



30 August 2018

**TO: ALL GENERAL INSURERS AND LEVEL 2 INSURANCE GROUPS**

**REPORTING LARGE EXPOSURES ON GRF 117.0 / GRF 117.0(G)**

APRA is committed to ensuring that data submitted to it continues to meet its supervisory needs. Data submitted on reporting forms GRF 117.0 and GRF 117.0(G): *Asset Concentration Risk Charge* (the forms) provide APRA with useful information about insurers' concentration risk and exposures to various counterparties.

Currently, insurers are required to submit details of large exposures on the forms, including free text fields for the 'name of counterparty', 'counterparty group name', 'ACN/ABN', and 'description'. Due to the free text nature of these fields, different insurers have used slightly different wording (for example, 'Australian Government', 'Aus Govt', 'Commonwealth Govt' etc.). This limits the comparability of submissions and the usefulness of the data to APRA's supervision.

To address this issue and to help insurers submit consistent data that is fit for analytical purposes, APRA has developed lists of standard wordings for two of these text fields: 'counterparty group name' and 'exposure description'. These lists are attached to this letter, and consist of a link to an existing list of reinsurance counterparties, as well as a list of other common counterparty group names and common exposure types.

Insurers should match the exact spelling specified by these lists where applicable. Where a counterparty group or exposure description does not correspond to an entry on the lists, insurers should continue to report the item unchanged. APRA will review all entity submissions and periodically update the lists as the nature of insurers' counterparty groups and exposure types change over time.

APRA also reminds insurers to report the counterparty ACN or ABN when reporting large exposures, as required in the reporting standard. This helps to properly identify the large exposure counterparty, in addition to the use of standard counterparty group names and descriptions.

APRA requests that insurers comply with this reporting guidance by the December 2018 quarter. If you have any questions, please contact Mark McGrillen ([mark.mcgrillen@apra.gov.au](mailto:mark.mcgrillen@apra.gov.au), 02 9210 3391).

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Nigel Boik'.

Nigel Boik  
General Manager, Branch 4  
Diversified Institutions Division

A handwritten signature in black ink, appearing to be 'Alison Bliss'.

Alison Bliss  
General Manager, Data Analytics  
Risk and Data Analytics

**Attachments:**

Attachment A: List of counterparty groups

Attachment B: List of exposure descriptions

## **Attachment A: List of common counterparty groups**

These names should be used when reporting item OI11562 – *Section 1: Large Exposures – (2) Counterparty group name.*

- ANZ Banking Group Ltd
- Australian Capital Territory Corporation
- Bank of Queensland Ltd
- Bank of Tokyo-Mitsubishi UFJ, Ltd
- Bendigo and Adelaide Bank Ltd
- Commonwealth Bank of Australia
- Commonwealth Government of Australia
- Citibank, N.A.
- Macquarie Bank Ltd
- National Australia Bank Ltd
- Northern Territory Treasury Corp
- NSW Treasury Corporation
- Queensland Treasury Corporation
- South Australia Financing Authority
- Tasmanian Public Finance Corporation
- Treasury Corporation Victoria
- Western Australian Treasury Corporation
- Westpac Banking Corporation

Reinsurer counterparties: refer to table 2 (counterparty group name) of the reinsurer identifier list (GRF 460) published on the APRA website at <https://www.apra.gov.au/information-on-reporting-for-general-insurers>

## **Attachment B: List of common exposure descriptions**

These descriptions should be used when reporting item OI11565 – *Section 1: Large Exposures – (5) Description*

- Accrued Income
- Australian Government bonds – inflation-linked
- Australian Government bonds – non-inflation-linked
- Bank Guarantee
- Cash including bank or term deposits
- Cash Management Trust
- Corporate bond – fixed
- Corporate bond – floating
- Covered bond
- Deferred Reinsurance Expense
- Deferred Tax Asset
- Equity
- Floating Rate Notes
- High Cost Claim Scheme
- Input Tax Credit
- Loan and advances
- Non-Reinsurance Recoveries
- Premium receivables
- Property
- PSS debtor
- Receivables – other
- Reinsurance commissions receivable
- Reinsurance payable
- Reinsurance Recoveries
- Run-Off Cover Scheme
- Semi-government bonds
- Senior Debt
- Short-term bank instruments
- Subordinated Debt
- Unlisted trust
- Other (Please note as Other – "description")