

Annex II (b): INSTRUCTIONS INFLOWS (revised Annex 4 of EBA/CP/2012/05)

This is a revised version following the completion of the public consultation that ended on 27 August 2012. It might be subject to changes depending on the final version of what is now a draft Capital Requirements Regulation (CRR).

1. Inflows

1.1. General remarks

1. This is a summary template which contains information about liquidity inflows measured over the next 30 days, for the purpose of monitoring the liquidity coverage requirement as specified in Article 401 of the CRR. Items which do not need to be completed by institutions are coloured grey.
2. In accordance with Article 413.1 of the CRR, liquidity inflows shall be capped at 75% of liquidity outflows.
3. In accordance with Article 413.2 of the CRR, liquidity inflows shall:
 - (i) comprise only contractual inflows from exposures that are not passed due and for which the bank has no reason to expect non-performance within the 30-day time horizon.
 - (ii) be taken into account in full, with the exception of those categories stated in Article 413.2(a),(b) and (c), or reduced by the amount specified in the CRR text.
4. In accordance with Article 413.5 of the CRR, institutions shall not report inflows from any of the liquid assets reported in accordance with Article 404 other than payments due on the assets that are not reflected in the market value of the asset.
5. In accordance with Article 413.6 of the CRR, institutions shall not report inflows from any new issuance of any obligations.
6. In accordance with Article 413.7 of the CRR, institutions shall take liquidity inflows which are to be received in third countries where there are transfer restrictions or which are denominated in non-convertible currencies into account only to the extent that they correspond to outflows in the third country or currency in question.

1.2. Inflows sub template

1.2.1. Instructions concerning specific rows

Row	Legal references and instructions
1. INFLOWS	
	Article 413 of CRR
	Total inflows.
	Monies due reported in this section have been explicitly identified as a potential source of liquidity inflows, over the next 30 days, in Article 413 of CRR.

Amounts reported in each subcategory should be full amounts i.e. not reduced, despite the percentages given in the CRR.

5	<p><u>1.1 capped inflows</u></p> <p>Article 413.1 of CRR</p> <p>Total capped inflows.</p> <p>Total monies due which are limited to 75% of liquidity outflows in accordance with Article 413.1 of CRR, should be reported in the following subcategories as follows:</p> <p>[Note: institutions may exempt liquidity inflows from deposits placed with other institutions and qualifying for the treatments set out in Article 108(6) or Article 108(7) from this limit and instead report them in item 1.2.]</p>
6	<p><u>1.1.1 monies due from customers that are not financial customers</u></p> <p>Article 413.2(a) of CRR</p> <p>Total amount of monies due over the next 30 days, (including interest payments) from customers that are not financial customers, should be reported in the following subcategories as follows:</p> <p>[Note: these include maturing loans that have already been agreed to roll over. Non-maturing loans are assumed not to represent a cash inflow and should not be reported here].</p>
7	<p><u>1.1.1.1 monies due from retail customers</u></p> <p>Articles 413.2(a) of CRR</p> <p>Total amount of monies due over the next 30 days from retail customers, that are not passed due and for which the bank has no reason to expect non-performance within the 30-day time horizon, (including interest payments) as defined in Article 400.2 of CRR.</p>
8	<p><u>1.1.1.2 monies due from non-financial corporate customers</u></p> <p>Article 413.2(a) of CRR</p> <p>Total amount of monies due over the next 30 days from non-financial corporate customers, that are not passed due and for which the bank has no reason to expect non-performance within the 30-day time horizon, (including interest payments).</p>
9	<p><u>1.1.1.2.1 that the institution owing those monies treats according to Article 410(4)</u></p> <p>Article 413.2(c) of CRR</p> <p>Of the amount reported in 1.1.1.2, the total amount due by the institution in order to obtain clearing, custody or cash management services according to Article 410(4).</p>
10	<p><u>1.1.1.3 monies due from central banks</u></p>

