



European Securities and
Markets Authority

Questions and Answers

On the Securitisation Regulation



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1. Purpose and status

1. The purpose of this document is to promote common, uniform and consistent supervisory approaches and practices in the day-to-day application of Securitisation Regulation (Regulation 2017/2402). It does this by providing responses to questions asked by the public, financial market participants, competent authorities and other stakeholders. The question and answer (Q&A) tool is a practical convergence tool used to promote common supervisory approaches and practices under Article 29(2) of the ESMA Regulation. Further information on ESMA's Q&A process is available on our website.

2. ESMA intends to update this document on a regular basis and, for ease of reference, ESMA has provided the date each question was first published as well as the date/s of amendment beside each question.

3. Additional questions on the Securitisation Regulation may be submitted to ESMA through [the Q&A tool on its website](#). Please see the guidance available on ESMA's website before submitting any questions.

2. Legislative references and abbreviations

Legislative references and useful links

<i>ESMA Regulation</i>	Regulation (EU) No 1095/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Securities and Markets Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/77/EC ¹
<i>The Securitisation Regulation</i>	Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation, and amending Directives 2009/65/EC, 2009/138/EC and 2011/61/EU and Regulations (EC) No 1060/2009 and (EU) No 648/2012
<i>The Capital Requirements Regulation</i>	Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 Text with EEA relevance
<i>Final Report on Disclosure</i>	Final Report Technical standards on disclosure requirements under the Securitisation Regulation (22 August 2018 ESMA33-128-474)
<i>CP on Disclosure Requirements</i>	Consultation Paper Draft technical standards on disclosure requirements, operational standards, and access conditions under the Securitisation Regulation (19 December 2017 ESMA33-128-107)

¹ OJ L 331, 15.12.2010, p. 84

<i>ESMA's Opinion on Disclosure Requirements</i>	ESMA's Opinion on disclosure requirements under the Securitisation Regulation (31 January 2019 ESMA33-128-600).
<i>RTS on Disclosure</i>	Regulatory Technical standards specifying the information and the details of a securitisation to be made available by the originator, sponsor and SSPE published on in the Official Journal of the European Union 3 September 2020 (main text).
<i>ITS on Disclosure</i>	Implementing technical standard laying down implementing technical standards with regard to the format and standardised templates for making available the information and details of a securitisation by the originator, sponsor and SSPE published on the Official Journal of the European Union 3 September 2020 (main text).
<i>RTS on Operational Standards</i>	Regulatory Technical standards on securitisation repository operational standards for data collection, aggregation, comparison, access and verification of completeness and consistency published the Official Journal of the European Union 3 September 2020 (main text).
<i>RTS on homogeneity</i>	Commission delegated regulation (EU) 2019/1851 of 28 May 2019 supplementing the Securitisation Regulation with regard to regulatory technical standards on the homogeneity of the underlying exposures in securitisation (main text).

Abbreviations

<i>CA</i>	Competent Authority
<i>CP</i>	Consultation Paper
<i>EC</i>	European Commission
<i>EU</i>	European Union
<i>ESMA</i>	European Securities and Markets Authority
<i>LEI</i>	Legal Entity Identifier
<i>SMSG</i>	Securities and Markets Stakeholder Group

Summary of Q&As

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Chapter	Heading of Q&A	Code	New or Modified
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3. Questions and Answers related to Securitisation Repositories

Confirmation of submission completeness

Date of first publication: 15 November 2019

Q3.1 ESMA's [technical reporting instructions](#) (point 49, on page 25), indicate that *“it may be possible to report the full list of “non-ABCP underlying exposure records” within several reports or to cancel or correct one individual “non-ABCP underlying exposure record” that was submitted previously.”* Is it therefore expected that, upon each report submission to a securitisation repository (registered with ESMA), the repository must request the reporting entity to indicate whether this report **COMPLETES** (rather than replaces) the pool of underlying exposures for this securitisation? If so, is this an expected functionality that registered securitisation repositories should provide to reporting entities as part of the data submission process?

A3.1 Yes, it is expected that such functionality would be made available to reporting entities. Without knowing whether all underlying exposures in a securitisation have been submitted, it would not be possible for a securitisation repository to validate the consistency of the underlying exposures information with any other information provided elsewhere in the securitisation (e.g. via the investor report, and/or the significant event / inside information templates), for example, whether the total outstanding balance of all loans matches the aggregate information of the significant event template.

Handling of corrections

Date of first publication: 15 November 2019

Q3.2

(a) Where information in a past data submission is corrected, even for one underlying exposure, must the correction should be accompanied by a corresponding correction of other relevant templates, so that the integrity and consistency of data is maintained?

(b) Where information in a past data submission is corrected, even for one underlying exposure, must a securitisation repository registered with ESMA recalculate the data completeness score set out in Article 3 of the draft RTS on operational standards?

(c) What are the interactions between data completeness requirements and corrections/changes to previously-provided information? How should the repository proceed in the following situation:

Step 1: On 1 June 2020, a securitisation repository registered with ESMA receives a report with 1000 underlying exposures, investor report, significant event (i.e. a full quarterly submission), with a data cut-off date of 1 May 2020. The securitisation repository processes all the underlying exposures, checks whether the submission complies with the data completeness thresholds (regarding the use of No Data options in the underlying exposure templates), confirms that they do comply and, therefore, accepts the submission.

Step 2: On 1 June 2021, the same reporting entity sends a modification file report with 50 new loans and 50 loans to be modified, referring to the above data submission (i.e. the data submitted

on 1 June 2020 with a data cut-off date of 1 May 2020). The repository re-checks whether, in light of these modifications to some of the underlying exposures, the overall submission (i.e. all 1000 underlying exposures) complies with the data completeness thresholds applicable as at 1 June 2020, and discovers that it no longer complies with those thresholds.

A3.2

(a) Yes, the information affected in any corresponding template fields must also be corrected and re-submitted. For example, if the current principal balance (e.g. field RREL30) for a given underlying is changed even for one underlying exposure, the corresponding summarised total current balance of the pool should be reflected in a corrected version of the significant event / inside information template at a tranche level (i.e. in field SEST9 or SEAT9, as applicable).

(b) Corrections to even one record could affect the resulting data completeness score (given the mapping from percentages of No Data options use to the score categories, such as A1). It is therefore indeed expected that a securitisation repository registered with ESMA recalculates the data completeness score following the receipt of a correction/change to underlying exposure information previously submitted to it.

(c) In this scenario, the securitisation repository should:

- Reject the entire data submission for that specific data cut-off date (i.e. the data submission provided on 1 June 2020 and modified on 1 June 2021, with a data cut-off date of 1 May 2020).
- Add the data submission to its report of rejections that are made available pursuant to Article 4 of the draft RTS on operational standards.

Processing of data queries by securitisation repositories

Date of first publication: 28 May 2020

Q3.3 How should the query provisions set out in Article 6(4) of the operational standards RTS be understood? (“*Securitisation repositories shall grant the entities referred to in Article 17(1) of Regulation (EU) 2017/2402 access to the information referred to in Article 5, based on any combination of the following criteria:...*”)

The search criteria contain elements at an underlying exposure record level (e.g. geographic region, origination/maturity date). For example, if a user submits a request, on all underlying exposures with origination year = 2019 and geographic region = Spain, then all underlying exposures meeting the above criteria must be transmitted.

Should the repository make available the full underlying exposure XML files received, that have AT LEAST ONE exposure meeting the above criteria?

Or

Only the relevant underlying exposure records that meet the above criteria (i.e. parse the XML file received, keep only the records relating to those exposures meeting the above criteria, and information only on those exposures)?

A3.3 It is up to data users to specify, using the available fields for queries, what information they are interested in receiving. The query parameters set out in Article 6(4) of the draft RTS on operational standards are designed to result in all details of a securitisation being provided to users.

Therefore, taking the above example, if a user requests information on all underlying exposures originated during the year 2019 and with a obligor geographic region located in Spain, then a securitisation repository should provide information on all securitisations that meet this criteria, i.e. all securitisations containing at least one underlying exposure having been originated in 2019 and with an obligor geographic region located in Spain (and including all fields associated with those underlying exposures, including securitisation identifiers). If the user has not specified a data cut-off date in their data request, then the results would also cover all securitisation data submissions across all possible data cut-off dates.

Furthermore, in this example, the information on these securitisations that should be provided would be on all underlying exposures of each securitisation, i.e. information on underlying exposures originated during the year 2019 and with an obligor geographic region in Spain AND information on any other underlying exposures that have also been securitised in any deal meeting the search criteria.

The purpose of these search criteria is to provide a common set of criteria by which users can make targeted data queries. However, these provisions do not exclude that a securitisation repository makes available additional functionalities for data users, where this may appear to add convenience.

For example, to the extent that a securitisation repository ensures that its functionalities permit the above-mentioned example to be fulfilled as described above, that repository could also make available additional choices for data users. One such choice could indeed allow a user searching for information on underlying exposures having been originated in 2019 and with an obligor geographic region located in Spain to indicate that the user only wishes to receive information on those specific underlying exposures.

4. Questions and Answers on STS Notifications

First date at which ESMA will receive an STS notification

Date of first publication: 27 May 2019

Q4.1 What is the date at which it is possible to submit an “STS notification”? Has ESMA already set up an STS register in accordance with its obligations set out in Article 27(5) of the Securitisation Regulation?

A4.1 As of 1 January 2019, an STS notification may be submitted to ESMA in accordance with Article 27 of the Securitisation Regulation. The relevant notification templates are available on ESMA' website: https://www.esma.europa.eu/sites/default/files/esma33-128-585a_template_interim_solution.xlsx. The relevant reporting instructions are also set out on its website (available here: <https://www.esma.europa.eu/document/sts-reporting-instructions>).

According to Article 27(1) of the Securitisation Regulation, originators and sponsors must jointly notify ESMA by means of the template referred to in Articles 27(1) and 27(7) where a securitisation meets the requirements of Articles 19 to 22 or Articles 23 to 26 (hereinafter: “STS notification”). In the case of an ABCP programme, only the sponsor is responsible for the notification of that programme and, within that programme, of the ABCP transactions complying with Article 24.

According to Article 27(5) of the Securitisation Regulation, ESMA has to maintain on its website a list of all securitisations which the originators and sponsors have notified to it as meeting the requirements of Articles 19 to 22 or Articles 23 to 26 of that Regulation. ESMA must add each securitisation so notified to that list immediately and must update the list where the securitisations are no longer considered to be STS following a decision of competent authorities or a notification by the originator or sponsor.

ESMA has set out a register on an interim basis in order to meet the requirements of the Securitisation Regulation starting from 1 January 2019, which contains a list of all STS-notification that ESMA has received: <https://www.esma.europa.eu/policy-activities/securitisation/simple-transparent-and-standardised-sts-securitisation>.

Information which will be available on ESMA’s website regarding STS notifications

Date of first publication: 27 May 2019

Q4.2 What will ESMA publish on its website when it receives an STS notification?

A4.2 In addition to the full list of securitisations which have been notified to ESMA in accordance with Article 27 of the Securitisation Regulation as meeting the requirements in of Articles 19 to 22 or Articles 23 to 26 of the Securitisation Regulation, ESMA will publish the individual STS notification templates (https://www.esma.europa.eu/sites/default/files/esma33-128-585a_template_interim_solution.xlsx) as notified by the reporting entities.

Responsibility for information contained in an STS notification

Date of first publication: 27 May 2019

Q4.3 Who carries the responsibility for the information contained in the STS notification?

A4.3 ESMA recalls that the information published in the Register derives exclusively from the information notified to ESMA. Therefore, ESMA does not accept any responsibility or liability for the accuracy of the information. ESMA shall not be liable for any loss of business or profits or any direct, indirect or consequential loss or damage resulting from any irregularity or inaccuracy of the information published by ESMA in the Register.

Where an originator or a sponsor of a securitisation which is not an ABCP transaction or an ABCP programme submits a notification to ESMA in accordance with Article 27(1) of the Securitisation Regulation (“STS notification”), the originator and sponsor are jointly responsible for the information contained in the STS notification.

Where a sponsor of a securitisation which is an ABCP transaction or an ABCP programme submits a notification to ESMA in accordance with Article 27(1) of the Securitisation Regulation (“STS notification”), the sponsor is responsible for the notification of information contained in the STS notification.

As set out in Article 27(4) of the Securitisation Regulation, the originator and sponsor shall immediately notify ESMA and inform their competent authority when a securitisation no longer meets the requirements of either Articles 19 to 22 or Articles 23 to 26.

Validation of information in an STS Notification

Date of first publication: 27 May 2019

Q4.4 What types of validations does ESMA undertake of STS notifications?

A4.4 Please see paragraph 1 of the section entitled “instructions for providing STS notifications for public securitisations” and paragraph 1 of the section entitled “Instructions for providing STS notifications for private securitisations” in the reporting instructions: <https://www.esma.europa.eu/document/sts-reporting-instructions>.

ESMA recalls that the information published in the Register derives exclusively from the information notified to ESMA. Therefore, ESMA does not accept any responsibility or liability for the accuracy of the information. ESMA shall not be liable for any loss of business or profits or any direct, indirect or consequential loss or damage resulting from any irregularity or inaccuracy of the information published by ESMA in the STS Register.

Designated first contact point for investors and competent authorities

Date of first publication: 15 November 2019

Q4.5 Is it possible to designate an entity which is neither an originator nor a sponsor of a securitisation to be the first contact point for that securitisation within the meaning of Article 27(1) third subparagraph of the Securitisation regulation?

A4.5 No. Article 27(1) of the Securitisation Regulation states that originators and sponsors of a securitisation shall inform their competent authorities of the STS notification and designate amongst themselves one entity to be the first contact point for investors and competent authorities. This means that an entity which is neither an originator nor a sponsor of a securitisation cannot be designated as the first contact point for that securitisation in accordance with Article 27(1) of the securitisation Regulation.



At the same time, the Securitisation Regulation does not prevent an entity designated in accordance with Article 27(1) from outsourcing certain operational tasks to one or more third parties. The use of such a service cannot, under any circumstances, affect the liability of the originators and sponsors in respect of their legal obligations under the Securitisation Regulation.

5. Questions and Answers on Disclosure Requirements and Templates

5.1 General questions

Deadlines and entry into force

Date of first publication: 31 January 2019

Updated: 27 May 2019

Updated: 15 November 2019

Updated: 28 May 2020

Q5.1.1

(a) As of when will the templates need to be reported?

(b) When will the first data submission be due after this date and what are the provisions for data cut-off dates associated with this data submission?

(c) When will ESMA begin registering Securitisation Repositories and how is reporting carried out until then?

(d) Once at least one securitisation repository has been registered by ESMA, must reporting entities re-report already-reported information to that repository or repositories?

A5.1.1

(a) The information in Articles (7)(1) and 17(2)(a) of the Securitisation Regulation will need to be reported using the templates in the draft ITS on disclosure from the date on which the ITS, after being adopted by the European Commission, starts to apply. For the time being, reporting entities are invited to refer to the statement made by the Joint Committee of the European Supervisory Authorities, available here: https://esas-joint-committee.europa.eu/Publications/Statements/JC_Statement_Securitisation_CRA3_templates_plus_CRR2_final.pdf

(b) The third subparagraph of Article 7(1) of the Securitisation Regulation requires underlying exposures and investor reports to be made available simultaneously each quarter, at the latest one month after the interest payment date. For ABCP securitisations, such information is required on a monthly basis. In addition, information on inside information or significant events must be made available at the same time as the underlying exposure and investor reports (see also question 5.15.6 below).

In addition, Article 10 of the draft RTS on disclosure sets out the timeliness provisions on the 'data cut-off date', i.e. no more than two calendar months prior to the submission date for all information in the Annexes, with the exception of the 'programme information' and 'tests/events/triggers information' sections of Annex 13 and Annex 15 (no more than one calendar month). The following tables provide illustrations of the expected submission deadlines for the disclosure templates as per the draft RTS and ITS on disclosure, assuming that the templates begin to be required as of a hypothetical date of 01 January 2019 (which is used purely for illustrative purposes).

Example submission deadlines and data cut-off dates for non-ABCP securitisations:

Example interest payment date (IPD) occurrence	Deadline for the <u>first</u> report		Deadline for the <u>second</u> report		Deadline for the <u>third</u> report		Deadline for the <u>fourth</u> report	
	Latest possible submission date1	1st report oldest possible data cut-off date	Latest possible submission date2	2nd report oldest possible data cut-off date	Latest possible submission date3	3rd report oldest possible data cut-off date	Latest possible submission date4	4th report oldest possible data cut-off date
20 Dec 2018 (quarterly IPD)	20-Jan-19	data cut-off date no more than two months before the actual submission date (i.e. no earlier than 20-Nov-18 if the submission date is 20-Jan-19)	20-Apr-19	data cut-off date no more than two months before the actual submission date (i.e. no earlier than 20-Feb-19 if the submission date is 20-Apr-19)	20-Jul-19	data cut-off date no more than two months before the actual submission date (i.e. no earlier than 20-May-19 if the submission date is 20-Jul-19)	20-Oct-19	data cut-off date no more than two months before the actual submission date (i.e. no earlier than 20-Aug-19 if the submission date is 20-Oct-19)
5 Jan/Apr/Jul/Oct 2019 (quarterly IPD)	05-Feb-19	data cut-off date no more than two months before the actual submission date (i.e. no earlier than 05-Dec-18 if the submission date is 05-Feb-19)	05-May-19	data cut-off date no more than two months before the actual submission date (i.e. no earlier than 05-Mar-19 if the submission date is 05-May-19)	05-Aug-19	data cut-off date no more than two months before the actual submission date (i.e. no earlier than 05-Jun-19 if the submission date is 05-Aug-19)	05-Nov-19	data cut-off date no more than two months before the actual submission date (i.e. no earlier than 05-Sep-19 if the submission date is 05-Nov-19)
5 Feb/May/Aug/Nov 2019 (quarterly IPD)	05-Mar-19	data cut-off date no more than two months before the actual submission date (i.e. no earlier than 05-Jan-19 if the submission date is 05-Mar-19)	05-Jun-19	data cut-off date no more than two months before the actual submission date (i.e. no earlier than 05-Apr-19 if the submission date is 05-Jun-19)	05-Sep-19	data cut-off date no more than two months before the actual submission date (i.e. no earlier than 05-Jul-19 if the submission date is 05-Sep-19)	05-Dec-19	data cut-off date no more than two months before the actual submission date (i.e. no earlier than 05-Oct-19 if the submission date is 05-Dec-19)
5 Mar/Jun/Sep/Dec 2019 (quarterly IPD)	05-Apr-19	data cut-off date no more than two months before the actual submission date (i.e. no earlier than 05-Feb-19 if the submission date is 05-Apr-19)	05-Jul-19	data cut-off date no more than two months before the actual submission date (i.e. no earlier than 05-May-19 if the submission date is 05-Jul-19)	05-Oct-19	data cut-off date no more than two months before the actual submission date (i.e. no earlier than 05-Aug-19 if the submission date is 05-Oct-19)	05-Jan-20	data cut-off date no more than two months before the actual submission date (i.e. no earlier than 05-Nov-19 if the submission date is 05-Jan-20)
5 Mar/Sep 2019 (<i>six-monthly</i> IPD)	05-Apr-19	data cut-off date no more than two months before the actual submission date (i.e. no earlier than 05-Feb-19 if the submission date is 05-Apr-19)	05-Jul-19	data cut-off date no more than two months before the actual submission date (i.e. no earlier than 05-May-19 if the submission date is 05-Jul-19)	05-Oct-19	data cut-off date no more than two months before the actual submission date (i.e. no earlier than 05-Aug-19 if the submission date is 05-Oct-19)	05-Jan-20	data cut-off date no more than two months before the actual submission date (i.e. no earlier than 05-Nov-19 if the submission date is 05-Jan-20)
5 Jan/Feb/Mar/etc. 2019 (<i>monthly</i> IPD)	05-Feb-19	data cut-off date no more than two months before the actual submission date (i.e. no earlier than 05-Dec-18 if the submission date is 05-Feb-19)	05-May-19	data cut-off date no more than two months before the actual submission date (i.e. no earlier than 05-Mar-19 if the submission date is 05-May-19)	05-Aug-19	data cut-off date no more than two months before the actual submission date (i.e. no earlier than 05-Jun-19 if the submission date is 05-Aug-19)	05-Nov-19	data cut-off date no more than two months before the actual submission date (i.e. no earlier than 05-Sep-19 if the submission date is 05-Nov-19)

Example submission deadlines and data cut-off dates for ABCP securitisations:

Example period of time covered by the report	Latest possible submission date	Oldest possible data cut-off date
01 to 31-Dec-18	31-Jan-19	For Annex 11 and the 'transaction information section' in Annexes 13 and 15, data cut-off date no more than <i>two</i> months before the actual submission date (i.e. no earlier than 30-Nov-18 if the submission date is 31-Jan-19) For all other information sections in Annexes 13 and 15, data cut-off date no more than <i>one</i> month before the actual submission date (i.e. no earlier than 31-Dec-18 if the submission date is 31-Jan-19)
01 to 31-Jan-19	28-Feb-19	For Annex 11 and the 'transaction information section' in Annexes 13 and 15, data cut-off date no more than <i>two</i> months before the actual submission date (i.e. no earlier than 31-Dec-18 if the submission date is 28-Feb-19) For all other information sections in Annexes 13 and 15, data cut-off date no more than <i>one</i> month before the actual submission date (i.e. no earlier than 31-Jan-19 if the submission date is 28-Feb-19)
01 to 28-Feb-19	31-Mar-19	For Annex 11 and the 'transaction information section' in Annexes 13 and 15, data cut-off date no more than <i>two</i> months before the actual submission date (i.e. no earlier than 31-Jan-19 if the submission date is 31-Mar-19) For all other information sections in Annexes 13 and 15, data cut-off date no more than <i>one</i> month before the actual submission date (i.e. no earlier than 28-Feb-19 if the submission date is 31-Mar-19)
01 to 31-Mar-19	30-Apr-19	For Annex 11 and the 'transaction information section' in Annexes 13 and 15, data cut-off date no more than <i>two</i> months before the actual submission date (i.e. no earlier than 28-Feb-19 if the submission date is 30-Apr-19) For all other information sections in Annexes 13 and 15, data cut-off date no more than <i>one</i> month before the actual submission date (i.e. no earlier than 30-Mar-19 if the submission date is 30-Apr-19)
15-Feb-19 to 15-Mar-19	15-Apr-19	For Annex 11 and the 'transaction information section' in Annexes 13 and 15, data cut-off date no more than <i>two</i> months before the actual submission date (i.e. no earlier than 15-Feb-19 if the submission date is 15-Apr-19) For all other information sections in Annexes 13 and 15, data cut-off date no more than <i>one</i> month before the actual submission date (i.e. no earlier than 15-Mar-19 if the submission date is 15-Apr-19)
15-Mar-19 to 15-Apr-19	15-May-19	For Annex 11 and the 'transaction information section' in Annexes 13 and 15, data cut-off date no more than <i>two</i> months before the actual submission date (i.e. no earlier than 15-Mar-19 if the submission date is 15-May-19) For all other information sections in Annexes 13 and 15, data cut-off date no more than <i>one</i> month before the actual submission date (i.e. no earlier than 15-Apr-19 if the submission date is 15-May-19)

(c) Please refer to ESMA's [Guidance on registering securitisation repositories](#) of 2 December 2019 (ESMA80-191-932).

(d) Once there has been at least one securitisation repository registered by ESMA, then pursuant to the second subparagraph of Article 7(1) of the Securitisation Regulation, information on public securitisations shall be made available by means of a securitisation repository.

Where at least one securitisation repository has been registered by ESMA, and no securitisation repositories were registered before then, a reporting entity is not required to re-report the information to that repository that was made available by means of the website described above prior to the first registration of that repository.

Reporting entities are not required to re-report previously-reported information using the templates set out in the draft ITS on disclosure once those have been adopted by the Commission and begin to apply. The templates in the draft ITS on disclosure must be used starting from their date of application, but do not have a retroactive effect on previously-reported information.

Nevertheless, it is emphasized that preparing previously-reported information and re-reporting it to a securitisation repository using the templates set out in the draft ITS on disclosure (once these have been adopted and begin to apply) is expected to substantially facilitate investors' and potential investors'

ability to thoroughly monitor and conduct due diligence on the securitisation transaction in question. At the minimum, transmitting previously-reported past information (not using the draft ITS on disclosure) to a securitisation repository—to the extent that the repository in question offers the facilities to host this information—would also substantially benefit investors and potential investors, as well as the other users of securitisation data set out in Article 17(1) of the Securitisation Regulation.

Transitional provisions

Date of first publication: 31 January 2019

Updated: 15 November 2019

Q5.1.2 Are there any transitional provisions in place for completing these disclosure templates?

A5.1.2 As further explained in section 2.1.2 of ESMA's CP on disclosure technical standards, the templates must be completed for securitisations that issue any securities from 01/01/2019 onwards ('new securitisations'), as well as securitisations that issued securities before 01/01/2019 and seek to obtain STS status ('legacy STS securitisations').

ABCP programmes that issue securities (i.e. commercial paper) from 01/01/2019, must also complete these templates as required in the draft RTS on disclosure, with the same considerations applying to ABCP programmes that have issued securities prior to 01/01/2019 but also seek to obtain STS status ('legacy ABCP programmes').

Disclosures for public vs. private securitisations

Date of first publication: 31 January 2019

Q5.1.3 Which templates are required for both public and private securitisations, and which ones are only required for public securitisations?

A5.1.3 Section 1 of the draft RTS on disclosure sets out the information to be made available for all securitisations. Section 2 of the draft RTS on disclosure sets out the information to be made available for all public securitisations. In terms of templates to complete, this can be summarised in the following way:

- For *both* public and private non-ABCP securitisations: Annexes 2 – 10 (as applicable depending on the type of underlying exposure) and Annex 12
- For *both* public and private ABCP securitisations: Annexes 11 and 13
- *Only* for public non-ABCP securitisations: Annex 14
- *Only* for public ABCP securitisations: Annex 15

Reporting information for private securitisations

Date of first publication: 31 January 2019

Updated: 27 May 2019

Q5.1.4 As there is no obligation to report to a securitisation repository, to whom is the reporting done for private transactions? How is it done? Who will have access to the report?

A5.1.4 Articles 7(3) and (4) of the Securitisation Regulation mandate ESMA to develop draft regulatory technical standards to specify the information that the originator, sponsor and SSPE shall provide in order to comply with their obligations under points (a) and (e) of Article 7(1), which apply to both public and private securitisation. However, the Regulation does not specify *how* (i.e. the operational manner in which) reporting should be performed for private securitisations, and ESMA has not been mandated to specify this aspect.

Absent any instructions or guidance provided by national competent authorities, reporting entities are free to make use of any arrangements that meet the conditions of the Regulation.

Reporting frequency for ABCP transactions

Date of first publication: 31 January 2019

Q5.1.5 What is the reporting frequency applicable to ABCP transactions?

A5.1.5 As set out in Article 7(1)(a) and (e) of the Securitisation Regulation and the third subparagraph of 7(1) of the Securitisation Regulation, information on the underlying receivables or credit claims and investor reports shall, for ABCP, be reported simultaneously on a monthly basis and at the latest one month after the end of the period the report covers.

Template for less-common underlying exposure types

Date of first publication: 31 January 2019

Updated: 27 May 2019

Updated: 15 November 2019

Updated: 28 May 2020

Q5.1.6 What underlying exposures template should be used for less-common underlying exposure types?

A5.1.6 This requires a case-by-case assessment with the competent authority supervising compliance of the reporting entity with Article 7. Reporting entities that are not certain of the appropriate template to use should contact their national competent authority (using the list available on ESMA's website), copying ESMA at securitisation@esma.europa.eu. Concrete and precise information on the underlying receivables and any other applicable features of the securitisation should be provided, as well as any transaction documentation (final or, if the securitisation has not yet been issued, in draft form). Guidance will be provided to the reporting entity in due course. The same procedure should be followed when determining how to categorise underlying exposure types within an ABCP transaction (i.e. in field IVAL5 in Annex 11).

