

21 October 2011

Mr Felix Flinterman
Head of Unit: Credit Rating Agencies
European Securities and Markets Authority (ESMA)
103, rue de Grenelle, 75007
Paris
FRANCE

By Electronic Submission

Dear Mr Flinterman

**COMMENT ON ESMA'S DRAFT REGULATORY TECHNICAL STANDARDS ON THE
CONTENT AND FORMAT OF RATINGS DATA PERIODIC REPORTING TO BE
SUBMITTED FROM CREDIT RATING AGENCIES ("DRAFT RTS"); MOODY'S
INVESTORS SERVICE**

Moody's Investors Service ("MIS") has made various submissions to CESR (as it then was) and ESMA stating our preference for an aggregated reporting framework for credit rating agency ("CRA") data. We continue to hold the view that this approach would be the most efficient and cost effective framework for ESMA and CRAs in fulfilling their respective obligations under the EU Regulation on Credit Rating Agencies¹ ("the Regulation") allowing ESMA to request additional detail as appropriate and reasonable. This is particularly the case because of (i) the significant efforts that are already required by CRAs to submit data to the central repository ("CEREP") established by the Regulation and (ii) the access provided by MIS to ESMA staff regarding credit rating information.

MIS would like to draw ESMA's attention to our primary concerns with the Draft RTS below; and answer the questions raised in the Draft RTS and note our technical concerns in Annex I and II, respectively.

¹ Regulation (EC) No 1060/2009 read with Regulation (EU) No 513/2011.

1. Scope and Effective Date

(i) Purpose

Article 10(1) of the Regulation states that a regulatory technical standard shall be limited by the legislative acts on which they are based. ESMA has suggested in paragraph 9 of the Draft RTS that the rationale behind the Draft RTS is that access to detailed information on rating actions “...may convey more precise indications to ESMA on how (and when) to exert more invasive powers in order to further investigate or review the critical issues identified”. MIS is concerned that the nature of the information that is being requested by ESMA cannot be reconciled with the above-mentioned objective of ESMA. The nature of the information proposed in the Draft RTS does not, with the exception of the ‘12-hour rule’, provide ESMA with information that is necessary for its supervisory activities over CRAs and which aggregated data is not able to provide. For example, the requirement for details of an originator in a structured finance transaction is puzzling as it has limited value in assessing a CRA’s compliance with the Regulation. Furthermore, MIS would be concerned if ESMA intends to use the Regulation to obtain market information for purposes other than supervising CRAs.

(ii) Data Availability

The Draft RTS introduces fields which are not captured by MIS in our databases and we are not required to capture under any regulatory regime. MIS is able to identify the credit ratings it maintains on any issuer or any debt based on an established internal identifier system but which also allows users of www.moodys.com to identify the assigned credit rating at either debt level or issuer level. Requiring CRAs to use certain prescribed identifiers (for example, BIC codes) on a mandatory basis for reporting purposes to ESMA is inappropriate provided the CRA is able to identify the credit rating to ESMA at any given point in time through, for example, an internal identifier. Even if MIS was required to capture such information as a result of the resulting RTS, MIS would not have historical information in our databases to provide such data at the first reporting of the relevant credit rating. As noted above, MIS does not routinely capture BIC Codes in our database but this also applies in some instances to ISINs and CUSIPs. We would expect that ESMA does not require CRAs to backdate data fields with historical data where this data is not available, however, if this is the intention, we do not believe it is reasonable or practical to require a CRA to backdate its entire historical database to capture information that was not required prior to the implementation of the resulting RTS.

This illustrates our overall concern about the proportionality of the Draft RTS. The proposal for ESMA to effectively create an entire credit rating database across all registered CRAs seems overly ambitious in the early stages of the implementation of the Regulation. Without an in-depth review of, for example, available information and the terminology adopted by CRAs, the entire proposal runs a material risk of creating a reporting framework that will not be readily useable by ESMA.

Therefore, where the supervisory objective for requiring data at such a granular level is unclear and where there is no regulatory requirement for the data to be captured by a CRA, in our view the proposed framework may be *ultra vires* article 10 of the Regulation.

(iii) Timing

The Draft RTS suggests that CRAs will be required to submit data for the month following the publication of the resulting RTS in the Official Journal. However, MIS would expect that a full taxonomy will be published at the time of the publication of the resulting RTS providing an explanation on the population of fields in the reporting template. This would extend to the required format of a submitted file and to a form of “business field summary” (similar to the CEREP Reporting Guidelines) where an explanation of the nature of a field is specified (for example, free text, numerical data etc). Without access to the resulting RTS and taxonomy it would be impossible for CRAs to begin any implementation process.

In deciding to adopt an extensive reporting framework for CRAs, ESMA must appreciate that CRAs would require a full information technology integration plan to recalibrate systems where necessary to capture the required information where it may not currently exist in the database, including a full testing phase. Using a practical example, MIS does not capture the reason for a credit rating being placed on review in a readily accessible database. Although the reason for review may be disclosed in the individual press release and therefore fulfil any disclosure requirements, the reason is not currently databased in a readily accessible format. A credit rating is placed on review primarily because of changes to the credit risk profile which stems from diverse reasons which would be difficult, if not impossible, to categorise broadly. Nevertheless, it is concerning that ESMA has not considered that a credit rating may be placed on review for a credit reason (for example, pressures on the balance sheet) as opposed to only regulatory reasons (for example, as a result of a look-back review). Furthermore, to introduce the capacity of capturing the reasons for a credit rating being placed on review into our databases will require material changes to our IT systems which will involve development, testing, training and compliance reviews. MIS would expect that this implementation period could be extensive (no less than six months) from the date of publication of the resulting RTS (including taxonomy). The need for such a process is evident from the introduction of the CEREP process which has allowed for various issues to be raised in the development of the system.

2. Cost Benefit Analysis

MIS is disappointed with the cost benefit analysis that was conducted by ESMA in comparing the alternatives in prescribing the submission of aggregated data versus raw ratings data. The Call for Evidence (“CfE”) differs from the approach adopted in the Draft RTS. For example:

- The Draft RTS introduces some additional 62 fields which were not contemplated in the CfE;
- The CfE proposed a number of optional fields (“if available”) which have all been converted to mandatory fields in the Draft RTS; and

- There was no indication that historical data may be required to be captured as contemplated in the Draft RTS. This would introduce a significant additional expense to the process.

The cost benefit analysis is therefore irreconcilable with the Draft RTS and calls into question the process adopted for the cost-benefit analysis. Therefore, we would urge ESMA to reissue the cost-benefit analysis for the Draft RTS.

3. Credit Rating-specific reporting versus issuer-derived credit ratings

If ESMA continues with the approach of requiring granular reporting as proposed in the Draft RTS, MIS understands that the intention behind the ongoing reporting requirements will then be to supervise a CRA's compliance with certain requirements of the Regulation (i.e. a form of self-reporting). Such a reporting system would only meet the objective if the information is reported to ESMA on a credit rating-specific basis. This would extend to all categories of credit ratings. Using a proxy approach would not be practical. If a proxy rating is used for an issuer and a CRA is required to report a previous rating and current rating after a rating action, then it would be challenging to determine how this should be reported if, for example, the rating action occurred on the hybrid debt, but the senior unsecured rating (proxy rating) did not change. MIS would therefore propose that reporting be prescribed at underlying ratings-level and for CRAs to report both issuer and debt-level credit ratings.

