Deutsche Bank

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European Securities and Markets Authority
103 Rue de Grenelle
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Dear Sir or Madam,

ESMA discussion paper on CRA III implementation

Deutsche Bank welcomes the opportunity to respond to the discussion paper published by the European Securities and Markets Authority ("ESMA") on the implementation of the disclosure requirement aspects of Regulation (EU) No 462/2013 amending Regulation (EC) No 1060/2009 on credit rating agencies ("CRA III").

We support the CRA III goal of improving investors' ability to make informed assessments of the creditworthiness of structured finance instruments (SFIs) and reducing their reliance on external credit ratings.

Article 8b, as currently drafted, would subject all SFIs, whether or not they are rated, listed or offered to the public, to the disclosure requirement. We see no reason why the public should have ongoing access to information about a private transaction to which they could never become exposed. For example, a private repackaging structure put in place by a bank that involves no rating, no public offer and no listing could be subject to this disclosure obligation. We respectfully suggest that the scope of this Article should apply to those SFIs which a) have a credit rating and b) are available to public investors. Furthermore, it is important that a clarification is made that non-EU subsidiaries and non-EU branches should not be considered as "established in the Union" and accordingly are outside the scope of Article 8b. Similarly, we think that subjecting all SFIs "traded" in the EU to the disclosure requirement would go beyond the Level 1 text and would have significant extraterritorial impacts.

In addition to the question of scope, we see an essential need for greater coordination of various international disclosure requirements and initiatives, the ECB loan level disclosure being a prime example.

Separate from the points on disclosure, Deutsche Bank appreciates ESMA's efforts to establish a new European Rating Platform where CRAs will report up-to date ratings and outlooks together with other valuable information. It is important that additional information be made publicly available to investors, allowing them to easily compare all credit ratings of an issuer, and historic rating developments. This will certainly result in enhanced transparency.

Our responses to the specific questions are in the Annex. We hope you will find these comments helpful. Please let us know if we can provide further information.

Yours sincerely,

Andrew Procter
Global Head of Compliance, Government and
Regulatory Affairs

OVERARCHING COMMENTS

Article 8b Disclosure Obligation - Scope

We note that Article 8b requires issuers, originators and sponsors to publish certain information relating to structured finance instruments. The term "structured finance instrument" is defined in Article 3(1)(l) of the Regulation as "a financial instrument or other assets resulting from a securitisation transaction or scheme referred to in Article 4(36) of Directive 2006/48/EC". The article that is referred to is the CRD II definition of "securitisation", which reads:

"securitisation" means a transaction or scheme, whereby the credit risk associated with an exposure or pool of exposures is tranched, having the following characteristics:

(a) payments in the transaction or scheme are dependent upon the performance of the exposure or pool of exposures; and

(b) the subordination of tranches determines the distribution of losses during the ongoing life of the transaction or scheme."

We note, for completeness, that the Credit Requirements Regulation uses an almost identical definition (see Article 4(37)).

This is a very wide definition that appears to catch asset-backed transactions whether or not they are rated, listed or offered to the public. For example, a private repackaging structure put in place by a bank that involves no rating, no public offer and no listing could be subject to this disclosure obligation.

The exemptions from the disclosure obligation set out in Article 8b(2)will be of limited use in practice (as, in most cases, disclosure would not amount to an actual breach of law).

We do not believe that it was the legislative intention for the disclosure obligation to apply to this range of deal types. We see no reason why the public should have access to ongoing information about a private transaction to which they could never become exposed.

The recitals to CRA III provide some helpful guidance as to the intention behind Article 8b. In particular, Recital 30 reads as follows:

“Furthermore, the ability of investors to make an informed assessment of the creditworthiness of structured finance instruments would be improved if investors were provided with sufficient information on those instruments. For example, as the risk on structured finance instruments to a large extent depends on the quality and performance of the underlying assets, investors should be provided with more information on the underlying assets. This would reduce investors’ dependence on credit ratings. Moreover, disclosing relevant information on structured finance instruments is likely to reinforce the competition between credit rating agencies, because it could lead to an increase in the number of unsolicited credit ratings.”