Delegation

Date of first publication: 27 May 2019

Updated: 15 November 2019

Q5.1.7

(a) Can the entity which is designated in accordance with Article 7(2) of the Securitisation Regulation assume the sole responsibility for the information which it makes available in accordance with Article 7(2) of the Securitisation Regulation?

(b) Can the reporting entity delegate the reporting of disclosure templates to a third-party, for instance a management company or servicer that is different from the originator, sponsor, or SSPE?

A5.1.7

(a) No. As set out in Article 7(1) of the Securitisation Regulation, the originator, sponsor and SSPE of a securitisation remain jointly responsible for the information made available in accordance with Article 7(2). For STS non-ABCP securitisations, as set out in Article 22(5) of the Securitisation Regulation, only the originator and sponsor of the securitisation remain jointly responsible.

(b) As set out in the first subparagraph of Article 7(2) of the Securitisation Regulation, “*the originator, sponsor and SSPE of a securitisation shall designate amongst themselves one entity to fulfil the information requirements pursuant to points (a), (b), (d), (e), (f) and (g) of the first subparagraph of paragraph 1*”.

The Securitisation Regulation does not prevent an entity designated in accordance with Article 7(2) from outsourcing the activity of reporting to a third party. However, the use of such a service cannot, under any circumstances, affect the liability of the originator, sponsor and SSPE in respect of their legal obligations under the Securitisation Regulation. In this context, for an STS non-ABCP securitisation, this also implies that an SSPE can fulfil the activity of reporting, notwithstanding the originator and sponsor’s responsibility (pursuant to Article 22(5) of the Securitisation Regulation) for compliance with Article 7 of the Regulation.

Consolidated ABCP reporting involving more than one ABCP programme and/or more than one ABCP transaction

Date of first publication: 27 May 2019

Updated: 28 May 2020

Q5.1.8

(a) Article 4 (2)(b) and Article 8(2)(b) of the draft disclosure technical standards states that the reporting entity shall make information available on each ABCP programme which is funding the ABCP transactions. How should these requirements be fulfilled when an ABCP transaction is syndicated and funded via multiple ABCP Programmes, each managed by a different Sponsor? Is there a requirement for each ABCP Programme Sponsor to report on the programme level details of other ABCP Programmes funding the transaction?

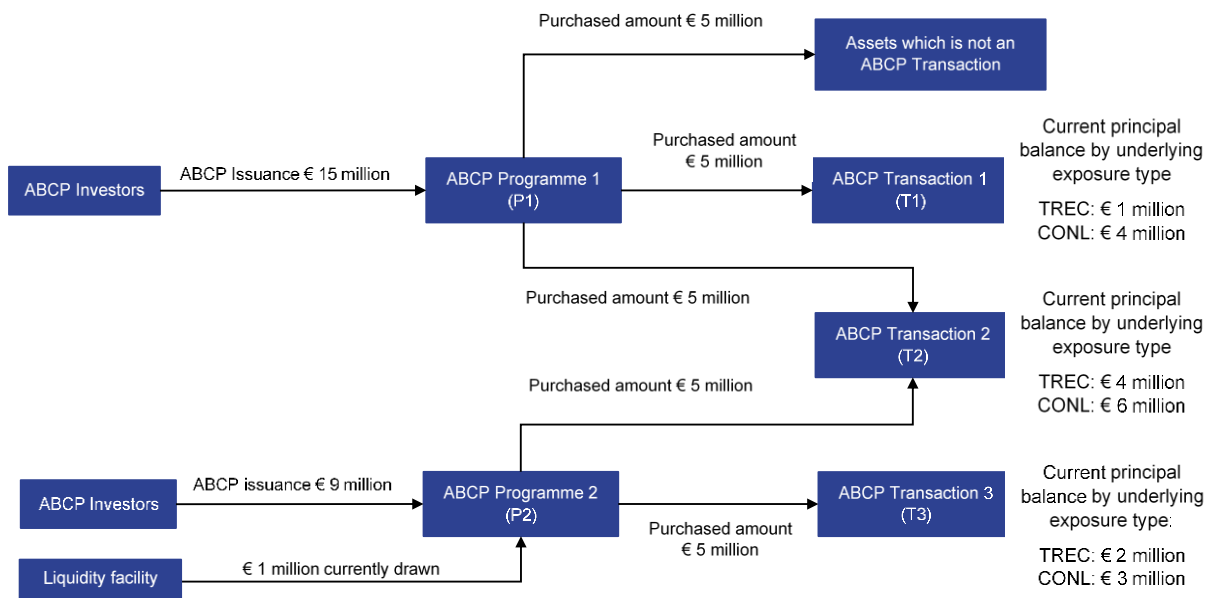
(b) How should the following fields IVAL11, IVAL25, SEAR42 and SEAS13 be reported where several ABCP programmes fund the same ABCP transaction and where at least one of these ABCP programmes relies on a funding source other than an ABCP investor?

(c) In cases where several ABCP Programmes fund the same ABCP Transaction, how many ‘reporting entities’ should be designated in accordance with Article 7(2)?

(d) Where information about the same ABCP transaction is being reported several times because more than one ABCP programme is funding that ABCP transaction, is it necessary for the ABCP transaction unique identifiers (IVAL2; IVAN2; IVAR1) to be identical across the reports provided for the different ABCP programmes?

A5.1.8

(a). A single consolidated report should be created for each ABCP Programme and all the ABCP Transactions within that Programme. Take the example illustrated in the figure below with two ABCP Programmes (P1 and P2) funding three ABCP transactions T1, T2 and T3. Each Transaction contains two types of underlying exposures Trade Receivables (‘TREC’) and Consumer Loans (‘CONL’).



ABCP Programmes “P1” and “P2” are co-funding transaction “T2”. At the same time “P1” is funding the transaction “T1” on a stand-alone basis and P2 is funding the transaction “T3” on a stand-alone basis. In this example, two reports need to be generated, one for P1 and one for P2. The contents of each report is summarised in the table below. For the purpose of this example, this is assumed to be ‘public’ structure. For more information about the disclosure requirements applicable to public and private securitisation see Q5.1.3.

Annex / Section to be completed	
Report for P1 includes	Annex 13 “Investor Report” including <ul style="list-style-type: none"> - ‘Transaction Information Section’ completed for T1 + - ‘Transaction Information Section’ completed for T2
	Annex 15 “Inside Information Or Significant Event Report” including <ul style="list-style-type: none"> - ‘Transaction Information Section’ completed for T1 + - ‘Transaction Information Section’ completed for T2
	Annex 11 for Trade Receivables (TREC) in T1

	Annex 11 for Consumer loans (CONL) in T1
	Annex 11 for Trade Receivables (TREC) in T2
	Annex 11 for Consumer loans (CONL) in T2
Report for P2 includes	Annex 13 “Investor Report” including - ‘Transaction Information Section’ completed for T2 + - ‘Transaction Information Section’ completed for T3
	Annex 15 “Inside Information Or Significant Event Report” including - ‘Transaction Information Section’ completed for T2 + - ‘Transaction Information Section’ completed for T3
	Annex 11 for Trade Receivables (TREC) in T2
	Annex 11 for Consumer loans (CONL) in T2
	Annex 11 for Trade Receivables (TREC) in T3
	Annex 11 for Consumer loans (CONL) in T3

In each case, the field SEAR3 ‘Number Of Programmes Funding The Transaction’ in Annex 15 should be completed accordingly, in order to identify the other programme identifiers associated with this transaction.

(b) For background, the following restates the “Content To Report” for each field:

- **IVAL11 (Current Principal Balance)** should contain the total outstanding principal balance as of the data cut-off date for a single exposure type. This includes any amounts that are classed as principal in the securitisation. For example, if fees have been added to the underlying exposure balance and are part of the principal in the securitisation these are to be added. Excluding any interest arrears or penalty amounts.
- **SEAR42 (Purchased Amount)** should contain the amount of underlying exposures purchased from the originator in this transaction between the previous data cut-off date and the data cut-off date of the present data submission.
- **IVAL25 (Financed Amount)** Should contain the amount of underlying exposures purchased from the originator in this transaction that have been financed by commercial paper, between the previous data cut-off date and the data cut-off date of the present data submission.
- **SEAS13 (Total Issuance)** Should contain the total programme issuance outstanding, converted into EUR.

Taking the example set out in the figure in point (a) of this Q&A, the below table sets out the appropriate values to be entered into the report of the programmes “P1” and “P2”, respectively. For the purposes of this example, it is assumed that all transactions and programmes were created at a certain point in time (e.g. 1 of January 2015). The below table provides the values to be provided in the first report after their creation.

	Annex / Section	Field	Value
Report for P1	Annex 15 – Programme Information Section	SEAS13 Total Issuance	€ 15 million
	Annex 15 – Transaction Information Section for T1	SEAR42 Purchased Amount	€ 5 million

	Annex 15 – Transaction Information Section for T2	SEAR42 Purchased Amount	€ 5 million
	Annex 11 for Trade Receivables (TREC) in T1	IVAL11 Current Principal Balance	€ 1 million
		IVAL25 Financed Amount	€ 5 million
	Annex 11 for Consumer loans (CONL) in T1	IVAL11 Current Principal Balance	€ 4 million
		IVAL25 Financed Amount	€ 5 million
	Annex 11 for Trade Receivables (TREC) in T2	IVAL11 Current Principal Balance	€ 4 million
IVAL25 Financed Amount		€ 5 million	
Annex 11 for Consumer loans (CONL) in T2	IVAL11 Current Principal Balance	€ 6 million	
	IVAL25 Financed Amount	€ 5 million	
Report for P2	Annex 15 – Programme Information Section	SEAS13 Total Issuance	€ 9 million
	Annex 15 – Transaction Information Section for T2	SEAR42 Purchased Amount	€ 5 million
	Annex 15 – Transaction Information Section for T3	SEAR42 Purchased Amount	€ 5 million
	Annex 11 for Trade Receivables (TREC) in T2	IVAL11 Current Principal Balance	€ 4 million
		IVAL25 Financed Amount	€ 4.5 million
	Annex 11 for Consumer loans (CONL) in T2	IVAL11 Current Principal Balance	€ 6 million
		IVAL25 Financed Amount	€ 4.5 million
	Annex 11 for Trade Receivables (TREC) in T3	IVAL11 Current Principal Balance	€ 2 million
IVAL25 Financed Amount		€ 4.5 million	
Annex 11 for Consumer loans (CONL) in T3	IVAL11 Current Principal Balance	€ 3 million	
	IVAL25 Financed Amount	€ 4.5 million	

The value in IVAL25 should match the value in SEAR42 where the ABCP programme, for which it is being reported, is financed 100% through the issuance of asset-backed commercial paper. Where, on the other hand, the ABCP programme for which information about the transaction is being reported is financed only 90% through the issuance of asset-backed commercial paper (see for example the programme “P2” in the illustrated example above), IVAL25 should be equal to 90% of SEAR42. Unlike most other fields in Annex 11, this field should not be completed by underlying exposure type. In other words, the same value should be entered in this field each time Annex 11 is completed for a single ABCP transaction with multiple underlying exposure types.

(c) For each ABCP programme, one entity should be designated in accordance with Article 7(2) to make available all the relevant information set out in point (a) above relating to that ABCP programme and all the ABCP transactions within that ABCP programme.

(d) Yes, all the unique identifiers must be identical across reports, where reports for several ABCP programmes contain information about the same ABCP transaction. The unique ABCP transaction identifier (IVAL2; IVAN2; IVAR1) must be developed in accordance with Article 11(2) of the RTS on disclosure. Where there is more than one “reporting entity” for an ABCP transaction because that transaction is funded by more than one ABCP programme, the LEI of any one of the reporting entities can be used to generate the unique identifier of that ABCP transaction.

Reporting provisions for Master Trust securitisations

Date of first publication: 27 May 2019

Q5.1.9 Must Annexes 12 and 14 be completed for each tranche, in the event of Master Trust securitisations?

A5.1.9 Annexes 12 and 14 have different information sections, covering the following details:

- Securitisation information
- Tests/Events/Triggers information
- Cash-flow information
- Tranche/bond-level information
- Account-level information
- Counterparty-level information
- CLO Securitisation information
- CLO Manager information
- Synthetic coverage information
- Issuer collateral information
- Any other information

Each section must be completed in accordance with the information granularity provisions of Article 4(1) (for Annex 12) and of Article 8(1) (for Annex 14). With respect to tranche-level information, yes, tranche-level information must be provided for each tranche in the Master Trust securitisation in Annex 14 (as per the 'tranche/bond information' section). Annex 14 must also be completed for the securitisation as a whole ('securitisation information' section), for each account in the securitisation ('account information' section), for each counterparty in the securitisation ('counterparty information' section), as well as for the respective 'CLO information' and 'synthetic securitisation information' sections, and for any other information ('any other information' section) deemed necessary (see also question 5.15.6).

There is no 'tranche/bond information' section in Annex 12—Annex 12 must be completed according to the sections found in that Annex and the provisions of Article 4(1), i.e. for the securitisation as a whole ('securitisation information' section), for each test/event/trigger in the securitisation ('test/event/trigger information' section), and for each cashflow item in the securitisation ('cashflow information' section).

More frequent reporting for securitisations

Date of first publication: 27 May 2019

Q5.1.10 Is it acceptable for the disclosure templates to be provided more frequently than their required frequency under the Securitisation Regulation (i.e. quarterly for non-ABCP securitisation, monthly for ABCP securitisation)?

A5.1.10 Yes, so long as the frequency provisions set out in Article 7 of the Securitisation Regulation are respected, reporting entities are free to make available the same disclosure templates more frequently, for example on a monthly basis for non-ABCP securitisations.

'No Data' options ND1-ND4, as well as ND5 ('Not Applicable')

Date of first publication: 27 May 2019

Updated: 17 July 2019

Q5.1.11

(a) If a template field allows values ND1-4 and/or ND5 to be entered, does this mean that the field is optional? Is ND5 optional?

(b) What are the implications of not having data for a field where ND1-4 and ND5 are both not allowed?

(c) Where ND5 is listed as a permitted response in a given field, can it be entered to signify that the data item is not relevant to the risk assessment in the context of the current transaction?

(d) Can a field contain multiple variants of ND options?

(e) What if information is not available because the underlying exposure was originated prior to the Securitisation Regulation entering into force and the underlying exposure has been purchased from the original lender?

A5.1.11 Preliminary remarks: It is recalled that recital 13 of the draft RTS on disclosure reads: “The set of ‘No data’ options from ND1 to ND4 is meant to signal legitimate cases of information not being available and under no circumstance should constitute an exemption from reporting requirements. Furthermore, use of these options in reporting underlying exposures information in a given securitisation is expected to be limited and, where present, to converge quickly towards reporting of the relevant information.

(a) If a template field allows ‘No Data’ options (either ND1-4 and/or ND5) to be entered, this does not, under any circumstance, mean that this template field is optional. In particular, the fact that information is not available for a particular field does not automatically imply that ‘ND5’ (‘Not Applicable’) is the appropriate value to provide.

As suggested by the description of ‘ND5’ (i.e. the words ‘Not Applicable’) if information regarding a template field is not available AND the reason for this information not being available is that the template field does not apply to the particular underlying exposure or other aspect of the securitisation, then ND5 may be entered. If information is not available AND the reason for this information not being available is one of those described by options ND1-4, then the relevant option should be entered in accordance with the disclosure regulatory technical standards. Finally, if information is not available AND the reason for that information not being available is any reason other than those described in options ND1-4 as set out in the Table below), then the reporting entity must obtain and provide this information without exception. Please see also the response in point b below.

Options for field values when data is not available²

No Data Option	Explanation
ND1	Data not collected as not required by the lending or underwriting criteria
ND2	Data collected on underlying exposure application but not loaded into the originator’s reporting system
ND3	Data collected on underlying exposure application but loaded onto a separate system from the originator’s reporting system
ND4-YYYY-MM-DD	Data collected but will only be available from YYYY-MM-DD (YYYY-MM-DD shall be completed)
ND5	Not applicable

² Table 1 of Annex 1 of the Draft RTS on Disclosure.

(b) Following on from the answer provided in point a. above, if information is not available for a field where ND1-4 and ND5 are both not allowed to be entered, then the reporting entity must obtain this information and provide it in the field in accordance with the content to report and format set out in the draft RTS and ITS on disclosure. Template fields must always be completed (i.e. cannot be left blank), so long as the relevant template and section within the template applies to the securitisation (as further detailed in the draft RTS on disclosure). The provision of empty fields in a data submission would lead to a violation of the technical standards and, for public securitisations, lead to a rejection of the data submission by the securitisation repository and to the notification of the national competent authority in charge of supervising compliance of the securitisation with these disclosure requirements (in line with the draft RTS on operational standards). For private securitisations not reporting to a securitisation repository, the national competent authority supervising the originator, sponsor or SSPE's compliance with the Securitisation Regulation would, as part of its supervisory activity, take any action it deems necessary.

Additional detail and background about the “no-data” options (ND1-4 and 5) is available in paragraphs 93-104 (pages 32-36) of ESMA's Final Report on securitisation disclosure technical standards³. With respect to ABCP, see also Question 5.13.2.

(c) No. Under no circumstances can ND5 be entered in instances where the reporting entity deems that the information is not relevant to the risk assessment. ND5 is limited to being used where the information is not applicable to the field in question.

(d) No. Only one ND-option can be chosen for the same field. If several ND options are relevant, the reporting entity should judge which ND-option is most relevant and enter that one.

(e) See Q5.1.19.

Use of proxy data in the disclosure technical standards

Date of first publication: 27 May 2019

Q5.1.12 We would like to seek clarification from ESMA on the use of “proxy” data. For instance, many ABCP warehouse transactions contain similar exposures to public non-ABCP transactions, either because they are backed by Master Trusts or the originators have also completed term securitisation issuances. The same warehouse exposures may eventually be used for public non-ABCP transactions. In many cases, the servicer may not provide a specific report for the exposures within a warehouse deal alone, but the performance metrics on a term ABS deal by the same originator would provide a good proxy.

A5.1.12 Proxy data is not permitted to be entered in any of the templates set out in the securitisation disclosure technical standards. Information on the specific underlying exposures in the securitised pool is expected to be provided. Where information on underlying exposures is aggregated, such as for ABCP underlying exposures reporting using Annex 11, then this aggregation is expected to be based on the actual underlying exposures that form part of the ABCP transaction for which information is being made available.

Reporting of further loans in the underlying exposure templates

³Available at :

https://www.esma.europa.eu/sites/default/files/library/esma33-128-474_final_report_securitisation_disclosure_technical_standards.pdf

Date of first publication: 27 May 2019

Q5.1.13 Assume that a customer with an original loan worth EUR 100,000 subsequently takes out a further loan worth EUR 10,000 against the same collateral. If both of these loans are securitised, should they be treated as two separate underlying exposures for the purposes of the disclosure templates?

A5.1.13 Yes, these should be treated as two separate underlying exposures for the purposes of the disclosure templates, insofar as, pursuant to subparagraph (a) of Article 4(1) of the draft RTS on disclosure, “*securitised loan parts shall be treated as individual underlying exposures*”. It is recalled that the obligor (and, where applicable, collateral) identifier fields in the template must be identical across the two underlying exposures, in order to allow investors and other data users to understand that both underlying exposures are related to the same obligor and collateral. It is expected that the information closest to these field descriptions is provided. In case of specific doubts, reporting entities are invited to request further guidance, using specific examples, by emailing securitisation@esma.europa.eu.

For the avoidance of doubt, further advances within revolving loan facilities or other similar arrangements that allow for flexible drawing of credit are generally not considered loan parts. However, in such arrangements it is expected that the applicable template fields where information on the loan terms and conditions, as well as situation, would also be updated to reflect any adjustments (such as increases in principal balance). See also Q5.1.14.

Static information vs. dynamic information

Date of first publication: 31 January 2019
Updated: 15 November 2019

Q5.1.14 How should static data be reported over time? For example, income information is usually only recorded at the time of underlying exposure origination.

A5.1.14 With respect to Annexes 2-10, it is not necessary to update information concerning details of the obligor or collateral that has been collected at the time of origination of the underlying exposure and which could not reasonably be expected to be collected again (e.g. borrower income information, employment status, geographic information, etc.). Nevertheless, if an originator, in the course of its ordinary business and interactions with an obligor (such as during discussions leading to the provision of an additional loan, credit, or advance), becomes aware of updated information in this context (such as an update to the employment status or income), then this updated information should be provided for the existing underlying exposure.

However, the rest of the content in the templates should reflect the most up-to-date information as at the data cut-off date.

For example, fields that relate to aspects of the underlying exposure that regularly evolve should be updated (e.g. loan outstanding balance, interest rate, arrears/account status, etc.). In addition, fields that refer to information on the underlying exposure that is by definition known to the originator and does not have to be re-collected, must also be kept up to date at all times. This includes fields that relate to features describing the underlying exposure itself, such as interest rate, interest rate type, whether collateralised or not, etc. Such information is expected to be known by the originator and thus be able to be updated. The following paragraphs also provide further examples.

As an example of updating information, consider the case of underlying exposures with a fixed rate during the first years of the life of the exposure (e.g. the first 3 years) which then become floating. How should the Interest Rate Type field (RREL42; CREL109; CRPL52) be reported? In this case, the entry “Fixed rate underlying exposure with compulsory future switch to floating (FLCF)” should be reported until the loan becomes a floating-rate product, after which the entry “Floating rate exposure (for life) (FLIF)” should be reported for this field.

The same considerations would apply to lending arrangements that have variable interest periods at the option of the borrower. Thus, a field such as CRPL49 (Scheduled Interest Payment Frequency) should reflect the current frequency as at the data cut-off date.

With respect to Annexes 11 to 15, which do not contain information about individual obligors or collateral, all information on these templates must be kept up to date and reflect the situation as at the data cut-off date of the submission.

Active vs. inactive Underlying Exposures

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Updated: 17 July 2019

Updated: 15 November 2019

Q5.1.15 How should the underlying exposures templates be completed for underlying exposures that are either *active* or *inactive* (i.e. have defaulted with no further recoveries expected or that have been redeemed, prepaid, cancelled, repurchased or substituted)? What information should be reported for *inactive* underlying exposures, including for those that became *inactive* on the same day as the data cut-off date? How should the collateral information section and tenant information sections be completed for *inactive* underlying exposures that had collateral and/or tenants, where applicable?

A5.1.15 As set out in Article 2(5) of the draft RTS on disclosure, “*Regarding the information referred to in sub-paragraphs 1 to 4, the reporting entity shall make available information on:*

(a) *Active underlying exposures as at the data cut-off date;*

(b) *Inactive underlying exposures that were active underlying exposures at the immediately-preceding data cut-off date.”*

For example, consider two data submissions for a securitisation, the first with a data cut-off date of 30 June 2018, and the second data submission with a data cut-off date of 30 September 2018. In this scenario, the second data submission should include complete information (subject to the use of the ‘No Data’ options) on:

(a) Underlying exposures that were deemed to be *active* underlying exposures as at 30 September 2018 (i.e. that were expected, on 30 September 2018, to generate cash inflows or outflows in the future); AND

(b) Underlying exposures that were deemed *active* underlying exposures at 30 June 2018 but that were then deemed to be *inactive* underlying exposures at 30 September 2018 (i.e. that transitioned from *active* to *inactive* at some point in the time period after 30 June 2018 and up to and including 30 September 2018). Any data submissions after this date (e.g. with a cut-off date of 30 December 2018) no longer need to include these *inactive* underlying exposures (but would have to include loans that became *inactive* in the period after 30 September 2018 and up to and including 30 December 2018).

In addition, where these exist in the underlying exposure template, the ‘collateral information section’ and ‘tenant information section’ of the underlying exposure templates should be completed in the same manner for both *active* and *inactive* underlying exposures. Using the above example, this means that the second data submission (cut-off date of 30 September 2018) should include information on collateral and tenants for both underlying exposures that were *active* as at 30 September 2018 and for underlying exposures that became *inactive* at some point in the time period after 30 June 2018 and up to and including 30 September 2018.

Where an underlying exposure became *inactive* on the same day as the data cut-off date, it is expected that information on this underlying exposure would also be reported in the data submission referencing this data cut-off date. For example, if an underlying exposure became *inactive* on 30 September 2018, then information on that underlying exposure should be included in the data submission having a data cut-off date of 30 September 2018. If an underlying exposure became *inactive* on 1 October 2018, then information on that underlying exposure should be included in the subsequent data submission (e.g. the one having a data cut-off date of 30 December 2018). As set out in Article 10 ‘Information timeliness’ of the draft RTS on disclosure, reporting entities have up to two months after the data cut-off date to prepare their data submissions reference that data cut-off date.

The same reasoning as the above holds for ABCP disclosure requirements, with the exception that reporting for underlying exposures is performed on a monthly basis rather than a quarterly basis.

This is all summarised in the following table, assuming a non-ABCP securitisation with data cut-off dates falling on the 30th day of each quarter-end.

Data cut-off date	Underlying exposures (including collateral, tenant, and all other underlying exposures information) to report
30 June 2018	<ul style="list-style-type: none"> Underlying exposures that were <i>active</i> as at 30 June 2018 Underlying exposures that were <i>active</i> as at 30 March 2018 and became <i>inactive</i> in the period after 30 March 2018 and up to and including 30 June 2018
30 September 2018	<ul style="list-style-type: none"> Underlying exposures that were <i>active</i> as at 30 September 2018 Underlying exposures that were <i>active</i> as at 30 June 2018 and became <i>inactive</i> in the period after 30 June 2018 and up to and including 30 September 2018
30 December 2018	<ul style="list-style-type: none"> Underlying exposures that were <i>active</i> as at 30 December 2018 Underlying exposures that were <i>active</i> as at 30 September 2018 and became <i>inactive</i> in the period after 30 September 2018 and up to and including 30 December 2018
30 March 2019	Etc...

Where an underlying exposure is inactive and is being reported for the final time (as described in the paragraphs above), for example it became inactive between 30 September 2018 and 30 December 2018 and is being reported in a data submission with a data cut-off date of 30 December 2018, then fields should be reported according to the following principles:

- Identifier fields and data cut-off date fields must always be populated
- Account status fields must reflect the underlying exposure’s situation *as at the data cut-off date* (i.e. as at 30 December 2018)

- Monetary/numerical fields relating to 'current information', such as the 'current principal balance' and 'current interest rate' must be reported as 0
- For information relating to the underlying exposure redemption date (e.g. RREL9) please see Q5.3.3 below.
- All other fields where option 'ND5' is available should be entered with 'ND5'.
- Finally, for all other fields where option 'ND5' is not available, the remaining fields should be left unchanged as per the previous data submission for this underlying exposure (i.e. as per the submission with a data cut-off date of 30 September 2018)

Rounding numerical fields

Date of first publication: 31 January 2019

Q5.1.16 For fields that have a {MONETARY} or {NUMERIC} field format, how should they be rounded?

A5.1.16 It is not acceptable to round fields, including {INTEGER}, {MONETARY}, and {NUMERIC} fields. The only exception concerns, for {MONETARY} and {NUMERIC} fields, where the number includes more than the 5 decimals permitted in these fields formats. As set out in Table 1 in Annex 1 of the draft ITS on disclosure, {MONETARY} and {NUMERIC} fields may contain "0-18 digits, of which up to 5 may be fractional digits". Therefore, any information with a higher degree of precision than 5 fractional digits should be rounded to the nearest fifth digit.

For example, the number 123.456789 should be entered in the following way, depending on the field format:

- For {INTEGER} fields, the number must be entered as 123
- For {MONETARY} and {NUMERIC} fields, the number must be entered as 123.45679 (i.e. 123.456789 must be rounded to the 5th decimal point)

As another example, the number 123.456 should be entered in the following way, depending on the field format:

- For {INTEGER} fields, the number must be entered as 123
- For {MONETARY} and {NUMERIC} fields, the number must be entered as 123.456 (i.e. 123.456 has less than 5 decimal points and therefore can be entered exactly as it is and does not need to be rounded).

