Appendix A Part I

	Directive Reference	Text of Article	Area	Type of Discretion/ Option	Nature	Exercise	CBI Comment	IBF Comment
	Article 32(5) (Grandfathering provision)	Where competent authorities consider it necessary, in order to ensure the solvency of such investment firms and firms, that the requirements set out in paragraph 4 are met, paragraphs 1, 2 and 3 shall not apply.	Investment Firms	Competent Authority	General or Case-by-case	Yes	The Bank intends to exercise this discretion for all relevant investment firms and firms.	Noted.
	Article 40 (Reporting requirements)	The competent authorities of the host Member States may require that all credit institutions having branches within their territories shall report to them periodically on their activities in those host Member States.	Home-Host/Branches	Competent Authority	General	Yes	The Bank intends to continue exercising the discretion in subparagraph 1, subject to the (new) provisions in subparagraphs 2 and 3	We agree with this approach.
		Such reports shall only be required for information or statistical purposes, for the application of Article 51(1), or for supervisory purposes in accordance with this Chapter. They shall be subject to professional secrecy requirements at least equivalent to those referred to in Article 53(1).						

		The competent authorities of the host Member States may in particular require information from the credit institutions referred to in the first subparagraph in order to allow those competent authorities to assess whether a branch is significant in accordance with Article 51(1).						
	Article 74(4) (Internal governance and recovery and resolution plans)	Competent authorities shall ensure that recovery plans for the restoration of an institution's financial situation following a significant deterioration, and resolution plans are put in place. In accordance with the principle of proportionality, the requirements for an institution to draw up, maintain and update recovery plans and for the resolution authority, after consulting the competent authority, to prepare resolution plans, may be reduced if, after consulting the national macroprudential authority, competent authorities consider that the failure of a specific institution due, inter alia, to its size, to its business model, to its interconnectedness to other institutions, or to the financial system in general, will not have a negative effect on financial markets, on other institutions or on funding conditions.	Recovery & Resolution	Competent Authority	General or case-by-case	Yes	The Bank intends to exercise this discretion on a proportionate basis	We agree with this approach.

	Article 76(3) (Treatment of risks)	Competent authorities may allow an institution which is not considered systemically significant to combine the risk committee with the audit committee, as referred to in Article 41 of Directive 2006/43/EC. Members of the combined risk-audit committee shall have the knowledge, skills and expertise required for the risk committee and the audit committee	Corporate Governance	Competent Authority	General or case-by-case	Yes for investment firms	The Bank intends to exercise this discretion on a case-by-case basis for investment firms; subject to the prior written approval of the Bank	Agreed. In some cases the Board can fulfil the Risk role, which is accepted under the Corporate Governance Code. We seek to confirm that although the CBI only intends to exercise this discretion on a case by case basis for certain investment firms, so the option for the Board to fulfil the function of the Risk Committee will remain for credit institutions and any existing approvals in place from the CBI will remain valid.
	Article 78(2) (Supervisory benchmarking of internal approaches for calculating own funds requirements)	Competent authorities shall ensure that institutions submit the results of the calculations referred to in paragraph 1 in accordance with the template developed by EBA in accordance with paragraph 8 to the competent authorities and to EBA. Where competent authorities choose to develop specific portfolios, they shall do so in consultation with EBA and ensure that institutions report the results of the calculations separately from the results of the calculations for EBA portfolios	Benchmarking	Competent Authority	General	Yes	The Bank intends to retain the flexibility to develop ‘specific portfolios’ for the purposes of this provision	If new specific portfolios are developed, the time required by banks for systems development and changes to meet any such new conditions must be recognised. Can the CBI clarify the likelihood of additional portfolios being developed?

	Article 88(1)(e) (Governance arrangements)	the chairman of the management body in its supervisory function of an institution must not exercise simultaneously the functions of a chief executive officer within the same institution, unless justified by the institution and authorised by competent authorities	Corporate Governance	Competent Authority	Case-by-case	No	The Bank affirms the importance it attaches to the maintenance of separate roles for the chairman and chief executive officer and does not intend to exercise this discretion	We accept the continuation of this position for credit institutions. However we suggest that due to the differences in the nature, scale and complexity of Irish investment firms, this discretion should be exercised by CBI on a case by case basis for smaller, less complex investment firms.
	Article 91(6) (Management body)	Competent authorities may authorise members of the management body to hold one additional non-executive directorship. Competent authorities shall regularly inform EBA of such authorisations	Corporate Governance	Competent Authority	Case-by-case	Yes	The Bank intends to exercise this discretion on a case-by-case basis	We agree with this approach. However we would appreciate clarity under Art 91.3 as to what is a 'significant' institution. Does this equate to High Impact under PRISM or how will it be determined?

	Article 94(1)(l)(ii) (Variable elements of remuneration)	The instruments referred to in this point shall be subject to an appropriate retention policy designed to align incentives with the longer-term interests of the institution. Member States or their competent authorities may place restrictions on the types and designs of those instruments or prohibit certain instruments as appropriate. This point shall be applied to both the portion of the variable remuneration component deferred in accordance with point (m) and the portion of the variable remuneration component not deferred	Remuneration	Member State or Competent Authority	General	N/A	Member State to confirm allocation of decision-making on this discretion.	We consider that public company shares or an alternative be available as an appropriate instrument. The institution itself should decide which instrument (company shares or a different instrument) is most suitable. In most cases of public companies, public shares will be most appropriate as: • they are not complex • can be readily communicated to staff; • There is a liquid market whereas other synthetic instruments may not operate in a liquid market; • pricing is at arm's length from staff involved and staff will not readily be able to influence their pricing. • The more simple the instrument, the more effective it will be at meeting the risk related objectives associated with CRD IV and the associated variable pay deferral/retention objectives. For private companies that may already have developed instruments related to their economic performance, these should be allowed to continue as appropriate.
	Article 99(2)(c) (Supervisory examination programme)	Supervisory examination programmes shall include the following institutions… any other institution for which the competent authorities deem it to be necessary	Supervisory Review & Evaluation	Competent Authority	Case-by-case	Yes	The Bank intends to retain the flexibility to exercise this discretion on a case-by-case basis	We support this approach.

	Article 103(1) (Application of supervisory measures to institutions with similar risk profiles)	Where the competent authorities determine under Article 97 that institutions with similar risk profiles such as similar business models or geographical location of exposures, are or might be exposed to similar risks or pose similar risks to the financial system, they may apply the supervisory review and evaluation process referred to in Article 97 to those institutions in a similar or identical manner. For those purposes, Member States shall ensure that competent authorities have the necessary legal powers to impose requirements under this Directive and under Regulation (EU) No 575/2013 on those institutions in a similar or identical manner, including in particular the exercise of supervisory powers under Articles 104, 105 and 106.	Supervisory Review & Evaluation	Competent Authority	Case-by-case	Yes	The Bank proposes to retain the flexibility to exercise this discretion, if necessary, on a case-by-case basis	We support this approach.
		The types of institution referred to in the first subparagraph may in particular be determined in accordance with the criteria referred to in Article 98(1)(j).						

	Article 129(2)-(3) (Requirement to maintain a capital conservation buffer)	2. By way of derogation from paragraph 1, a Member State may exempt small and medium-sized investment firms from the requirements set out in that paragraph if such an exemption does not threaten the stability of the financial system of that Member State.	Capital Buffers/Investment Firms	Competent Authority	General	N/A	The responsible authority has yet to be confirmed by the Department of Finance	We request the implementation of this derogation for small and medium sized investment firms.
		The decision on the application of such an exemption shall be fully reasoned, shall include an explanation as to why the exemption does not threaten the stability of the financial system of the Member State and shall contain the exact definition of the small and medium-sized investment firms which are exempt.						
		Member States which decide to apply such an exemption shall notify the Commission, the ESRB, EBA and the competent authorities of the Member States concerned accordingly.						
		3. For the purpose of paragraph 2, the Member State shall designate the authority in charge of the application of this Article. That authority shall be the competent authority or the designated authority.						

	Article 130(2)-(3) (Requirement to maintain an institution-specific countercyclical capital buffer)	By way of derogation from paragraph 1, a Member State may exempt small and medium-sized investment firms from the requirements set out in that paragraph if such an exemption does not threaten the stability of the financial system of that Member State.	Capital Buffers/Investment Firms	Competent or Designated Authority	General	N/A	The responsible authority has yet to be confirmed by the Department of Finance	We request the implementation of this derogation for small and medium sized investment firms.
		The decision on the application of such an exemption shall be fully reasoned, shall include an explanation as to why the exemption does not threaten the stability of the financial system of the Member State and shall contain the exact definition of small and medium-sized investment firms which are exempt.						
		Member States which decide to apply such an exemption shall notify the Commission, the ESRB, EBA and the competent authorities of the Member States concerned accordingly.						
		3. For the purpose of paragraph 2, the Member State shall designate the authority in charge of the application of this Article. That authority shall be the competent authority or the designated authority.						

	Article 131(5) (Global and other systemically important institutions)	The competent authority or designated authority may require each O-SII, on a consolidated or sub-consolidated or individual basis, as applicable, to maintain an O-SII buffer of up to 2 % of the total risk exposure amount calculated in accordance with Article 92(3) of Regulation (EU) No 575/2013, taking into account the criteria for the identification of the O-SII. That buffer shall consist of and shall be supplementary to Common Equity Tier 1 capital	Capital Buffers	Competent or Designated Authority	Case-by-case	N/A	The responsible authority has yet to be confirmed by the Department of Finance	We would appreciate clarity as soon as possible, for consideration of the proposed approach.
	Article 131(10) (Global and other systemically important institutions)	Without prejudice to paragraphs 1 and 9, the competent authority or the designated authority may, in the exercise of sound supervisory judgment:	Capital Buffers	Competent or Designated Authority	Case-by-case	N/A	The responsible authority has yet to be confirmed by the Department of Finance	We would appreciate clarity as soon as possible, for consideration of the proposed approach.
		(a) re- allocate a G-SII from a lower sub-category to a higher sub-category;						
		(b) allocate an entity as referred to in paragraph 1 that has an overall score that is lower than the cut-off score of the lowest sub-category to that sub-category or to a higher sub-category, thereby designating it as a G-SII.						

	Article 133(1) (see also Article 133(2)) (Requirement to maintain a systemic risk buffer)	Each Member State may introduce a systemic risk buffer of Common Equity Tier 1 capital for the financial sector or one or more subsets of that sector, in order to prevent and mitigate long term non-cyclical systemic or macroprudential risks not covered by Regulation (EU) No 575/2013, in the meaning of a risk of disruption in the financial system with the potential to have serious negative consequences to the financial system and the real economy in a specific Member State.	Capital Buffers	Competent or Designated Authority	General or case-by-case	N/A	The responsible authority has yet to be confirmed by the Department of Finance	We would appreciate clarity as soon as possible, for consideration of the proposed approach.
	Article 133(8) (Requirement to maintain a systemic risk buffer)	The systemic risk buffer may apply to exposures located in the Member State that sets that buffer and may also apply to exposures in third countries. The systemic risk buffer may also apply to exposures located in other Member States, subject to paragraphs 15 and 18.	Capital Buffers	Competent or Designated Authority	General or case-by-case	N/A	The responsible authority has yet to be confirmed by the Department of Finance	We would appreciate clarity as soon as possible, for consideration of the proposed approach.
	Article 133(9) (Requirement to maintain a systemic risk buffer)	The systemic risk buffer shall apply to all institutions, or one or more subsets of those institutions, for which the authorities of the Member State concerned are competent in accordance with this Directive and shall be set in gradual or accelerated steps of adjustment of 0,5 percentage point. Different requirements may be introduced for different subsets of the sector.	Capital Buffers	Competent or Designated Authority	General or case-by-case	N/A	The responsible authority has yet to be confirmed by the Department of Finance	We would appreciate clarity as soon as possible, for consideration of the proposed approach.

	Article 133(13) (Requirement to maintain a systemic risk buffer)	The competent authority or the designated authority may from 1 January 2015 set or reset a systemic risk buffer rate that applies to exposures located in that Member State and may also apply to exposures in third countries of up to 5 % and follow the procedures set out in paragraph 11. When setting or resetting a systemic risk buffer rate above 5 % the procedures set out in paragraph 12 shall be complied with.	Capital Buffers	Competent or Designated Authority	General or case-by-case	N/A	The responsible authority has yet to be confirmed by the Department of Finance	We would appreciate clarity as soon as possible, for consideration of the proposed approach.
	Article 133(17) (Requirement to maintain a systemic risk buffer)	Where an institution fails to meet fully the requirement under paragraph 1 of this Article, it shall be subject to the restrictions on distributions set out in Article 141(2) and (3).	Capital Buffers	Competent Authority	Case-by-case	Yes	The Bank intends to retain the flexibility to exercise this discretion on a case by case basis	Noted.
		Where the application of those restrictions on distributions leads to an unsatisfactory improvement of the Common Equity Tier 1 capital of the institution in the light of the relevant systemic risk, the competent authorities may take additional measures in accordance with Article 64						

	Article 133(18) (Requirement to maintain a systemic risk buffer)	Following notification as referred to in paragraph 11, Member States may apply the buffer to all exposures. Where the competent authority or the designated authority decides to set the buffer up to 3 % on the basis of exposures in other Member States, the buffer shall be set equally on all exposures located within the Union	Capital Buffers	Competent or Designated Authority	Case-by-case	N/A	The responsible authority has yet to be confirmed by the Department of Finance	We would appreciate clarity as soon as possible, for consideration of the proposed approach.
	Article 136(4)-(6) (Setting countercyclical buffer rates)	A designated authority may determine the calibration of a countercyclical buffer rate, which shall be between 0 and 2.5 per cent, calibrated in steps of 0.25 percentage points. A rate above 2.5 per cent may be applied where this is deemed warranted and subject to certain conditions. A designated authority may also determine the date of application for the purposes of calculating the institution-specific countercyclical buffer	Capital Buffers	Designated Authority	General	N/A	The responsible authority has yet to be confirmed by the Department of Finance	We would appreciate clarity as soon as possible, for consideration of the proposed approach.
	Article 137(1)-(2) (Recognition of countercyclical buffer rates in excess of 2,5 %)	A designated authority may recognise a countercyclical buffer rate above 2.5 per cent set by other designated authorities in Member States or third countries for the purposes of the calculation by domestically authorised institutions of their institution-specific countercyclical capital buffers.	Capital Buffers	Designated Authority	General	N/A	The responsible authority has yet to be confirmed by the Department of Finance	We would appreciate clarity as soon as possible, for consideration of the proposed approach.

	Article 138(b) (ESRB recommendation on third country countercyclical buffer rates)	the ESRB considers that a countercyclical buffer rate which has been set and published by the relevant third-country authority for a third country is not sufficient to protect Union institutions appropriately from the risks of excessive credit growth in that country, or a designated authority notifies the ESRB that it considers that buffer rate to be insufficient for that purpose.	Capital Buffers	Designated Authority	General	N/A	The responsible authority has yet to be confirmed by the Department of Finance	We would appreciate clarity as soon as possible, for consideration of the proposed approach.
	Article 139(2)-(4) (Decision by designated authorities on third country countercyclical buffer rates)	2. In the circumstances referred to in point (a) of Article 138, designated authorities may set the countercyclical buffer rate that domestically authorised institutions must apply for the purposes of the calculation of their institution-specific countercyclical capital buffer.	Capital Buffers	Designated Authority	Case-by-case	N/A	The responsible authority has yet to be confirmed by the Department of Finance	We would appreciate clarity as soon as possible, for consideration of the proposed approach.

		3. Where a countercyclical buffer rate has been set and published by the relevant third-country authority for a third country, a designated authority may set a different buffer rate for that third country for the purposes of the calculation by domestically authorised institutions of their institution-specific countercyclical capital buffer if they reasonably consider that the buffer rate set by the relevant third-country authority is not sufficient to protect those institutions appropriately from the risks of excessive credit growth in that country.						
		When exercising the power under the first subparagraph, a designated authority shall not set a countercyclical buffer rate below the level set by the relevant third-country authority unless that buffer rate exceeds 2,5 %, expressed as a percentage of the total risk exposure amount calculated in accordance with Article 92(3) of Regulation (EU) No 575/2013 of institutions that have credit exposures in that third country.						
		In order to achieve coherence for the buffer settings for third countries the ESRB may give recommendations for such settings.						

		4. Where a designated authority sets a countercyclical buffer rate for a third country pursuant to paragraph 2 or 3 which increases the existing applicable countercyclical buffer rate, the designated authority shall decide the date from which domestically authorised institutions must apply that buffer rate for the purposes of calculating their institution-specific countercyclical capital buffer. That date shall be no later than 12 months from the date when the buffer rate is announced in accordance with paragraph 5. If that date is less than 12 months after the setting is announced, that shorter deadline for application shall be justified on the basis of exceptional circumstances.						
	Article 142(3)-(4) (Capital Conservation Plan)	3. The competent authority shall assess the capital conservation plan, and shall approve the plan only if it considers that the plan, if implemented, would be reasonably likely to conserve or raise sufficient capital to enable the institution to meet its combined buffer requirements within a period which the competent authority considers appropriate.	Capital Buffers	Competent Authority	Case-by-case	Yes	The Bank intends to retain the flexibility to exercise the discretion in subparagraph 4 on a case-by-case basis	We are supportive of the Central Bank utilising this discretion on a case-by-case basis.

		4. If the competent authority does not approve the capital conservation plan in accordance with paragraph 3, it shall impose one or both of the following:						
		(a) require the institution to increase own funds to specified levels within specified periods;						
		(b) exercise its powers under Article 102 to impose more stringent restrictions on distributions than those required by Article 141.						