The fact that this obligation is intended to reduce reliance on external credit ratings is confirmed by ESMA in paragraph II.I.2 of its 10 July 2013 Discussion Paper.

It appears to be clear from this Recital that the disclosure requirement is only intended to apply to those structured finance instruments that (a) have a credit rating; and (b) are available to public investors.

This is consistent with the general approach taken in the Regulation (see Article 2(1) and Article 2(2)(a) of CRA I) that ratings not intended for public distribution are outside the scope of the Regulation.

In this regard, we respectfully remind ESMA that provision for the disclosure of information to securitisation investors is made in other EU legislation. In particular, Article 409 of the Capital Requirements Regulation states that:

"Sponsor and originator institutions shall ensure that prospective investors have readily available access to all materially relevant data on the credit quality and performance of the individual underlying exposures, cash flows and collateral supporting a securitisation exposure as well as such information that is necessary to conduct comprehensive and well informed stress tests on the cash flows and collateral values supporting the underlying exposures. For that purpose, materially relevant data shall be determined as at the date of the securitisation and where appropriate due to the nature of the securitisation thereafter."

We note that this disclosure obligation applies to both public and private securitisations. Our view is that the imposition of an additional public disclosure obligation for private securitisations would create a huge amount of work for no benefit; the relevant investors will already be getting the information they need.

We ask that ESMA issue clarificatory guidance confirming that the disclosure obligation in Article 8b only applies to those structured finance instruments that (a) have one or more credit ratings; and (b) are available to public investors (whether retail or institutional).

We also respectfully suggest that the scope of Article 8b be limited to those SFIs which are covered by the Prospectus and Transparency Directive.

Finally, although not directly related to the points we make about scope, we also request the issuance of clarificatory guidance regarding the point in time from which this disclosure obligation applies. Our understanding is that Article 8b is technically in force but: (i) the technical standards governing the form of disclosure have not been produced; and (ii) the website on which the disclosed information is to be made available has not been established. It is therefore not possible for the requirements to be complied with and we think it would be helpful for ESMA to confirm that there is no expectation that any disclosure will be made before the technical standards are finalised and the website established.

Article 8b Disclosure Obligation – Geographical application

Article 1(1) of the CRA (as implemented by CRA III) makes it clear that, in relation to structured finance instruments, the CRA applies to "issuers, originators and sponsors *established in the Union* [emphasis added]".

However, the term "established in the Union" is not defined. It is therefore not clear whether non-EU subsidiaries and non-EU branches of EU entities are caught by the regulation.

It is our view that non-EU subsidiaries and non-EU branches of EU entities should not be considered to be "established in the Union" and should, therefore, be outside the scope of the requirements imposed by Article 8(b). We would welcome confirmation from ESMA of our understanding. Exclusion of subsidiaries and branches operating outside the EU is also of critical importance to preserving a level playing field.

Further to that, Paragraph 13 of the Discussion Paper stipulates that "Art. 8b applies not only jointly to issuers, originators and sponsors established in the EU, but also to issuers, originators and sponsors whose SFIs are traded in the EU". While we agree with the general idea behind this interpretation, the simple reference to SFIs traded in the EU appears to expand the scope of CRA beyond the scope authorised by the Level 1 text.

Art. 1 CRA limits the regulatory approach to “ratings issued in the Union”. Under Art. 2 CRAs only ratings issued by rating agencies registered in the EU and disclosed publicly or distributed by subscription are in the scope of CRA. The RTS should reflect these scope limitations in the Level 1 text in a clarification of the meaning of “traded in the EU” or by using a more specific term.

The RTS should in particular make clear that only SFIs publicly traded between market participants in the EU are in the scope. Without compromising the purpose of the CRA, the RTS could explain that SFIs not available for public trading and whose credit rating is therefore meaningless for a broader investor community (because there is no broader investor access to it) are not in scope. In other words, the meaning of “traded” should be restricted to “publicly traded”, where “publicly” means available to a broader community of potential buyers. It should not mean that there is public knowledge of a private transaction where the traded SFI is not available publicly.

