

**Submission Date**

17/07/2019

# ESMA\_QA\_1361

Status: Answer Published

## **Additional Information**

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### **Level 1 Regulation**

Securitisation Regulation (EU) 2017/2402

### **Topic**

Securitisation Disclosure Templates

## **Subject Matter**

Prior Principal Balances

### **Question**

(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?

## ESMA Answer

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17-07-2019

Original language

[ESMA 33-128-563 Securitisation Q&A, Q&A 5.3.27]

(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).