Appendix A Part II

Directive Reference	Text of Article	Area	Type of Discretion/Option	Nature	Exercise	Comment	IBF Comment
Article 21 (Waiver for credit institutions permanently affiliated to a central body)	The competent authorities may waive the requirements set out in Articles 10 and 12 and Article 13(1) of this Directive with regard to a credit institution referred to in Article 10 of Regulation (EU) No 575/2013 in accordance with the conditions set out therein.	Authorisations	Competent authority	Case-by-case	No	See comment on Article 10 CRR	Agreed
Article 22(3)-(5),(7) (Notification and assessment of proposed acquisitions)	3. The competent authorities may, during the assessment period if necessary, and no later than on the 50th working day of the assessment period, request further information that is necessary to complete the assessment. Such a request shall be made in writing and shall specify the additional information needed.	Qualifying Holdings	Competent Authority	Case-by-case	Yes	The Bank intends to continue exercising these discretions on a case-by-case basis	We accept this continued discretion. We seek confirmation that the recently issued "Notification of the Proposed Imposition of Conditions on the Licence" is consistent with CRD IV / CRR and if not that banks will be advised of any refinements in due course.
	For the period between the date of request for information by the competent authorities and the receipt of a response thereto by the proposed acquirer, the assessment period shall be suspended. The suspension shall not exceed 20 working days. Any further requests by the competent authorities for completion or clarification of the information shall be at their discretion but shall not result in a suspension of the assessment period.						

	4. The competent authorities may extend the suspension referred to in the second subparagraph of paragraph 3 up to 30 working days if the proposed acquirer is situated or regulated in a third country or is a natural or legal person not subject to supervision under this Directive or under Directives 2009/65/EC, 2009/138EC, or 2004/39/EC.						
	5. If the competent authorities decide to oppose the proposed acquisition, they shall, within two working days of completion of the assessment, and not exceeding the assessment period, inform the proposed acquirer in writing, providing the reasons. Subject to national law, an appropriate statement of the reasons for the decision may be made accessible to the public at the request of the proposed acquirer. This shall not prevent a Member State from allowing the competent authority to publish such information in the absence of a request by the proposed acquirer.						
	7. The competent authorities may fix a maximum period for concluding the proposed acquisition and extend it where appropriate						

Article 23(2) (Assessment criteria)	The competent authorities may oppose the proposed acquisition only if there are reasonable grounds for doing so on the basis of the criteria set out in paragraph 1 or if the information provided by the proposed acquirer is incomplete	Qualifying Holdings	Competent Authority	Case-by-case	Yes	The Bank intends to continue exercising this discretion on a case-by-case basis	Agreed
Article 29(2) (Initial capital of particular types of investment firms)	2. The competent authorities may allow an investment firm which executes investors' orders for financial instruments to hold such instruments for its own account if the following conditions are met:	Investment Firms	Competent Authority	Case-by-case	Yes	The Bank intends to continue exercising this discretion on a case-by-case basis subject to prior written approval from the Bank	Noted.
	(a) such positions arise only as a result of the firm's failure to match investors' orders precisely;						
	(b) the total market value of all such positions is subject to a ceiling of 15 % of the firm's initial capital;						
	(c) the firm meets the requirements set out in Articles 92 to 95 and Part Four of Regulation (EU) No 575/2013;						
	(d) such positions are incidental and provisional in nature and strictly limited to the time required to carry out the transaction in question.						

Article 93(b) (Institutions that benefit from government intervention)	In the case of institutions that benefit from exceptional government intervention, the following principles shall apply in addition to those set out in Article 92(2)…(b) the relevant competent authorities require institutions to restructure remuneration in a manner aligned with sound risk management and long-term growth, including, where appropriate, establishing limits to the remuneration of the members of the management body of the institution	Remuneration	Competent Authority	Case-by-case	Yes	The Bank intends to maintain the flexibility to exercise this discretion on a case-by-case basis	Noted.
Article 108(1) (Internal capital adequacy assessment process)	Competent authorities shall require every institution which is neither a subsidiary in the Member State where it is authorised and supervised, nor a parent undertaking, and every institution not included in the consolidation pursuant to Article 19 of Regulation (EU) No 575/2013, to meet the obligations set out in Article 73 of this Directive on an individual basis.	Level of Application	Competent Authority	Case-by-case	No	See comment on Article 10 CRR	Noted.
	Competent authorities may waive the requirements set out in Article 73 of this Directive in regard to a credit institution in accordance with Article 10 of Regulation (EU) No 575/2013.						
Article 109(1) (Institutions' arrangements, processes and mechanisms)	Competent authorities shall require institutions to meet the obligations set out in Section II of this Chapter on an individual basis, unless competent authorities make use of the derogation provided for in Article 7 of Regulation (EU) No 575/2013.	Level of Application	Competent Authority	Case-by-case	No	See comment on Article 7 CRR	Please see comment on Article 7, Appendix B, Part II .

Article 111(5) (Determination of the consolidating supervisor)	In particular cases, the competent authorities may, by common agreement, waive the criteria referred to in paragraphs 3 and 4 if their application would be inappropriate, taking into account the institutions and the relative importance of their activities in different countries, and appoint a different competent authority to exercise supervision on a consolidated basis. In such cases, before taking their decision, the competent authorities shall give the EU parent institution, EU parent financial holding company, EU parent mixed financial holding company, or institution with the largest balance sheet total, as appropriate, an opportunity to state its opinion on that decision.	Consolidated Supervision	Competent Authority	Case-by-case	Yes	The Bank intends to retain the flexibility to exercise this discretion on a case-by-case basis	We agree with the continued retention of flexibility.

Article 115(2) (Coordination and cooperation arrangements)	The competent authorities responsible for authorising the subsidiary of a parent undertaking which is an institution may, by bilateral agreement, in accordance with Article 28 of Regulation (EU) No 1093/2010, delegate their responsibility for supervision to the competent authorities which authorised and supervise the parent undertaking so that they assume responsibility for supervising the subsidiary in accordance with this Directive. EBA shall be kept informed of the existence and content of such agreements. It shall forward such information to the competent authorities of the other Member States and to the European Banking Committee	Consolidated Supervision	Competent Authority	Case-by-case	Yes	The Bank intends to retain the flexibility to exercise this discretion on a case-by-case basis	We support this approach.
Article 127(3) (Assessment of equivalence of third countries' consolidated supervision)	Competent authorities may in particular require the establishment of a financial holding company or mixed financial holding company which has its head office in the Union, and apply the provisions on consolidated supervision to the consolidated position of that financial holding company or the consolidated position of the institutions of that mixed financial holding company.	Holding Companies	Competent Authority	Case-by-case	Yes	The Bank intends to retain the flexibility to exercise this discretion on a case-by-case basis	Accepted

Appendix B Part I

Regulation Reference	Text of Article	Area	Type of Discretion/ Option	Nature	Exercise	Comment	IBF Comment
Recital 75 (Approval of Additional Tier 1 and 2 instruments)	This Regulation should not affect the ability of competent authorities to maintain pre-approval processes regarding the contracts governing Additional Tier 1 and Tier 2 capital instruments. In those cases such capital instruments should only be computed towards the institution's Additional Tier 1 capital or Tier 2 capital once they have successfully completed these approval processes.	Own Funds	Competent Authority	General	Yes	The eligibility criteria in the CRR are far clearer as to what AT1/T2 instruments should conform to. Notwithstanding this greater clarity, in the interests of prudency and consistency of approach, it is proposed that all capital instruments must receive the Bank's prior approval before they may be included in Own Funds.	We would welcome clarification and guidance on the review/approval processes. Are there likely to be legal documentation requirements?

Article 4(2)(Definitions)	Where reference in this Regulation is made to real estate or residential or commercial immovable property or a mortgage on such property, it shall include shares in Finnish residential housing companies operating in accordance with the Finnish Housing Company Act of 1991 or subsequent equivalent legislation. Member States or their competent authorities may allow shares constituting an equivalent indirect holding of real estate to be treated as a direct holding of real estate provided that such an indirect holding is specifically regulated in the national law of the Member State concerned and that, when pledged as collateral, it provides equivalent protection to creditors.	Credit Risk	Member State or Competent Authority	Case by Case	N/A	Member State to confirm allocation of decision-making on this discretion.	We note this is not applicable.

6(4)(General Principles)	Credit institutions and investment firms that are authorised to provide the investment services and activities listed in points (3) and (6) of Section A of Annex I to Directive 2004/39/EC shall comply with the obligations laid down in Part Six on an individual basis. Pending the report from the Commission in accordance with Article 508(3), competent authorities may exempt investment firms from compliance with the obligations laid down in Part Six taking into account the nature, scale and complexity of the investment firms' activities.	Investment Firms	Competent authority	General	Yes	Pending the report from the Commission, due 31 December 2015, the Bank intends to exercise this discretion for all investment firms in scope of the requirements. It should be noted that if, at any stage, the Bank considers it necessary for a particular investment firm or category of investment firms to comply with the liquidity requirements due to the potential impact a firm failure could have on the Irish financial system, the Bank may withdraw the exemption from the CRR liquidity requirements for that investment firm or category of investment firms.	We note that liquidity requirements will not apply to investment firms pending a report from the Commission due 31 December 2015.
Article 8 (Derogation to the application of liquidity requirements on an individual basis)	The competent authorities may waive in full or in part the application of Part Six to an institution and to all or some of its subsidiaries in the Union and supervise them as a single liquidity sub group so long as they fulfil all of the following conditions:	Liquidity	Competent Authority	Case by Case	Yes	From 1 Jan 2014 derogations may be granted where all institutions of the single liquidity sub-group are authorised by the Bank. From 1 Jan 2015, following a joint-decision process, derogations may be granted where institutions of the relevant single liquidity sub-group are authorised in several Member States.	The IBF appreciates this approach but considers the timetable is tight for implementation. The CBI is requested to clarify: * the application requirements / template * timetable for the approval of waivers * further details on waiver approval requirements.

	(a) the parent institution on a consolidated basis or a subsidiary institution on a sub consolidated basis complies with the obligations laid down in Part Six;					These derogations are subject to a European Commission review of one of the conditions by 1 Jan 2014 and a possible legislative proposal by 31 Dec 2015 if appropriate.	
	(b) the parent institution on a consolidated basis or the subsidiary institution on a sub consolidated basis monitors and has oversight at all times over the liquidity positions of all institutions within the group or sub group, that are subject to the waiver and ensures a sufficient level of liquidity for all of these institutions;					When granting the derogation to domestic institutions, a derogation to the application of the Directive's Article 86 qualitative liquidity requirements may also be granted.	
	(c) the institutions have entered into contracts that, to the satisfaction of the competent authorities, provide for the free movement of funds between them to enable them to meet their individual and joint obligations as they come due;					A derogation may also apply to institutional protection scheme members - n/a to banks in Ireland.	
	(d) there is no current or foreseen material practical or legal impediment to the fulfilment of the contracts referred to in (c).						

	By 1 January 2014 the Commission shall report to the European Parliament and the Council on any legal obstacles which are capable of rendering impossible the application of point (c) of the first subparagraph and is invited to make a legislative proposal, if appropriate, by 31 December 2015 on which of those obstacles should be removed.						
	2. The competent authorities may waive in full or in part the application of Part Six to an institution and to all or some of its subsidiaries where all institutions of the single liquidity sub group are authorised in the same Member State and provided that the conditions in paragraph 1 are fulfilled.						
	3. Where institutions of the single liquidity sub group are authorised in several Member States, paragraph 1 shall only be applied after following the procedure laid down in Article 21 and only to the institutions whose competent authorities agree about the following elements:						
	(a) their assessment of the compliance of the organisation and of the treatment of liquidity risk with the conditions set out in Article 86 of Directive 2013/…/EU* across the single liquidity sub group;						

	(b) the distribution of amounts, location and ownership of the required liquid assets to be held within the single liquidity sub group;						
	(c) the determination of minimum amounts of liquid assets to be held by institutions for which the application of Part Six will be waived;						
	(d) the need for stricter parameters than those set out in Part Six;						
	(e) unrestricted sharing of complete information between the competent authorities;						
	(f) a full understanding of the implications of such a waiver.						
	4. Competent authorities may also apply paragraphs 1, 2 and 3 to institutions which are members of the same institutional protection scheme referred to in Article 113(7)(b), provided that they meet all the conditions laid down in Article 113(7), and to other institutions linked by a relationship referred to in Article 113(6) provided that they meet all the conditions laid down therein. Competent authorities shall in that case determine one of the institutions subject to the waiver to meet Part Six on the basis of the consolidated situation of all institutions of the single liquidity sub group.						

	5. Where a waiver has been granted under paragraph 1 or paragraph 2, the competent authorities may also apply Article 86 of Directive 2013/…/EU*, or parts thereof, at the level of the single liquidity sub group and waive the application of Article 86 of Directive 2013/…/EU*, or parts thereof, on an individual basis.						
Article 9 (Individual consolidation method)	1. Subject to paragraphs 2 and 3 of this Article and to Article 144(3) of Directive 2013/…/EU*, the competent authorities may permit on a case by case basis parent institutions to incorporate in the calculation of their requirement under Article 6(1) subsidiaries which meet the conditions laid down in points (c) and (d) of Article 7(1), and whose material exposures or material liabilities are to that parent institution.	Level of Applicatio n	Competent Authority	Case by Case	Yes	For institutions in receipt of previous waivers under CRD Article 70, the waiver will continue to apply automatically unless there has been a material change since their original application (e.g., to their business model or in the parent-subsidiary relationship). In instances where there have been such significant changes the institution must re-apply under Article 9(4).	Noted. Clarification is sought from the CBI as to whether the derogation under Article 9 (1) for parent institutions could also be applied to the calculation of the leverage ratio requirement under Article 6.5.
	2. The treatment set out in paragraph 1 shall be permitted only where the parent institution demonstrates fully to the competent authorities the circumstances and arrangements, including legal arrangements, by virtue of which there is no material practical or legal impediment, and none are foreseen, to the prompt transfer of own funds, or repayment of liabilities when due by the subsidiary to its parent undertaking.						

	3. Where a competent authority exercises the discretion laid down in paragraph 1, it shall on a regular basis and not less than once a year inform the competent authorities of all the other Member States of the use made of paragraph 1 and of the circumstances and arrangements referred to in paragraph 2. Where the subsidiary is in a third country, the competent authorities shall provide the same information to the competent authorities of that third country as well						

11(3) (General Treatment)	EU parent institutions and institutions controlled by an EU parent financial holding company and institutions controlled by an EU parent mixed financial holding company shall comply with the obligations laid down in Part Six on the basis of the consolidated situation of that parent institution, financial holding company or mixed financial holding company, if the group comprises one or more institutions that are authorised to provide the investment services and activities listed in points (3) and (6) of Section A of Annex I to Directive 2004/39/EC. Pending the report from the Commission in accordance with Article 508(2), and if the group comprises only investment firms, competent authorities may exempt investment firms from compliance with the obligations laid down in Part Six on a consolidated basis, taking into account the nature, scale and complexity of the investment firm's activities	Investment Firms	Competent Authority	General	Yes	Pending the report from the Commission due 31 December 2015, the Bank intends to exercise this discretion for all investment firms in scope of the requirements. It should be noted that if, at any stage, the Bank considers it necessary for a particular investment firm or category of investment firms to comply with the liquidity requirements due to the potential impact a firm failure could have on the Irish financial system, the Bank may withdraw the exemption from the CRR liquidity requirements for that investment firm or category of investment firms.	Noted, pending issuance of Report from the Commission due 31 December 2015.

Article 11(5)	5. In addition to the requirements in paragraphs 1 to 4, and without prejudice to other provisions of this Regulation and Directive 2013/36/EU, when it is justified for supervisory purposes by the specificities of the risk or of the capital structure of an institution or where Member States adopt national laws requiring the structural separation of activities within a banking group, competent authorities may require the structurally separated institutions to comply with the obligations laid down in Parts Two to Four and Parts Six to Eight of this Regulation and in Title VII of Directive 2013/36/EU on a sub-consolidated basis.	Level of Application	Competent Authority	Case by Case	Yes	The EBA has produced a Q&A which clarifies that "Institutions may be required to comply with the prudential requirements laid down in CRR on a sub-consolidated basis in the following cases:	We support this discretion.
						- where Member States adopt national laws requiring the structural separation of activities within a banking group" and	
						- when it is justified for supervisory purposes by the specificities of the risk or of the capital structure of an institution	

						Cases for supervisory purposes are not limited to those specified in Article 22 or Article 11 (1) to (3) of Regulation (EU) No 575/2013. The Bank may wish to impose sub-consolidated supervision on institutions for reasons other than structural separation of activities and therefore intends to leave open the possibility of exercising this discretion.	
Article 18(2)(Methods for Prudential Consolidation)	However, the competent authorities may on a case-by-case basis permit proportional consolidation according to the share of capital that the parent undertaking holds in the subsidiary. Proportional consolidation may only be permitted where all of the following conditions are fulfilled:	Level of Application	Competent authority	Case by Case	Yes	The Bank intends to retain the flexibility to exercise this discretion on a case-by-case basis only.	We support the use of this discretion on a case by case basis only.
	(a) the liability of the parent undertaking is limited to the share of capital that the parent undertaking holds in the subsidiary in view of the liability of the other shareholders or members;						
	(b) the solvency of those other shareholders or members is satisfactory;						
	(c) the liability of the other shareholders and members is clearly established in a legally binding way.						

Article 18(5)&(6)	The competent authorities shall determine whether and how consolidation is to be carried out in the following cases:	Level of Applicatio n	Competent authority	Case by Case	Yes	The Bank intends to retain the flexibility to exercise this discretion on a case-by-case basis only.	We support the use of this discretion on a case by case basis only.
	(a) where, in the opinion of the competent authorities, an institution exercises a significant influence over one or more institutions or financial institutions, but without holding a participation or other capital ties in these institutions; and						
	(b) where two or more institutions or financial institutions are placed under single management other than pursuant to a contract or clauses of their memoranda or Articles of association.						
	In particular, the competent authorities may permit, or require use of, the method provided for in Article 12 of Directive 83/349/EEC. That method shall not, however, constitute inclusion of the undertakings concerned in consolidated supervision.						

