



## Reporting Standard ARS 222.0

### Exposures to Related Entities

#### Objective of this reporting standard

This Reporting Standard sets out requirements for the provision of information to APRA relating to an authorised deposit-taking institution's exposures to related entities.

It includes *Reporting Form ARF 222.0 Exposures to related entities* and *Reporting Form ARF 222.1 Exposures to related entities – foreign ADI* and associated specific instructions and must be read in conjunction with *Prudential Standard APS 222 Associations with Related Entities*.

#### Authority

1. This Reporting Standard is made under section 13 of the *Financial Sector (Collection of Data) Act 2001*.

#### Purpose

2. Information collected under this Reporting Standard is used by APRA for the purpose of prudential supervision. It may also be used by the Reserve Bank of Australia (RBA) and the Australian Bureau of Statistics (ABS).

#### Application

3. This Reporting Standard applies to all authorised deposit-taking institutions (ADIs) with the exception of providers of purchased payment facilities (PPFs).

#### Commencement

4. This Reporting Standard applies to reporting periods ending on or after 1 January 2021.

#### Information required

5. A locally incorporated ADI to which this Reporting Standard applies must provide APRA with the information required by the *Reporting Form ARF 222.0 Exposures to related entities* (ARF 222.0) on a Level 1 basis for each reporting period.

6. A foreign ADI to which this Reporting Standard applies must provide APRA with the information required by *Reporting Form ARF 222.1 Exposures to related entities – foreign ADI* (ARF 222.1) on a domestic book basis for each reporting period.

### **Method of submission**

7. The information required by this Reporting Standard must be given to APRA in electronic format, using the 'Direct to APRA' application or by a method (i.e. web-based solution) notified by APRA prior to submission.

*Note:* The Direct to APRA application software (also known as D2A) may be obtained from APRA.

### **Reporting periods and due dates**

8. Subject to paragraph 10 of this Reporting Standard, an ADI to which this Reporting Standard applies must provide the information required by this Reporting Standard in respect of each quarter based on the ADI's financial year (within the meaning of the *Corporations Act 2001*).
9. Subject to paragraph 11 of this Reporting Standard, the information required by this Reporting Standard must be provided to APRA within 28 calendar days after the end of the reporting period to which the information relates.
10. APRA may change the reporting periods, or specified reporting periods, for a particular ADI, to require it to provide the information required by this Reporting Standard more frequently, or less frequently, having regard to:
  - (a) the particular circumstances of the ADI;
  - (b) the extent to which the information is required for the purposes of the prudential supervision of the ADI; and
  - (c) the requirements of the RBA and the ABS.
11. APRA may grant an ADI an extension of a due date in which case the new date will be the date specified in the notice of extension.

*Note:* For the avoidance of doubt, if the due date for a particular reporting period falls on a day other than a usual business day, an ADI is nonetheless required to submit the information required no later than the due date.

### **Quality control**

12. All information provided by an ADI under this Reporting Standard must be the product of systems, processes and controls that have been reviewed and tested by the external auditor of the ADI as set out in *Prudential Standard APS 310 Audit and Related Matters*. Relevant standards and guidance statements issued by the Auditing and Assurance Standards Board provide information on the scope and nature of the review and testing required from external auditors. This review and testing must be done on an annual basis, or more frequently if necessary, to enable the external auditor to form an opinion on the accuracy and reliability of the information provided by an ADI under this Reporting Standard.
13. All information provided by an ADI under this Reporting Standard must be subject to

systems, processes and controls developed by the ADI for the internal review and authorisation of that information. These systems, processes and controls are to assure the completeness and reliability of the information provided.

### **Authorisation**

14. When an officer of an ADI submits information under this Reporting Standard using the D2A application or other method notified by APRA, it will be necessary for the officer to digitally sign the relevant information using a digital certificate acceptable to APRA.

### **Minor alterations to forms and instructions**

15. APRA may make minor variations to:
  - (a) a form that is part of this Reporting Standard, and the instructions to such a form, to correct technical, programming or logical errors, inconsistencies or anomalies; or
  - (b) the instructions to a form, to clarify the application to the form,without changing any substantive requirement in the form or instructions.
16. If APRA makes such a variation, it must notify each ADI that is required to report under this Reporting Standard.

### **Transition**

17. An ADI must report under the old Reporting Standard in respect of a transitional reporting period. For these purposes:

***old Reporting Standard*** means the Reporting Standard revoked by the determination that makes this Reporting Standard (being the Reporting Standard which this Reporting Standard replaces), as in force immediately before the commencement of this Reporting Standard.

