

Reporting Form 3RF 110.0

Level 3 Prescribed Capital Amount

Instructions

These instructions assist completion of *Reporting Form 3RF 110.0 Level 3 Prescribed Capital Amount* (3RF 110.0). 3RF 110.0 collects information relating to the Level 3 prescribed capital amount of a Level 3 group.

In completing these forms, Level 3 Heads must refer to *Prudential Standard 3PS 110 Capital Adequacy* (3PS 110).

General instructions

Reporting entity and reporting level

3RF 110.0 must be completed by all Level 3 Heads for the Level 3 group of which they are the parent entity.

Items 1 through 6 inclusive must each be completed for one of the six industry blocks, as relevant. Item 7 reflects the consolidated Level 3 group.

Reporting basis and unit of measurement

Report all items on 3RF 110.0 in accordance with the Australian Accounting Standards unless otherwise specified.

Items on 3RF 110.0 must be reported as at the end of the reporting period.

Items on 3RF 110.0 are to be reported as millions of Australian dollars (AUD) to one decimal place. Amounts denominated in foreign currency are to be converted to AUD in accordance with *AASB 121 The Effects of Changes in Foreign Exchange Rates*. Percentages are to be expressed to one decimal place.

All values must be reported as a positive.

These instructions specify the reporting basis and unit of measurement that applies to each item.

Specific instructions

Terms highlighted in ***bold italics*** indicate that the definition is provided in these instructions. Additional definitions are provided at the end of these instructions.

1. ADI block

Item 1 calculates the authorised deposit-taking institution (ADI) block's required capital. Item 1.1 must be completed for the ADI Level 2 group. Where there is no ADI Level 2 group, item 1.1 must be completed for each Level 1 ADI¹ and item 1.2 for each equivalent overseas deposit-taking institution in the Level 3 group.

Reporting basis: report item 1 as at the end of the reporting period.

Unit of measurement: report item 1.1, column 4 and column 5 as millions of dollars to one decimal place; report item 1.1 column 6 to column 8 inclusive as a percentage to one decimal place; and report item 1.1, column 9 to column 12 inclusive as millions of dollars to one decimal place. Report item 1.2, column 2 and item 1.4, column 3 as millions of dollars to one decimal place.

Item 1	<p>Report in item 1.1, column 1 the name of the <i>ADI Level 2 group</i> or <i>Level 1 ADI</i>, as relevant.</p> <p>Report in item 1.1, column 2 the Australian Business Number (<i>ABN</i>) for the Head of the <i>ADI Level 2 group</i> or the <i>Level 1 ADI</i>, as relevant.</p> <p>In item 1.1, column 3 indicate whether the institution identified under column 1 is an <i>ADI Level 2 group</i> or a <i>Level 1 ADI</i>.</p> <p>Report in item 1.1, column 4 the <i>total risk-weighted assets</i> of the <i>ADI</i>.</p> <p>Report in item 1.1, column 5 the change in <i>total risk-weighted assets</i> due to intra-group transactions and exposures (<i>ITEs</i>).</p> <p>Report in item 1.1, column 6 the <i>ADI Common Equity Tier 1 PCR</i>.</p> <p>Report in item 1.1, column 7 the <i>ADI Tier 1 PCR</i>.</p> <p>Report in item 1.1, column 8 the <i>ADI Total Capital PCR</i>.</p> <p>Report in item 1.1, column 9 the <i>ADI Additional Tier 1 Capital</i>.</p> <p>Report in item 1.1, column 10 the <i>ADI Additional Tier 1 Capital</i> held by other <i>Level 3 institutions</i> in the <i>Level 3 group</i>. This item excludes <i>ADI Additional Tier 1 Capital</i> held, in accordance with written legal agreements, by the <i>Level 3 group</i> on behalf of <i>third parties</i>, even if the assets are held in the name of a <i>Level 3 institution</i> in the group. APRA may determine that part or all of the <i>ADI Additional Tier 1 Capital</i> held by other <i>Level 3 institutions</i> in the <i>Level 3 group</i> is to be excluded from this item.</p> <p>Report in item 1.1, column 11 the <i>ADI Tier 2 Capital</i>.</p> <p>Report in item 1.1, column 12 the <i>ADI Tier 2 Capital</i> held by other <i>Level 3 institutions</i> in the <i>Level 3 group</i>. This item excludes <i>ADI Tier 2 Capital</i> held, in accordance with written legal agreements, by the <i>Level 3 group</i> on behalf of <i>third parties</i>, even if the assets are held in the name of a <i>Level 3 institution</i> in the group. APRA may determine that part or all of</p>
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¹ For the purposes of these instructions, in accordance with *Prudential Standard APS 110 Capital Adequacy* reference to a *Level 1 ADI* means either the *ADI* itself or the Extended Licensed Entity (*ELE*).

