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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

Annexes 12 and 13: Investor Reports - Questions relating to principal and interest recoveries.

Question

- (a) Where should other recoveries (like for applicable penalties etc.) be reported?
- (b) Are these fields meant to capture recoveries on all the underlying exposures (arrears and defaulted) or only for those underlying exposures in arrears?
- (c) This information is not separated as such in our system, rather all recoveries are recorded

together. Can recoveries be recorded in one of those fields only (e.g. principal) and leave the other 0?

(d) Recoveries may not apply to all type of exposures in the securitisation. Is it acceptable to enter 'ND5' ('Not Applicable') in these fields in such cases?

ESMA Answer

27-05-2019

Original language

[ESMA 33-128-563 Securitisation Q&A, Q&A 5.14.4]

(a) Such information could be reported in the cash-flow information section, with a specific line item to capture this information.

(b) These fields are capturing information for all underlying exposures that are undergoing a recovery/work-out process (whether defaulted, in arrears, or in any other situation that means that there is a recovery/work-out process that is ongoing).

(c) In the beginning of the introduction of these reporting requirements this is acceptable, however it is expected that this reporting issue will be fixed over time. During the interim period until the situation is solved, the principal recoveries field (IVSS14) should indeed be populated and the interest recoveries field (IVSS15) be populated with 'ND5'.

(d) It is not acceptable to enter 'ND5' ('Not Applicable') in cases where recoveries may in principle be possible for some, but not all, underlying exposures in the securitisation. In such situations, the value 0 should be entered where no recoveries have taken place, otherwise the value of the recoveries should be provided. 'ND5' ('Not Applicable') should only be entered when no recoveries are in principle possible (given the type of underlying exposures, repayment profile, etc.) for *all* underlying exposures in the securitisation.