nominal amount. The volatility informed in F78 must be used for this calculation. The value will be stated for the nominal of the position.

Row	Column	Heading	Description
84, 85, 87, 88, 91, 92, 94, 95, 98, 99, 101, 102, 104, 105, 107, 108	O	Option value under parallel 200 bp interest rate shock scenario / upward	Option's price under a 200 bp parallel upward movement of the IR curve for the nominal amount. The volatility informed in F78 must be used for this calculation. The value will be stated for the nominal of the position.
84, 85, 87, 88, 91, 92, 94, 95, 98, 99, 101, 102, 104, 105, 107, 108	P	Option value under parallel 200 bp interest rate shock scenario / downward	Option's price under a 200 bp parallel downward movement of the IR curve for the nominal amount. If interest rates at given terms are below 200 bp, the maximum downward IR movement must be applied at each term for not having final negative interest rates. The volatility informed in F78 must be used for this calculation. The value will be stated for the nominal of the position.

8.2 Worksheet "CSRBB"

Exposures in Panels A and B should be reported as exposures pre-CRM, ie no credit risk mitigation should be applied. Off-balance sheet items should be reported after application of the respective credit conversion factors (CCFs). Panel A requires the bank to allocate its total banking book exposures across various time bands and according to sectors as well as according to credit quality. Furthermore, the total exposure values do not include positions in securitisations and structured credit instruments as well as credit derivatives, which are requested in separate panels. Exposures to OTC derivatives should also be excluded. **All exposures should be reported in the reporting currency and unit specified on the "General Info" worksheet.** Conversion rates should be the same as those indicated in column R of Panel A of the "IRRBB" template where applicable.

Residual maturity is defined as the remaining time-to-maturity of an asset (the period between the reporting date and the maturity date).

8.2.1 Panel A1: Total exposures by sector and credit quality

In panel A1, banks should allocate their total banking book exposures for various time bands according to sectors and to credit quality. The sectors definition is the one generally used in the market.

Every asset has to be allocated to either the IRB approach or to any other approach. The sum of those two approaches shall sum up to the total exposure. In case that the exposure of a position is available for the IRB approach and for any of the other approaches, the exposures should be allocated to the IRB approach. The sector refers to the (underlying) asset and not, where otherwise applicable, to the counterparty.

Row	Column	Heading	Description
11	F–J, K–O	Sovereigns	Exposure pre-CRM for various time bands in investment grade positions allocated to the sector sovereigns which are under the IRB approach for credit risk (columns F to J) or under any other approach for credit risk (columns K to O).
12	F–J, K–O	Financial (includes central banks)	Exposure pre-CRM for various time bands in investment grade positions allocated to the sector financial (includes central banks) which are under the IRB approach for credit risk (columns F to J) or under any other approach for credit risk (columns K to O).

Row	Column	Heading	Description
13	F–J, K–O	Basic materials, energy, industrials	Exposure pre-CRM for various time bands in investment grade positions allocated to the sector Basic materials, energy, industrials which are under the IRB approach for credit risk (columns F to J) or under any other approach for credit risk (columns K to O).
14	F–J, K–O	Consumer	Exposure pre-CRM for various time bands in investment grade positions allocated to the sector consumer which are under the IRB approach for credit risk (columns F to J) or under any other approach for credit risk (columns K to O).
15	F–J, K–O	Technology, telecommunications	Exposure pre-CRM for various time bands in investment grade positions allocated to the sector technology, telecommunications which are under the IRB approach for credit risk (columns F to J) or under any other approach for credit risk (columns K to O).
16	F–J, K–O	Health care, utilities, local government, government-backed corporates (non-financial)	Exposure pre-CRM for various time bands in investment grade positions allocated to the sector health care, utilities, local government, government-backed corporates (non-financial) which are under the IRB approach for credit risk (columns F to J or under any other approach for credit risk (columns K to O).
17	F–J, K–O	Other	Exposure pre-CRM for various time bands in investment grade positions allocated to the sector other which are under the IRB approach for credit risk (columns F to J or under any other approach for credit risk (columns K to O). These fields capture any other exposures which are not specifically identified in any of the rows 11 to 16.
19	F–J, K–O	Sovereigns	Exposure pre-CRM for various time bands in high yield and non-rated positions allocated to the sector sovereigns which are under the IRB approach for credit risk (columns F to J or under any other approach for credit risk (columns K to O).
20	F–J, K–O	Financial (includes central banks)	Exposure pre-CRM for various time bands in high yield and non-rated positions allocated to the sector financial (includes central banks) which are under the IRB approach for credit risk (columns F to J) or under any other approach for credit risk (columns K to O).
21	F–J, K–O	Basic materials, energy, industrials	Exposure pre-CRM for various time bands in high yield and non-rated positions allocated to the sector basic materials, energy, industrials which are under the IRB approach for credit risk (columns F to J) or under any other approach for credit risk (columns K to O).
22	F–J, K–O	Consumer	Exposure pre-CRM for various time bands in high yield and non-rated positions allocated to the sector consumer which are under the IRB approach for credit risk (columns F to J) or under any other approach for credit risk (columns K to O).
23	F–J, K–O	Technology, telecommunications	Exposure pre-CRM for various time bands in high yield and non-rated positions allocated to the sector technology, telecommunications which are under the IRB approach for credit risk (columns F to J or under any other approach for credit risk (columns K to O).
24	F–J, K–O	Health care, utilities, local government, government-backed corporates (non-financial)	Exposure pre-CRM for various time bands in high yield and non-rated positions allocated to the sector health care, utilities, local government, government-backed corporates (non-financial) which are under the IRB approach for credit risk (columns F to J) or under any other approach for credit risk (columns K to O).

Row	Column	Heading	Description
25	F–J, K–O	Other	Exposure pre-CRM for various time bands in high yield and non-rated positions allocated to the sector other which are under the IRB approach for credit risk (columns F to J or under any other approach for credit risk (columns K to O). These fields capture any other exposures which are not specifically identified in any of the rows 19 to 24.

8.2.2 Panel A2: Total exposure by effective risk weight

In panel A2, banks should allocate their total exposures for various time bands according to a breakdown of the risk weights applied under the Basel II framework.[42]

For banks adopting the internal ratings-based approach, for exposures (other than those for which specific regulatory risk weights are provided for – eg specialised lending exposures under the "supervisory slotting criteria approach", securitisations exposures with an external credit assessment, equity exposures under the simple risk weight method, etc) belonging to each borrower grade, the risk weight should be derived by dividing the risk weighted assets obtained from the risk-weight formula or the supervisory formula (for credit risk or securitisations exposures, respectively) by the EAD after recognition of eligible credit risk mitigation techniques.