4. Classification of Structured Finance

'CESR's Guidelines for the implementation of the central repository' ("CESR Guidance") states in paragraph C.2.2 that:

In order to enable users of the CEREP to compare ratings of different structured finance asset classes of credit rating agencies, six asset classes including further subcategories have been defined. They are for reporting purposes of the CEREP only and do not interfere with the structured finance definition of the capital requirements directive (CRD).

We note that there is no similar paragraph in the Draft RTS with the implication that ESMA will define a 'structured finance instrument' in the Regulation and consequently, 'securitisation' as the term is used in the Capital Requirements Directive² ("CRD") through Article 6 of the Draft RTS. Although MIS would not have an objection to a defined list of instruments that ESMA would determine to be a 'structured finance instrument' we would suggest that such an interpretation be developed through guidance published by ESMA directly on this subject as opposed to indirectly through ESMA reporting requirements. A broader market consultation on the interpretation of the definition of a structured finance instrument may be required so as to ensure consistency of interpretation between the CRD and the Regulation.

In the interim, we would propose that a similar qualification to that found in paragraph C.2.2 of the CESR Guidance is introduced into the resulting RTS.

² Directives 2006/48/EC and 2006/49/EC.

5. Language

The CESR Guidance adopted an ‘informal’ tone which may be appropriate given the nature of the document. However, the adoption of an RTS requires a revision in favour of a more formal construction similar to that used in the drafting of EU regulations and directives.

Concepts are introduced throughout the Draft RTS which are subject to interpretation and will make any implementation of the resulting RTS extremely challenging. This is of material concern to MIS because registered CRAs are subject to severe penalties for non-compliance with the Regulation. As an example, the Draft RTS distinguishes between Prime and Non-Prime RMBS in the reportable data. The concepts are not defined and there is no industry standard leading to the situation where an arranger may treat a structured finance instrument as a Prime RMBS deal, an investor as a Non-Prime and different CRAs classifying the categorisation differently depending on each CRA’s methodology.

The identifier issue raised under paragraph 1(ii) is a further example. The text of the Draft RTS suggests that if a BIC Code/ISIN/CUSIP is unavailable, only then may an internal identifier be used for reporting. However, a more practical solution would be that where a BIC Code/ISIN/CUSIP is unavailable in the systems of a CRA, then an internal identifier may be used. The language of the Draft RTS suggests the former interpretation but as noted above we have a material concern with such an approach. If instead the latter is intended, we propose that the text may be strengthened to reflect this intent.³

Therefore, holding CRAs to account for standards which are not objectively determinable sets a dangerous legislative precedent and may be subject to legal challenge at the time of an enforcement action which is a result which should not be the objective in establishing a regulatory framework.

6. Use of data

MIS recognises that ESMA may legitimately request information from CRAs, however, we do not believe that ESMA’s authority extends to creating a database of all rating actions taken by CRAs. Any such data should be kept confidential by the CEREPEP under Article 32 of the Regulation. This construction is critical to ensure that the primary vehicle of disclosure of credit ratings lies with the relevant CRA and that the risk of multiple credit ratings (some of which may be outdated) are not released to the public by ESMA which would cause material confusion in the market. Furthermore, MIS retains proprietary rights to the data which would be infringed if such data were to be made available by ESMA. MIS believes that it is critical that a provision protecting this right be included in the resulting RTS.

Data received by ESMA is protected under Article 32 of Regulation (EC) No 1060/2009 read with Regulation (EU) No 1095/2010 and may not be disclosed to the public.

³ MIS remains of the view that a requirement to report an internal identifier alone would be closer aligned with the Regulation.

MIS would be pleased to discuss these issues with ESMA before finalisation of the resulting RTS.

Yours sincerely

A handwritten signature in black ink, appearing to read 'F. Drevon', with a horizontal line underneath the name.

Frédéric Drevon

Managing Director and Regional Head of Europe, Middle East and Africa

ENCL.

Questions

Q1: Do you believe the level of detail of the draft Regulatory Technical Standards is appropriate?

As expressed in our comments in the cover letter to this Annex, we believe that the Draft RTS is too detailed and introduces a reporting requirement that extends the scope of the Regulation (eg BIC Codes of issuers).

The Draft RTS also lacks sufficient detail such as the categorisation of structured finance asset classes where additional guidance through a taxonomy is required.

Q2: Do you think the current proposal for the draft Regulatory Technical Standards covers all relevant data that should be periodically reported to ESMA?

The Draft RTS captures a significant amount of data and we would caution ESMA from expanding the scope of the reporting requirements any further. However, there appears to be a misunderstanding of the term ‘credit rating action’ in that various credit rating identifiers (for example, solicited/unsolicited identifier) are captured as credit rating actions. Such a construction creates confusion as to the applicability of the ‘12-hour rule’ where a status change does not trigger the ‘12-hour rule’ (for example, affirmations).

Furthermore, MIS does not consider a number of the proposed “actions” as constituting a rating action.

Q3: What is your view of the reasons highlighted in the Consultation Paper for requesting periodic analytical data on rating actions?

MIS had difficulty in identifying the reasons for the approach adopted by ESMA in the Draft RTS. Aside from the indirect reasons:

- (a) Requirement in the Regulation for ESMA to publish an RTS on “the content and format of ratings data periodic reporting to be requested from the credit rating agencies for the purposes of ongoing supervision”;
- (b) Paragraph 10 of the Draft RTS stating that the framework “...may convey more precise indications to ESMA on how (and when) to exert more invasive powers in order to further investigate or review the critical issues identified”,

we could find little explanatory text as to the approach adopted by ESMA.

As per the cover letter to this Annex, we are concerned that the proposed framework extends beyond the scope of the Regulation and risks infringing Article 23 of the Regulation.

Q4: What is your view on the possible benefits linked to the effectiveness of on-going supervision that may derive from the use of analytical data?

MIS does not believe that the benefits associated with the proposed reporting framework outweigh the costs associated in the development of such an extensive reporting framework. CRAs are required to provide information at the request of ESMA and, as with traditional supervisory frameworks, supervision over registered CRAs should focus on the effectiveness of internal control mechanisms to prevent contraventions of the Regulation. To require CRAs to self-report on something such as compliance with the '12-hour rule' on a monthly basis seems unnecessary when other more cost-effective alternatives are available to ESMA.

Q5: Do you agree with the proposed reporting principles?

Please see our comments in the cover letter to this Annex where we explain our concerns with the unduly short period following publication of the resulting RTS for a CRA to begin reporting data to ESMA.

Q6: Do you agree that the suggested frequency (monthly) for reporting is appropriate to enable ESMA to discharge timely and effectively its obligations and to ensure it has up-to-date data?

