



CALCULATION OF THE OVERALL NET FOREIGN POSITION: ARTICLE 352(2)

Guidance on completion of template:

The following template must be completed, together with the CRR permission application form, by a firm applying for Article 352(2) permission. The second column should be used to indicate whether the minimum standard is met. All standards must be met before permission will be granted. The third column requires a brief description of how the minimum standard is met.

Application Details	
	Signature
Attestation by a Significant Influence Function (SIF) of compliance with the relevant CRR requirements.	
Item	Summary Information
Description of the positions requested to be excluded	

Factors demonstrating CRR Standard is met		
CRR Standard	Meets Standard? (yes/no)	Firm Analysis <i>Please demonstrate using examples where appropriate how the minimum standards are met</i>
Structural FX positions are deliberately taken in order to protect capital adequacy ratios against adverse movements in FX rates.		
Positions are of a non-trading or structural nature.		
Mismatches resulting in an open position are avoided as far as possible.		
Positions are accounted for so that capital ratios are protected.		
Any residual risks arising from structural FX positions are considered and capitalised in the Pillar 2 assessment of the firm.		
Any residual risks arising from structural FX positions are avoided as far as possible.		
Policies and procedures are clearly articulated and are made available to the board and to regulators on an annual basis.		
The structural FX hedging strategy is clearly articulated to investors and is included in Pillar 3 disclosures.		
Books containing structural FX positions are segregated from other trading activities.		



CRR Standard	Meets Standard? (yes/no)	Firm Analysis <i>Please demonstrate using examples where appropriate how the minimum standards are met</i>
Traders' remuneration structures do not in any way incentivise structural FX positions becoming a profit centre.		
Oversight of structural FX positions is carried out by the appropriate committees of the boards of both the foreign entity and the group on at least a quarterly basis.		