	<p>Article 413.2(a) of CRR</p> <p>Total amount of monies due over the next 30 days from central banks, that are not passed due and for which the bank has no reason to expect non-performance within the 30-day time horizon, (including interest payments).</p>
11	<p><u>1.1.1.3.1 that the institution owing those monies treats according to Article 410(4)</u></p> <p>Article 413.2(c) of CRR</p> <p>Of the amount reported in 1.1.1.3, the total amount due by the institution in order to obtain clearing, custody or cash management services according to Article 410(4).</p>
12	<p><u>1.1.1.4 monies due from other entities</u></p> <p>Article 413.2(a) of CRR</p> <p>Total amount of monies due over the next 30 days from other entities, that are not passed due and for which the bank has no reason to expect non-performance within the 30-day time horizon, (including interest payments).</p>
13	<p><u>1.1.1.4.1 that the institution owing those monies treats according to Article 410(4)</u></p> <p>Article 413.2(c) of CRR</p> <p>Of the amount reported in 1.1.1.4, the total amount due by the institution in order to obtain clearing, custody or cash management services according to Article 410(4).</p>
14	<p><u>1.1.2 monies due from financial customers</u></p> <p>Article 413.2 of CRR</p> <p>Total amount of monies due over the next 30 days from financial customers, that are not passed due and for which the bank has no reason to expect non-performance within the 30-day time horizon, (including interest payments).</p> <p>Secured lending and capital market transactions should be reported in section 1.2.</p>
15	<p><u>1.1.2.1 that the institution owing those monies treats according to Article 410(4)</u></p> <p>Article 413.2(c) of CRR</p> <p>Of the amount reported in 1.1.2, the total amount due by the institution in order to obtain clearing, custody or cash management services according to Article 410(4).</p>
19	<p><u>1.1.3 monies due from secured lending and capital market driven transactions as defined in Article 188 collateralised by the following assets</u></p> <p>Article 413.2(b) of CRR</p> <p>For the following subcategories, institutions should identify the amount of monies due relating to secured lending and capital market driven transactions over the next 30 days and the market value of the corresponding assets which collateralise the transactions.</p> <p>In accordance with Article 188:</p> <p>‘secured lending transaction’ means any transaction giving rise to an exposure secured by collateral which does not include a provision conferring upon the institution the right to receive margin at least daily;</p> <p>‘capital market-driven transaction’ means any transaction giving rise to an exposure secured by collateral which includes a provision conferring upon the institution the right to receive margin at least daily.</p> <p>Therefore, any transaction in which the institution has lent cash and received collateral, such as reverse repurchase transactions as defined in Article 4(56) of</p>

CRR, expiring within 30 days should be reported in this section.

Institutions should report secured lending and capital market driven transactions in one of six categories:

Category one: where the counterparty is not a central bank and the assets securing the transaction are of extremely high liquidity and credit quality assets the amount due should be reported in column F and the market value of the asset securing the transaction should be reported in column G.

Category two: where the counterparty is not a central bank and the assets securing the transaction are of high liquidity and credit quality assets the amount due should be reported in column H and the market value of the asset securing the transaction should be reported in column I.

Category three: where the counterparty is not a central bank and the assets securing the transaction are of other liquidity and credit quality assets the amount due should be reported in column J and the market value of the asset securing the transaction should be reported in column K.

Category four: where the counterparty is a central bank and the assets securing the transaction are of extremely high liquidity and credit quality assets the amount due should be reported in column L and the market value of the asset securing the transaction should be reported in column M.

Category five: where the counterparty is a central bank and the assets securing the transaction are of high liquidity and credit quality assets the amount due should be reported in column N and the market value of the asset securing the transaction should be reported in column O.

Category six: where the counterparty is a central bank and the assets securing the transaction are of other liquidity and credit quality assets the amount due should be reported in column P and the market value of the asset securing the transaction should be reported in column Q.

Institutions should allocate transactions by identifying the liquidity and credit quality of the assets securing the transaction using the same criteria as applied for the purpose of reporting assets in template 1.1 “Assets”.

I.e. in accordance with Article 404.1 of CRR, pending a uniform definition in accordance with Article 481(2) of extremely high and high liquidity and credit quality, institutions shall identify themselves in a given currency transferable assets that are respectively of high or extremely high liquidity and credit quality.

If the institution has received both “extremely high”, “high” and “other” liquidity and credit quality assets in a collateral pool and no assets are specifically assigned as collateral for the secured lending and capital market driven transaction, the institution should assume that the assets with the lowest liquidity and credit quality get assigned first.