Banks adopting any other approach for credit risk (eg the standardised approach for credit risk) should report each exposure according to the regulatory risk weight as provided by the Basel II framework (under the standardised approach or the securitisation framework).[43]

Row	Column	Heading	Description
33	F–J, K–O	= 0%	Exposure pre-CRM for various time bands with effective risk weight of 0% either under the IRB approach for credit risk (columns F to J) or under any other approach for credit risk (columns K to O).
34	F–J, K–O	> 0 and ≤ 12%	Exposure pre-CRM for various time bands with effective risk weights exceeding 0% but not more than 12% either under the IRB approach for credit risk (columns F to J) or under any other approach for credit risk (columns K to O).
35	F–J, K–O	> 12 and ≤ 20%	Exposure pre-CRM for various time bands with effective risk weights exceeding 12% but not more than 20% either under the IRB approach for credit risk (columns F to J) or under any other approach for credit risk (columns K to O).
36	F–J, K–O	> 20 and ≤ 50%	Exposure pre-CRM for various time bands with effective risk weights exceeding 20% but not more than 50% either under the IRB approach for credit risk (columns F to J) or under any other approach for credit risk (columns K to O).

[42] Transactions subject to the treatment for counterparty credit risk (see Annex 4 of the Basel II framework) should be included irrespective of whether they are classified in the banking or trading book.

[43] Banks currently adopting the Basel I framework should refer to the risk weights currently applied for the calculation of the credit risk capital requirement; for reporting purposes, the exposures should be mapped to the risk weights buckets as provided in this panel.

Row	Column	Heading	Description
37	F–J, K–O	> 50 and ≤ 75%	Exposure pre-CRM for various time bands with effective risk weights exceeding 50% but not more than 75% either under the IRB approach for credit risk (columns F to J) or under any other approach for credit risk (columns K to O).
38	F–J, K–O	> 75 and ≤ 100%	Exposure pre-CRM for various time bands with effective risk weights exceeding 75% but not more than 100% either under the IRB approach for credit risk (columns F to J) or under any other approach for credit risk (columns K to O).
39	F–J, K–O	> 100 and ≤ 425%	Exposure pre-CRM for various time bands with effective risk weights exceeding 100% but not more than 425% either under the IRB approach for credit risk (columns F to J) or under any other approach for credit risk (columns K to O).
40	F–J, K–O	> 425 and ≤ 1250%	Exposure pre-CRM for various time bands with effective risk weights exceeding 425% but not more than 1250% either under the IRB approach for credit risk (columns F to J or under any other approach for credit risk (columns K to O).
41	F–J, K–O	Defaulted exposures under the IRB approach	Defaulted exposures under the IRB approach.

8.2.3 Panel A3: Total exposure by currency

In panel A3, banks should allocate their total exposures for various time bands according to the currencies specified in rows 9 to 15 of the "IRRBB" worksheet. The remaining exposures should be reported in row 56 "Other". In case the bank uses less than seven currencies, the remaining rows should be filled in with zeroes in columns D to H.

Row	Column	Heading	Description
49–55	C	Currency 1, ..., Currency 7	Non entry cell: Currency code is automatically filled in. **Banks which provide data on credit spread risk in the banking book but not on interest rate risk in the banking book must nevertheless select the currencies in cells C9 to C15 of the "IRRBB" worksheet. Please see the first paragraph of Section 8.1 for details.**
49–55	F–J		Exposures pre-CRM for various time bands under any approach for credit risk. In case the bank uses less than seven currencies, the remaining rows should be filled in with zeroes in columns F to J.
56	F–J	Residual	Remaining exposures pre-CRM for various time bands denominated in other currencies under any approach for credit risk. These exposures cannot be allocated to any specified currency (rows 49 to 55). In case the bank uses less than seven currencies, the bank should fill columns F to J with zeroes.

8.2.4 Panel B: Exposures in debt securities by credit quality and sector

In panel B, banks should allocate their exposures in debt securities for various time bands according to sectors and to credit quality.

The exposures in debt securities are either subject to fair value accounting (eg AFS) or subject to other accounting (eg historical cost). The sum of those two approaches shall sum up to the total exposure pre-CCF and pre-CRM of debt securities.

Row	Column	Heading	Description
66	F–J, K–O	Sovereigns	Debt security exposure pre-CRM for various time bands in investment grade positions allocated to the sector sovereigns, which are subject to fair value accounting (columns F to J) or subject to other accounting (columns K to O).
67	F–J, K–O	Financial (includes central banks)	Debt security exposure pre-CRM for various time bands in investment grade positions allocated to the sector financial (includes central banks), which are subject to fair value accounting (columns F to J) or subject to other accounting (columns K to O).
68	F–J, K–O	Basic materials, energy, industrials	Debt security exposure pre-CRM for various time bands in investment grade positions allocated to the sector basic materials, energy, industrials, which are subject to fair value accounting (columns F to J) or subject to other accounting (columns K to O).
69	F–J, K–O	Consumer	Debt security exposure pre-CRM for various time bands in investment grade positions allocated to the sector consumer, which are subject to fair value accounting (columns F to J) or subject to other accounting (columns K to O).
70	F–J, K–O	Technology, telecommunications	Debt security exposure pre-CRM for various time bands in investment grade positions allocated to the sector technology, telecommunications, which are subject to fair value accounting (columns F to J) or subject to other accounting (columns K to O).
71	F–J, K–O	Health care, utilities, local government, government-backed corporates (non-financial)	Debt security exposure pre-CRM for various time bands in investment grade positions allocated to the sector health care, utilities, local government, government-backed corporates (non-financial), which are subject to fair value accounting (columns F to J) or subject to other accounting (columns K to O).
72	F–J, K–O	Other	Debt security exposure pre-CRM for various time bands in investment grade positions allocated to the sector "other", which are subject to fair value accounting (columns F to J) or subject to other accounting (columns K to O). These fields capture any other exposures which are not specifically identified in any of the rows 66 to 71.
74	F–J, K–O	Sovereigns	Debt security exposure pre-CRM for various time bands in high yield and non-rated positions allocated to the sector sovereigns, which are subject to fair value accounting (columns F to J) or subject to other accounting (columns K to O).
75	F–J, K–O	Financial (includes central banks)	Debt security exposure pre-CRM for various time bands in high yield and non-rated positions allocated to the sector Financial (includes central banks), which are subject to fair value accounting (columns F to J) or subject to other accounting (columns K to O).
76	F–J, K–O	Basic materials, energy, industrials	Debt security exposure pre-CRM for various time bands in high yield and non-rated positions allocated to the sector basic materials, energy, industrials, which are subject to fair value accounting (columns F to J) or subject to other accounting (columns K to O).
77	F–J, K–O	Consumer	Debt security exposure pre-CRM for various time bands in high yield and non-rated positions allocated to the sector consumer, which are subject to fair value accounting (columns F to J) or subject to other accounting (columns K to O).