	<p>the ADI Tier 2 Capital held by other Level 3 institutions in the Level 3 group is to be excluded from this item.</p> <p>Item 1.1, column 13 is a derived item and represents the ADI Level 2 group's or Level 1 ADI's required capital as determined in accordance with 3PS 110. It uses the inputs from item 1.1 and is calculated as:</p> $\max\{(4 - 5) \times 6, (4 - 5) \times 7 - (9 - 10), (4 - 5) \times 8 - (9 - 10) - (11 - 12)\}$ <p><i>Note: the numbers represent the relevant columns from item 1.1.</i></p> <p>Report in item 1.2, column 1 the name of the equivalent overseas deposit-taking institution.</p> <p>Report in item 1.2, column 2 the equivalent overseas deposit-taking institution RC.</p> <p>Item 1.3 is a derived item and represents the sum of all values reported under item 1.1, column 13 and item 1.2, column 2.</p> <p>Report in item 1.4 the ten largest ITEs (as measured by the change in the block's required capital figure) for institutions in the ADI block with other Level 3 institutions in the Level 3 group. For each ITE, report the counterparty and the change in the ADI block's required capital figure, and provide a brief description of the nature of the ITE. If there are fewer than ten ITEs then these must all be reported. If the block contains an ADI Level 2 group, this item must be completed for the ADI Level 2 group. Otherwise, it must be completed for the Level 1 ADIs and equivalent overseas deposit-taking institutions.</p> <p>Item 1.5 is a derived item and represents the sum of the changes in the ADI block's required capital of all ITEs reported under column 3 of item 1.4.</p>
ADI Level 2 group	Represents a consolidation of entities defined as Level 2 in <i>Prudential Standard APS 001 Definitions</i> .
ADI	Represents an authorised deposit-taking institution, meaning a body corporate authorised under section 9 of the <i>Banking Act 1959</i> , to carry on banking business in Australia (e.g. a bank, building society or credit union).
Total risk-weighted assets	Represents the total risk-weighted assets determined in accordance with <i>Prudential Standard APS 110 Capital Adequacy</i> .
ITEs	Represents the intra- group transactions and exposures (ITEs) determined in accordance with <i>Prudential Standard 3PS 110 Capital Adequacy</i> .
ADI Common Equity Tier 1 PCR	Represents the ADI prudential capital requirement as determined by APRA, expressed as a percentage of total risk-weighted assets set by reference to ADI Common Equity Tier 1 Capital. Reference: <i>Prudential Standard APS 110 Capital Adequacy</i> .

<i>ADI Tier 1 PCR</i>	Represents the ADI prudential capital requirement as determined by APRA, expressed as a percentage of <i>total risk-weighted assets</i> set by reference to ADI Tier 1 Capital. Reference: <i>Prudential Standard APS 110 Capital Adequacy</i> .
<i>ADI Total Capital PCR</i>	Represents the ADI prudential capital requirement as determined by APRA, expressed as a percentage of <i>total risk-weighted assets</i> set by reference to ADI Total Capital. Reference: <i>Prudential Standard APS 110 Capital Adequacy</i> .
<i>ADI Additional Tier 1 Capital</i>	Represents high quality components of capital that satisfy the following essential characteristics: <ul style="list-style-type: none"> (a) provide a permanent and unrestricted commitment of funds; (b) are freely available to absorb losses; (c) rank behind the claims of depositors and other more senior creditors in the event of winding up of the issuer; and (d) provide for fully discretionary capital distributions. Reference: <i>Prudential Standard APS 111 Capital Adequacy: Measurement of Capital</i> .
<i>ADI Tier 2 Capital</i>	Represents other components of capital that, to varying degrees, fall short of the quality of ADI Tier 1 Capital but nonetheless contribute to the overall strength of an <i>ADI</i> and its capacity to absorb losses. Reference: <i>Prudential Standard APS 111 Capital Adequacy: Measurement of Capital</i> .
<i>Equivalent overseas deposit-taking institution RC</i>	Represents the capital required by the host jurisdiction for the equivalent overseas deposit-taking institution, determined in a manner consistent with the calculation of the ADI block required capital referred to in <i>Prudential Standard 3PS 110 Capital Adequacy</i> .

2. GI block

Item 2 calculates the general insurance (GI) block's required capital. Item 2.1 must be completed for the general insurance Level 2 group. Where there is no general insurance Level 2 group, item 2.1 must be completed for each Level 1 general insurer and item 2.2 for each equivalent overseas general insurer in the Level 3 group.