It is unclear what ESMA will seek to monitor on a monthly basis with the data received through the proposed monthly reporting framework. Unlike banks and other regulated entities who have a fiduciary duty to customers in holding that customer's funds either directly or in trust, MIS does not hold any such funds on behalf of a customer. Therefore, it appears that the only follow-up supervisory action that can be taken is an enforcement action for non-compliance with the '12-hour rule'. The remainder of the data is in our view simply providing an overview of the rating activities of CRAs. It remains unclear to MIS why this could not be aggregated and submitted to ESMA on a quarterly basis.

Q7: Do you believe that the specification of the data to be reported, as per Table 1, 2 and 3 of the Annex, is appropriate?

Please refer to Annex II.

Q8: Do you agree with the standards indicated for the data fields in Table 2?

Please refer to Annex II

Q9: Do you think that additional actions should be included in field n. 8 of Table 2 of the Annex?

MIS would not support the inclusion of additional 'actions' in field 8 of Table 2 other than new rating, upgrade/downgrade or a withdrawal.

Q10: Do you think that additional options/items should be included in fields n. 9, 10 and 11 of Table 2 of the Annex?

MIS does not support additional items to be incorporated in fields 9, 10 and 11. However, as noted in Annex II, MIS only uses outlooks and reviews (for our corporate and sovereign credit ratings) and reviews in our structured finance credit ratings. MIS does not database the reasons for “review” in a readily accessible manner and we propose the deletion of field 11. It is further unclear how this would be applied to endorsed credit ratings.

Q11: Do you believe that the solutions proposed for the identification of instruments, issuers and originators are appropriate? Should ESMA consider alternative identifiers?

Please refer to our cover letter and Annex II.

Q12: Do you agree with the method proposed for the cancellation of records?

Please refer to Annex II.

Q13: Do you think that any of the fields that are proposed to be filled in only the first time a rating is reported should instead be provided more frequently?

MIS does not believe there is a requirement for additional fields to be repeated.

Q14: How many actions do you believe your organisation should report each month to ESMA under the proposed draft Regulatory Technical Standards? Can you provide an estimate of the data points correlated to those actions which should have to be reported?

MIS has been unable to determine the scope of the Draft RTS (in terms of rating actions) and is therefore unable to provide robust data in this regard. For example, it is unclear if issuer-level data should be reported or, as proposed in our cover letter, all credit ratings. Provided ESMA is able to propose a revised scope which captures data that is recorded by MIS, MIS would be pleased to provide such statistics to ESMA. On a rough estimate reporting on debt-level over a three month period could generate approximately 100,000 data points.

Q15: Would this kind of reporting require the implementation of significant changes to your organisation in order to comply with the requirements established in the proposed draft Regulatory Technical Standards?

MIS would consider changes that will need to be made to secure the reporting of a regulatory standard as proposed in the Draft RTS to be significant. This is particularly the case if ESMA should continue with its proposal for mandatory fields where such data is unavailable and is not required to be databased under the Regulation.

Q16: What is your view on the requirement that CRAs should include in the periodic reporting to ESMA information about changes of outlooks or the issuance of "watches" (or watchlist designations) on credit ratings? Do you agree that reporting of these data can materially improve the effectiveness of supervision from ESMA?

MIS does not object to providing this information, where it is available to MIS. However, CRAs should not be forced to reconstruct rating histories for the purposes of monthly reporting. We do not understand how the disclosure can "materially improve the effectiveness of supervision" because it is unclear what ESMA intends to do with data that is otherwise not required under the Regulation. We are concerned if ESMA intends to question a CRAs at the time of such action as to the rationale behind the credit rating.

Q17: Do you believe that the proposed content and format of the requested information on outlooks and watches is consistent with the policies and procedures adopted by your organisation for outlooks and watches?

The Draft RTS is not aligned with the information captured by MIS for outlooks and reviews. For example, the proposal to list the reasons for a credit rating being placed on review will require a change to our databases to capture this information outside of the disclosure through a rating-specific press release. This is not required under the Regulation and, if implemented, would require a integration plan no shorter than six months.

Q18 Do you believe that your organisation (applicable to CRAs) should support any material additional cost linked to the reporting of actions regarding outlooks and watches to ESMA? If so, please clarify the nature (IT, fixed, ongoing) of these costs and provide figures or estimates. Please specify any similar concerns on the reporting to ESMA of the placement under observation of a rating following a regulatory review.

MIS does not support extending the scope of the Regulation through RTS. This is a principle against which we do not believe cost is relevant.

Q19 Do you agree that for the purpose of ongoing supervision ratings on covered bonds (that are not structured finance instruments) should be reported to ESMA as a separate type of ratings different from corporate ratings? What is your view on the specific issues/risks linked to covered bonds ratings? Can the clear identification of covered bond ratings in the periodic reporting help ESMA to deliver a more effective and timely supervision of those risks and issues?

MIS has no comments on where covered bonds should be captured in any reporting system. We support the need to report any instrument that falls outside the definition of a "structured finance instrument" and have made similar assertions in our response to the draft CEREP RTS.

Q20 Do you believe that your organisation (applicable to CRAs) should support any material additional cost linked to identification in the reporting to ESMA of covered bond ratings as a

separate type of ratings? If so, please clarify the nature (IT, fixed, ongoing) of these costs and provide figures or estimates.

MIS does not see any material concerns in reporting covered bond data either separately or as part of corporate category.

Questions regarding the Impact Assessment presented in Annex II

Q21: Do you believe there are benefits from the reporting of aggregate data on ratings, as opposed to analytical data on rating actions, which have not been fully considered in the Impact Assessment? Please describe in detail those advantages/benefits in case of affirmative answer.

MIS has difficulties in understanding the rationale behind the requirement to report ratings-level data to ESMA and how this is intended to enhance the supervision of CRAs beyond a check on the '12-hour rule'. The supervisory benefits of receiving the raw data as confined to the Regulation are also not elaborated on in the Draft RTS. We therefore assume that the rationale behind the data is for ESMA to identify trends in rating data which will then allow ESMA to consider further specific supervisory activities. It is unclear how this is different to ESMA receiving aggregated data on a sectoral basis which would also allow for ESMA to identify trends in ratings and identify specific sectors which may merit supervisory attention.

Q22: Do you have any concerns regarding the methodological specifications and key assumptions adopted for the Impact Assessment? If so, please specify the alternative solutions and hypothesis that should be considered in case of positive answer.

Please see the cover letter to this Annex.

The cost benefit analysis is therefore irreconcilable with the Draft RTS. The weightings that have been used in the cost benefit analysis are materially disproportionate to the effects of the resulting RTS on CRAs. It will always be a salient argument that it would be in the best interests of the public that a regulated entity is required to self-report on its compliance with the Regulation. According to the weighting system used in the cost benefit analysis, the conclusion would be that it would be beneficial for ESMA to require CRAs to self-report on every provision in the Regulation. Such a result would be incorrect given the material cost involved in such a regime.

Q 23: Do you believe that the overall results of the Impact Assessment are reasonable? Do you agree with the outlined costs and benefits of the different options?

Please see the cover letter to this Annex

Q24: Has the Impact Assessment omitted any material cost or benefit?

Please see the cover letter to this Annex

Q25: Do you believe that the weightings used to consolidate the costs and benefits under the two options do not properly reflect the impact of the costs and benefits to the different stakeholders in the economy? If so, please suggest the different weighting system for the costs and benefits.

