

### Clarification of Procedures for completion of COR002 Large Exposures templates

The structure of the Reporting templates to report data on Large Exposures (LE) means that LE data in templates C28.00-C29.00 are linked to the counterparty names and other data in template C27.00 only by the counterparty codes. It is therefore essential that the codes reported in templates C28.00 and C29.00 of the Reporting (CRR) part of the PRA Rulebook match the corresponding code reported for the relevant counterparty in template C27.00 of the Reporting (CRR) part of the PRA Rulebook.

If an LEI code is used to report a counterparty in C27.00 in column 011, that same LEI code must also be used to report the counterparty in C28.00 or C29.00 of the Reporting (CRR) part of the PRA Rulebook. It cannot be the case that a different code is used to report the counterparty in C27.00 than in C28.00 or C29.00 of the Reporting (CRR) part of the PRA Rulebook.

Where Large Exposures to Groups of Connected Clients (GCCs) are reported in templates C28.00 of the Reporting (CRR) part of the PRA Rulebook, the code in column 010 of the template should be completed in accordance with the reporting instructions for template C27.00 in the Reporting (CRR) part of the PRA Rulebook

For a group of connected clients, the code that shall be reported shall be the code of the parent company as detailed in template C27.00 of the Reporting (CRR) part of the PRA Rulebook. Where the group of connected clients does not have a parent, the code that shall be reported shall be the code of the individual entity which is considered by the institution as the most significant within the group of connected clients. In any other case the code shall correspond to the individual counterparty. This code shall be used in a consistent way across time.

All counterparties with exposures contributing to an aggregate GCC exposure must be reported in template C27.00 with counterparty details (including individual clients which form a GCC), and again in template C29.00 of the Reporting (CRR) part of the PRA Rulebook with exposure details.

In template C29.00 of the Reporting (CRR) part of the PRA Rulebook, column 020 must be completed with the code of the parent company or most significant entity within the relevant GCC as described above.

#### Use of National Code

The reporting instructions for template C27.00, as set out in the Reporting (CRR) part of the PRA Rulebook (rule 2.249) refer to the use of 'national codes'. The PRA wishes to clarify the use of the term 'national code'.

- a) If a code to identify counterparties is not made available by the national reporting system, firms may create their own code internally to identify a counterparty, as long as this code is used consistently across time and throughout all relevant COREPs
- b) If a firm initially reports an internal code, but subsequently finds that an LEI code exists, they should use that LEI code going forward.

#### Reporting of Groups of Connected Clients

Column 010-070 of reporting instructions for template C27.00, as set out in the Reporting (CRR) part of the PRA Rulebook rule 2.249, says the following about the reporting of GCCs in template C27.00.

*"Institutions shall report the identification of any counterparty for which information is being submitted in any of the templates C 28.00 to C 29.00. The identification of the group of connected clients shall not be reported, unless the national reporting system provides a unique code for the group of connected clients."*

This refers to the fact that when an LEI code is not available for GCCs, a national code should be used to identify the GCC. Similar to the clarification above about national codes, when this is not available, firms can create their own internal code as long as this is consistent across time and across COREP templates.

A Worked Example:

**C 27.00 - Identification of the counterparty (LE 1)**

| <b>COUNTERPARTY IDENTIFICATION</b> |              |                   |               |                               |                            |  |                      |
|------------------------------------|--------------|-------------------|---------------|-------------------------------|----------------------------|--|----------------------|
| Code                               | Type of code | Name              | National code | Residence of the counterparty | Sector of the counterparty | NACE code  | Type of counterparty |
| 011                                | 015          | 021               | 035           | 040                           | 050                        | 060  | 070                  |
| XXXXXXXXXXXXXXXXXXXXX1             | LEI CODE     | XYZ BANK          | 7             | United Kingdom                | Credit institutions        | K - Financial and insurance activities           | I                    |
| XXXXXXXXXXXXXXXXXXXXX2             | LEI CODE     | XYZ PRIVATE BANK  | 7             | United Kingdom                | Credit institutions        | X : Real estate, renting and business activities | I                    |
| XXXXXXXXXXXXXXXXXXXXX3             | LEI CODE     | XYZ BANK SCOTLAND |               | United Kingdom                | Credit institutions        | K - Financial and insurance activities           | I                    |
| 8                                  | NON-LEI CODE | Government of UK  | 8             | United Kingdom                |                            |  | I                    |
| 9                                  | NON-LEI CODE | ABC Bank          | 9             | United Kingdom                | Credit institutions        | K - Financial and insurance activities           | I                    |
| 10                                 | NON-LEI CODE | ABC Subsidiary 1  | 10            | United Kingdom                | Credit institutions        | K - Financial and insurance activities           | I                    |
| 11                                 | NON-LEI CODE | ABC Subsidiary 2  | 11            | United Kingdom                | Credit institutions        | K - Financial and insurance activities           | I                    |

**C 28.00 - Exposures in the non-trading and trading book (LE 2)**

| <b>COUNTERPARTY</b>   |   |  |
|-----------------------|---|--|
| Code                  | Group or individual                         | Transactions where there is an exposure to underlying assets |
| 010                   | 020   | 030  |
| XXXXXXXXXXXXXXXXXXXX1 | 2 - Exposures to Group of Connected Clients |  |
| 8                     | 1 - Exposures to individual counterparties  |  |
| 9                     | 2 - Exposures to Group of Connected Clients |  |

**C 29.00-Detail of the exposures to individual clients within groups of connected clients (LE 3)**

| <b>COUNTERPARTY</b>    |                        |  |
|------------------------|------------------------|--|
| Code                   | Group code             | Transactions where there is an exposure to underlying assets |
| 010                    | 020                    | 030  |
| XXXXXXXXXXXXXXXXXXXXX2 | XXXXXXXXXXXXXXXXXXXXX1 |  |
| XXXXXXXXXXXXXXXXXXXXX3 | XXXXXXXXXXXXXXXXXXXXX1 |  |
| 10                     | 9                      |  |
| 11                     | 9                      |  |