Article 24(2)(Valuation of assets and off-balance sheet items)	By way of derogation from paragraph 1, competent authorities may require that institutions effect the valuation of assets and off-balance sheet items and the determination of own funds in accordance with International Accounting Standards as applicable under Regulation (EC) No 1606/2002.	Own Funds	Competent Authority	Case by Case	Yes	The main change to existing Article 74 of 2006/48/EC is to specify that where the applicable accounting framework is not international accounting standards (IAS), competent authorities may still require the valuation of assets and off-balance sheet liabilities and determination of own funds in accordance with International Accounting Standards.	Noted. We are seeking advice on how the CBI will decide for each institution whether or not to apply this discretion.
Article 27(1) & (2) (Capital instruments of mutuals, cooperative societies, savings institutions or similar institutions entities in Common Equity Tier 1 items)	1. Common Equity Tier 1 items shall include any capital instrument issued by an institution under its statutory terms provided the following conditions are met:	Own Funds	Competent Authority	Case by Case	No	The Bank does not consider that this discretion is relevant within the Irish context.	Clarification required from CBI as to the applicability of this article to any financial institution in Ireland. Article 5 of the EBA Own Funds RTS lists as one of the conditions of an institution qualifying as a mutual - in Ireland: institutions registered as 'building societies' under the Building Societies Act 1989.
	(a) the institution is of a type that is defined under applicable national law and which competent authorities consider to qualify as any of the following:						
	(i) a mutual;						
	(ii) a co-operative society;						
	(iii) a savings institution;						
	(iv) a similar institution;						

	(v) a credit institution which is wholly owned by one of the institutions referred to in points (i) to (iv), and has approval from the relevant competent authority to make use of the provisions in this Article, and provided that, and for as long as, 100 % of the ordinary shares in issue in the credit institution are held directly or indirectly by an institution referred to in those points						
	(b) the conditions laid down in Articles 28 or, where applicable, Article 29, are met.						
	Those mutuals, cooperative societies or savings institutions recognised as such under applicable national law prior to 31 December 2012 shall continue to be classified as such for the purposes of this Part, provided that they continue to meet the criteria that determined such recognition.						
Article 31(Capital instruments subscribed by public authorities in emergency situations)	1. In emergency situations, competent authorities may permit institutions to include in Common Equity Tier 1 capital instruments that comply at least with the conditions laid down in points (b) to (e) of Article 28(1) where all the following conditions are met:	Own Funds	Competent authority	Case by Case	Yes	The Bank intends to retain the flexibility to exercise this discretion on a case-by-case basis	We note that the CBI intends to retain this discretion on a case-by-case basis.
	(a) the capital instruments are issued after 1 January 2014;						
	(b) the capital instruments are considered State aid by the Commission;						

	(c) the capital instruments are issued within the context of recapitalisation measures pursuant to State aid- rules existing at the time;						
	(d) the capital instruments are fully subscribed and held by the State or a relevant public authority or public-owned entity;						
	(e) the capital instruments are able to absorb losses;						
	(f) except for the capital instruments referred to in Article 27, in the event of liquidation, the capital instruments entitle their owners to a claim on the residual assets of the institution after the payment of all senior claims;						
	(g) there are adequate exit mechanisms of the State or, where applicable, a relevant public authority or public-owned entity;						
	(h) the competent authority has granted its prior permission and has published its decision together with an explanation of that decision.						
	2. Upon reasoned request by and in cooperation with the relevant competent authority, EBA shall consider the capital instruments referred to in paragraph 1 as equivalent to Common Equity Tier 1 instruments for the purposes of this Regulation.						

Article 49(Requirement for deduction, supplementary supervision or institutional protection schemes have been applied)	1. For the purposes of calculating own funds on an individual basis, a sub-consolidated basis and a consolidated basis, where the competent authorities require or permit institutions to apply method 1, 2 or 3 of Annex I to Directive 2002/87/EC, the competent authorities may permit institutions not to deduct the holdings of own funds instruments of a financial sector entity in which the parent institution, parent financial holding company or parent mixed financial holding company or institution has a significant investment, provided that the conditions laid down in points (a) to (e) of this paragraph are met:	Own Funds	Competent Authority	Case by Case	Yes	The Bank intends to exercise this discretion, though considers that it is a constrained discretion subject to RTS conditionality	We support the use of this discretion. We assume the discretion applies to Article 49.1 only.
	(a) the financial sector entity is an insurance undertaking, a re- insurance undertaking or an insurance holding company;						
	(b) that insurance undertaking, re-insurance undertaking or insurance holding company is included in the same supplementary supervision under Directive 2002/87/EC as the parent institution, parent financial holding company or parent mixed financial holding company or institution that has the holding;						
	(c) the institution has received the prior permission of the competent authorities;						

	(d) prior to granting the permission referred to in point (c), and on a continuing basis, the competent authorities are satisfied that the level of integrated management, risk management and internal control regarding the entities that would be included in the scope of consolidation under method 1, 2 or 3 is adequate;						
	(e) the holdings in the entity belong to one of the following:						
	(i) the parent credit institution;						
	(ii) the parent financial holding company;						
	(iii) the parent mixed financial holding company;						
	(iv) the institution;						
	(v) a subsidiary of one of the entities referred to in points (i) to (iv) that is included in the scope of consolidation pursuant to Chapter 2 of Title II of Part One.						
	The method chosen shall be applied in a consistent manner over time.						

	2. For the purposes of calculating own funds on an individual basis and a sub-consolidated basis, institutions subject to supervision on a consolidated basis in accordance with Chapter 2 of Title II of Part One shall not deduct holdings of own funds instruments issued by financial sector entities included in the scope of consolidated supervision, unless the competent authorities determine those deductions to be required for specific purposes, in particular structural separation of banking activities and resolution planning.						
	Applying the approach referred to in the first subparagraph shall not entail disproportionate adverse effects on the whole or parts of the financial system in other Member States or in the Union as a whole forming or creating an obstacle to the functioning of the internal market.						
	3. Competent authorities may, for the purposes of calculating own funds on an individual or sub-consolidated basis permit institutions not to deduct holdings of own funds instruments in the following cases:						
	(a) where an institution has a holding in another institution and the conditions referred to in points (i) to (v) are met:						
	(i) the institutions fall within the same institutional protection scheme referred to in Article 113(7);						

	(ii) the competent authorities have granted the permission referred to in Article 113(7);						
	(iii) the conditions laid down in Article 113(7) are satisfied;						
	(iv) the institutional protection scheme draws up a consolidated balance sheet referred to in point (e) of Article 113(7) or, where it is not required to draw up consolidated accounts, an extended aggregated calculation that is, to the satisfaction of the competent authorities, equivalent to the provisions of Directive 86/635/EEC, which incorporates certain adaptations of the provisions of Directive 83/349/EEC or of Regulation (EC) No 1606/2002, governing the consolidated accounts of groups of credit institutions. The equivalence of that extended aggregated calculation shall be verified by an external auditor and in particular that the multiple use of elements eligible for the calculation of own funds as well as any inappropriate creation of own funds between the members of the institutional protection scheme is eliminated in the calculation. The consolidated balance sheet or the extended aggregated calculation shall be reported to the competent authorities no less frequently than the frequency laid down in Article 99;EN 27.6.2013 Official Journal of the European Union L 176/47						

	(v) the institutions included in an institutional protection scheme meet together on a consolidated or extended aggregated basis the requirements laid down in Article 92 and carry out reporting of compliance with those requirements in accordance with Article 99. Within an institutional protection scheme the deduction of the interest owned by co-operative members or legal entities, which are not members of the institutional protection scheme, is not required, provided that the multiple use of elements eligible for the calculation of own funds as well as any inappropriate creation of own funds between the members of the institutional protection scheme and the minority shareholder, when it is an institution, is eliminated.						
	(b) where a regional credit institution has a holding in its central or another regional credit institution and the conditions laid down in points (a)(i) to (v) are met.						
	4. The holdings in respect of which deduction is not made in accordance with paragraph 1, 2 or 3 shall qualify as exposures and shall be risk weighted in accordance with Chapter 2 or 3 of Title II of Part Three, as applicable.						

	5. Where an institution applies methods 1 or 2 of Annex I to Directive 2002/87/EC, the institution shall disclose the supplementary own funds requirement and capital adequacy ratio of the financial conglomerate as calculated in accordance with Article 6 of and Annex I to that Directive.						
	6. EBA, EIOPA and the European Supervisory Authority (European Securities and Markets Authority) (ESMA) established by Regulation (EU) No 1095/2010 of the European Parliament and of the Council of 24 November 2010 (1) shall, through the Joint Committee, develop draft regulatory technical standards to specify for the purposes of this Article the conditions of application of the calculation methods listed in Annex I, Part II of Directive 2002/87/EC for the purposes of the alternatives to deduction referred to in paragraph 1 of this Article.						
	EBA, EIOPA and ESMA shall submit those draft regulatory technical standards to the Commission by 1 February 2015.						

	Power is delegated to the Commission to adopt the regulatory technical standards referred to in the first subparagraph in accordance with Articles 10 to 14 of Regulation (EU) No 1093/2010, of Regulation (EU) No 1094/2010 and of Regulation (EU) No 1095/2010 respectively.						
Article 78 (Supervisory permission for reducing own funds)	1. The competent authority shall grant permission for an institution to reduce, repurchase, call or redeem Common Equity Tier 1, Additional Tier 1 or Tier 2 instruments where any of the following conditions is met:	Own Funds	Competent authority	Case by Case	Yes	The Bank intends to retain the flexibility to exercise this discretion on a case-by-case basis. Interpretation of 1(a) will also be subject to an EBA RTS.	We support the use of this discretion on a case by case basis.
	(a) earlier than or at the same time as the action referred to in Article 77, the institution replaces the instruments referred to in Article 77 with own funds instruments of equal or higher quality at terms that are sustainable for the income capacity of the institution;						

	(b) the institution has demonstrated to the satisfaction of the competent authority that the own funds of the institution would, following the action in question, exceed the requirements laid down in Article 92(1) of this Regulation and the combined buffer requirement as defined in point (6) of Article 128 of Directive 2013/36/EU by a margin that the competent authority may consider necessary on the basis of Article 104(3) of Directive 2013/36/EU.						
	2. When assessing under point (a) of paragraph 1 the sustainability of the replacement instruments for the income capacity of the institution, competent authorities shall consider the extent to which those replacement capital instruments would be more costly for the institution than those they would replace.						

	3. Where an institution takes an action referred to in point (a) of Article 77 and the refusal of redemption of Common Equity Tier 1 instruments referred to in Article 27 is prohibited by applicable national law, the competent authority may waive the conditions laid down in paragraph 1 of this Article provided the competent authority requires the institution to limit the redemption of such instruments on an appropriate basis.						
	4. The competent authorities may permit institutions to redeem Additional Tier 1 or Tier 2 instruments before five years of the date of issue only where the conditions laid down in paragraph 1 and point (a) or (b) of this paragraph are met:						
	(a) there is a change in the regulatory classification of those instruments that would be likely to result in their exclusion from own funds or reclassification as a lower quality form of own funds, and both the following conditions are met:						
	(i) the competent authority considers such a change to be sufficiently certain;						

	(ii) the institution demonstrates to the satisfaction of the competent authorities that the regulatory reclassification of those instruments was not reasonably foreseeable at the time of their issuance;						
	(b) there is a change in the applicable tax treatment of those instruments which the institution demonstrates to the satisfaction of the competent authorities is material and was not reasonably foreseeable at the time of their issuance.						
Article 83(1)	1. Additional Tier 1 and Tier 2 instruments issued by special purpose entity, and the related share premium accounts are included in qualifying Additional Tier 1, Tier 1 or Tier 2 capital or qualifying own funds, as applicable, only where the following conditions are met:	Own Funds	Competent Authority	Case by Case	Yes	The Bank intends to retain the flexibility to exercise this discretion on a case-by-case basis	We accept that the CBI retains the flexibility to exercise this discretion on a case-by-case basis.
	(a) the special purpose entity issuing those instruments is included fully in the consolidation pursuant to Chapter 2 of Title II of Part One;						
	(b) the instruments, and the related share premium accounts, are included in qualifying Additional Tier 1 capital only where the conditions laid down in Article 52(1) are satisfied;						
	(c) the instruments, and the related share premium accounts, are included in qualifying Tier 2 capital only where the conditions laid down in Article 63 are satisfied;						

	(d) the only asset of the special purpose entity is its investment in the own funds of the parent undertaking or a subsidiary thereof that is included fully in the consolidation pursuant to Chapter 2 of Title II of Part One, the form of which satisfies the relevant conditions laid down in Articles 52(1) or 63, as applicable.						
	Where the competent authority considers the assets of a special purpose entity other than its investment in the own funds of the parent undertaking or a subsidiary thereof that is included in the scope of consolidation pursuant to Chapter 2 of Title II of Part One, to be minimal and insignificant for such an entity, the competent authority may waive the condition specified in point (d) of the first subparagraph.						
Article 84(5)(Minority interests included in consolidated Common Equity Tier 1 capital)	5. Competent authorities may grant a waiver from the application of this Article to a parent financial holding company that satisfies all the following conditions:	Own Funds	Competent Authority	Case by Case	No	The Bank does not consider that any Irish banks would meet all of the conditions for the granting of this waiver.	We accept that the CBI does not consider that this discretion would apply to any Irish banks.
	(a) its principal activity is to acquire holdings;						
	(b) it is subject to prudential supervision on a consolidated basis;						
	(c) it consolidates a subsidiary institution in which it has only a minority holding by virtue of the control relationship defined in Article 1 of Directive 83/349/EEC;						

	(d) more than 90 % of the consolidated required Common Equity Tier 1 capital arises from the subsidiary institution referred to in point c) calculated on a sub-consolidated basis.						
	Where, after 31 December 2014, a parent financial holding company that meets the conditions laid down in the first subparagraph becomes a parent mixed financial holding company, competent authorities may grant the waiver referred to in the first subparagraph to that parent mixed financial holding company provided that it meets the conditions laid down in that subparagraph.						

Article 89(3)(Risk weighting and prohibition of qualifying holdings outside the financial sector)	Competent authorities shall apply the requirements laid down in point (a) or (b) to qualifying holdings of institutions referred to in paragraphs 1 and 2:	Own Funds	Competent Authority	General	Apply 1250% risk weight	Under Part 7 of S.I. No.661 of 2006, banks may have a qualifying holding outside the financial sector in excess of 15% of own funds or on an aggregated basis in excess of 60% of Own Funds on an exceptional basis. Under such circumstances, the Bank shall require the institution to increase its own funds or take equivalent measures. Under the CRR, the discretion for the competent authority is whether to permit a risk-weighting of 1250% for the excess or to prohibit such excesses entirely. The Bank does not consider that a prohibition is prudentially-warranted.	We support the application of this discretion.
	(a) for the purpose of calculating the capital requirement in accordance with Part Three of this Regulation, institutions shall apply a risk weight of 1 250 % to the greater of the following:						
	(i) the amount of qualifying holdings referred to in paragraph 1 in excess of 15 % of eligible capital;					The choice of 1250% risk-weighting or deduction is left to institutions under Article 90 CRR.	
	(ii) the total amount of qualifying holdings referred to in paragraph 2 that exceed 60 % of the eligible capital of the institution;						

	(b) the competent authorities shall prohibit institutions from having qualifying holdings referred to in paragraphs 1 and 2 the amount of which exceeds the percentages of eligible capital laid down in those paragraphs.						
	Competent authorities shall publish their choice of (a) or (b).						
Article 93(6)(Initial capital requirement on going concern)	Where competent authorities consider it necessary to ensure the solvency of an institution that the requirement laid down in paragraph 1 is met, the provisions laid down in paragraphs 2 to 5 shall not apply.	Own Funds	Competent Authority	Case by Case	Yes	The Bank intends to retain the flexibility to exercise this discretion on a case-by-case basis	We support the intention of the CBI to retain the flexibility to retain this discretion on a case-by-case basis.
Article 95(2) (Own funds requirements for investment firms with limited authorisation	Competent authorities may set the own fund requirements for firms referred to in point (2)(c) of Article 4(1) that provide the investment services and activities listed in points (2) and (4) of Section A of Annex I to Directive 2004/39/EC as the own fund requirements that would be binding on those firms according to the national transposition measures in force on 31 December 2013 for Directives 2006/49/EC and 2006/48/EC.	Investment Firms	Competent Authority	General	Yes	Pending the report from the Commission referred to in Article 508(3) CRR, due 31 December 2015, the Bank intends to exercise this discretion in order to maintain the Pillar 1 and Pillar 2 regime according to S.I. No. 660 of 2006 (as amended) and S.I. No. 661 of 2006 (as amended) as at 31 December 2013 for these firms.	Noted.
to provide investment services))							

Article 99(3)(Reporting on own funds requirements and financial information)	Competent authorities may require those credit institutions applying International Accounting Standards as applicable under Regulation (EC) No 1606/2002 for the reporting of own funds on a consolidated basis pursuant to Article 24(2) of this Regulation to also report financial information as laid down in the previous subparagraph 2 of this Article	Reporting	Competent Authority	Case by Case	Yes	This Bank intends to exercise this discretion as all Irish-licensed banks will be required to report FINREP.	We are concerned at the additional reporting requirements under FINREP at licensed authority level. We seek clarification of the basis on which FINREP is extended by the CBI to all licensed credit institutions, as the CRR only provides discretion to extend consolidated FINREP reporting in certain circumstances (where reporting of own funds on a consolidated basis using IAS has been required under Article 24.2). In addition this places an extra burden on Irish institutions given that other competent authorities are not adopting this approach.
Article 107(4)(Approaches to credit risk)	4. For the purposes of paragraph 3, the Commission may adopt, by way of implementing acts, and subject to the examination procedure referred to in Article 464(2), a decision as to whether a third country applies prudential supervisory and regulatory requirements at least equivalent to those applied in the Union. In the absence of such a decision, until 1 January 2015, institutions may continue to treat exposures to the entities referred to in paragraph 3 as exposures to institutions provided that the relevant competent authorities had approved the third country as eligible for that treatment before 1 January 2014.	Credit Risk	Competent Authority	General	Yes	Australia, Canada, Singapore, Switzerland and US are deemed equivalent for the purposes of this credit risk provision by the Bank	We consider this list is appropriate for now. We seek the following *clarification/confirmation that Crown Dependencies are not considered third countries for the purpose of these articles and • inclusion of a provision that allows for a regular review process (suggest at least every two years) whereby proposals to add countries to the list would be accepted, in the event that prudential supervisory and regulatory requirements are considered to have strengthened to EU equivalent standards in the intervening period and such a case can be made.

