

# Single Rulebook Q&A

<b>Question ID</b>	2023_6773
<b>Status</b>	Final Q&A
<b>Legal act</b>	Regulation (EU) No 575/2013 (CRR)
<b>Topic</b>	Supervisory reporting - FINREP (incl. FB&NPE)
<b>Article</b>	430
<b>Paragraph</b>	-
<b>Subparagraph</b>	-
<b>COM Delegated or Implementing Acts/RTS/ITS/GLs/Recommendations</b>	Regulation (EU) 2021/451 - ITS on supervisory reporting of institutions
<b>Article/Paragraph</b>	Annex V Part 2 Article 119
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<b>Disclose name of institution / entity</b>	No
<b>Type of submitter</b>	Consultancy firm
<b>Subject matter</b>	Calculation of the amount reported for guarantees received on report F09.02
<b>Question</b>	Should the amount of financial guarantees reported in F 09.02 be calculated considering (other) collateral?
<b>Background on the question</b>	Where other Q&As state that the amount should be “the amount is the maximum amount the counterparty could have to pay if the guarantee is called on”, it does not specify to which extent potential (other) collaterals are of any influence on this amount. In case a portfolio of collaterals as well as a guarantee is received, like securities or real estate plus a guarantee, do these other collaterals reduce the maximum amount that the guarantor may be required to pay? Is it expected that the (gross) exposure amount is reduced by the collateral first and only when the collaterals do not cover the entire (gross) exposure amount, the lower of the remaining exposure and guarantee received is reported on F09.02? Or should the amount reported by banks on F09.02 consider only the guarantee received and exposure amount, ignoring the existence of any (other) collaterals?
<b>Final answer</b>	On one hand Annex V, part 2, paragraph 119 of Commission Implementing Regulation (EU) 2021/451 (ITS 2021/451) states that “in template F 09.02, ...for financial guarantees received, the ‘maximum amount of the guarantee

that can be considered' shall be the maximum amount the counterparty would have to pay if the guarantee is called on'.

On the other hand, Annex V, part 2, paragraph 172 of ITS 2021/451 indicates that "in template F 13.01, the 'maximum amount of the collateral or guarantee that can be considered' shall be reported. The sum of the amounts of the financial guarantee and/or collateral shown in the related columns of template F 13.1 shall not exceed the carrying amount of the related loan." And Annex V, part 2, paragraph 174 of ITS 2021/451 specifies that "for loans and advances that have simultaneously several types of collateral or guarantee, the amount of the 'Maximum collateral/ guarantee that can be considered' shall be allocated according to its quality, starting from the one with the best quality. For loans collateralised by immovable property, immovable property collateral shall always be reported first, irrespective of its quality compared to other collateral. Where the 'Maximum collateral/guarantee that can be considered' exceeds the value of immovable property collateral, its remaining value shall be allocated to other collateral types and guarantees according to its quality, starting from the one with best quality".

Since the 'maximum amount of the guarantee that can be considered' is defined differently in template F 09.02 and template F 13.01, this is why validation rule v1073\_m exists ({F 13.01, r0010, c0050} <= {F 09.02, r0080, c0010}).

To sum up, in template F 09.02 for financial guarantees received, the 'maximum amount of the guarantee that can be considered' shall be the maximum amount the counterparty would have to pay if the guarantee is called on, therefore this amount does not consider the existence of collaterals that could secure the exposure falling within the scope of the template F 13.1 relate to immovable property (c0010 and c0020) and other types of assets (c0030, c0031, c0031, c0032 and 041).

**Link**

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