Finally, the RTS should address how secondary market trading is affected by this interpretation. Where issuers, originators and sponsors in a non-EU country issue an SFI to non-EU investors which, through secondary market trading, becomes traded in the EU, those issuers, originators and sponsors cannot be expected to anticipate that outcome if their initial offer was not made to EU investors. The RTS should therefore exclude non-EU issuers, originators and sponsors whose SFI are not publicly offered to EU persons at inception but which become subsequently traded in the EU due to secondary market activity.

We believe these recommendations further the purpose of the CRA3 and locate the future RTS firmly within the scope of the regulation.

ANSWERS TO SPECIFIC QUESTIONS – DISCLOSURE

Q1: Which categorisation of SFI asset classes should ESMA apply while developing the disclosure requirements?

We feel the asset categories identified in point 5 are appropriate, and should cover the large majority of securitisation types.

Each of these will require careful development of disclosure templates and disclosure standards. The existing templates used by the ECB and Bank of England reflect this care, and we would urge that remaining templates be developed to the same standard. This will necessarily take a reasonable amount of time. We note that, so far, 6 templates have been created in the past 3 years. Priority should be given according to product size in the public market, and specific templates tailored to the requirements of each asset class or sub-class.

Also, as ESMA reporting requirements have considerable overlap with other regulatory disclosure requirements, it would be extremely helpful if a single reporting standard could be agreed between regulatory authorities. This will streamline the reporting process and reduce compliance costs. Finally, we suggest further consideration be given to exceptional feature reporting. There may well be transactions that fall within the defined product classes, yet contain material provisions that are not accurately captured in standard templates. We feel proper disclosure of transaction characteristics is paramount, and accordingly there must be an appropriate framework for exceptional feature capture.

Q2: In light of paragraph 13, do you consider that the scope of Article 8(b) should be limited to those SFIs which are covered by the Prospectus Directive and Transparency Directive, or that its scope should not be limited to those Directives and should cover all SFIs traded in the EU?

We support the AFME response and recommend that the scope of Article 8b be limited to those SFIs:

- Which are covered by the Prospectus and Transparency Directive. We wish to emphasise that it would be impossible for most existing transactions to comply with the requirements. In particular, reporting standards and responsibilities are typically defined in prospectuses which cannot be altered;
- Which have a credit rating and are publicly traded between market participants in the EU "traded" should be restricted to "publicly traded", where "publicly" means available to a broader community of potential buyers;
- Where issuers, originators, and sponsors are established in the Union
- Which are newly issued after the law is in effect. We note that transactions already in existence are subject to reporting responsibilities and standards which cannot be modified and which in most cases will not conform to the new requirements. We also feel a "phase-in" grace period may be required to allow time to build the appropriate reporting infrastructure.

From a geographic point of view, the non-EU subsidiaries and non-EU branches should be considered as not "established in the Union" and accordingly be outside the scope of the requirements imposed by Article 8(b). The RTS should exclude non-EU issuers, originators and sponsors whose SFI are not publicly offered to EU persons at inception but which become subsequently traded in the EU due to secondary market activity.

Q3: Do you consider that assets underlying SFIs composed of mixed pools should be disclosed as part of a specific category? If so, please elaborate.

We support the AFME response to this question.

Q4: To which tranching mechanisms should the disclosure requirements be applied? (e.g. single-tranche transactions?)

We support the AFME response to this question.

Q5: Do you have any other comments on the categorisation of SFIs?

We wish to make a comment related to the scope of application and, in particular, to the entities that are required to take action under article 8b.

Article 8b requires the issuer, originator and sponsor to "jointly" publish the required information. While the reference to "jointly" in this context is somewhat confusing, we consider that this is most sensibly interpreted as meaning that coordinated disclosures should be made, i.e. through disclosures contained in the prospectus or offering documents (published by the issuer). This approach allows for the sensible operation of the requirement, including in the context of transactions which lack an involved originator or sponsor entity or which involve multiple originators or sponsors.

We urge ESMA to clarify in the technical standards that disclosures by the issuer acting as the responsible party will be sufficient.

Q6: In your view, which information is required to ensure a meaningful description of the SFI?