Reporting basis: report item 2 as at the end of the reporting period.

For the purposes of the general insurance reporting framework, a general insurance Level 2 group must provide item 2.1 column 4 and column 6 on a half yearly basis. This information must be calculated on a quarterly basis for the purposes of 3RF 110.0.

Unit of measurement: report item 2.1, column 4 to column 6 inclusive as millions of dollars to one decimal place; report item 2.1 column 7 and column 8 as a percentage to one decimal

place; and report column 9 to column 12 inclusive as millions of dollars to one decimal place. Report item 2.2 column 2 and item 2.4 column 3 as millions of dollars to one decimal place.

Item 2	<p>Report in item 2.1, column 1 the name of the <i>general insurance Level 2 group</i> or <i>Level 1 general insurer</i>, as relevant.</p> <p>Report in item 2.1, column 2 the <i>ABN</i> for the Head of the <i>general insurance Level 2 group</i> or <i>Level 1 general insurer</i>, as relevant.</p> <p>In item 2.1, column 3 indicate whether the entity identified under item 2.1, column 1 is a <i>general insurance Level 2 group</i> or <i>Level 1 general insurer</i>.</p> <p>Report in item 2.1, column 4 the <i>GI prescribed capital amount</i>.</p> <p>Report in item 2.1, column 5 the change in the <i>GI prescribed capital amount</i> due to <i>ITEs</i>.</p> <p>Report in item 2.1 column 6 the adjusted <i>GI PCR</i>. The adjusted <i>GI PCR</i> is determined in the same manner as the <i>GI PCR</i>, except that the <i>GI prescribed capital amount</i> used as an input is adjusted for <i>ITEs</i> calculated in accordance with item 2.1, column 5. Information specified by APRA at the reporting date to calculate the <i>GI PCR</i> (i.e. percentage and/or dollar amount adjustments to the <i>GI prescribed capital amount</i>) must be used to determine the adjusted <i>GI PCR</i>.</p> <p>Report in item 2.1, column 7 the minimum amount of <i>GI Common Equity Tier 1 Capital</i> as a percentage of the <i>GI prescribed capital amount</i>, as determined in accordance with <i>Prudential Standard GPS 112 Capital Adequacy: Measurement of Capital</i> (GPS 112). It is equal to 60.0 per cent, or a higher value as determined by APRA.</p> <p>Report in item 2.1, column 8 the minimum amount of <i>GI Tier 1 Capital</i> as a percentage of the <i>GI prescribed capital amount</i>, as determined in accordance with GPS 112. It is equal to 80.0 per cent, or a higher value as determined by APRA.</p> <p>Report in item 2.1 column 9 the <i>GI Additional Tier 1 Capital</i>.</p> <p>Report in item 2.1, column 10 the <i>GI Additional Tier 1 Capital</i> held by other <i>Level 3 institutions</i> in the <i>Level 3 group</i>. This item excludes <i>GI Additional Tier 1 Capital</i> held, in accordance with written legal agreements, by the <i>Level 3 group</i> on behalf of <i>third parties</i>, even if the assets are held in the name of a <i>Level 3 institution</i> in the group. APRA may determine that part or all of the <i>GI Additional Tier 1 Capital</i> held by other <i>Level 3 institutions</i> in the <i>Level 3 group</i> is to be excluded from this item.</p> <p>Report in item 2.1, column 11 the <i>GI Tier 2 Capital</i>.</p> <p>Report in item 2.1, column 12 the <i>GI Tier 2 Capital</i> held by other <i>Level 3 institutions</i> in the <i>Level 3 group</i>. This item excludes <i>GI Tier 2 Capital</i> held, in accordance with written legal agreements, by the <i>Level 3 group</i> on behalf of <i>third parties</i>, even if the assets are held in the name of a <i>Level 3 institution</i> in the group. APRA may determine that part or all of the <i>GI Tier 2 Capital</i> held by other <i>Level 3 institutions</i> in the <i>Level 3</i></p>
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	<p>group is to be excluded from this item.</p> <p>Item 2.1, column 13 is a derived item and represents the general insurance Level 2 group's or Level 1 general insurer's required capital as determined in accordance with 3PS 110. It uses the inputs from item 2.1 and is calculated as:</p> $\max\{(4 - 5) \times 7, (4 - 5) \times 8 - (9 - 10), 6 - (9 - 10) - (11 - 12)\}$ <p><i>Note: the numbers represent the relevant columns from item 2.1.</i></p> <p>Report in item 2.2, column 1 the name of the equivalent overseas general insurer.</p> <p>Report in item 2.2, column 2 the equivalent overseas general insurer RC.</p> <p>Item 2.3 is a derived item and represents the sum of all values reported under item 2.1, column 13 and item 2.2, column 2.</p> <p>Report in item 2.4 the ten largest ITEs (as measured by the change in the block's required capital figure) for institutions in the GI block with other Level 3 institutions in the Level 3 group. For each ITE, report the counterparty and the change in the GI block's required capital figure, and provide a brief description of the nature of the ITE. If there are fewer than ten ITEs then these must all be reported. If the block contains a general insurance Level 2 group, this item must be completed for the general insurance Level 2 group. Otherwise, it must be completed for the Level 1 general insurers and equivalent overseas general insurers.</p> <p>Item 2.5 is a derived item and represents the sum of the changes in the GI block's required capital of all ITEs reported under column 3 of item 2.4.</p>
General insurance Level 2 group	Represents a Level 2 insurance group as defined in <i>Prudential Standard GPS 001 Definitions</i> .
General insurer	Represents a general insurer as defined in the <i>Insurance Act 1973</i> .
GI prescribed capital amount	Represents a general insurer's or general insurance Level 2 group's prescribed capital amount calculated in accordance with <i>Prudential Standard GPS 110 Capital Adequacy</i> .
GI PCR	Represents the minimum amount of capital that a general insurer or general insurance Level 2 group must hold. Reference: <i>Prudential Standard GPS 110 Capital Adequacy</i> .
GI Common Equity Tier 1 Capital	<p>Represents the highest quality components of capital that fully satisfy all of the following characteristics:</p> <ul style="list-style-type: none"> (a) provide a permanent and unrestricted commitment of funds; (b) are freely available to absorb losses; (c) do not impose any unavoidable servicing charge against earnings; and