Article 114(7)(Exposures to central governments or central banks)	For the purposes of this paragraph, the Commission may adopt, by way of implementing acts, and subject to the examination procedure referred to in Article 464(2), a decision as to whether a third country applies supervisory and regulatory arrangements at least equivalent to those applied in the Union. In the absence of such a decision, until 1 January 2015, institutions may continue to apply the treatment set out in this paragraph to the exposures to the central government or central bank of the third country where the relevant competent authorities had approved the third country as eligible for that treatment before 1 January 2014.	Credit Risk	Competent Authority	General	Yes	Australia, Canada, Singapore, Switzerland and US are deemed equivalent for the purposes of this credit risk provision by the Bank.	As for 107(4), we consider this list is appropriate for now. We seek the following *clarification/confirmation that Crown Dependencies are not considered third countries for the purpose of these articles and • inclusion of a provision that allows for a regular review process (suggest at least every two years) whereby proposals to add countries to the list would be accepted, in the event that prudential supervisory and regulatory requirements are considered to have strengthened to EU equivalent standards in the intervening period and such a case can be made.
Article 115(3)(Exposures to Regional Governments or Local Authorities)	Exposures to churches or religious communities constituted in the form of a legal person under public law shall, in so far as they raise taxes in accordance with legislation conferring on them the right to do so, be treated as exposures to regional governments and local authorities. In this case, paragraph 2 shall not apply and, for the purposes of Article 150(1)(a), permission to apply the Standardised Approach shall not be excluded.	Credit Risk	Competent Authority	General	Yes		We see this as a limited definition which has no significant impact in Ireland.

Article 115(4)	For the purposes of this paragraph, the Commission may adopt, by way of implementing acts, and subject to the examination procedure referred to in Article 464(2), a decision as to whether a third country applies supervisory and regulatory arrangements at least equivalent to those applied in the Union. In the absence of such a decision, until 1 January 2015, institutions may continue to apply the treatment set out in this paragraph to the third country where the relevant competent authorities had approved the third country as eligible for that treatment before 1 January 2014.	Credit Risk	Competent Authority	General	Yes	Australia, Canada, Singapore, Switzerland and US are deemed equivalent for the purposes of this credit risk provision by the Bank	As for 107(4), we consider this list is appropriate for now. We seek the following *clarification/confirmation that Crown Dependencies are not considered third countries for the purpose of these articles and • inclusion of a provision that allows for a regular review process (suggest at least every two years) whereby proposals to add countries to the list would be accepted, in the event that prudential supervisory and regulatory requirements are considered to have strengthened to EU equivalent standards in the intervening period and such a case can be made.
Article 116(4) and (5)(Exposures to public sector entities)	4. In exceptional circumstances, exposures to public-sector entities may be treated as exposures to the central government, regional government or local authority in whose jurisdiction they are established where in the opinion of the competent authorities of this jurisdiction there is no difference in risk between such exposures because of the existence of an appropriate guarantee by the central government, regional government or local authority.	Credit Risk	Competent Authority	General	Yes	Australia, Canada, Singapore, Switzerland and US are deemed equivalent for the purposes of this credit risk provision by the Central Bank	As for 107(4), we consider this list is appropriate for now. We seek the following *clarification/confirmation that Crown Dependencies are not considered third countries for the purpose of these articles and • inclusion of a provision that allows for a regular review process (suggest at least every two years) whereby proposals to add countries to the list would be accepted, in the event that prudential supervisory and regulatory requirements are considered to have strengthened to EU equivalent standards in the intervening period and such a case can be made.

	5. When competent authorities of a third country jurisdiction, which apply supervisory and regulatory arrangements at least equivalent to those applied in the Union, treat exposures to public sector entities in accordance with paragraph 1 or 2, institutions may risk weight exposures to such public sector entities in the same manner. Otherwise the institutions shall apply a risk weight of 100 %. For the purposes of this paragraph, the Commission may adopt, by way of implementing acts, and subject to the examination procedure referred to in Article 464(2), a decision as to whether a third country applies supervisory and regulatory arrangements at least equivalent to those applied in the Union. In the absence of such a decision, until 1 January 2015, institutions may continue to apply the treatment set out in this paragraph to the third country where the relevant competent authorities had approved the third country as eligible for that treatment before 1 January 2014.						

Article 129(1)(g)(3rd subparagraph) (Exposures in the form of covered bonds)	The competent authorities may, after consulting EBA, partly waive the application of point (c) of the first subparagraph and allow credit quality step 2 for up to 10 % of the total exposure of the nominal amount of outstanding covered bonds of the issuing institution, provided that significant potential concentration problems in the Member States concerned can be documented due to the application of the credit quality step 1 requirement referred to in that point	Credit Risk	Competent Authority	Case by Case	Yes	The Bank intends to retain the flexibility to exercise this discretion on a case-by-case basis.	For the Central Bank to apply this option on a case by case basis rather than on an industry wide basis, it would need to amend section 35(8) and 9(B) of the ACS Act to permit that flexibility.
Article 132(3)(c)	For the purposes of point (a), the Commission may adopt, by way of implementing acts, and subject to the examination procedure referred to in Article 464(2), a decision as to whether a third country applies supervisory and regulatory arrangements at least equivalent to those applied in the Union. In the absence of such a decision, until 1 January 2015, institutions may continue to apply the treatment set out in this paragraph to exposures in the form of units or shares of CIUs from third countries where the relevant competent authorities had approved the third country as eligible for that treatment before 1 January 2014.	Credit Risk	Competent Authority	General	Yes	Australia, Canada, Singapore, Switzerland and US are deemed equivalent for the purposes of this credit risk provision by the Bank	As for 107(4), we consider this list is appropriate for now. We seek the following *clarification/confirmation that Crown Dependencies are not considered third countries for the purpose of these articles and • inclusion of a provision that allows for a regular review process (suggest at least every two years) whereby proposals to add countries to the list would be accepted, in the event that prudential supervisory and regulatory requirements are considered to have strengthened to EU equivalent standards in the intervening period and such a case can be made.

Article	Text	Area	Discretion held by	Type	Exercised	Comment	Response
Article 142(2)(Definitions)	For the purposes of point (4)(b) of paragraph 1 of this Article, the Commission may adopt, by way of implementing acts, and subject to the examination procedure referred to in Article 464(2), a decision as to whether a third country applies supervisory and regulatory arrangements at least equivalent to those applied in the Union. In the absence of such a decision, until 1 January 2015, institutions may continue to apply the treatment set out in this paragraph to a third country where the relevant competent authorities had approved the third country as eligible for this treatment before 1 January 2014.	Credit Risk	Competent Authority	General	Yes	Australia, Canada, Singapore, Switzerland and US are deemed equivalent for the purposes of this credit risk provision by the Bank	As for 107(4), we consider this list is appropriate for now. We seek the following *clarification/confirmation that Crown Dependencies are not considered third countries for the purpose of these articles and • inclusion of a provision that allows for a regular review process (suggest at least every two years) whereby proposals to add countries to the list would be accepted, in the event that prudential supervisory and regulatory requirements are considered to have strengthened to EU equivalent standards in the intervening period and such a case can be made.
Article 162(1)-(2)(Maturity)	1. Institutions that have not received permission to use own LGDs and own conversion factors for exposures to corporates, institutions or central governments and central banks shall assign to exposures arising from repurchase transactions or securities or commodities lending or borrowing transactions a maturity value (M) of 0,5 years and to all other exposures an M of 2,5 years.	Credit Risk	Competent Authority	Case by Case	Yes. Irish banks using IRB all applying alternative calculation	The Bank believes the alternative calculation to be the more risk sensitive treatment. Evidence suggests that maturity, M, can be a significant driver of risk, particularly for low PD portfolios. The Bank sees no reason to link maturity with the ability to use own estimates of LGD and conversion factors (where M becomes mandatory). All banks approved for IRB models should continue to use the alternative calculation.	Article 162.4 of the CRR allows banks to consistently set a maturity of 2.5 years on exposures to corporates in the EU with consolidated sales and assets of under €0.5bn. Our interpretation of the CRR suggests that the CBI does not have the ability to exercise discretion over Article 162.4 and we are seeking confirmation of this. We consider that implementing the 2.5 year fixed maturity rule would bring Ireland closer to the implementation approach adopted by 19 of the EU Member States and is in line with the Commission's desire for harmonisation of capital requirements.

	Alternatively, as part of the permission referred to in Article 143, the competent authorities shall decide on whether the institution shall use maturity (M) for each exposure as set out under paragraph 2.						
	2. Institutions that have received the permission of the competent authority to use own LGDs and own conversion factors for exposures to corporates, institutions or central governments and central banks pursuant to Article 143 shall calculate M for each of these exposures as set out in points (a) to (e) of this paragraph and subject to paragraphs 3 to 5 of this Article. M shall be no greater than five years except in the cases specified in Article 384(1) where M as specified there shall be used: (a) for an instrument subject to a cash flow schedule, M shall be calculated according to the following formula:						
	where CFt denotes the cash flows (principal, interest payments and fees) contractually payable by the obligor in period t;						

	(b) for derivatives subject to a master netting agreement, M shall be the weighted average remaining maturity of the exposure, where M shall be at least 1 year, and the notional amount of each exposure shall be used for weighting the maturity;						
	(c) for exposures arising from fully or nearly-fully collateralised derivative instruments listed in Annex II and fully or nearly-fully collateralised margin lending transactions which are subject to a master netting agreement, M shall be the weighted average remaining maturity of the transactions where M shall be at least 10 days;						
	(d) for repurchase transactions or securities or commodities lending or borrowing transactions which are subject to a master netting agreement, M shall be the weighted average remaining maturity of the transactions where M shall be at least 5 days. The notional amount of each transaction shall be used for weighting the maturity;						

	(e) an institution that has received the permission of the competent authority pursuant to Article 143 to use own PD estimates for purchased corporate receivables, for drawn amounts M shall equal the purchased receivables exposure weighted average maturity, where M shall be at least 90 days. This same value of M shall also be used for undrawn amounts under a committed purchase facility provided the facility contains effective covenants, early amortisation triggers, or other features that protect the purchasing institution against a significant deterioration in the quality of the future receivables it is required to purchase over the facility's term. Absent such effective protections, M for undrawn amounts shall be calculated as the sum of the longest-dated potential receivable under the purchase agreement and the remaining maturity of the purchase facility, where M shall be at least 90 days;						

	(f) for any other instrument than those mentioned in this paragraph or when an institution is not in a position to calculate M as set out in (a), M shall be the maximum remaining time (in years) that the obligor is permitted to take to fully discharge its contractual obligations, where M shall be at least 1 year;						
	(g) for institutions using the Internal Model Method set out in Section 6 of Chapter 6 to calculate the exposure values, M shall be calculated for exposures to which they apply this method and for which the maturity of the longest-dated contract contained in the netting set is greater than one year according to the following formula:						
	where:						
	= a dummy variable whose value at future period tk is equal to 0 if tk > 1 year and to 1 if tk ≤ 1;						
	= the expected exposure at the future period tk;						
	= the effective expected exposure at the future period tk;						
	= the risk-free discount factor for future time period tk;						
	;						

	(h) an institution that uses an internal model to calculate a one-sided credit valuation adjustment (CVA) may use, subject to the permission of the competent authorities, the effective credit duration estimated by the internal model as M.						
	Subject to paragraph 2, for netting sets in which all contracts have an original maturity of less than one year the formula in point (a) shall apply;						
	(i) for institutions using the Internal Model Method set out in Section 6 of Chapter 6, to calculate the exposure values and having an internal model permission for specific risk associated with traded debt positions in accordance with Part Three, Title IV, Chapter 5, M shall be set to 1 in the formula laid out in Article 153(1), provided that an institution can demonstrate to the competent authorities that its internal model for Specific risk associated with traded debt positions applied in Article 383 contains effects of rating migrations;						
	(j) for the purposes of Article 153(3), M shall be the effective maturity of the credit protection but at least 1 year						

Article 164(5)	Based on the data collected under Article 101 and taking into account forward-looking property market developments and any other relevant indicators, the competent authorities shall periodically, and at least annually, assess whether the minimum LGD values in paragraph 4 of this Article are appropriate for exposures secured by residential or commercial immovable property located in their territory. Competent authorities may, where appropriate on the basis of financial stability considerations, set higher minimum values of exposure weighted average LGD for exposures secured by property in their territory.	Credit Risk	Competent Authority	General	Yes	This competent authority discretion will be subject to an EBA RTS (due by end 31 Dec 2014) specifying the conditions to be taken into account when determining higher minimum LGD values. The Bank intends to retain the flexibility to exercise this discretion in future.	Noted. We will require sight of the proposed EBA RTS to comment on the future implementation.
Article 311(2)	Where only the condition in point (a) of paragraph 1 has been met, the competent authority of the institution shall verify the reasons why the CCP has stopped calculating KCCP.	Market Risk - CCR	Competent Authority	Case by Case	Yes	The Bank intends to retain the flexibility to exercise this discretion on a case-by-case basis	Relates to CCP. N/A
	Where the competent authority considers that the reasons referred to in the first subparagraph are valid, it may permit institutions in its Member State to apply the treatment set out in Article 310 to their trade exposures and default fund contributions to that CCP. Where it grants such permission, it shall disclose the reasons for its decision.						

	Where the competent authority considers that the reasons referred to in the first subparagraph are not valid, all institutions in its Member State, irrespective of the treatment they chose in accordance with Article 301(2), shall apply the treatment set out in points (a) to (d) of paragraph 3 of this Article.						
Article 315(3)(Capital requirement)	Where an institution can prove to its competent authority that, due to a merger, an acquisition or a disposal of entities or activities, using a three year average to calculate the relevant indicator would lead to a biased estimation for the own funds requirement for operational risk, the competent authority may permit the institution to amend the calculation in a way that would take into account such events and shall duly inform EBA thereof. In such circumstances, the competent authority may, on its own initiative, also require an institution to amend the calculation.	Op Risk	Competent Authority	Case by Case	Yes	The Bank intends to retain the flexibility to exercise this discretion on a case-by-case basis	We support this approach

Article 329(4)(Options and Warrants)	Before the entry into force of the technical standards referred to in paragraph 3, competent authorities may continue to apply the existing national treatments, where the competent authorities have applied those treatments before 31 December 2013.	Market Risk	Competent Authority	General	Yes	The relevant RTS is due to be submitted to the European Commission before 31 December 2013. For the purposes of any interim period, the Bank intends to continue to apply the existing pre-processing model invoked by the Bank under the competent authority discretion in Annex 1, paragraph 5 of Directive 2006/49/EC.	Noted - pending Technical Standard for 31/12/13
						However, continuance of this national treatment is only likely to apply for a very short period of time, if at all.	
Article 352(6)(Calculation of the overall net foreign exchange provision)	EBA shall develop draft regulatory technical standards defining a range of methods to reflect in the own funds requirements other risks, apart from delta risk, in a manner proportionate to the scale and complexity of institutions' activities in options.	Market Risk	Competent Authority	General	Yes	The relevant RTS is due to be submitted to the European Commission before 31 December 2013. However, continuance of this national treatment is only likely to apply for a very short period of time, if at all.	Noted - pending Technical Standard for 31/12/13
	EBA shall submit those draft regulatory technical standards to the Commission by 31 December 2013.						
	Power is delegated to the Commission to adopt the regulatory technical standards referred to in the first subparagraph in accordance with the procedure laid down in Articles 10 to 14 of Regulation (EU) No 1093/2010.						

	Before the entry into force of the technical standards referred to in the first subparagraph, competent authorities may continue to apply the existing national treatments, where the competent authorities have applied those treatments before 31 December 2013						
Article 358(4)(Particular instruments)	EBA shall develop draft regulatory technical standards defining a range of methods to reflect in the own funds requirements other risks, apart from delta risk, in a manner proportionate to the scale and complexity of institutions' activities in options.	Market Risk	Competent Authority	General	Yes	The relevant RTS is due to be submitted to the European Commission before 31 December 2013. For the purposes of any interim period, the Bank intends to continue to apply the existing national discretion invoked under Annex IV (10) of Directive 2006/49/EC.	Noted - pending Technical Standard by 31/12/13
	EBA shall submit those draft regulatory technical standards to the Commission by 31 December 2013.						
	Power is delegated to the Commission to adopt the regulatory technical standards referred to in the first subparagraph in accordance with Articles 10 to 14 of Regulation (EU) No 1093/2010					However, continuance of this national treatment is only likely to apply for a very short period of time, if at all.	
	Before the entry into force of the technical standards referred to in the first subparagraph, competent authorities may continue to apply the existing national treatments, where the competent authorities have applied that those treatments before 31 December 2013						

Article 382(4)	intragroup transactions as provided for in Article 3 of Regulation (EU) No 648/2012 [EMIR]unless Member States enact national laws requiring the structural separation within a banking group, in which case competent authorities may require those intragroup transactions between the structurally separated institutions to be included in the own funds requirements	Market Risk	Competent Authority	Case by Case	N/A	Structural separation measures have not been taken in Ireland. The Bank therefore considers that this discretion is not relevant for Irish institutions.	We seek clarification that intragroup transactions are excluded from the own funds requirements for CVA risk.
Article 383(5)(c)	(c) the three-times multiplier used in the calculation of own funds requirements based on a Value-at-Risk and a stressed Value-at-Risk in accordance with 364(1) will apply to these calculations. EBA shall monitor for consistency any supervisory discretion used to apply a higher multiplier than that three-times multiplier to the Value-at-Risk and stressed Value-at-Risk inputs to the CVA charge. Competent authorities applying a multiplier higher than three shall provide a written justification to EBA;	Market Risk	Competent Authority	Case by Case	Yes	The Bank intends to retain the flexibility to exercise this discretion on a case-by-case basis.	Noted.