Please see our answer to Question 22.

Q26: Do you think that all relevant factors were considered in selecting the costs and benefits of the different options and determining their impact?

Please see the cover letter to this Annex.

Table 1a: Qualitative data for the first reporting and subsequent updates
Technical fields to be always included only once in the qualitative data file

No.	Field identifier	Description	Type	Standard	Comments
1	Version	The version of the XML Schema Definition (XSD) used to generate the file.	Mandatory.	Shall be the exact version number.	
2	Creation date	The date at which the file was created.	Mandatory.	ISO 8601 Date Format (YYYY-MM-DD).	
3	Creation time	The time at which the file was created. It shall be reported in the local time of the credit rating agency generating the file and expressed as Coordinated Universal Time (UTC) +/- hours.	Mandatory.	ISO 8601 Time Format (HH:MM:SS).	
4	Creation time offset	Indicates that a local time offset for the creation of the file was used HH ahead or behind UTC. Separated subfield with values (+/-) HH, which shall be adjusted for summer time.	Mandatory.	--	

No.	Field identifier	Description	Type	Standard	Comments
5	CRA unique identifier	Code used internally by the system to identify the credit rating agency. Must be the Business Identifier Code (BIC) of the credit rating agency sending the file.	Mandatory.	ISO 9362.	
6	Reporting period	Identifies the reporting period of the file. It corresponds to the date of the beginning of the relevant month.	Mandatory.	ISO 8601 Date Format (YYYY-MM-DD).	
7	Number of records	Total amount of records in the file.	Mandatory.	--	

Table 1b: Qualitative data for the first reporting and subsequent updates
Business fields to be included where applicable and as many times as necessary in the data file

No.	Field identifier	Description	Type	Standard	Comments
8	CRA Name	Name of the credit rating agency. It shall correspond to the name used by the credit rating agency in the registration or certification process, or subsequently notified to ESMA. In case one member reports for the whole group it shall be the name of the group of credit rating agencies.	Mandatory for initial reporting or in case of changes.	--	
9	Solicited and unsolicited ratings policy	Description of the credit rating agency's policy on solicited and unsolicited ratings.	Mandatory for initial reporting or in case of changes.	--	<p>Delete.</p> <p>1. It is unclear to MIS why this specific policy should be reported to ESMA as part of the qualitative data. The policy is available to ESMA and CRAs would be required to notify ESMA of any material changes to the policy.</p> <p>2. Furthermore, a CRA may adopt different</p>

No.	Field identifier	Description	Type	Standard	Comments
					unsolicited policies outside of the EU which affects the status of non-EU credit ratings as unsolicited/solicited.
10	Solicited and unsolicited ratings policy validity date	The date from which the solicited and unsolicited ratings policy starts being valid. For the first reporting it can be the date of entry into force of this Regulation, or the date of registration or certification if later.	Mandatory if the “solicited and unsolicited ratings policy” is reported.	ISO 8601 Date Format (YYYY-MM-DD).	Delete. 1. Please see field 9 2. Providing one date would not be relevant since there may be several policies and/or several updates of these policies.
11	Rating scale identifier	Identifies uniquely a specific rating scale of the credit rating agency.	Mandatory for initial reporting or in case of changes.	--	A CRA may adopt more than one rating scale. It is unclear how multiple rating scales should be reported.
12	Rating scale validity date	The date from which the rating scale starts being valid. For the first reporting it can be the date of entry into force of this Regulation, or the date of registration or certification if later.	Mandatory if ‘rating scale identifier’ is reported.	ISO 8601 Date Format (YYYY-MM-DD).	
13	Time horizon	Identifies the time horizon	Mandatory if ‘rating	<input type="checkbox"/> ‘L’ in case the rating scale	

No.	Field identifier	Description	Type	Standard	Comments
		referred to by the rating scale.	scale identifier' is reported.	<p>is applicable to long term ratings;</p> <p><input type="checkbox"/> 'S' in case the rating scale is applicable to short term ratings.</p>	
14	Rating type	Identifies the type of rating referred to by the rating scale.	Mandatory if 'rating scale identifier' is reported.	<p><input type="checkbox"/> 'C' in case the rating scale is applicable to corporate ratings;</p> <p><input type="checkbox"/> 'S' in case the rating scale is applicable to sovereign & public finance ratings;</p> <p><input type="checkbox"/> 'T' in case the rating scale is applicable to structured finance ratings.</p> <p><input type="checkbox"/> "B" in case the rating scale is applicable to covered bonds different from structured finance instruments.</p>	A rating scale may typically apply to all types of ratings. It is unclear how this should be reported and we propose an additional standard: "A" in case the rating scale is applicable to all types of credit ratings.
15	Rating category label	Identifies a specific rating category within the rating scale.	Mandatory if 'rating scale identifier' is reported.	<input type="checkbox"/> --	
16	Rating category description	Definition of the rating category in the rating scale.	Mandatory if 'rating scale identifier' is reported.	<input type="checkbox"/> --	

No.	Field identifier	Description	Type	Standard	Comments
17	Rating category value	Order of the rating category in the rating scale, considering notches as subcategories.	Mandatory if 'rating scale identifier' is reported.	<input type="checkbox"/> The ordinal is an integer value with minimum value 1 and a maximum value of 20. The declaration of the rating categories values must be consecutive. There must be as a minimum one rating category for each rating.	
18	Notch label	Identifies a specific notch within the rating scale. Notches provide additional detail to the rating category.	Mandatory if a notch is included in the rating scale for which a 'rating scale identifier' is reported.	--	
19	Notch description	Definition of the notch in the rating scale.	Mandatory if a notch is included in the rating scale for which a 'rating scale identifier' is reported.	--	
20	Notch value	Order of the notch in the rating scale. The notch value is the value that is assigned to each rating.	Mandatory if a notch is included in the rating scale for which a 'rating scale identifier' is reported.	The notch value is an integer with minimum value 1 and a maximum value of 99. Values provided must be consecutive.	

Table 2a: Data to be reported to ESMA
Technical fields to be always included only once in the data file

No.	Field identifier	Description	Type	Standard	Comments
1	CRA unique identifier	Code used internally by the system to identify the credit rating agency. Must be the Business Identifier Code (BIC) of the credit rating agency sending the file.	Mandatory.	ISO 9362.	
2	Version	The version of the XML Schema Definition (XSD) used to generate the file.	Mandatory.	Shall be the exact version number.	
3	Creation date	The date at which the file was created.	Mandatory.	ISO 8601 Date Format (YYYY-MM-DD).	
4	Creation time	The time at which the file was created. It shall be reported in the local time of the credit rating agency generating the file and expressed as Coordinated Universal Time (UTC) +/- hours.	Mandatory.	ISO 8601 Time Format (HH:MM:SS).	

