



## Reporting Standard ARS 120.2

### Securitisation – Supplementary Items

#### Objective of this Reporting Standard

This Reporting Standard sets out the requirements for the provision of information to APRA in relation to an authorised deposit-taking institution's securitisation activities.

It includes reporting form *ARF 120.2 Securitisation – Supplementary Items*, and should be read in conjunction with *Prudential Standard APS 120 Securitisation*.

#### Authority

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

#### Purpose

2. Information collected in reporting form *ARF 120.2 Securitisation – Supplementary Items* (ARF 120.2) is used by the Australian Prudential Regulation Authority (APRA) for the purpose of prudential supervision, including assessing compliance with *Prudential Standard APS 120 Securitisation* (APS 120). It may also be used by the Reserve Bank of Australia (RBA) and the Australian Bureau of Statistics (ABS).

#### Application and commencement

3. This Reporting Standard applies to all authorised deposit-taking institutions (ADIs), except for providers of purchased payment facilities. This Reporting Standard may also apply to the non-operating holding company (NOHC) of an ADI (refer to paragraph 6).
4. This Reporting Standard applies for reporting periods ending on or after 1 January 2018.

#### Information required

5. An ADI to which this Reporting Standard applies must provide APRA with the information required by the version of ARF 120.2 designated for an ADI at Level 1 for each reporting period.

6. If an ADI to which this Reporting Standard applies is part of a Level 2 group, the ADI must also provide APRA with the information required by the version of ARF 120.2 designated for an ADI at Level 2 for each reporting period, unless the ADI is a subsidiary of an authorised NOHC. If the ADI is a subsidiary of an authorised NOHC, the ADI's immediate parent NOHC must provide APRA with the information required by that form for each reporting period. In doing so, the immediate parent NOHC must comply with this Reporting Standard (other than paragraphs 5 and 11) as if it were the relevant ADI.

### **Forms and 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 notified by APRA, in writing, 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 paragraphs 9 and 10, an ADI to which this Reporting Standard applies must provide the information required by this Reporting Standard within 28 calendar days after the end of each quarter based on the ADI's financial year (within the meaning of the *Corporations Act 2001*).
9. APRA may, by notice in writing, 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 or the ABS.
10. APRA may, by notice in writing, extend the due date by which an ADI must provide the information required by this Reporting Standard, in which case the new due date will be the date specified on the notice of extension.

### **Quality control**

11. All information provided by an ADI under this Reporting Standard (except for the information required under paragraph 6) must be the product of processes and controls that have been reviewed and tested by the external auditor of the ADI. *Guidance Statement GS 012 Prudential Reporting Requirements for Auditors of Authorised Deposit-taking Institutions*, issued by the Auditing and Assurance Standards Board, provides guidance on the scope and nature of the review and testing required from external auditors.<sup>1</sup> This review and testing must be done on an annual basis or more

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<sup>1</sup> As it exists at the time of the commencement of this Reporting Standard.

frequently if necessary to enable the external auditor to form an opinion on the accuracy and reliability of the information.

12. All information provided by an ADI under this Reporting Standard must be subject to 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**

13. When an officer of an ADI submits information under this Reporting Standard using the D2A software, 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**

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

### **Interpretation**

16. In this Reporting Standard:

**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*.

**Authorised NOHC** has the meaning given in the *Banking Act 1959*.

**Bank** means a locally incorporated ADI that is authorised under section 66 of the *Banking Act 1959* to use the word 'bank' in its name.

**Basis swap** has the meaning given to that expression in paragraph 11(b) of *Prudential Standard APS 120 Securitisation*.

**Capital relief securitisation** is a securitisation structure that meets the operational requirements for regulatory capital relief under Attachment A of *Prudential Standard APS 120 Securitisation* and is, therefore, excluded from the calculation of regulatory capital under *Prudential Standard APS 112 Capital Adequacy: Standardised Approach*

*to Credit Risk or Prudential Standard APS 113 Capital Adequacy: Internal Ratings-based Approach to Credit Risk.*

**Cash collateral** means collateral that is lodged in the name of the SPV in the form of cash and must, therefore, be treated as a securitisation exposure.

**Commercial loans** means all loans to private and public trading corporations, private unincorporated businesses, community service organisations, ADIs and other financial institutions, and loans to government.

**Credit enhancement** has the meaning given to that expression in paragraph 11(d) of *Prudential Standard APS 120 Securitisation*.