Row	Column	Heading	Description
78	F–J, K–O	Technology, telecommunications	Debt security exposure pre-CRM for various time bands in high yield and non-rated positions allocated to the sector technology, telecommunications, which are subject to fair value accounting (columns F to J) or subject to other accounting (columns K to O).
79	F–J, K–O	Health care, utilities, local government, government-backed corporates (non-financial)	Debt security exposure pre-CRM for various time bands in high yield and non-rated positions allocated to the sector health care, utilities, local government, government-backed corporates (non-financial), which are subject to fair value accounting (columns F to J) or subject to other accounting (columns K to O).
80	F–J, K–O	Other	Debt security exposure pre-CRM for various time bands in high yield and non-rated positions allocated to the sector “other”, which are subject to fair value accounting (columns E to I) or subject to other accounting (columns F to J) or subject to other accounting (columns K to O). These fields capture any other exposures which are not specifically identified in any of the rows 74 to 79.

8.2.5 Panel C: Exposures in securitisations and structured credit products

In panel D, banks should allocate their exposures in securitisations and structured credit for various time bands according to credit quality.

In the total exposure pre-CRM, no credit risk mitigation should be applied. Residual maturity is defined as the remaining time-to-maturity of an asset (the period between the reporting date and the maturity date).

Row	Column	Heading	Description
91	F–J	Investment grade	Pre-CRM exposures for various time bands in securitisations and structured credit products in investment grade (IG) positions.
92	F–J	High yield and non-rated	Pre-CRM exposures for various time bands in securitisations and structured credit products in high yield and non-rated positions.

8.2.6 Panel D: Exposures in credit derivatives

In panel D, banks should allocate their notional amounts in credit derivatives for various time bands according to the type of credit derivatives and to credit quality. The *net position* is the difference between the notional amount of sold and the notional amount of bought credit derivatives of the same residual maturity and for same credit quality. The *credit quality* refers to the reference entity and not to the counterparty. If multi-name, basket or index CDS cannot be assigned to a rating category, they should be reported under “High yield and non-rated”. *Residual maturity* is defined as the remaining time-to-maturity of an asset (the period between the reporting date and the maturity date).

Row	Column	Heading	Description
100	F–J, K–O	Investment grade	Net positions of notional amounts (columns F to J) as well as the sum of notional amounts sold (columns K to O) for various time bands of credit derivatives in investment grade reference entities.

101	F–J, K–O	High yield and non-rated	Net positions of notional amounts (columns F to J) as well as the sum of notional amounts sold (columns K to O) for various time bands of credit derivatives in high yield and non-rated reference entities.

9. Partial use and roll out

This worksheet should only be completed by IRB qualifying banks.

The "Partial use" worksheet aims at collecting information to further investigate the features of exposures of banks using the IRB approaches which remain under the standardised approach. The worksheet distinguishes in particular between:

- Exposures subject to phased roll out (RO) provisions as stated in paragraphs 257 and 258 of the Basel II framework including, for the current purposes, also equity exposures under the grandfathering provisions as laid down in paragraphs 267 to 269 of the Basel II framework; and
- Exposres to which the permanent partial use (PPU) applies.

The information contained in this section should also support reasonable projections on future expected impacts of roll out completions on risk-weighted assets.

The exposure classification (column B) refers to the regulatory asset classes under the standardised approach (Part 2, Section II.A of the Basel II framework). The *exposure amounts* to be used in this panel are equal to the sum of (i) the drawn amount for on-balance sheet exposures; (ii) undrawn amounts after the application of the appropriate credit conversion factor (CCF); and (iii) the exposure amounts for Securities Financing Transactions (SFTs) and derivatives calculated in accordance with the credit risk mitigation framework (Part 2, Section II.D) and Annex 4 of the Basel II framework accordingly. In all cases exposure amounts must be measured after the recognition of credit risk mitigation (CRM) techniques, ie after applying the substitution approach for unfunded credit protection and the comprehensive or the simple approach to financial collateral for funded credit protection. Furthermore, the exposure amounts must be reported net of specific provisions in accordance with paragraph 52 of the Basel II framework. For exposures arising from securitisation transactions exposure amounts are to be calculated according to Part 2, Section IV.D of the Basel II framework.

It should be noted that the slotting approach for specialised lending is formally an IRB approach. Such exposures should hence not be considered as subject to partial use provisions.

For each portfolio a breakdown of the total exposure amounts under partial use provisions (column J) is required into

- Exposures under the permanent partial use of the standardised approach in row PPU; and
- Exposures under the standardised approach subject to phased roll out in row "RO".

In the rows for roll-out partial use, columns E to I ask for a breakdown of the exposure amounts to be rolled out by year of expected migration to the IRB approaches, according to currently available information in the roll out plan as set out in paragraph 257 of the Basel II framework. Please note that columns E to I should be filled with flow figures (ie the exposure amounts actually expected to migrate in a given year), and the sum should match "Total exposure amounts post-CRM and post-CCF" (column J). Banks should provide the best estimate of the rollout year even if approval has not yet formally been granted. Banks can indicate in the "remarks" column in case the time profile of the roll out has not yet been approved by the relevant supervisor.

The template also asks for an estimate of the share of exposures currently assigned to the regulatory retail portfolio that will or would be classified in the corporate (cell J37) or retail (cell J38) asset classes under the IRB approaches, once the roll out is completed accordingly.

Rows 40 and 41 refer to exposures classified as "Claims secured by residential property" under the permanent partial use and roll out respectively, and which would be classified as "retail" under the IRB approach according to paragraphs 231 to 233 of the Basel II framework. Rows 60 and 61 refer to exposures resulting from failed free-deliveries for trading book-only counterparties (including where the fallback 100% risk weight is applied (paragraph 6 of Annex 3 of the Basel II framework)).