Article 395(6)-(8)	6. For the purpose of this paragraph, structural measures mean measures adopted by a Member State and implemented by the relevant competent authorities of that Member State before the entry into force of a legal act explicitly harmonising such measures, that require credit institutions authorised in that Member State to reduce their exposures to different legal entities depending on their activities, irrespective of where those activities are located, with a view to protecting depositors and preserving financial stability. Notwithstanding paragraph 1 of this Article and Article 400(1)(f), where Member States adopt national laws requiring structural measures to be taken within a banking group, competent authorities may require the institutions of the banking group which hold deposits that are covered by a Deposit Guarantee Scheme in accordance with Directive 94/19/EC of the European Parliament and of the Council of 30 May 1994 on deposit-guarantee schemes (1) or an equivalent deposit guarantee scheme in a third country to apply a large exposure limit below 25 % but not lower than 15 % between 31 December 2014 and 30 June 2015, and than 10 % from 1 July 2015 on a sub-consolidated	Large Exposures	Competent Authority	Case by Case	No	Structural separation measures have not been taken in Ireland. The Bank therefore considers that this discretion is not relevant for Irish institutions.	IBF is supportive of the stated CBI position that 'the Bank considers that this discretion is not relevant for Irish Institutions'.
	(a) the scope of the activities that are subject to the structural measures;						

	(b) an explanation as to why such draft measures are deemed to be suitable, effective and proportionate to protect depositors;						
	(c) an assessment of the likely positive or negative impact of the measures on the internal market based on information which is available to the Member State. 8. The power to adopt an implementing act to accept or reject the proposed national measures referred to in paragraph 7 is conferred on the Commission acting in accordance with the procedure referred to in Article 464(2).						
Article 396(1)(Compliance with Large Exposures Requirements)	If, in an exceptional case, exposures exceed the limit set out in Article 395(1), the institution shall report the value of the exposure without delay to the competent authorities which may, where the circumstances warrant it, allow the institution a limited period of time in which to comply with the limit.	Large Exposures	Competent Authority	Case by Case	Yes	The Bank intends to retain the flexibility to exercise this discretion on a case-by-case basis	IBF support keeping this discretion as any exposure over 25% of Own Funds created through erosion of capital may take time to unwind/mitigate. Notification without delay to the CBI is also thought consistent with other key ratios, prudent and necessary.
	Where the amount of EUR 150 million referred to in Article 395(1) is applicable, the competent authorities may allow on a case by case basis the 100 % limit in terms of the institution's eligible capital to be exceeded						

Article 400(2)-(3)(Exemptions)	Competent authorities may fully or partially exempt the following exposures:	Large Exposures	Competent Authority	General	To be determined following European Commission review. In the interim period, transitional measures in Article 493(3) apply; these are at the discretion of the Member State	The Commission is mandated to review and report on the application of Article 400(1)(j) (exposures to CCPs) and Article 400(2), including whether the exemptions set out in Article 400(2) are to be discretionary, and shall submit that report to the European Parliament and to the Council, together with a legislative proposal if appropriate by 31 December 2015.	IBF are supportive of the opportunity to continue to avail of exemptions. Clarification in respect of Article 400(3)(a) on what constitutes 'eliminate or reduce the risk' would be useful to support interpretation. It is noted that this is under EU Commission Review (due prior to 31 December 2015). We would welcome information on how the approval process is likely to work and how institutions may engage with the Bank in that process.
	(a) covered bonds falling within the terms of Article 129(1), (3) and (6);						
	(b) asset items constituting claims on regional governments or local authorities of Member States where those claims would be assigned a 20 % risk weight under Part Three, Title II, Chapter 2 and other exposures to or guaranteed by those regional governments or local authorities, claims on which would be assigned a 20 % risk weight under Part Three, Title II, Chapter 2;						

	(c) exposures, including participations or other kinds of holdings, incurred by an institution to its parent undertaking, to other subsidiaries of that parent undertaking or to its own subsidiaries, in so far as those undertakings are covered by the supervision on a consolidated basis to which the institution itself is subject, in accordance with this Regulation, Directive 2002/87/EC or with equivalent standards in force in a third country; exposures that do not meet these criteria, whether or not exempted from Article 395(1), shall be treated as exposures to a third party;						
	(d) asset items constituting claims on and other exposures, including participations or other kinds of holdings, to regional or central credit institutions with which the credit institution is associated in a network in accordance with legal or statutory provisions and which are responsible, under those provisions, for cash clearing operations within the network;						

	(e) asset items constituting claims on and other exposures to credit institutions incurred by credit institutions, one of which operates on a non competitive basis and provides or guarantees loans under legislative programmes or its statutes, to promote specified sectors of the economy under some form of government oversight and restrictions on the use of the loans, provided that the respective exposures arise from such loans that are passed on to the beneficiaries via credit institutions or from the guarantees of these loans;						
	(f) asset items constituting claims on and other exposures to institutions, provided that those exposures do not constitute such institutions' own funds, do not last longer than the following business day and are not denominated in a major trading currency;						
	(g) asset items constituting claims on central banks in the form of required minimum reserves held at those central banks which are denominated in their national currencies;						

	(h) asset items constituting claims on central governments in the form of statutory liquidity requirements held in government securities which are denominated and funded in their national currencies provided that, at the discretion of the competent authority, the credit assessment of those central governments assigned by a nominated ECAI is investment grade;						
	(i) 50 % of medium/low risk off balance sheet documentary credits and of medium/low risk off balance sheet undrawn credit facilities referred to in Annex I and subject to the competent authorities' agreement, 80 % of guarantees other than loan guarantees which have a legal or regulatory basis and are given for their members by mutual guarantee schemes possessing the status of credit institutions;						
	(j) legally required guarantees used when a mortgage loan financed by issuing mortgage bonds is paid to the mortgage borrower before the final registration of the mortgage in the land register, provided the guarantee is not used as reducing the risk in calculating the risk weighted exposure amounts;						
	(k) assets items constituting claims on and other exposures to recognised exchanges.						

	3. Competent authorities may only make use of the exemption provided for in paragraph 2 where the following conditions are met:						
	(a) the specific nature of the exposure, the counterparty or the relationship between the institution and the counterparty eliminate or reduce the risk of the exposure; and						
	(b) any remaining concentration risk can be addressed by other equally effective means such as the arrangements, processes and mechanisms provided for in Article 81 of Directive 2013/…/EU*.						
	Competent authorities shall inform EBA whether or not they intend to use any of the exemptions provided for in paragraph 2 in accordance with points (a) and (b) of this paragraph and shall consult EBA on this choice.						
Article 412(5) (Liquidity Coverage Requirement)	Member States or competent authorities may require domestically authorised institutions, or a subset of those institutions, to maintain a higher liquidity coverage requirement up to 100 % until the binding minimum standard is fully introduced at a rate of 100 % in accordance with Article 460.	Liquidity	Member State or Competent Authority	General	Tbc	The responsibility for this discretion has yet to be confirmed by the Department of Finance. This discretion is also related to the Article 412(5) Member State discretion to maintain existing national provisions. Member state discretions are a matter for the Department of Finance.	The IBF members would appreciate a phased introduction, starting from 60% and clarification of the position as soon as possible. Anything else may put Irish banks at a competitive disadvantage to European peers, with significant economic and capital impact. In this context, we are seeking clarity that this national discretion is not exercised.

Article 415(3)(b) (Reporting obligation and reporting format)	EBA shall develop draft implementing technical standards to specify the following:	Liquidity	Competent Authority	General	Yes	Subject to the exercise of the related Article 412(5) Member State discretion, the Bank is proposing to exercise this discretion. If exercised, existing liquidity regulatory reporting would continue until 1 January 2018, or an earlier date, if deemed appropriate by the Bank. The reporting process for these submissions would remain unchanged and run concurrently with the new CRR liquidity reporting requirements.	We suggest a definitive review process be undertaken in early 2015 to consider the current reporting framework. This should determine any benefit of retaining the existing reporting framework in light of the new requirements. We suggest current reporting should be trimmed, to avoid unnecessary duplication, overheads and costs involved. It also will create an uncompetitive overhead cost relative to some EU competitors. We therefore propose that existing regulatory liquidity requirements are phased out from June 2015, i.e. 6 months post LCR introduction.
	(b) additional liquidity monitoring metrics required, to allow competent authorities to obtain a comprehensive view of the liquidity risk profile, proportionate to the nature, scale and complexity of an institution's activities.						
	EBA shall submit to the Commission those draft implementing technical standards for the items specified in point (a) by …*and for the items specified in point (b) by 1 January 2014.						

	Until the full introduction of binding liquidity requirements, competent authorities may continue to collect information through monitoring tools for the purpose of monitoring compliance with existing national liquidity standards.						
	Power is conferred on the Commission to adopt the implementing technical standards referred to in the first subparagraph in accordance with Article 15 of Regulation (EU) No 1093/2010.						

Article 416(1) last para		Liquidity	Competent Authority	General	No	The EBA will issue a report to the European Commission in December 2013 on the uniform definition of high and extremely high liquidity and credit quality. The European Commission will specify this uniform definition in the liquidity delegated act by 30 June 2014. Pending this specification, institutions shall identify transferable assets that are respectively of high or extremely high liquidity and credit quality, using transparent and objective criteria, including some or all of the criteria listed in Article 509(3), (4) and (5). Further instruction or guidance on this matter may be issued by the Bank in due course.	It is critical that all Irish HQLA (Sovereign, covered, NAMA bonds) are recognised as HQLA and treated equivalent to all European HQLA. A negative view on Irish debt (for both sovereign and bank) would result in a material increase in funding costs and capacity to raise debt for Irish banks, with the knock on capital impact. The capacity of Irish banks to meet CRR liquidity requirements would also be challenged. We acknowledge the recognition by the EBA at its October hearing that NAMA bonds qualify as Level 1 and request that the CBI ensures that the EU authorities recognise Irish HQLA and equality of treatment with European equivalents.

(Reporting on Liquid Assets)	Pending specification of a uniform definition in accordance with Article 460 of high and extremely 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. Pending specification of a uniform definition, competent authorities may, taking into account the criteria listed in Article 509(3), (4) and (5) provide general guidance that institutions shall follow in identifying assets of high and extremely high liquidity and credit quality. In the absence of such guidance, institutions shall use transparent and objective criteria to this end, including some or all of the criteria listed in Article 509(3), (4) and (5).						

Article 420(2)(Liquidity Outflows)	For this assessment, institutions shall take particular account of material reputational damage that could result from not providing liquidity support to such products or services. Institutions shall report not less than annually to the competent authorities those products and services for which the likelihood and potential volume of the liquidity outflows referred to in the first subparagraph are material and the competent authorities shall determine the outflows to be assigned. The competent authorities may apply an outflow rate up to 5 % for trade finance off balance sheet related products, as referred to in Article 429 and Annex I.	Liquidity	Competent Authority	General	Yes	The Bank intends to assign an outflow rate of 5% for relevant trade finance off-balance sheet products, as defined in Article 429 and Annex I of the Regulation.	We accept this approach.

Article 422(4)(Outflows on other liabilities)	Pending a uniform definition of an established operational relationship as referred to in point (c) of subparagraph 3 4.1 above, institutions shall establish themselves establish the criteria to identify an established operational relationship for which they have evidence that the client is unable to withdraw amounts legally due over a 30 day horizon without compromising their operational functioning and shall report these criteria to the competent authorities. Competent authorities may, in the absence of a uniform definition, provide general guidance that institutions shall follow in identifying deposits maintained by the depositor in a context of an established operational relationship	Liquidity	Competent Authority	General	No	The EBA will issue a report to the European Commission in December 2013 on the uniform definition of an established operational relationship in the context of Article 422(3)(c). The European Commission will specify this uniform definition in the liquidity delegated act by 30 June 2014. Pending this specification, institutions shall identify deposits maintained by the depositor in the context of an established operational relationship, in accordance with Article 422(4). Further instruction or guidance on this matter may be issued by the Bank in due course.	As in 416(1), we acknowledge the Central Bank approach. However we are again unsure how and when the Bank might move from not issuing guidance to issuing it. We assume that each institution will determine its own rules and advise them to the Bank.

Article 422(8)-(9)	8. Competent authorities may grant the permission to apply a lower outflow percentage on a case by case basis, to the liabilities referred to in paragraph 7, when all of the following conditions are fulfilled:	Liquidity	Competent Authority	Case by Case	Yes	The Bank will assess this permission on a case-by-case basis. Where the institution and the depositor are not established in Ireland and as part of the joint decision process with the relevant competent authority, objective criteria must be fulfilled before this permission will be granted. These objective criteria will be outlined in the European Commission liquidity delegated act and further specified in an RTS to be submitted to the European Commission by 1 January 2015.	This approach is acceptable.
	(a) the depositor is:						
	(i) a parent or subsidiary institution of the institution or another subsidiary of the same parent institution;						
	(ii) linked to the institution by a relationship within the meaning of Article 12(1) of Directive 83/349/EEC;						
	(iii) an institution falling within the same institutional protection scheme meeting the requirements of Article 113(7);						
	(iv) the central institution or a member of a network compliant with Article 400 (2)(d);						

	(b) there are reasons to expect a lower outflow over the next 30 days even under a combined idiosyncratic and market wide stress scenario;						
	(c) a corresponding symmetric or more conservative inflow is applied by the depositor by way of derogation from Article 425;						
	(d) the institution and the depositor are established in the same Member State.						
	9. Competent authorities may waive the conditions set out in point (d) of paragraph 8 where point (b) of Article 20(1) is applied. In that case additional objective criteria as set out in the delegated act referred to in Article 460 have to be met. Where such lower outflow is permitted to be applied, the competent authorities shall inform EBA about the result of the process referred to in point (b) of Article 20(1). The fulfilment of the conditions for such lower outflows shall be regularly reviewed by the competent authorities.						

Article 425(1)(Inflows)	Institutions shall report their liquidity inflows. Capped liquidity inflows shall be the liquidity inflows limited to 75 % of liquidity outflows. Institutions may exempt liquidity inflows from deposits placed with other institutions and qualifying for the treatments set out in Article 113(6) or Article 108(7) from this limit. Institutions may exempt liquidity inflows from monies due from borrowers and bond investors related to mortgage lending funded by bonds eligible for the treatment set out in Article 124129(34), (45) or (56) or by bonds as defined referred to in Article 52(4) of Directive 2009/65/EC from this limit. Institutions may exempt inflows from promotional loans that the institutions have passed through. Subject to the prior approval of the competent authority responsible for supervision on an individual basis, the institution may fully or partially exempt inflows where the provider is a parent or a subsidiary institution of the institution or another subsidiary of the same parent institution or linked to the institution by a relationship within the meaning of Article 12(1) of Directive 83/349/EEC.	Liquidity	Competent Authority	Case by Case	Yes	This discretion will be available on a case-by-case basis when reporting liquidity inflows for liquidity reporting purposes. The Bank may fully or partially exempt relevant inflows as appropriate. These exemptions are subject to change following the adoption of the European Commission delegated act by 30 June 2014.	We agree with this approach.

Article 425(4)-(5)	By way of derogation from point (g) of paragraph 2, competent authorities may grant the permission to apply a higher inflow on a case by case basis for credit and liquidity facilities when all of the following conditions are fulfilled:	Liquidity	Competent Authority	Case by Case	Yes	The Bank will assess this permission on a case-by-case basis. Where the institution and the counterparty are not established in Ireland and as part of the joint decision process with the relevant competent authority, objective criteria must be fulfilled before this permission will be granted. These objective criteria will be outlined in the European Commission liquidity delegated act and further specified in an RTS to be submitted to the European Commission by 1 January 2015.	We accept this approach.
	(a) there are reasons to expect a higher inflow even under a combined market and idiosyncratic stress of the provider;						

	(b) the counterparty is a parent or subsidiary institution of the institution or another subsidiary of the same parent institution or linked to the institution by a relationship within the meaning of Article 12(1) of Directive 83/349/EEC or a member of the same institutional protection scheme referred to in Article 113(7) of this Regulation or the central institution or a member of a network that is subject to the waiver referred to in Article 10 of this Regulation;						
	(c) a corresponding symmetric or more conservative outflow is applied by the counterparty by way of derogation from Articles 422, 423 and 424;						
	(d) the institution and the counterparty are established in the same Member State.						

	5. Competent authorities may waive the condition set out in point (d) of paragraph 4 where Article 20(1)(b) is applied. In that case additional objective criteria as set out in the delegated act referred to in Article 460 have to be met. Where such higher inflow is permitted to be applied, the competent authorities shall inform EBA about the result of the process referred to in Article 20(1)(b). Fulfilment of the conditions for such higher inflows shall be regularly reviewed by the competent authorities						
Article 450(1) (Disclosure of remuneration policy)	Institutions shall disclose at least the following information, regarding the remuneration policy and practices of the institution for those categories of staff whose professional activities have a material impact on its risk profile; (i) upon demand from the Member State or competent authority, the total remuneration for each member of the management body or senior management.	Disclosure	Member State or Competent Authority	Case by Case	Yes	Case-by-case dependent at the option of Member State or Competent Authority. The Bank intends to retain the flexibility to exercise this discretion on a case-by-case basis	We accept the CBI retaining this discretion for the Management Body. However, any disclosures required at an individual level relating to senior management should be to the CBI only and not for public disclosure. Individualised information for the Management Body is published in annual report and accounts and generally available to the public. However, we would not be at all comfortable with individual information on senior management being publicly disclosed; this should only apply to the Management Body. Article 450(2) does imply that any quantitative public disclosure would only be for the management body, of 'significant' institutions.