Differences in the same field vs. other existing templates

Date of first publication: 31 January 2019

Q5.1.17 Why does a particular template field have different content to report (e.g. a different set of list options) than template fields in other reporting requirements (e.g. ECB ABS loan-level data initiative)?

A5.1.17 As further explained in sections 2.1.3.1 and 2.1.3.2 of ESMA's CP on the securitisation disclosure requirements, the templates used under the ECB ABS loan-level initiative constituted the starting point for the present templates. However, adjustments to these templates were necessary in order to ensure that the requirements under the Securitisation Regulation (which did not exist when the ECB templates were developed), including the specific needs for investors and other data users to meet their obligations, could be adequately reflected.

Use of the response option 'OTHR' (i.e. 'Other') in {LIST} fields.

Date of first publication: 31 January 2019

Q5.1.18 Can the category response 'OTHR' (i.e. 'Other') be used in cases where the answer is unknown or unavailable and where there is no option/possibility to enter 'ND1', 'ND2', 'ND3', 'ND4-YYYY-MM-DD', or 'ND5'?

A5.1.18 No. The response category 'OTHR' (i.e. 'Other') constitutes a confirmation by the reporting entity that none of the remaining available response categories are true. The 'OTHR' (i.e. 'Other') response category may under no circumstances be used as a substitute for the 'No Data' options ND1-4 or ND5.

Legacy pools and Purchased exposures

Date of first publication: 31 January 2019

Updated: 27 May 2019

Updated: 15 November 2019

Q5.1.19 For granular "legacy pools" of underlying exposures that have been sold and which changed servicer, there is often a lack of data available from the previous servicers. For instance, regarding information on "restructured" underlying exposures in field RREL69, should this information reflect whether the previous servicer restructured the underlying exposure?

A5.1.19 As set out in paragraphs 93-104 of ESMA's Final Report on the disclosure technical standards, there is no additional tolerance provided for 'legacy pools' other than the ability to use the 'No Data' options.

Original Lender

RREL79; RREL80; RREL81; CREL179; CREL180; CREL181; CRPL96; CRPL97; CRPL98; AUTL79; AUTL80; AUTL81; CMRL62; CMRL63; CMRL64; CCDL42; CCDL43; CCDL44; LESL79; LESL80; LESL81; ESTL64; ESTL65; ESTL66.

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Updated: 15 November 2019

Q5.1.20 How should the term "Original Lender" be understood for the purposes of the fields referring to the original lender?

A5.1.20 The definition of original lender applicable to these fields is laid down in Article 2(20) of the Securitisation Regulation: *(20) 'original lender' means an entity which, itself or through related entities, directly or indirectly, concluded the original agreement which created the obligations or potential obligations of the debtor or potential debtor giving rise to the exposures being securitised.*

A firm which purchases a third party's exposures on its own account and then securitises them is not the original lender of those exposures for the purposes of these fields.

Originator information for syndicated underlying exposures

Date of first publication: 27 May 2019

Updated: 15 November 2019

Q5.1.21 How should the Originator Name, Originator Legal Entity Identifier, and Originator Establishment Country (e.g. CRPL99, CRPL100, CRPL101) be completed for syndicated underlying exposures?

A5.1.21 In these circumstances, the information corresponding to the agent/lead originator must be provided. In the event of confusion, such as in the event of multiple agent/lead originators, the parties involved should coordinate amongst themselves so that these fields are populated with the information for one of these agent/lead originators. If this cannot be achieved, the reporting entity should contact their competent authority, copying ESMA at securitisation@esma.europa.eu, and provide detailed explanations and request further guidance.

Anonymity and confidentiality

Obligor fields: RREL4; CREL2; CRPL4; AUTL4; CMRL4; CCDL4; LESL4; ESTL4; NPEL4; RREL5; CREL3; CRPL5; AUTL5; CMRL5; CCDL5; LESL5; ESTL5; NPEL5.

Underlying exposure fields: RREL2; CREL4; CRPL2; AUTL2; CMRL2; CCDL2; LESL2; ESTL2; NPEL2; RREL3; CREL5; CRPL3; AUTL3; CMRL3; CCDL3; LESL3; ESTL3; NPEL3; RREC2; CREC2; CRET2; CRPC2; ESTC2; NPEC2; NPEH2.

Collateral fields: CRET3; RREC4; CRPC4; ESTC4; NPEC4; RREC3; CRPC3; ESTC3; NPEC3

Tenant fields: CRET4

Date of first publication: 31 January 2019

Updated: 15 November 2019

Q5.1.22 Should account numbers and other identifiers related to obligors be anonymised? How does this apply to identifier fields for underlying exposures, obligors, collateral, and tenants, in the underlying exposure templates?

A5.1.22 Yes, as set out in the respective field descriptions ('Content To Report' column in the draft RTS on disclosure Annexes), information in these fields must be anonymised by the reporting entity. This means that no names, addresses, account numbers, national or other legal identification numbers, or other identifying information are allowed to be used as 'identifiers' in these templates.

Methodology for Generating Unique identifiers (including for master trust securitisations)

Date of first publication: 27 May 2019

Updated: 28 May 2020

Q5.1.23

(a) Are reporting entities free to come up with their own methodologies to generate unique identifiers for fields such as RREL1; CREL1; CRPL1; AUTL1; CMRL1; CCDL1; LESL1; ESTL1; IVSS1; IVAS1; and IVAN1?

(b) What unique identifier must be used in the case of Master trusts where there is a revolving pool of underlying exposures and where the Master trust issues multiple series per year – should the identifier be set at a Master trust level or the series level?

A5.1.23

(a) So long as the originator, sponsor, and/or SSPE (i.e. reporting entity) respects the provisions set out in Article 11, it is free to use their own methodologies to generate unique identifiers for these and other unique identifier fields in the disclosures technical standards.

(b) The identifier should be set at the Master Trust level. This is because the assets still remain in the Master trust even when the initial series have been replaced with new series, and the nature of Master Trusts is that underlying exposures are tied to the trust rather than individual series.

Provision of multiple underlying exposure XML files as part of a submission of information

Date of first publication: 28 May 2020

Q5.1.24 Would it be acceptable to provide multiple underlying exposure XML files as part of a single submission of information for the purposes of complying with the Securitisation Regulation? Taking an example of a securitisation with 500,000 underlying exposure records. Upon conversion of information to an XML file, there may be a technical limit in some languages used for the conversion (e.g. a technical limit when using SQL). This may mean that a reporting entity is unable to provide a single file to either a repository or a website (as per the fourth subparagraph of Article 7(2) of the Securitisation Regulation) or some other destination (e.g. for private securitisations).

A5.1.24 Yes. It is acceptable to break the file down into multiple files (e.g. five files of 100,000 records each). The XSD schema has been designed to handle splitting XML files. All the split XML files will contain the securitisation identifier that will allow a reporting entity or other user to link the underlying exposure records across the submitted files. For further information, please consult [the dedicated page on](#) ESMA's website, where there is information about XML schema and validation rules.

COVID-related debt moratoria ***New***

RREL22; CREL14; CRPL32; AUTL22; CMRL20; CCDL18; LESL21

Date of first publication: 5 October 2020

Q5.1.25

(a) Is COVID19-related debt moratoria “Special Schemes” within the meaning of that field (RREL22; CREL14; CRPL32; AUTL22; CMRL20; CCDL18; LESL21)?

(b) How should the length of a debt moratorium/payment holiday be reported?

(c) How should the field “Payment Due” (RREL39; CREL105; CRPL50; AUTL37; CMRL36; CCDL28; LESL35; ESTL35) be completed when an underlying exposure is benefitting from a debt moratorium/payment holiday?

(d) How should the field “Account Status” (RREL69; CREL136; CRPL79; AUTL70; CMRL55; CCDL37; LESL57; ESTL55) be completed when an underlying exposure is benefitting from a debt moratorium/payment holiday?

(e) Which other fields should be updated, when an underlying exposure is benefitting from a debt moratorium/payment holiday?

A5.1.25

(a) See Q5.3.10(c) and (d)

(b) See Q5.3.15(a)



(c) See Q5.3.8(c)

(d) See Q5.3.13(b)

(e) See Q5.1.14

5.2 Questions related to a group of fields

Reporting of Geographic Region fields ***Modified***

Date of first publication: 31 January 2019

Update: 5 October 2020

Q5.2.1

(a) NUTS3 code entered for the fields “Geographic Region - Obligor (RREL11, CREL12...etc.)” is accompanied with the “Geographic Region Classification” to identify the exact NUTS code whereas this is not the case for the “Geographic Region – Collateral” in the relevant asset classes.

(b) How can one enter the year of the NUTS3 classification used for the geographic region fields in RREL12 (Geographic Region Classification) when all underlying exposures are located outside the Union and no NUTS3 codes are used, only third-country codes such as “AUZZZ” are entered into RREL11 (Geographical Region – Obligor)?

A5.2.1

(a) As per the description of the Geographic Region Classification field, “All geographic region fields must use the same classification consistently for each underlying exposure and across all underlying exposures in the data submission.” Insofar as collateral is provided for the underlying exposures, then the same classification reported for the underlying exposure fields (e.g. in field RREL11) should be extended and used for the collateral fields (e.g. in field RREC6).

(b) In this case, any year may be entered into this field. However, as soon as a single obligor or collateral is included in the pool which is located in a location with an eligible NUTS code, this field must be updated to reflect the relevant classification.

Change of the reporting entity and unique identifier fields

Unique identifier: RREL1; CREL1; CRPL1; AUTL1; CMRL1; CCDL1; LESL1; ESTL1; IVSS1; IVAS1; IVAN1

Date of first publication: 31 January 2019

Q5.2.2 The unique identifier (set out in Article 11 of the draft RTS on disclosure) includes the LEI of the reporting entity. Should the unique identifier be adjusted if the reporting entity changes during the lifetime of the securitisation?

A5.2.2 If the reporting entity changes during the lifetime of the securitisation, the unique identifier should not change. In other words, once the unique identifier has been set for the securitisation by the reporting entity responsible for creating the first data submission according to the draft RTS on disclosure technical standards, then that unique identifier should not change. This enables a consistent time series of information to be built over time for that securitisation, which is essential for data users.

What is the purpose of the ‘new identifier’ fields?

RREL3; RREL5; RREC4; CREL3; CREL5; CREC4; CRPL3; CRPL5; CRPC4; AUTL3; AUTL5; CMRL3; CMRL5; CCDL3; CCDL5; LESL3; LESL5; ESTL3; ESTL5; ESTC4; NPEL3; NPEL5; NPEC4; IVAL4; IVSR3; IVSF3; IVAR3; SEST3; SESA3; SESI4; SEAT3; SEAA3

Date of first publication: 31 January 2019

Q5.2.3 What is the purpose of the ‘new identifier’ fields?

A5.2.3 These fields have been created because it is understood that, in certain limited cases (e.g. database migrations), it may not be possible to continue using the ‘original’ identifier required for the particular underlying exposure or other item.

For example, an originator may not be able to continue using the identifier for an underlying exposure in field RREL2 following a change to its database systems. In these situations, field RREL2 should continue to be reported with the ‘old’ underlying exposure identifier throughout the lifetime of the securitisation. The ‘new’ identifier should be reported in field RREL3.

However, if this issue does not arise (i.e. the original underlying exposure identifier can be maintained and there are no database problems), then field RREL3 should include the same identifier as RREL2 (i.e. the same identifier is reported twice, once in field RREL2 and again in field RREL3).

Thus, field RREL3 should never be left blank.

The same rationale holds for all other identifier fields in the disclosure templates listed above in this question.

Calculation of loan-to-value ratios, debt service coverage ratios, and debt to income ratios

Loan-to-value ratios: RREC12; RREC16; CREL75; CREL76; AUTL59; ESTC13; ESTC17; IVAL19. Debt service coverage ratios: CREL71; CREL72; CREL73; CREL74.

Debt to income ratios: RREL40; ESTL36; IVAL20.

Date of first publication: 31 January 2019

Updated: 27 May 2019

Updated: 17 July 2019

Updated: 15 November 2019

Q5.2.4

(a) How should loan-to-value ratios, debt service coverage ratios, and debt to income ratios be calculated?

(b) How should the “Debt to Income Ratio” and the “Current Loan-to-Value” be calculated where multiple loan parts exist?

(c) How should the loan-to-value ratios be calculated in case a loan is backed by several first lien collateral properties?

(d) How should the loan-to-value ratios be calculated in case a loan is backed by several collateral properties, including properties where the loan does not have the first lien over one of these properties?

(e) Must these fields be completed even when there is no covenant / triggers / etc. in the underlying exposure documentation that refers to any of these ratios?

A5.2.4

(a) It is expected that the methodology and approaches set out in the Recommendation of the European Systemic Risk Board of 31 October 2016 on closing real estate data gaps (ESRB/2016/14) should be followed, in particular those set out in section 2.

(b) As set out in Article 4(1)(a) of the Delegated Regulation on Disclosure “*Regarding the granularity of the information set out in Annexes 2 to 10 and Annex 12, the reporting entity shall make available information on: (a) underlying exposures, for each individual underlying exposure. For these purposes, securitised loan parts shall be treated as individual underlying exposures.*

The “Debt to Income Ratio” and “Current Loan-to-Value” are fractions in which the numerator is the “Current Principal Balance” (RREL30; CREL23; ESTL28). Where there are multiple loan parts, the denominator, i.e. the value or the income, should be calculated on a pro-rata basis.

For example: An obligor with an annual income of EUR 50,000 has obtained two loans with a total current principal balance as at the data cut-off date of EUR 100,00: loan A (EUR 60,000) and loan B (EUR 40,000), each of which have different interest rates and maturity. Both loan A and B are collateralised on the same property with a value of EUR 150,000 as at the data cut-off date.

The “Debt to Income Ratio” for

- loan A is 200%, i.e. $100 * \text{EUR } 60,000 / (\text{EUR } 50,000 * 0.60)$; and
- loan B is also 200%, i.e. $100 * \text{EUR } 40,000 / (\text{EUR } 50,000 * 0.40)$.

Similarly, the “Current Loan-to-Value” for

- loan A is 67%, i.e. $100 * \text{EUR } 60,000 / (\text{EUR } 150,000 * 0.60)$; and
- loan B is also 67%, i.e. $100 * \text{EUR } 40,000 / (\text{EUR } 150,000 * 0.40)$.

(c) Assume that, at the time of origination, the underlying exposure principal balance is equal to EUR 100,000 and is backed by three properties, with a respective value of EUR 50,000, EUR 100,000 and EUR 150,000. As mentioned in the question, assume that the underlying exposure has the first lien on each of these three properties. In this scenario, the original loan-to-value ratio is entered as simply 100 multiplied by the value of the underlying exposure (EUR 100,000) divided by the sum of the three property values (i.e. EUR 300,000 = EUR 50,000 + EUR 100,000 + EUR 150,000), for a total original loan-to-value ratio of 33. The current loan-to-value ratio is calculated in the same manner, using updated numbers for each property and the underlying exposure outstanding principal balance.

(d) Assume that, at the time of origination, the underlying exposure (‘underlying exposure A’) principal balance is equal to EUR 100,000 and is backed by three properties, with a respective value of EUR 50,000, EUR 100,000 and EUR 150,000. Assume that the underlying exposure has the first lien on properties 1 and 2, but not on property 3. For property 3, assume that the underlying exposure only has the second lien, following another underlying exposure (‘underlying exposure B’, which may or may not be held with a different originator) worth EUR 80,000 *at the time of origination of the underlying exposure A*.

In this scenario, the original loan-to-value is calculated using the following inputs:

1. The outstanding principal amount of underlying exposure A, equal to EUR 100,000
2. The value of property 1, i.e. EUR 50,000
3. The value of property 2, i.e. EUR 100,000
4. The value of property 3 after deducting the portion of the property allocated as a first lien to underlying exposure B, i.e. EUR 70,000 (equal to EUR 150,000 less EUR 80,000)

Consequently, the original loan-to-value ratio is equal to 45, i.e. $100 * \text{EUR } 100,000 / (\text{EUR } 50,000 + \text{EUR } 100,000 + \text{EUR } 70,000)$.

The current loan-to-value ratio is calculated in the same manner, using updated numbers for each property and the outstanding principal balances of both underlying exposure A and underlying exposure B. Where underlying exposure B is held with a different originator and this information is not readily available, the reporting entity should treat the underlying exposure B outstanding balance as at the latest known date—i.e. this balance *must not be updated* (this ensures a conservative estimate of the loan-to-value ratio as per the calculations above).

(e) These fields refer to calculations that are expected to be performed by the originator/original lender, *regardless* of the whether the terms and conditions governing the underlying exposure include covenants referring to these fields. If such information was not available at the time of origination of the underlying exposure or is not available now, then the most appropriate 'No Data' option must be entered.

Default Amount and Default Date fields

Default amount: RREL71; CREL132; CRPL81; AUTL72; CMRL57; CCDL39; LESL59; ESTL57.

Default date: RREL72; CREL133; CRPL82; AUTL73; CMRL58; CCDL40; LESL60; ESTL58.

Account Status: RREL69; CREL136; CRPL79; AUTL70; CMRL55; CCDL37; LESL57; ESTL55.

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Q5.2.5

(a) Fields RREL71 Default Amount and RREL72 Default Date. These fields will only be reported once we register the values 'Defaulted according to Article 178 or Regulation (EU) No 575/2013 (DFLT)', 'Not defaulted according to Article 178 or Regulation (EU) No 575/2013 but classified as defaulted due to another definition of default being met (NDFT)', 'Defaulted both according to Article 178 or Regulation (EU) No 575/2013 and according to another definition of default being met (DTCR)' in field RREL69, is that correct?

(b) Should the Default Amount (RREL71) and Default Date (RREL72) only be reported once and not updated subsequently, even if the Account Status of the previously-defaulted underlying exposure changes to 'Performing'?

(c) Is the Default Amount field requesting the sum of principal (outstanding balance on the default date) and interests due or just the sum of principal without interest due?

(d) What types of fees should be included in the default amount reported?

A5.2.5

(a) Yes, this is correct. If an underlying exposure is classified as defaulted under the Account Status field (i.e. the values 'DFLT', 'NDFT', 'DTCR', 'DADB', or 'REDF' are entered, or, where connected with a default event 'OTHR' is entered), then the Default Amount and Default Date fields must also be completed. In all other cases ND5 must be entered.

(b) Neither the default amount (RREL71) nor the default date (RREL72) should change after it has been entered the first time, unless the defaulted amount has not yet been fixed/finalised and is subject to further adjustments (e.g. as further missed payments and fees are cumulated). These two fields should not change even if there are adjustments to the Account Status field, such as a change in the type of default (e.g. a switch from 'DFLT' representing 'Defaulted according to Article 178 of Regulation (EU) No 575/2013' to 'DTCR' representing 'Defaulted both according to Article 178 of Regulation (EU) No 575/2013 and according to another definition of default being met'). Whereas RREL71 and RREL72

should not change, in contrast, allocated Losses (RREL73) should continually be updated to reflect the most recent situation as at the data cut-off date, i.e. as recoveries are collected and the work out process progresses.

The Default Amount and Default Date fields (RREL71 and RREL72) should not be changed in the event where the underlying exposure becomes performing again (i.e. the Account Status field code entered becomes 'PERF', whereas in previous data submissions the Account Status field indicated that the underlying exposure was in 'default'). However, for second-order or further defaults (i.e. loans that have entered into a default status after being re-performing from a first or previous default), the default amount and default date should be updated and should reflect the latest information on the default event.

For example, assuming a hypothetical underlying exposure:

- 31/01/2019: The underlying exposure defaults due to arrears (1st default)
- 30/06/2019: All of the arrears are cured (re-performing loan)
- 30/04/2021: The underlying exposure defaults again (the underlying exposure has again entered into arrears beyond the threshold for being classified as defaulted) (2nd default)

In this example, between 31/01/2019 and 30/04/2021 the underlying exposure should be reported with the Default Date 31/01/2019 and a Default Amount of 31/01/2019. After 30/04/2021, the following data submissions should report the latest default event. So after that date this underlying exposure must report 31/04/2021 as the Default Date in field RREL72 and the updated Default Amount in field RREL71.

(c) The Default Amount field is requesting the sum of principal (outstanding balance on the default date) and interests due, and any other amounts due on the underlying exposure at the time of default (including any fees, commissions, late payment penalties, etc.).

(d) Fees that have been billed or have accrued must be included in this field, but not fees that may be anticipated but have not yet been billed or accrued

Arrears Breakdown and Number Of Days In Arrears fields

IVAL32; IVAL33; IVAL34; IVAL35; IVAL36; IVAL37; IVAL38; IVSS38; IVSS39; IVSS40; IVSS41; IVSS42; IVSS43; IVSS44; RREL68; CREL130; CRPL78; AUTL69; CMRL54; CCDL35; LESL56; ESTL54.

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Q5.2.6

(a) Some reporting systems calculate arrears on a monthly basis. That means: 30 or 31 days = 1 month. How should the Arrears Breakdown and Number of Days in Arrears fields be completed in this situation? In certain jurisdictions, the practice is to count the number of unpaid monthly instalments in arrears.

(b) In the case of some trade receivables transactions, reporting systems do not track actual payment terms agreed with individual debtors, and therefore use days past the invoice date to estimate days past due. For example, if a seller has standard payment terms of 60 days, then the system will treat a receivable as 15 days past due if it is 75 days past the invoice date even though individual debtors might have agreed a different payment period.

A5.2.6

(a) If arrears are being calculated on a monthly basis, then

- With respect to the Arrears Breakdown fields, less than one month in arrears should be treated as the equivalent of 1-29 days in arrears, one month in arrears should be counted as 30-59 days in arrears, two months in arrears as 60-89 days in arrears, etc.

- With respect to the Number of Days in Arrears, if the practice is to count the number of unpaid monthly instalments in arrears, then the following convention should be used:

- When the first month of arrears is recorded, then the Number of Days in Arrears entered should be '30'. In such situations, if the reporting entity is aware of arrears that occur before their systems have recorded a full month of arrears, then the Account Status field (RREL69; CREL136; CRPL79; AUTL70; CMRL55; CCDL37; LESL57; ESTL55) should still be reported as Arrears (i.e. 'ARRE'). For example, if the reporting entity is aware that an underlying exposure is 10 days in arrears (but its systems have not yet recorded these arrears, because these record arrears on a monthly basis), then the Account Status field should still be set still be reported as Arrears (i.e. 'ARRE').

- When the second month of arrears is recorded, then the Number of Days in Arrears entered should be '60'.

- When the third month of arrears is recorded, then the Number of Days in Arrears entered should be '90'.

- Etc...

(b) For the underlying exposure type 'trade receivables', in the cases where the originator, sponsor and SSPE of the securitisation do not record the actual payment due date, the relevant ND option should be entered into this field.

Use LDOR code in the field for 'Current Interest Rate Index' or 'Revised Interest Rate Index'

Current Interest Rate Index: RREL44; CREL111; CRPL54; AUTL41; CMRL38; CCDL30; LESL37; ESTL40; SEST20; SESI14; SEAT11.

Revised Interest Rate Index: RREL56; CRPL66.

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Q5.2.7 If a Lender's Own Rate 'LDOR' is directly linked to an interest rate index (e.g. the European Central Bank Base Rate 'ECBR'), should the code 'LDOR' or the code of the relevant interest index ('ECBR') be inserted in this field? (RREL44; RREL56; CREL111; CRPL54; CRPL66; AUTL41; CMRL38; CCDL30; LESL37; ESTL40; SEST20; SESI14; SEAT11)

A5.2.7 Only if the Lender's Own Rate is *identical* to an interest rate index (e.g. 'ECBR') at all times, should the code of the relevant index ('ECBR') be inserted in this field. In any other case, the 'LDOR' code should be used.

Revision Margin and Revision Date fields

Revision Margin: RREL50; RREL52; RREL54; CRPL60; CRPL62; CRPL64.

Revision Date: RREL51; RREL53; RREL55; CRPL61; CRPL63; CRPL65.
Date of first publication: 31 January 2019

Q5.2.8 How should these fields be completed if the underlying exposure is currently paying a fixed rate of interest, but will in the future switch to a floating interest rate product that contains several changes to the interest rate margin?

A5.2.8 Consider for example a loan that was originated on 1 January 2015 and charged a fixed interest rate of 3% until 31 December 2019, after which the loan would be indexed to the 3M Euribor index and charged an interest rate margin over 3M Euribor of 2% starting on 1 January 2020, 1.5% starting on 1 January 2022, and 1% starting on 1 January 2024. In this case, the following information should be entered:

Field code	Field name	Value to enter in this field
RREL50 (or CRPL60)	Revision Margin 1	2
RREL51 (or CRPL61)	Interest Revision Date 1	1 January 2020
RREL52 (or CRPL62)	Revision Margin 2	1.5
RREL53 (or CRPL63)	Interest Revision Date 2	1 January 2022
RREL54 (or CRPL64)	Revision Margin 3	1
RREL55 (or CRPL65)	Interest Revision Date 3	1 January 2024

Fields relating to index rates

Current Interest Rate Index': RREL44; CREL111; CRPL54; AUTL41; CMRL38; CCDL30; LESL37; ESTL40; SEST20; SESI14; SEAT11.

Current Interest Rate Index Tenor: RREL45; CREL112; CRPL55; AUTL42; CMRL39; CCDL31; LESL38; ESTL41; SEST21; SESI15; SEAT12.

Other related fields: SESV31; SESV32; SESV36; SESV37; CREL115; CREL116; RREL56; CRPL66; RREL57; CRPL67.

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Q5.2.9

(a) How should fields relating to index rates ('Current Interest Rate Index', 'Current Interest Rate Index Tenor', etc.) be completed for fixed-rate arrangements?

(b) If the interest rate index is tracking a central bank policy rate or single variable rate, would the Current Interest Rate Index Tenor be classified as 'OTHR' (representing 'Other')?

(c) How should fields relating to the index be completed when the applicable index rate is in negative territory and a contractual floor applies?

A5.1.2.9

(a) These fields should be completed with 'ND5' ('Not applicable').

(b) These fields should also be completed with 'ND5' ('Not applicable'), insofar as these indices do not have a tenor in the same manner as other interest rate indices and, therefore, these fields are not applicable.

(c) Even in these situations, the contractual floor must be *disregarded* and the index provided. The contractual floor is reflected in other fields in the templates (i.e. RREL49; CREL119; CRPL59; AUTL46; CMRL43; LESL42; ESTL44).

Completion of the collateral information section for guarantees and multiple items of collateral

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Updated: 28 May 2020

Q5.2.10

(a) Must the collateral information section be completed if the underlying exposure is secured by a guarantee?

(b) How should the section be completed for multiple collateral items?

(c) How should the lien fields (e.g. RREC8, CREC10) be reported in this case?

(d) Where two underlying exposures are secured by the same collateral item, should the 'Collateral Information Section' be completed twice (i.e. once for each underlying exposure secured by that collateral)? and how should the fields relating to the valuation and sales price be completed?

(e) Where two underlying exposures are created against a single collateral item at different points in time, should the fields 'Original Valuation Amount'; 'Original Valuation Date'; 'Original Loan-To-Value' be identical, or is it necessary to provide a new updated "Original Valuation" each time a new loan is created against the property?

A5.2.10

(a) As set out in Article 4(1)(b)(i) of the draft RTS on disclosure, the collateral information section must also be completed if the underlying exposure is secured by a guarantee.

(b) As set out in Article 4(1)(b) of the draft RTS on disclosure, the collateral information section must be completed for each item of collateral securing the underlying exposure. Each item of collateral should be reported using the collateral information section (i.e. one section completed per collateral item). There is also a narrative explanation available in paragraph 33 (including the footnote therein) of ESMA's CP on Disclosures Technical Standards. For example, if there is both a residential property and a guarantee securing the underlying exposure, then the collateral information section should be completed twice.

(c) In the event that a collateral item is secured by a guarantee, fields RREC8 and CREC10 should be completed according to the priority that the originator or other guarantee-holder will have on the guarantor to honour their commitment, which may simply be the first lien.