***transitional reporting period*** means a reporting period under the old Reporting Standard:

- (a) that ended on or before 31 December 2020; and
- (b) in relation to which the ADI was required, under the old Reporting Standard, to report by a date on or after the date of revocation of the old Reporting Standard.

*Note:* For the avoidance of doubt, if an ADI was required to report under an old Reporting Standard, and the reporting documents were due before the date of revocation of the old Reporting Standard, the ADI is still required to provide the overdue reporting documents in accordance with the old Reporting Standard.

### **Interpretation**

18. In this Reporting Standard:

***AASB*** has the meaning given in section 9 of the *Corporations Act 2001*.

**ADI** means an authorised deposit-taking institution within the meaning of the *Banking Act 1959*.

**APRA** means the Australian Prudential Regulation Authority established under the *Australian Prudential Regulation Authority Act 1998*.

**due date** means the last day of the 28 calendar days provided for in paragraph 9 or, if applicable, the date on a notice of extension given under paragraph 11 of this Reporting Standard.

**foreign ADI** has the meaning given in section 5 of the *Banking Act 1959*.

**Level 1** has the meaning given in *Prudential Standard APS 001 Definitions*.

**locally incorporated** means incorporated in Australia or in a State or Territory of Australia, by or under a Commonwealth, State or Territory law.

**provider of purchased payment facilities** means an ADI that is subject to a condition on its authority under section 9AA of the *Banking Act 1959* confining the banking business that the ADI is authorised to carry on to providing purchased payment facilities.

**reporting period** means a quarter of a financial year as provided for in paragraph 8 or, if applicable, the period specified in a notice given under paragraph 10 of this Reporting Standard.

19. Unless the contrary intention appears, a reference to an Act, Prudential Standard, Reporting Standard or Australian Accounting or Auditing Standard is a reference to the instrument as in force or existing from time to time.
20. Where this Reporting Standard provides for APRA to exercise a power or discretion, the power or discretion is to be exercised in writing.

## ARF\_222\_0: Exposures to related entities

<b>Australian Business Number</b>	<b>Institution Name</b>
<b>Reporting Period</b>	<b>Scale Factor</b>
Quarterly	Whole dollars with no decimal place
<b>Reporting Consolidation</b>	
Level 1	

### Section A: Exposures to related entities

#### 1. Twenty largest exposures to related entities and all exposures to related entities exceeding or equal to 10% of Tier 1 Capital

Related entity name (1)	Legal Entity Identifier (2)	Related entity category (3)	Related entity sector (4)	On-balance sheet exposures – equity investment (5)	On-balance sheet exposures – other (6)	Off-balance sheet exposures – non-market related (7)	Off-balance sheet exposures – market related (8)	Total exposures (9)	Total exposures as % of Tier 1 Capital (10)
		Regulated	Banking						
		Non-regulated	Insurance						
			Superannuation						
			SPV						
			Other financial institution						
			Other counterparties						

**2. Twenty largest exposures to related entities and all exposures to related entities exceeding or equal to 10% of Tier 1 Capital (without credit risk mitigation effects)**

Related entity name (1)	Legal Entity Identifier (2)	Related entity category (3)	Related entity sector (4)	On-balance sheet exposures – equity investment (5)	On-balance sheet exposures – other (6)	Off-balance sheet exposures – non-market related (7)	Off-balance sheet exposures – market related (8)	Total exposures (9)	Total exposures as % of Tier 1 Capital (10)
		Regulated	Banking						
		Non-regulated	Insurance						
			Superannuation						
			SPV						
			Other financial institution						
			Other counterparties						

**Section B: Extended Licensed Entity (ELE)**

**3. ADI exposures to all ELE subsidiaries**

<b>ELE subsidiary name (1)</b>	<b>Legal Entity Identifier (2)</b>	<b>ELE subsidiary country (3)</b>	<b>On-balance sheet exposures – equity investment (4)</b>	<b>On-balance sheet exposures – other (5)</b>	<b>Off-balance sheet exposures – non-market related (6)</b>	<b>Off-balance sheet exposures – market related (7)</b>	<b>Total exposures (8)</b>	<b>Total exposures as % of Tier 1 Capital (9)</b>

Country list

3.1. Total

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**4. Exposures of all ELE subsidiaries which are established to hold or invest in assets**

<b>ELE subsidiary name (1)</b>	<b>Legal Entity Identifier (2)</b>	<b>ELE subsidiary country (3)</b>	<b>On-balance sheet exposures – loans (4)</b>	<b>On-balance sheet exposures – other (5)</b>	<b>Off-balance sheet exposures – non-market related (6)</b>	<b>Off-balance sheet exposures – market related (7)</b>	<b>Total exposures (8)</b>	<b>Total exposures as % of Tier 1 Capital (9)</b>

