ESMA_QA_1380

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27/05/2019

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Additional Information

Level 1 Regulation
Securitisation Regulation (EU) 2017/2402

Topic
Securitisation Disclosure Templates

Subject Matter
Annex 3: Underlying Exposures - Commercial Real Estate - Covenant Breach / Trigger

Question
How should multiple breaches/triggers be listed?

ESMA Answer

27-05-2019

Original language

[ESMA 33-128-563 Securitisation Q&A, Q&A 5.5.3]

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.