(d) Yes, the Collateral Information Section must be completed once for each underlying exposure item using the same collateral identifier (RREC3; CREC3; CRPC3; ESTC3; NPEC3) every time. Where there are multiple underlying exposures secured by a single collateral item, the fields 'Current Valuation Amount' (RREC13; CREC15; CRPC10; LESL75; ESTC10), 'Original Valuation Amount' (RREC17; CRPC13; AUTL60; LESL72; ESTC14); 'Original Loan-To-Value' (RREC16; CREL75; AUTL59; ESTC17) and 'Sale Price' (RREC21; CRPC17; AUTL77; ESTC19) must be completed on a pro-rata basis (see also point b of Q5.2.4).

(e) Where a new loan ('Loan 2') is taken out against a property with an existing loan ('Loan 1'), Loan 2 should be reported as a separate underlying exposure with its own underlying exposure identifier. In addition, as set out above in the previous sub-point, the 'Collateral Information Section' should be completed once again for Loan 2 using the same collateral identifier as was used when the collateral section was completed for Loan 1.

When completing the Collateral Information Section for Loan 2, the fields 'Original Valuation Amount' (RREC17; CRPC13; AUTL60; LESL72; ESTC14); 'Original Loan-To-Value' (RREC16; CREL75; AUTL59; ESTC17), and 'Original Valuation Date' (RREC19; CRPC15; LESL74; ESTC16) should be based on up-to-date information and cannot be drawn from the same fields in the Collateral Information Section of Loan 1. If no updated valuation is available, the relevant ND option must be entered.

Where the Original Valuation Amount for Loan 2 is entered (i.e. no ND option is used), the field 'Current Valuation Amount' and 'Current Valuation Date' in the Collateral Information Section of Loan 1 must be updated accordingly, as per Q5.1.14.

Definition of 'arrears'

Date of first publication: 31 January 2019

Q5.2.11 How are arrears defined? Is there a standard definition that should be used?

A5.2.11 The Securitisation Regulation does not provide a definition of 'arrears'. Reporting entities should use the most appropriate regulatory or supervisory definition applicable to them and/or to the underlying exposure.

Legal Entity Identifier fields and the Global Legal Entity Identifier Foundation?

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Q5.2.12 What are Legal Entity Identifier fields and what is the Global Legal Entity Identifier Foundation?

A5.2.12 Please refer to the following links for more information:

https://www.esma.europa.eu/sites/default/files/library/esma70-145-238_lei_briefing_note.pdf

<https://www.gleif.org/en>

Fields relating to Interest Rate Indices

Current Interest Rate: RREL43; CREL110; CRPL53; AUTL40; CMRL37; CCDL29; LESL36; ESTL39.

Current Interest Rate Index: RREL44; CREL111; CRPL54; AUTL41; CMRL38; CCDL30; LESL37; ESTL40; SEST20; SESI14; SEAT11.

Current Interest Rate Index Tenor: RREL45; CREL112; CRPL55; AUTL42; CMRL39; CCDL31; LESL38; ESTL41; SEST21; SESI15; SEAT12.

Current Interest Rate Margin: RREL46; CREL113; CRPL56; AUTL43; CMRL40; LESL39; ESTL42.

Revised Interest Rate Index: RREL56; CRPL66.

Current Index For Payments To Protection Buyer: SESV31.

Current Index For Payments To Protection Seller: SESV36.

Date of first publication: 27 May 2019

Updated incorporating former Q.1.4.15 as subpoint (c): 17 July 2019

Q5.2.13

(a) Where the lender's own rate (LDOR) is used, but that own rate is linked directly to another value in the field (such as the European Central Bank or Bank of England base rate or another index), should the lender's own rate be entered or should the underlying source index be entered?

(b) In Spain, one benchmark that is used is the Euribor BOE, which is a twelve-month average consisting of observations of the one-year Euribor. How should this be reflected in these fields?

(c) Do the Current Interest Rate, Current Interest Rate Index, Current Interest Rate Index Tenor, and Current Interest Rate Margin fields refer to the interest rate on the underlying exposure, or to an interest rate on any asset securing the underlying exposure?

A5.2.13

(a) In this situation, the lender's own rate (LDOR) should be entered if there is a material difference between this rate and the underlying rate (e.g. central bank base rate) that it is linked to. The material difference can be reflected in terms of mark-ups, for example, or other arrangements such as reset formula (e.g. the lender's rate is an average of central bank base rates over a certain time period). If the lender's own rate moves *identically* to the base rate, or is *merely an update of the base rate with a time lag* (e.g. a reset frequency of every 3 months), then the base rate should be entered. If the terms and conditions of the underlying exposure are such that, under certain market conditions (e.g. market stress), the lender's own rate does not move identically to the base rate, then the lender's own rate (LDOR) should be entered in this field.

(b) In this situation, the actual interest rate on the underlying exposure is not exactly reflecting the one-year Euribor (see also point (a) in this Q&A). Instead, the actual interest rate is reflecting an average of the one-year Euribor taken over a twelve-month period. Therefore, the appropriate entry for these fields is 'OTHR' (representing Other).

(c) These fields refer to the interest rate on the underlying exposure.

Interest rate reset interval for certain fixed rate products

Rate Reset Interval RREL47; CREL114; CRPL57.

Interest Rate Type: RREL42; CREL109; CRPL52.

Interest Revision Date 1: RREL51 and CPRL61.

Index Determination Date: CREL116.

Date of first publication: 27 May 2019

Q5.2.14

(a) How should the field Interest Rate Reset Interval be filled in for an underlying exposure whose Interest Rate Type is "Fixed rate underlying exposure with compulsory future switch to floating (FLCF)"?

(b) How should the field Interest Rate Reset Interval be filled in for an underlying exposure whose Interest Rate Type is "Fixed with future periodic resets (FXPR)"?

(c) How should the field Interest Rate Reset Interval be filled in for an underlying exposure whose Interest Rate Type is "Fixed rate underlying exposure (for life) (FXRL)"?

A5.2.14

(a) Where the Interest Rate Type (RREL42; CREL109; CRPL52) of an underlying exposure is “Fixed rate underlying exposure with compulsory future switch to floating (FLCF)”, the option “not applicable” (ND5) should be entered in field “Rate Reset Interval” (RREL47; CREL114; CRPL57). The date of the switch to floating interest rate will be entered in field “Interest Revision Date 1” (RREL51 and CPRL61) or in field “Index Determination Date” (CREL116).

(b) Where the Interest Rate Type (RREL42; CREL109; CRPL52) of an underlying exposure is “Fixed rate underlying exposure with future periodic resets (FXPR)”, then the period of time (in months) between each reset should be entered in field “Rate Reset Interval” (RREL47; CREL114; CRPL57). The date of the reset/change in (fixed) interest rate will be entered in field “Interest Revision Date 1” (RREL51 and CPRL61) or in field “Index Determination Date” (CREL116).

(c) Where the Interest Rate Type (RREL42; CREL109; CRPL52) of an underlying exposure is “Fixed rate underlying exposure (for life) (FXRL)”, then the “ND5” should be typed into the field “Rate Reset Interval” (RREL47; CREL114; CRPL57).

Obligor Identifiers, Collateral Identifiers, Tenant Identifiers

Original Obligor identifier: RREL4; NPEL4; LESL4; ESTL4; CRPL4; CREL2; CMRL4; CCDL4; AUTL4

New obligor identifier: RREL5; NPEL5; LESL5; ESTL5; CRPL5; CREL3; CMRL5; CCDL5; AUTL5.

Original Collateral identifier: CREC3; CRPC3; ESTC3; NPEC3; RREC3 ; SESI3.

New Collateral identifier/ Collateral Identifier: CREC4; ESTC4; NPEC4; RREC4; SESI4; CRET3.

Tenant identifier: CRET4

Date of first publication: 27 May 2019

Q5.2.15

(a) Are these identifiers meant to be collected by the originator, sponsor, and/or SSPE or generated by them?

(b) Where there are multiple obligors on a single underlying exposure, should one identifier be created for each obligor or only for the primary obligor?

A5.2.15

(a) These fields are intended to be assigned (i.e. created) by the originator, sponsor, and/or SSPE. They are not intended to be collected by these entities from the obligor, collateral provider, tenant, or other entity involved in the underlying exposure. For example, the obligor identifier field in ESTL4 does not mean that the originator, sponsor, and/or SSPE must request such information from the obligor. Instead, they must *create* the identifier.

(b) Where there are multiple obligors relating to a single underlying exposure, an identifier should only be created for the primary obligor.

Definition of ‘default’, where not specified

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Q5.2.16 For fields where the definition of default is not specified (e.g. IVSS31-IVSS37, SESL19-SESL21), how is default defined? Is there a standard definition that should be used?

A5.2.16 The Securitisation Regulation does not provide a definition of ‘default’. Reporting entities should use the most appropriate regulatory or supervisory definition applicable to them and/or to the underlying exposure.

Fields relating to Interest rate or currency swaps

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Updated: 15 November 2019

Q5.2.17 Do fields in Annexes 2-9 relating to interest rate or currency swaps refer to hedges on single underlying exposures in the pool or to swaps that are hedging the entire underlying exposures in the pool?

A5.2.17 These fields refer to hedges on individual underlying exposures, as is understood by including them in the non-ABCP securitisation underlying exposures templates (Annexes 2-9, as applicable) rather than in the templates that relate to the securitisation overall (i.e. Annex 14). If a swap is in place and it covers more than one underlying exposure, *but not the entire pool*, then each underlying exposure covered by the swap must include this information in the applicable fields (e.g. CRPL89; CRPL90; CRPL91; CRPL92; CRPL93; CRPL94; CRPL95 for Annex 4, as an example).

However, if a hedging arrangement is in place for the entire pool of underlying exposures, or at the level of the securitisation, then this must not be reported in these fields. Instead, information on this swap must be reported in the applicable fields set out in Annex 14 (e.g. SESS17; SESS18; SESS19; SESS20; SESS21; SESS22; SESS23; SESS24).

How to report various fields following default of an underlying exposure

Current Principal Balance (e.g. CRPL39)

Payment Due (e.g. CRPL50)

Current Interest Rate (e.g. CRPL53)

Current Interest Rate Index Tenor (e.g. CRPL55)

Current Interest Rate Margin (e.g. CRPL56)

Interest Rate Reset Interval (e.g. CRPL57)

Revised Interest Rate Index (e.g. CRPL66)

Revised Interest Rate Index Tenor (e.g. CRPL66)

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Q5.2.18

(a) How should these and similar fields be completed after an underlying exposure is deemed to be in default?

(b) How should information be provided for underlying exposures that are classified as ‘sofferenze’?

A5.2.18

(a) These fields should continue to be entered and updated according to the situation as at the cut-off date. For an underlying exposure in default, these fields will often remain unchanged. However, this depends on the underlying exposures terms and may change if the underlying exposure begins to perform again subsequent to default. Where the payment terms change, for example because a

repayment plan has been agreed with the obligor, these fields should be revised where necessary to reflect this updated situation.

(b) Exposures that are classified as ‘sofferenze’ should be considered to be in ‘default’ for the purposes of reporting information and, therefore, should provide information as per point (a) above. Except where an underlying exposure is “inactive” (i.e. an underlying exposure that has defaulted with no further recoveries expected), information about the underlying exposure should continue to be provided and updated. For further explanation about the distinction between active and inactive disclosures see Q5.1.15.

Time span for fields referring to cumulative amounts, or to fields that refer to past dates

(for example RREL64/CRPL74—Cumulative Prepayments; RREL63/CRPL73—Prepayment Date; RREL61/CRPL71—Prepayment Fee; RREL65/CRPL75—Date Of Restructuring; and RREL66/CRPL76—Date Last In Arrears; RREL36/CRPL47—Principal Grace Period End Date)

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Q5.2.19 For fields that refer to either cumulative amounts or fields that refer to past dates, what is the expected period of time during which these fields are expected to look back to: the entire life of the underlying exposure or just the time period starting from the date at which it has been securitised?

A5.2.19 The period of time during which these fields are expected to look back to is the entire life of the underlying exposure, *including* the time *before* the date at which it has been securitised/transferred to the SSPE. For example, cumulative prepayments should reflect all prepayments made on the underlying exposure both before and after the date of securitisation/transfer to the SSPE. As another example, if the date at which an underlying exposure was last in arrears was a date before it was securitised/transferred to the SSPE, and the underlying exposure has not been in arrears since that date (even after being securitised/transferred to the SSPE), then that initial date of arrears should be entered in the Date Last in Arrears field. Similarly, if there was a principal grace period end date that took place in the past (i.e. before the data cut-off date, or even before the date of submission), this should also be provided.

In the event of multiple dates where an event has taken place, specific provisions are set out in the Content to Report for most fields (e.g. CREL57, CREL82, and the Date of Restructuring fields). Where this is not the case, the most recent date must be provided. See also Q5.1.14 and Q5.1.11.

Cumulative Prepayment Fields

RREL64; CRPL74; AUTL52; CMRL50; LESL49; ESTL51

Date of first publication: 31 January 2019

Updated: 15 November 2019

Q5.2.20 How should cumulative prepayment fields be completed for exposures that have been purchased from another lender? (RREL64; CRPL74; AUTL52; CMRL50; LESL49; ESTL51)

A5.2.20 Cumulative prepayments since the underlying exposure origination date must be provided even for exposures that have been purchased from another lender and then securitised. However, in instances where this information was not provided when the underlying exposure changed ownership, then the values entered in the cumulative prepayments fields should record the cumulative prepayments made *since the underlying exposure was purchased by the originator*.

For example, consider a residential mortgage that was originated on 1 January 2005 and was sold to another lender on 1 January 2010, and securitised on 1 January 2015. Assume that this residential mortgage had EUR 1000 of prepayments between 1 January 2005 and 1 January 2010, and another EUR 1000 of prepayments between 1 January 2010 and 1 January 2015. In other words, the residential mortgage had EUR 2000 of cumulative prepayments.

In this example, the following reporting arrangements would apply for completing field RREL64 ('cumulative prepayments') for this specific residential mortgage (assuming a data cut-off date of 1 January 2015):

- If the information on the residential mortgage's EUR 1000 prepayments between 1 January 2005 and 1 January 2010 is available to the reporting entity, then field RREL64 should be completed as 'EUR 2000', which reflects the prepayments of EUR 1000 between 1 January 2005 and 1 January 2010, plus the EUR 1000 of prepayments between 1 January 2010 and 1 January 2015. New prepayments occurring over time in the future (e.g. on 1 July 2015) should then be added to this number in subsequent data submissions of field RREL64 for this residential mortgage.

- If the information on the residential mortgage's EUR 1000 prepayments between 1 January 2005 and 1 January 2010 is *not* available to the reporting entity, then field RREL64 should be completed as 'EUR 1000', reflecting the prepayments of EUR 1000 between 1 January 2010 and 1 January 2015. New prepayments occurring over time in the future (e.g. on 1 July 2015) should then be added to this number in subsequent data submissions of field RREL64 for this residential mortgage.

5.3 Questions related to individual fields

Customer Type

RREL15; CRPL13; AUTL15; CMRL14; CCDL13; LESL14.

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Updated: 17 July 2019

Q5.3.1

(a) What is the exact definition of 'new' customer?

(b) Is the term 'employee/affiliated' limited to the originator or does it extend to the companies within the same group as the originator?

(c) What should be reported if the information regarding existing/new customer is available as of the origination of the credit card, but the information on employees is available as of the date when it was transferred to the SSPE?

A5.3.1

(a) For the purpose of these fields, a new customer should be understood as a client that has had no other commercial relationship with the originator or original lender, prior to the relationship assumed in the present underlying exposure for which information is being disclosed.

(b) For the purpose of these fields, the term 'employee/affiliated' refers to all companies within the same legal group as the originator. For example, if a supermarket chain has a banking subsidiary, then the customers and employees of that banking subsidiary should be considered 'employee/affiliated' for the purposes of the Customer Type field.

(c) In this case, it is fine to report the information as at the date at which the underlying exposure was transferred to the SSPE.

Primary Income Currency

RREL18; AUTL18; CMRL17; CCDL16; ESTL19.

Date of first publication: 31 January 2019

Q5.3.2 What should be reported for corporate borrowers?

A5.3.2 The currency of the financial statements should be reported in this field.

Redemption Date

RREL9; CREL11; CRPL9; AUTL9; CMRL9; LESL9; ESTL9.

Date of first publication: 31 January 2019

Updated: 15 November 2019

Q5.3.3 How should the 'Redemption Date' field be completed for active and inactive underlying exposures? (RREL9; CREL11; CRPL9; AUTL9; CMRL9; LESL9; ESTL9)

A5.3.3 In the event that an underlying exposure is an *active* underlying exposure as defined in the draft RTS on disclosure, then the Redemption Date field should be completed with 'ND5'. This is because the underlying exposure has not been redeemed nor has completed had a recovery process completed. In the event that an underlying exposure is an *inactive* underlying exposure as defined in the draft RTS on disclosure, the Redemption Date field should be completed in the following manner:

- If the underlying exposure has been redeemed (i.e. fully paid back as set out in the contractual terms of the underlying exposure, including prepayments), then the Redemption Date field should be completed with the date at which the redemption occurred.
- If the underlying exposure has defaulted and the recovery process is now completed, then the Redemption Date field should be completed with the date at which the recovery process was completed.
- In all other cases for the underlying exposure becoming *inactive* (e.g. repurchases, substitutions, etc.), the Redemption Date field should be completed with 'ND5'.

Amortisation Type

RREL35; CREL87; CRPL46; AUTL32; CMRL32; LESL31; ESTL31; IVAL21.

Date of first publication: 31 January 2019

Updated: 27 May 2019

Updated: 17 July 2019

Updated: 15 November 2019

Q5.3.4

(a) How should these fields be completed for different types of bullet loans? For example, the Dutch market has a substantial amount of mortgages with a redemption type of 'bullet + savings'. (RREL35; CREL87; CRPL46; AUTL32; CMRL32; LESL31; ESTL31)

(b) How should this field be completed for ABCP transactions (IVAL21)?

(c) How should the description of the German amortisation type be understood. According to the definition, it seems to be like a French Amortisation Type with one grace period, is that correct?

(d) How should Rising Instalments be categorised (i.e. where the principal part of the instalment increases periodically according to a percentage)?

(e) How should this field be completed for underlying exposures that are repaid within one month, such as some trade receivables?

A5.3.4

(a) In this situation, the amortisation type field should be completed with 'Bullet'.

(b) With respect to field IVAL21, it is recalled that this is not a {LIST} field but instead a {MONETARY} field. As per the Content to Report for this field, the total outstanding principal amount of the underlying exposures of this type (such as all trade receivables underlying exposures in the ABCP transaction) must be aggregated across all underlying exposures that have an amortisation type of either 'Bullet', or 'Balloon', or some other arrangement besides 'French Amortisation', 'German Amortisation', or a 'Fixed Amortisation Schedule'.

For example, consider an ABCP transaction that has 1,000 underlying exposures each of which are worth exactly EUR 10,000. Of these 1,000 underlying exposures, 750 are trade receivables and 250 are automobile loans and leases. Therefore, Annex 11 ('ABCP underlying exposures template') must be completed twice—once for the 750 trade receivables and once for the 250 automobile loans and leases. Focussing on the 250 automobile loans and leases, assume that according to the definition set out in field IVAL21, there are

1. 100 loans/leases classified as 'Bullet',
2. 50 loans/leases classified as 'Balloon',
3. 25 loans/leases classified as 'French Amortisation',
4. 25 loans/leases classified as 'Fixed Amortisation Schedule', and
5. 25 loans/leases classified as 'Other Amortisation'.

Recall that each underlying exposure in this example is worth EUR 10,000. Therefore, taking this example, field IVAL21 would be completed with the value EUR 1,750,000, which is equal to the value of all auto loans and leases classified as either 'Bullet', 'Balloon', or 'Other' (i.e. $(100 + 50 + 25) * \text{EUR } 10,000$).

(c) The difference between the German and the French amortisation type lies in the first instalment. In the German amortisation type the first instalment is interest only whilst the French amortisation type the first instalment includes both principal and interest payments. Hence, both amortisation types can be identical if a grace period is applicable in the first instalment only to the principal payment.

(d) These types of instalments should be categorised as 'OTHR' (representing 'Other').

(e) For such underlying exposures, the Amortisation Type should be reported as Bullet 'BLLT' (corresponding to "Amortisation in which the full principal amount is repaid in the last instalment.")

Deposit Amount

RREL77; CRPL87; AUTL78; CMRL61; LESL64.

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Updated: 15 November 2019

Q5.3.5

(a) Several jurisdictions – among which the Netherlands – have a so-called ‘DGS’ or bank failure safeguard, currently EUR 100k per obligor per bank in the Netherlands. The Deposit Amount field (e.g. RREL77) refers to ‘excluding the benefit of any national deposit’. The interpretation of ‘excluding’ is unclear. If an obligor has EUR 120k of off-settable deposit, then should the whole amount of EUR 120k be used in the pro-rata calculation for this field?

(b) Should so-called ‘construction deposits’ also be included in this field?

(c) Should so-called ‘savings deposits’ as part of sub-participations be included in this field? How does this affect the reporting of the original and current principal balance of the underlying exposure?

d) According to the law in some jurisdictions including for example Spain, only amounts in arrears are off-settable. Does that mean that the deposit amount (checking accounts or daily renewable deposits) as reported in this field should always be capped by the amount in arrears?

(e) Additionally, in some jurisdictions including for example Spain, the offset can only be done against liquid assets (checking accounts or daily renewable deposits). In other words, the offset cannot be done against a term deposit. What should be reported for this field in such situations?

A5.3.5

(a) Yes, in this example provided, EUR 120k should be used regardless of whether the deposit is covered by a deposit guarantee scheme or not.

(b) With respect to a mortgage underlying exposure, ‘construction deposits’ are understood to refer to that part of the mortgage underlying exposure which the obligor has requested to be disbursed into a blocked account held in the obligor’s name with the originator, the proceeds of which may be applied towards construction of, or improvements to, the relevant mortgaged asset. ‘Construction deposits’ should be included in the deposit amount field (RREL77, in this example), because they can be used to offset any amounts owed by the obligor to the originator (i.e. used to offset the underlying exposure).

(c) ‘Savings deposits as part of sub-participations’ are understood to refer to accounts that accumulate (as part of payments from the obligor to the account) the full or partial amount of the corresponding outstanding principal balance of the underlying exposure. Such accounts then redeem the full amount due on the underlying exposure at maturity (or another agreed-upon date). In such arrangements, the underlying exposure does not amortise over its lifetime but is instead redeemed at maturity (or another agreed-upon date). In this situation, reporting entities can choose to report either of the following options:

1. **Include** the value of such savings accounts in the Deposit Amount field AND **subtract** the value of such savings accounts from the underlying exposure current principal balance (i.e. subtract this value from the value reported in field RREL30; CREL23; CRPL39; AUTL30; CMRL28; CCDL22; LESL28; or ESTL28). Under this arrangement the underlying exposure current principal balance as at the data cut-off date is ‘net’ of the savings amount (i.e. sub-participation). If this option is chosen (rather than option 2 below), then the original principal

balance of the underlying exposure (i.e. field RREL29; CREL24; CREL25; CRPL38; AUTL29; CMRL27; LESL27; or ESTL27) must also be reported consistently, i.e. ‘net’ of any savings amount that existed at the time of origination of the underlying exposure.

or

2. **Do not include** the value of such savings accounts in the Deposit Amount field AND **include** the value of such savings accounts in the underlying exposure current principal balance (i.e. include this value in the value reported in field RREL30; CREL23; CRPL39; AUTL30; CMRL28; CCDL22; LESL28; or ESTL28). Under this arrangement the underlying exposure current principal balance as at the data cut-off date is ‘gross’ of the savings amount (i.e. sub-participation). If this option is chosen (rather than option 1 above), then the original principal balance of the underlying exposure (i.e. field RREL29; CREL24; CREL25; CRPL38; AUTL29; CMRL27; LESL27; or ESTL27) must also be reported consistently, i.e. ‘gross’ of any savings amount that existed at the time of origination of the underlying exposure.

(d) As set out in the content to report for each field, the ‘Deposit Amount’ refers to “*The sum of all obligor amounts held by the originator or seller that are **potentially** off-settable against the underlying exposure balance, excluding the benefit of any national deposit compensation scheme.*” In this regard, the term “potentially” should be understood as what is potentially off-settable within the applicable national legal framework.

The following table illustrates an example for two underlying exposures held by an originator with a single obligor (the values for columns 1 and 4 are taken from the ‘Content to Report’ for the Deposit Amount field—see the relevant Annexes in the draft RTS on disclosure).

1	2	3	4
	Balance (EUR) at the data cut-off date	Amount in arrears (EUR) at the data cut-off date	Reporting for ‘Deposit Amount’ field
Liquid assets: Checking account or 1 day term deposit	100	N/A	N/A
Underlying exposure 1	60	5	5
Underlying exposure 2	75	0	0

In this situation, it is appropriate to report the amounts shown in column. The reason is that what is relevant for investors is to know the maximum potential amount owed by the obligor that could be off-set by deposits. If this maximum amount is capped by a jurisdictional legal framework, then it is appropriate to report the maximum amount subject to that cap.

(e) In this situation, it is appropriate to report the Deposit Amount only reflecting liquid assets, and to not include term deposits. As described in point (d) above and in the field Content to Report, the motivation for this field is to show investors what could potentially be used to offset amounts owed to the originator. If, because of a national legal framework, term deposits cannot be used for this purpose, then term deposits should not be considered for the purpose of reporting the Deposit Amount.

Cumulative Recoveries

RREL74; CREL141; CRPL84; AUTL76; CMRL60; CCDL41; LESL62; ESTL60.

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Q5.3.6 How should this field be completed for underlying exposures that are not undergoing any recovery process?

A5.3.6 This field should be completed with 'ND5' ('Not applicable'). Enter '0' if the underlying exposure is undergoing (or has undergone) a recovery process and there have been zero recoveries as described in the Content To Report section of this field.

Dilutions ***Modified***

IVSS23; IVAL26.

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Update: 15 November 2019

Update: 5 October 2020

Q5.3.7

(a) What is meant by this field? [Is this field relevant for mortgage-backed securities?](#)

(b) ND5 is not permitted to be entered into this field, so what should be reported if dilutions are not applicable to this type of underlying exposure?

A5.3.7

(a) This field refers to dilutions since the origination of the loan or, for revolving credit facilities, dilutions since the previous data cut-off date. Thus, dilutions should include reductions in principal exposures that have arisen due to fraud claims as well as any applicable country-specific procedures (e.g. Section 75 of the Consumer Credit Act in the United Kingdom). [Examples include offsets or allowances arising from returns of goods sold, disputes regarding product quality, possible debts of the borrower to a receivable's obligor, and any payment or promotional discounts offered by the borrower \(eg a credit for cash payments within 30 days\). This field is not relevant for mortgage-backed securities.](#)

(b) In this case, 0 should be reported, because 0 dilutions have taken place.

Payment Due ***Modified***

RREL39; CREL105; CRPL50; AUTL37; CMRL36; CCDL28; LESL35; ESTL35

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Update: 5 October 2020

Q5.3.8

(a) Does this field include any insurance that is paid through the underlying exposure?

(b) How should this field be completed in case there is only one payment at maturity of the underlying exposure?

(c) How should this field be completed if an underlying exposure is benefitting from principal grace period or a payment holiday?

A5.3.8

(a) Yes, this field includes the total next payment that must be made by the obligor in connection with this underlying exposure (i.e. the total next payment that, if the underlying exposure did not exist, would not have to be made). It therefore does include any insurance that is paid through the underlying exposure.

(b) In that case, this field should contain the payment which is due on the date of maturity of the underlying exposure.

(c) Where a number of payments have been cancelled or postponed, in this field the value of the next scheduled payment should be entered i.e. '0'.