Country list

4.1. Total

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**Section C: Excluded exposures**

**5. Excluded exposures - settlement exposures to related entities exceeding or equal to 10% of Tier 1 Capital**

Related entity name (1)	Legal Entity Identifier (2)	Related entity category (3)	Related entity sector (4)	On-balance sheet exposures – loans (5)	On-balance sheet exposures – other (6)	Off-balance sheet exposures – non-market related (7)	Off-balance sheet exposures – market related (8)	Total exposures (9)	Total exposures as % of Tier 1 Capital (10)
		Regulated	Banking						
		Non-regulated	Insurance						
			Superannuation						
			SPV						
			Other financial institution						
			Other counterparties						

**Memorandum items**

- 6. Tier 1 Capital
- 7. Aggregate exposure to all related ADIs (including overseas based equivalents)
- 8. Aggregate exposure to all related entities (other than related ADIs and related overseas based equivalents)
  - 8.1 of which: to non-regulated related entities




**Section D: Substantial shareholdings**

**9. Substantial shareholders of the ADI**

Substantial shareholder name (1)	Legal Entity Identifier (2)	Percentage holding in the ADI (3)

**10. Movements of substantial shareholdings**

Substantial shareholder name (1)	Legal Entity Identifier (2)	Percentage movements during the quarter (3)

## ARF\_222\_1: Exposures to related entities - foreign ADI

<b>Australian Business Number</b>	<b>Institution Name</b>
<b>Reporting Period</b>	<b>Scale Factor</b>
Quarterly	Whole dollars with no decimal place
<b>Reporting Consolidation</b>	
Domestic book	

### 1. Exposures to head office, overseas branches, Australian and overseas subsidiaries

Related entity name (1)	Legal Entity Identifier (2)	Related entity sector (3)	On-balance sheet exposures (4)	Off-balance sheet exposures - non-market-related (5)	Off-balance sheet exposures - market-related (6)	Total exposures (7)
		Banking				
		Insurance				
		Superannuation				
		SPV				
		Other financial institution				
		Other counterparties				
1.1. Total						

# Reporting Form ARF 222.0

## Exposures to Related Entities

### Instruction Guide

This instruction guide is designed to assist in the completion of *Reporting Form ARF 222.0 Exposures to related entities* (ARF 222.0). This form collects information on an authorised deposit-taking institution's (ADI's) exposures to related entities.

In completing this form, ADIs must refer to *Prudential Standard APS 222 Associations with Related Entities* (APS 222).

### General directions and notes

#### Reporting entity

ARF 222.0 must be completed on a Level 1 basis by all ADIs, with the exception of:

- (a) foreign ADIs; and
- (b) providers of purchased payment facilities.

#### Securitisation deconsolidation principle

1. Where an ADI (or a member of its Level 2 consolidated group) participates in a securitisation that meets APRA's operational requirements for regulatory capital relief under *Prudential Standard APS 120 Securitisation* (APS 120):
  - (a) special purpose vehicles (SPVs) holding securitised assets may be treated as non-consolidated independent third parties for regulatory reporting purposes, irrespective of whether the SPVs (or their assets) are consolidated for accounting purposes; and
  - (b) the assets, liabilities, revenues and expenses of the relevant SPVs may be excluded from the ADI's reported amounts in APRA's regulatory reporting returns.
2. Where an ADI (or a member of its Level 2 consolidated group) participates in a securitisation that does not meet APRA's operational requirements for regulatory capital relief under APS 120, or the ADI undertakes a funding-only securitisation or synthetic securitisation, such assets are to be reported as on-balance sheet in APRA's regulatory reporting returns.

#### Securitisation exclusions

Funding-only securitisations that are self-securitisations are excluded from the reporting requirements in ARF 222.0.

## Reporting period

This form is to be completed as at the last calendar day of each quarter based on the financial year (within the meaning of the *Corporations Act 2001*) of the ADI.

## Unit of measurement

ADIs must complete the form in whole Australian dollars (no decimal place).

Amounts denominated in foreign currency must be converted to AUD in accordance with *Accounting Standard AASB 121 The Effects of Changes in Foreign Exchange Rates (AASB 121)*.

## Basis of preparation

For the purposes of this form, ADIs must report all ***exposures*** including both the effect of ***Credit risk mitigation (CRM)*** techniques (item 1) as well as on the basis of excluding the effect of ***CRM*** techniques (item 2), in accordance with *Prudential Standard APS 221 Large Exposures (APS 221)*.