**Drawn amount** means the principal amount (and any accrued interest) of the facility that has been drawn by the securitisation program or investors, and is currently outstanding at the end of the quarter.

**Facility** has the meaning given to that word in paragraph 11(h) of *Prudential Standard APS 120 Securitisation*.

**Funding-only securitisation** is a securitisation structure that has been established for the purpose of obtaining funding, or which does not meet the operational requirements for regulatory capital relief. It includes all asset-backed commercial paper programs and securitisation of revolving credit facilities, as per the definition of these terms in *Prudential Standard APS 120 Securitisation*.

**Housing loans** means loans to households, the repayment of which is secured to the lender by a mortgage, charge or other encumbrance over residential property.

**Immediate parent NOHC** means an authorised NOHC, or a subsidiary of an authorised NOHC, that is an immediate parent NOHC within the meaning of *Prudential Standard APS 001 Definitions*.

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

**Level 2** has the meaning given to that expression in *Prudential Standard APS 001 Definitions*.

**Liquidity facility** has the meaning given to that expression in paragraph 11(k) of *Prudential Standard APS 120 Securitisation*.

**Notional amount** means the total contractually committed amount or limit of any facility.

**Originating ADI** has the meaning given to that expression in paragraph 11(o) of *Prudential Standard APS 120 Securitisation*.

**Other funding facility** means all other funding facilities provided by an ADI to an SPV.

**Personal loans** means loans to households other than housing loans. These may include credit cards, margin loans and other loans.

**Prior notification** means a prior notification given to APRA in accordance with paragraphs 78 to 80 of *Prudential Standard APS 120 Securitisation*.

**Provider of purchased payment facilities** means an ADI that is subject to a condition on its authority under section 9 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 period mentioned in paragraph 8 or, if applicable, paragraphs 9 and 10.

**Secured funding arrangement** means a fundraising arrangement that involves providing an interest in or over assets originated by the ADI and is subject to prior notification requirements under paragraphs 78 to 81 of *Prudential Standard APS 120 Securitisation*.

**Securitised assets** means assets involved in a securitisation program that:

- (a) meet the operational requirements for regulatory capital relief, and are excluded from the calculation of regulatory capital under *Prudential Standard APS 112 Capital Adequacy: Standardised Approach to Credit Risk* (APS 112) or *Prudential Standard APS 113 Capital Adequacy: Internal Ratings-based Approach to Credit Risk* (APS 113); or
- (b) support a funding-only securitisation (excluding self-securitisations) or synthetic securitisation and are required to be included in the on-balance sheet assets of an ADI for capital adequacy purposes under APS 112 or APS 113.

**Self-securitisation** has the meaning given to that expression in paragraph 11(u) of *Prudential Standard APS 120 Securitisation*.

**Senior securities** has the meaning given to that expression in paragraph 11(w) of *Prudential Standard APS 120 Securitisation*. Do not include any senior securities issued in a self-securitisation.

**SPV** has the meaning given to that expression in paragraph 11(y) of *Prudential Standard APS 120 Securitisation*. Do not include any SPVs established for the purpose of *self-securitisation*.

**Subsidiary** has the meaning given in the *Corporations Act 2001*.

**Synthetic securitisation** has the meaning given to that expression in paragraph 11(aa) of *Prudential Standard APS 120 Securitisation*.

17. APRA may determine, in writing, that an individual ADI of one class of ADI is to be treated, for the purposes of this Reporting Standard, as though it was an ADI of another class of ADI.
18. Unless the contrary intention appears, references to Acts and Prudential Standards are references to those instruments as in force from time to time.

## ARF\_120\_2: Securitisation - Supplementary Items

<b>Australian Business Number</b>	<b>Institution Name</b>
<b>Reporting Period</b>	<b>Scale Factor</b>
	Millions to one decimal place for banks Whole dollars no decimal place for other ADIs
<b>Reporting Consolidation</b>	
Level 1 / Level 2	

### 1. Securitised assets

#### 1.1. Securitised assets

1.1.1. Housing loans

1.1.2. Personal loans

1.1.3. Commercial loans

1.1.4. Other

1.1.5. Total

	Value of assets in pool (1)	Impaired (2)	Past due (3)	Repurchases (4)	Outstanding securities (5)
1.1.1. Housing loans					
1.1.2. Personal loans					
1.1.3. Commercial loans					
1.1.4. Other					
1.1.5. Total					