5	Creation time offset	Indicates that a local time offset for the creation of the file was used HH ahead or behind UTC. Separated subfield with values (+/-) HH, which shall be adjusted for summer time.	Mandatory.	--	
No.	Field identifier	Description	Type	Standard	Comments
6	Reporting period	Identifies the reporting period of the file. It corresponds to the date of the beginning of the relevant month.	Mandatory.	ISO 8601 Date Format (YYYY-MM-DD).	
7	Number of records	Total amount of records in the file.	Mandatory.	--	Please confirm whether this should be numerical or text.

Table 2b: Data to be reported to ESMA

Business fields to be included where applicable and as many times as necessary in the data file

No.	Field identifier	Description	Type	Standard	Comments
8	Action type	Identifies the type of action carried out by the credit rating agencies in respect of a specified rating.	Mandatory.	<ul style="list-style-type: none"> -“NR”, in case the rating is issued for the first time; -“UP”, in case the rating is upgraded; -“DG”, in case the rating is downgraded; -“WD”, in case the rating is withdrawn; -“AF”, in case the rating is affirmed; -“WA”, in case the rating is placed to or removed from the “watch” status; -“OT”, in case the rating is assigned an outlook; -“OB,” in case the rating is placed to or removed from observation; -“SU”, in case the rating status changes from solicited to unsolicited and viceversa; -“DF”, in case a rated issuer or instrument is assigned to or removed from default. 	<p>Delete “AF”, “SU”, “OB”, “DF”, “OT” and “WA”</p> <p>1. Please refer to our response in Question 9 in Annex I.</p> <p>2. MIS does not distinguish between a “WA” and a “OB”.</p> <p>3. MIS’ structured finance group does not use outlooks.</p> <p>4. MIS does not use the term “OB” and we would understand that this would refer to a formal watchlist action.</p> <p>5. Categorisation of a credit rating as “SU” may differ depending on the location of credit rating.</p> <p>6. Regarding “DF”, the MIS rating scales generally do not include a default</p>

No.	Field identifier	Description	Type	Standard	Comments
					category. Therefore there is no credit rating action in the case of a default of an issuer or instrument. MIS may disclose that there has been a default in a press release but there may be no rating action. 7. If MIS was required to report such data on at issuer level, we would have to apply an algorithm at debt-level to determine a proxy issuer rating where there is no issuer rating.
9	Outlook/Trend	Identifies the outlook/trend assigned to a rating by the CRA according to its relevant policy.	Mandatory. Applicable only in case the action type reported is "OT".	<ul style="list-style-type: none"> - 'POS' in case of a positive outlook; - 'NEG' in case of a negative outlook; - 'EVO' in case of an evolving or developing outlook; - 'STA' in case of a stable outlook. 	1. MIS refers to a watchlist with respect to a review as opposed to using both watchlist and review. Therefore MIS would consider an outlook to refer to (POS), (NEG), (STA), (DEV) and a watchlist/review as review for possible upgrade (UPG), on review for possible downgrade (DNG), or direction uncertain (UNC). Note

No.	Field identifier	Description	Type	Standard	Comments
					that the structured finance group does not use outlooks. 2. If CRAs are required to report such data on an issuer level, we would have to apply an algorithm at debt-level to determine a proxy issuer rating where there is no issuer rating.
10	Watch	Identifies the watch status assigned to or removed from a rating by the CRA according to its relevant policy.	Mandatory. Applicable only in case the action type reported is "WA".	- 'POW' in case of a positive watch; - 'NEW' in case of a negative watch; - 'EVW' in case of an evolving or developing watch; - 'UNW' in case of a watch with uncertain direction; - 'RMW' in case of removal from watch.	1. Please see field 11. 2. MIS does not distinguish between a watchlist and a review. 3. If CRAs are required to report such data on an issuer level, we would have to apply an algorithm at debt-level to determine a proxy issuer rating where there is no issuer rating.
11	Observation	Identifies that a rating has been placed under observation or removed from the observation status because of regulatory	Mandatory. Applicable only in case the action type reported is "OB". -	- '1' in case the CRA places the rating on observation in accordance with Article 8(6) of Regulation (EC) No	Delete 1. MIS will in the significant majority of

No.	Field identifier	Description	Type	Standard	Comments
		<p>review.</p> <p>If the rating is assigned a watch status as a consequence of a regulatory review, the placement of that rating under observation shall also be reported as a separate action.</p>		<p>1060/2009;</p> <ul style="list-style-type: none"> - '2' in case the CRA places the rating on observation following departure of a rating analyst in accordance with Section C(6) of Annex I of Regulation (EC) No 1060/2009; - '3' in case the CRA places the rating on observation following the discovery of the circumstances set out in Section C(2) of Annex I of Regulation (EC) No 1060/2009; - '4' in case the CRA places the rating on observation following the discovery of the circumstances set out in Section B(3) of Annex I of Regulation (EC) No 1060/2009; - '9' in case the CRA removes the rating from being under 	<p>instances place a rating under review for credit reasons and not because of the factors suggested in the Draft RTS.</p> <p>2. MIS does not database the reason for a review as contemplated in the Standard and we believe that any such requirement to do so would place an undue burden on CRAs and will require material IT implementation.</p> <p>3. We propose that the Standard should, in line with field 9, include a determination as to whether the rating was placed on review for possible upgrade (UPG), on review for possible downgrade (DNG), or direction uncertain (UNC)</p> <p>4. Furthermore, it is</p>

No.	Field identifier	Description	Type	Standard	Comments
				observation.	<p>unclear what the difference would be between placing a rating on review under Section C(2) and Section B(3) of Annex I. In particular, MIS does not understand there to be any positive requirement for a CRA to place a credit rating under review under Section B(3) of Annex I.</p> <p>5. If CRAs are required to report such data on an issuer level, we would have to apply an algorithm at debt-level to determine a proxy issuer rating where there is no issuer rating.</p> <p>6. It is unclear how this would reported for endorsed ratings.</p>
12	Responsible CRA unique identifier	Business Identifier Code (BIC) of the entity responsible for the action,	Mandatory.	ISO 9362.	MIS does not believe it is appropriate to force all CRAs globally to apply for a BIC Code. We would

No.	Field identifier	Description	Type	Standard	Comments
		<p>i.e. in case of:</p> <p><input type="checkbox"/> a rating issued in the EU, the registered credit rating agency that has performed the action;</p> <p><input type="checkbox"/> an endorsed rating, the third country credit rating agency that has performed the action;</p> <p><input type="checkbox"/> a rating of a certified credit rating agency, the certified entity.</p>			propose that an approach similar to that in the CEREP Draft RTS be considered whereby the EU CRA is required to report with a BIC Code as well as any EU CRA that endorses a credit rating from outside of the EU.
13	Rating identifier	Unique identifier of the rating, which shall be maintained unchanged over time.	Mandatory.	--	
14	Rating value	Identifies the value of the rating after the action.	<p>Mandatory for the first time a 'rating identifier' is reported or in case of the following actions;</p> <p><input type="checkbox"/> 'NR'</p> <p><input type="checkbox"/> 'UP'</p> <p><input type="checkbox"/> 'DG'</p>	--	If CRAs are required to report such data on an issuer level, we would have to apply an algorithm at debt-level to determine a proxy issuer rating where there is no issuer rating.