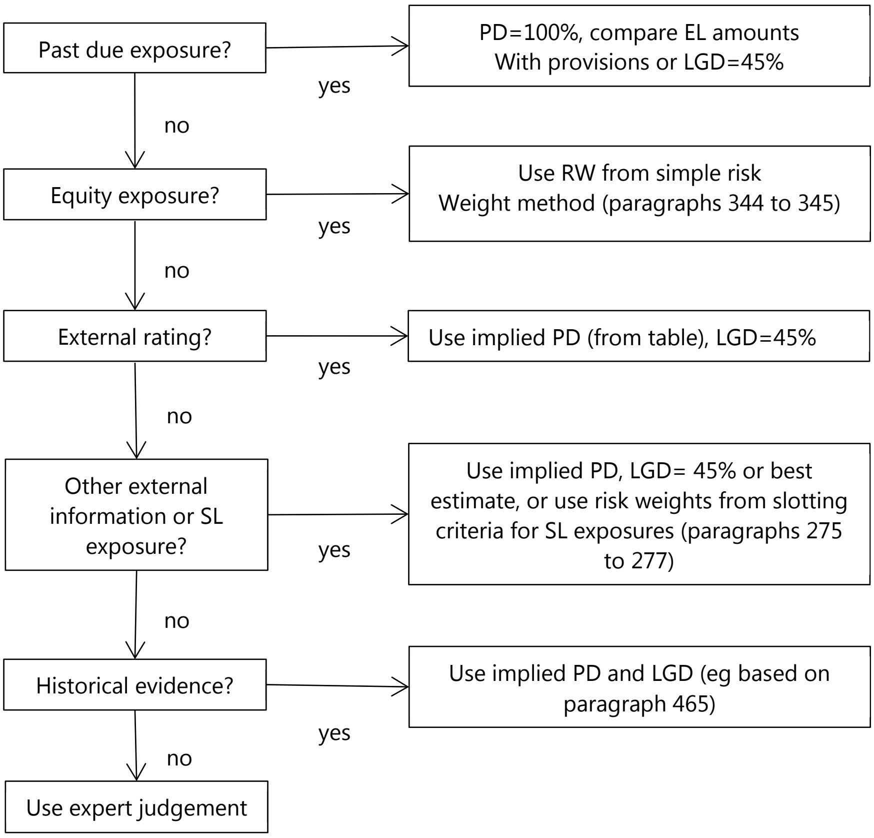
A series of columns have been inserted in order to be able to assess the significance of the partial use: Column D asks for the number of borrowers or recognised guarantors in each portfolio as set out in paragraph 422 of the Basel II framework. In accordance with paragraph 423, each legal (borrower or guarantor) entity must be counted as one unit. Column K requires information on the share (in per cent) of exposures under the standardised approach at the consolidated level. Column L reports the number of legal entities of the banking group in which the corresponding partial use exposures are booked.

Column M asks banks to report the total amount of risk-weighted assets under the current partial uses (ie according to the standardised approach) by asset class.

Column N asks for an estimate of the risk-weighted assets of the corresponding partial use exposures if they had been under the IRB approach at the reporting date. While recognising that banks might not be in a position to come up with a "precise" IRB estimate, there are a number of ways to proxy the IRB RWAs, as further outlined in the decision tree and text below.

For exposure subject to rollout, banks will likely have actual IRB RWA estimates. For exposures which are classified as past due according to the standardised approach to credit risk, banks are expected to proxy the resulting RWAs based on the national framework. For exposures which are classified as equity exposures according to the IRB approach but treated under the partial use provisions, the risk weights from the simple risk weight method can be used a benchmark. For the low default portfolios (sovereign, bank and large corporate asset classes), external ratings and other market information is available for many obligors, which allows computing implied PDs. For these asset classes, subject to the Committee's RWA consistency analysis for the banking book, it would be highly desirable to have a more comprehensive input. Please use the decision tree below to assign implied PDs and an LGD of 45% to proxy IRB RWAs.

Decision tree



Similarly, if there is other external information (eg from vendor models, national credit registers with credit assessments, credit bureau, etc), banks should use these PDs and LGDs to compute IRB RWAs. For the retail and small corporates, banks may wish to use historical evidence (default rates and recovery rates) to proxy IRB RWAs (see paragraph 465 of the Basel II framework, for example). In all other cases, expert judgement is needed to come up with a proxy. Banks could, for example, use the risk weight of the exposure subject to the IRB (for the same asset class) as a benchmark. For specialised lending the bank may also use the supervisory slotting criteria to come up with the risk weight estimates under the IRB approach. Other assets where PDs are not applicable under the IRB approach should be assigned the relevant fixed risk weight applicable in their jurisdiction (eg for fixed assets, cash, gold bullion held in own vault, lease residual value, etc).

For all exposure that is externally rated, the implied PDs could be used as shown below (ie linked to the master rating scale used by rating agencies), LGDs of 45% (for simplicity), and an effective maturity of 2.5 years, if not available otherwise.

Implied PDs

In per cent

Letter rating[44]	PD
AAA	0.006
AA+	0.010
AA	0.016
AA-	0.025
A+	0.041
A	0.065
A-	0.105
BBB+	0.169
BBB	0.272
BBB-	0.437
BB+	0.703
BB	1.130
BB-	1.818
B+	2.923
B	4.702
B-	7.561
CCC/C	27.000

The pull-down menu in column O should be used to provide information on how the IRB RWAs have been computed. There are six categories (rollout, external rating, vendor model/other external information, slotting criteria, historical data, other), corresponding to the decision tree above. In case that for a given row more than 1 category is used, the most important should be chosen. Banks may use the Remarks column AA to provide further details.

In columns Q to Z exposure amounts must be divided according to the regulatory risk weights provided under the standardised approach (Part 2, Section II.A of the Basel II framework). Different risk weight bands are provided.

In column AA banks can report any additional remarks. Green cells in this panel should only be filled in by banks that have been asked to do so by their national supervisor and according to their national regulations. Grey cells must remain empty.

[44] The use of Standard & Poor's credit ratings is an example only; those of some other external credit assessment institutions could equally well be used. The ratings used throughout this document, therefore, do not express any preferences or determinations on external assessment institutions by the Committee.

Annex 1: Changes compared to versions 2.6.x of the reporting template

Compared to the versions 2.6.x of the reporting template which were used for reporting of data as of 30 June 2013, the following main changes have been implemented:

- The “Leverage Ratio” and “NSFR” worksheets have been revised significantly.
- The worksheets “TBHPE”, “IRRBB” and “CSRBB” have been added.
- Related changes have been implemented in panel A of the “General Info” worksheet and on the “Checks” worksheet.