Date Last in Arrears

RREL66; CREL128; CRPL76; AUTL67; CMRL52; CCDL34; LESL54; ESTL52

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Update: 17 July 2019

Q5.3.9

(a) How should the field 'Date Last in Arrears' be completed if the underlying exposure has never been in arrears?

(b) How should the field 'Date Last in Arrears' be completed if the underlying exposure is in default?

A5.3.9

(a) Where the underlying exposure has never been in arrears, this field should be completed as 'ND5'.

(b) Where the underlying exposure is in default and the underlying exposure has never previously been in arrears, this field should be completed as 'ND5'. If the underlying exposure has been in arrears in the past, in a manner not related to the current default status, then this field should reflect the previous date at which the underlying exposure was in arrears.

Special Scheme **Modified**

RREL22; CREL14; CRPL32; AUTL22; CMRL20; CCDL18; LESL21

Date of first publication: 31 January 2019

Update: 17 July 2019

Update: 15 November 2019

Update: 5 October 2020

Q5.3.10

(a) What should be reported in the field 'Special Schemes'? Are 'municipality guarantees' regarded as special schemes?

(b) What language should be used?

(c) Would a mandatory payment holidays scheme, for example after a natural disaster, be considered as a "special scheme"?

(d) Should a more detailed description of the scheme be provided in this field or elsewhere?

A5.3.10

(a) This field should only be completed where the underlying exposure is governed by a public-sector arrangement. This field does not include arrangements that only exist because of market conventions and that do not have an official status set out by the public sector. It is not possible to provide an exhaustive list. For example, loans under 'Vivienda de Protección Oficial', 'Nationale Hypotheek Garantie', 'Help to Buy', or 'Prêts Accession Sociale' would be considered a special scheme. [See also point \(c\) below.](#)

'Municipality guarantees' which constitute a special arrangement that is deemed worth highlighting to investors, potential investors and/or other users, should be reported using this field. However, this field should not be used to simply highlight that the underlying exposure is guaranteed (the collateral section of the template to be used for this purpose).

(b) There is no need to translate the name into another language; it is acceptable to use the language of the scheme itself, e.g. 'Vivienda de Protección Oficial', 'Nationale Hypotheek Garantie', 'Help to Buy', or 'Prêts Accession Sociale'.

(c) If, after a major event such as a natural disaster, the payment holidays scheme is part of a legislative framework (e.g. a law passed/adopted by a European, national or regional body) and creates a set of standard arrangements and provisions for certain eligible underlying exposures, then such a payment holiday would indeed be considered a 'special scheme'. [However, in general](#), if the payment holidays scheme is merely an arrangement developed on a voluntary basis by the originator, a group of originators, or even by an association representing the originator or other related industries, then this would not qualify as a 'special scheme'. [However, any scheme which meets the criteria of "general payment moratoria" set out in paragraph 10 of the EBA guidelines on legislative and non-legislative moratoria on loan repayments applied in the light of the COVID-19 crisis \(EBA/GL/2020/02\) is considered a special scheme for the purposes of this field.](#)

[\(d\) Generally, where a securitisation includes one or more underlying exposures benefiting from a special scheme, any relevant information about the scheme and its impact on those underlying exposures should be provided in the "Any Other Information" section of Annex 14 \(SESO1; SESO2; SESO3\) for non-ABCP securitisation and Annex 15 \(SEAO1; SEAO2; SEAO3\) for ABCP securitisation.](#)

Total Credit Limit

RREL33; CRPL42; CMRL29; CCDL23; ESTL29

Date of first publication: 31 January 2019

Q5.3.11 Is the field 'Total Credit Limit' referring to underlying exposures still in their disbursement phase and/or revolving underlying exposures?

A5.3.11 As set out in the Content To Report, this field refers to "*underlying exposures with flexible re-draw facilities (including revolving characteristics) or where the maximum underlying exposure amount*

hasn't been withdrawn in full – the maximum underlying exposure amount that could potentially be outstanding.

This field shall only be populated for underlying exposures that have flexible or further drawing characteristics.

This is not intended to capture instances where the obligor may renegotiate an increased underlying exposure balance but rather where there is currently the contractual ability for the obligor to do this and for the lender to provide the additional funding.”

The total credit limit of revolving underlying exposures as well as of underlying exposures still in their disbursement phase would generally be expected to meet the conditions (quoted above) which trigger the need to report. However, there may be additional types of underlying exposures that meet the conditions which trigger the need to report the total credit limit in this field.

Allocated Losses

RREL73; CREL137; CRPL83; AUTL74; CMRL59; LESL61; ESTL59

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Update: 27 May 2019

Q5.3.12

(a) Is the relevant amount in the field ‘Allocated Losses’ the losses allocated to the SSPE or the amount of provisioning calculated by the seller prior to the sale?

(b) Should this field only be completed following default of the underlying exposure (e.g. liquidation of collateral/properties) or should this field also be completed upon the sale of properties throughout the life of the underlying exposure?

(c) What is included in ‘Losses’?

A5.3.12

(a) The field ‘Allocated Losses’ should reflect the amount calculated by the originator or a specialised third party managing the underlying exposure during the recovery/work-out process, at the time that a ‘loss’ has been deemed to take place. It should reflect the situation of the underlying exposure before any adjustments have been made to allocate losses to the SSPE, and the amount should be calculated as set out in the Content To Report for each field. Where no recovery/work-out process has begun, this field should be completed as ‘ND5’. Note that ‘loss’ information here is distinct to any loss information on the tranches/bonds in the securitisation, as set out in the relevant investor report (Annex 12 and 13).

(b) This field should be completed upon any sale of properties or collateral as part of a recovery/work-out process for the underlying exposure (which is generally expected to commence following a default of the underlying exposure).

(c) The estimate of losses should be as complete as possible including accrued but unpaid interest plus unpaid principal. Where possible, default interest should also be included.

Account Status **Modified**

RREL69; CREL136; CRPL79; AUTL70; CMRL55; CCDL37; LESL57; ESTL55.

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Updated: 5 October 2020

Q5.3.13

(a) What is the definition of ‘performing’ underlying exposure? And does an exposure that has been restructured >3 years ago qualify as performing, in line with RREL14?

(b) Restructured – Arrears / No Arrears: When should an underlying exposure be considered as ‘restructured’. Should only currently restructured loans – i.e. due to credit impaired obligors - ~~should~~ be reported and not loans that were ever in arrears/default (and have recovered since)? [How about loans benefiting from a debt moratorium/payment holiday?](#)

(c) For defaulted / foreclosed loans several fields are no longer (fully) applicable to report. For example ‘valuation amount’ in case a real-estate collateral has been sold but foreclosure proceeds still come in, as well as ‘current interest rate’ in case a borrower has ceased to pay. How should these fields be reported in such instances?

(d) With the new set of statuses we foresee that underlying exposures can have multiple options applicable. For example, an underlying exposure could be in ‘arrears’ AND ‘Repurchased by Seller – Special Servicing’. How should these situations should be reported?

(e) The value ‘*Defaulted only under another definition of default being met (DADB)*’, is referred to the default definition usually included in the transaction documentation? We understand that, in general terms, defaults can be cured if, for example, a defaulting loan becomes current again; however, if the default definition used in DADB is the one included in the transaction documentation, defaults may not be cured even if the obligor repays all debt (even if the loan stays performing for long periods): in this situation, we would maintain the loan in the DADB value, is that correct?

(f) What is the difference between the response options ‘NDFT’ (representing ‘Not defaulted according to Article 178 of Regulation (EU) No 575/2013 but classified as defaulted due to another definition of default being met’) and ‘DADB’ (representing ‘Defaulted only under another definition of default being met’)?

(g) In the event that an underlying exposure has been restructured, and is in default, how should this be reported in this field?

A5.3.13

(a) Performing: It is not possible to provide an exhaustive definition of performing, which will be determined by applicable regulatory/supervisory requirements that the originator is subject to.

(b) Restructured – Arrears / No Arrears: As set out in the description to this field, “Restructuring refers to any changes made to the contractual terms of the underlying exposure agreement due to forbearance, including payment holidays, arrears capitalisation, change of interest rate basis or margins, fees, penalties, maturity, and/or other generally-accepted measures of restructuring under forbearance.” The information on these underlying exposures is meant to reflect their current status—information should be up to date at all times unless indicated otherwise (for example in fields like “Original Valuation Amount”, which clearly indicate a historical dimension). Underlying exposures that have previously been restructured and are not currently in arrears should be reported as ‘RNAR’ (‘Restructured – No Arrears’) whereas those that are currently in arrears should be reported as ‘RARR’ (‘Restructured – Arrears’). [Whereas only “payment holiday” is mentioned explicitly in the definition of restructuring quoted above, it should be understood as covering a “debt moratorium” as well.](#)

(c) As indicated in the previous sub-answer, information should reflect the latest-available details on the loan. Thus, 'valuation amount' and 'current interest rate' should nevertheless reflect the information as at the data cut-off date. In these specific examples, such information may correspond to the valuation of the property at the time of sale (gross of any fees, penalties, etc.) and to the interest rate payable by the obligor at the data cut-off date (which may be 0% if this rate has been waived).

(d) With regards to multiple options being applicable, the purpose of the options 'Repurchased by seller' and 'Redeemed' relate to signalling some of the reasons for an underlying exposures to be considered an *inactive* underlying exposure. As per the example set out in the question above (see point d), if an underlying exposure is in arrears and has been repurchased then, by virtue of Article 2(5) of the draft RTS on disclosure, the underlying exposure would be treated as an *inactive* underlying exposure and would only need to be reported once subsequently (see also the response to question Q5.1.15). In this situation, reporting the underlying exposure as 'Restructured' would take precedence over other fields. The same considerations apply to 'Redeemed' exposures.

For example, if as at the data cut-off date an underlying exposure has been repurchased (i.e. it is now an *inactive* underlying exposure as at the data cut-off date) but had been restructured prior to or as part of the repurchasing process, then the account status field should be completed with 'Repurchased by Seller - Restructured'. The same logic applies if the underlying exposure had undergone any special servicing arrangements (i.e. being transferred to a special servicer, or undergoing any special collection procedures) at the time of restructuring ('Repurchased by the Seller- Special Servicing'), or if the underlying exposure was repurchased as part of a discovery that it had breached the representations and warranties set out in the securitisation transaction documentation ('Repurchased by the Seller – Breach of Representations and Warranties'), or had defaulted and was then repurchased ('Repurchased by the Seller – Defaulted'), or finally was repurchased for any other reason ('Repurchased by the Seller – Other Reason').

(e) Yes, this is correct.

(f) 'DADB' (representing 'Defaulted only under another definition of default being met') should only be entered when the originator is not subject to the requirements of the Capital Requirements Regulation (Regulation (EU) No 575/2013). Otherwise, 'NDFT' (representing 'Not defaulted according to Article 178 of Regulation (EU) No 575/2013 but classified as defaulted due to another definition of default being met') should be entered.

(g) In this situation, the 'default' status takes priority and the appropriate 'default' code should be entered (i.e. either values 'DFLT', 'NDFT', 'DTCR', 'DADB', or 'REDF').

Primary Income Verification

AUTL19; CMRL18; CCDL17; ESTL20.

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Q5.3.14 How should the Primary Income Verification field be completed where the obligor is a legal person?

A5.3.14 The most appropriate verification option should be entered. For example, if income (in this case, revenue) has been verified, then the 'VRFD' (representing 'Verified') should be entered. If a credit bureau has been used instead, then 'SCRG' (representing 'Credit Bureau Information or Scoring') should be entered.

Principal Grace Period End Date ***Modified***

RREL36, CREL88, CRPL47, AUTL33, CMRL33, CCDL25, LESL32, ESTL32

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Updated: 5 October 2020

Q5.3.15

(a) What is the definition of a principal grace period and how is it different from a payment holiday?

(b) Is there any applicability to interest only loans where the principal is all repaid at the end of the loan term?

(c) How should this field be completed if the terms and conditions of the underlying exposure contemplates principal grace periods in particular circumstances, but no grace period is in effect as at the data cut-off date?

A5.3.15

(a) A principal 'grace period' can be understood as a period during which no principal payments are required, regardless of whether interest payments are required or not. The same field should also be used to reflect a payment holiday or a debt moratorium.

(b) Yes, for interest only loans, the principal grace period end date is equal to the end date of the loan term. If the obligor is unable to make the scheduled principal payment at the end of the loan term, and this payment is delayed by the originator, then the updated end-date must be provided.

(c) In such situations, this field must be reported as ND5. If, in the future, a principal grace period end date comes into effect, then that end date must be reported for as long as that grace period end date is in effect (even if the obligor has not respected the deadline for that end-date). If subsequent negotiations lead to modifications to the principal grace period end date, then the updated end date must be reported.

Scheduled Principal Payment Frequency

RREL37; CREL90; CRPL48; AUTL34; CMRL34; CCDL26; LESL33; ESTL33.

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Updated: 17 July 2019

Q5.3.16

(a) Please confirm that, for underlying exposures where the principal is repaid only once (at maturity), but periodic contributions have been made to an additional collateral account (e.g. Bullet + Savings deposit) the Scheduled Principal Payment Frequency field can be completed with "OTHER"?

(b) Where the "Amortisation Type" (e.g. CRPL46) is "Bullet - i.e. Amortisation in which the full principal amount is repaid in the last instalment (BLLT)", including for interest-only underlying exposures, how should the field Scheduled Principal Payment Frequency be completed?

(c) What should be reported for this field in the event of partial bullet payments (a loan with a balloon amount) mixed with monthly principal payments?

A5.3.16

(a) Yes, this is confirmed. These underlying exposures do not have a scheduled principal payment frequency of either a monthly, quarterly, semi-annual, or annual basis. Therefore, 'OTHR' (representing 'Other') is the appropriate value to enter in this field.

(b) In this case, the value 'OTHR' (representing 'Other') should be entered in the Scheduled Principal Payment Frequency field.

(c) In this situation, this field should be reported as 'MNTH' (representing 'monthly') and, furthermore, the Balloon Amount field (i.e. RREL41; CRPL51; AUTL38; ESTL37, as applicable) should be completed to reflect the balloon amount. The Amortisation Type field (RREL35; CREL87; CRPL46; AUTL32; CMRL32; LESL31; ESTL31, as applicable) should also be completed as 'OTHR' (representing 'Other').

Obligor Basel III Segment

CRPL15; LESL15.

Date of first publication: 27 May 2019

Q5.3.17

(a) Where can the Basel III Segment classifications be found?

(b) How should this field be completed for lenders that are neither subject to supervision under legislation implementing the Basel Accords nor to any classifications under the Basel Committee on Banking Supervision?

Q5.3.17

(a) This field should be completed according to the classifications set out in the Basel III arrangement (available here: <https://www.bis.org/bcbs/publ/d424.pdf>). For further background and assistance, see in particular paragraphs 43 and 54-58 therein.

(b) This field should be completed by all reporting entities, regardless of whether they are supervised under the scope of the Basel Committee on Banking Supervision accords or relevant implementing legislation (e.g. Regulation (EU) No 575/2013). For underlying exposures where revenue/turnover/income figures are only available at the time of origination of the underlying exposure (i.e. are not regularly updated), it is acceptable to use these figures as the relevant input to calculate the classification set out in the paragraphs mentioned in point (a) above.

Origination Channel

RREL26; CRPL35; AUTL27; CMRL24; CCDL20; LESL25.

Date of first publication: 27 May 2019

Q5.3.18 How should this field be completed where the lender is a fund or another non-bank entity?

Q5.3.18 This field should still be completed according to the available options. For example, in the event of an underlying exposure having been originated by a fund and being reported under Annex 4 (Corporate underlying exposure), then the reporting entity should select the most appropriate option for field CRPL35. In this regard, if a fund has created the underlying exposure via its office, then the entry

'BRAN' (representing 'Office or Branch Network') should be entered into that field for that underlying exposure.

Energy Performance Certificate Value and Energy Performance Certificate Provider Name

RREC10; RREC11; AUTL57; AUTL58; CMRL68; CMRL69

Date of first publication: 27 May 2019

Update: 17 July 2019

Q5.3.19

(a) What energy performance certificate applies to cars?

(b) What energy performance certificate applies to products related to consumer underlying exposures? What if there is no collateral for this underlying exposure?

(c) What energy performance certificate applies to products related to residential real estate?

(d) How should these fields be reported if information is not available?

A5.3.19

(a) This field refers to the environmental labelling of cars required by Directive 1999/94/EC available at <https://eur-lex.europa.eu/eli/dir/1999/94/2008-12-11> and Commission Recommendation (EU) 2017/948 of 31 May 2017 available at <https://eur-lex.europa.eu/eli/reco/2017/948/oj>. More information about European car labelling is available on the website of the European Commission: https://ec.europa.eu/clima/policies/transport/vehicles/labelling_en.

(b) Further information is available on the Energy label and eco-design webpage of the European Commission: https://ec.europa.eu/info/energy-climate-change-environment/standards-tools-and-labels/products-labelling-rules-and-requirements/energy-label-and-ecodesign_en

If there is no collateral for this underlying exposure, then it is acceptable to enter ND5 for this field.

(c) Further information is available on the European Commission's Energy Efficiency webpage dedicated to Buildings: <https://ec.europa.eu/energy/en/topics/energy-efficiency/buildings>

(d) For STS securitisations, where the underlying exposures are residential loans, auto loans or auto leases, the originator and sponsor shall publish the available information related to environmental performance of the associated collateral. If this information is not available (within the meaning of Article 22(4) of the Securitisation Regulation) for an asset associated with the underlying exposure being reported, then it is acceptable to enter ND5 for this field. For all non-STs securitisations, these fields do not need to be reported if information is not available and, instead, ND5 may be entered.

Percentage of Prepayments Allowed Per Year

RREL59; CRPL69; AUTL48; CMRL45; LESL44; ESTL46

Date of first publication: 27 May 2019

Q5.3.20 Where overpayments are not allowed without penalty, is the correct disclosure '0%' or 'ND5'?

A5.3.20 The correct entry is 0%.

Arrears 1-29 Days

IVAL32; IVSS38

Date of first publication: 27 May 2019

Q5.3.21 Are fully performing loans i.e. those with zero arrears to be excluded from this disclosure?

A5.3.21 Yes. This field only includes underlying exposures which are in arrears.

Arrears Balance

RREL67; CREL129; CRPL77; AUTL68; CMRL53; CCDL36; LESL55; ESTL53

Date of first publication: 17 July 2019

Updated: 15 November 2019

Updated: 28 May 2020

Q5.3.22 How should this field be reported?

A5.3.22

The following illustrative example provides further context for how this field should be reported at different dates during the lifetime of a hypothetical underlying exposure.

Assume an underlying exposure with the following details: granted on 1 January 2019 and a EUR 1,000 arrangement fee due on the first payment date (1 February 2019). A total payment of EUR 2,500 is due on the **first payment date** of 1 February 2019 (equal to the EUR 1,500 mortgage payment + the already-mentioned EUR 1,000 arrangement fee), of which EUR 1,500 is paid and the EUR 1,000 is negotiated to be postponed to the following payment date. At this time, the 'Payment Due' field in the applicable template (i.e. RREL39; CREL105; CRPL50; AUTL37; CMRL36; CCDL28; LESL35; ESTL35, as applicable) must reflect this next payment amount (EUR 1,500).

A data submission for this underlying exposure at this cut-off date would report EUR 1,000 for an arrears balance for this underlying exposure, for the following reason: although the obligor has made the agreed mortgage payment on the due date of 1 February 2019, the capitalised arrangement fee has not yet been paid. This is represented by the calculation below as at 2 February 2019, and, accordingly, the 'Account Status' field in the applicable template (i.e. RREL69; CREL136; CRPL79; AUTL70; CMRL55; CCDL37; LESL57; ESTL55) must reflect this situation, by being reported as 'ARRE' (meaning 'Arrears').

(A) Total payments due to date	EUR 1,500
(B) Total payments received to date	EUR 1,500
(C) Any amounts capitalised	EUR 1,000
(D) Any fees applied to the account	EUR 0
(A + C + D – B) Arrears Balance to report	EUR 1,000

Now assume that the obligor misses their scheduled payment of EUR 1,500 due on the **second payment date** (i.e. due on 1 March 2019). As a result of this missed payment, the originator applies a

EUR 200 administrative fee for late payment. The underlying exposure, as a result, is now considered to be in arrears of EUR 2,700, for the following reason: the obligor has not made the EUR 1,500 second payment due, and furthermore also owes the EUR 200 administrative fee for late payment and, still, the capitalised EUR 1,000 arrangement fee.

At this time, the 'Payment Due' field in the applicable template (i.e. RREL39; CREL105; CRPL50; AUTL37; CMRL36; CCDL28; LESL35; ESTL35, as applicable) continues to reflect the next payment amount (EUR 1,500). At the same time, the 'Account Status' field in the applicable template (i.e. RREL69; CREL136; CRPL79; AUTL70; CMRL55; CCDL37; LESL57; ESTL55) continues to reflect this situation, by being reported as 'ARRE' (meaning 'Arrears').

The following calculation illustrates the arrears balance on this second payment due date (i.e. 1 March 2019):

(A) Total payments due to date	EUR 3,000
(B) Total payments received to date	EUR 1,500
(C) Any amounts capitalised	EUR 1,000
(D) Any fees applied to the account	EUR 200
(A + C + D – B) Arrears Balance to report	EUR 2,700

Now, on the **third payment date** (1 April 2019), the obligor also misses this scheduled payment due at this time and the originator consequently agrees to restructure the underlying exposure in such a manner that the underlying exposure is no longer in arrears—in effect, the present arrears balance (i.e. including amounts (A), (B), (C), and (D) in the calculation above) is reduced to zero and, in exchange for this reduction, the obligor agrees to an increased regular monthly payment due of EUR 1,800.

In this situation, the arrears balance falls to EUR 0, while the 'Payment Due' field in the applicable template (i.e. RREL39; CREL105; CRPL50; AUTL37; CMRL36; CCDL28; LESL35; ESTL35, as applicable) must be updated to reflect this new payment amount (EUR 1,800). In addition, the 'Account Status' field in the applicable template (i.e. RREL69; CREL136; CRPL79; AUTL70; CMRL55; CCDL37; LESL57; ESTL55) must reflect this new situation, by being reported as 'RNAR' (meaning 'Restructured - No Arrears').

Next, assume that, on the **fourth payment date** (1 May 2019), the obligor misses this new updated payment due of EUR 1,800. As a result, the originator applies a EUR 200 administrative fee for late payment. The underlying exposure, as a result, is now considered to be in arrears of EUR 2,000, for the following reason: the obligor has not made the EUR 1,800 payment due, and furthermore also owes the EUR 200 administrative fee for late payment.

For this date, the 'Payment Due' field in the applicable template (i.e. RREL39; CREL105; CRPL50; AUTL37; CMRL36; CCDL28; LESL35; ESTL35, as applicable) must still this new payment amount (EUR 1,800). In addition, the 'Account Status' field in the applicable template (i.e. RREL69; CREL136; CRPL79; AUTL70; CMRL55; CCDL37; LESL57; ESTL55) must now reflect this new situation, by being reported as 'RARR' (meaning 'Restructured - Arrears').

The following calculation illustrates the arrears balance on this fourth payment due date (i.e. 1 May

2019).

(A) Total payments due to date	EUR 1,800
(B) Total payments received to date	EUR 0
(C) Any amounts capitalised	EUR 0
(D) Any fees applied to the account	EUR 200
(A + C + D – B) Arrears Balance to report	EUR 2,000

Current Valuation Amount and related fields in the event of foreclosed collateral

RREC13; CREC15; CRPC10; LESL75; ESTC10

Date of first publication: 17 July 2019

Q5.3.23

(a) How should this field be reported for a foreclosed collateral item that has already been sold?

(b) Should this collateral item be included in all of the next data submissions after the sale, although it has already been sold? Or, just in the first data submission after the sale of the asset and not in following data submissions (similar to the process with underlying exposures)?

A5.3.23

(a) This field must be reported with the valuation amount as at the date of sale, since it is expected that the collateral item would be valued as part of the foreclosure process. See also Q5.1.14 Similarly, other related fields such as the Current Valuation Date (i.e. fields RREC15; CREC14; CRPC12; LESL77; ESTC12, as applicable) should also be completed as at the date of sale.

(b) The collateral information section for this collateral item must continue to be completed and reported in *all* of the next data submissions after the sale of the collateral and until the first report after the underlying exposure becomes inactive (see also Q5.1.15).

Number of Payments Before Securitisation

RREL58; CREL92; CRPL68; AUTL47; CMRL44; CCDL32; LESL43; ESTL45

Date of first publication: 17 July 2019

Updated: 28 May 2020

Q5.3.24 Does this number of payments include prepayments?

A5.3.24 No, this field refers to the number of regularly-scheduled payments (interest and/or principal) made before securitisation of the underlying exposure, not including any prepayments made.

Interpretation of Date Last in Arrears field

RREL66; CREL128; CRPL76; AUTL67; CMRL52; CCDL34; LESL54; ESTL52
Date of first publication: 17 July 2019

Q5.3.25 Do the arrears mentioned in this field refer only to arrears on this specific underlying exposure or to arrears on any exposure of the obligor?

A5.3.25 This field only refers to arrears on this specific underlying exposure being reported. It does *not* refer to arrears on any other underlying exposure associated with the same obligor.

Recourse

RREL76; CREL49; CREL50; CRPL86
Date of first publication: 17 July 2019
Updated: 15 November 2019

Q5.3.26 How should this field be reported for defaulted and non-defaulted underlying exposures?

A5.3.26 This field refers to the originator's ability (as per the terms and conditions of the underlying exposure, or as per any applicable legal framework governing the underlying exposure) to have recourse to additional assets of the obligor beyond any assets pledged directly as collateral to this underlying exposure. For example, in the event of a residential mortgage, if an underlying exposure originator is able to have recourse to the obligor's automobile assets, any other properties, or other physical assets (or any financial assets), then this would also constitute recourse beyond the specific collateral (i.e. the property) pledged to this underlying exposure.

In this regard, this field should be completed for both defaulted and non-defaulted underlying exposures, as it does not depend on whether the underlying exposure has defaulted or not, but instead depends on the underlying exposure contract between the obligor and the originator.

Prior Principal Balances

RREL31; CRPL40
Date of first publication: 17 July 2019

Q5.3.27

(a) Does the term “balances ranking prior” refer to loans which are more senior than the underlying exposure in the securitisation or rather to loans which were issued prior to the loan in the securitisation?

(b) Does this include a balance on a previous mortgage if the case is a re-mortgage?

A5.3.27

(a) The term “balances ranking prior” refers to underlying exposures which, at the data cut-off date, are more senior than the underlying exposure in the securitisation.

(b) If the underlying exposure is a re-mortgage, and the previous mortgage has been terminated, then this field should not be completed with the balance of that prior mortgage. This field should be completed for all currently-outstanding underlying exposure principal balances that rank above the current

underlying exposure balance being reported in this submission of Annex 2 (or Annex 4, where applicable).

Interest Rate Floor

RREL49; CREL119; CRPL59; AUTL46; CMRL43; LESL42; ESTL44

Date of first publication: 15 November 2019

Q5.3.28 How must these fields be completed when the interest rate floor applies to the underlying reference/index rate, and not to the total interest rate?

A5.3.28 In such circumstances, the field must be reported by reference to the contractual floor plus margin applicable to the underlying exposure.

Credit impaired obligor

RREL14; CRPL12; AUTL13; CMRL13; CCDL12; LESL12; ESTL14; IVAL28.

Date of first publication: 15 November 2019

Updated: 28 May 2020

Q5.3.29 The field entitled “Credit impaired obligor” refers to an STS requirement laid down in Article 20(11) of the Securitisation Regulation. Does this imply that this field is only applicable for STS transactions, whereas for non-STS transactions ND5 can be entered?

A5.3.29 Yes. For all non-STS securitisations, these fields do not need to be reported and, instead, ND5 may be entered. This includes the field “Defaulted Or Credit-Impaired Exposures At Securitisation” (IVAL28) in Annex 11.

