Dear Sirs,

In relation to the above mentioned CP we would like to give our feedback on the following areas:

Diversification of the Stock of HQLA	**Comment**
4.17. Pursuant to Recital 100 of CRR, institutions should hold a diversified and high quality liquidity buffer consisting of different categories of liquid assets. Institutions should address diversification of the stock of HQLA, taking into account the nature, scale and complexity of their operations	We believe that provided the HQLA are seen to have an active depth of market, that the institution does not have a major holding compared to the overall debt, and are classified as Level 1 Assets then the issue of diversification should not be a material issue. This is especially pertinent to Foreign Subsidiaries whose stock of liquid assets is predominately made up of Sovereign Holding of the home country. A more specific or granular rule on diversification would be favoured
Derivatives Payable	**Comment**
5.44. Institutions shall assess the cashflows expected over the 30 day horizon from the contracts listed in Annex II of CRR and where applicable, report them on a net basis across counterparties. Where the net amount is an outflow it shall be reported in row 1080 of template C52.00. The amount shall be net of collateral received that qualifies as HQLA and shall not be the marked-to-market value. Estimates for contingent in and outflows and cashflows expected to occur beyond the 30 day horizon shall not be taken into account. 6.38. Institutions shall assess the cashflows expected over the 30 day horizon from the contracts listed in Annex II of CRR and where applicable, report them on a net basis across counterparties. Where the net amount is an inflow it shall be reported in row 960 of template C53.00. The amount shall be net of collateral received that qualifies as HQLA and shall not be the marked-to-market value. Estimates for contingent in and outflows and cashflows expected to occur beyond the 30 day horizon shall not be taken into account.	We have 3 separate items to note within this clause: 1. Where the collateral received or paid is cash under CSA agreements but said funds are for all future cash flows past the 30 day horizon the institution can apply a Zero impact as the expected cash flow over the 30 days will be reciprocated by movements under the CSA in the equivalent time frame – We would point out that new outflows would constitute a collateral inflow under CSA While net inflow would constitute a collateral outflow under CSA while in point 5.44 and 6.38 it references collateral received but does not mention collateral pledged. 2. We feel that reporting on net basis by counterparty does not bring added value and involves significant IT infrastructural requirements and that this exposure would be better represented without any reduction in overall exposure if it was calculated on combined exposures 3. Can you confirm our understanding that expected proceeds and payments on forward Forex Transactions netted.
Table 15	**Comment**
Liquidity Outflow Rates **Category** **Sub Category** **C52.00 ID** **Run-off Rate**	Under Current EBA Templates the category for Undrawn Committed Credit and Liquidity Facilities does not include a section on Intra Group and individual lines are different from the Table

<table>
<tr>
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<tr><td>Undrawn Committed Credit and Liquidity Facilities</td><td>Retail – Credit and Liquidity</td><td>1.4.1</td><td>5%</td></tr>
<tr><td colspan="2">Corporate (Non Retail/Financial) - Credit</td><td>1.4.2.1</td><td>10%</td></tr>
<tr><td colspan="2">Corporate (Non Retail/Financial) - Liquidity</td><td>1.4.2.2</td><td>10%</td></tr>
<tr><td colspan="2">SSPE (purchasing non-security assets from non-financial customers) - Liquidity</td><td>1.4.3</td><td>10%</td></tr>
<tr><td colspan="2">Other SSPE – Liquidity</td><td>1.4.4.1</td><td>100%</td></tr>
<tr><td colspan="2">Requirement to buy/swap assets from an SSPE</td><td>1.4.4.2</td><td>100%</td></tr>
<tr><td colspan="2">Credit Institutions – Credit</td><td>1.4.4.3.1</td><td>40%</td></tr>
<tr><td colspan="2">Credit Institutions – Liquidity</td><td>1.4.4.3.2</td><td>40%</td></tr>
<tr><td colspan="2">Financial Institutions & Inv. Firms – Credit</td><td>1.4.4.4.1</td><td>40%</td></tr>
<tr><td colspan="2">Financial Institutions & Inv. Firms – Liquidity</td><td>1.4.4.4.2</td><td>100%</td></tr>
<tr><td colspan="2">Other Clients</td><td>1.4.4.5</td><td>100%</td></tr>
<tr><td colspan="2">Intra-group</td><td>1.4.4.6</td><td>100% See note 5.60</td></tr>
<tr><td>Undrawn Credit and Liquidity Facilities</td><td>Funding Promotional Loans</td><td>1.4.5</td><td>5%/10%</td></tr>
<tr><td>Other Contingent liabilities</td><td>All other</td><td>1.4.6</td><td>100%</td></tr>
<tr><td colspan="2">Intra-group</td><td>1.4.6.1</td><td>100% See note 5.60</td></tr>
</table>
</td>
<td>proposed in Table 15 – We feel that this different categorisation causes some confusion and also will involve IT costs and a homogenised approach would be preferable. We also do not agree with the overall assessment of intra-group run off at 100% considering that such facilities would have the same characteristics and would be participating in the same markets as Financial Institutions with a 40% run off which results in the institutions having higher costs for activities with group counterparts.</td>
</tr>
<tr><th>Overriding Minimum Conditions</th><th>Comment</th></tr>
<tr><td>6.7. Institutions shall not report inflows from any new obligations entered into.</td><td>We would request expansion on the meaning of “new obligation entered into” as it unclear on what instruments are referenced.</td></tr>
</table>

General Comments.

We have some concerns that the Central Bank Templates (as described in CP) are not mirroring with EBA Templates and are significantly different from the Current Central Bank Template (which is quite user friendly). As each differences results in significant IT infrastructural changes and cost an overall homogenised template would be preferable. We would also like to reference that under the LCR BIS Paper of January 2014 the closure template proposed is also different.

We hope that the above items are clear and we remain at your disposal for further clarifications.

Kind Regards

Derek O'Connor

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