I.e. assets with “other liquidity and credit quality” should be assigned first. Only once all those assets are fully assigned, should assets of “high liquidity and credit

	<p>quality” be assigned. Only once all those assets are assigned too, should “extremely high liquidity and credit quality” be assigned.</p> <p>For the following items, institutions should identify the amount of inflows relating to monies due from secured lending and capital market driven transactions and the market value of the corresponding assets which collateralise the transactions.</p> <p>Institutions should report transactions backed by what they identify as extremely high liquidity and credit quality assets in columns f (amount) and g (market value of collateral).</p> <p>Institutions should report transactions backed by what they identify as high liquidity and credit quality in columns h (amount) and i (market value of collateral).</p> <p>Collateral swaps where the institution simultaneously borrows collateral and lends collateral (in the form of assets other than cash), should be reported as follows:</p> <p>The market value of the asset <u>lent</u> should be reported in the “Market value of the asset securing the transaction” column in the appropriate subcategory of section 1.2.2 of template 1.2 “outflows”. The “Amount due” column should be left blank (i.e. zero).</p> <p>The market value of the asset <u>borrowed</u> should be reported in the “Market value of the asset securing the transaction” column in the appropriate subcategory of section 1.3 of this template. The “Amount due” column should be left blank (i.e. zero).</p> <p>Note that if the collateral received qualifies to be reported in template 1.1. “Assets”, is not rehypothecated and is legally and contractually available for the institutions use it should be reported in the subcategory of the template.</p>
20	<p><u>1.1.3.1 transferable assets representing claims on or guaranteed by the central government of a Member State or a third country if the institution incurs a liquidity risk in that Member State or third country that it covers by holding those liquidity assets</u></p> <p>Transactions backed by transferable assets representing claims on or guaranteed by the central government of a Member State or a third country if the institution incurs a liquidity risk in that Member State or third country that it covers by holding those liquidity assets should be reported here in accordance with 1.1.3 above, in the appropriate sub-category as follows:</p>
21	<p><u>1.1.3.1.1 representing claims on sovereigns</u></p> <p>Transactions backed by transferable assets representing claims sovereigns of a Member State or a third country if the institution incurs a liquidity risk in that Member State or third country that it covers by holding those liquidity assets should be reported here in accordance with 1.1.3 above.</p>
22	<p><u>1.1.3.1.2 guaranteed by sovereigns</u></p> <p>Transactions backed by transferable assets guaranteed by sovereigns of a Member State or a third country if the institution incurs a liquidity risk in that Member State or third country that it covers by holding those liquidity assets should be reported here in accordance with 1.1.3 above.</p>
23	<p><u>1.1.3.2 total shares or units in CIUs with underlying assets specified in Article</u></p>

	404 Transactions backed by shares or units in CIUs with underlying assets specified in Article 404 should be reported here in accordance with 1.1.3 above, in the appropriate sub-category as follows:
24	<u>1.1.3.2.1 underlying assets in point (a) of article 404.1</u> Transactions backed by shares or units in CIUs with underlying assets in point (a) of article 404.1 should be reported here in accordance with 1.1.3 above.
25	<u>1.1.3.2.2 underlying assets in point (b) and (c) of article 404.1</u> Transactions backed by shares or units in CIUs with underlying assets in point (b) and (c) of article 404.1 should be reported here in accordance with 1.1.3 above.
26	<u>1.1.3.2.3 underlying assets in point (d) of article 404.1</u> Transactions backed by shares or units in CIUs with underlying assets in point (d) of article 404.1 should be reported here in accordance with 1.1.3 above.
27	<u>1.1.3.3 securities with a 0% risk weight as reported in items 1.5.1-1.5.5 or template 1.1. assets</u> Transactions backed by securities with a 0% risk weight as reported in items 1.5.1-1.5.5 or template 1.1. "Assets" should be reported here in accordance with 1.1.3 above.
28	<u>1.1.3.4 securities with a 20% risk weight as reported in items 1.6.1-1.6.5 or template 1.1. assets</u> Transactions backed by securities with a 20% risk weight as reported in items 1.6.1-1.6.5 or template 1.1. "Assets" should be reported here in accordance with 1.1.3 above.
29	<u>1.1.3.5 assets issued by a credit institution which has been set up and is sponsored by a Member State central or regional government and the asset is guaranteed by that government and used to fund promotional loans granted on a non-competitive, not for profit basis</u> Transactions backed by assets issued by a credit institution which has been set up and is sponsored by a Member State central or regional government and the asset is guaranteed by that government and used to fund promotional loans granted on a non-competitive, not for profit basis should be reported here in accordance with 1.1.3 above.
30	<u>1.1.3.6 non financial corporate bonds</u> Transactions backed by non financial corporate bonds should be reported here in accordance with 1.1.3 above, in the appropriate sub-category as follows:
31	<u>1.1.3.6.1 credit quality step 1</u> Transactions backed by non financial corporate bonds of credit quality step 1 should be reported here in accordance with 1.1.3 above.
32	<u>1.1.3.6.2 credit quality step 2</u> Transactions backed by non financial corporate bonds of credit quality step 2 should be reported here in accordance with 1.1.3 above.
33	<u>1.1.3.6.3 credit quality step 3</u> Transactions backed by non financial corporate bonds of credit quality step 3 should be reported here in accordance with 1.1.3 above.
34	<u>1.1.3.7 bonds eligible for the treatment set out in Article 124(3) or (4), which meet the criteria in Article 404.3(a)</u> Transactions backed by bonds eligible for the treatment set out in Article 124(3) or (4), which meet the criteria in Article 404.3(a) should be reported here in accordance with 1.1.3 above, in the appropriate sub-category as follows:
35	<u>1.1.3.7.1 credit quality step 1</u> Transactions backed by bonds eligible for the treatment set out in Article 124(3) or

