

Submission Date

17/07/2019

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Additional Information

Level 1 Regulation

Securitisation Regulation (EU) 2017/2402

Topic

Securitisation Disclosure Templates

Subject Matter

Scheduled Principal Payment Frequency

Question

(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?

ESMA Answer

17-07-2019

Original language

[ESMA 33-128-563 Securitisation Q&A, Q&A 5.3.16]

(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’).