

Detailed Contents Page



Chapter	Article	Sub-paragraph	Subject Matter	Page
	Recital		<i>Recital</i>	1
Chapter 1 – General Provisions				
	Article 1		<i>Subject Matter and Scope</i>	44
	Article 2		<i>Definitions</i>	44
	Article 3		<i>Retail Sales</i>	
		1.	Conditions for retail sales	46
		2.	Additional conditions for retail sales	46
	Article 4		<i>Requirements for SSPEs</i>	47
Chapter 2 – Provisions Applicable to All Securitisations				
	Article 5		<i>Due diligence requirements for institutional investors</i>	
		1.	Underwriting (incl retention) due diligence	47
		2.	ABCP derogation	47

Detailed Contents Page



Chapter	Article	Sub-paragraph	Subject Matter	Page
		3.	Additional due diligence	47
		4.	Ongoing due diligence and recording	48
		5.	Asset Manager derogation	48
	Article 6		<i>Risk Retention</i>	
		1.	General requirement	48
		2.	No adverse cherry-picking	49
		3.	Retention modalities	49
		4.	Group retention	49
		5.	Exemptions to retention requirement for originators	50
		6.	Exemption to retention for index trades	50
		7.	EBA RTS	50
	Article 7		<i>Transparency requirements for originators, sponsors and SSPEs</i>	
		1.	Disclosure requirements	50
		2.	Who and how to disclose	52

Detailed Contents Page



Chapter	Article	Sub-paragraph	Subject Matter	Page
		3.		ESMA RTS 52
		4.		ESMA RTS 53
	Article 8		<i>Ban on re-securitisations</i>	
		1.	Ban with exemptions	53
		2.	Right by NCA to exempt	53
		3.	Definition of legitimate purposes	53
		4.	ABCP not a re-securitisation	53
		5.	ESMA RTS	53
	Article 9		<i>Criteria for credit-granting</i>	
		1.	Same underwriting criteria	54
		2.	No self-certified mortgages	54
		3.	Purchased pool requirements	54
		4.	Exemptions for certain purchased pools	54

Detailed Contents Page



Chapter	Article	Sub-paragraph	Subject Matter	Page
Chapter 3 – Conditions and Procedures for Registration of a Securitisation Repository	Article 10		<i>Registration of a securitisation repository</i>	
		1.	Requirement to register	54
		2.	Who can be a repository	54
		3.	Passporting	54
		4.	Obligation to comply with rules	54
		5.	Submission of application	54
		6.	ESMA to assess application	55
		7.	ESMA RTS	55
	8.	ESMA RTS	55	
		Article 11		<i>Notification and consultation with NCA</i>
		1.	Notification rules	55

Detailed Contents Page



Chapter	Article	Sub-paragraph	Subject Matter	Page
		2.	ESMA/NCA information exchange	55
	Article 12		<i>Examination of the application</i>	
		1.	ESMA to review	55
		2.	Effective date of registration	55
	Article 13		<i>Notification of ESMA decisions</i>	
		1.	Notification deadlines to repository	56
		2.	Notification deadlines to Commission	56
		3.	Publication requirement	56
	Article 14		<i>Powers of ESMA</i>	
		1.	Technical basis for ESMA powers	56
		2.	No power to require disclosure of privileged documents	56
	Article 15		<i>Withdrawal of registration</i>	

Detailed Contents Page



Chapter	Article	Sub-paragraph	Subject Matter	Page
		1.	Grounds for withdrawal	56
		2.	Notification requirements	56
		3.	NCA requests to ESMA	56
	Article 16	4.	Identify of NCA	56
			<i>Supervisory Fees</i>	
		1.	ESMA to charge fees	57
		2.	Commission's power to issue rules on fees	57
	Article 17		<i>Availability of data held in a securitisation repository</i>	
		1.	Who can access data	57
		2.	ESMA RTS	57
		3.	ESMA RTS	58
Chapter 4 – Simple, Transparent and Standardised Securitisation	Article 18		<i>Use of the designation STS</i>	58
	Article 19		<i>STS securitisation</i>	

Detailed Contents Page



Chapter	Article	Sub-paragraph	Subject Matter	Page
		1.	What is a non ABCP STS transaction	58
		2.	EBA guidelines and recommendations	58
	Article 20		<i>Requirements relating to simplicity</i>	
		1.	True sale	58
		2.	Definition of severe clawback	58
		3.	Exemption for general clawback rules	59
		4.	Rules for purchased pools	59
		5.	Later perfected sales	59
		6.	No encumbrance	59
		7.	Eligibility criteria	59
		8.	Homogeneity	59
		9.	No re-securitisations	59
		10.	Ordinary course and underwriting criteria	59
		11.	No defaulted or credit impaired receivables	60