Balloon Amount

RREL41; CRPL51; AUTL38; ESTL37

Date of first publication: 15 November 2019

Q5.3.30 Does this include a balloon payment on Interest Only underlying exposures?

A5.3.30 Yes, this field includes any balloon payment on underlying exposures deemed to be interest-only (corresponding, inter alia, to ‘Bullet’ underlying exposures in the ‘Amortisation Type’ fields in RREL35; CRPL46; AUTL32; ESTL31—as applicable), so long as this payment is paid at maturity of the underlying exposure.

Date of Restructuring

RREL65; CREL8; CRPL75; AUTL66; CMRL51; CCDL33; LESL53

Date of first publication: 28 May 2020

Q5.3.31 With respect to the dates at which the underlying exposure has been restructured, is there a certain time frame for which this assessment is made (e.g. 3 years in line with credit impaired obligors)?

A5.3.31 There is no time after which this field does not have to be populated. If the underlying exposure has been restructured in the past then it must be completed accordingly.

Reason for Default or Foreclosure

RREL70; CREL131; CRPL80; AUTL71; CMRL56; CCDL38; LESL58; ESTL56

Date of first publication: 28 May 2020

Q5.3.32 Article 178 of the Capital Requirements Regulation (Regulation (EU) No 575/2013) provides the originator with the option to decide what is likely and unlikely in terms of meeting credit obligations. Will an originator be asked to provide its rationale for its interpretation?

A5.3.32 For the purposes of reporting information for these fields, no additional information is necessary to be provided, beyond the accurate reporting of the applicable field. Nevertheless, to the extent that any competent authority designated in accordance with Article 29 of the Securitisation Regulation decides to follow up and request further information, it cannot be excluded that the rationale for any legislative interpretations made by the originator are requested by the competent authority.

Charge Type

CRPC7; ESTC7

Date of first publication: 28 May 2020

Q5.3.33 In countries where the concept of fixed and floating charge does not exist, what should be entered in this field?

A5.3.33 The concepts of fixed charge and floating charge refer to the following:

- Fixed Charge: a security interest on a specific asset that is identifiable and is furthermore identified at the time that the security interest is created. Here the obligor would generally *not* have the right to sell/transfer/dispose the asset, without seeking prior permission of the originator / original lender.
- Floating Charge: a security interest over a group of assets that may change in quantity and/or in value, i.e. the interest is not attached to a specific asset. dynamic in nature in which the quantity and value of asset changes periodically. Here the obligor would generally have the right to sell/transfer/dispose the asset, without seeking prior permission of the originator / original lender.

If there is a collateral item in which case fields CRPC7 or ESTC7 are being populated, then every effort should be made to report the type of the charge. Only where the charge type is not falling in the two above categories ('Fixed Charge' or 'Floating Charge'), nor in the other available categories in this field, should the entry 'Other' be used to describe the charge type. Where it cannot be determined based on the deal documentation whether the charge is fixed or floating, ND5 may be used.

5.4 Annex 2: Underlying Exposures - Residential Real Estate

Prepayment lock-out end date and Prepayment fee end date

RREL60; RREL62

Date of first publication: 31 January 2019
Updated: 15 November 2019

Q5.4.1

(a) How should field RREL60 be reported in case there is no explicit lock-out period/end date? Does RREL60 include a date after which the underlying exposure could be prepaid but with a fee/charge?

(b) What is the difference between field RREL60 and field RREL62 (Prepayment lock-out end date)?

(c) If there are multiple prepayment fees in the terms and conditions of an underlying exposure and each of these fees have end dates, what should be reported? For example, if there is a prepayment fee (with an end date) on the first 10% of principal prepaid and a further fee (with an end date) on any further prepayments on the remaining principal of the underlying exposure.

A5.4.1

(a) RREL60 field allows ND5 ('not applicable') to be entered. Thus, if there is no explicit lock-out period/end date then 'ND5' should be entered. Prepayments after this date that are subject to fees/charges also imply that any 'lock-out' period has ended and, therefore, RREL60 should be completed for the date starting from which such prepayments (even if they include fees/charges) are possible.

(b) RREL62 refers to the date after which prepayments on the underlying exposure can be made without any fees charged (field RREL62 also allows 'ND5' to be entered). RREL60 refers to the date after which prepayments can be made *regardless* of whether any fees/charges are applied to those prepayments.

For example, consider an underlying exposure originated on 1 January 2010, where no prepayments are possible between 1 January 2010 and 31 December 2014, and where any prepayments between 1 January 2015 and 31 December 2017 are subject to a fee, after which there is no charge/fee for prepayments. In this example, field RREL60 would be completed with '1 January 2015' and field RREL62 would be completed with '1 January 2018'.

(c) If there are multiple prepayment fees in the terms and conditions of an underlying exposure and each of these fees have end dates, then the *last (i.e. date furthest into the future)* end date should be reported. For example, if there is a prepayment fee with an end date of 01 January 2025 on the first 10% of principal prepaid and a further fee with an end date of 01 January 2030 on any further prepayments on the remaining principal of the underlying exposure, then the prepayment fee end date should be completed as 01 January 2030.

Pari Passu Underlying Exposures *Modified*

RREL32

Date of first publication: 27 May 2019

Updated: 5 October 2020

Q5.4.2

(a) How should this field be filled in if an obligor has two underlying exposure parts ranking pari passu?

(b) Does the field “Pari Passu Underlying Exposures” include any other exposures to the obligor or only other exposures relating to the property whose mortgage is included in the pool?

If for example, there were an owner-occupied mortgage in an SPV pool and the obligor had a separate buy-to-let mortgage on a different property that was not included in the SPV pool, would it be expected to include the value of both loans in this field?

A5.4.2

(a) This field should contain the total value of underlying exposures to this obligor ranking pari passu with this underlying exposure (regardless of whether or not they are included in this pool). If there are no balances ranking pari passu, enter 0. For example, if an obligor has two loans ranking pari passu, loan A of € 60,000 and loan B € 40,000, then the correct amount for this field would be € 100,000.

(b) This field relates to any other exposure to the obligor. Consequently, the Buy-To-Let mortgage in the example should be included in this field.

How to provide the amount guaranteed for underlying exposures (collateral section)

Date of first publication: 31 January 2019

Q5.4.3 What is the amount of underlying exposure guaranteed? Does this include the future income pledged by guarantors (in the event of family relations acting as guarantors)?

A5.4.3 The amount guaranteed refers to the amount *of the underlying exposure* that has been guaranteed. This will typically refer to the principal balance of the underlying exposure, although this may also vary with respect to specific underlying exposure terms and conditions.

Purpose

RREL27

Date of first publication: 31 January 2019

Q5.4.4 How should this field be completed if several purposes listed in this field apply?

A5.4.4 In this scenario the most appropriate purpose should be selected. It is not possible to enter in multiple ('combined') values across the items in this list field.

Insurance or Investment Provider

RREL78

Date of first publication: 17 July 2019

Updated: 15 November 2019

Updated: 28 May 2020

Q5.4.5

(a) In the event of multiple providers, should all of their names be provided?

(b) This field is formatted as 'Alphanum-100', how should longer (multiple) entries be entered?

(c) Does this field refer to fire insurance as required under national law?

A5.4.5

(a) Yes, please provide all of the names between 2 braces separated by a delimiter “;” (for example: {Name1;Name2;Names3}).

(b) Where space constraints prevent this information from being entered, then an appropriate abbreviation should be provided. In addition, the full names should be provided in the Any Other Information section of Annex XIV. Each line provided in that section should include the underlying exposure identifier, as well as field code RREL78, and in addition the full names of the insurance or investment provider(s). See also Q5.15.14.

(c) Yes, any insurances in which protection is given to the collateral's value should be entered into this field, even when the direct beneficiary of the insurance contract is not the originator of the underlying exposure but rather the tenant or obligor. This includes fire insurance as required under national law.

Primary Income in case of buy-to-let **New**

RREL16; RREL17; RREC7

Date of first publication: 5 October 2020

Q5.4.6 How should the primary income fields be completed where a mortgage is a buy-to-let?

A5.4.6 RREL16 (Primary Income) should reflect the income on which the loan underwriting decision was based. Where this includes estimated future rental income from the property, it should be included in this field. Since future rental income can only be estimated, one of the response options in RREL17 (Primary Income Type) including the word 'estimated' should be entered in this case.

5.5 Annex 3: Underlying Exposures - Commercial Real Estate

Total Other Amounts Outstanding

CREL27

Date of first publication: 27 May 2019

Q5.5.1 Should all expenses incurred by the special servicer that have not yet been repaid through recoveries be reported in this field?

A5.5.1 No. The field refers only to the cumulative amount of any sums that have been advanced by the Servicer or SSPE and not yet reimbursed by the obligor such as insurance premiums, ground rent and capital expenditures.

Prepayment Terms Description – make-whole payments

CREL93

Date of first publication: 27 May 2019

Q5.5.2

(a) How should this field be completed for make-whole payments?

(b) How should make-whole payments be represented?

A5.5.2

(a) It is first recalled that the content to report for this field is: “*Shall reflect the information in offering circular. For instance, if the prepayment terms are the payment of a 1% fee in year one, 0.5% in year two and 0.25% in year three of the loan this may be shown in the offering circular as: 1%(12), 0.5%(24), 0.25%(36).*” Where there are prepayment fees of 1% associated with make-whole payments, then the format should be 1%(MW), where ‘MW’ stands for ‘Make-Whole’.

(b) This should be entered in the following format: X%(MW). For example, if there is a prepayment fee of 0.5% after year one and a make-whole prepayment fee of 1.5% then field CREL93 should be entered as ‘0.5(12), 1.5(MW)’.

Covenant Breach / Trigger

CREL149

Date of first publication: 27 May 2019

Q5.5.3 How should multiple breaches/triggers be listed?

A5.5.3 Response options ‘ICDS’ (‘Interest Coverage Ratio or Debt Service Coverage Ratio’) or ‘ICDL’ (‘Interest Coverage Ratio or Debt Service Coverage Ratio or Loan-to-Value’) are intended to capture the presence of multiple covenant breaches/triggers. Where these are insufficient to describe the breaches/triggers, then the option ‘OTHR’ (representing ‘Other’) should be entered.

Prepayment Interest Excess / Shortfall

CREL101

Date of first publication: 27 May 2019

Q5.5.4 CREL101 (Prepayment Interest Excess / Shortfall) – Does this number include prepayment fees?

A5.5.4 No, this does not include prepayment fees.

Index Determination Date

CREL116

Date of first publication: 27 May 2019

Q5.5.5 CREL116 (Index Determination Date) - How are non-business days considered? E.g. if an underlying exposure pays on the 1st but the 1st is not a business day and the 3rd is the next business day, should the 1st or 3rd be entered here?

A5.5.5 As set out in the description for this field, if the underlying exposure Agreement states specific dates for the index to be set, enter the next index determination date. If the index is determined on the 3rd, then this is the date that should be entered. If the index is determined on the 1st, then the 1st should be entered.

Non-Payments on equal ranking Underlying Exposures

CREL42

Date of first publication: 15 November 2019

Q5.5.6 How must this ‘Default of Property’ be understood in the context of this field? Do Non-Payments On Equal Ranking Underlying Exposures Constitute Default Of Property?

A5.5.6 The concept of “Default of Property” understood as a reference to the underlying exposure. In other words, this field must be completed by reference to whether non-payments on equal ranking underlying exposures constitute a default of such underlying exposures (with the term “equal ranking” given its legal meaning) — commonly referred to as ‘cross-default’ clauses.

Noteholder Consent

CREL43

Date of first publication: 15 November 2019

Q5.5.7 Further interpretations of what is meant by ‘Is Noteholder consent needed in any restructuring?’ in the Content to Report for this field.

A5.5.7 “YES” is used to signify that some form of Noteholder consent is needed in at least certain restructuring contexts. It does not mean that the consent of all Noteholders is required in all restructuring contexts.

Collection of Other Reserves

CREL54

Date of first publication: 15 November 2019

Q5.5.8 In addition to the examples provided of what constitute ‘Other Reserves’ in the Content to Report for this field, can reserves held for capital expenditure be included as well in this field?

A5.5.8 Yes, reserves collected for the purposes of capital expenditure can also be included in this field. The sum of reserves for operational expenditures and reserves held for capital expenditures shall be summed together when reporting information in this field.

Obligor Must Pay Breakage On Swap

CREL165

Date of first publication: 15 November 2019

Q5.5.9 How should this field be reported where there is no swap contracted for the underlying exposure?

A5.5.9 In cases where there is no swap, “NOPE” (No Indemnification from obligor) should be reported for this field.

Sponsor

CREL172

Date of first publication: 15 November 2019

Q5.5.10 How must this field be completed where the “sponsor” is a joint venture, or an externally managed fund. Which entity or entities should be named here?

A5.5.10 Where the sponsoring arrangement for this underlying exposure is being provided by a joint venture (i.e. multiple entities), then the lead (coordinating) entity should be entered here. In the context of a fund with an external manager and multiple investors, then the external manager must be entered here.

Payment Date

CREL102

Date of first publication: 15 November 2019

Q5.5.11 Does this field refer to the most recent contractual interest payment due date *regardless* of whether principal was also payable on that date (i.e. in the event that principal and interest are paid on separate dates)?

A5.5.11 In the event of principal and interest being paid to the SSPE on different dates, then the most recent date should be provided. For example, if, for a given underlying exposure, principal is paid on 15 May, interest is paid on 15 June, and the reporting time period for a securitisation covering these amounts would refer to 15 June for field CREL102. If the reporting data cut-off date falls in between 15 May and 15 June, then 15 May would be reported for field CREL102.

Total Shortfalls In Principal & Interest Outstanding

CREL127

Date of first publication: 15 November 2019

Q5.5.12 Does this field refer to amounts due but not yet paid?

A5.5.12 Yes, this field must be completed to reflect the amount due but not yet paid (i.e. overdue).

Liquidation Expense

CREL139

Date of first publication: 15 November 2019

Q5.5.13 Does this field refer to amounts that are known as at the data cut-off date, or also to estimated future liquidation expenses?

A5.5.13 This field refers to liquidation expenses that have been billed / have accrued, and are therefore known as at the data cut-off date. This field does not include any estimates of liquidation expenses that may arise in the future but are not yet known as at the data cut-off date.

Calculation methods for fields regarding financial statement information (e.g. revenue, operating expenses, capital expenditure, etc.)

Date of first publication: 15 November 2019

Q5.5.14

(a) Is it acceptable to complete field CREC36 (Date of Financials at Securitisation) with the date of the operating statements (rather than obligor financials as reported in the Prospectus / Offering Circular)?

(b) Revenue and certain operating expenses may be known in relation to each property forming part of the physical collateral. However, where more than one property is collateralising the underlying exposure, it may occur that certain costs/expenses will be overheads that are not allocated to individual properties. How should the Net Operating Income At Securitisation (CREC37) and Most Recent Operating Expenses (CREC41) fields be completed in such cases?

A5.5.14

(a) Yes, information provided for both fields CREC36 as well as CREC37 (Net Operating Income at Securitisation), must refer to the most recent information obtained by the originator as at the date of securitisation.

(b) In such situations, overheads and other similar expenses that are not allocated to individual properties, should be allocated proportionately to each property, according to its operational expenses.

For example, assume that a given commercial real estate underlying exposure is collateralised by two properties: property A and property B. Furthermore, assume that property A has 12 million in revenue, 8 million in operating expenses, and property B has 24 million in revenue, and 12 million in operating expenses. Lastly, assume that, in addition, there are 5 million of overhead costs not allocated to either of these individual properties. In this situation, field CREC36 is computed in the following way:

- For property A, field CREC36 = 2 (million), i.e. (12 million, less 8 million, less a further 2 million), where the further 2 million is obtained from the result of multiplying the 5 million of not allocated overhead costs by property A's allocated operating expenses, relative to the sum of property A and property B's allocated operating expenses. I.e. $2 \text{ million} = 5 * [8 * / (8 + 12)]$.

- For property B, field CREC36 = 9 (million), i.e. (24 million, less 12 million, less a further 3 million), where the further 3 million is obtained from the result of multiplying the 5 million of not allocated overhead costs by property B's allocated operating expenses, relative to the sum of property A and property B's allocated operating expenses. I.e. $3 \text{ million} = 5 * [12 * / (8 + 12)]$.

The same proportionate calculation would apply for field CREC41, i.e. not allocated overhead costs as at the most recent financial operating statement, would be assigned to properties A and B as per the calculation above.

5.6 Annex 4: Underlying Exposures - Corporate

Managed by CLO

CRPL30

Date of first publication: 31 January 2019

Q5.6.1 What is meant by ‘also being managed by the CLO manager’?

A5.6.1 This refers to a situation where the CLO manager also manages a participation in the same underlying exposure, and that participation is not securitised.

Collateral valuation fields for corporate and leveraged lending

CRPC10; CRPC11; CRPC12; CRPC13; CRPC14; CRPC15

Date of first publication: 31 January 2019

Q5.6.2 These have an asset valuation focus, whereas corporate and leveraged lending is based on the corporate credit of the borrower and not asset based. How should this information be reported?

A5.6.2 Any information on the value of the security provided to the underlying exposure (including from guarantees), as well as the method used to calculate that value and the date at which this was performed, are expected to be provided in these fields. For example, in the event that a corporate borrower has secured a full guarantee on its underlying exposure contracted to the originator (or original lender), then this should also be reflected.

Market Value

CRPL41

Date of first publication: 27 May 2019

Q5.6.3 What market value must be provided?

A5.6.3 Field CRPL41 reads: “*For Collateralised Loan Obligation securitisations, enter the market value of the security.*” The market value must be provided in all instances; ND5 may not be used as a substitute for market values not being readily available. It is expected that updated market values will be provided for underlying exposures that are admitted to trading on a market and/or are subject to legislative or supervisory requirements that require updated valuations. For underlying exposures where the market value may be challenging to calculate, such as retail mortgage-backed debt instruments, non-marketable debt instruments backed by eligible credit claims, and other instruments that are not admitted to trading on a market, then the best estimate of the market value as at the data cut-off date (which may be identical to the estimate at the previous data cut-off date or at the time that the underlying exposure was created) must be provided.

Enterprise Value

CRPL20

Date of first publication: 17 July 2019

Update: 15 November 2019

Q5.6.4 How should this value be calculated when the obligor is not a listed company? Should the accounting value of the equity be used instead of the market capitalisation?

A5.6.4 Yes, in this situation it is acceptable to substitute the accounting value of the equity instead of the market capitalisation. The calculation for this field in this situation would thus become “Enterprise value i.e. ~~market capitalisation~~ **accounting value of the equity** plus debt, minority interest and preferred shares, minus total cash and cash equivalents.”

Where the obligor is legally exempted from producing any financial statements (e.g. because the entity is a self-employed natural person with revenues falling below a specified threshold), an estimate should be entered based on tax statements and other available information. Where the originator/original lender did not collect/estimate the Enterprise Value at origination, ND1 must be entered in this field, or more generally the appropriate No-Data option (ND1-4) must be entered.

Fields relating to the financials of an obligor *CPRL16; CRPL17; CRPL19; CRPL21; CRPL22; CRPL23*

Date of first publication: 15 November 2019

Updated: 15 November 2019

Updated: 28 May 2020

Q5.6.5

(a) How should the fields relating to the financial information be completed, where a company is exempted from producing any financial statements under national law (e.g. because the entity is a self-employed natural person with revenues falling below a specified threshold)?

(b) In case where the obligor produces audited annual accounts, should these fields reflect the most recent audited annual accounts, or the most recent unaudited annual accounts or the most recent quarterly management accounts?

(c) In case where the obligor is part of a group, should these fields be completed with consolidated figures for the whole group or only for the obligor entity?

A5.6.5

(a) In this case the fields should be completed based on information contained in the annual tax statement of the entity. See also Q5.6.4. Where the tax statement does not contain sufficient information to calculate EBITDA (CRPL19) and/or Free Cashflow (CRPL21), then ND1 should be entered in these two fields.

(b) This case, these fields should reflect the most recent quarterly management accounts.

(c) In this case, these fields should be completed for the obligor entity not for the group to which the obligor belongs.

Maturity date

CRPL34

Date of first publication: 17 July 2019

Q5.6.6 How should this field be completed in case the payment terms of a receivable are specified in categories which are not exact (e.g. 30-45 days)?

A5.6.6 In case the payment terms of a receivable are specified in the range 30-45 days, then the correct value for this field is the latest day before the payment becomes overdue, i.e. 45 days.

Origination date and original principal balance in case of a revolving loan with multiple advances

CRPL33; CRPL38

Date of first publication: 17 July 2019

Q5.6.7 Should these fields be updated when the underlying exposure is a revolving loan with multiple advances?

A5.6.7 . No. An underlying exposure with further advances within revolving loan facilities or other similar arrangements that allow for flexible drawing of credit will only have one single “origination date” which is not subsequently updated or altered. The origination date is the earlier of:

- the date of the first advance provided as part of the terms and conditions governing the underlying exposure
- the date at which the underlying exposure was created

The original principal balance refers to the balance of the underlying exposure at the underlying exposure origination date (or first advance date, if these are not identical). Once populated, the original principal balance must also remain unchanged.

Obligor Basel III Segment

CRPL15; LESL13

Date of first publication: 28 May 2020

Q5.6.8 Is the following mapping of Basel asset types and the response options in these fields acceptable?

Large and mid-market general corporates; of which: corporates with revenues > EUR 500mn	Corporate (CORP)
Large and mid-market general corporates; of which: corporates with revenues <= EUR 500mn	Corporate (CORP)
Specialised lending; of which: Project finance	Corporate (CORP)
Specialised lending; of which: Income-producing real estate	Corporate (CORP)
SME treated as Corporate	Small and Medium Enterprise treated as Corporate (SMEX)
Financial institutions treated as Corporate	Other (OTHR)
Banks	Other (OTHR)
Retail residential mortgages	Retail (RETL)
Qualifying revolving retail exposures - revolvers	Retail (RETL)
Other retail - Unsecured - SME treated as retail	Retail (RETL)
Other retail - Unsecured - non SME treated as retail	Retail (RETL)
Other retail - Secured - SME treated as retail	Retail (RETL)
Other retail - Secured - non SME treated as retail	Retail (RETL)

A5.6.8 Yes

Total Debt

CRPL18

Date of first publication: 28 May 2020

Q5.6.9 Is it sufficient to report the debts that the obligor has to the original lender or the entities within the group to which the original lender belongs?

A5.6.9 No, as set out in the content to report, this field should contain the *Total gross debt of the obligor, including the financing provided in the present underlying exposure*. This includes the debt the obligor has to any creditor.

5.7 Annexes 5 and 8: Underlying Exposures – Automobile and Leasing

Original Loan-To-Value

AUTL59

Date of first publication: 31 January 2019

Q5.7.1 How should this field be completed for leases?

A5.7.1 This field should also be completed for leases, using the ratio of the discounted lease balance (inclusive of all fees and other amounts owed by the obligor) relative to the automobile value at origination (as set out in field AUTL60).

Residual Value

AUTL61; AUTL63; AUTL64; AUTL75; LESL30; LESL52; LESL70

Date of first publication: 28 May 2020

Q5.7.2

(a) How should the residual value of a leased asset be determined for these fields?

(b) How should the field ‘Securitised Residual Value’ (AUTL63 and LESL30) be completed if the residual value has not been securitised?

A5.7.2

(a) For the purposes of these fields, the ‘residual value’ of a leased asset is to be determined in accordance with the applicable accounting framework.

(b) If the residual value has not been securitised, then ND5 should be entered into this field.

Manufacturer and Model

LESL66; LESL67

Date of first publication: 28 May 2020

Q5.7.3

How should these two fields be completed for leased real estate?

A5.7.3

Where the leased asset is real-estate both fields should be completed with the code "REAL_ESTATE".

5.9 Annexes 6 and 7: Underlying Exposures - Credit Cards and Consumer

What level of the credit card receivable is the ‘underlying exposure’? The account or the product/card level?

Date of first publication: 31 January 2019

Q5.9.1 Should the Issuer prepare the loan level data on an account level, or product/card level? If it has to be on an account level, a single customer may have multiple cards. In that case, do we populate the data fields based on the card with the largest outstanding balance?

A5.9.1 Underlying exposure information should be prepared on an account level, and fields that could in principle accommodate multiple entries (i.e. multiple card balances, multiple payments due) should be aggregated. Field CCDL29 (‘current interest rate’) should be weighted according to the outstanding balances of all the (securitised) products within the same account.

Pool Addition Date

CCDL7

Date of first publication: 27 May 2019

Q5.9.2 If an account switches product whilst in the pool of underlying exposures, should the Pool Addition Date field remain unchanged?

A5.9.2 The pool addition date should not change in this situation.

5.11 Annex 9: Underlying Exposures - Esoteric

Reporting template for trade receivables

Date of first publication: 17 July 2019

Q5.11.1 Which is the appropriate template to use for reporting trade receivables for a non-ABCP securitisation? Is the appropriateness of the reporting templates for trade receivables and other types of underlying exposures expected to be evaluated at some point in the future?

A5.11.1 The “Esoteric” template provided in Annex 9 of the RTS on disclosure should be used for reporting trade receivables securitised as part of a non-ABCP securitisation.

Article 44 of the Securitisation Regulation requires the Joint Committee of the European Supervisory Authorities to publish a report by 1 January 2021 (and every three years thereafter) on, among other things, the functioning of the transparency requirements provided for in Article 7 of the Securitisation Regulation and the level of transparency of the securitisation market in the Union, including on whether the transparency requirements provided for in Article 7 allow the competent authorities to have a sufficient overview of the market to fulfil their respective mandates. The functioning of the ‘Esoteric’ template in the context of trade receivables will naturally be considered as part of that report.

5.12 Annex 10: Underlying Exposures - Non-Performing Exposures

Reporting of non-performing exposures securitisations – use of the EBA templates

Date of first publication: 27 May 2019

Q5.12.1 When do the EBA templates have to be used and when do the templates in ESMA's securitisation disclosure technical standards have to be used?

A5.12.1 Where a securitisation meets the definition of a 'non-performing securitisation' set out in Article 1(5) of the (ESMA) Draft RTS on Disclosure, then the templates set out in the ESMA's draft ITS on Disclosure should be used for reporting information on the non-performing underlying exposures contained in that securitisation. The EBA templates for Non-Performing Loans are not specifically concerned with securitisations. While, stakeholders are free to also complete the EBA templates if they wish to, the only regulatory requirement with respect to the Securitisation Regulation and disclosure of information for non-performing exposure securitisations is that the applicable templates in ESMA's securitisation disclosure technical standards be completed.

Non-Performing Exposures

Date of first publication: 28 May 2020

Q5.12.2 Where can I find a link to the consolidated version of Commission Implementing Regulation (EU) 680/2014 which is referenced in Article 2(3)(a) of the RTS on Disclosure?

A5.12.2

<https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:02014R0680-20181201&from=EN>

5.13 Annex 11: Underlying Exposures - ABCP

Residual maturity

IVAL17; IVAL18.

Date of first publication: 31 January 2019

Updated: 28 May 2020

Q5.13.1

(a) What is meant by residual maturity? Does this refer to Weighted Average Life?

(b) If an exposure of EUR100 has two equal payments due, one after 1 year and one after 2 years, is this treated, for the purposes of IVAL18, as €100 with residual maturity of 2 years, or as €50 with residual maturity 1 year and €50 with residual maturity 2 years?

(c) What would be appropriate to enter into the fields 'Maximum Residual Maturity' (IVAL17) and 'Average Residual Maturity' (IVAL18), if none of the exposures of a single type has a defined residual maturity (e.g. credit card receivables)? If some exposures of a particular type have a defined residual maturity, and others do not, should the answer here be ND5, or the longest residual maturity of those exposures which do have a residual maturity.

(d) Where some of the residual maturities are known, and others are not, should the reporting entity report the longest known residual maturity, or report ND1-4 (whichever is most applicable) on the grounds that it does not have all the data necessary to determine the longest maturity with certainty.