Article 458(4)-(5), (8)-(9) (Macroprudential or systemic risk identified at the level of a Member State)	4. The power to adopt an implementing act to reject the draft national measures referred to in point (d) of paragraph 2 is conferred on the Council, acting by qualified majority, on a proposal from the Commission.	Macroprudential Measures	Designated Authority	Case-by-case	N/A	Designated Authority to be confirmed by the Department of Finance	We assume the approach agreed will be reviewed with the implementation of the EU's Single Supervisory Mechanism.
	Within one month of receiving the notification referred to in paragraph 2, the ESRB and EBA shall provide their opinions on the points mentioned in that paragraph to the Council, the Commission and the Member State concerned.						
	Taking utmost account of the opinions referred to in the second subparagraph and if there is robust, strong and detailed evidence that the measure will have a negative impact on the internal market that outweighs the financial stability benefits resulting in a reduction of the macroprudential or systemic risk identified, the Commission may, within one month, propose to the Council an implementing act to reject the draft national measures.						
	In the absence of a Commission proposal within that period of one month, the Member State concerned may immediately adopt the draft national measures for a period of up to two years or until the macroprudential or systemic risk ceases to exist if that occurs sooner.						

	The Council shall decide on the proposal by the Commission within one month after receipt of the proposal and state its reasons for rejecting or not rejecting the draft national measures.						
	The Council shall only reject the draft national measures if it considers that one or more of the following conditions are not complied with:						
	(a) the changes in the intensity of macroprudential or systemic risk are of such nature as to pose risk to financial stability at national level;						
	(b) Articles 124 and 164 of this Regulation and Articles 101, 103, 104, 105, 133, and 136 of Directive 2013/36/EU cannot adequately address the macroprudential or systemic risk identified, taking into account the relative effectiveness of those measures;						
	(c) the draft national measures are more suitable to address the identified macroprudential or systemic risk and do not entail disproportionate adverse effects on the whole or parts of the financial system in other Member States or in the Union as a whole, thus forming or creating an obstacle to the functioning of the internal market;						
	(d) the issue concerns only one Member State; and						

	(e) the risks have not already been addressed by other measures in this Regulation or in Directive 2013/36/EU.						
	The assessment of the Council shall take into account the opinion of the ESRB and EBA and shall be based on the evidence presented in accordance with paragraph 2 by the authority determined in accordance with paragraph 1.						
	In the absence of a Council implementing act to reject the draft national measures within one month after receipt of the proposal by the Commission, the Member State may adopt the measures and apply them for a period of up to two years or until the macroprudential or systemic risk ceases to exist if that occurs sooner.						
	5. Other Member States may recognise the measures set in accordance with this Article and apply them to domestically authorised branches located in the Member State authorised to apply the measures.						
	8. The Member State authorised to apply the measures may ask the ESRB to issue a recommendation as referred to in Article 16 of Regulation (EU) No 1092/2010 to one or more Member States which do not recognise the measures.						

	9. Before the expiry of the authorisation issued in accordance with paragraph 4, the Member State shall, in consultation with the ESRB and EBA, review the situation and may adopt, in accordance with the procedure referred to in paragraph 4, a new decision for the extension of the period of application of national measures for one additional year each time. After the first extension, the Commission shall in consultation with the ESRB and EBA review the situation at least annually.						
Article 465(1)-(2)(Own Funds Requirements-Transitional Provisions)	1. By way of derogation from points (a) and (b) of Article 92(1) the following own funds requirements shall apply during the period from 1 January 2014 to 31 December 2014:	Transitional Own Funds	Competent Authority	General	4% CET1 in 2014, 5.5% Tier 1	This discretion applies only in 2014. From 1 Jan. 2015, all banks must meet or exceed a CET1 ratio of 4.5% and a Tier 1 ratio of 6%.	We support the use of this discretion.
	(a) a Common Equity Tier 1 capital ratio of a level that falls within a range of 4 % to 4,5 %;						
	(b) a Tier 1 capital ratio of a level that falls within a range of 5,5 % to 6 %.						
	2. Competent authorities shall determine and publish the levels of the Common Equity Tier 1 and Tier 1 capital ratios in the ranges specified in paragraph 1 that institutions shall meet or exceed.						

Article 467(2) &(3)(Unrealised losses measured at fair value)	2. The applicable percentage for the purposes of paragraph 1 shall fall within following ranges:	Transitional Own Funds	Competent Authority	General	Applicable percentage of unrealised losses that can be included in calculation of CET 1 items are as follows; 2014; 20% 2015; 60% 2016; 60% 2017;80%	From 1 January 2015, a competent authority may not set an applicable percentage of unrealised gains that exceeds the applicable percentage of unrealised losses.	As stated in the Consultation document, can the CBI confirm that continuation of the filter on AFS gains and losses relating to Sovereign bonds is fully optional? The proposed treatment for Article 467 in CP 74 has 60% for 2015 & 2016. Is this an error? Should 2015 not read 40% if the intention is to include the same phased percentage of unrealised losses as gains in CET1 in 2015? Similarly CP 74 page 28.
	(a) 20 % to 100 % during the period from 1 January 2014 to 31 December 2014;						
	(b) 40 % to 100 % during the period from 1 January 2015 to 31 December 2015;					The Bank will permit banks to maintain their filter on both unrealised gains or losses on exposures to central governments classified in the ‘Available for Sale” category’	
	(c) 60 % to 100 % during the period from 1 January 2016 to 31 December 2016; and						
	(d) 80 % to 100 % for the period from 1 January 2017 to 31 December 2017.						

	By way of derogation from paragraph 1, the competent authorities may, in cases where such treatment was applied before 1 January 2014, allow institutions not to include in any element of own funds unrealised gains or losses on exposures to central governments classified in the "Available for Sale" category of EU-endorsed IAS 39.						
	The treatment set out in the second subparagraph shall be applied until the Commission has adopted a regulation on the basis of Regulation (EC) No 1606/2002 endorsing the International Financial Reporting Standard replacing IAS 39.						
	3. Competent authorities shall determine and publish the applicable percentage in the ranges specified in points (a) to (d) of paragraph 2.						
Article 468(2)-(3)(Unrealised Gains Measured at Fair Value)	2. For the purposes of paragraph 1, the applicable percentage shall be 100 % during the period from 1 January 2014 to 31 December 2014, and shall, after that date, fall within the following ranges:	Transitional Own Funds	Competent Authority	General	Applicable percentage of unrealised gains that can be excluded in calculation of CET 1 items are as follows; 2015; 60% 2016; 40% 2017;20%	No recognition of unrealised gains in general in CET1 is permitted during 2014, pending a report by the EBA to the EU Commission on appropriate alternative treatments to the full recognition of such gains on assets and liabilities measured at fair value.	We support the use of this discretion.

	(a) 60 % to 100 % during the period from 1 January 2015 to 31 December 2015;						
	(b) 40 % to 100 % during the period from 1 January 2016 to 31 December 2016;					The Bank will not exercise the permission contained in Article 468(2), paragraph 2.	
	(c) 20 % to 100 % for the period from 1 January 2017 to 31 December 2017.						
	From 1 January 2015, where under Article 467 a competent authority requires institutions to include in the calculation of Common Equity Tier 1 capital 100 % of their unrealised losses measured at fair value, that competent authority may also permit institutions to include in that calculation 100 % of their unrealised gains at fair value.						
	From 1 January 2015, where under Article 467 a competent authority requires institutions to include a percentage of unrealised losses measured at fair value in the calculation of Common Equity Tier 1 capital that competent authority may not set an applicable percentage of unrealised gains under paragraph 2 of this Article that exceeds the applicable percentage of unrealised losses set in accordance with Article 467.						

	3. Competent authorities shall determine and publish the applicable percentage of unrealised gains in the ranges specified in points (a) to (c) of paragraph 2 that is not removed from Common Equity Tier 1 capital.						
Article 471(1)(Exemption from Deduction of Equity Holdings in Insurance Companies from	By way of derogation from Article 49(1), during the period from 1 January 2014 to 31 December 2022, competent authorities may permit institutions to not deduct equity holdings in insurance undertakings, reinsurance undertakings and insurance holding companies where the following conditions are met:	Transitional Own Funds	Competent Authority	General	Yes	The granting of this exemption carries strict conditionality (e.g., max. 15% shareholding in the insurance entity). The Bank is of the view that the transitional exemption is of limited use to Irish banks but intends to exercise this discretion for level-playing field reasons.	We support the use of this discretion.
Common Equity Tier 1 Items)	(a) the conditions laid down in points (a), (c) and (e) of Article 49(1);						
	(b) the competent authorities are satisfied with the level of risk control and financial analysis procedures specifically adopted by the institution in order to supervise the investment in the undertaking or holding company;						
	(c) the equity holdings of the institution in the insurance undertaking, reinsurance undertaking or insurance holding company do not exceed 15 % of the Common Equity Tier 1 instruments issued by that insurance entity as at 31 December 2012 and during the period from 1 January 2013 to 31 December 2022;						

	(d) the amount of the equity holding which is not deducted does not exceed the amount held in the Common Equity Tier 1 instruments in the insurance undertaking, reinsurance undertaking or insurance holding company as at 31 December 2012.						
Article 473(1) (Introduction of amendments to IAS 19)	1. By way of derogation from Article 481 during the period from 1 January 2014 until 31 December 2018, competent authorities may permit institutions that prepare their accounts in conformity with the international accounting standards adopted in accordance with the procedure laid down in Article 6(2) of Regulation (EC) No 1606/2002 to add to their Common Equity Tier 1 capital the applicable amount in accordance with paragraph 2 or 3 of this Article, as applicable, multiplied by the factor applied in accordance with paragraph 4.	Transitional Own Funds	Competent Authority	General	No	The Bank does not intend to exercise this discretion as it is considered not considered relevant to Irish banks, given they do not use the 'Corridor Approach'.	We accept that the CBI is not exercising this discretion as it is not considered relevant to Irish banks. However we need to understand how this approach (IAS 19) for Pillar 1 will interact with the minimum funding standard (MFS) used in Pillar 2, as the deficit under IAS 19 is different from the Minimum Funding Standard (MFS) deficit.

Article 478 (Applicable percentages for deduction from Common Equity Tier 1, Additional Tier 1 and Tier 2 items)	1. The applicable percentage for the purposes of Article 468(4), points (a) and (c) of Article 469(1), point (a) of Article 474 and point (a) of Article 476 shall fall within the following ranges:	Transitional Own Funds	Competent Authority	General	Applicable percentage for deductions under a)i), ii), iii) and iv) are as follows; 2014; 20% 2015; 60% 2016; 60% 2017;80% The derogation for the items referred to in point (c) of Article 36(1) that existed prior to 31 December 2013 is applied, the applicable percentage for the phase-in by year being 0% in 2014, 10% in 2015 .... 90% in 2023 (10	The phase-in rates are applied to all new deductions against each of CET1, Tier 1 and total Own Funds. Items currently deducted from Core Tier 1 under Pillar 1 or Pillar 2 will not benefit from phase-in against CET1.	The proposed treatment for Article 478 in CP 74 has 60% for 2015 & 2016. Is this an error? Should 2015 not read 40% instead of 60%?
	(a) 20 % to 100 % for the period from 1 January 2014 to 31 December 2014;						

	(b) 40 % to 100 % for the period from 1 January 2015 to 31 December 2015;						
	(c) 60 % to 100 % for the period from 1 January 2016 to 31 December 2016;						
	(d) 80 % to 100 % for the period from 1 January 2017 to 31 December 2017.						
	2. By way of derogation from paragraph 1, for the items referred in point (c) of Article 36(1) that existed prior to …, the applicable percentage for the purpose of point (c) of Article 469(1) shall fall within the following ranges:						
	(a) 0 % to 100 % for the period from 1 January 2014 to 2 January 2015;						
	(b) 10 % to 100 % for the period from 2 January 2015 to 2 January 2016;						
	(c) 20 % to 100 % for the period from 2 January 2016 to 2 January 2017;						
	(d) 30 % to 100 % for the period from 2 January 2017 to 2 January 2018;						
	(e) 40 % to 100 % for the period from 2 January 2018 to 2 January 2019;						
	(f) 50 % to 100 % for the period from 2 January 2019 to 2 January 2020;						
	(g) 60 % to 100 % for the period from 2 January 2020 to 2 January 2021;						

	(h) 70 % to 100 % for the period from 2 January 2021 to 2 January 2022;						
	(i) 80 % to 100 % for the period from 2 January 2022 to 2 January 2023;						
	(j) 90 % to 100 % for the period from 2 January 2023 to 2 January 2024.						
	3. Competent authorities shall determine and publish an applicable percentage in the ranges specified in paragraphs 1 and 2 for each of the following deductions:						
	(a) the individual deductions required pursuant to points (a) to (h) of Article 36(1), excluding deferred tax assets that rely on future profitability and arise from temporary differences;						
	(b) the aggregate amount of deferred tax assets that rely on future profitability and arise from temporary differences and the items referred to in point (i) of Article 36(1) that is required to be deducted pursuant to Article 48;						
	(c) each deduction required pursuant to points (b) to (d) of Article 56;						
	(d) each deduction required pursuant to points (b) to (d) of Article 66.						

Article 479(4) (rate of minority interest de-recognition from CET1)	Competent authorities shall determine and publish the applicable percentage in the ranges specified in paragraph 3;	Transitional Own Funds	Competent Authority	General	Applicable percentage for the recognition in consolidated CET 1 capital of instruments and items that do not qualify in minority interests as follows; 2014; 80% 2015; 60% 2016; 40% 2017;20%		Could an example be provided to illustrate where instruments not included in subsidiaries CET1 would be included in consolidated CET1?

Article 480(3) (De-recognition in consolidated own funds of minority interests and qualifying Additional Tier 1 and Tier 2 capital)	3. Competent authorities shall determine and publish the value of the applicable factor in the ranges specified in paragraph 2.	Transitional Own Funds	Competent Authority	General	Applicable factor for the recognition in consolidated own funds of minority interests and qualifying AT 1 and Tier 2 capital as follows; 2014; 20% 2015; 40% 2016; 60% 2017;80%	Where subsidiary capital is eligible for inclusion in consolidated own funds, it can be included in consolidated CET1/Tier 1/Tier 2 subject to the excess attributable to third parties being phased in as a deduction from 1 January 2014.	Noted.

Article 481(1)-(5) Additional filters and deductions)	1. By way of derogation from Articles 32 to 36, 56 and 66, during the period from 1 January 2014 to 31 December 2017, institutions shall make adjustments to include in or deduct from Common Equity Tier 1 items, Tier 1 items, Tier 2 items or own funds items the applicable percentage of filters or deductions required under national transposition measures for Articles 57, 61, 63, 63a, 64 and 66 of Directive 2006/48/EC, and for Articles 13 and 16 of Directive 2006/49/EC, and which are not required in accordance with Part Two of this Regulation.	Transitional Own Funds	Competent Authority	General	Additional filters and deductions will be removed at the following rates p.a. to end-2017; 2014; 80% 2015; 60% 2016; 40% 2017;20% The derogation in 2) will not be applied.	1. Irish financial institutions were notified by letter (dated 18 February 2009) of the current capital treatment required for Defined Benefit pension schemes and are required to:	We need to understand how capital requirements for pension risk under Pillar 1 and the IAS 19 approach will interact with the minimum funding standard (MFS) used in Pillar 2., as the deficit under IAS 19 is different from the Minimum Funding Standard (MFS) deficit.

	2. By way of derogation from Article 36(1)(i) and Article 49(1) and (3), during the period from the 1 January 2014 to 31 December 2014, competent authorities may require or permit institutions to apply the methods referred to in Article 49(1) where the requirements laid down in points (b) and (e) of Article 49(1) are not met, rather than the deduction required pursuant to Article 36(1). In such cases, the proportion of holdings of the own funds instruments of a financial sector entity in which the parent undertaking has a significant investment that is not required to be deducted in accordance with Article 49(1) shall be determined by the applicable percentage referred to in paragraph 4 of this Article. The amount that is not deducted shall be subject to the requirements of Article 49(4), as applicable.					• Reverse out the accounting surplus or deficit on the defined benefit scheme;	
	3. For the purposes of paragraph 1, the applicable percentage shall fall within the following ranges:					• If the plan is in deficit, the bank must apply a “prudential filter” deduction to Tier 1 Own Funds by deducting three years supplementary contributions.	

	(a) 0 % to 80 % for the period from 1 January 2014 to 31 December 2014;					• In addition to the above, the Institution must also include an add-on for Pension Risk under its Pillar II calculation if the bank has identified that capital must be held in respect of Pension Risk. The add-on must be for at least the amount of the bank's Minimum Funding Requirement. The current Pillar I treatment must be phased out from 2014 onwards. As such, where a plan is in deficit, its full recognition in CET1 required by 01 Jan. 2018 should be phased in according to the percentages indicated for the next four years. The Current Tier 1 deduction and Pillar 2 treatment for this aspect of pension risk should be adjusted appropriately as CET1 recognition is phased in.	
	(b) 0 % to 60 % for the period from 1 January 2015 to 31 December 2015;						
	(c) 0 % to 40 % for the period from 1 January 2016 to 31 December 2016;						
	(d) 0 % to 20 % for the period from 1 January 2017 to 31 December 2017.						