In completing this form, ADIs must apply the requirements for netting specified in Attachment A to APS 221.

## Definitions

Terms highlighted in ***bold italics*** indicate that the definition is provided in these instructions.

***Credit risk mitigation (CRM)*** means the CRM techniques allowed in *Prudential Standard APS 112 Capital Adequacy: Standardised Approach to Credit Risk (APS 112)*.

***ELE subsidiary*** has the meaning given in paragraph 8(c) of APS 222.

***ELE subsidiary country*** means the country where the ***ELE subsidiary*** is domiciled. ADIs are to report the English name of the relevant country as assigned by the ISO 3166 Maintenance Agency to a country code defined under the International Organization for Standardization's *International Standard ISO 3166*. The ISO 3166 Maintenance Agency maintains a free online browsing platform setting out the names of countries and their corresponding codes, available at <https://www.iso.org/obp/ui/#search/code/>.

***ELE subsidiary name*** means the legal name of the ***ELE subsidiary***.

***Excluded exposures*** means exposures excluded from large exposures under paragraph 18 of APS 221.

***Exposure*** means an ADI's exposure to a related entity within the meaning given in paragraph 34 of APS 222, and measured in accordance with paragraphs 35 to 37 of APS 222.

***Legal Entity Identifier*** is a 20-digit, alpha-numeric code issued by a Local Operating Unit in accordance with the International Organization for Standardization's *International Standard ISO 17442*. The Global Legal Entity Identifier Foundation maintains a free online searchable database of Legal Entity Identifiers, available at <https://search.gleif.org/#/search/>.

**Market related** means *off-balance sheet exposures* arising from market related contracts.

**Non-market related** means *off-balance sheet exposures* that are not *market related*.

**Off-balance sheet exposures** means the off-balance sheet portion of any *exposure*, measured in accordance with Attachment A to APS 221.

**On-balance sheet exposures** means the on-balance sheet portion of any *exposure*, measured in accordance with Attachment A to APS 221.

**Related ADI** means a *related entity* which is an ADI.

**Related entity** has the meaning given in paragraph 8(f) of APS 222.

**Related entity name** means the legal name of the *related entity*.

**Related entity sector** means the sector of the *related entity* of the *exposure*. These are:

- *banking*;
- *insurance*;
- *superannuation*;
- *SPVs*;
- *other financial institutions*; and
- *other counterparties*.

**Settlement exposures** has the meaning given in paragraph 18(g) of APS 221.

**Substantial shareholder** has the meaning given in paragraph 8(i) of APS 222.

**Substantial shareholder name** means the legal name of the *substantial shareholder*.

**Tier 1 Capital** has the meaning given in *Prudential Standard APS 111 Capital Adequacy: Measurement of Capital* (APS 111).

### **Related entity category**

**Regulated** means the *related entity* is regulated by APRA or an equivalent *banking*, *superannuation* or *insurance* prudential regulator overseas.

**Non-regulated** means the *related entity* is not regulated by APRA or an equivalent *banking*, *superannuation* or *insurance* prudential regulator overseas.

### **Related entity sectors**

**Banking** institution means an ADI or banking institutions authorised in another jurisdiction.

**Insurance** corporations means:

- life insurance corporations registered under the *Life Insurance Act 1995*;
- general insurance corporations authorised under the *Insurance Act 1973* (or by

virtue of determinations made by APRA under the *General Insurance Reform Act 2001*);

- private health insurance corporations registered under the *Private Health Insurance (Prudential Supervision) Act 2015*;
- the Export Finance Insurance Corporation;
- private sector and government-owned general and health insurance enterprises, both proprietary and mutual; and
- any overseas insurance corporation.

**Other counterparties** includes any *related entity* that is not a *banking* institution, an *SPV*, *insurance* corporation, *superannuation* fund or *other financial institution*.

**Other financial institutions** means all entities mainly engaged in financial intermediation and the provision of auxiliary financial services, other than *banking* institutions, *insurance* corporations, and *superannuation* funds.

**SPV** means Special Purpose Vehicle.

**Superannuation funds** means complying funds for the purposes of the *Superannuation Industry (Supervision) Act 1993*, other autonomous funds established for the benefit of public sector employees and any overseas funds designed specifically for the purpose of providing a pension or other income stream on retirement.