Annex 2: Tentative schedule for upcoming Basel III monitoring exercises

Basel III monitoring as of end-December 2013[1]	
April 2014	Deadline for data submission to national supervisors.
September 2014	Publication of results

[1] Or equivalent in countries with financial years which differ from the calendar year.

Basel III monitoring as of end-June 2014[1]	
early August 2014	Circulation of Basel III monitoring reporting templates to banks. In addition to the current reporting template, this exercise is expected to include worksheets to assess the impact of the fundamental review of the trading book on actual portfolios.
end-September 2014	Deadline for data submission to national supervisors.
March 2015	Publication of results

[1] Or equivalent in countries with financial years which differ from the calendar year.

Annex 3: Portfolio specification for the Hypothetical Portfolio Exercise

1. Portfolio definition

Portfolio number Risk factor	Strategy
Equity portfolios	
1 Equity	**Equity index futures** ***Long delta*** • Long 30 contracts ATM 3-month front running FTSE 100 index futures ** Futures price is based on the index level at NYSE Liffe London market close on 21 February 2014.* *1 contract corresponds to 10 equities underlying.*
2 Equity	**Bullish leveraged trade** ***Long gamma and long vega*** • Long 100 contracts OTC Google (GOOG) OTM 3-month call options (1 contract = 100 shares underlying) ** Strike price is out-of-the-money by 10% relative to the stock price at market close on 21 February 2014.*
3 Equity	**Volatility trade #1** ***Short short-term vega & long long-term vega*** • Short straddle 3-month ATM* S&P 500 Index OTC options (30 contracts) • Long straddle 2-year ATM S&P 500 Index OTC options (30 contracts) *1 contract corresponds to 100 equities underlying* *effective date 21 February 2014* ** Strike price is based on the index level at NYSE at 4.30 pm New York on 21 February 2014.*
4 Equity	**Volatility trade #2 (smile effect)** ***Long/short puts on FTSE 100*** • Long 40 contracts of 3-month put options on FTSE 100 index (with a strike price that is 10% OTM* based on the end-of-day index value) • Short 40 contracts of 3-month put options on FTSE 100 index (with a strike price that is 10% ITM* based on the end-of-day index value) ** Strike price is based on the index level at NYSE Liffe London market close on 21 February 2014.* *1 contract corresponds to 10 equities underlying.*
5 Equity	**Equity variance swaps on Eurostoxx 50 (SX5E)** • Long ATM variance swap on Eurostoxx 50 with a maturity of 2 years, Vega notional amount of €50,000. The payoff is based on the following realized variance formula: $\frac{252}{n-2}\sum_{i=1}^{n-1}[\ln(\frac{S_{i+1}}{S_i})]^2$ where n = number of working days until maturity. The strike of the variance swap should be defined on the trade date (21 February 2014) to cancel the value of the swap. (Please provide the strike you determined on the pre-exercise validation data template together with the initial market value of the trade.)
6 Equity	**Barrier option** • Long 40 contracts of 3-month ATM* S&P 500 down-and-in put options with a barrier level that is 10% OTM* and continuous (monitoring frequency. *1 contract corresponds to 100 equities underlying* ** Strike price is based on the index level at NYSE market close on 21 February 2014.*

Portfolio number Risk factor	Strategy
7 Equity	**Quanto index call** • 3-year USD Quanto call on Eurostoxx 50 See details in Section 2.1 of this Annex.
Interest rate	
8 Interest rate	**Curve flattener trade** ***Long long-term and short short-term treasuries*** • Long €5 million 10-year German Treasury bond (ISIN: DE0001102333, expiry 15 February 2024) • Short €20 million 2-year German Treasury note (ISIN: DE0001135291, expiry 4 January 2016)
9 Interest rate	**Interest rate swap** *Bloomberg code eusw10v3 curncy* • Receive fixed rate and pay floating rate • Fixed leg: pay annually • Floating leg: 3-month Euribor rate, pay quarterly • Notional: €5 million • Roll convention and calendar: standard • Effective date 21 February 2014 (ie rates to be used are those at the market as 21 February 2014) • Maturity date: 21 February 2024
10 Interest rate	**Two-year swaption on 10-year interest rate swap** *Bloomberg code eusv0210 curncy* • An OTC ATM* receiver swaption with maturity of two years on the interest rate swap described in #9 (ie ten years fixed for variable IRS) but with an effective date of 22 February 2016 and a maturity date of 22 February 2026. • effective date 24 February 2014 • expiry date (of swaption) 22 February 2016 • maturity date (of underlying swap) 24 February 2026 • premium paid at expiry • cash settled ** strike price is based on the IRS rate as per #9 (ie the strike price is the fixed rate as per #9)*
11 Interest rate	**LIBOR range accrual** Structured coupon indexed on the number of days in the interest rate period when the Libor fixes in a predetermined range. See details in Section 2.2 of this Annex.
12 Interest rate	**Inflation zero coupon swap** EURHICPX index 10Y maturity par zero coupon swap See details in Section 2.3 of this Annex.
FX	
13 FX	**Covered FX call** ***Short EUR/USD and short put EUR call USD option*** • Short 3-month EUR/USD forward contracts (ie long USD short EUR) with USD 20 million notional purchased at the EUR/USD ECB reference rate as of end of day 21 February 2014 • Short 3-month put EUR call USD option notional USD 40 million (ie short USD against EUR) with strike price corresponding to the three-month forward exchange rate as of end of day 21 February 2014 • effective date 21 February 2014 • expiry date 21 May 2014