No.	Field identifier	Description	Type	Standard	Comments
15	Previous rating value	Identifies the value of the rating before the action.	Mandatory for the first time a “rating identifier” is reported and the action type reported is different from ‘NR’.	--	If CRAs are required to report such data on an issuer level, we would have to apply an algorithm at debt-level to determine a proxy issuer rating where there is no issuer rating.
16	Rating scale identifier	Identifies uniquely the scale of the rating.	<p>Mandatory for the first time a ‘rating identifier’ is reported and in case of changes.</p> <p>Applicable only in case more than one rating scale identifier correspond to a rating type.</p>	--	
17	Lead Analyst	Full name of the lead analyst responsible for the rating.	Mandatory for the first time a ‘rating identifier’ is reported and in case of change.	--	<p>Delete</p> <p>1. It is unclear to MIS why ESMA would require the disclosure of the name of the lead analyst. MIS would have no objection to the disclosure of the location of the lead analyst as per field 18 but we do</p>

No.	Field identifier	Description	Type	Standard	Comments
					<p>not believe it necessary for supervisory purposes for the name of the Lead Analyst to be included in the regular reporting to ESMA.</p> <p>2. Furthermore, the Lead Analyst in a structured finance transaction will typically change following the primary credit rating and the information on the files of ESMA will be outdated until the time a rating action is taken on the credit.</p>
18	Country of the Lead Analyst	Identifies the country of the office of the lead analyst competent for the rating.	Mandatory for the first time a 'rating identifier' is reported and in case of change.	ISO 3166	
19	Solicited/ Unsolicited	Status of the rating as solicited or unsolicited as resulting after the action.	<p>Mandatory.</p> <p>Applicable only in case the action type reported is "SU" or the the first time a 'rating identifier' is reported.</p>	<input type="checkbox"/> 'S' in case the rating is solicited; <input type="checkbox"/> 'U' in case the rating is unsolicited.	<p>Delete.</p> <p>1. It is unclear how non EU-credit ratings would be reported if classified under a different unsolicited ratings policy.</p>

No.	Field identifier	Description	Type	Standard	Comments
					2. If CRAs are required to report such data on an issuer level, we would have to apply an algorithm at debt-level to determine a proxy issuer rating where there is no issuer rating.
20	Rating Type	Identifies the type of rating as referred to by the rating scale.	Mandatory for the first time a 'rating identifier' is reported.	<input type="checkbox"/> 'C' in case the rating is a corporate rating; <input type="checkbox"/> 'S' in case the rating is a sovereign & public finance rating; <input type="checkbox"/> 'T' in case the rating is a structured finance rating; <input type="checkbox"/> "B" in case the rating refers to a covered bond that is not a structured finance instruments.	
21	Country	Country code of the rated issuer or instrument.	Mandatory for the first time a 'rating identifier' is reported or in case of changes	ISO 3166-1.	Delete. 1. CRAs are not required to capture this information under the Regulation and since the location of the lead analyst determines the location of credit rating

No.	Field identifier	Description	Type	Standard	Comments
					and therefore determines jurisdiction, we do not believe this field is necessary for the supervisory activities of ESMA. 2. Furthermore, in the case an international country code, the field would require clarification if retained.
22	Industry	Industry segment of the issuer.	Mandatory for the first time a 'rating identifier' is reported or in case of changes. Applicable only in case the rating type reported is "C".	<input type="checkbox"/> 'FI' in case it is a financial institution including credit institutions and investment firms; <input type="checkbox"/> 'IN' in case it is an insurance undertaking; <input type="checkbox"/> 'CO' in case it is a corporate issuer that is not considered a financial institution or an insurance undertaking.	
23	Sector	Specifies subcategories for sovereign and public finance ratings.	Mandatory for the first time a 'rating identifier' is reported or in case of changes.	<input type="checkbox"/> 'FC' in case it is a sovereign foreign currency rating; <input type="checkbox"/> 'SL' in case it is a sovereign local currency rating;	

No.	Field identifier	Description	Type	Standard	Comments
			Applicable only in case the rating type reported is “S”.	<input type="checkbox"/> ‘SM’ in case it is a sub-sovereign or municipality rating; <input type="checkbox"/> ‘SO’ in case it is a supranational organization rating; <input type="checkbox"/> ‘PE’ in case it is a public entity rating.	
24	Asset class	Defines the main asset classes for structured finance ratings.	<p>Mandatory for the first time a ‘rating identifier’ is reported or in case of changes.</p> <p>Applicable only in case the rating type reported is “T”.</p>	<input type="checkbox"/> ‘ABS’ in case it is an asset-backed security; <input type="checkbox"/> ‘RMBS’ in case it is a residential mortgage backed security; <input type="checkbox"/> ‘CMBS’ in case it is a commercial mortgage backed security; <input type="checkbox"/> ‘CDO’ in case it is a collateralised debt obligation; <input type="checkbox"/> ‘ABCP’ in case it is an asset-backed commercial paper; <input type="checkbox"/> ‘OTH’ in all other cases.	Please refer to paragraph 5 of our cover letter.
25	Sub-asset	Defines the sub-asset classes for ABS, RMBS and CDO ratings.	Mandatory for the first time a ‘rating identifier’ is reported or in case of	<p>For ABS:</p> <input type="checkbox"/> ‘CCS’ in case it is a credit card receivable backed	<p>Please refer to paragraph 5 of our cover letter.</p> <p>1.Terminology such as</p>

No.	Field identifier	Description	Type	Standard	Comments
			changes. Applicable only in case the Asset class reported is: “ABS”, “RMBS” or “CDO”.	security; <input type="checkbox"/> ‘ALB’ in case it is an auto loan backed security; <input type="checkbox"/> ‘OTH’ in case it is another type of ABS. For RMBS: <input type="checkbox"/> ‘HEL’ in case it is a home equity loan; <input type="checkbox"/> ‘PRR’ in case it is a prime RMBS; <input type="checkbox"/> ‘NRR’ in case it is a non-prime RMBS. For CDO: <input type="checkbox"/> ‘CFH’ in case it is a cash flow or hybrid CDO/CLO; <input type="checkbox"/> ‘SDO’ in case it is a synthetic CDO/CLO; <input type="checkbox"/> ‘MVO’ in case it is a market value CDO.	prime and non-prime RMBS is not a defined term and risks introducing subjective standards of determination into the resulting RTS. 2. Furthermore, it is unclear how a CRA should distinguish between in certain instances an OTH and a SDO where, for example, in a SME transaction there may be a difference between how a CRA may analyse the transaction and how it may be categorised by an issuer. 3. Finally, without a general “Other” category there is a material risk that credit ratings may not be able to be reported because they do not belong to a category (eg Balance Sheet CDOs).
26	Vintage year	Specifies the year of issuance of the rated instrument. It shall be	Mandatory for the first time a ‘rating identifier’ is	--	Delete.