	<p>(d) rank behind the claims of policyholders and other creditors in the event of winding-up of the issuer.</p> <p>Reference: <i>Prudential Standard GPS 112 Capital Adequacy: Measurement of Capital</i>.</p>
<i>GI Tier 1 Capital</i>	<p>Represents:</p> <p>(a) <i>GI Common Equity Tier 1 Capital</i>; and</p> <p>(b) <i>GI Additional Tier 1 Capital</i>.</p> <p>Reference: <i>Prudential Standard GPS 112 Capital Adequacy: Measurement of Capital</i>.</p>
<i>GI Additional Tier 1 Capital</i>	<p>Represents high quality components of capital that satisfy the following essential characteristics:</p> <p>(a) provide a permanent and unrestricted commitment of funds;</p> <p>(b) are freely available to absorb losses;</p> <p>(c) rank behind the claims of policyholders and other more senior creditors in the event of winding up of the issuer; and</p> <p>(d) provide for fully discretionary capital distributions.</p> <p>Reference: <i>Prudential Standard GPS 112 Capital Adequacy: Measurement of Capital</i>.</p>
<i>GI Tier 2 Capital</i>	<p>Represents other components of capital that, to varying degrees, fall short of the quality of <i>GI Tier 1 Capital</i> but nonetheless contribute to the overall strength of a regulated institution and its capacity to absorb losses.</p> <p>Reference: <i>Prudential Standard GPS 112 Capital Adequacy: Measurement of Capital</i>.</p>
<i>Equivalent overseas general insurer RC</i>	<p>Represents the capital required by the host jurisdiction for the equivalent overseas general insurer, determined in a manner consistent with the calculation of the GI block required capital referred to in <i>Prudential Standard 3PS 110 Capital Adequacy</i>.</p>

3. LI block

This section calculates the life insurance (LI) block's required capital. Item 3.1 must be completed for each life company (including friendly societies) and item 3.2 must be completed for each equivalent overseas institution engaged in life insurance business in the Level 3 group.

Reporting basis: report item 3 as at the end of the reporting period.

Unit of measurement: report item 3.1, column 3 to column 5 inclusive as millions of dollars to one decimal place; report item 3.1 column 6 and column 7 as a percentage to one decimal place; and report column 8 to column 11 inclusive as millions of dollars to one decimal place. Report item 3.2, column 2 and item 3.4 column 3 as millions of dollars to one decimal place.