We agree with the AFME response to this question, and would re-emphasize the need for careful development of product class templates and exceptional feature reporting, as outlined in our response to Q1. For certain transaction types (particularly those securitising large numbers of similar exposures, like credit card securitisations), loan-level information is not useful, and reporting at this level would prove very burdensome without providing any material benefit.

Q7: What kind of indicators/ratio do you think would be necessary to better monitor and modelling the performance of the underlying assets? Please indicate the relevant indicators for each of the assets categories?

Below is a list of ratios, pool metrics or parameters to support monitoring and modelling of the performance of the underlying assets under each asset category:

ABS/RMBS:

Updated pool performance information which includes:

a) Periodic delinquency ratios, typically broken down by 30-59, 60-89, 90+ days delinquent buckets (as a % of current pool balance),
b) Periodic default, charge off and/or gross loss ratios (as a % of current pool balance); for static pools, cumulative or life to date default, charge off, and/or gross and net loss ratios (as a percentage of original pool),
c) Periodic recovery rates or loss severities (as a % of current pool balance),
d) Periodic or constant voluntary prepayment rate (as a % of current pool balance); for static pools cumulative or life to date voluntary prepayment rate(as a percentage of original pool),
e) Performance metrics against performance triggers, covenants or concentration limits,
f) Material breaches to termination triggers, events of default or servicer events of default,

g) All required information necessary to calculate ratio, coverage or other tests used to determine early amortization or other performance triggers

Updated *pool* composition information which includes:

a) Borrower credit quality (distribution and weighted average), domicile,
b) Loan or asset type (distribution or mix),
c) Weighted average loan amount and number of borrowers,
d) Original payment terms, remaining term and seasoning,
e) Loan coupon (weighted average and distribution or mix),
f) List of servicers and % of pool serviced to the extent there is more than 1 servicer or sub-servicer,
g) List of top 5 obligors (versus concentration limits to specific borrower or borrower type)
h) Servicing fees and/or trust-related costs
i) Hedging arrangement and related costs

CDO:

Updated pool performance information which includes:

a) Periodic delinquency ratios, typically broken down by 30-59, 60-89, 90+ days delinquent buckets (as a % of current pool balance)
b) Periodic default rate (as a % of current pool balance); for static pools, cumulative or life to date default rates (as a percentage of original pool),
c) Periodic recovery rates (as a % of current pool balance)
d) Periodic diversity score of the pool
e) Periodic weighted average rating factor of the pool
f) Periodic weighted average life of the pool
g) Periodic weighted average spread of the pool
h) Periodic weighted average recovery rate of the pool
i) Performance metrics against performance triggers, covenants or concentration limits
j) Material breaches to termination triggers or events of default
k) All required information necessary to calculate ratio, coverage or other tests used to determine early amortization or other performance triggers
l) Revolving or purchase end date

Updated *loan or asset level* composition information:

a) Obligor name, description, outstanding loan amount, maturity date, years to maturity, type of loan or loan rank, advance rate, published external rating (if available), effective spread or interest coupon, industry classification, asset type and domicile
b) List of defaulted assets (periodic and cumulative) with the same above listed details
c) List of purchased assets (periodic) with the same above listed details
d) List of sold assets (periodic) with the same above listed details (#a)
e) List of deferred or dip assets (periodic) with the same above listed details (#a)
f) Servicing fees and/or trust-related costs
g) Hedging arrangement and related costs

CMBS:

Updated pool performance information which includes:

a) Periodic debt service coverage ratio per loan or asset
b) Periodic loan to value ratio per loan or asset

c) Debt yield (typically net operating income over outstanding loan amount) per loan or asset
d) Periodic delinquency ratios, typically broken down by 30-59, 60-89, 90+ days delinquent buckets (as a % of current pool balance)
e) Periodic default rate (as a % of current pool balance); for static pools, cumulative or life to date default rates (as a percentage of original pool),
f) Performance metrics against performance triggers, covenants or concentration limits
g) Material breaches to termination triggers or events of default
h) All required information necessary to calculate ratio, coverage or other tests used to determine early amortization or other performance triggers

Updated *loan or asset level* composition information:

a) Profile of the top 10 assets which includes rent roll, tenants, lease terms, rollover schedule
b) Servicing fees and/or trust-related costs
c) Each loan's maturity date
d) Hedging arrangement and related costs

Also of importance is disclosure of the debt capital structure (original and current amounts), the periodic transaction specific credit enhancement (or advance rate), interest coupon, legal maturity of each tranche and priority of payments.