No.	Field identifier	Description	Type	Standard	Comments
		maintained unchanged over time.	reported. Applicable only in case the Rating type reported is "T".		<p>1. It is unclear how this field should be reported in, for example, the case of an ABCP transaction where short-term notes are issued on a rolling basis but receive the same credit rating. The report into ESMA will therefore show issuance of YYYY but following a rating action, the vintage would actually be YYYY+2, for example.</p> <p>2. It would appear that this field would only apply to an instrument rating.</p> <p>3. It is unclear how we should treat tap issuance and restructurings.</p>
27	Time horizon	Identifies the time horizon of the rating as referred to by the rating scale.	Mandatory for the first time a 'rating identifier' is reported.	<input type="checkbox"/> 'L' in case the rating is a long term rating; <input type="checkbox"/> 'S' in case the rating is a short term rating.	
28	Seniority	Identifies the seniority of the debt class of the issuer or instrument rated.	Mandatory for the first time a 'rating identifier' is reported or in case of	<input type="checkbox"/> 'SU' in case the issuer rating or the instrument rated is senior unsecured;	<p>Delete.</p> <p>1. It is unclear how ESMA</p>

No.	Field identifier	Description	Type	Standard	Comments
			changes. Applicable only in case the Rating type reported is “C” or “S”.	<input type="checkbox"/> ‘SS’ in case the issuer rating or the instrument rated is senior subordinate; <input type="checkbox"/> ‘SB’ in case the issuer rating or the instrument rated is subordinated.	<p>would want a CRA to report this on an issuer basis or where there is both an issuer or issuance ratings outstanding.</p> <p>2. If CRAs are required to report such data on an issuer level, we would have to apply an algorithm at debt-level to determine a proxy issuer rating where there is no issuer rating.</p>
29	Currency	Identifies whether the rating is expressed in respect of local or foreign currency.	<p>Mandatory for the first time a ‘rating identifier’ is reported or in case of changes.</p> <p>Applicable only for issuer ratings.</p>	<input type="checkbox"/> ‘LC’ in case of a local currency rating; <input type="checkbox"/> ‘FC’ in case of a foreign currency rating.	If CRAs are required to report such data on an issuer level, we would have to apply an algorithm at debt-level to determine a proxy issuer rating where there is no issuer rating.
30	Action validity date	The date of validity of the action. This date shall coincide with the date of publication if the action is subject to publication.	Mandatory.	ISO 8601 Date Format (YYYY-MM-DD).	<p>1. MIS would treat this as the date of publication of the Rating Action.</p> <p>2. If CRAs are required to report such data on an issuer level, we would have to apply an algorithm at debt-level to determine a</p>

No.	Field identifier	Description	Type	Standard	Comments
					proxy issuer rating where there is no issuer rating.
31	Action validity time	The time of validity of the action. This time shall coincide with the time of publication if the action is subject to publication. It shall be expressed as Coordinated Universal Time (UTC).	Mandatory.	ISO 8601 Time Format (HH:MM:SS).	1. Please see field 30 2. If CRAs are required to report such data on an issuer level, we would have to apply an algorithm at debt-level to determine a proxy issuer rating where there is no issuer rating.
32	Communication date	The date of communication of the action to the rated entity.	Mandatory. Applicable only if the action is communicated to the rated entity.	ISO 8601 Date Format (YYYY-MM-DD).	1. Not all of the actions in field 8 are rating actions. CRAs may not database all status changes to credit ratings. 2. The '12-hour rule' does not apply to non-EU credit ratings. The date and time of notification to the issuer may therefore not be captured outside of the EU and CRAs may not be able to report this information for non-EU credit ratings. MIS understands that this will not be required to be reported for non-EU credit

No.	Field identifier	Description	Type	Standard	Comments
					<p>ratings.</p> <p>3. If CRAs are required to report such data on an issuer level, we would have to apply an algorithm at debt-level to determine a proxy issuer rating where there is no issuer rating.</p>
33	Communication time	<p>The time of communication of the action to the rated entity.</p> <p>It shall be expressed as Coordinated Universal Time (UTC).</p>	<p>Mandatory.</p> <p>Applicable only if the action has been communicated to the rated entity.</p>	ISO 8601 Time Format (HH:MM:SS).	<p>1. See field 32</p> <p>2. If CRAs are required to report such data on an issuer level, we would have to apply an algorithm at debt-level to determine a proxy issuer rating where there is no issuer rating.</p>
34	Adoption date	<p>Identifies the date of adoption of the rating action.</p> <p>It shall coincide with the date of preliminary approval of the action if this is to be communicated to the rated entity</p>	Mandatory if the adoption date is different from the action validity date.	ISO 8601 Date Format (YYY-MM-DD).	If CRAs are required to report such data on an issuer level, we would have to apply an algorithm at debt-level to determine a proxy issuer rating where there is no issuer rating.

No.	Field identifier	Description	Type	Standard	Comments
35	Standard instrument identifier	Unique identifier of the rated instrument. It shall be maintained unchanged over time.	<p>Mandatory for the first time a 'rating identifier' is reported.</p> <p>Applicable only to ratings concerning instruments.</p>	<ul style="list-style-type: none"> - "ISIN", if the rated instruments is assigned an International Securities Identifying Number (ISIN); - "CUSIP", if the rated instrument has no ISIN but is assigned a Committee on Uniform Security Identification Procedures code; - "INT", Internal Instrument Identifier, to be selected if the rated instrument has neither an ISIN nor a CUSIP code. 	<p>Delete.</p> <p>1. It should be made clear that this would only be a mandatory field where there is a rating on an instrument.</p> <p>2. MIS does not routinely capture an ISIN or CUSIP number for rated instruments and there is no requirement under the Regulation for CRAs to capture such information.</p> <p>3. MIS would propose that the relevant indicator that would be relevant under the Regulation is the identification of a credit rating which is submitted under field 13. This will also protect against the disclosure of the issuer/instrument as protected under the draft CEREP RTS.</p>
36	ISIN value	ISIN of the rated	Mandatory for the first time	ISO 6166 code.	Please see field 35

No.	Field identifier	Description	Type	Standard	Comments
		instrument. It shall be maintained unchanged over time.	a 'rating identifier' is reported.		
37	CUSIP code	CUSIP code of the rated instrument. It shall be maintained unchanged over time.	Mandatory for the first time a 'rating identifier' is reported.	9- character alphanumeric code	Please see field 35
38	Internal Instrument Identifier	Unique code assigned by the CRA to identify the rated instrument. It shall be maintained unchanged over time.	Mandatory for the first time a 'rating identifier' is reported.	--	
39	Standard issuer identifier	Unique identifier of the issuer (or the parent company of the issuer).	Mandatory for the first time a 'rating identifier' is reported or in case of changes.	<ul style="list-style-type: none"> - "BIC", if the issuer is assigned a Unique Business Identifier Code; - "ITR", Internal Issuer Identifier, to be selected if the issuer is not assigned a BIC code. - 	1. Please see field 35 2. It should be made clear that this would only apply to a credit rating on an issuer.
40	Issuer BIC code	Unique Business Identifier Code (BIC) of the issuer.	Mandatory for the first time a 'rating identifier' is reported. Applicable only in case the	ISO 9362 code.	Please see field 35