Item 3	<p>Report in item 3.1, column 1 the name of the <i>life company</i>.</p> <p>Report in item 3.1, column 2 the <i>ABN</i> for the <i>life company</i>.</p> <p>Report in item 3.1, column 3 the <i>LI prescribed capital amount</i> of the <i>life company</i>.</p> <p>Report in item 3.1, column 4 the change in the <i>LI prescribed capital amount</i> due to <i>ITEs</i>.</p> <p>Report in item 3.1 column 5 the adjusted <i>LI PCR</i>. The adjusted <i>LI PCR</i> is determined in the same manner as the <i>LI PCR</i>, except that the <i>LI prescribed capital amount</i> used as an input is adjusted for <i>ITEs</i> calculated in accordance with item 3.1, column 4. Information specified by APRA at the reporting date to calculate the <i>LI PCR</i> (i.e. percentage and/or dollar amount adjustments to the <i>LI prescribed capital amount</i>) must be used to determine the adjusted <i>LI PCR</i>.</p> <p>Report in item 3.1, column 6 the minimum amount of <i>LI Common Equity Tier 1 Capital</i> as a percentage of the <i>LI prescribed capital amount</i>, as determined in accordance with <i>Prudential Standard LPS 112 Capital Adequacy: Measurement of Capital</i> (LPS 112). It is equal to 60.0 per cent, or a higher value as determined by APRA.</p> <p>Report in item 3.1, column 7 the minimum amount of <i>LI Tier 1 Capital</i> as a percentage of the <i>LI prescribed capital amount</i>, as determined in accordance with LPS 112. It is equal to 80.0 per cent, or a higher value as determined by APRA.</p> <p>Report in item 3.1 column 8 the <i>LI Additional Tier 1 Capital</i>.</p> <p>Report in item 3.1, column 9 the <i>LI Additional Tier 1 Capital</i> held by other <i>Level 3 institutions</i> in the <i>Level 3 group</i>. This item excludes <i>LI Additional Tier 1 Capital</i> held, in accordance with written legal agreements, by the <i>Level 3 group</i> on behalf of <i>third parties</i>, even if the assets are held in the name of a <i>Level 3 institution</i> in the group. APRA may determine that part or all of the <i>LI Additional Tier 1 Capital</i> held by other <i>Level 3 institutions</i> in the <i>Level 3 group</i> is to be excluded from this item.</p> <p>Report in item 3.1, column 10 the <i>LI Tier 2 Capital</i>.</p> <p>Report in item 3.1, column 11 the <i>LI Tier 2 Capital</i> held by other <i>Level 3 institutions</i> in the <i>Level 3 group</i>. This item excludes <i>LI Tier 2 Capital</i> held, in accordance with written legal agreements, by the <i>Level 3 group</i> on behalf of <i>third parties</i>, even if the assets are held in the name of a <i>Level 3 institution</i> in the group. APRA may determine that part or all of the <i>LI Tier 2 Capital</i> held by other <i>Level 3 institutions</i> in the <i>Level 3 group</i> is to be excluded from this item.</p> <p>Item 3.1, column 12 is a derived item and represents the <i>life company's</i> required capital as determined in accordance with 3PS 110. It uses the inputs from item 1.1 and is calculated as:</p> $\max\{(3 - 4) \times 6, (3 - 4) \times 7 - (8 - 9), 5 - (8 - 9) - (10 - 11)\}$ <p><i>Note: the numbers represent the relevant columns from item 3.1.</i></p>
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	<p>Report in item 3.2, column 1 the name of the equivalent overseas institution engaged in life insurance business.</p> <p>Report in item 3.2, column 2 the <i>equivalent overseas institution engaged in life insurance business RC</i>.</p> <p>Item 3.3 is a derived item and represents the sum of all values reported under item 3.1, column 12 and item 3.2, column 2.</p> <p>Report in item 3.4 the ten largest <i>ITEs</i> (as measured by the change in the block's required capital figure) for institutions in the LI block with other <i>Level 3 institutions</i> in the <i>Level 3 group</i>. For each <i>ITE</i>, report the counterparty and the change in the LI block's required capital figure, and provide a brief description of the nature of the <i>ITE</i>. If there are fewer than ten <i>ITEs</i> then these must all be reported.</p> <p>Item 3.5 is a derived item and represents the sum of the changes in the LI block's required capital of all <i>ITEs</i> reported under column 3 of item 3.4.</p>
<i>Life company</i>	Represents a life company as defined in the Dictionary to the <i>Life Insurance Act 1995</i> .
<i>LI prescribed capital amount</i>	Represents a <i>life company's</i> prescribed capital amount calculated in accordance with <i>Prudential Standard LPS 110 Capital Adequacy</i> .
<i>LI PCR</i>	Represents the minimum amount of capital that a <i>life company</i> must hold. Reference: <i>Prudential Standard LPS 110 Capital Adequacy</i> .
<i>LI Common Equity Tier 1 Capital</i>	<p>Represents the highest quality components of capital that fully satisfy all of the following characteristics:</p> <ul style="list-style-type: none"> (a) provide a permanent and unrestricted commitment of funds; (b) are freely available to absorb losses; (c) do not impose any unavoidable servicing charge against earnings; and (d) rank behind the claims of policy owners and other creditors in the event of winding-up of the issuer. <p>Reference: <i>Prudential Standard LPS 112 Capital Adequacy: Measurement of Capital</i>.</p>
<i>LI Tier 1 Capital</i>	<p>Represents:</p> <ul style="list-style-type: none"> (a) <i>LI Common Equity Tier 1 Capital</i>; and (b) <i>LI Additional Tier 1 Capital</i>. <p>Reference: <i>Prudential Standard LPS 112 Capital Adequacy: Measurement of Capital</i>.</p>
<i>LI Additional Tier 1 Capital</i>	Represents high quality components of capital that satisfy the following essential characteristics:

	<p>(a) provide a permanent and unrestricted commitment of funds;</p> <p>(b) are freely available to absorb losses;</p> <p>(c) rank behind the claims of policy owners and other more senior creditors in the event of winding up of the issuer; and</p> <p>(d) provide for fully discretionary capital distributions.</p> <p>Reference: <i>Prudential Standard LPS 112 Capital Adequacy: Measurement of Capital.</i></p>
<i>LI Tier 2 Capital</i>	<p>Represents other components of capital that, to varying degrees, fall short of the quality of <i>LI Tier 1 Capital</i> but nonetheless contribute to the overall strength of a <i>life company</i> and its capacity to absorb losses.</p> <p>Reference: <i>Prudential Standard LPS 112 Capital Adequacy: Measurement of Capital.</i></p>
<i>Equivalent overseas institution engaged in life insurance business RC</i>	<p>Represents the capital required by the host jurisdiction for the equivalent overseas institution engaged in life insurance business, determined in a manner consistent with the calculation of the LI block required capital referred to in <i>Prudential Standard 3PS 110 Capital Adequacy</i>.</p>

4. Super block

This section calculates the superannuation (Super) block's required capital. It must be completed for each RSE licensee and for each dual licensed entity's RSEs in the Level 3 group.

In the case of a dual licensed entity, report the aggregate of its RSEs rather than reporting the RSEs separately.

Reporting basis: report item 4 as at the end of the reporting period.

For the purposes of the superannuation reporting framework, an RSE licensee must provide item 4.1, column 5 on a yearly basis. This information must be determined on a quarterly basis for the purposes of 3RF 110.0.

Unit of measurement: report item 4.1, column 3 to column 6 inclusive as millions of dollars to one decimal place.

Item 4	<p>Report in item 4.1, column 1 the name of the <i>RSE licensee</i>.</p> <p>Report in item 4.1, column 2 the <i>ABN</i> for the <i>RSE licensee</i>.</p> <p>Report in item 4.1, column 3 the <i>net assets available for members' benefits</i> of all <i>RSEs</i>, <i>defined benefit RSEs</i>, <i>pooled superannuation trusts</i> (PSTs) and <i>eligible rollover funds</i> (ERFs) within the business operations of the <i>RSE licensee</i>, adjusted for pass through between the <i>RSE licensee's RSEs</i>, <i>defined benefit RSEs</i>, PSTs and ERFs.</p>
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	<p>Report in item 4.1 column 4 the assets reported under item 4.1, column 3 adjusted for funds other than external funds and adjusted for shareholder funds, as determined in accordance with 3PS 110.</p> <p>Report in item 4.1 column 5 the ORFR target amount for the RSE licensee. Where applicable the ORFR target amount refers to the ORFR target amount determined by APRA.</p> <p>Report in item 4.1 column 6 the ORFR target amount for the RSE licensee as reported under item 4.1, column 5, adjusted to exclude any target amount applicable to funds other than external funds and shareholder funds, as determined in accordance with 3PS 110. Where applicable the ORFR target amount refers to the ORFR target amount determined by APRA.</p> <p>Item 4.2 is a derived item and represents the sum of all values reported under item 4.1, column 6.</p>
RSE licensee	Represents an RSE licensee as defined in the <i>Superannuation Industry (Supervision) Act 1993</i> .
RSE	Represents a registrable superannuation entity as defined in the <i>Superannuation Industry (Supervision) Act 1993</i> .
Defined benefit RSE	Represents an RSE that is a defined benefit fund within the meaning given in <i>Prudential Standard SPS 160 Defined Benefit Matters</i> .
Pooled superannuation trust	Represents a pooled superannuation trust as defined in section 10(1) of the <i>Superannuation Industry (Supervision) Act 1993</i> .
Eligible rollover fund	Represents an eligible rollover fund as defined in section 10(1) of the SIS Act and, in relation to the period between 1 July 2013 and 31 December 2013, includes an existing ERF within the meaning given in section 391 of the SIS Act.
Net assets available for members' benefits	Represents the surplus of total assets less total liabilities which is underlying the value of members' benefits. Includes: reserves. Reference: <i>Reporting Standard SRS 320.0 Statement of Financial Position</i> .
ORFR target amount	Represents the target amount of financial resources to address the operational risks of each RSE within the RSE licensee's business operations. Reference: <i>Prudential Standard SPS 114 Operational Risk Financial Requirement</i> .