#### 1.2. Securitisation prudential treatment

1.2.1. Securitisations that meet the operational requirements for regulatory capital relief

1.2.1.1. *of which:* subject to transitional arrangements

1.2.2. Securitisations that meet the operational requirements for funding-only

1.2.3. Synthetic securitisation

Value of assets in pool (1)	Outstanding securities (2)

1.2.3.1. *of which*: subject to transitional arrangements

1.2.4. Other securitisations


## 2. Holdings of securities

2.1. SPVs for which more than 20 per cent of own outstanding senior securities are held

SPV name (1)	Senior securities held (2)	Total senior securities outstanding (3)	Own senior securities held (4)

## 3. Provision of facilities

ADI as originator		Other		Total	
Notional amount (1)	Drawn amount (2)	Notional amount (3)	Drawn amount (4)	Notional amount (5)	Drawn amount (6)

3.1. Facilities categorised as securitisation exposures

3.1.1. Liquidity and other funding facilities

3.1.2. Credit enhancements

3.1.3. Derivatives transactions

3.1.3.1. *of which*: basis swaps

3.1.4. Other facilities

3.1.5. Total


ADI as originator (1)	Other (2)	Total (3)

3.2. Cash collateral treated as a securitisation exposure

**4. Details of new arrangements entered into in the quarter**

4.1. Loans sold or originated into securitisation SPVs

SPV name (1)	Value of loans sold or originated (2)	Value of funding received (3)

4.2. New facilities provided to securitisation SPVs

SPV name (1)	Liquidity and other funding facilities (2)	Credit enhancements (3)	Derivatives transactions (4)	Basis swaps (5)	Other facilities (6)

**5. Self-securitisations**

5.1. Self-securitised assets

Self-securitisation structures (1)	Value of assets in pool (2)

5.2. *of which:* Self-securitised assets used to enter into a repurchase agreement with the RBA as counterparty

Value of assets in pool (1)	Securities sold under agreement to repurchase (2)	Value of funding received (3)



**6. Other secured funding arrangements**

6.1. Other secured funding arrangements subject to prior notification

<b>Value of assets in pool (1)</b>	<b>Outstanding securities (2)</b>

# Reporting Form ARF 120.2

## Securitisation — Supplementary Items

### Instructions

This form captures collects information related to an ADI's involvement in securitisation programs that it has established. It also collects information on securitisation programs established by third parties to which the ADI sells assets, provides facilities, or in which it invests. The information collected in this form is not used in calculating the regulatory capital relating to an ADI's securitisation exposures. In completing this form, ADIs should refer to *Prudential Standard APS 120 Securitisation* (APS 120). Information reported on this form is required primarily for prudential purposes.

### Reporting entity

ARF 120.2 must be completed at *Level 1* and *Level 2* by all ADIs, with the exception of providers of purchased payment facilities. If an ADI is a *subsidiary* of an *authorised NOHC*, the report at *Level 2* is to be provided by the ADI's *immediate parent NOHC*.

### Reporting basis and units of measurement

Report all items on ARF 120.2 in accordance with the Australian Accounting Standards unless otherwise specified.

Items on ARF 120.2 are to be completed as at the last day of the stated *reporting period* (i.e. the relevant quarter) and submitted to APRA within 28 calendar days of the end of the relevant *reporting period*.

All items are to be reported in Australian dollars (AUD) and in accordance with the units set out below:

Class of ADI	Units
Bank	Millions of dollars rounded to one decimal place.
All other ADIs	Whole dollars with no decimal place.

An *immediate parent NOHC* must complete this form in AUD and in accordance with the same units as its *subsidiary* ADI.

Amounts denominated in foreign currency are to be converted to AUD in accordance with *AASB 121 The Effects of Changes in Foreign Exchange Rates*.

## Specific instructions

The following instructions are applicable at **Level 1** and (where relevant) **Level 2**. All required items should be reported on this form, regardless of whether or not they are consolidated for accounting purposes or the reporting of regulatory capital.

ADIs are not to include any securitisation exposures held in the trading book, as these are to be reported on reporting form *ARF 116.0 Market Risk*.

All derived fields in the form are shaded and specified in the instructions below. Terms highlighted in ***bold italics*** indicate that the definition is provided in paragraph 16 of this Reporting Standard.

Item 1 collects information about an ***originating ADI***'s assets that are securitised. Do not report any ***self-securitisation*** structures or other securitisation arrangements with overseas central banks under item 1.

