

GRF_114_3_G Off-balance Sheet Business (G)

These instructions must be read in conjunction with the general instruction guide.

Instructions for specific items

1. Credit substitutes provided

1.1 Total non-market related credit substitutes

This is the value, as at the relevant date, of all credit substitutes that are not transacted in financial markets.

A credit substitute is any transaction that exposes the Level 2 insurance group to counterparty credit risk that is not a direct extension of credit. Counterparty credit risk is the risk that the counterparty to the transaction will not fulfil their obligations under the contract. A direct extension of credit is where the Level 2 insurance group provides funds or other on-balance sheet assets to the counterparty in the expectation that they will be repaid at some future date.

2. Charges granted

2.1. Principal value of charges granted

This is the principal or face value or amount of the charges or encumbrances given over the assets of the Level 2 insurance group.

2.2. Outstanding value of charges granted

This is the outstanding value of the charges or encumbrances, as at the reporting date, given over the assets of the Level 2 insurance group.

2.3. Fair value of assets subject to charges granted

This is the fair value of assets that are subject to charges or encumbrances given by the Level 2 insurance group.

3. Credit support received

3.1. Eligible collateral provided to the Level 2 insurance group

3.1.1 Total assets being supported by collateral

This is the fair value of the assets of the Level 2 insurance group that are supported by eligible collateral. Eligible collateral includes any form of security that supports the value of assets held by the Level 2 insurance group other than guarantees and letters of credit.

3.1.2 Fair value of eligible collateral provided

This is the fair value, as at the relevant date, of eligible collateral provided to the Level 2 insurance group. The fair value of the outstanding balance is to be reported where appropriate. Fair value is determined in accordance with the Australian Accounting Standards.

3.2. Guarantees or letters of credit provided to the Level 2 insurance group

3.2.1 Total assets being supported by guarantees or letters of credit

This is the fair value of the assets of the Level 2 insurance group that are supported by guarantees and standby letters of credit.

3.2.2 Value of guarantees or letters of credit provided

This is the value, as at the relevant date, of guarantees and standby letters of credit provided to the Level 2 insurance group to support its assets.