Finally, the issuer should disclose all key metrics or parameters required by the credit rating agencies in rating the SFIs.

Q8: For which category of SFIs should the disclosure requirements be adapted (e.g. where the underlying assets backing the SFIs are poorly granular)?

We support the AFME response to this question.

Q9: Do you have any other comments on the content of information to be disclosed?

We support the AFME response to this question.

Q10: Do you have any comments on the alternative approaches outlined above (i.e. "event based" vs. periodic disclosure or a mix of both) regarding the frequency of the reporting?

We support the AFME response to this question.

Q11: In case of "event-based" approach, what (material) events should trigger a reporting update? In particular, please provide your views on SFI-specific events (e.g. performance of tranches and/or underlying assets)?

We support the AFME response to this question.

Q12: Should certain market events and thresholds (e.g. volatility, price movements, etc.) be identified ex ante that would trigger a reporting update? If so, please specify.

We support the AFME response to this question.

Q13: Please provide your views on whether the disclosure requirements should apply to SFIs that are "live" at the date of the RTS coming into force or only to SFIs issued after that date?

We support the AFME response to this question.

Q14: If the reporting obligation were to apply to "live" SFIs, what do you think would be an appropriate phase-in period or schedule?

We support the AFME response to this question.

Q15: Do you have any other comments on the frequency of the reporting? Do you think any other approach should be considered?

We support the AFME response to this question.

Q16: Are different templates needed for each of the asset classes subject to the disclosure requirements?

Yes. Please refer to our responses to Q1 and Q6. Industry involvement and consultation is necessary to develop suitable templates, and each template will require a significant amount of time to be developed.

Q17: Do you consider that the scope and content of the ECB templates set to report loan-level data are appropriate for addressing CRA 3's disclosure requirements?

We support the AFME response to this question. In addition, we feel that a means of reporting supplemental information (if necessary for full risk description) would be a useful addition, as explained in our response to Q1.

Q18: Do you consider that the data collected through the ECB templates would allow other investors to conduct comprehensive and well-informed stress tests for their own specific requirements on the cash flows and collateral values supporting the underlying exposures? If not, explain what further information should be reported (e.g. prospectus, transaction summary, pool performance data, credit support information, investor reports, due diligence reports) and, if applicable, please consider other relevant reporting requirements.

We support the AFME response as it correctly highlights that disclosure requirements are also referred to in CRD2 Article 122a (7) (this section now appears in the CRR as Article 409 and essentially the same language is used in CRA3, Article 8b.

We stress that development of good reporting templates with industry involvement will take time, and that there may be no benefit of disclosing individual loan-by-loan information for certain products (e.g., credit card receivables).

Q19: Apart from the national or Union law governing the protection of confidentiality of information, should the context of local securitisation framework for specific asset classes be also considered?

We support the AFME response to this question.

Q20: Do you have any other comments on the provision of Article 8b (3) (c) concerning the standardisation of the information to be used?

While we support the need for greater transparency and consistent information across rated securitisations, we also recognise that a regulatory structure requiring too much data will place meaningful constraints on, and significantly reduce the attractiveness of, the securitisation markets to many borrowers.

Amongst other things, added disclosures as proposed would:

- Significantly increase cost burdens on issuers and, in some circumstances, make it impractical to use securitisation for raising funds;
- Serve as a competitive disadvantage to companies as they must disclose a much higher level of detail on their customer base; And
- Create numerous conflicts on what can or cannot legally be disclosed due to privacy or confidentiality issues.

We would expect this to push more securitisation issuance to private trades that require less disclosure. This will result in less liquidity for buyers and higher costs for issuers, which will ultimately result in higher borrowing costs for / reduction in availability of consumer credit.