## Specific instructions

### Section A: Exposures to related entities

<b>Item 1</b>	<p>Report the twenty largest <i>exposures</i> to <i>related entities</i> as at the end of the reporting period regardless of their size in proportion to <i>Tier 1 Capital</i>. Also report all <i>exposures</i> to <i>related entities</i> which exceed or are equal to 10 per cent of <i>Tier 1 Capital</i>.</p> <p>In column 1, report the <i>related entity name</i> for each <i>exposure</i> to a <i>related entity</i>.</p> <p>In column 2, report the <i>Legal Entity Identifier</i> of the <i>related entity</i> for each <i>exposure</i> to a <i>related entity</i>. Otherwise, report N/A if the <i>related entity</i> has no <i>Legal Entity Identifier</i>.</p> <p>In column 3, report the related entity category of the <i>related entity</i> for each <i>exposure</i>.</p> <p>In column 4, report the <i>related entity sector</i> of the <i>related entity</i> for each <i>exposure</i>.</p> <p>In column 5, report the <i>on-balance sheet exposures</i> that relate to the book value of all equity investments in the <i>related entity</i>. Exclude any equity investment in the related entity that has been deducted from the ADI's Level 1 (stand-alone) capital for capital adequacy purposes (refer to APS</p>
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	<p>111).</p> <p>In column 6, report the <i>on-balance sheet exposures</i> that do not relate to equity investments in the <i>related entity</i> for each <i>exposure</i>.</p> <p>In column 7, report the <i>non-market related, off-balance sheet exposures</i> for the <i>related entity</i> for each <i>exposure</i>.</p> <p>In column 8, report the <i>market related, off-balance sheet exposures</i> for the <i>related entity</i> for each <i>exposure</i>.</p> <p>Column 9 is derived as the total of columns 5, 6, 7 and 8, being the total <i>exposure</i> for the <i>related entity</i>.</p> <p>Column 10 is derived as the ratio of column 9 to <i>Tier 1 Capital</i> reported in item 6.</p>
<b>Item 2</b>	<p>Report the twenty largest <i>exposures</i> to <i>related entities</i> as at the end of the reporting period regardless of their size in proportion to <i>Tier 1 Capital</i>. Also report all <i>exposures</i> to <i>related entities</i> which exceed or are equal to 10 per cent of <i>Tier 1 Capital</i>, before <i>CRM</i>.</p> <p>In column 1, report the <i>related entity name</i> for each <i>exposure</i> to a <i>related entity</i>.</p> <p>In column 2, report the <i>Legal Entity Identifier</i> of the <i>related entity</i> for each <i>exposure</i> to a <i>related entity</i>. Otherwise, report N/A if the <i>related entity</i> has no <i>Legal Entity Identifier</i>.</p> <p>In column 3, report the related entity category of the <i>related entity</i> for each <i>exposure</i>.</p> <p>In column 4, report the <i>related entity sector</i> of the <i>related entity</i> for each <i>exposure</i>.</p> <p>In column 5, report the <i>on-balance sheet exposures</i> that relate to the book value of all equity investments in the <i>related entity</i>, before <i>CRM</i>. Exclude any equity investment in the related entity that has been deducted from the ADI's Level 1 (stand-alone) capital for capital adequacy purposes (refer to APS 111).</p> <p>In column 6, report the <i>on-balance sheet exposures</i> that do not relate to equity investments in the <i>related entity</i> for each <i>exposure</i>, before <i>CRM</i>.</p> <p>In column 7, report the <i>non-market related, off-balance sheet exposures</i> for the <i>related entity</i> for each <i>exposure</i>, before <i>CRM</i>.</p> <p>In column 8, report the <i>market related, off-balance sheet exposures</i> for the <i>related entity</i> for each <i>exposure</i>, before <i>CRM</i>.</p>

	<p>Column 9 is derived as the total of columns 5, 6, 7 and 8, being the total <i>exposure</i> for the <i>related entity</i>, before <i>CRM</i>.</p> <p>Column 10 is derived as the ratio of column 9 to <i>Tier 1 Capital</i> reported in item 6.</p>
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### Section B: Extended Licensed Entity (ELE)

