ANNEX XXI

## INSTRUCTIONS FOR COMPLETING THE ADDITIONAL MONITORING TOOLS TEMPLATE OF ANNEX XX

1. Additional Monitoring Tools
   1. General remarks
2. The summary templates contained in Annex XX is designed to monitor an institution’s liquidity risk that falls outside of the scope of the reports on Liquidity Coverage and Stable Funding.
   1. Concentration of funding by counterparty (C 67.00)
3. This template seeks to collect information about the reporting institutions’ concentration of funding by counterparty.
4. For the purpose of completing this template:
   1. Institutions shall report the top ten largest counterparties or a group of connected clients according to Article 4 (39) of Regulation 575/2013 [CRR] from which funding obtained from each counterparty exceeds a threshold of 1% of total liabilities in the sublines of section 1 of the template. Thus, the counterparty reported in item 1.01 shall be the largest amount of funding received from one counterparty which is above the 1% threshold as at the reporting date; item 1.02 shall be the second largest above the 1% threshold; and so on.
   2. Institutions shall report the total of all other remaining liabilities in section 2.
   3. The totals of section 1 and section 2 shall equal an institution’s total liabilities as per its balance sheet reported under the financial reporting framework (FINREP).
5. For each counterparty, institutions shall record the following components:
   1. counterparty name;
   2. LEI code;
   3. counterparty sector;
   4. residence of the counterparty;
   5. product type;
   6. amount received;
   7. weighted average initial maturity; and
   8. weighted average residual maturity

These components are explained in more detail in the table below.

1. Where funding is obtained in more than one product type, the type reported shall be the product in which the largest proportion of funding was obtained. Separate information shall be reported to the competent authority explaining the breakdown of funding received for the top 5 products by product type.
2. Identification of the underlying holder of securities may be undertaken on a best efforts basis. Where an institution has information concerning the holder of securities (i.e. is the custodian bank) it should consider that amount for reporting the concentration of counterparties. When there is no information available on the holder of securities the corresponding amount does not have to be reported.
3. Instructions concerning specific columns:

|  |  |  |
| --- | --- | --- |
| Column | Legal references and instructions | |
| 010 | **Counterparty Name**  The name of each counterparty from which funding obtained exceeds 1% of total liabilities shall be recorded in column 010 in descending order, that is, in order of size of funding obtained.  The counterparty name recorded shall be the legal entity title of the company from which the funding is derived including any company type references such as SA (*Société anonyme* in France), Plc. (public limited company in the UK), or AG (*Aktiengesellschaft* in Germany). | |
| 020 | LEI Code  The legal entity identifier code of the counterparty. | |
| 030 | **Counterparty Sector**  One sector shall be allocated to every counterparty on the basis of FINREP economic sector classes:  (i) Central Banks; (ii) General Governments; (iii) Credit institutions; (iv) Other financial corporations; (v) Non-financial corporations; (vi) households.  For groups of connected clients, no sector shall be reported. | |
| 040 | **Residence of Counterparty**  ISO code 3166-1-alpha-2 of the country of incorporation of the counterparty shall be used (including pseudo-ISO codes for international organisations, available in the last edition of the Eurostat’s “Balance of Payments Vademecum”).  For groups of connected clients, no country shall be reported. | |
|  |  |  |
| 050 | **Product Type**  Counterparties reported in column 010 shall be assigned a product type, corresponding to the product issued in which the funding was received (or in which the largest proportion of funding was received for mixed product types) using the following codes indicated in bold:  **UWF** (unsecured wholesale funding obtained from financial customers including interbank money)  **UWNF** (unsecured wholesale funding obtained from non-financial customers)  **REPO** (funding obtained from repurchase agreements as defined in Article 4 (1) (82) of CRR)  **CB** (funding obtained from covered bond issuance as defined in Article 129(4) or (5) of CRR OR Article 52(4) of Directive 2009/65/EC)  **ABS** (funding obtained from asset backed security issuance including asset backed commercial paper)  **IGCP** (funding obtained from intragroup counterparties) | |
| 060 | **Amount Received**  The total amount of funding received from counterparties reported in column 010 shall be recorded in column 060 . | |
| 070 | **Weighted average initial maturity**  For the amount of funding received reported in column 060, from the counterparty reported in column 010, a weighted average initial maturity (in days) for that funding shall be recorded in column 070.  Weighted average initial maturity is the average initial maturity (in days) of the funding received from that counterparty based on the size of different amounts of funding received to total funding received.  For example:   * 1. €1 billion received from counterparty A with an initial maturity of 180 days.   2. €0.5 billion received from counterparty A with an initial maturity of 360days.   Weighted average initial maturity = (€1 billion/€1.5 billion) \* 180 days + (€0.5 billion/€1.5 billion) \* 360 days  Weighted average initial maturity = 240 days | |
| 080 | **Weighted average residual maturity**  For the amount of funding received reported in column 060, from the counterparty reported in column 010, a weighted average residual maturity (in days) for that funding shall be recorded in column 080.  Weighted average residual maturity is the average maturity (in days) of the funding received from that counterparty left based on the size of different amounts of funding received to total funding received.  For example:   * 1. €1 billion received from counterparty A with 60 days residual maturity left.   2. €0.5 billion received from counterparty A with 180 days residual maturity left.   Weighted average residual maturity = (€1 billion/€1.5 billion) \* 60 days + (€0.5 billion/€1.5 billion) \* 180 days  Weighted average residual maturity = 100 days | |