A5.13.1

(a) Residual maturity refers to the difference, in months, between the data cut-off date of the data submission and the maturity date of the loans. In the case of field IVAL17, this is the longest residual maturity, in months, of any underlying exposure in the ABCP transaction of the same type. Field IVAL18 is the average residual maturity across all underlying exposures of the same type in the ABCP transaction.

For example, if an ABCP transaction contains 1000 trade receivable underlying exposures and 100 auto loans underlying exposures, then Annex 11 must be completed twice (as set out in Article 4(2)(d) of the draft RTS on disclosure). In the completed template of Annex 11 that refers to the 1000 trade receivables,

- field IVAL17 should be equal to the residual maturity of the trade receivable with the longest residual maturity (among the 1000 trade receivables); and

- field IVAL18 refers to the average residual maturity across the 1000 trade receivables.

Similarly, in the second completed template of Annex 11 that refers to the 100 auto loans underlying exposures,

- field IVAL17 refers to the residual maturity of the auto loan with the longest residual maturity (among the 100 auto loans); and

- field IVAL18 refers to the average residual maturity across the 100 auto loans.

(b) In this case, for the purposes of computing IVAL18, this would be an underlying exposure of €100 with a residual maturity of 2 years.

(c) Where at least one underlying exposure of a single type has no defined residual maturity, then IVAL17 should be entered as ND5 for that underlying exposure type. IVAL18 should be computed for each underlying exposure type excluding even if a number of underlying exposures of that type do not have a defined residual maturity. However, where the underlying exposures of a single type with no defined residual maturity are equivalent to more than half of the current outstanding principal balance of that underlying exposure type, ND5 should be entered into IVAL18 for that underlying exposure type.

(d) in this case, the relevant No Data option (1-4) should be entered into the fields IVAL17 and IVAL18 as appropriate.

Use of 'No Data' options in Annex 11

Date of first publication: 27 May 2019

Q5.13.2 Sponsors act as underwriters of each ABCP transaction within their ABCP Conduit. On this basis, if a sponsor is reporting on the underlying exposure template in Annex 11 and has not collected certain data fields as part of its underwriting process, is ND1 an acceptable entry for these fields? Can ND2 be entered in cases where the sponsor collected the information initially but did not load it in into their own reporting system?

A5.13.2 It is first recalled that recital (13) of the draft disclosure regulatory technical standards includes the following text: *“The set of ‘No data’ options from ND1 to ND4 is meant to signal legitimate cases of information not being available and under no circumstance should constitute an exemption from reporting requirements. Furthermore, use of these options in reporting underlying exposures information in a given securitisation is expected to be limited and, where present, to converge quickly towards reporting of the relevant information.”*

Furthermore, Article 7 of the Securitisation Regulation stipulates that one entity among the originator, sponsor, and SSPE shall be responsible for fulfilling the disclosure requirements. The fact that a sponsor may not have information available does not necessarily imply that the ‘No Data’ options can be used, if such information can easily be provided to the sponsor from other entities active in the securitisations, such as the originator(s) and/or SSPE. See also Q5.1.11.

Underlying Exposure Type

IVAL5

Date of first publication: 17 July 2019

Q5.13.3 Among the response options to this field is “Collateralised Loan Obligation (CLOB)”. Does this option indicate that the securitisation is a CLO or that the underlying exposure is a CLO?

A5.13.3 This response option means that an underlying exposure is a CLO. This response option is included for completeness, in light of possible underlying exposure types found in ABCP transactions.

Current Principal Balance

IVAL11

Date of first publication: 17 July 2019

Updated: 28 May 2020

Q5.13.4 In a co-funding structure among ABCP conduits (co-purchasing), where several entities are co-funding a transaction, should the reporting of Annex 11 contain the amount of receivables transferred to the SSPE or only the amount of underlying exposures financed by each individual conduit?

A5.13.4

See Q5.1.8.

Underlying Exposure Identifiers

IVAL3 and IVAL4

Date of first publication: 28 May 2020

Q5.13.5 Are there any requirements to the generation of the underlying exposure identifiers in IVAL3 and IVAL4?

A5.13.5 While, the RTS on disclosure does not set requirements to the development of the identifier of an Underlying Exposure within an ABCP transaction, ESMA recommends the following formula: Unique Identifier - ABCP Transaction (IVAL2; IVAN2; IVAR1) + Underlying exposure type (IVAL5). For information about the unique identifier of an ABCP Transaction see Q5.1.8.

Geographic Region fields for ABCP securitisation

IVAL7; IVAL8; IVAL9

Date of first publication: 28 May 2020

Q5.13.6 According to the “content to report” of the Geographic region fields in Annex 11 “*Where no NUTS3 classification has been produced by Eurostat (e.g. a non-EU jurisdiction), enter the two-digit country code in {COUNTRYCODE_2} format followed by 'ZZZ'.*” This leads to the question of what to fill into these fields, when the largest single concentration is located in a third-country without nuts codes e.g. the United States (for which the applicable code would be USZZZ), whereas the sum of exposures in all the nuts regions of a country for which there are NUTS codes (e.g. France) is much higher.

Imagine for example, 10% of one type of underlying exposures in an ABCP Transaction are located in the US, whereas the remaining 90% are located in France. However, no more than 9% of the underlying exposures of that type are concentrated in a single French NUTS region. Should field IVAL7 (Geographic Region - Largest Exposure Concentration 1) indicate USZZZ for US.

A5.13.6 Yes, in the described example ‘USZZZ’ should be entered into field IVAL7. Third-country jurisdictions for which no NUTS classification has been developed should be treated in the same way as a NUTS region for the purposes of these fields. The remaining two next-largest (French) regions should be entered into IVAL8 and IVAL9.

Number of underlying exposures of this exposure type being securitised

IVAL12

Date of first publication: 28 May 2020

Q5.13.7 For the purposes of this field, how does one count underlying exposures? Should all advances/exposures to an individual or entity be consolidated and treated as a single "exposure"? What if there are multiple categories of exposures to the same individual or entity (e.g. both a residential loan and a consumer loan)? In the case of trade receivables, should each invoice be treated as a single exposure, regardless of whether multiple invoices have the same debtor(s)?

A5.13.7 Securitised loan parts should be treated as individual underlying exposures for the purposes of this field. For the specific case of credit card underlying exposures, see Q5.9.1. In the case of trade receivables each invoice should be considered as its own underlying exposure.

Current Loan-To-Value

IVAL19

Date of first publication: 28 May 2020

Q5.13.8 How should this field be completed where none of the underlying exposures of the same type are secured by collateral, or where only some but not all of the underlying exposures of the same type are secured by collateral?

A5.13.8 Where none of the underlying exposures of the same type are secured by collateral, ND5 should be entered into this field. Where at least one underlying exposure of the same type is secured by collateral, the current loan-to-value should be calculated by dividing the Current Principal Balance (i.e. the value entered into IVAL11) by the sum of the value of the collateral.

For example, imagine a pool consisting of 2 loans of the same type (Loan A and Loan B), each with a current principal balance of € 100,000. Loan A is secured by a collateral item with an appraised value of € 100,000. Loan B is unsecured. In that case the current loan-to-value should be calculated as follows:

$$(\text{Loan A } \text{€ } 100,000 + \text{Loan B } \text{€ } 100,000) / (\text{Collateral Loan A } \text{€ } 100,000 + \text{Collateral Loan B } \text{€ } 0)$$

$$= \text{current principal balance } \text{€ } 200,000 / \text{combined value of collateral in pool } \text{€ } 100,000$$

$$= \text{LTV: } 200\%$$

Debt To Income Ratio

IVAL20

Date of first publication: 28 May 2020

Q5.13.9 Is this field applicable to non-mortgage asset types including for example corporate exposures?

A5.13.9 For asset types where this field is not required in the corresponding non-ABCP underlying exposures template (e.g. for corporate underlying exposures), ND5 may be entered.

Scheduled Principal and Interest Payment Frequency Above One Month

IVAL22; IVAL23

Date of first publication: 28 May 2020

Q5.13.10

(a) Should an underlying exposure with a “single instalment” (i.e. bullet) and hence without a regular payment frequency be counted towards this field? What if that single instalment is scheduled for payment within less than a month?

(b) What should be reported if some, but not all the underlying exposures within a single asset type is single instalment?

(c) What should be reported if an underlying exposure does not have fixed periods between instalments, for example there is a schedule of instalment dates and the period between them is different, or if an exposure has an initial payment holiday of three months, reverting to monthly payment, how should this field be completed?

A5.13.10

(a) For the purposes of this field, bullet and zero-coupon underlying exposures should be treated as underlying exposures with a frequency of principal payments “greater than one month”, except when the maturity of such underlying exposures is less than a month.

(b) As set out in the “Content to Report”, this field should contain “*The total outstanding principal balance of exposures of this type where the frequency of principal payments due, i.e. period between payments, is greater than one month (e.g. quarterly, semi-annual, annual, bullet, zero-coupon, other).*” Any underlying exposure which does not meet this condition should be ignored for the purposes of this field. See also Q5.3.16.

(c) An underlying exposure should be counted towards this field where the period between the most recent scheduled payment (interest for IVAL23 or principal for IVAL22) prior to the data cut-off date and the subsequent scheduled payment (interest for IVAL23 or principal for IVAL22) is more than one month. Where this period is less than one month for an underlying exposure, that underlying exposure must not be included in the total referred to in these two fields.

See, for example, below the payment schedule of two underlying exposures of the same type (UE1 and UE2):

		UE1	UE2
Current Principal Balance		€ 500	€ 1000
Payment schedule (interest + principal)	First payment	15 February	15 February
	Second payment	5 March	25 March
	Third payment	1 May	5 April

- **Data cut-off date of the first report is 1 March:** The period between the first and the second payment of UE1 is less than one month whereas for UE2 it is more than one month. Consequently, only UE2 is included in the total referred to in these two fields. In other words, € 1000 should be entered in fields IVAL22 and IVAL23 in the first report.
- **Data cut-off date of the second report is 1 April:** The period between the second and the third payment of UE1 is more than one month whereas for UE2 it is less than one month.

Consequently, only UE1 is included in the total referred to in these two fields. In other words, € 500 should be entered in fields IVAL22 and IVAL23 in the second report.

Restructured Exposures

IVAL39; IVAL40; IVAL41; IVAL42; IVAL43; IVAL44; IVAL45; IVAL46; IVAL47; IVAL48; IVAL49; IVAS8

Date of first publication: 28 May 2020

Q5.13.11

(a) Should these fields be completed for securitisations which are not seeking an STS designation?

(b) The "content to report" to IVAL39, IVAL43, IVAL44, IVAL45, IVAL47, IVAL48, and IVAL49 makes no reference to the time of selection or transfer, but the data is being requested pursuant to Article 24(9), and a restructuring is only in scope of Article 24(9) if it occurred before selection and/or transfer. Should these fields include only exposures restructured before selection/transfer, or also items restructured after transfer?

(c) A restructuring may encompass two or all of the following: interest rate, repayment schedule and final maturity. In the case of overlap (i.e. where more than one element is restructured), should the same exposures be included in the total for more than one of the fields IVAL43; IVAL44; IVAL45, or allocated to only one bucket?

(d) Should a change in maturity date for a bullet loan be treated only as a change in maturity or also as a change in repayment schedule?

A5.13.11

(a) No. For all non-STs securitisations, these fields do not need to be reported and, instead, ND5 may be entered.

(b) These fields refer, exclusively, to underlying exposures which were restructured before selection/transfer. Underlying exposures which were restructured subsequently should not be included.

(c) These fields should include the balance with the total for every applicable category (i.e. the same underlying exposure can be included in two fields or in all three fields).

(d) A change in maturity for a bullet loan is also a change in its repayment schedule.

Restructured Exposures (>3 years before transfer)

IVAL42

Date of first publication: 28 May 2020

Q5.13.12 There is some ambiguity between the field name of IVAL42 ("Restructured Exposures (>3 years before transfer)" which implies restructuring > 3 years before transfer, and the "content to report" of this field, which refers to the time "starting 3 years before the date of transfer", i.e. any time < 3 years before transfer. Which is intended?

A5.13.12 This field refers to exposures that have been restructured by the originator/sponsor earlier than 3 years before transfer. So, for example, an underlying exposure which was restructured 4 years before transfer should be included in this field whereas an underlying exposure which was restructured 2 years before transfer should not.

Restructured Exposures (New Arrears)

IVAL48

Date of first publication: 28 May 2020

Q5.13.13 Does this field refer only to new arrears after date of transfer to the SSPE and only for underlying exposures which were restructured 1-3 years before transfer?

A5.13.13 No. This field refers to exposures that have been restructured by the originator/sponsor at any time AND have at any time been in arrears (either regarding principal or interest payments) since the date of restructuring.

5.14 Annexes 12 and 13: Investor Reports

What type of tests/triggers need to be reported?

Date of first publication: 31 January 2019

Updated: 27 May 2019

Updated: 17 July 2019

Updated: 15 November 2019

Updated: 28 May 2020

Q5.14.1

(a) Which events fall within the scope of tests, events, and triggers that should be reported, compared to the ones mentioned in prospectuses and/or transaction documentation? How should this be understood for ABCP securitisations?

(b) Should programme-level triggers be given the same unique identifier in IVAR2 and IVAR3 when completed for each ABCP transactions within that programme?

A5.14.1

(a) As set out in Article 4(2)(c) of the draft RTS on disclosure, information on tests/events/triggers shall be made available “for each test/event/trigger set out in the securitisation transaction documentation that triggers changes in the priority of payments or the replacement of any counterparties”.

For ABCP securitisations, tests/events/triggers that are in either the ABCP programme or the ABCP transaction must be reported, so long as the consequence of the specific test/event/trigger meets the condition of Article 4(2)(c) of the draft RTS on disclosure (i.e. as per the above paragraph). In practice, this implies that all transaction-level tests/events/triggers meeting these conditions must be reported. In addition, programme-level tests/events/triggers meeting these conditions must be reported *at the transaction level* (i.e. field IVAR1 must reflect the transaction identifier as per field IVAN2). This implies that programme-level tests/events/triggers will be repeated for multiple transactions.

This includes any counterparty replacement triggers that can lead to the termination of a counterparty, i.e. both credit ratings-related triggers as well as any other triggers with the same consequence of replacement.

This also includes any trigger whose breach leads to each class of tranche/bond/note becoming, immediately due and payable (at its outstanding principal amount with/without accrued interest). Common examples of such triggers are:

- a default of the issuer/SSPE
- the issuer/SSPE files a petition for a suspension of payments or for bankruptcy or is declared bankrupt or becomes subject to any other regulation having a similar effect
- any order made by a competent court or other authority or a resolution passed for the dissolution or winding-up of the issuer/SSPE or for the appointment of a liquidator or receiver of the issuer/SSPE in respect of all or substantially all of its assets
- a failure by the issuer, SSPE, or another entity involved in the securitisation to perform any of its obligations under the transaction documentation

This *does not include* triggers regarding *underlying exposure-related* counterparties, for example any replacement triggers relating to counterparties providing swaps directly on one or multiple underlying exposures.

(b) Yes. Since *programme-level* tests/events/triggers must be reported several times, once for each transaction within the programme, they should carry the same unique identifier in IVAR2 and IVAR3 each time it is reported.

While the RTS on disclosure does not set requirements to the development of the identifier of a test/event/trigger, ESMA recommends the following formula:

- **For a programme-level test/event/trigger:** Unique Identifier - ABCP Programme (IVAL1/IVAS1/IVAN1/SEAS1/SEAR1/SEAT1) + the number 001 or, where there is more than one programme-level test/event/trigger, a three-digit sequential number.
- **For a transaction-level test/event/trigger:** Unique Identifier - ABCP Transaction (IVAR1) + the number 001 or, where there is more than one transaction-level test/event/trigger, a three-digit sequential number.

For information about the unique identifier of an ABCP Transaction and an ABCP Programme see Q5.1.8.

Consequences for Breach

IVSR10 and IVAR6

Date of first publication: 27 May 2019

Updated: 17 July 2019

Updated: 15 November 2019

Q5.14.2 If the consequences for this test/event/trigger being breached are different than a change in the priority of payments and/or a replacement of a counterparty, how should this field be completed?

A5.14.2 Where a reporting entity wishes to signal that there are other consequences for the tests/event/trigger being breached than a change in the priority of payments and/or a replacement of a counterparty, then the reporting entity may select 'OTHR' (representing 'Other').

Consequently, the presence of the option 'OTHR' (representing 'Other') in fields IVSR10 and IVAR6 ('Consequence for Breach') in Annexes 12 and 13, respectively, is meant to provide reporting entities with the possibility to report tests/events/triggers that have consequences different to "*changes in the priority of payments or the replacement of any counterparties*", for example if they wish to provide a complete picture of the tests/triggers governing the securitisation. However, reporting entities do not have the obligation to report tests/events/triggers that have consequences different to "*changes in the priority of payments or the replacement of any counterparties*". See also Q5.14.1.

Obligation to complete the investor report template

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Updated: 27 May 2019

Updated: 17 July 2019

Q5.14.3 Originators, sponsors, or SSPEs may already have investor reports in place for ABCP investors that contain similar information than Annexes 13 and 11 but with a different presentation format. The same situation may exist for non-ABCP securitisations, with respect to investor reports in Annex 12. Will these firms have to duplicate the existing reports by adding another report containing the same information but using the ESMA template or can they continue using their template if it contains the information required by ESMA?

A5.14.3 As per Article 7 of the Securitisation Regulation, the disclosure templates developed by ESMA form the basis for the investor report (and underlying exposures) reporting obligations of the reporting entity. There is no prohibition on originators, sponsors, or SSPEs also providing the same or similar information via a second investor report format. However, for the purposes of satisfying the requirements of the Securitisation Regulation (in this context Article 7(1)(e)), Annex 12 is required to be completed for non-ABCP securitisations and Annex 13 is required to be completed for ABCP securitisations and in the manner set out in the draft RTS and ITS on disclosure.

Questions relating to principal and interest recoveries.

IVSS14; IVSS15.

Date of first publication: 31 January 2019

Updated: 27 May 2019

Q5.14.4

- (a) Where should other recoveries (like for applicable penalties etc.) be reported?**
- (b) Are these fields meant to capture recoveries on all the underlying exposures (arrears and defaulted) or only for those underlying exposures in arrears?**
- (c) This information is not separated as such in our system, rather all recoveries are recorded together. Can recoveries be recorded in one of those fields only (e.g. principal) and leave the other 0?**
- (d) Recoveries may not apply to all type of exposures in the securitisation. Is it acceptable to enter 'ND5' ('Not Applicable') in these fields in such cases?**

A5.14.4

- (a) Such information could be reported in the cash-flow information section, with a specific line item to capture this information.
- (b) These fields are capturing information for all underlying exposures that are undergoing a recovery/work-out process (whether defaulted, in arrears, or in any other situation that means that there is a recovery/work-out process that is ongoing).
- (c) In the beginning of the introduction of these reporting requirements this is acceptable, however it is expected that this reporting issue will be fixed over time. During the interim period until the situation is

solved, the principal recoveries field (IVSS14) should indeed be populated and the interest recoveries field (IVSS15) be populated with 'ND5'.

(d) It is not acceptable to enter 'ND5' ('Not Applicable') in cases where recoveries may in principle be possible for some, but not all, underlying exposures in the securitisation. In such situations, the value 0 should be entered where no recoveries have taken place, otherwise the value of the recoveries should be provided. 'ND5' ('Not Applicable') should only be entered when no recoveries are in principle possible (given the type of underlying exposures, repayment profile, etc.) for *all* underlying exposures in the securitisation.

Gross Charge-Offs in the Period

IVSS24

Date of first publication: 31 January 2019

Updated: 27 May 2019

Updated: 15 November 2019

Q5.14.5

(a) Are 'charge offs' the same as 'write-offs'?

(b) Does this field refer only to credit cards exposures or is it referring to default information regardless of the underlying exposure?

(c) Could charge-offs correspond to provisions for badly damaged vehicles, provisions for stolen vehicles, or depreciation accruals?

(d) How should this field be completed if there are no Charge-Offs?

A5.14.5

(a) This is confirmed.

(b) This field refers to default information regardless of underlying exposure type.

(c) Charge-offs generally correspond to situations where there are no further past-due amounts on the underlying exposure.

(d) In such a situation, the value '0' should be entered.

Clarifications for field Securitisation Excess Spread and Excess Spread Trapping Mechanism

IVSS19 and IVSS20

Date of first publication: 31 January 2019

Updated: 27 May 2019

Q5.14.6

(a) 'ND5' is not permitted to be entered in field IVSS19. Therefore, how should this field be reported if there is no excess spread?

(b) The definition states 'The amount of funds left over after application of all currently-applicable stages of the waterfall'. How should field IVSS19 be reported if any left-over funds are paid out

as the last line-item in the waterfall to the originator? How should field IVSS20 be reported in this scenario?

A5.14.6

(a) If there are no funds left over after application of all currently-applicable stages of the waterfall, commonly referred to as 'excess spread', then this field should be entered with '0'.

(b) Funds paid out to the originator as part of the final stage of the waterfall should also be considered as excess spread and field IVSS19 should be completed with this amount. In this scenario, the funds are not being held for use in the securitisation (e.g. via a reserve account) and, therefore, IVSS20 should be completed as 'No'.

Clarifications for field Defaulted Exposures

IVSS28

Date of first publication: 27 May 2019

Q5.14.7 Is this field requesting only the sum of the principal amount without interest? The field description in the column 'content to report' specifies principal only.

A5.14.7 Yes, this is correct.

Cashflow information section

Date of first publication: 27 May 2019

Updated: 15 November 2019

Q5.14.8

(a) How should the cashflow information section be completed—is this for every item in the main funding waterfall or only those included by the issuer in the Investor Report? What waterfall is referred to, in the event that there are multiple waterfalls?

(b) Can you provide clarifications for handling situations where there are several waterfalls taking place in the securitisation including master trust securitisations? What if there are several Securitisation Special Purpose Entities in the securitisation that are disbursing funds?

A5.14.8

(a) As set out in Article 4(1) of the draft RTS on disclosure, the item corresponding to each category of receipt or disbursement of funds in the securitisation, according to the applicable priority of payments as at the data cut-off date, must be reported. This is regardless of whether the item is reported or not in the issuer's own (i.e. different from Annex 12) Investor Report.

Some further clarifications include:

- Every item of both source and application of funds must be included in this section even if the amount of the items is equal to zero.

- These items must be listed in the same order as specified in the transaction documentation.

- Every Cash flow item (IVSF4), Amount Paid During Period (IVSF5) and Available Funds Post (IVSF6) must be reported in different cells. Therefore, all the cash flow items (IVSF4), the amounts paid during period (IVSF5) and all the available funds post (IVSF6) do not have to be populated in one cell but

instead one cell must be used for the individual item, one cell for the corresponding payment during, and lastly one cell for the corresponding available funds post. With regards to the 'content of report' in the cash-flow information section there is an example mentioning line A and line B in fields IVSF5 and IVSF6. Thus, each line (A and B in the above example) is expected to have a separate unique identifier and it is not allowed to list multiple amounts / entries in one field.

- The Cash inflow item must be populated with positive values and the funds paid out in negative values in the field Amount Paid During Period (IVSF5).

- The field Unique Identifier (IVSF1) must be repeated as many times as items you are reporting in this section.

Please find below an example:

IVSF1	IVSF2	IVSF4	IVSF5	IVSF6
Unique Identifier	Original Cashflow Item Identifier	Cashflow Item	Amount Paid During Period	Available Funds Post
Equal to IVSS1	Unique cashflow item identifier	Revenue receipts on the loans	10,602,879.00	10,602,879.00
Equal to IVSS1	Unique cashflow item identifier	Interest payable on the the mortgages trustee GIC account	166,190.00	10,769,069.00
Equal to IVSS1	Unique cashflow item identifier	Contributions by the seller to the mortgages trustee to fund any non-cash re-draw	0.00	10,769,069.00
Equal to IVSS1	Unique cashflow item identifier	Offset benefit contribution amount	384,379.00	11,153,448.00
Equal to IVSS1	Unique cashflow item identifier	Amounts due to third parties	0.00	11,153,448.00
Equal to IVSS1	Unique cashflow item identifier	Amounts distributed on ea95revioususe distribution date	0.00	11,153,448.00
Equal to IVSS1	Unique cashflow item identifier	Third parties due amount	0.00	11,153,448.00
Equal to IVSS1	Unique cashflow item identifier	Servicer and cash manager due amount	-316,729.00	10,836,719.00
Equal to IVSS1	Unique cashflow item identifier	Allocation and payment of available revenue receipts to the seller and funding	-10,836,719.00	0.00
Equal to IVSS1	Unique cashflow item identifier	Allocation and payment to the seller of the remainder.	0.00	0.00
Equal to IVSS1	Unique cashflow item identifier	All principal receipts received	92,526,213.00	92,526,213.00
Equal to IVSS1	Unique cashflow item identifier	Payment to the Seller of initial purchase price or special distribution	-52,051,781.00	40,474,432.00
Equal to IVSS1	Unique cashflow item identifier	Payment to Funding of special distribution	0.00	40,474,432.00
Equal to IVSS1	Unique cashflow item identifier	Payment to Funding of the lesser of any repayment requirement and its share of the mortgages trustee available principal receipts.	-40,474,432.00	0.00
Equal to IVSS1	Unique cashflow item identifier	To the extent not paid in the previous point, payment to Funding of an amount up to the amount required	0.00	0.00
Equal to IVSS1	Unique cashflow item identifier	Remainder Seller amount	0.00	0.00
Equal to IVSS1	Unique cashflow item identifier	Revenue receipts	8,915,522.00	8,915,522.00
Equal to IVSS1	Unique cashflow item identifier	Interest received on the Funding bank accounts	0.00	8,915,522.00
Equal to IVSS1	Unique cashflow item identifier	Amounts received from basis rate swap agreement	8,624,331.00	17,539,853.00
Equal to IVSS1	Unique cashflow item identifier	Funding principal ledger or Funding cash accumulation ledger	0.00	17,539,853.00
Equal to IVSS1	Unique cashflow item identifier	Reserve fund	54,812,076.00	72,351,929.00
Equal to IVSS1	Unique cashflow item identifier	Liquidity reserve fund	50,957,496.00	123,309,425.00
Equal to IVSS1	Unique cashflow item identifier	Security trustee	0.00	123,309,425.00
Equal to IVSS1	Unique cashflow item identifier	Issu'r 's obligations	-32,397.00	123,277,028.00
Equal to IVSS1	Unique cashflow item identifier	Third party creditors	-450.00	123,276,578.00
Equal to IVSS1	Unique cashflow item identifier	Cash manager	-8,333.00	123,268,245.00