5. FM block

This section calculates the funds management (FM) block's required capital. It must be completed for all funds management institutions. The FM block includes the non-superannuation funds management activities of dual licensed entities.

Items 5.1 through 5.3 must be completed separately for:

- (1) the aggregate of funds management institutions that are operationally separated or separable (as determined by APRA in accordance with 3PS 110); and
- (2) the aggregate of funds management institutions in the FM block that are not operationally separated or separable.

Reporting basis: report item 5 as at the end of the reporting period.

Unit of measurement: report item 5 as millions of dollars to one decimal place.

Item 5	<p>Report in item 5.1 the <i>funds management institutions' gross fund assets</i>.</p> <p>Report in item 5.2 the <i>funds management institutions' net fund assets</i>.</p> <p>Report in item 5.3 the <i>internal capital allocation for the activities conducted in the FM block</i>.</p> <p>Report in item 5.4 the <i>FM block total non-APRA regulatory capital requirements</i>.</p> <p>Item 5.5 is a derived item and represents the greater of the total value reported under item 5.3 and item 5.4.</p>
Funds management institution	<p>Represents an institution other than an <i>APRA-regulated institution</i> that is engaged in <i>funds management activities</i>. This definition also includes the non-superannuation <i>funds management activities</i> of dual licensed entities but excludes overseas equivalent institutions included in the ADI, GI or LI blocks that are engaged in <i>funds management activities</i>.</p>
Funds management activities	<p>Represents:</p> <ol style="list-style-type: none"> (a) for institutions in the ADI, LI and FM blocks, the provision of investment and related services for the administration or management of investors' funds, excluding custodial services and advisory business; and (b) for institutions in the Super block, the management of the total balances of <i>RSEs</i>. <p>Institutions in the GI and OA blocks are not regarded as conducting funds management activities.</p> <p>Reference: <i>Prudential Standard 3PS 110 Capital Adequacy</i>.</p>
Gross fund assets	<p>Represents the <i>funds management institutions' gross fund assets</i>. For the purposes of this item, do not adjust for pass through of funds, including between <i>funds management institutions</i>.</p> <p>Pass through between platforms of an individual <i>funds management institution</i> must still be eliminated.</p>
Net fund assets	<p>Represents the <i>funds management institutions' gross fund assets</i> adjusted for funds other than external funds and adjusted for shareholder funds, as determined in accordance with <i>Prudential Standard 3PS 110</i></p>

	<i>Capital Adequacy.</i>
<i>Internal capital allocation for the activities conducted in the FM block</i>	Represents the <i>Level 3 group's</i> internal capital allocation for the activities conducted in the FM block, determined in accordance with <i>Prudential Standard 3PS 110 Capital Adequacy</i> .
<i>FM block total non-APRA regulatory capital requirements</i>	Represents the aggregate of any non-APRA regulatory or financial capital requirements that apply to <i>Level 3 institutions</i> in the FM block. If more than one non-APRA regulatory or financial requirement is applicable to the same institution, the greater requirement (in AUD terms) must be used. No adjustments, for <i>ITEs</i> or otherwise, must be made to the non-APRA regulatory or financial capital requirements.

6. OA block

This section calculates the other activities (OA) block's required capital. It must be completed for all Level 3 institutions in the Level 3 group not included in the other industry blocks. The OA block includes the non-funds management activities of funds management institutions and dual licensed entities, and includes the Level 3 Head where it is a Level 3 NOHC.

Item 6.1 must be completed separately for:

- (1) the aggregate of Level 3 institutions and activities in the OA block that are operationally separated or separable (as determined by APRA in accordance with 3PS 110); and
- (2) the aggregate of Level 3 institutions and activities in the OA block that are not operationally separated or separable.

Reporting basis: report item 6 as at the end of the reporting period.