* 1. Concentration of funding by product type (C 68.00)

1. This template seeks to collect information about the reporting institutions’ concentration of funding by product type, broken down into the following funding types:
   1. Retail funding;
2. Sight deposits;
3. Fixed term deposits less or equal than 30 days
4. Fixed term deposits greater than 30 days;

(i) With a penalty for early withdrawal significantly greater than the loss of interest;

(ii) Without a penalty for early withdrawal which is significantly greater than the loss of interest;

1. Savings accounts;

(i) With a notice period for withdrawal greater than 30 days;

(ii) Without a notice period for withdrawal which is greater than 30 days;

2. Wholesale funding;

* 1. Unsecured wholesale funding;
     1. of which financial customers
     2. of which non-financial customers
     3. of which from intra-group entities
  2. Secured wholesale funding;
     1. of which repurchase agreements
     2. of which covered bond issuance
     3. of which asset backed security issuance
     4. of which from intra-group entities

1. For the purpose of completing this template institutions shall report the total amount of funding received from each product category, which exceeds a threshold of 1% of total liabilities.
2. For each product type, institutions shall record the following components:
   1. total amount received;
   2. amount covered by a Deposit Guarantee Scheme according to Directive 94/19/EC or an equivalent deposit guarantee scheme in a third country;
   3. amount not covered by a Deposit Guarantee Scheme according to Directive 94/19/EC or an equivalent deposit guarantee scheme in a third country;
   4. weighted average initial maturity; and
   5. weighted average residual maturity.

These components are explained in more detail in the table below.

1. For the purpose of determining those product types from which funding obtained is greater than 1% of total liabilities threshold, the currency is irrelevant.
2. Instructions concerning specific columns:

|  |  |
| --- | --- |
| Column | Legal references and instructions |
| 010 | **Total amount received**  Total amount of funding received for each of the product categories listed in the “Product name” column shall be reported in column 010 of the template in one combined reporting currency. |
| 020 | **Amount covered by a Deposit Guarantee Scheme according to Directive 94/19/EC or an equivalent deposit guarantee scheme in a third country**  Of the total amount of funding received for each of the product categories listed in the “Product name” column reported in column 010, the amount which is covered by a Deposit Guarantee Scheme according to Directive 94/19/EC or an equivalent deposit guarantee scheme in a third country.  Note: the amounts reported in column 020 and column 030, for each of the product categories listed in the “Product name” column, shall be equal to the total amount received reported in column 010. |
| 030 | **Amount not covered by a Deposit Guarantee Scheme according to Directive 94/19/EC or an equivalent deposit guarantee scheme in a third country**  Of the total amount of funding received for each of the product categories listed in the “Product name” column reported in column 010, the amount which is not covered by a Deposit Guarantee Scheme according to Directive 94/19/EC or an equivalent deposit guarantee scheme in a third country.  Note: the amounts reported in column 020 and column 030, for each of the product categories listed in the “Product name” column, shall be equal to the total amount received reported in column 010. |
| 040 | **Weighted average initial maturity**  For the amount of funding received reported in column 010, from the product categories listed in the “Product name” column, a weighted average initial maturity (in days) for that funding shall be recorded in column 040.  Weighted average initial maturity is the average initial maturity (in days) of the funding received from each and every counterparty as a result of the issuance of a specified product, to total funding received from the issuance of that product.  For example:   * 1. €1 billion received from counterparty A as a result of issuing product X with an initial maturity of 180 days.   2. €0.5 billion received from counterparty B as a result of issuing product X with an initial maturity of 360 days.   Weighted average initial maturity = (€1 billion/€1.5 billion) \* 180 days + (€0.5 billion/€1.5 billion) \* 360 days  Weighted average initial maturity = 240 days |
| 050 | **Weighted average residual maturity**  For the amount of funding received reported in column 010, from the product categories listed in the “Product name” column, a weighted average residual maturity (in days) for that funding shall be recorded in column 050.  Weighted average residual maturity is the average maturity (in days) left on the funding received from each and every counterparty as a result of the issuance of a specified product, to total funding received from the issuance of that product.  For example:  1. €1 billion received from counterparty A as a result of issuing product X with 60 days residual maturity left.  2. €0.5 billion received from counterparty B as a result of issuing product X with 180 days residual maturity left.  Weighted average residual maturity = (€1 billion/€1.5 billion) \* 60 days + (€0.5 billion/€1.5 billion) \* 180 days  Weighted average residual maturity = 100 days |

* 1. Prices for Various Lengths of Funding (C 69.00)

1. This template seeks to collect information about the average transaction volume and prices paid by institutions for funding with the following maturities:
   1. Overnight (columns 010 and 020)
   2. 1 week (columns 030 and 040)
   3. 1 month (columns 050 and 060)
   4. 3 months (columns 070 and 080)
   5. 6 months (columns 090 and 100)
   6. 1 year (columns 110 and 120)
   7. 2 years (columns 130 and 140)
   8. 5 years (columns 150 and 160)
   9. 10 years (columns 170 and 180)
2. For the purpose of determining the maturity of funding obtained, institutions shall ignore the period between trade date and settlement date, e.g. a three month liability settling in two weeks’ time shall be reported in the 3 months maturity (columns 070 and 080).
3. The spread reported in the left hand column of each time bucket shall be one of the following:
   1. the spread payable by the firm for liabilities less than or equal to one year, if they were to have been swapped to the benchmark overnight index for the appropriate currency no later than close of business on the day of the transaction;
   2. the spread payable by the firm at issuance for liabilities greater than one year, were they to be swapped to the relevant benchmark overnight index for the appropriate currency which is three month EURIBOR for EUR or LIBOR for GBP and USD, no later than close of business on the day of the transaction.
4. Spread shall be reported in basis points (bp) and calculated on a weighted average basis. For example:
   1. €1 billion of funding received or offered by counterparty A with a spread 200 bp above the prevailing EURIBOR rate.
   2. €0.5 billion of funding received or offered by counterparty B with a spread 150 bp above the prevailing EURIBOR rate.