<table>
<tr><th>Portfolio number
Risk factor</th><th>Strategy</th></tr>
<tr><td>14
FX</td><td>Mark-to-market cross-currency basis swap
2 Year USD 3M LIBOR vs EUR 3M EURIBOR swap
See details in Section 2.8 of this Annex.</td></tr>
<tr><td>15
FX</td><td>Knock-out option
Vanilla option that ceases to exist if the underlying spot breaches a predetermined barrier before maturity
See details in Section 2.4 of this Annex.</td></tr>
<tr><td>16
FX</td><td>Double no touch option
Digital option that pays a predetermined amount if the spot does not touch any of the barriers during the life of the option
See details in Section 2.5 of this Annex.</td></tr>
<tr><td colspan="2">Commodity</td></tr>
<tr><td>17
Commodity</td><td>Curve play from contango to backwardation
Long short-term and Short long-term contracts
Long 3,500,000 3-month ATM OTC London Gold Forwards contracts (1 contract = 0.001 troy ounces, notional: 3,500 troy ounces)
Short 4,300,000 1-year ATM OTC London Gold Forwards contracts (Notional: 4,300 troy ounces)</td></tr>
<tr><td>18
Commodity</td><td>Short oil put options
Short 30 contracts of 3-month OTC WTI Crude Oil puts with strike = 6-month end-of-day forward price on 21 February 2014 (1 contract = 1000 barrels, total notional 30,000 barrels)</td></tr>
<tr><td colspan="2">Credit spread</td></tr>
<tr><td>19
Credit spread</td><td>Sovereign CDS portfolio
Short protection via CDS on five countries
Short €2 million per single-name 5year CDS (total 10 million notional) on the following countries:
effective date: 21 February 2014
restructuring clause: FULL
<table>
<tr><th>Country</th><th>RED Code</th><th>currency</th></tr>
<tr><td>Italy</td><td>4AB951</td><td>USD</td></tr>
<tr><td>UK</td><td>9A17DE</td><td>USD</td></tr>
<tr><td>Germany</td><td>3AB549</td><td>USD</td></tr>
<tr><td>France</td><td>3I68EE</td><td>USD</td></tr>
<tr><td>US</td><td>9A3AAA</td><td>EUR</td></tr>
</table></td></tr>
</table>

Portfolio number Risk factor	Strategy
20 Credit spread	**Sovereign bond/CDS portfolio** ***Long protection via CDS on five countries*** • Long €2 million per single-name 5 year CDS (total 10 million notional) on the following countries: Italy, UK, Germany, France, US as in portfolio #19. • Long €2 million per single-name 5 year bonds (total 10 million notional) on the following countries: Italy, UK, Germany, France, US (as identified in the following table) • effective date 21 February 2014 • to convert the notional of the non-euro bonds use the FX spot as at end of day 21 February 2014

Identifier	Description
IT0003493258	BTP 1 February 2019
DE0001135374	BUND 4 January 2019
GB00B39R3F84	GILT 7 March 2019
FR0000189151	OAT 25 April 2019
US912828SH49	TBOND 28 February 2019

Portfolio number Risk factor	Strategy
21 Credit spread	**Sector concentration portfolio** ***Short protection via CDS on 10 financials*** • Equivalent of short 1 million notional per single-name 5 year CDS (total €10 million notional) on the following 10 companies • effective date 21 February 2014

Name	RED Code	Currency	Doc clause
Met Life	5EA6BX	USD	MR
Allianz	DD359M	EUR	MM
Prudential	7B8752	USD	MR
AXA	FF667M	EUR	MM
ING BANK	48DGFE	EUR	MM
Aegon	007GB6	EUR	MM
Aviva	GG6EBT	EUR	MM
Swiss Re	HOB65N	EUR	MM
Principal Financial Group	7B676W	USD	MR
Suncorp Group	8ED955	USD	MR

Portfolio number Risk factor	Strategy
22 Credit spread	**Diversified index portfolio** ***Short protection via CDS index*** • Short €10 million notional iTraxx 5-year Europe index Series 20, Version 1 – maturity 20 December 2018 (RED Pair Code: 2I666VBA2) • effective date 21 February 2014

<table>
<tr><th>Portfolio number
Risk factor</th><th>Strategy</th></tr>
<tr><td>23
Credit spread</td><td>Diversified index portfolio (higher concentration)
Short protection via CDS index

Short €5 million notional iTraxx 5-year Europe index Series 20, Version 1 – Maturity 20 December 2018 (RED Pair Code: 2I666VBA2)
Short €5 million notional (equally weighted) on the following five financials belonging to the iTraxx 5-year Europe index Series 20, Version 1 – Maturity 20 December 2018 (RED Pair Code: 2I666VBA2):

<table>
<tr><th>CDS name</th><th>RED Code</th><th>Currency</th><th>Doc clause</th></tr>
<tr><td>ING BK CDS EUR SR 5Y</td><td>48DGFEAH6</td><td>EUR</td><td>MM</td></tr>
<tr><td>CMZB CDS EUR SR 5Y</td><td>2C27EGAG9</td><td>EUR</td><td>MM</td></tr>
<tr><td>AXA SA CDS EUR SR 5Y</td><td>FF667MAD8</td><td>EUR</td><td>MM</td></tr>
<tr><td>AEGON CDS EUR SR 5Y</td><td>007GB6AD4</td><td>EUR</td><td>MM</td></tr>
<tr><td>SANTAN CDS EUR SR 5Y</td><td>EFAGG9AF6</td><td>EUR</td><td>MM</td></tr>
</table>

Effective date: 21 February 2014.
</td></tr>
<tr><td>24
Credit spread</td><td>Diversified corporate portfolio
Short protection via CDS on 10 A- to AA- corporate

Short equivalent of €2 million notional per single-name 5 year CDS (total €20 notional) on the following 10 companies (for USD CDS use the exchange rate at 21 February 2014):

<table>
<tr><th>Name</th><th>RED Code</th><th>Currency</th><th>Doc clause</th></tr>
<tr><td>P&G</td><td>7B6989</td><td>USD</td><td>MR</td></tr>
<tr><td>Home Depot</td><td>47A77D</td><td>USD</td><td>MR</td></tr>
<tr><td>Siemens</td><td>8A87AG</td><td>EUR</td><td>MM</td></tr>
<tr><td>Royal Dutch Shell</td><td>GNDF9A</td><td>EUR</td><td>MM</td></tr>
<tr><td>IBM</td><td>49EB20</td><td>USD</td><td>MR</td></tr>
<tr><td>Met Life</td><td>5EA6BX</td><td>USD</td><td>MR</td></tr>
<tr><td>Southern Co</td><td>8C67DF</td><td>USD</td><td>MR</td></tr>
<tr><td>Vodafone</td><td>9BADC3</td><td>EUR</td><td>MM</td></tr>
<tr><td>BHP</td><td>08GE66</td><td>USD</td><td>MR</td></tr>
<tr><td>Roche</td><td>7E82AF</td><td>EUR</td><td>MM</td></tr>
</table></td></tr>
<tr><td>25
Credit spread</td><td>Index basis