<b>Item 3</b>	<p>Report ADI <i>exposures</i> to all <i>ELE subsidiaries</i> as at the end of the reporting period.</p> <p>In column 1, report the <i>ELE subsidiary name</i> for each <i>exposure</i>.</p> <p>In column 2, report the <i>Legal Entity Identifier</i> of the <i>ELE subsidiary</i> for each <i>exposure</i>. Otherwise, report N/A if the <i>ELE subsidiary</i> has no <i>Legal Entity Identifier</i>.</p> <p>In column 3, report the <i>ELE subsidiary country</i> of the <i>ELE subsidiary</i> for each <i>exposure</i>, using the country list.</p> <p>In column 4, report the <i>on-balance sheet exposures</i> that relate to the book value of all equity investments in the <i>ELE subsidiary</i>.</p> <p>In column 5, report the <i>on-balance sheet exposures</i> that do not relate to equity investments in the <i>ELE subsidiary</i> for each <i>exposure</i>.</p> <p>In column 6, report the <i>non-market related, off-balance sheet exposures</i> for the <i>ELE subsidiary</i> for each <i>exposure</i>.</p> <p>In column 7, report the <i>market related, off-balance sheet exposures</i> for the <i>ELE subsidiary</i> for each <i>exposure</i>.</p> <p>Column 8 is derived as the total of columns 4, 5, 6 and 7 being the total <i>exposure</i> for the <i>ELE subsidiary</i>.</p> <p>Column 9 is derived as the ratio of column 8 to <i>Tier 1 Capital</i> reported in item 6.</p>
<b>Item 3.1</b>	<p>Item 3.1 is derived as the total of the ADI exposures to all ELE subsidiaries.</p> <p>Columns 4, 5, 6, 7 and 8 of item 3.1 are derived as the sum of columns 4, 5, 6, 7 and 8 of item 3 respectively.</p> <p>Column 9 of item 3.1 is derived as the ratio of column 8 of item 3.1 to <i>Tier 1 Capital</i> reported in item 6.</p>
<b>Item 4</b>	<p>Report <i>exposures</i> of all <i>ELE subsidiaries</i> which are established to hold or invest in assets, as at the end of the reporting period.</p>



	<p>In column 1, report the <i>ELE subsidiary name</i> for each <i>exposure</i>.</p> <p>In column 2, report the <i>Legal Entity Identifier</i> of the <i>ELE subsidiary</i> for each <i>exposure</i>. Otherwise, report N/A if the <i>ELE subsidiary</i> has no <i>Legal Entity Identifier</i>.</p> <p>In column 3, report the <i>ELE subsidiary country</i> of the <i>ELE subsidiary</i> for each <i>exposure</i>, using the country list.</p> <p>In column 4, report the <i>on-balance sheet exposures</i> that relate to the book value of all loans and advances of the <i>ELE subsidiary</i> for each <i>exposure</i>, including any accrued income associated with the <i>exposure</i> (e.g. interest, dividends).</p> <p>In column 5, report the <i>on-balance sheet exposures</i> that do not relate to loans and advances of the <i>ELE subsidiary</i>.</p> <p>In column 6, report the <i>non-market related, off-balance sheet exposures</i> of the <i>ELE subsidiary</i> for each <i>exposure</i>.</p> <p>In column 7, report the <i>market related, off-balance sheet exposures</i> of the <i>ELE subsidiary</i> for each <i>exposure</i>.</p> <p>Column 8 is derived as the total of columns 4, 5, 6 and 7 being the total <i>exposure</i> of each <i>ELE subsidiary</i>.</p> <p>Column 9 is derived as the ratio of column 8 to <i>Tier 1 Capital</i> reported in item 6.</p>
<b>Item 4.1</b>	<p>Item 4.1 is derived as the total of the <i>exposures</i> of all <i>ELE subsidiaries</i>.</p> <p>Columns 4, 5, 6, 7 and 8 of item 4.1 are derived as the sum of columns 4, 5, 6, 7 and 8 of item 4 respectively.</p> <p>Column 9 of item 4.1 is derived as the ratio of column 8 of item 4.1 to Tier 1 Capital reported in item 6.</p>

### Section C: Excluded exposures

<b>Item 5</b>	<p>Report <i>excluded exposures</i> to a <i>related entity</i>, relating to <i>settlement exposures</i>, exceeding or equal to 10 per cent of <i>Tier 1 Capital</i>, as at the end of the reporting period.</p> <p>In column 1, report the <i>related entity name</i> for each <i>exposure</i>.</p> <p>In column 2, report the <i>Legal Entity Identifier</i> of the <i>related entity</i> for each <i>exposure</i> to a <i>related entity</i>. Otherwise, report N/A if the <i>related entity</i> has no <i>Legal Entity Identifier</i>.</p>
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	<p>In column 3, report the related entity category of the <i>related entity</i> for each <i>exposure</i>.</p> <p>In column 4, report the <i>related entity sector</i> of the <i>related entity</i> for each <i>exposure</i>.</p> <p>In column 5, report the <i>on-balance sheet exposures</i> that relate to the book value of all loans and advances to the <i>related entity</i>.</p> <p>In column 6, report the <i>on-balance sheet exposures</i> that do not relate to loans and advances to the <i>related entity</i> for each <i>exposure</i>.</p> <p>In column 7, report the <i>non-market related, off-balance sheet exposures</i> for the <i>related entity</i> for each <i>exposure</i>.</p> <p>In column 8, report the <i>market related, off-balance sheet exposures</i> for the <i>related entity</i> for each <i>exposure</i>.</p> <p>Column 9 is derived as the total of columns 5, 6, 7 and 8 being the total <i>exposure</i> for the <i>related entity</i>.</p> <p>Column 10 is derived as the ratio of column 9 to <i>Tier 1 Capital</i> reported in item 6.</p>
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### Memorandum Items