Weighted average spread = (€1 billion/€1.5 billion) \* 200 bp + (€0.5 billion/€1.5 billion) \* 150 bp

Weighted average spread = 183 bp

1. For the purposes of calculating the average spread payable, institutions shall calculate the total cost in the currency of issue ignoring any FX swap, but include any premium or discount and fees payable or receivable, taking as basis the term of any theoretical or actual interest rate swap matching the term of the liability. The spread is the liability rate minus the swap rate.
2. The net amount of funding obtained for the funding categories listed in the “Item” column shall be reported in the ‘volume’ column of the applicable time bucket. For example, for the funding in point 4 above, this would be €1,500,000.
3. Where there is nothing to report, spreads shall be left empty.
4. Instructions concerning specific rows:

|  |  |
| --- | --- |
| Row | Legal references and instructions |
| 010 | **1 Total Funding**  Total volume and weighted average spread of all funding obtained for the following lengths:   * 1. Overnight (columns 010 and 020)   2. 1 week (columns 030 ad 040)   3. 1 month (columns 050 and 060)   4. 3 months (columns 070 and 080)   5. 6 months (columns 090 and 100)   6. 1 year (columns 110 and 120)   7. 2 years (columns 130 and 140)   8. 5 years (columns 150 and 160)   9. 10 years (columns 170 and 180) |
| 020 | **1.1 of which: Retail deposits**  Of the total funding reported in item 1, the total volume and weighted average spread of retail deposits obtained. |
| 030 | **1.2 of which: Unsecured wholesale deposits**  Of the total funding in item 1, the total volume and weighted average spread of unsecured wholesale deposits obtained |
| 040 | **1.3 of which: Secured funding**  Of the total funding reported in item 1, the total volume and weighted average spread of secured funding obtained. |
| 050 | **1.4 of which: Senior unsecured securities**  Of the total funding reported in item 1, the total volume and weighted average spread of senior unsecured securities obtained. |
| 060 | **1.5 of which: Covered bonds**  Of the total funding reported in item 1, the total volume and weighted average spread of all covered bond issuance encumbering the institutions own assets. |
| 070 | **1.6 of which: Asset backed securities including ABCP**  Of the total funding reported in item 1, the total volume and weighted average spread of asset backed securities issued including asset backed commercial paper. |

* 1. Roll-over of funding (C 70.00)

1. This template seeks to collect information about the volume of funds maturing and new funding obtained i.e. ‘roll-over of funding’ on a daily basis over a monthly time horizon.
2. Institutions shall report the funding they have maturing in the following time buckets:
   1. Overnight (columns 010 to 040)
   2. Between 1 day and 7 days (columns 050 to 080)
   3. Between 7 days and 14 days (columns 090 to 120)
   4. Between 14 days and 1 month (columns 130 to 160)
   5. Between 1 month and 3 months (columns 170 to 200)
   6. Between 3 months and 6 months (columns 210 to 240)
   7. Maturing greater than 6 months (columns 250 to 280)
3. For each time bucket as described in point 2 above, the amount maturing shall be reported in the left-hand column, the amount funds rolled over shall be reported in the “Roll over” column, new funds obtained shall be reported in the “New Funds” column and the net difference (i.e. new funds + roll over - maturing) shall be reported in the right-hand column.
4. Total net cashflows shall be reported in column 290 and shall equal the sum of all ‘Net’ columns (i.e. 040 + 080+120+160+200+240+280).
5. The average term of funding (in days) for maturing term funds shall be reported in column 300.
6. The average term of funding (in days) of funds rolled over shall be reported in column 310
7. The average term of funding (in days) for new term funds shall be reported in column 320.
8. The average term of funding (in days) for the total funding profile shall be reported in column 330.
9. Instructions concerning specific rows:

|  |  |
| --- | --- |
| Column | Legal references and instructions |
| 010 to 040 | **Overnight**  The total amount of funding maturing on a daily basis shall be reported in column 010of line item 1.1-1.31. For months with less than 31 days, irrelevant lines shall beleft empty.  The total amount of funding rolled-over on a daily basis shall be reported in column 020 of line item 1.1-1.31.  The total amount of new funding obtained on a daily basis shall be reported in column 030 of line item 1.1-1.31.  The net difference between maturing daily funding and new daily funding obtained shall be reported in column 040 of line item 1.1-1.31. |
| 050 to 080 | **> 1 day ≤ 7 days**  The total amount of funding maturing between one day and one week shall be reported in column 050 of line item 1.1-1.31. For months with less than 31 days, irrelevant lines shall be left empty.  The total amount of funding rolled-over on a daily basis shall be reported in column 060 of line item 1.1-1.31.  The total amount of new funding obtained for a duration between one day and one week shall be reported in column 70 of line item 1.1-1.31.  The net difference between maturing funding and new funding obtained shall be reported in column 080 of line item 1.1-1.31. |
| 090 to 120 | **>7days ≤ 14 days**  The total amount of funding maturing between one week and two weeks shall be reported in column 090 of line item 1.1-1.31. For months with less than 31 days, irrelevant lines shall be left empty.  The total amount of funding rolled-over on a daily basis shall be reported in column 100 of line item 1.1-1.31.  The total amount of new funding obtained for a duration between one week and two weeks shall be reported in column 110 of line item 1.1-1.31.  The net difference between maturing funding and new funding obtained shall be reported in column 120 of line item 1.1-1.31. |
| 130 to 160 | **>14 days ≤ 1 month**  The total amount of funding maturing between two weeks and one month shall be reported in column 130 of line item 1.1-1.31. For months with less than 31 days, irrelevant lines shall be left empty.  The total amount of funding rolled-over on a daily basis shall be reported in column 140 of line item 1.1-1.31.  The total amount of new funding obtained for a duration between two weeks and one month shall be reported in column 150 of line item 1.1-1.31.  The net difference between maturing funding and new funding obtained shall be reported in column 160 of line item 1.1-1.31. |
| 170 to 200 | **>1 Month ≤ 3 Months**  The total amount of funding maturing between one month and three months shall be reported in column 170 of line item 1.1-1.31. For months with less than 31 days, irrelevant lines shall be left empty.  The total amount of funding rolled-over on a daily basis shall be reported in column 180 of line item 1.1-1.31.  The total amount of new funding obtained for a duration between one month and three months shall be reported in column 190 of line item 1.1-1.31.  The net difference between maturing funding and new funding obtained shall be reported in column 200 of line item 1.1-1.31. |
| 210 to 240 | **>3 Months ≤ 6 Months**  The total amount of funding maturing between three months and six months shall be reported in column 210 of line item 1.1-1.31. For months with less than 31 days, irrelevant lines shall be left empty.The total amount of funding rolled-over on a daily basis shall be reported in column 220 of line item 1.1-1.31.  The total amount of new funding obtained for a duration between three months and six months shall be reported in column 230 of line item 1.1-1.31.  The net difference between maturing funding and new funding obtained shall be reported in column 240 of line item 1.1-1.31. |
| 250 to 280 | **>6 Months**  The total amount of funding maturing beyond six months shall be reported in column 250 of line item 1.1-1.31. For months with less than 31 days, irrelevant lines shall be left empty.  The total amount of funding rolled-over on a daily basis shall be reported in column 260 of line item 1.1-1.31.  The total amount of new funding obtained for a duration beyond six months shall be reported in column 270 of line item 1.1-1.31.  The net difference between maturing funding and new funding obtained shall be reported in column 280 of line item 1.1-1.31. |
| 290 | **Total net cash flows**  The total net cash flows equal to the sum of all ‘Net’ columns (i.e. 040+080+120+160+200+240+280) shall be reported in column 290. |
| 300 to 330 | **Average Term (days)**  The weighted average term (in days) of all funds maturing shall be reported in column 300. The weighted average term (in days) of all funds rolled over shall be reported in column 310, the weighted average term (in days) of all new funds shall be reported in column 320 and the weighted average term (in days) for the total funding profile shall be reported in column 330. |