Short €5 million notional iTraxx 5-year Europe index Series 20, Version 1 – Maturity 20 December 2018 (RED Pair Code: 2I666VBA2)
Effective date: 21 February 2014
Long €5 million notional on all constituents of iTraxx 5-year Europe index Series 20, Version 1 – maturity 20 December 2018 (RED Pair Code: 2I666VBA2) (ie the aggregate notional is €5 million and all names are equally weighted)
Effective date: 21 February 2014
</td></tr>
</table>

<table>
<tr><th>Portfolio number
Risk factor</th><th>Strategy</th></tr>
<tr><td>26
Credit spread</td><td>CDS bond basis
Long bonds €2 million per single-name 5 year bonds on 5 Financials (3 EU, 2 North America).
<table>
<tr><th>ISIN</th><th>Security name</th></tr>
<tr><td>XS0834640541</td><td>MET LIFE GLOB FUNDING I
30 September 2019</td></tr>
<tr><td>XS0406076843</td><td>ALLIANZ SE
18 December 2018</td></tr>
<tr><td>US74432QBG91</td><td>PRUDENTIAL FINANCIAL INC
15 June 2019</td></tr>
<tr><td>FR0011322668</td><td>AXA SA
20 September 2019</td></tr>
<tr><td>DE000A1HNFX5</td><td>ING BANK NV
15 February 2019</td></tr>
</table>
Long protection via CDS on the same names (€2 million per single-name 5 year).
<table>
<tr><th>Name</th><th>RED Code</th><th>Currency</th><th>Doc clause</th></tr>
<tr><td>Met Life</td><td>5EA6BX</td><td>USD</td><td>MR</td></tr>
<tr><td>Allianz</td><td>DD359M</td><td>EUR</td><td>MM</td></tr>
<tr><td>Prudential</td><td>7B8752</td><td>USD</td><td>MR</td></tr>
<tr><td>AXA</td><td>FF667M</td><td>EUR</td><td>MM</td></tr>
<tr><td>ING</td><td>49BEBA</td><td>EUR</td><td>MM</td></tr>
</table></td></tr>
<tr><td>27
Credit spread</td><td>Short index put on ITraxx Europe Crossover series 20
See details in Section 2.6 of this Annex.</td></tr>
<tr><td>28
Credit spread</td><td>Quanto CDS on Spain with delta hedge
See details in Section 2.7 of this Annex.</td></tr>
<tr><td colspan="2">All-in portfolios</td></tr>
<tr><td>29</td><td>All-in portfolio (1)
All portfolios excluding portfolios 5, 7, 11, 12, 15, 16, 27, 28.</td></tr>
<tr><td>30</td><td>All-in portfolio (2)
All portfolios</td></tr>
<tr><td>31</td><td>All-in portfolio (3)
All equity portfolios (ie comprising portfolios from #1 to #7)</td></tr>
<tr><td>32</td><td>All-in portfolio (4)
All interest rate portfolios (ie comprising portfolios from #8 to #12)</td></tr>
<tr><td>33</td><td>All-in portfolio (5)
All FX portfolios (ie comprising portfolios from #13 to #16)</td></tr>
<tr><td>34</td><td>All-in portfolio (6)
All commodity portfolios (ie comprising portfolios from #17 to #18)</td></tr>
<tr><td>35</td><td>All-in portfolio (7)
All credit spread portfolios (ie comprising portfolios from #19 to #28)</td></tr>
</table>

2. Details for portfolios

2.1 Details for portfolio 7: 3-year USD quanto call on EUROSTOXX 50

Party A:	counterparty
Party B:	participating bank
Equity Notional Amount (ENA):	USD 5,000,000
Trade date:	21 February 2014
Strike date:	21 February 2014
Effective date:	21 February 2014
Valuation date: `	21 February 2017
Termination date:	21 February 2017
Underlying index:	EURO STOXX 50 (Bloomberg: SX5E Index)
Floating rate payer:	Counterparty
Notional amount:	USD 5,000,000
Floating rate:	USDLIBOR3M as determined at 11.00am London time two (2) business days prior to the start of the relevant interest period
Spread:	+ 300 bps
Floating rate day count fraction:	act/360
n/floating amount payment dates:	1/ 21 May 2014
	2/ 21 August 2014
	3/ 21 November 2014
	4/ 20 February 2015
	5/ 21 May 2015
	6/ 21 August 2015
	7/ 20 November 2015
	8/ 22 February 2016
	9/ 20 May 2016
	10/ 22 August 2016
	11/ 21 November 2016
	12/ 21 February 2017
Equity amount payer:	participating bank
Equity amount:	On the termination date, Party B will pay Party A the following cash settlement amount:

$$ENA \times \max\left(0\%, \frac{Index_{Final} - Index_{Initial}}{Index_{Initial}}\right)$$

Where

$Index_{Initial}$ is the official closing level of the underlying index on the strike date.

$Index_{Final}$ is the official closing level of the underlying index on the valuation date.

Settlement terms:	
Settlement currency:	USD Quanto
Business days:	New York

2.2 Details for portfolio 11: 3M Libor USD range accrual

Party A	Participating bank
Party B	Counterparty
Notional amount	USD 10,000,000.0
Trade date:	21 February 2014
Effective date:	21 February 2014
Termination date:	21 February 2024
Party A pays:	4% *n/N
n:	Number of days when the range accrual index fixes between the lower barrier and the upper barrier (inclusive) during the relevant interest period
N:	Number of days in the relevant interest period
Range accrual index:	3-month USD Libor as quoted on Reuters page LIBOR01, 11:00 London Time
USD 3M Libor:	3-month USD Libor as quoted on Reuters page LIBOR01, 11:00 London time, fixed 2 business days prior to the first day of each interest period
Lower barrier:	2.50%
Upper barrier:	4.00%
Day count fraction:	Actual/360
Payment dates:	Quarterly
Business day convention:	Modified Following
Business days for fixing:	London and New York
Business days for payment:	London and New York
Party B pays:	USD 3M Libor
USD 3M Libor:	3-month USD Libor as quoted on Reuters page LIBOR01, 11:00 London time, fixed 2 business days prior to the first day of each interest period
Day count fraction:	Actual/360
Payment dates:	Quarterly
Business day convention:	Modified Following
Business days for fixing:	London and New York

Business days for payment:	London and New York
Interest period:	From the previous payment date (inclusive) to the next payment date (exclusive)

2.3 Details for portfolio 12: EURHICPX index 10Y maturity zero coupon swap

Contract date:	21 February 2014
Payer of fixed:	participating bank
Payer of HICP XT Float:	counterparty
Notional amount:	EUR 10,000,000.00
Start date:	21 February 2014
Maturity date:	21 February 2024

Fixed rate details

Fixed rate	2.000 per cent
Payment day convention	Modified Following
Payment days	Target
Fixed payment dates	21 February 2024

HICP XT Float rate details

Float rate	Target
Frequency	At maturity in arrears
Index name	Eurostat Eurozone HICP Ex Tobacco Unrevised Series NSA
Payment days	21 February 2024

HICP XT Fixed rate calculation method

Notional amount*[((1+Fixed rate)^n)-1]

HICP XT Floating rate calculation method Notional amount*[Index(end)/Index(start)-1]

Index (end) = HICP XT Nov 2023 Index unrevised

Index (start) = HICP XT Nov 2013 Index unrevised

There is no floor.