	(4), which meet the criteria in Article 404.3(a) of credit quality step 1 should be reported here in accordance with 1.1.3 above.
36	<u>1.1.3.7.2 credit quality step 2</u> Transactions backed by bonds eligible for the treatment set out in Article 124(3) or (4), which meet the criteria in Article 404.3(a) of credit quality step 2 should be reported here in accordance with 1.1.3 above.
37	<u>1.1.3.7.3 credit quality step 3</u> Transactions backed by bonds eligible for the treatment set out in Article 124(3) or (4), which meet the criteria in Article 404.3(a) of credit quality step 3 should be reported here in accordance with 1.1.3 above.
38	<u>1.1.3.8 bonds as defined in Article 52(4) of Directive 2009/65/EC other than those referred to in 1.1.3.7</u> Transactions backed by bonds as defined in Article 52(4) of Directive 2009/65/EC other than those referred to in 1.1.3.7 should be reported here in accordance with 1.1.3 above, in the appropriate sub-category as follows:
39	<u>1.1.3.8.1 credit quality step 1</u> Transactions backed by bonds as defined in Article 52(4) of Directive 2009/65/EC other than those referred to in 1.1.3.7 of credit quality step 1 should be reported here in accordance with 1.1.3 above.
40	<u>1.1.3.8.2 credit quality step 2</u> Transactions backed by bonds as defined in Article 52(4) of Directive 2009/65/EC other than those referred to in 1.1.3.7 of credit quality step 2 should be reported here in accordance with 1.1.3 above.
41	<u>1.1.3.8.3 credit quality step 3</u> Transactions backed by bonds as defined in Article 52(4) of Directive 2009/65/EC other than those referred to in 1.1.3.7 of credit quality step 3 should be reported here in accordance with 1.1.3 above.
42	<u>1.1.3.9 financial corporate bonds</u> Transactions backed by financial corporate bonds should be reported here in accordance with 1.1.3 above, in the appropriate sub-category as follows:
43	<u>1.1.3.9.1 credit quality step 1</u> Transactions backed by financial corporate bonds of credit quality step 1 should be reported here in accordance with 1.1.3 above.
44	<u>1.1.3.9.2 credit quality step 2</u> Transactions backed by financial corporate bonds of credit quality step 2 should be reported here in accordance with 1.1.3 above.
45	<u>1.1.3.9.3 credit quality step 3</u> Transactions backed by financial corporate bonds of credit quality step 3 should be reported here in accordance with 1.1.3 above.
46	<u>1.1.3.10 own issuances</u> Transactions backed by own issuances should be reported here in accordance with 1.1.3 above, in the appropriate sub-category as follows:
47	<u>1.1.3.10.1 credit quality step 1</u> Transactions backed by own issuances of credit quality step 1 should be reported here in accordance with 1.1.3 above.
48	<u>1.1.3.10.2 credit quality step 2</u> Transactions backed by own issuances of credit quality step 2 should be reported here in accordance with 1.1.3 above.
49	<u>1.1.3.10.3 credit quality step 3</u> Transactions backed by own issuances of credit quality step 3 should be reported here in accordance with 1.1.3 above.