Equal to IVSS1	Unique cashflow item identifier	Account banks and servicer provider	0.00	123,268,245.00
Equal to IVSS1	Unique cashflow item identifier	Basis rate swap provider	-8,608,457.00	114,659,788.00
Equal to IVSS1	Unique cashflow item identifier	Interest AAA loan tranches	-3,879,367.00	110,780,421.00
Equal to IVSS1	Unique cashflow item identifier	Credit to the AAA principal deficiency sub-ledger	0.00	110,780,421.00
Equal to IVSS1	Unique cashflow item identifier	Interest AA loan tranches	0.00	110,780,421.00
Equal to IVSS1	Unique cashflow item identifier	Funding liquidity reserve required	-50,957,496.00	59,822,925.00
Equal to IVSS1	Unique cashflow item identifier	Credit to the AA principal deficiency sub-ledger	0.00	59,822,925.00
Equal to IVSS1	Unique cashflow item identifier	Interest A loan tranches	0.00	59,822,925.00
Equal to IVSS1	Unique cashflow item identifier	Credit to the A principal deficiency sub-ledger	0.00	59,822,925.00
Equal to IVSS1	Unique cashflow item identifier	Interest BBB loan tranches	0.00	59,822,925.00
Equal to IVSS1	Unique cashflow item identifier	Credit to the BBB principal deficiency sub-ledger	0.00	59,822,925.00
Equal to IVSS1	Unique cashflow item identifier	Interest BB loan tranches	0.00	59,822,925.00
Equal to IVSS1	Unique cashflow item identifier	Credit to the BB principal deficiency sub-ledger	0.00	59,822,925.00
Equal to IVSS1	Unique cashflow item identifier	Funding reserve required amount	-54,812,075.00	5,010,850.00
Equal to IVSS1	Unique cashflow item identifier	Credit to the Z principal deficiency sub-ledger	0.00	5,010,850.00
Equal to IVSS1	Unique cashflow item identifier	Profit retain of Issuer	-2,000.00	5,008,850.00
Equal to IVSS1	Unique cashflow item identifier	Interest Z loan tranches	-1,046,778.00	3,962,072.00
Equal to IVSS1	Unique cashflow item identifier	Start-up loan amount due to issuer	-11,922.00	3,950,150.00
Equal to IVSS1	Unique cashflow item identifier	Interest amount due to subordinated loan	-1,496.00	3,948,654.00
Equal to IVSS1	Unique cashflow item identifier	Swap termination payment	0.00	3,948,654.00
Equal to IVSS1	Unique cashflow item identifier	Issuer swap excluded termination amount; and the Funding basis rate swap provider	0.00	3,948,654.00
Equal to IVSS1	Unique cashflow item identifier	Principal subordinated loan	-1,108,592.00	2,840,062.00
Equal to IVSS1	Unique cashflow item identifier	Mortgage Trustee Deferred contribution	-2,840,062.00	0.00
Equal to IVSS1	Unique cashflow item identifier	Interest, fees and other received from Funding	4,976,316.00	4,976,316.00
Equal to IVSS1	Unique cashflow item identifier	Interest received on the Funding bank accounts	0.00	4,976,316.00
Equal to IVSS1	Unique cashflow item identifier	Reserve fund	0.00	4,976,316.00
Equal to IVSS1	Unique cashflow item identifier	Other net income	0.00	4,976,316.00
Equal to IVSS1	Unique cashflow item identifier	Issuer Note and Security Trustee	-100.00	4,976,216.00
Equal to IVSS1	Unique cashflow item identifier	Agent and paying bank fees	-417.00	4,975,799.00
Equal to IVSS1	Unique cashflow item identifier	Third party creditors	-27,950.00	4,947,849.00
Equal to IVSS1	Unique cashflow item identifier	Cash management and corporate Service fees	-8,783.00	4,939,066.00
Equal to IVSS1	Unique cashflow item identifier	Amounts due to the A notes and A note swap provider	-3,879,366.00	1,059,700.00
Equal to IVSS1	Unique cashflow item identifier	Amounts due to the B notes and B note swap provider	0.00	1,059,700.00
Equal to IVSS1	Unique cashflow item identifier	Amounts due to the C notes and C note swap provider	0.00	1,059,700.00
Equal to IVSS1	Unique cashflow item identifier	Amounts due to the D notes and D note swap provider	0.00	1,059,700.00
Equal to IVSS1	Unique cashflow item identifier	Amounts due to the E notes and E note swap provider	0.00	1,059,700.00
Equal to IVSS1	Unique cashflow item identifier	Issuer Reserve Fund	0.00	1,059,700.00
Equal to IVSS1	Unique cashflow item identifier	Issuer profit amount	-1,000.00	1,058,700.00
Equal to IVSS1	Unique cashflow item identifier	Amounts due to the Z notes and Z note swap provider	-1,046,778.00	11,922.00
Equal to IVSS1	Unique cashflow item identifier	Interest and principal start-up loan due	-11,922.00	0.00
Equal to IVSS1	Unique cashflow item identifier	Issuer bank account charges	0.00	0.00
Equal to IVSS1	Unique cashflow item identifier	Issuer swap excluded termination amount	0.00	0.00
Equal to IVSS1	Unique cashflow item identifier	Principal Start-up loan	0.00	0.00

Equal to IVSS1	Unique cashflow item identifier	Funding intercompany loan surplus amount	0.00	0.00
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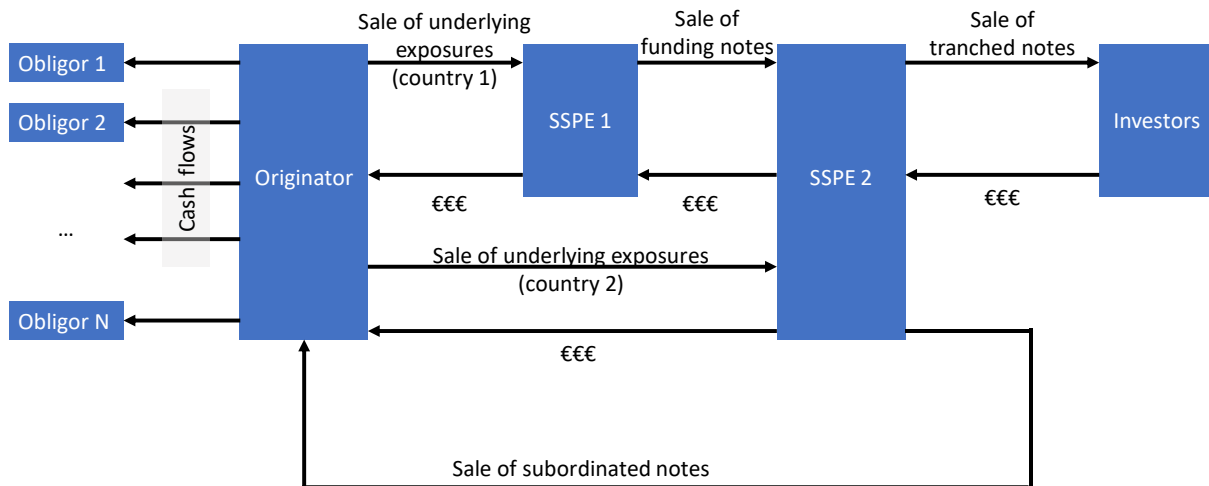
(b) Securitisations (such as certain Master Trust structures) may contain several waterfalls. In such circumstances, each waterfall must be reported one after the other, without any separations between each waterfall.

In cases when one of the waterfalls, e.g. the Mortgage Trustee waterfall, runs monthly while another waterfall (e.g. Funding and/or Issuer waterfalls) runs on a quarterly basis, then the reporting should be aligned with the frequency of the information being reported.

In other words, if the securitisation is submitting data on underlying exposures, investor reports, and significant events / inside information on a monthly basis, then the reporting of the cashflow information section should be set at a monthly basis as well. This implies that, for two out of every three months in the quarter, the monthly waterfall is completed and zero amounts are provided for the quarterly-frequency waterfalls (but the cashflow items for those two waterfalls, i.e. field IVSF4, is still completed).

If the securitisation is submitting data on underlying exposures, investor reports, and significant events / inside information on a quarterly basis, then the reporting of the cashflow information section should be set at a quarterly basis as well. This implies that, for the monthly waterfall (e.g. the Mortgage Trustee waterfall in the above example), the amount generated for that waterfall should be aggregated for three months, while the information on the quarterly waterfalls (e.g. the Funding and/or Issuer waterfalls in the above example) is reported for that quarter.

If there are several Securitisation Special Purpose Entities, *all allocations that take place must be reported*. The purpose is to allow any entity to observe the flows of funds from all sources throughout the securitisation. Therefore, taking as an example a securitisation operating according to the diagramme below, the cashflow information section must be completed for cash flows that are associated with SSPE 1 and/or SSPE 2.



Annualised Constant Prepayment and Default Rates

IVSS22; IVSS27.

Date of first publication: 27 May 2019

Updated: 15 November 2019

- (a) How should these fields be reported where there is only one loan in the securitisation?
- (b) How should field IVSS22 be completed if no prepayments are possible in the securitisation?
- (c) How should field IVSS27 be reported if there are no defaults among the pool of underlying exposures being reported at the data cut-off date?

A5.14.9

- (a) These fields must still be calculated according to the formulae specified in fields IVSS22 and IVSS27 in the securitisation disclosure regulatory technical standards, i.e. with respect to total principal balances at the start of the period.
- (b) Field IVSS22 should be completed as 0 in this case, since no prepayments have taken place.
- (c) (b) Field IVSS27 should be completed as 0 in this case, since no defaults have taken place.

Principal Collections in The Period

IVSS16

Date of first publication: 27 May 2019

Q5.14.10 Should pre-paid principal be reported here also, or only scheduled?

A5.14.10 Both scheduled and unscheduled (e.g. via prepayment) principal should be reported in this field.

Interest Collections In The Period

IVSS17

Date of first publication: 27 May 2019

Q5.14.11 Should interest penalties be included?

A5.14.11 Any penalties that are treated as interest payments should be included in this field. Penalties that are treated as fees should not be included in this field.

Current Overcollateralisation

IVSS21

Date of first publication: 27 May 2019

Updated: 15 November 2019

Q5.14.12

- (a) Should all bonds/tranches be included in this calculation (including bonds that are unplaced/retained/funding reserve accounts)?
- (b) In the field content to report, does the phrase “*the outstanding principal balance of underlying exposures*” refer to the full balance of each underlying exposure or only to the balance that has been securitised?

A5.14.12

(a) Yes, all bonds/tranches (including unplaced/retained/funding bonds and subordinated loans) and other arrangements that constitute liabilities in the securitisation should be included in this calculation.

(b) With respect to underlying exposures, the “outstanding principal balance” included in the calculation for this field should include all outstanding principal balances that securitisation investors have recourse to.

Reporting of risk retention information for ABCP securitisations

Date of first publication: 27 May 2019

Q5.14.13 How should risk retention fields be completed for ABCP securitisations (Risk Retention Method (IVAS10), Risk Retention Holder (IVAS11), Risk Retention Method (IVAN5), Risk Retention Holder (IVAN6))?

A5.14.13 Where risk retention requirements are being met at the level of the ABCP *programme* and not at the level of the ABCP *transaction*, then fields IVAS10 and IVAS11 should be entered as appropriate and fields IVAN5 and IVAN6 entered as ‘ND5’ (‘Not Applicable’). Where risk retention requirements are being met at the level of the ABCP *transaction* and not at the level of the ABCP *programme*, then fields IVAS10 and IVAS11 should be entered as ‘ND5’ (‘Not Applicable’) and fields IVAN5 and IVAN6 should be entered as appropriate.

Test/Event/Trigger Breach

IVSR3 - - New Test/Event/Trigger Identifier; IVSR4 - Description

Date of first publication: 17 July 2019

Q5.14.14 What data should be reported in the fields IVSR3 and IVSR4 in cases where there has been a breach of test or of a trigger?

A5.14.14 The data provided in IVSR3 and IVSR4 should not be modified due to a breach of a test or a trigger. Such an event is instead captured by the fields IVSR6 (Actual Value) and IVSR7 (Status).

Trigger Measurements/Ratios

IVAS7

Date of first publication: 17 July 2019

Updated: 28 May 2020

Q5.14.15

(a) How should this field be reported with respect to ABCP (field code IVAS7)?

(b) How should this field be completed where none of the securitised underlying exposures include any triggers?

A5.14.15

(a) This field is located in the ‘programme information section’ of Annex 13. It refers to (and must be completed for) any programme-level test/trigger that involves underlying exposures in the ABCP programme, across any/all transactions within that ABCP programme. See also Q5.14.1.

(b) In such situations, this field should be reported as “N”—‘NO’.

Must rating triggers be reported in the tests/events/triggers information section of Annexes 12 and 13?

Date of first publication: 17 July 2019

Q5.14.16 Must counterparty rating triggers be reported in the tests/events/triggers information section of Annexes 12 and 13? How should they be reported if so?

A5.14.16 If these rating triggers lead to the replacement of a counterparty in the securitisation or to a change in the priority of payments in the securitisation then, yes, each trigger must complete the test/event/trigger information section in Annex 12 or 13 (as applicable, depending on whether the securitisation is a non-ABCP or ABCP securitisation). The trigger must be described in field IVSR4 or IVAR4 (as applicable), while fields IVSR5 and IVSR6 should each be reported with ‘ND5’—since ratings are not numeric. Fields IVSR7-10 and IVSAR5-6 must then be completed as per the respective Content to Report in each field. Notice that related information should also be reported in fields SESP6-9 or fields SEAP6-9 in the applicable counterparty information section in Annex 14 or 15.

Risk Transfer Method

IVSS11

Date of first publication: 17 July 2019

Q5.14.17 For synthetic transactions, where the risk transfer method cannot be “true sale”, how should this field be completed?

A5.14.17 For any transaction, for which the risk transfer method is not “true sale”, the appropriate response option is ‘N’ (‘No’).

Loss Given Default and Probability of Default

IVSS31; IVSS32; IVSS33; IVSS34; IVSS35; IVSS36; IVSS37

Date of first publication: 17 July 2019

Q5.14.18

(a) How often should these fields be updated?

(b) If an underlying exposure is originated by multiple banks, which information should be entered into these fields?

A5.14.18

(a) These fields fall into the category of information described in the first paragraph of Q5.1.14.

(b) In case of multiple originators, the highest (i.e. most pessimistic) probability of default and loss given default information must be entered.

Risk Weight Approach

IVSS30

Date of first publication: 15 November 2019

Q5.14.19 How must this field be completed where different risk weight approaches are used for different underlying exposures in the securitisation?

A5.14.19 In this situation, the risk weight approach associated with the highest share of underlying exposures in terms of value should be reported. For example, if EUR 500 million of underlying exposures in the securitisation follow the Foundation Internal Ratings-Based (FIRB) approach and another EUR 700 million of underlying exposures in the securitisation follow the Advanced Internal Ratings-Based (AIRB) approach, then IVSS30 should be completed with 'AIRB'.

Revolving / Ramp-Up Period End Date

IVSS13

Date of first publication: 28 May 2020

Q5.14.20 Which date should be entered if a securitisation has a ramp-up period followed by a revolving period?

A5.14.20 In that case, this field should contain the end date of the latter period, i.e. the end date of the revolving period.

Principal and interest recovery and collection in period

IVSS14; IVSS15; IVSS16; IVSS17

Date of first publication: 28 May 2020

Q5.14.21 How should these fields be completed if recovery and collection comprise several currencies?

A5.14.21 Where one of these currencies is EUR, then all amounts should be converted into EUR. If none of the currencies are EUR, then all amounts should be converted into the currency which represents the highest overall value. In any case, conversion should be done using the ECB Euro foreign exchange reference rate from the data cut-off date:

https://www.ecb.europa.eu/stats/policy_and_exchange_rates/euro_reference_exchange_rates/html/index.en.html

5.15 Annexes 14 and 15: Inside Information or Significant Event Information

For which counterparties should information be reported?

Date of first publication: 31 January 2019

Q5.15.1 What is the appropriate scope as to which counterparties should be reported for any transaction. In other words, should all counterparty (types) be reported such as all the types mentioned in SESP4?

A5.15.1 As set out in Article 8(1)(c) of the draft RTS on disclosure, information on each counterparty in the securitisation shall be made available, via the counterparty information section. Further narrative descriptions are available in paragraph 60(b) (on page 35) of ESMA's CP on the disclosure technical standards.

Step-Up/Step-Down Coupon Value

SEST17

Date of first publication: 31 January 2019

Q5.15.2 Does this only refer to the step-up part of the coupon and not the total coupon (since the future total coupon for floating rate based transactions is uncertain)?

A5.15.2 This indeed refers only to the step-up part of the coupon and not the total coupon. An example would be if an initial coupon is set to EURIBOR 3M + 20bps and then, after a given period of time, the coupon steps-up to EURIBOR 3M + 30bps, then 30bps would be reported. In the event of multiple step-up/step-down coupons, the next-occurring step-up (or lowest step-down) coupon should be reported. And the same reasoning should apply for field SEST18 (Step-Up/Step-Down Coupon Date)—i.e. the next-occurring step-up/step-down coupon date should be provided.

Perfection Of Sale: how should this be completed for CLO securitisations?

SESS7

Date of first publication: 31 January 2019

Q5.15.3 How should field SESS7 (perfection of sale) be completed for CLO securitisations?

A5.15.3 This field should be completed as per the most common method employed in the CLO purchasing arrangement for transferring the assets. It is noted that field SESS7 may be reported as 'Yes' where the assignment or transfer segregates the underlying exposures from the seller, its creditors and liquidators, including in the event of the seller's insolvency, has the same legal effect as that achieved by means of true sale.

CLO sections of Annex 14

Date of first publication: 31 January 2019

Updated: 28 May 2020

Q5.15.4

(a) If a securitisation is not a CLO securitisation, must the CLO sections of Annex 14 be completed?

(b) Is the information in the CLO sections required in the event that the CLO Manager coincides with the originator of the securitisation?

A5.15.4

(a) No, as set out in Article 8(1)(e) of the draft RTS on disclosure, the CLO sections of Annex 14 must only be completed for CLO securitisations.

(b) Yes. The CLO sections should always be completed where the securitisation is a CLO. As set out in Article 8(1)(e) of the RTS on disclosure, the CLO Sections of Annex 14:

(1) The reporting entity shall make available the information specified in Annex XIV on the following: [...]

(e) where the securitisation is a Collateralised Loan Obligation (CLO) non-ABCP securitisation:

- (i) the CLO manager, for each CLO manager in the securitisation;*
- (ii) the CLO securitisation.*

Should the inside information or significant event information template be completed for private securitisations?

Date of first publication: 27 May 2019

Q5.15.5 Should the inside information or significant event information template be completed for private securitisations?

A5.15.5 Section 2 in each of the draft RTS and ITS on disclosure defines the information requirements for public securitisations, which includes inside information and significant event information. Section 2 in each of these draft RTS and ITS on disclosure does not apply to private securitisations. This does not imply that, for private securitisations, the originator, sponsor, and SSPE do not have to comply with reporting requirements under Article 7(1)(f) and (g) of the Securitisation Regulation.

Timing of reporting of Inside Information and Significant Event Information

Date of first publication: 27 May 2019

Q5.15.6

Should reporting entities make available the information described in points (f) and (g) of the first subparagraph of Article 7(1) of the Securitisation Regulation ‘without delay’ regardless of the reporting interval for Annexes 14 and 15 with respect to the underlying exposure and investor report information?

Must the templates be completed for other events falling under the scope of ‘inside information’ in Article 7(1)(f) or under the scope of ‘significant event’ in Article 7(1)(g) of the Securitisation Regulation that do not related to changes to information disclosed in the underlying exposures or investor report templates?

A5.15.6

The fifth sub-paragraph of Article 7(1) of the Securitisation Regulation provides that “*Without prejudice to Regulation (EU) No 596/2014, the information described in points (f) and (g) of the first subparagraph shall be made available without delay.*”

As clarified in Recital 11 of the draft RTS on disclosure published by ESMA on 31 January 2019, a change in the risk characteristics of the underlying exposures or in the aggregated cash flow generated by those underlying exposures or in other information set out in the investor report can materially impact the performance of the securitisation and have a significant effect on the prices of the tranches/bonds of that securitisation. Consequently, the templates in Annexes 14 and 15 (as applicable) must be made available “*without delay*”. Without prejudice to this obligation, reporting entities for public securitisations should also complete and make available the templates in Annexes 14 and 15 at the same time as the templates for underlying exposures in Annexes 2-11 (as applicable) and the templates for investor reports in Annexes 12 and 13 (as applicable), in order to provide investors and the other users of the information with a complete and up-to-date overview of all the relevant information concerning the securitisation. Thus, every quarter (for non-ABCP securitisations) or month (for ABCP securitisations), reporting entities for public securitisations should make available via a securitisation repository a package of information relating to underlying exposures, investor report, and inside/significant event information.

Outside of the above-mentioned regular monthly or quarterly reporting of this information, Annexes 14 or 15 must (for public securitisations) still be completed and made available without delay, *in the event* that an inside information or significant event (within the respective meanings of Articles 7(1)(f) and (g) of the Securitisation Regulation) has occurred. There may be other events that are deemed to be ‘inside information’ within the meaning of Article 7(1)(f) or that are deemed to be “*significant*” within the meaning of Article 7(1)(g) of the Securitisation Regulation, and that are not captured by changes to the underlying exposures or investor report information, for example “*any material amendments to the transaction documents*” (point (v) of Article 7(1)(g)). In such situations, the entire Annexes 14 or 15 should be completed ‘without delay’, which includes making use of the ‘any other information’ section if this necessary to supplement the remaining sections in order to fully and adequately describe the inside information or significant event, as applicable.

Extension Clause

SEST25

Date of first publication: 27 May 2019

Updated: 17 July 2019

Q5.15.7

Can you confirm that not exercising a redemption option is not regarded as a “right to extend the maturity of an instrument”? and if so, should this field be reported as ‘No Option (NOPT)’?

A5.15.7 This field refers to arrangements in the securitisation transaction documentation that gives rights to a certain party to extend the maturity of the tranche/bond in question. If the stated maturity of the tranche/bond is at a given date, but that this maturity can be extended, then field SEST25 should be completed in a manner that indicates which party (SSPE, noteholder, other) has this right of extension.

In the event that the provisions for a maturity extension, for example beyond the first optional redemption date (FORD), are automatic and not at the discretion of the SSPE and/or Noteholder(s), then ‘NOPT’ (representing ‘No option’) should be entered in this field. This would be the case, for example, where the securitisation falls through a hypothetical trigger threshold(s) in terms of defaults and resulting losses and there is no discretion for the SSPE and/or Noteholder(s) as to whether the FORD option is exercised or not.

Counterparty information section – provision of Legal Entity Identifier information

SESP2; SEAP2; SESP3; SEAP3

Date of first publication: 27 May 2019

Updated: 15 November 2019

Updated: 28 May 2020

Q5.15.8

(a) How should these fields (SESP2, SEAP2, SESP3, and SEAP3) be completed for counterparties that do not have a Legal Entity Identifier?

(b) How should these fields be completed where the counterparty is a branch?

(c) What should be reported for certain special cases of originators?

A5.15.8

(a) It is expected that entities providing counterparty services will have a Legal Entity Identifier by the time that the securitisation disclosure technical standards apply.

(b) In case the relevant counterparty is a branch, the LEI of the entity to which the branch belongs to should be entered, regardless of whether that branch is or might be eligible for an LEI⁴.

(c) In cases where an originator is no longer a going concern, then the originator LEI must still be provided in this field if there was previously an LEI for that originator.

In cases where underlying exposures are securitised by a party that purchased the loans from an original lender that is no longer a going concern, then the LEI of the original lender is not required to be reported in these fields only if there has *never* been an LEI for that original lender. However, the LEI of the originator is still required to be reported in these fields.

Fields SSPE Value (SESS10), SSPE Principal Value (SESS11), Note Principal Balance (SESS13) – how should these fields be completed in the event of multiple currencies in the pool of underlying exposures?

SESS10; SESS11; SESS13.

Date of first publication: 27 May 2019

Q5.15.9 Fields SSPE Value (SESS10), SSPE Principal Value (SESS11), Note Principal Balance (SESS13) – how should these fields be completed in the event of multiple currencies in the pool of underlying exposures (for SESS10 and SESS11) or multiple currencies in the issued tranches/bonds (for SESS13)?

A5.15.9 Fields SESS10 and SESS11 should be completed as per the predominant currency in the pool of underlying exposures (for SESS10 and SESS11). Those underlying exposures whose currencies are different from this currency must be converted to the currency of the largest group of underlying exposures (in terms of outstanding principal amount), using the latest-available exchange rates as at the cut-off date. Fields SESS10 and SESS11 should then reflect the aggregate value across currencies,

⁴ According to the LEI ROC statement of 11 July 2016, certain branches might be considered as eligible for a LEI subject to the conditions set out in that statement. The LEI ROC statement should be consulted for further details (http://www.lei.org/publications/gls/roc_20160711-1.pdf).

denominated in the predominant currency. The same approach should be followed in field SESS13 with respect to the predominant currency in the issued notes.

How should fields relating to interest rate swaps be completed in the event of multiple interest rate swaps in the securitisation? What about currency swaps that are in the same situation?

SESS17; SESS18; SESS19; SESS20; SESS21; SESS22; SESS23; SESS24.

Date of first publication: 27 May 2019

Q5.15.10 How should fields relating to interest rate swaps be completed in the event of multiple interest rate swaps in the securitisation? What about currency swaps that are in the same situation?

A5.15.10 For:

- Fields relating to the swap notional amount (SESS19 and SESS24), the values entered in these fields should be aggregated across all of the interest rate swaps (for field SESS19) and across all currency swaps (for field SESS24) associated with the securitisation being reported. In the event of multiple currencies in the swap notional amounts, these notionals should be converted to the currency of the swap with the largest notional amount, using the latest-available exchange rates as at the cut-off date.

- Fields relating to swap maturities (field SESS18 and SESS23), the maturity date of the shortest interest rate swap in the securitisation should be entered in field SESS18 and the maturity date of the shortest currency swap in the securitisation should be entered in field SESS23, with the 'shortest maturity date' being calculated relative to the data cut-off date.

- The field relating the interest rate swap benchmark (SESS17), this should reflect the benchmark of the interest rate swap with the largest notional amount, as at the data cut-off date.

- The fields relating to the currency swap payer leg currency (SESS20), receiver leg currency (SESS21), and exchange rate (SESS22), the values should reflect the currency swap with the largest notional amount, as at the data cut-off date.

Disbursement Date

SESS23

Date of first publication: 17 July 2019

Q5.15.11 How should this field be interpreted?

A5.15.11 For example, assume that a Class A tranche is issued on 08 February 2016, and has an extended first paydate period and afterwards begins to pay interest on quarterly dates on the 23rd of the 1st, 4th, 7th and 10th month. Hence, the first paydate is 23 July 2016. In this scenario, the Disbursement Date is reported as 23 July 2016. This date should not normally change, as it reflects the first date for the class on which interest begins to be paid out to noteholders.

How to report replacement of counterparties in the counterparty information section of Annexes 14 and 15?

Date of first publication: 17 July 2019

Q5.15.12 How should the counterparty information section be reported where a counterparty has been replaced by another counterparty?

A5.15.12 It is recalled that the counterparty information section (i.e. all fields in SESP1-9 and SEAP1-9, depending on whether the securitisation is a non-ABCP or ABCP securitisation) must be completed for *each* counterparty active in the securitisation as at the data cut-off date. This is reflected in Articles 8(1)(c) and 8(2)(e) of the draft RTS on disclosure, which read:

“1. Regarding the information in Annex 14, the reporting entity shall make available information on:… (c) counterparties, for each counterparty in the securitisation;” and
“2. Regarding the information to be reported in Annex 15, the reporting entity shall make available information on:… (e) counterparties, for each counterparty in the ABCP securitisation;”

If a counterparty replaces another counterparty then the next data submission reflecting this information should reflect the new counterparty involved in the securitisation transaction. The previous counterparty that has been replaced no longer needs to be reported in that same data submission.

Material Amendment to Transaction Documents

SESS6; SEAS6.

Date of first publication: 15 November 2019

Q5.15.13 The ‘content to report’ of these fields requires a description of any material amendments made to transaction documents, including the name and item code (pursuant to Table 3 in Annex 1) of the document as well as a detailed description of the amendments. Item codes 1 and 2 in the above-mentioned table refer to the Underlying exposures and the Investor Report. Does that mean that the monthly or quarterly data update of the Investor Report and Underlying exposures are in and of themselves considered “Material Amendments to the Transaction Documents” within the meaning of this field?

A5.15.13 No, the monthly or quarterly data update of the Investor Report and Underlying exposures are not in and of themselves considered “Material Amendment to Transaction Documents”. Where there are no material amendments to the transaction documents to be reported, ND5 should be entered into this field.

Any Other Information Line Number

SES02; SEA02

Date of first publication: 15 November 2019

Q5.15.14 What does this field mean?

A5.15.14 A reporting entity is allowed to enter multiple pieces/blocks (‘lines’) of additional information. Rather than entering several pieces of information into a single free text field, each piece or line of information can be entered separately and associated with an individual line number. This field allows data users to easily understand the order that should be followed when reading several pieces of additional information.