2.4 Details for portfolio 15: Knock-out currency option

Trade date:	21 February 2014
Buyer:	Participating bank (Party B)
Seller:	Client (Party A)
Currency option style:	European
Currency option type:	EUR Call USD Put
Call currency and call currency amount:	EUR 15,000,000.00
Put currency and put currency amount:	equivalent amount of EUR 15,000,000.00 based on EUR/USD exchange rate on 21 February 2014, NY closing time
Strike price:	EUR/USD exchange rate on 21 February 2014, NY closing time
Expiration date:	21 February 2015
Expiration time:	10:00 AM (local time in NEWYORK)
Automatic exercise:	Applicable
Settlement:	Deliverable
Settlement date:	21 February 2015
Barrier event:	Applicable
Event type:	Knock-out
Spot exchange rate direction:	Greater than or equal to the barrier level
Initial spot price:	value of USD / EUR on 21 February 2014
Barrier level:	1.5000 USD / EUR
Event period start date and time:	Trade date at the time of execution hereof
Event period end date and time:	Expiration date at the Expiration Time

2.5 Details for portfolio 16: Double no touch binary currency option

Trade Date:	21 February 2014
Buyer:	participating bank (Party B)
Seller:	Client [Party A]
Currency option style:	Binary
Expiration date:	21 February 2015
Expiration time:	10:00 am (local time in New York)
Automatic exercise:	Applicable
Settlement:	Non-deliverable
Settlement amount:	EUR 1, 000,000.00
Settlement date:	21 February 2015
Barrier event:	Applicable
Event type:	Double No-Touch Binary
Initial spot price:	level of USD/EUR on 21 February 2014
Upper barrier level:	1.5000 USD / EUR
Lower barrier level:	1.2000 USD / EUR
Event period start date and time:	Trade date at the time of execution hereof
Event period end date and time:	Expiration date at the expiration time
Business day convention:	Following

2.6 Details for portfolio 27: Index put on ITraxx Europe Crossover series 19

Buyer:	counterparty
Seller:	participating bank
Option type:	put
Trade date:	21 February 2014
Maturity:	20 August 2014
Ticker:	ITRAXX-Xover20
Underlying end:	20 December 2018
Option style:	European
Option strike:	500.00 bp
Notional:	EUR 10,000,000.00

2.7 Details for portfolio 28: Quanto CDS on Spain with delta hedge

Quanto CDS General Terms:

Trade date:	21 February 2014
Effective date:	21 February 2014
Scheduled termination date:	20 June 2018
Protection seller:	counterparty
Protection buyer:	participating bank
Business day:	London
Business day convention:	Modified Following
Reference entity:	Kingdom of Spain
Notional:	EUR 10,000,000.00
Red Code:	8CA965
Coupon payment dates:	20 March, 20 June, 20 September and 20 December in each year
Coupon spread:	1.00%
Fixed rate day count fraction:	Actual/365 (Fixed)

Floating payment:

Floating rate payer calculation amount:	EUR 10,000,000.00
Conditions to settlement:	Credit Event Notice
	Notice of publicly available information applicable
Credit events:	The following credit events shall apply to this transaction: Bankruptcy Debt restructuring (CR) Failure to pay
Settlement currency:	EUR

Delta Hedge CDS General Terms:

Trade date:	21 February 2014
Effective date:	21 February 2014
Scheduled termination date:	20 June 2018
Protection seller:	Participating bank
Protection buyer:	Counterparty
Business day:	London
Business day convention:	Modified Following
Reference entity:	Kingdom of Spain

Notional	USD 10,300,000.00
Red Code:	8CA965
Coupon payment dates:	20 March, 20 June, 20 September and 20 December in each year from and including 20 September 2012.
Coupon spread:	1.00%
Fixed rate day count fraction:	Actual/365 (Fixed)

Floating payment:

Floating rate payer calculation amount:	USD 10,300,000.00
Conditions to settlement:	Credit Event Notice
	Notice of publicly available information applicable
Settlement currency	USD

2.8 Details for portfolio 14: Mark-to-market (resettable) cross-currency basis swap

Trade date:	21 February 2014
Maturity date:	22 February 2016
Business day convention:	Modified Following
Reset dates:	each quarter starting from 21 February 2014
Payment dates:	quarterly
Notional amount in EUR (constant currency amount):	EUR 20.000.000
Notional amount in USD (variable currency amount):	An amount corresponding to EUR 20.000.000 according to the EUR/USD spot exchange rate at the beginning of each interest period
Mark-to-market amount:	The difference between the variable currency amount of the current interest period and the variable currency amount of the previous interest period.
Interest period:	From the previous payment date (inclusive) to the next payment date (exclusive)
Party A (variable currency payer):	Counterparty
Party B (constant currency payer):	Participating bank
Party A pays:	USD 3M Libor on the variable currency amount (USD)
	USD 3M Libor: 3 month Libor flat as quoted on Reuters page Libor01, 11:00 London Time, fixed 2 business days prior to the first day of each interest period
Party B pays:	EUR 3M Euribor minus 20 basis points on the constant currency amount (EUR)
	EUR 3M Euribor: 3M Euribor as quoted on Reuters page Euribor01, 11:00 London Time, fixed 2 business days prior to the first day of each interest period
	At each reset date party A will pay to party B the mark-to-market amount, if negative.
	At each reset date party A will receive from party B the mark-to-market amount, if positive.

Initial exchange

Initial exchange date:	Trade date
EUR initial exchange amount:	EUR 20 000 000
USD initial exchange amount:	USD equivalent to EUR 20,000,000

Final exchange

Final exchange date:	Maturity date
EUR final exchange amount:	EUR 20,000,000.00
USD final exchange amount:	The variable currency amount determined for the final calculation period