50	<u>1.1.3.11 unsecured bank issuances</u> Transactions backed by unsecured bank issuances should be reported here in accordance with 1.1.3 above, in the appropriate sub-category as follows:
51	<u>1.1.3.11.1 credit quality step 1</u> Transactions backed by own unsecured bank issuances of credit quality step 1 should be reported here in accordance with 1.1.3 above.
52	<u>1.1.3.11.2 credit quality step 2</u> Transactions backed by own unsecured bank issuances of credit quality step 2 should be reported here in accordance with 1.1.3 above.
53	<u>1.1.3.11.3 credit quality step 3</u> Transactions backed by own unsecured bank issuances of credit quality step 3 should be reported here in accordance with 1.1.3 above.
54	<u>1.1.3.12 residential mortgage backed securities</u> Transactions backed by residential mortgage backed securities should be reported here in accordance with 1.1.3 above, in the appropriate sub-category as follows:
55	<u>1.1.3.12.1 credit quality step 1</u> Transactions backed by residential mortgage backed securities of credit quality step 1 should be reported here in accordance with 1.1.3 above.
56	<u>1.1.3.12.2 credit quality step 2</u> Transactions backed by residential mortgage backed securities of credit quality step 2 should be reported here in accordance with 1.1.3 above.
57	<u>1.1.3.12.3 credit quality step 3</u> Transactions backed by residential mortgage backed securities of credit quality step 3 should be reported here in accordance with 1.1.3 above.
58	<u>1.1.3.13 equities listed on a recognised exchange, not self issued or issued by financial institutions</u> Transactions backed by equities listed on a recognised exchange, not self issued or issued by financial institutions should be reported here in accordance with 1.1.3 above.
59	<u>1.1.3.14 gold</u> Transactions backed by gold should be reported here in accordance with 1.1.3 above.
60	<u>1.1.3.15 other assets</u> Transactions backed by all other assets not reported in items 1.1.2.1 to 1.1.3.14 should be reported here in accordance with 1.1.3 above.
62	<u>1.1.4 monies due from commitments to disburse a promotional loan referred to in Article 412(5)</u> Total amount of monies due from commitments referred to in Article 412(5), to disburse a promotional loan to a final recipient, should be reported up to the amount of the outflow which is reported in template 1.2 "Outflows" for the corresponding commitment to extend the promotional loans.
63	<u>1.1.5 monies due for which the CA has granted a higher inflow rate</u> Article 413.4 of CRR Total amount of monies due for which the competent authority has granted a lower outflow on a case-by-case basis, should be reported in the following subcategories as follows:
64	<u>1.1.5.1 where all the conditions of Article 413.4 (a), (b) and (c) are met</u> Article 413.4 (a), (b) and (c) of CRR Total amount of monies due for which the competent authority has granted the

	<p>permission to apply a higher inflow on a case by case basis and where all the conditions of all the conditions of Article 413.4 (a), (b) and (c) are met.</p>
65	<p><u>1.1.5.2 where all the conditions of Article 413.4 (a) and (b) are met for the purposes of applying the intra-group treatment of Article 18.1(b) in relation to institutions that are not subject to the waiver of Article 7</u> Article 413.4 (a) and (b) and (c) of CRR Total amount of monies due for which the competent authority has granted the permission to apply, a higher inflow on a case by case basis and where all the conditions of Article 413.4 (a) and (b) are met for the purposes of applying the intra-group treatment of Article 18.1(b) in relation to institutions that are not subject to the waiver of Article 7.</p>
66	<p><u>1.1.6 net receivables expected from the contracts listed in Annex II (net of collateral to be received that qualifies as liquid assets under Article 404)</u> Article 413.3 of CRR The net amount of receivables expected over the 30 day horizon from the contracts listed in Annex II. Amounts should: be net across all counterparties be net of collateral to be received that qualifies as liquid assets under Art 404 not be the marked-to-market value, since the marked-to market value also includes estimates for contingent inflows and outflows and may include cash flows that occur beyond the 30-day horizon</p> <p>Note net amount payable should be reported in 1.2 “Outflows” item 1.2.5 (net amount payable from the contracts listed in Annex II (net of collateral to be received that qualifies as liquid assets under Article 404)).</p>
67	<p><u>1.1.7 payments due on liquid assets not reflected in the market value of the asset</u> Article 413.5 of CRR The total amount of any payment due on assets that qualify as liquid assets according to Article 404, not reflected in the market value of that asset.</p>
68	<p><u>1.1.8 other inflows</u> Total amount of all other inflows due not reported in items 1.1.1 to 1.1.7.</p>
69	<p><u>1.2 inflows exempt from the cap</u> Article 413.1 of CRR Total amount of inflows which are deposits placed with other institutions which qualify for the treatments set out in Article 108(6) and Article 108(7), and are therefore exempt from the cap on inflows.</p>