**Reporting basis:** report item 1 as at the end of the reporting period.

<p><b>Item 1.1</b></p>	<p>For item 1.1 report all <b><i>securitised assets</i></b> of an <b><i>originating ADI</i></b>.</p> <p>Report the outstanding value (plus accrued interest) of transferred assets in column 1.</p> <p>Report all transferred assets and exposures that would be considered impaired if held by the ADI, in accordance with <i>Prudential Standard APS 220 Credit Quality</i> (APS 220), in column 2.</p> <p>Report all transferred assets and exposures that would be considered 90 days past due if held by the ADI, in accordance with paragraph 16 of Attachment A of APS 220, in column 3.</p> <p>Report all transferred assets and exposures originated or sold by the ADI to a securitisation program that have been repurchased by the ADI during the reporting period in column 4.</p> <p>Report the outstanding value of securities issued by the securitisation that are backed by the assets and exposures that the reporting ADI has sold, or otherwise originated, into securitisation programs (collectively transferred assets) in column 5.</p> <p>Report all <b><i>housing loans</i></b> in item 1.1.1.</p> <p>Report all <b><i>personal loans</i></b> in item 1.1.2.</p> <p>Report all <b><i>commercial loans</i></b> in item 1.1.3.</p> <p>Report all other assets which do not fall into the preceding categories (e.g. leases and receivables) in item 1.1.4.</p> <p>Item 1.1.5 is a derived total of items 1.1.1 to 1.1.4 inclusive.</p>
<p><b>Item 1.2</b></p>	<p>For item 1.2, report the required information for all securitisation programs established by an <b><i>originating ADI</i></b> by structure type. Report the outstanding value (plus accrued interest) of transferred assets in column 1.</p>

	<p>Report the outstanding value of securities issued by the securitisation that are backed by the assets and exposures that the reporting ADI has sold, or otherwise originated, into securitisation programs (collectively transferred assets) in column 2.</p> <p>Report all <i>capital relief securitisation</i> in item 1.2.1. Report all <i>capital relief securitisation</i> subject to transitional arrangements under APS 120 in item 1.2.1.1.</p> <p>Report all <i>funding-only securitisation</i> (excluding any <i>self-securitisation</i>) in item 1.2.2.</p> <p>Report all <i>synthetic securitisation</i> in item 1.2.3. Report all <i>synthetic securitisation</i> structures that are subject to transitional arrangements under APS 120 in item 1.2.3.1.</p> <p>Where instructed by APRA, report other securitisation arrangements in item 1.2.4.</p>
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Item 2 collects information about an ADI's holdings of securities for securitisation programs for which it is the originator. Do not report any securities held for the purpose of *self-securitisation* or other securitisation arrangements with overseas central banks under item 2.

**Reporting basis:** report item 2 as at the end of the reporting period.

<b>Item 2</b>	<p>For item 2, report all details within the table. Report all <i>SPVs</i> for which the ADI is an <i>originating ADI</i> and holds more than 20 per cent of the value of <i>senior securities</i> outstanding in column 1.</p> <p>Report the total value of <i>senior securities</i> held for the identified <i>SPV</i> in column 2.</p> <p>Report the total value of <i>senior securities</i> outstanding for the same identified <i>SPV</i> in column 3.</p> <p>Column 4 is a derived percentage of the proportion of own <i>senior securities</i> held for the identified <i>SPV</i>, calculated by the formula:</p> $(\text{column 2}/\text{column 3}) * 100$
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Item 3 collects information about the facilities an ADI provides to securitisation programs. Do not report any *facility* provided to a *self-securitisation* structure or other securitisation arrangement with overseas central banks under item 3.

**Reporting basis:** report item 3 as at the end of the reporting period.

<b>Item 3.1</b>	<p>Report the <i>notional amount</i> and <i>drawn amount</i> of any <i>facility</i> provided to a securitisation program by the <i>originating ADI</i> only in column 1 and column 2.</p> <p>Report the <i>notional amount</i> and <i>drawn amount</i> of any <i>facility</i> provided to a securitisation program, where the ADI is not the <i>originating ADI</i> in column 3 and column 4.</p> <p>Column 5 is a derived total calculated as the sum of column 1 and column</p>
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	<p>3. Column 6 is a derived total calculated as the sum of column 2 and column 4.</p> <p>For item 3.1.1, report any <i>liquidity facility</i> or <i>other funding facility</i> provided by the ADI to a securitisation program.</p> <p>For item 3.1.2, report any <i>credit enhancement</i> provided by the ADI to a securitisation program.</p> <p>For item 3.1.3, report the total value of any derivatives transactions provided by the ADI to a securitisation program. Report the total value of any <i>basis swap</i> provided in item 3.1.3.1. Report the credit equivalent amount as at the end of the reporting quarter.</p> <p>For item 3.1.4, report any other <i>facility</i> provided by the ADI to a securitisation program.</p> <p>Item 3.1.5 is a derived total of all facilities provided by the ADI to a securitisation program.</p>
<b>Item 3.2</b>	<p>For item 3.2 report the total value of any <i>cash collateral</i> that is lodged by the ADI to collateralise facilities and services provided by the ADI to an <i>SPV</i>.</p> <p>Report cash collateral lodged by the <i>originating ADI</i> only in column 1. Report cash collateral lodged by the ADI where it is not captured as the <i>originating ADI</i> in column 2. Column 3 is a derived total calculated as the sum of column 1 and column 2.</p>