There are many sophisticated buyers who are comfortable with particular securitisation asset classes and the information that is currently being disclosed. We ask that the ECB proceeds cautiously in broadening those requirements. Deutsche Bank recommends that specific asset class working groups are established to develop more finely tuned templates that provide added necessary disclosure while not unduly burdening those issuers that would like to access the securitisation market through rated deals.

ANSWERS TO SPECIFIC QUESTION – RATING PLATFORM

Q21: Particularly for users of ratings: Taking into consideration the rating classification described above, could you suggest (including a detailed reason):

a) other rating types not captured in the above categorization

No additions from our side. We believe all relevant ratings are captured.

b) which rating categories or rating components should ERP cover

Issuer ratings should include the following rating components:

- Long-term rating;
- Short-term rating;
- Outlook;
- Stand-alone/viability rating; And
- Government support (notches)

We would suggest adding the date of publication behind each component (as it can differ). Please see also the attached visual suggestion in Annex 1.

c) other actions or events affecting the ratings, that should be published on the ERP

No additions from our side. We believe all relevant actions or events are captured.

Q22: For displaying the press release information, which of the two options do you prefer and why? Particularly for CRAs: Can you provide evidence on costs that you would incur under the two proposed options? Could you suggest other ways of retrieving, storing and make available on the ERP the press release information?

We can work with either option as long as it can be ensured that links are always up to date. If this cannot be ensured, we would favour a press release document option. It would also be important that the press releases can be downloaded as pdf file (either on the ERP website or via hyperlinks).

Q23: Shall the ERP provide supporting rating information in addition to the press releases/report? If so, what kind of information on the rating / rating action would be beneficial?

It would be beneficial, if the ERP could provide some information of the context of the rating action below the press release. For example: industry wide rating action vs. a single issuer rating action, plus key reason(s) for the rating action.

For further clarity we provide some examples:

Example A: Rating action: On May 16, Fitch affirms Bank X rating of A+, outlook stable.

Context: This rating affirmation was taken in context of Fitch's periodic review of 12 Global Trading and Universal Banks

Example B:
Rating action: On July 2, S&P downgraded Bank X to 'A'; 'A-1' Rating affirmed; outlook stable.

Key reason: Weaker business position assessment

Context: S&P sees increasing risks for some large Europe-based banks operating in investment banking, as regulators and uncertain market conditions make operating in the industry more difficult. S&P is consequently lowering their long-term ratings on Bank A, Bank B and Bank C, and Bank D to 'A' from 'A+', and affirming the 'A-1' short-term ratings on these banks.

Please see also the attached visual suggestion in Annex 1.

Q24: Particularly for users of ratings: Which option do you consider as the best option for displaying the data on the new ERP? Please specify the specific time frames (if different from the proposed ones).

We prefer option C (all data reported until midnight will be published in one shot the next day at 11am) for the following reasons:

- We think it is important to give CRAs enough time to fix all eventual technical or content errors. The rating agencies often publish their reports in the evening and occasionally these reports contain errors. In this case CRAs will have sufficient time to correct their errors; And
- As users of the ratings, one would not need to check the ERP several times a day for news. Users would have clarity on when news updates will be available.

Q25: Particularly for users of ratings: As regards options (c) and (d), in case of the ratings reported on a Friday or before a bank holiday, when the rating information has to be made available on the ERP: on the next calendar day or the next working day?

- In the case of ratings reported on a Friday, data being published at 11am on the next working day;
- In the case of ratings being published before a bank holiday, the data should be published the next calendar day as there are many different bank holidays in different countries and it would create confusion in those countries that do not have a bank holiday; And
- In case where Monday is a bank holiday, data reported on Friday should be published on Monday. This should exclude common bank holidays that are the same in every country (e.g. Christmas Holidays, New Year, etc).

Q26: Particularly for CRAs: which of the two possible ways of sending the new rating/outlook information to the ERP is more suitable to be integrated in your IT system: the real-time automatic data-feeds or one daily batch? Please provide a detailed motivation for your choice and include in your answer also reference to the actual costs that you would incur under the different submission options.

Deutsche Bank has no comments in this area.

