

ESMA_QA_273

Status: Question Rejected

Additional Information

Level 1 Regulation

Securitisation Regulation (EU) 2017/2402

Topic

Securitisation

Additional Legal Reference

Definition of "securitisation" and link to Article 147(8) of Regulation (EU) 575/2013

Subject Matter

Clarification of securitisation characteristics

Question

The "securitisation" is defined as a transaction having several characteristics one of which refers to characteristics listed in Article 147(8) of Regulation (EU) 575/2013.

In 147(8) Regulation (EU) 575/2013 one of the characteristics, namely (b) specifies that "the contractual arrangements give the lender a substantial degree of control over the assets and the income that they generate". Please clarify what is meant by "substantial degree of control over the assets and the income"? Are there any further explanations or clarifications on this matter or is there any practical experience available which could help to set clear criteria of

what could be treated as "substantial degree of control" and what could not.
Thank you