Chapter 1

Commission Delegated Regulation (EU) No 1152/2014

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(1) All general credit exposures, which do not fall under paragraphs 2 to 5 of this Article, shall be allocated to the location of the obligor.

(2) General credit exposures to CIUs as referred to in point (o) of Article 112 of Regulation (EU) No 575/2013, shall be allocated to the location of the obligor of the underlying exposures. If there is more than one location corresponding to the obligors of the underlying exposures of a given CIU exposure, Article 4(2) of this Regulation may also apply to that CIU exposure.

(3) Specialised lending exposures as referred to in Article 147(8) of Regulation (EU) No 575/2013 shall be allocated to the location of the income.

(4) General credit exposures to other items as referred to in point (q) of Article 112 of Regulation (EU) No 575/2013 shall be allocated to the United Kingdom if the institution cannot identify their obligor.

(5) The following general credit exposures may be allocated to the United Kingdom:

(a) exposures to CIUs as referred to in point (o) of Article 112 of Regulation (EU) No 575/2013, where the institution cannot identify the location of the obligor or obligors of the underlying exposures based on information existing internally or available externally without disproportionate effort;

(b) foreign exposures, whose aggregate does not exceed 2 % of the aggregate of the general credit, trading book and securitisation exposures of that institution. The aggregate of the general credit, trading book and securitisation exposures is calculated by excluding the general credit exposures located in accordance with point (a) of this paragraph and with paragraph 4.

(6) Institutions shall calculate the percentage referred to in point (b) of paragraph 5, both on an annual and on an ad hoc basis. An ad hoc calculation is required when an event that affects the financial or economic situation of the institution occurs.