

**Submission Date**

27/05/2019

# ESMA\_QA\_1428

Status: Answer Published

## **Additional Information**

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### **Level 1 Regulation**

Securitisation Regulation (EU) 2017/2402

### **Topic**

Securitisation Disclosure Templates

## **Subject Matter**

Annexes 12 and 13: Investor Reports - Clarifications for field Securitisation Excess Spread and Excess Spread Trapping Mechanism

## **Question**

(a) 'ND5' is not permitted to be entered in field IVSS19. Therefore, how should this field be reported if there is no excess spread?

(b) The definition states 'The amount of funds left over after application of all currently-

applicable stages of the waterfall'. How should field IVSS19 be reported if any left-over funds are paid out as the last line-item in the waterfall to the originator? How should field IVSS20 be reported in this scenario?

## ESMA Answer

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27-05-2019

Original language

[ESMA 33-128-563 Securitisation Q&A, Q&A 5.14.6]

- (a) If there are no funds left over after application of all currently-applicable stages of the waterfall, commonly referred to as 'excess spread', then this field should be entered with '0'.
- (b) Funds paid out to the originator as part of the final stage of the waterfall should also be considered as excess spread and field IVSS19 should be completed with this amount. In this scenario, the funds are not being held for use in the securitisation (e.g. via a reserve account) and, therefore, IVSS20 should be completed as 'No'.