Item 4 collects information about any new securitisation arrangements entered into by an *originating ADI* during the reporting quarter. Do not report any new securitisation arrangements that are entered into for the purpose of *self-securitisation*, or other securitisation arrangements with overseas central banks, under item 4.

**Reporting basis:** report item 4 as at the effective date of the transaction.

<b>Item 4.1</b>	<p>Report all <i>SPVs</i> into which an ADI has sold, or otherwise originated, loans during the reporting quarter in column 1.</p> <p>Report the total value of any loans that were sold, or otherwise originated, into <i>SPVs</i> during the quarter in column 2.</p> <p>Report the total value of the funding received in exchange for the transferred loans in column 3.</p>
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<p><b>Item 4.2</b></p>	<p>Report in item 4.2, the <i>notional amount</i> of all new facilities provided to securitisation <i>SPVs</i>.</p> <p>Report all <i>SPVs</i> to which the ADI has provided a new <i>facility</i> during the reporting quarter in column 1.</p> <p>Report the total value of any new <i>liquidity facility</i> or <i>other funding facility</i> provided by the ADI to an <i>SPV</i> during the quarter in column 2.</p> <p>Report the total value of all new <i>credit enhancement</i> arrangements provided by the ADI to an <i>SPV</i> during the quarter in column 3.</p> <p>Report the total value of derivatives transactions, excluding any <i>basis swap</i>, arrangements, provided by the ADI to an <i>SPV</i> during the quarter in column 4.</p> <p>Report the total value of all new <i>basis swap</i> arrangements entered into by the ADI with an <i>SPV</i> during the quarter in column 5. Report the credit equivalent amount as at the end of the reporting quarter.</p> <p>Report the total value of all other new facilities provided by the ADI to an <i>SPV</i> during the quarter in column 6.</p>
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Item 5 collects information about an ADI's *self-securitisation* programs.

**Reporting basis:** report item 5 as at the end of the reporting period.

<p><b>Item 5.1</b></p>	<p>Report all structures which the ADI has established for the purpose of undertaking a <i>self-securitisation</i> in column 1.</p> <p>Report the outstanding value (plus accrued interest) of transferred assets per <i>self-securitisation</i> structure in column 2.</p>
<p><b>Item 5.2</b></p>	<p>Report in item 5.2 the required data for all <i>self-securitisation</i> structures where securities have actually been used to enter into a repurchase agreement with the RBA. Report all amounts on an aggregate basis, rather than per <i>self-securitisation</i> structure.</p> <p>Report the outstanding value (plus accrued interest) of transferred assets supporting <i>self-securitisation</i> programs in column 1.</p> <p>Report the outstanding value of securities issued by the <i>self-securitisation</i> and sold under agreement to repurchase, where the counterparty is the RBA, in column 2.</p> <p>Report the total value of funding received for securities sold under agreement to repurchase, where the counterparty is the RBA, after the application of relevant margins in column 3.</p>

Item 6 collects information about an ADI's assets supporting *secured funding arrangements* subject to *prior notification* under paragraphs 78 to 81 of APS 120.

**Reporting basis:** report item 6 as at the end of the reporting period.

<b>Item 6</b>	<p>For item 6.1, report all assets of the ADI supporting a <i>secured funding arrangement</i> subject to <i>prior notification</i>.</p> <p>Report the outstanding value (plus accrued interest) of transferred assets in column 1.</p> <p>Report the outstanding value of securities issued by the <i>secured funding arrangement</i> that are backed by the assets and exposures that the reporting ADI has sold, or otherwise originated, into the <i>secured funding arrangement</i> (collectively transferred assets) in column 2.</p>
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