<b>Item 6</b>	Report in item 6 the <i>Tier 1 Capital</i> at Level 1 as at the end of the reporting period.
<b>Item 7</b>	Report in item 7 the aggregate <i>exposure</i> to all <i>related ADIs</i> , including overseas based equivalents.
<b>Item 8</b>	Report in item 8 the aggregate <i>exposure</i> to all <i>related entities</i> other than <i>related ADIs</i> and related overseas based equivalents.
<b>Item 8.1</b>	Report in item 8.1 the aggregate <i>exposure</i> to <i>non-regulated related entities</i> .

### Section D: Substantial Shareholdings

<b>Item 9</b>	<p>In column 1, report the <i>substantial shareholder name</i>.</p> <p>In column 2, report the <i>Legal Entity Identifier</i> of the <i>substantial shareholder</i>, if applicable. Otherwise, report N/A if the <i>substantial shareholder</i> has no <i>Legal Entity Identifier</i>.</p> <p>In column 3, report the <i>substantial shareholder's</i> percentage holding of the ADI's share capital.</p>
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<b>Item 10</b>	<p>Report the movement of substantial shareholdings in the ADI where the movement during the quarter is equal to or greater than one percent of the shareholding.</p> <p>In column 1, report the <i>substantial shareholder name</i>.</p> <p>In column 2, report the <i>Legal Entity Identifier</i> of the <i>substantial shareholder</i>, if applicable. Otherwise, report N/A if the <i>substantial shareholder</i> has no <i>Legal Entity Identifier</i>.</p> <p>In column 3, report the percentage movement, during the quarter, in a <i>substantial shareholder's</i> holdings if the movement is equal to or greater than one percent of the shareholding. Otherwise, report N/A.</p>
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# Reporting Form ARF 222.1

## Exposures to related entities – foreign ADI

### Instruction Guide

This instruction guide is designed to assist in the completion of *Reporting Form ARF 222.1 Exposures to related entities - foreign ADI* (ARF 222.1). This form collects information on the exposures of the Australian branch of a foreign authorised deposit-taking institution (foreign ADI) to the head office, other branches, and subsidiaries of the foreign ADI.

In completing this form, foreign ADIs must refer to *Prudential Standard APS 222 Associations with Related Entities* (APS 222).

### General directions and notes

#### Reporting entity

ARF 222.1 must be completed on a domestic book basis by all foreign ADIs.

Domestic books means an unconsolidated report of positions, transactions and other information recorded on the Australian books of the body corporate authorised by APRA to carry on banking business under the *Banking Act 1959*. Domestic books include transactions and positions with both residents and non-residents that are recorded on the Australian books of these entities.

#### Reporting period

This form is to be completed as at the last calendar day of each quarter based on the financial year (within the meaning of the *Corporations Act 2001*) of the foreign ADI.

#### Unit of measurement

ADIs must complete the form in whole Australian dollars (no decimal place).

Amounts denominated in foreign currency must be converted to AUD in accordance with *Accounting Standard AASB 121 The Effects of Changes in Foreign Exchange Rates* (AASB 121).

#### Basis of preparation

For the purposes of this form, foreign ADIs must report all **exposures**. In completing this form, foreign ADIs must apply the requirements for netting specified in Attachment A to *Prudential Standard APS 221 Large Exposures* (APS 221).

A foreign ADI may report using the requirements and definitions that it applies in reporting exposures under the requirements of its home jurisdiction, unless otherwise notified by APRA.

## Definitions

Terms highlighted in ***bold italics*** indicate that the definition is provided in these instructions.

***Credit risk mitigation (CRM)*** means the CRM techniques allowed in *Prudential Standard APS 112 Capital Adequacy: Standardised Approach to Credit Risk* (APS 112).