Q27: Particularly for CRAs: Can you suggest any other options for reporting the rating information to ESMA and for the publishing of the received rating information on the ERP?

Deutsche Bank has no comments in this area.

Q28: Particularly for users of ratings: Which information should be added to the rating information to facilitate the comparison across ratings from different CRAs on the same entity while avoiding misunderstanding on the meaning of each rating? Under which form should this information be displayed (full reports, aggregated information, direct links, reference to the CRAs website, etc)?

Deutsche Bank has no comments in this area.

Q29: Particularly for CRAs: Do CRAs envisage any difficulties on mapping your current internal identifiers with the new LEI for the rated entities?

Deutsche Bank has no comments in this area.

Q30: Particularly for CRAs: Are there other common issuer identifiers that the ERP could use in order to allow for a mapping of rated entities?

Deutsche Bank has no comments in this area.

Q31: Particularly for users of ratings: Could you provide suggestions on how ERP could present the rating information so as to allow an easy access and understanding of the rating data? If possible please provide a clear description and/or a visual representation like the one given above.

See Annex 1 for visual representation.

Q32: Particularly for users of ratings: Besides the access via a web page, which other means of accessing the ERP do you consider relevant?

Easy access via mobile device should be ensured.

Q33: Particularly for CRAs: Would you agree with having just one individual data feed to ESMA in order to report to the ERP, CEREP and SOCRAT?

Deutsche Bank has no comments in this area.

Q34: Particularly for users of ratings: do you agree with the proposed option? (please state the reasons for your preference).

We agree that it is important that the ERP displays both historical performance statistics and historical individual rating information. The latter is often requested by different counterparties and is not always available on CRAs websites. CRAs often charge for this service and either do not provide this information or provide it as inaccessible picture on their website.

Therefore, we appreciate the already existing possibility to download the performance statistic as PDF and CSV (Excel) and suggest these two download options for the individual ratings as well.

The historical individual rating information files should include date, rating and rating action of individual ratings.

Q35: Particularly for rating users: Do you consider it of use that the ERP would provide for a mapping of rating scales to improve the comparability of ratings of different CRAs?

Deutsche Bank has no comments in this area.

Q36: Are there any risks or implications with regard to mappings of rating scales in view of the distinct methodologies employed by CRAs? How should such risks be mitigated?

Deutsche Bank has no comments in this area.

Q37: What features should a mapping of credit ratings have? Which methodology should be followed?

Deutsche Bank has no comments in this area.

Annex 1 – Visual suggestion

COMPANY 1

CRA1		Last change of Rating
Long-term Issuer Rating	A2	10.2.2011
Short-term Issuer Rating	P-1	10.4.2009
Outlook	Stable	10.2.2011
Watch status	Not on watch	
Stand-alone/viability rating	Baa1	10.2.2011
Government support (notches)	2	10.2.2011
Last rating action	Affirmation	15.3.2011
Date of last publication	15.3.2012	

Link to the latest press release (published 15.3.2012):
http://www.ecb.int/paym/coll/risk/ecaf/html/index.en.html

Last rating action:
On 15 March CRA 1 affirmed COMP 1 A2/ P-1 rating, outlook stable

Key reason:
Stable outlook on Investment Banking environment

Rating context:
Industry Review of 12 Global Investment banks

CRA2		Last change of Rating
Long-term Issuer Rating	A-	10.4.2012
Short-term Issuer Rating	A-2	11.4.2010
Outlook	Negative	10.4.2012
Watch status	On watch	12.6.2013
Stand-alone/viability rating	BBB-	10.4.2012
Government support (notches)	3	10.4.2012
Last rating action	Watch negative	12.6.2013
Date of last publication	12.6.2013	

Visual illustration

Long term Issuer Rating			Short-term Issuer Rating			Outlook			Stand-alone/Viability rating		
From	To	Date	From	To	Date	From	To	Date	From	To	Date
A3	Baa2	12.06.2013	P-2	P-3	12.06.2013	Stable	Negative	12.06.2013	Baa1	Baa3	12.06.2013
A2	A3	11.12.2011	P-1	P-2	11.12.2011	...			...		
A1	A2	09.03.2010	...								
	...										