

**Submission Date**

28/05/2021

# ESMA\_QA\_1325

Status: Question Published

## **Additional Information**

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### **Level 1 Regulation**

Securitisation Regulation (EU) 2017/2402

### **Topic**

Securitisation Disclosure Templates

## **Subject Matter**

Arrears Breakdown and Number Of Days In Arrears fields

### **Question**

- (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.

(c) If the issuer does not classify a loan's category as "in arrears" until the loan is 30/60/90 days past due (say 60 for example), is it ok to exclude those underlying exposures from the Arrears buckets until they pass that threshold?