	4. For the purpose of paragraph 2, the applicable percentage shall fall between 0 % and 50 % for the period from 1 January 2014 to 31 December 2014.						
	5. For each filter or deduction referred to in paragraphs 1 and 2, competent authorities shall determine and publish the applicable percentages in the ranges specified in paragraphs 3 and 4.						
Article 486(5)-(6)(Limits for grandfathering of items within Common Equity Tier 1, Additional Tier 1 and Tier 2 items)	5. For the purposes of this Article, the applicable percentages referred to in paragraphs 2 to 4 shall fall within the following ranges:	Transitional Own Funds	Competent Authority	General	Applicable percentages for determining the limits for grandfathering of items within CET1, AT1 and Tier 2 are as follows; 2014; 80% 2015;70% 2016; 60% 2017; 50% 2018; 40% 2019; 30% 2020; 20% 2021; 10%	Recognition as indicated should be applied as of 1 January of each year rather than on a straight-line basis during the year.	Agreed.
	(a) 60 % to 80 % during the period from 1 January 2014 to 31 December 2014;						

	(b) 40 % to 70 % during the period from 1 January 2015 to 31 December 2015;						
	(c) 20 % to 60 % during the period from 1 January 2016 to 31 December 2016;						
	(d) 0 % to 50 % during the period from 1 January 2017 to 31 December 2017;						
	(e) 0 % to 40 % during the period from 1 January 2018 to 31 December 2018;						
	(f) 0 % to 30 % during the period from 1 January 2019 to 31 December 2019;						
	(g) 0 % to 20 % during the period from 1 January 2020 to 31 December 2020;						
	(h) 0 % to 10 % during the period from 1 January 2021 to 31 December 2021.						
	6. Competent authorities shall determine and publish the applicable percentages in the ranges specified in paragraph 5.						
Article 496(1)(Own funds requirements for covered bonds)	1. Until 31 December 2017 competent authorities may waive in full or in part the 10 % limit for senior units issued by French Fonds Communs de Créances or by securitisation entities which are equivalent to French Fonds Communs de Créances laid down in points (d) and (e) of Article 129(1), provided that both of the following conditions are fulfilled:	Transitional Own Funds	Competent Authority	General	No		We support the Central Bank's approach.

	(a) the securitised residential or commercial immovable property exposures were originated by a member of the same consolidated group of which the issuer of the covered bonds is a member, or by an entity affiliated to the same central body to which the issuer of the covered bonds is affiliated, where that common group membership or affiliation shall be determined at the time the senior units are made collateral for covered bonds;						
	(b) a member of the same consolidated group of which the issuer of the covered bonds is a member, or an entity affiliated to the same central body to which the issuer of the covered bonds is affiliated, retains the whole first loss tranche supporting those senior units.						
Article 499(3)(Leverage)	3. By way of derogation from Article 429(2), during the period from 1 January 2014 to 31 December 2017 competent authorities may permit institutions to calculate the end-of-quarter leverage ratio where they consider that institutions may not have data of sufficiently good quality to calculate a leverage ratio that is an arithmetic mean of the monthly leverage ratios over a quarter.	Leverage/Transitional	Competent Authority	General	Yes	The Bank intends to exercise this discretion	We welcome the end-of-quarter approach. We seek clarification around what permission needs to be applied for and what is the application process?

Article 500(5)	The competent authorities may, after having consulted EBA, waive the application of point (b) of paragraph 1(b) to institutions provided that all the requirements for the Internal Ratings Based Approach set out in Part Three, Title II, Chapter 3, Section 6 or the qualifying criteria for the use of the Advanced Measurement Approach set out in Part Three, Title III, Chapter 4, as applicable, are met	Transitional/Basel I Floor	Competent Authority	Case by Case	Yes	The Bank intends to exercise this discretion on a case-by-case basis	We support the Central Bank's approach.
Article 520(3)-(4)(Amendment of Regulation (EU) No 648/2011)	3. A CCP shall undertake the calculation required by paragraph 2 at least quarterly or more frequently where required by the competent authorities of those of its clearing members which are institutions. 4. EBA shall develop draft implementing technical standards to specify the following for the purpose of paragraph 3:	EMIR Amendment	Competent Authority	Case by Case	Yes	Subject to EBA RTS by 1 Jan. 2014 which will specify the situations in which the competent authority of an institution acting as a clearing member may require higher frequencies of calculation and reporting than those referred to in point (a).	Relates to hypothetical capital calculations required to be undertaken by a CCP. N/A
	(a) the frequency and dates of the calculation laid down in paragraph 2;						
	(b) the situations in which the competent authority of an institution acting as a clearing member may require higher frequencies of calculation and reporting than those referred to in point (a).						
	EBA shall submit those draft implementing technical standards to the Commission by 1 January 2014.						

	Power is conferred on the Commission to adopt the implementing technical standards referred to in the first subparagraph in accordance withArticle 15 of Regulation (EU) No 1093/2010						

Appendix B Part II

Regulation Reference	Text of Article	Area	Type of Discretion/ Option	Nature	Exercise	Comment	IBF Comment
Article 7 (Derogation to the application of prudential requirements on an individual basis)	Competent authorities may waive the application of Article 6(1) to any subsidiary of an institution, where both the subsidiary and the institution are subject to authorisation and supervision by the Member State concerned, and the subsidiary is included in the supervision on a consolidated basis of the institution which is the parent undertaking, and all of the following conditions are satisfied, in order to ensure that own funds are distributed adequately between the parent undertaking and the subsidiary:	Level of Applicatio n	Competent Authority	Case by Case	No	This discretion has not been exercised in the past and the Bank is not intending to alter its approach.	The CBI has indicated that it does not intend to exercise the discretion to allow institutions to apply for such a waiver. We request that the CBI exercise the discretion in order to ensure a level playing field across Europe. Failure to allow such waivers may result in trapped capital in ring fenced mortgage banks and may also have particular implications for such banks in meeting their leverage ratio.
	(a) there is no current or foreseen material practical or legal impediment to the prompt transfer of own funds or repayment of liabilities by its parent undertaking;						
	(b) either the parent undertaking satisfies the competent authority regarding the prudent management of the subsidiary and has declared, with the permission of the competent authority, that it guarantees the commitments entered into by the subsidiary, or the risks in the subsidiary are of negligible interest;						
	(c) the risk evaluation, measurement and control procedures of the parent undertaking cover the subsidiary;						

	(d) the parent undertaking holds more than 50 % of the voting rights attached to shares in the capital of the subsidiary or has the right to appoint or remove a majority of the members of the management body of the subsidiary.						
	2. Competent authorities may exercise the option provided for in paragraph 1 where the parent undertaking is a financial holding company or a mixed financial holding company set up in the same Member State as the institution, provided that it is subject to the same supervision as that exercised over institutions, and in particular to the standards laid down in Article 11(1).						
	3. Competent authorities may waive the application of Article 6(1) to a parent institution in a Member State where that institution is subject to authorisation and supervision by the Member State concerned, and it is included in the supervision on a consolidated basis, and all the following conditions are satisfied, in order to ensure that own funds are distributed adequately among the parent undertaking and the subsidiaries:						
	(a) there is no current or foreseen material practical or legal impediment to the prompt transfer of own funds or repayment of liabilities to the parent institution in a Member State;						

	(b) the risk evaluation, measurement and control procedures relevant for consolidated supervision cover the parent institution in a Member State.						
	The competent authority which makes use of this paragraph shall inform the competent authorities of all other Member States						
Article 10 (Waiver for credit institutions permanently affiliated to a central body)	1. Competent authorities may, in accordance with national law, partially or fully waive the application of the requirements set out in Parts Two to Eight to one or more credit institutions situated in the same Member State and which are permanently affiliated to a central body which supervises them and which is established in the same Member State, if the following conditions are met:	Level of Applicatio n	Competent Authority	Case by Case	No	The Bank does not intend to exercise this discretion as it considers that no such 'central bodies' exist in Ireland.	Accepted.
	(a) the commitments of the central body and affiliated institutions are joint and several liabilities or the commitments of its affiliated institutions are entirely guaranteed by the central body;						
	(b) the solvency and liquidity of the central body and of all the affiliated institutions are monitored as a whole on the basis of consolidated accounts of these institutions;						
	(c) the management of the central body is empowered to issue instructions to the management of the affiliated institutions.						
	Member States may maintain and make use of existing national legislation regarding the application of the waiver referred to in the first subparagraph as long as it does not conflict with this Regulation and Directive 2013/36/EU.						

	2. Where the competent authorities are satisfied that the conditions set out in paragraph 1 are met, and where the liabilities or commitments of the central body are entirely guaranteed by the affiliated institutions, the competent authorities may waive the application of Parts Two to Eight to the central						
Article 15 (Derogation to the application of own funds requirements on a consolidated basis for groups of investment firms)	Derogation to the application of own funds requirements on a consolidated basis for groups of investment firms	Investment Firms	Competent Authority	Case-by-case	Yes	The Bank intends to continue to exercise this discretion on a case-by-case basis subject to prior written approval from the Bank.	Noted.
	1. The consolidating supervisor may waive, on a case-by-case basis, the application of Part Three of this Regulation and Title VII, Chapter 4 of Directive 2013/36/EU on a consolidated basis provided that the following conditions exist:						
	(a) each EU investment firm in the group uses the alternative calculation of total risk exposure amount referred to in Article 95(2);						
	(b) all investment firms in the group fall within the categories in Articles 95(1) and 96(1);						

	(c) each EU investment firm in the group meets the requirements imposed in Article 95 on an individual basis and at the same time deducts from its Common Equity Tier 1 items any contingent liability in favour of investment firms, financial institutions, asset management companies and ancillary services undertakings, which would otherwise be consolidated;						
	(d) any financial holding company which is the parent financial holding company in a Member State of any investment firm in the group holds at least as much capital, defined here as the sum of the items referred to in Articles 26(1), 51(1) and 62(1), as to cover the sum of the following:						
	(i) the sum of the full book value of any holdings, subordinated claims and instruments referred to in Article 36(1)(h) and (i), Article 56(1)(c) and (d), and Article 66(1)(c) and (d) in investment firms, financial institutions, asset management companies and ancillary services undertakings which would otherwise be consolidated; and						
	(ii) the total amount of any contingent liability in favour of investment firms, financial institutions, asset management companies and ancillary services undertakings which would otherwise be consolidated;						

	(e) the group does not include credit institutions 2. The competent authorities may also apply the waiver if the financial holding companies holds a lower amount of own funds than the amount calculated under paragraph 1(d), but no lower than the sum of the own funds requirements imposed on an individual basis to investment firms, financial institutions, asset management companies and ancillary services undertakings which would otherwise be consolidated and the total amount of any contingent liability in favour of investment firms, financial institutions, asset management companies and ancillary services undertakings which would otherwise be consolidated. For the purposes of this paragraph, the own funds requirement for investment undertakings of third countries, financial institutions, asset management companies and ancillary services undertakings is a notional own funds requirement.						
Article 19(2)(Entities excluded from the scope of prudential consolidation)	2. The competent authorities responsible for exercising supervision on a consolidated basis pursuant to Article 111 of Directive 2013/36/EU may on a case-by-case basis decide in the following cases that an institution, financial institution or ancillary services undertaking which is a subsidiary or in which a participation is held need not be included in the consolidation:	Level of Application	Competent Authority	Case by Case	Yes		This approach is accepted.

	(a) where the undertaking concerned is situated in a third country where there are legal impediments to the transfer of the necessary information;						
	(b) where the undertaking concerned is of negligible interest only with respect to the objectives of monitoring credit institutions;						
	(c) where, in the opinion of the competent authorities responsible for exercising supervision on a consolidated basis, the consolidation of the financial situation of the undertaking concerned would be inappropriate or misleading as far as the objectives of the supervision of credit institutions are concerned.						
Article 79(1)-(2)(Temporary waiver from deduction from own funds)	1. Where an institution holds capital instruments or has granted subordinated loans, as applicable, that qualify as Common Equity Tier 1, Additional Tier 1 or Tier 2 instruments in a financial sector entity temporarily and the competent authority deems those holdings to be for the purposes of a financial assistance operation designed to reorganise and save that entity, the competent authority may waive on a temporary basis the provisions on deduction that would otherwise apply to those instruments.	Own Funds	Competent Authority	Case by Case	Yes	RTS defines "temporary" and the conditions according to which a competent authority may deem those temporary holdings to be for the purposes of a financial assistance operation designed to reorganise and save a relevant entity.	We support the Central Bank's approach.
	2. EBA shall develop draft regulatory technical standards to specify the concept of temporary for the purposes of paragraph 1 and the conditions according to which a competent authority may deem those temporary holdings to be for the purposes of a financial assistance operation designed to reorganise and save a relevant entity.						

						The Bank intends to retain the flexibility to exercise this discretion on a case-by-case basis	
Article 113(6)-(7)(Calculation of risk weighted exposure amounts)	6. With the exception of exposures giving rise to Common Equity Tier 1, Additional Tier 1 or Tier 2 items, an institution may, subject to the prior approval of the competent authorities, decide not to apply the requirements of paragraph 1 of this Article to the exposures of that institution to a counterparty which is its parent undertaking, its subsidiary, a subsidiary of its parent undertaking or an undertaking linked by a relationship within the meaning of Article 12(1) of Directive 83/349/EEC. Competent authorities are empowered to grant approval if the following conditions are fulfilled:	Credit Risk	Competent Authority	Case by Case	Yes to (6). No to (7).	The Bank proposes to maintain the flexibility to exercise the discretion in paragraph 6 on a case-by-case basis. The Bank is not intending to exercise the discretion in paragraph 7.	We welcome the decision to exercise the discretion under paragraph 6. We note and accept the decision not to apply the discretion in paragraph 7.
	(a) the counterparty is an institution, a financial holding company or a mixed financial holding company, financial institution, asset management company or ancillary services undertaking subject to appropriate prudential requirements;						
	(b) the counterparty is included in the same consolidation as the institution on a full basis;						
	(c) the counterparty is subject to the same risk evaluation, measurement and control procedures as the institution;						
	(d) the counterparty is established in the same Member State as the institution;						

	(e) there is no current or foreseen material practical or legal impediment to the prompt transfer of own funds or repayment of liabilities from the counterparty to the institution.						
	Where the institution, in accordance with this paragraph, is authorised not to apply the requirements of paragraph 1, it may assign a risk weight of 0 %.						
	7. With the exception of exposures giving rise to Common Equity Tier 1, Additional Tier 1 and Tier 2 items, institutions may, subject to the prior permission of the competent authorities, not apply the requirements of paragraph 1 of this Article to exposures to counterparties with which the institution has entered into an institutional protection scheme that is a contractual or statutory liability arrangement which protects those institutions and in particular ensures their liquidity and solvency to avoid bankruptcy where necessary. Competent authorities are empowered to grant permission if the following conditions are fulfilled:						
	(a) the requirements set out in points (a), (d) and (e) of paragraph 6 are met;						
	(b) the arrangements ensure that the institutional protection scheme is able to grant support necessary under its commitment from funds readily available to it;						

	(c) the institutional protection scheme disposes of suitable and uniformly stipulated systems for the monitoring and classification of risk, which gives a complete overview of the risk situations of all the individual members and the institutional protection scheme as a whole, with corresponding possibilities to take influence; those systems shall suitably monitor defaulted exposures in accordance with Article 178(1);EN 27.6.2013 Official Journal of the European Union L 176/75						
	(d) the institutional protection scheme conducts its own risk review which is communicated to the individual members;						
	(e) the institutional protection scheme draws up and publishes on an annual basis, a consolidated report comprising the balance sheet, the profit-and-loss account, the situation report and the risk report, concerning the institutional protection scheme as a whole, or a report comprising the aggregated balance sheet, the aggregated profit-and-loss account, the situation report and the risk report, concerning the institutional protection scheme as a whole;						
	(f) members of the institutional protection scheme are obliged to give advance notice of at least 24 months if they wish to end the institutional protection scheme;						
	(g) the multiple use of elements eligible for the calculation of own funds (hereinafter referred to as 'multiple gearing') as well as any inappropriate creation of own funds between the members of the institutional protection scheme shall be eliminated;						

	(h) The institutional protection scheme shall be based on a broad membership of credit institutions of a predominantly homogeneous business profile;						
	(i) the adequacy of the systems referred to in points (c) and (d) is approved and monitored at regular intervals by the relevant competent authorities.						
	Where the institution, in accordance with this paragraph, decides not to apply the requirements of paragraph 1, it may assign a risk weight of 0 %						
Article 124(2)(Exposures secured by mortgages on immovable property)	Competent authorities may set a higher risk weight or stricter criteria than those set out in Article 125(2) and Article 126(2), where appropriate, on the basis of financial stability considerations.	Credit Risk	Competent Authority	General	Yes	The Bank intends to continue to restrict the 35% risk weight to a) owner-occupied housing and b) loans with an LTV of up to 75% and to require banks to apply a 100% risk weight to exposures secured by commercial real estate. Exercise of the Bank's discretion in this area will be subject to notification to the EBA and to the relevant RTS.	Not generally applicable for credit purposes. However this also impacts a Bank's NSFR, with unintended consequences. NSFR rules are not yet finalised, yet Rating agencies/Investors in banks are assessing NSFR's on current rules. This places Irish banks and portfolios at a disadvantage relative to peers in other jurisdictions, e.g. the UK uses an 80% LTV and has Buy to Let Mortgages 35% risk weighted. This discretion is intended for capital purposes yet for a Bank that is on an IRB approach only, this discretion only impacts the NSFR, i.e. Liquidity.

Article 143(2)-(3)(Permission to use the IRB Approach)	Prior permission to use the IRB Approach, including own estimates of Loss Given Default (hereinafter referred to as 'LGD') and conversion factors, shall be required for each exposure class and for each rating system and internal model approaches to equity exposures and for each approach to estimating LGDs and conversion factors used.	Credit Risk	Competent Authority	Case by Case	Yes	Permission subject to RTS to be developed by end-2014. See Section on IRB Models in the main text.	We accept the continuation of the current approach, subject to RTS guidance to be developed.
	3. Institutions must shall obtain the prior permission of the competent authorities for the following:						
	(a) material changes to the range of application of a rating system or an internal models approach to equity exposures that the institution has received permission to use;						
	(b) material changes to a rating system or an internal models approach to equity exposures that the institution has received permission to use.						
	The range of application of a rating system shall comprise all exposures of the relevant type of exposure for which that rating system was developed.						
Article 148(1)-(6)(Conditions for implementing the IRB Approach	1. Institutions and any parent undertaking and its subsidiaries shall implement the IRB Approach for all exposures,unless they have received the permission of the competent authorities to permanently use the Standardised Approach in accordance with Article 150.	Credit Risk	Competent Authority	Case by Case	Yes	Institutions should indicate and justify requests for temporary exemptions. Such requests must be accompanied by a binding, credible and realisable rollout plan. See Section on IRB Models in the main text.	If a permanent partial exemption already exists, please confirm that it will continue to apply.

across different classes of exposure and business units)	Subject to the prior permission of the competent authorities, implementation may be carried out sequentially across the different exposure classes, referred to in Article 147, within the same business unit, across different business units in the same group or for the use of own estimates of LGDs or conversion factors for the calculation of risk weights for exposures to corporates, institutions, and central governments and central banks.						
	In the case of the retail exposure class referred to in Article 147(5), implementation may be carried out sequentially across the categories of exposures to which the different correlations in Article 154 correspond.						
	2. Competent authorities shall determine the time period over which an institution and any parent undertaking and its subsidiaries shall be required to implement the IRB Approach for all exposures. This time period shall be one that competent authorities consider to be appropriate on the basis of the nature and scale of the activities of the institutions, or any parent undertaking and its subsidiaries, and the number and nature of rating systems to be implemented.						