No.	Field identifier	Description	Type	Standard	Comments
			Standard Issuer Identifier is reported as “BIC”.		
41	Internal Issuer Identifier	Unique code assigned by the CRA to identify the issuer. It shall contain appropriate understandable reference to the legal name of the issuer (or the parent company of the issuer).	<p>Mandatory for the first time a ‘rating identifier’ is reported or in case of changes.</p> <p>Applicable only in case the Standard Issuer Identifier is reported as “ITR”.</p>	--	
42	Standard Originator Identifier	Unique identifier of the originator of the structured finance instrument (or the parent company of the originator).	<p>Mandatory for the first time a ‘rating identifier’ is reported.</p> <p>Applicable only in case the Rating type reported is “T”.</p>	<ul style="list-style-type: none"> - “BICO”, if the originator is assigned a Unique Business Identifier Code; - “ITRO”, Originator Internal Identifier, to be selected if the originator is not assigned a BIC code; - “MULT”, if the instrument is originated by multiple entities not controlled by the same parent company. 	<p>Delete.</p> <p>1. MIS would strongly object to providing such data to ESMA. CRAs are not required to capture the identity of the originator under the Regulation and any requirement for CRAs to so capture this data would be <i>ultra vires</i> the Regulation.</p> <p>2. It is further unclear how disclosure of the originator will assist ESMA in its administration of the</p>

No.	Field identifier	Description	Type	Standard	Comments
					<p>Regulation.</p> <p>3. In some structured finance transactions, the originator is not disclosed for confidentiality reasons.</p> <p>4. In some transactions, the identity of the originator loses relevance through the life of the transaction as the servicer or trustee becomes a more important counterparty.</p> <p>5. It is unclear how a CRA would report such a field where there are multiple originators (for example CDOs).</p>
43	Originator BIC Code	Unique Business Identifier Code (BIC) of the originator.	<p>Mandatory for the first time a 'rating identifier' is reported.</p> <p>Applicable only in case the Rating type reported is "T" and the Standard Originator Identifier reported is "BICO".</p>	ISO 9362 code.	<p>Delete.</p> <p>See field 42</p>

No.	Field identifier	Description	Type	Standard	Comments
44	Originator Internal Identifier	Unique code assigned by the CRA to the originator. It shall contain appropriate understandable reference to the legal name of the originator (or the parent company of the issuer).	Mandatory for the first time a 'rating identifier' is reported. Applicable only in case the Rating type reported is "T" and the Standard Originator Identifier reported is "ITRO".	--	Delete. See field 42
45	Withdrawal reason	Reason in case the action reported is a 'withdrawal'.	Mandatory in case a "WD" action is reported.	<input type="checkbox"/> '1' in case of incorrect or insufficient information on the issuer/issue; <input type="checkbox"/> '2' in case of bankruptcy of the rated entity or debt restructuring; <input type="checkbox"/> '3' in case of reorganisation of the rated entity including the merger or acquisition of the rated entity; <input type="checkbox"/> '4' in case of the end of maturity of the debt obligation; <input type="checkbox"/> '5' in case of automatic invalidity of rating due to business model of a credit rating agency (such as expiry	If CRAs are required to report such data on an issuer level, we would have to apply an algorithm at debt-level to determine a proxy issuer rating where there is no issuer rating.

No.	Field identifier	Description	Type	Standard	Comments
				of ratings valid for a predetermined period); <input type="checkbox"/> '6' in case of end of rating due to other reasons.	
46	Default	Identifies whether there has been a change of status of the ratings relating to the default of the issuer or instrument.	Mandatory. Applicable only in case the rated issuer or instrument is in default or has been removed from default.	<input type="checkbox"/> "Y" in case: <ol style="list-style-type: none"> a default has occurred according to the credit rating agency's definition of default; the relevant rating has been withdrawn due to bankruptcy of the rated entity or because of debt restructuring; any other instance in which the credit rating agency considers a rated entity or security as defaulted or materially impaired or equivalent. <input type="checkbox"/> "N" when the default status is lifted.	Delete. 1. Please see field 8. MIS would not be in a position to report all the categories of data in this field. A defaulted issuer/instrument is not a credit rating action. 2. If CRAs are required to report such data on at issuer level, we would have to apply an algorithm at debt-level to determine a proxy issuer rating where there is no issuer rating. 3. A requirement that a credit rating flagged as default during a reporting period and withdrawn for reason 2 after one or several periods should be flagged

No.	Field identifier	Description	Type	Standard	Comments
					again as a default was recognised as creating an issue because effectively a default would be double-counted.

Table 3a: List of fields for the cancellation of data
Technical fields to be always included only once in the cancellation file

No.	Field identifier	Description	Type	Standard	Comments
1	CRA unique identifier	Code used internally by the system to identify the credit rating agency. Must be the Business Identifier Code (BIC) of the credit rating agency sending the file.	Mandatory.	ISO 9362.	
2	Version	The version of the XML Schema Definition (XSD) used to generate the file.	Mandatory.	Shall be the exact version number.	
3	Creation date	The date at which the file was created.	Mandatory.	ISO 8601 Date Format (YYYY-MM-DD).	
4	Creation time	The time at which the file was created. It shall be reported in the local time of the credit rating agency generating the file and expressed as Coordinated Universal Time (UTC) +/- hours.	Mandatory.	ISO 8601 Time Format (HH:MM:SS).	
5	Creation time offset	Indicates that a local time offset for the creation of the file was used HH ahead or behind UTC. Separated subfield with values (+/-) HH, which shall be adjusted for summer time.	Mandatory.	--	
6	Number of records	Total amount of records in the	Mandatory.	--	

No.	Field identifier	Description	Type	Standard	Comments
		cancellation file.			

Table 3b: List of fields for the cancellation of data
Business fields to be included as many times as necessary in the cancellation file

No.	Field identifier	Description	Type	Standard	Comments
7	Reporting period	Identifies the period in which the record to be cancelled has been reported. It corresponds to the date of the beginning of the relevant month.	Mandatory if only the record/s reported in one period must be cancelled. If this is not specified all records sent to ESMA corresponding to the field/s indicated in the file will be cancelled.	ISO 8601 Date Format (YYYY-MM-DD).	
8	Field identifier	The field identifier of the record to be cancelled.	Mandatory.	--	
9	Rating identifier	Unique identifier of the rating assigned by the credit rating agency.	Mandatory. Applicable only if the record to be cancelled is an action relating to a rating as specified in Table 2.	--	
10	Validity date	The date from which the record to be cancelled starts being valid.	Mandatory if only the record/s valid from a specific date must be cancelled. If this is not specified all records corresponding to the	ISO 8601 Date Format (YYYY-MM-DD).	

No.	Field identifier	Description	Type	Standard	Comments
			selected field sent to ESMA in the indicated reporting period will be cancelled.		
11	Validity time	The time from which the record to be cancelled starts being valid. It shall be expressed as Coordinated Universal Time (UTC) +/- hours.	<p>Mandatory if only the record valid from a specific time must be cancelled.</p> <p>If this is not specified all records corresponding to the selected field and valid from the indicated date will be cancelled.</p> <p>Applicable only if the record to be cancelled is an action relating to a rating as specified in Table 2.</p>	ISO 8601 Time Format (HH:MM:SS).	
12	Reason for cancellation	The reason why the record is cancelled.	Mandatory.	--	It is unclear which reasons may be reported under this field.