



**APPENDIX A: LIST OF CHANGES TO REPORTING STANDARD AND PRACTICE GUIDE**

Definition Type	Reporting Standard/ Reporting Practice Guide	Changes (marked up)
Business size	ARS 701.0	<p><b>Large (business size)</b></p> <p>A business is classified as <b>large</b> if they have <b>turnover</b> greater than or equal to \$<del>5075</del> million.</p> <p>Include exposures classified by <b>ADIs</b> using the internal ratings-based approach to credit risk as 'Corporate' in this category.</p>
		<p><b>Medium (business size)</b></p> <p>A business is classified as <b>medium</b> if the <b>ADI</b> or <b>RFC</b> has a total exposure to the business that is greater than or equal to \$1.5 million and the business has <b>turnover</b> of less than \$<del>5075</del> million.</p> <p>Include exposures classified by <b>ADIs</b> using the internal ratings-based approach to credit risk as 'SME Corporate' in this category.</p>
		<p><b>Small (business size)</b></p> <p>A business is classified as <b>small</b> if the <b>ADI</b> or <b>RFC</b> has an exposure to the business that is less than \$1.5 million and the business has <b>turnover</b> of less than \$<del>5075</del> million.</p> <p>Include exposures classified by <b>ADIs</b> using the internal ratings-based approach to credit risk as 'SME Retail' in this category.</p>
Covered bonds	ARS 701.0	<p><b>Covered bonds</b></p> <p><del>Covered bonds has the meaning in the Banking Act 1959. They are debt securities issued by an ADI that are backed by a ring-fenced pool of assets, such as housing loans.</del></p> <p><b>Covered bonds</b> are similar to <b>asset-backed securities</b>, but in the event of bankruptcy, the investor has recourse to both the <b>collateral</b> and the originator or servicer of the <b>loans</b> or <b>finance leases</b>.</p>
	ARS 701.0	<p><b>Securitisers</b></p> <p>Means issuers of <b>asset-backed securities</b> created through the process of <b>securitisation</b>.</p>

		It excludes: issuers of <b>covered bonds</b> . <del>Report these as ADIs.</del>
	RPG 701.0	<p><b>Issuers of covered bonds</b></p> <p><del>As covered bonds can only be issued by ADIs,</del> <b>Resident</b> issuers of <b>covered bonds</b> should be classified as <b>ADIs</b>.</p> <p>Since the <i>covered bonds</i> are issued by the ADI itself, they should be reported as a <i>debt security</i> issued by that ADI in 'Item 16.1: Total borrowings: debt securities' on ARF 720.0B and 'Item 16.2: Total borrowings: debt securities' on ARF 720.0A. These <i>debt securities</i> should also be reported on ARF 720.6.</p>