Unit of measurement: report item 6 as millions of dollars to one decimal place.

Item 6	Report in item 6.1 the <i>internal capital allocation for the activities conducted in the OA block</i> . Report in item 6.2 the <i>OA block total non-APRA regulatory capital requirements</i> . Item 6.3 is a derived item and represents the greater of the total value reported under item 6.1 and item 6.2.
<i>Internal capital allocation for the activities conducted in</i>	Represents the <i>Level 3 group's</i> internal capital allocation for the activities conducted in the OA block, determined in accordance with <i>Prudential Standard 3PS 110 Capital Adequacy</i> .

<i>the OA block</i>	
<i>OA block total non-APRA regulatory capital requirements</i>	Represents the aggregate of any non-APRA regulatory or financial capital requirements that apply to <i>Level 3 institutions</i> in the OA block. If more than one non-APRA regulatory or financial requirement is applicable to the same institution, the greater requirement (in AUD terms) must be used. No adjustments, for <i>ITEs</i> or otherwise, must be made to the non-APRA regulatory or financial capital requirements.

7. Level 3 group capital adequacy

This section calculates the Level 3 group capital adequacy.

Reporting basis: report item 7 as at the end of the reporting period.

Unit of measurement: report item 7 as millions of dollars to one decimal place.

Item 7	<p>Item 7.1 is a derived item and is the sum of items 1.3, 2.3, 3.3, 4.2, 5.5 and 6.3.</p> <p>Report in item 7.2 the <i>Level 3 EC</i> of the <i>Level 3 group</i>. This item corresponds to item 2 from <i>Reporting Form 3RF 111.0 Level 3 Eligible Capital</i>.</p> <p>Item 7.3 is a derived item and represents item 7.2 less item 7.1.</p>
<i>Level 3 EC</i>	<p>Represents the highest quality components of capital that fully satisfy all of the following characteristics:</p> <ul style="list-style-type: none"> (a) provide a permanent and unrestricted commitment of funds; (b) are freely available to absorb losses; (c) do not impose any unavoidable servicing charge against earnings; and (d) rank behind the claims of depositors, policyholders and other creditors in the event of winding-up of the issuer. <p>Level 3 EC has the meaning given in <i>Prudential Standard 3PS 111 Capital Adequacy: Measurement of Capital</i>.</p>

Glossary of additional items

<i>ABN</i>	Represents a unique public identifier issued to all entities registered in the Australian Business Register (ABR), to be used in their dealings with government. Companies registered under the Corporations Law and business entities carrying on an enterprise in Australia are entitled to an ABN.
<i>ELE</i>	Represents an <i>ADI</i> and each subsidiary of an <i>ADI</i> as specified in any

	approval granted by APRA in accordance with <i>Prudential Standard APS 222 Associations with Related Entities</i> .
Level 1	Represents an individual APRA-regulated institution.
Level 3 group	Represents a group of entities of which a Level 3 Head is the parent entity. APRA may, by notice in writing, adjust the group to include or exclude entities.
Level 3 institution	Represents an institution that is a member of the Level 3 group .
Third party	Represents an entity that is not a member of the Level 3 group .

Interpretation

For the purposes of these instructions:

- **APRA** means the Australian Prudential Regulation Authority established under the *Australian Prudential Regulation Authority Act 1998*;
- **APRA-regulated institution** means an **ADI**, **ELE**, **general insurer**, **life company**, **RSE licensee** or a non-operating holding company authorised under the *Banking Act 1959* (Banking Act) or the *Insurance Act 1973* (Insurance Act) or registered under the *Life Insurance Act 1995* (Life Insurance Act);
- **Australian Accounting Standards** is a reference to the Australian Accounting Standards issued by the Australian Accounting Standards Board (AASB) as may be amended from time to time;
- **Dual licensed entity** means an entity that is both licensed as an **RSE licensee** and a responsible entity of a registered scheme as defined in the *Corporations Act 2001*;
- **Industry block** has the meaning given in 3PS 110²;
- **Level 3 Head** means an APRA-regulated institution in respect of which APRA has made a determination under paragraph 2 of 3PS 110;
- **Level 3 NOHC** means a Level 3 Head that is a non-operating holding company (NOHC) authorised under the Banking Act or the Insurance Act or registered under the Life Insurance Act and which is not part of an **ADI Level 2 group** or a **general insurance Level 2 group**; and
- **Level 3 prescribed capital amount** is defined in accordance with 3PS 110.

² There are six industry blocks, all of which are defined in 3PS 110: ADI block; GI block; LI block; Super block; FM block; and OA block.