



26 September 2013

**To all Chief Executive Officers of potential Level 3 groups**

APRA has today released a consultation package on proposed reporting requirements for Level 3 groups. This package includes a discussion paper and two reporting standards together with associated reporting forms and instructions. The reporting standards relate to the capital adequacy component of the proposed Level 3 framework:

- 3RS 110.0 Level 3 Prescribed Capital Amount; and
- 3RS 111.0 Level 3 Eligible Capital.

APRA proposes that the associated reporting forms be collected on a quarterly basis. It is not proposed to prescribe any public disclosure in relation to Level 3 capital adequacy at this time.

APRA is not currently proposing standardised reporting requirements for aggregate risk exposures or intra-group transactions and exposures requirements. Such reporting will be agreed on a case by case basis for each Level 3 group. In due course, APRA may reconsider the appropriateness of standardising these reporting requirements.

Consultation on the proposed reporting standards closes on 31 October 2013.

The consultation package is available on the APRA website at:

<http://www.apra.gov.au/CrossIndustry/Consultations/Pages/Supervision-of-conglomerate-groups-May-2013.aspx>

The Level 3 framework is intended to take effect from 1 January 2015. APRA will publish the final Level 3 prudential standards in the last quarter of 2013.

APRA intends to release final reporting standards, forms and instructions during the first quarter of 2014. Collection of data will commence with the first reporting period ending after 1 January 2015. However, to facilitate the successful implementation of the Level 3 framework, APRA will require groups to submit an unaudited trial return based on 31 December 2014 data.

Queries in relation to the Level 3 project should be directed to your Responsible Supervisor or the dedicated [Level3Framework@apra.gov.au](mailto:Level3Framework@apra.gov.au) email address.

Yours sincerely



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