***Exposure*** is defined in paragraphs 34 to 37 of APS 222.

***Foreign ADI related entities*** means the head office, individual overseas branches, and individual Australian and overseas subsidiaries of the foreign ADI.

***Legal Entity Identifier*** is a 20-digit, alpha-numeric code issued by a Local Operating Unit in accordance with the International Organization for Standardization's *International Standard ISO 17442*. The Global Legal Entity Identifier Foundation maintains a free online searchable database of Legal Entity Identifiers, available at <https://www.gleif.org/en/lei/search>.

***Market related*** means ***off-balance sheet exposures*** arising from market related contracts.

***Non-market related*** means ***off-balance sheet exposures*** that are not ***market related***.

***Off-balance sheet exposures*** means the off-balance sheet portion of any ***exposure***, measured in accordance with Attachment A to APS 221.

***On-balance sheet exposures*** means the on-balance sheet portion of any ***exposure***, measured in accordance with Attachment A to APS 221.

***Related entity name*** means the legal name of the ***foreign ADI related entity***.

***Related entity sector*** means the type of sector of the ***foreign ADI related entity*** of the ***exposure***. These include:

- ***banking***;
- ***insurance***;
- ***superannuation***;
- ***SPVs***;
- ***other financial institutions***; and
- ***other counterparties***.

## Related entity sector

***Banking*** institution means an authorised deposit-taking institution within the meaning of the *Banking Act 1959*, as well as banking institutions authorised in other jurisdictions.

***Insurance*** corporation means:

- life insurance corporations registered under the *Life Insurance Act 1995*;
- general insurance corporations authorised under the *Insurance Act 1973* (or by virtue of determinations made by APRA under the *General Insurance Reform Act 2001*);

- private health insurance corporations registered under the *Private Health Insurance (Prudential Supervision) Act 2015*;
- the Export Finance Insurance Corporation;
- private sector and government-owned general and health insurance enterprises, both proprietary and mutual; and
- any insurance corporation overseas.

**Other counterparties** includes any *foreign ADI related entity* that is not a *banking* institution, an *SPV*, *insurance* corporation, *superannuation* fund or *other financial institutions*.

**Other financial institutions** means all entities mainly engaged in financial intermediation and the provision of auxiliary financial services, other than *banking* institutions, *insurance* corporations, *superannuation* funds, *other counterparties*.

**SPV** means Special Purpose Vehicle.

**Superannuation** funds means complying funds for the purposes of the *Superannuation Industry (Supervision) Act 1993*, other autonomous funds established for the benefit of public sector employees and any overseas funds designed specifically for the purpose of providing a pension or other income stream on retirement.

## Specific instructions

### Section A: Exposures to head office, overseas branches, Australian and overseas subsidiaries

<p><b>Item 1</b></p>	<p>Report the <i>exposures</i> of a foreign ADI to <i>foreign ADI related entities</i>, as at the end of the reporting period. That is, report the <i>exposures</i> of the Australian branch to the <i>foreign ADI's</i> head office, individual overseas branches, and individual Australian and overseas subsidiaries.</p> <p>In column 1, report the <i>related entity name</i> for each <i>exposure</i> to <i>foreign ADI related entities</i>.</p> <p>In column 2, report the <i>Legal Entity Identifier</i> of the <i>foreign ADI related entities</i> for each <i>exposure</i> to a <i>foreign ADI related entity</i>. Otherwise, report N/A if the <i>foreign ADI related entity</i> has no <i>Legal Entity Identifier</i>.</p> <p>In column 3, report the <i>related entity sector</i> of the <i>foreign ADI related entity</i> for each <i>exposure</i>.</p> <p>In column 4, report the <i>on-balance sheet exposures</i> to each <i>foreign ADI related entity</i>.</p> <p>In column 5, report the <i>non-market related, off-balance sheet exposures</i> for the <i>foreign ADI related entity</i> for each <i>exposure</i>.</p> <p>In column 6, report the <i>market related, off-balance sheet exposures</i> for the <i>foreign ADI related entity</i> for each <i>exposure</i>.</p>
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	Column 7 is derived as the total of columns 4, 5, and 6, being the total <i>exposure</i> for the <i>foreign ADI related entity</i> .
<b>Item 1.1</b>	<p>Item 1.1 is derived as the total of the <i>exposures</i> of the Australian branch to head office, to individual overseas branches, as well as to individual Australian and overseas subsidiaries of the parent.</p> <p>Columns 4, 5, 6 and 7 of item 1.1 are derived as the sum of columns 4, 5, 6 and 7 of item 1 respectively.</p>