	3. Institutions shall carry out implementation of the IRB Approach according to conditions determined by the competent authorities. The competent authority shall design those conditions such that they ensure that the flexibility under paragraph 1 is not used selectively for the purposes of achieving reduced own funds requirements in respect of those exposure classes or business units that are yet to be included in the IRB Approach or in the use of own estimates of LGDs and conversion factors.						
	4. Institutions that have begun to use the IRB Approach only after 1 January 2013 or have until that date been required by the competent authorities to be able to calculate their capital requirements using the Standardised Approach shall retain their ability to calculate capital requirements using the Standardised Approach for all their exposures during the implementation period until the competent authorities notify them that they are satisfied that the implementation of the IRB Approach will be completed with reasonable certainty.						

	5. An institution that is permitted to use the IRB Approach for any exposure class shall use the IRB Approach for the equity exposure class laid down in point (e) of Article 147(2), except where that institution is permitted to apply the Standardised Approach for equity exposures pursuant to Article 150 and for the other non credit-obligation assets exposure class laid down in point (g) of Article 147(2). 6. EBA shall develop draft regulatory technical standards to specify the conditions according to which competent authorities shall determine the appropriate nature and timing of the sequential roll out of the IRB Approach across exposure classes referred to in paragraph 3.						
Article 150 (Conditions for permanent partial use)	Where institutions have received the prior permission of the competent authorities, institutions permitted to use the IRB Approach in the calculation of risk weighted exposure amounts and expected loss amounts for one or more exposure classes may apply the Standardised Approach for the following exposures:	Credit Risk	Competent Authority	Case by Case	Yes, though with the continuing exception of h), i) and j)	The Bank does not consider that (h) and (j) are material in an Irish context while i) carries a 0% risk-weight where exposures are to the ECB (where to the Central Bank, it should be dealt with under a). It should be noted that conditions of application of points (a), (b) and (c) of paragraph 1 will be subject to an EBA RTS.	As for 148 (1) - (6), please confirm that if such an exemption currently exists, it will continue to apply, subject to the forthcoming RTS.

	(a) the exposure class laid down in Article 147(2)(a), where the number of material counterparties is limited and it would be unduly burdensome for the institution to implement a rating system for these counterparties;						
	(b) the exposure class laid down in Article 147(2)(b), where the number of material counterparties is limited and it would be unduly burdensome for the institution to implement a rating system for these counterparties;						
	(c) exposures in non significant business units as well as exposure classes or types of exposures that are immaterial in terms of size and perceived risk profile;						
	(d) exposures to central governments and central banks of the Member States and their regional governments, local authorities, administrative bodies and public sector entities provided:						
	(i) there is no difference in risk between the exposures to that central government and central bank and those other exposures because of specific public arrangements; and						
	(ii) exposures to the central government and central bank are assigned a 0 % risk weight under Article 114(2), (4) or (5);						

	(e) exposures of an institution to a counterparty which is its parent undertaking, its subsidiary or a subsidiary of its parent undertaking provided that the counterparty is an institution or a financial holding company, mixed financial holding company, financial institution, asset management company or ancillary services undertaking subject to appropriate prudential requirements or an undertaking linked by a relationship within the meaning of Article 12(1) of Directive 83/349/EEC;						
	(f) exposures between institutions which meet the requirements set out in Article 113(7);						
	(g) equity exposures to entities whose credit obligations are assigned a 0 % risk weight under Chapter 2 including those publicly sponsored entities where a 0 % risk weight can be applied;						
	(h) equity exposures incurred under legislative programmes to promote specified sectors of the economy that provide significant subsidies for the investment to the institution and involve some form of government oversight and restrictions on the equity investments where such exposures may in aggregate be excluded from the IRB Approach only up to a limit of 10 % of own funds;						
	(i) the exposures identified in Article 119(4) meeting the conditions specified therein;						
	(j) State and State reinsured guarantees referred to in Article 215(2).						

	The competent authorities shall permit the application of Standardised Approach for equity exposures referred to in points (g) and (h) of the first subparagraph which have been permitted for that treatment in other Member States. EBA shall publish on its website and regularly update a list with the exposures referred to in those points (to be treated according to the Standardised Approach.						
	2. For the purposes of paragraph 1, the equity exposure class of an institution shall be material if their aggregate value, excluding equity exposures incurred under legislative programmes as referred to in point (g) of paragraph 1, exceeds on average over the preceding year 10 % of the own funds of the institution. Where the number of those equity exposures is less than 10 individual holdings, that threshold shall be 5 % of the own funds of the institution.						
	3. EBA shall develop draft regulatory technical standards to determine the conditions of application of points (a), (b) and (c) of paragraph 1.						
	EBA shall submit those draft regulatory technical standards to the Commission by 31 December 2014.						
	Power is delegated to the Commission to adopt the regulatory technical standards referred to in the first subparagraph in accordance with Articles 10 to 14 of Regulation (EU) No 1093/2010.						

	4. EBA shall issue guidelines on the application of point (d) of paragraph 1 in 2018, recommending limits in terms of a percentage of total balance sheet and/or risk weighted assets to be calculated in accordance with the Standardised Approach.						
	Those guidelines shall be adopted in accordance with Article 16 of Regulation (EU) No 1093/2010						
Article 178(1)(b)(Default of an obligor)	1. A default shall be considered to have occurred with regard to a particular obligor when either or both of the following have taken place:	Definition of Default	Competent Authority	General	No	The Bank considers that 90 days is an appropriate backstop definition of default across all exposure classes.	There may again be an unintended consequence in applying this 90 days past due discretion for credit purposes, specifically impacting the LCR. If a loan is past due, its inflows cannot be included in the LCR. The 90 day requirement therefore places Irish Banks' LCR at a disadvantage relative to peers in some other jurisdictions.
	(a) the institution considers that the obligor is unlikely to pay its credit obligations to the institution, the parent undertaking or any of its subsidiaries in full, without recourse by the institution to actions such as realising security;						

	(b) the obligor is past due more than 90 days on any material credit obligation to the institution, the parent undertaking or any of its subsidiaries. Competent authorities may replace the 90 days with 180 days for exposures secured by residential or SME commercial real estate in the retail exposure class, as well as exposures to public sector entities). The 180 days shall not apply for the purposes of Article 127.						
Article 178(2)(d)	(d) materiality of a credit obligation past due shall be assessed against a threshold, defined by the competent authorities. This threshold shall reflect a level of risk that the competent authority considers to be reasonable;	Credit Risk	Competent Authority	General	Yes, once EBA RTS available	EBA is mandated to develop draft regulatory technical standards to specify the conditions according to which a competent authority shall set the threshold referred to in paragraph 2(d) for submission to the European Commission by 31 Dec 2014.	It should be recognised that sufficient time for systems enhancement be provided following the RTS publication.
Article 179(1)(f) (Overall Requirements for Estimation)	Where institutions use different estimates for the calculation of risk weights and for internal purposes, it shall be documented and be reasonable. If institutions can demonstrate to their competent authorities that for data that have been collected prior to 1 January 2007 appropriate adjustments have been made to achieve broad equivalence with the definition of default laid down in Article 178 or with loss, competent authorities may permit the institutions some flexibility in the application of the required standards for data.	Credit Risk	Competent Authority	Case by Case	Yes	This discretion is important in order not to invalidate historic data sets. EBA shall submit draft regulatory technical standards on this point to the Commission by 31 December 2014.	We agree with this reasonable approach and await the RTS.

Article 225(2)(e)	the length of the historical observation period institutions use for calculating volatility adjustments shall be at least one year. For institutions that use a weighting scheme or other methods for the historical observation period, the length of the effective observation period shall be at least one year. The competent authorities may also require an institution to calculate its volatility adjustments using a shorter observation period where, in the competent authorities' judgement, this is justified by a significant upsurge in price volatility;	Credit Risk Mitigation	Competent Authority	Case by Case	Yes		Noted
Article 243(2)(b) and 244(2)(c)(Traditional and Synthetic Securitisations)	Where the possible reduction in risk weighted exposure amounts, which the originator institution would achieve by this securitisation is not justified by a commensurate transfer of credit risk to third parties, competent authorities may decide on a case-by-case basis that significant credit risk shall not be considered to have been transferred to third parties.	Securitisation	Competent Authority	Case by Case	Yes		Noted
Article 244(2)	Where the possible reduction in risk weighted exposure amounts, which the originator institution would achieve by this securitisation is not justified by a commensurate transfer of credit risk to third parties, competent authorities may decide on a case-by-case basis that significant credit risk shall not be considered to have been transferred to third parties.	Securitisation	Competent Authority	Case by Case	Yes		Noted

Article 282(6)(Hedging sets)	For transactions with a non-linear risk profile or for payment legs and transactions with debt instruments as underlying for which the institution cannot determine the delta or the modified amended duration, as the case may be, with an instrument model that the competent authority has approved for the purposes of determining the own funds requirements for market risk, the competent authority shall either determine the size of the risk positions and the applicable CCRMjs conservatively, or require the institution to use of the method set out in Section 3.Netting shall not be recognised (that is, the exposure value shall be determined as if there were a netting set that comprises just an individual transaction).	Market Risk - CCR	Competent Authority	General	Yes	While the Bank reserves the right to specify an alternative methodology, in the absence of such, the methodology set out in Section 3 should be used.	Noted.
Article 283(1)-(3) (Permission to use the Internal Model)	Provided that the competent authorities are satisfied that the requirement in paragraph 2 have been met by an institution, they shall permit that institution to use the Internal Model Method (IMM) to calculate the exposure value for any of the following transactions:	Market Risk - CCR	Competent Authority	Case by Case	Yes	Exercise subject to prior written approval from the Bank. The Bank confirms that its updated CRD Implementation Document, to issue in late 2013, will include revised guidance on procedures for IRB model applications and permissions under CRR.	Noted. Could the revised guidance on procedures for IMM Model use applications and permissions be provided as a matter of urgency?
	(a) transactions in Article 273(2)(a);						
	(b) transactions in Article 273(2)(b), (c) and (d);						
	(c) transactions in Article 273(2)(a) to (d),						

	Where an institution is permitted to use the IMM to calculate exposure value for any of the transactions mentioned in points (a) to (c) of the first subparagraph, it may also use the IMM for the transactions in Article 273(2)(e).						
	Notwithstanding the third subparagraph of Article 273(1), an institution may choose not to apply this method to exposures that are immaterial in size and risk. In such case, an institution shall apply one of the methods set out in Sections 3 to 5 to these exposures where the relevant requirements for each approach are met.						
	2. Competent authorities shall permit institutions to use IMM for the calculations referred to in paragraph 1 only if the institution has demonstrated that it complies with the requirements set out in this Section, and the competent authorities verified that the systems for the management of CCR maintained by the institution are sound and properly implemented.						
	3. The competent authorities may permit institutions for a limited period to implement the IMM sequentially across different transaction types. During this period of sequential implementation institutions may use the methods set out in Section 3 or Section 5 for transaction type for which they do not use the IMM						

Article 284(4)	Except for counterparties identified as having Specific Wrong-Way Risk that fall within the scope of Article 291(4) and (5), institutions shall calculate the exposure value as the product of alpha (α) times Effective EPE, as follows:	Market Risk - CCR	Competent Authority	General	Not at present	For the time-being, we regard an alpha of 1.4 to be appropriate, as per the current implementation.	Noted
	where:						
	α = 1.4, unless competent authorities require a higher α or permit institutions to use their own estimates in accordance with paragraph 9;						
	Effective EPE shall be calculated by estimating expected exposure (EEt) as the average exposure at future date t, where the average is taken across possible future values of relevant market risk factors.						
	The model shall estimate EE at a series of future dates t1, t2, t3, etc.						
Article 284(9) and (12) (Exposure Value)	Notwithstanding paragraph 4, competent authorities may permit institutions to use their own estimates of alpha, where:	Market Risk - CCR	Competent Authority	Case by Case	Yes		Noted
	(a) alpha shall equal the ratio of internal capital from a full simulation of CCR exposure across counterparties (numerator) and internal capital based on EPE (denominator);						
	(b) in the denominator, EPE shall be used as if it were a fixed outstanding amount.						

	When estimated in accordance with this paragraph, alpha shall be no lower than 1.2. 12. In supervising the use of estimates under paragraph 9, competent authorities shall have regard to the significant variation in estimates of alpha that arises from the potential for mis-specification in the models used for the numerator, especially where convexity is present						
Article 317(4)(Own funds requirement)	Institutions shall calculate the average over three years of the sum referred to in paragraph 2 on the basis of the last three twelve-monthly observations at the end of the financial year. When audited figures are not available, institutions may use business estimates.	Op Risk	Competent Authority	Case by Case	Yes		We support this approach.
	Where an institution can prove to its competent authority that, due to a merger, an acquisition or a disposal of entities or activities, using a three year average to calculate the relevant indicator would lead to a biased estimation for the own funds requirement for operational risk, the competent authority may permit institutions to amend the calculation in a way that would take into account such events and shall duly inform EBA thereof. In such circumstances, the competent authority may, on its own initiative, also require an institution to amend the calculation.						
	Where an institution has been in operation for less than three years it may use forward-looking business estimates in calculating the relevant indicator, provided that it starts using historical data as soon as it is available.						

Article 327(2)(Netting)	No netting shall be allowed between a convertible and an offsetting position in the instrument underlying it, unless the competent authorities adopt an approach under which the likelihood of a particular convertible's being converted is taken into account or require an own funds requirement to cover any loss which conversion might entail. Such approaches or own funds requirements shall be notified to EBA. EBA shall monitor the range of practices in this area and shall, in accordance with Article 16 of Regulation (EU) No 1093/2010, issue guidelines.	Market Risk	Competent Authority	General	Yes		Noted
Article 366(4)-(5)(Regulatory Back-testing and Multiplication Factors)	4. The competent authorities may in individual cases limit the addend to that resulting from overshootings under hypothetical changes, where the number of overshootings under actual changes does not result from deficiencies in the internal model. 5. In order to allow competent authorities to monitor the appropriateness of the multiplication factors on an ongoing basis, institutions shall notify promptly, and in any case no later than within five working days, the competent authorities of overshootings that result form their back-testing programme	Market Risk	Competent Authority	Case by Case	Yes		Noted.

Article 380(Waiver)	Where a system wide failure of a settlement system, a clearing system or a CCP occurs, competent authorities may waive the own funds requirements calculated as set out in Articles 378 and 379 until the situation is rectified. In this case, the failure of a counterparty to settle a trade shall not be deemed a default for purposes of credit risk.	Settlement Risk	Competent Authority	Case by Case	Yes	The Bank intends to retain the flexibility to exercise this discretion to deal with such system-wide failures.	This approach is acceptable.
Article 395(1)(Limits to Large Exposures)	1. An institution shall not incur an exposure, after taking into account the effect of the credit risk mitigation in accordance with Articles 399 to 403, to a client or group of connected clients the value of which exceeds 25 % of its eligible capital. Where that client is an institution or where a group of connected clients includes one or more institutions, that value shall not exceed 25 % of the institution's eligible capital or EUR 150 million, whichever the higher, provided that the sum of exposure values, after taking into account the effect of the credit risk mitigation in accordance with Articles 399 to 403, to all connected clients that are not institutions does not exceed 25 % of the institution's eligible capital.	Large Exposures and Investment Firms	Competent Authority	Case by Case	Yes	As currently, the Bank may apply a lower limit of €250k to investment firms on a case by case basis.	We agree as this is consistent with current treatment.

	Where the amount of EUR 150 million is higher than 25 % of the institution's eligible capital the value of the exposure, after taking into account the effect of credit risk mitigation in accordance with Articles 399 to 403 shall not exceed a reasonable limit in terms of the institution's eligible capital. That limit shall be determined by the institution in accordance with the policies and procedures referred to in Article 81 of Directive 2013/36/EU, to address and control concentration risk. This limit shall not exceed 100 % of the institution's eligible capital.						
	Competent authorities may set a lower limit than EUR 150 million and shall inform EBA and the Commission thereof.						
Article 495(1)(Treatment of equity exposures under the IRB approach)	1. By way of derogation from Chapter 3 of Part Three, until 31 December 2017, the competent authorities may exempt from the IRB treatment certain categories of equity exposures held by institutions and EU subsidiaries of institutions in that Member State as at 31 December 2007. The competent authority shall publish the categories of equity exposures which benefit from that treatment in accordance with Article 143 of Directive 2013/36/EU.	Transitional Credit Risk	Competent Authority	General	No	The Bank does not consider that this exemption is justified on a general basis. If there are specific cases, these can be considered in terms of the roll-out rules for equity exposures.	IRB is generally not applied to equity portfolios and so the approach is accepted.
	The exempted position shall be measured as the number of shares as at 31 December 2007 and any additional share arising directly as a result of owning those holdings, provided they do not increase the proportional share of ownership in a portfolio company.						

	If an acquisition increases the proportional share of ownership in a specific holding the part of the holding which constitutes the excess shall not be subject to the exemption. Nor shall the exemption apply to holdings that were originally subject to the exemption, but have been sold and then bought back.						
	Equity exposures subject to this provision shall be subject to the capital requirements calculated in accordance with the Standardised Approach under Part Three, Title II, Chapter 2 and the requirements set out in Title IV of Part Three, as applicable.						
	Competent authorities shall notify the Commission and EBA of the implementation of this paragraph.						