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Additional Information

Level 1 Regulation

Securitisation Regulation (EU) 2017/2402

Topic

Securitisation

Subject Matter

Timing of reporting of Inside Information and Significant Event Information

Question

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?

ESMA Answer

27-05-2019

Original language

[ESMA 33-128-563 Securitisation Q&A, Q&A 5.15.6]

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 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.