Detailed Contents Page



Chapter	Article	Sub-paragraph	Subject Matter	Page
		12.	At least one payment	60
		13.	No embedded maturity transformation	60
		14.	EBA RTS (homogeneity)	60
	Article 21		<i>Requirements relating to standardisation</i>	
		1.	Risk retention	60
		2.	Appropriate mitigation of basis and fx risk	60
		3.	Interest based on general market rates	60
		4.	No cash trap post-enforcement	61
		5.	Triggers for non-sequential deals	61
		6.	Early-am triggers for revolving deals	61
		7.	Servicing/Trustee obligations and replacements	61
		8.	Servicer expertise	61
		9.	Specified remedies for defaults etc....	61
		10.	Timely resolution of conflict language	61

Detailed Contents Page



Chapter	Article	Sub-paragraph	Subject Matter	Page
	Article 22		<i>Requirements relating to transparency</i>	
		1.	Default and loss data	62
		2.	Pool audit	62
		3.	Liability cash flow model	62
		4.	Environmental data	62
		5.	Originator/sponsor responsibility for Article 7 compliance	62
	Article 23		<i>Requirements for STS ABCP securitisation</i>	
		1.	Definition of STS ABCP transactions	62
		2.	Definition of STS ABCP programmes	62
		3.	EBA guidelines and recommendations	62
	Article 24		<i>Transaction-level requirements</i>	
		1.	True sale	62
		2.	Definition of severe clawback	62
		3.	Exemption for general clawback rules	63

Detailed Contents Page



Chapter	Article	Sub-paragraph	Subject Matter	Page
		4.	Rules for purchased pools	63
		5.	Later perfected sales	63
		6.	No encumbrance	63
		7.	Eligibility criteria	63
		8.	No re-securitisations	63
		9.	No defaulted or credit impaired receivables	64
		10.	At least one payment	64
		11.	No embedded maturity transformation	64
		12.	Appropriate mitigation of basis and fx risk	64
		13.	Specified remedies for defaults etc....	64
		14.	Default and loss data	64
		15.	Homogeneity and average life	64
		16.	Interest based on general market rates	64
		17.	No cash trap post-enforcement	65
		18.	Ordinary course and underwriting criteria	65

Detailed Contents Page



Chapter	Article	Sub-paragraph	Subject Matter	Page
		19.	Triggers for revolving deals	65
		20.	Sponsor/Service/Trustee obligations and replacements	65
		21.	EBA RTS (homogeneity)	65
	Article 25		<i>Sponsor of an ABCP programme</i>	
		1.	Sponsor must be bank	65
		2.	Sponsor is liquidity provider and fully supports programme	65
		3.	ABCP not endangering the sponsor	65
		4.	Sponsor due diligence requirements	66
		5.	Risk retention	66
		6.	Sponsor responsibility for Article 7 compliance	66
		7.	Liquidity drawdown on non-renewal	66
	Article 26		<i>Programme-level requirements</i>	
		1.	Transactions to be STS (5% allowance)	66
		2.	Average life requirements	66
		3.	Fully supported	66

Detailed Contents Page



Chapter	Article	Sub-paragraph	Subject Matter	Page
		4.	No re-securitisations or second layer of tranching	66
		5.	No calls or options	66
		6.	Appropriate mitigation of basis and fx risk	66
		7.	Sponsor/Servicing/Trustee obligations and replacements	66
		8.	Servicer expertise	67
	Article 27		<i>STS notification requirements</i>	
		1.	STS notification and publication requirements	67
		2.	Use of third party verification	67
		3.	Additional requirements for non-banks	67
		4.	Notification requirement for no-longer complying securitisations	67
		5.	ESMA list of STS deals	68
		6.	ESMA RTS	68
		7.	ESMA RTS	68
	Article 28		<i>Third party verifying STS compliance</i>	

Detailed Contents Page



Chapter	Article	Sub-paragraph	Subject Matter	Page
		1.	Authorisation requirements for third parties	68
		2.	Notification requirements of any changes	69
		3.	NCA cost based fees	69
		4.	ESMA RTS	69
 Chapter 5 – Supervision				
	Article 29		<i>Designation of competent authorities</i>	
		1.	Identity of NCA for different actors	69
		2.	Identity of NCA for ABCP sponsors	69
		3.	Identity of NCA's for banks	69
		4.	Identity of NCA for unregulated actors	69
		5.	MS designation of NCAs	70
		6.	No NCA's for mere ABCP sellers	70
		7.	ESMA obligation to ensure consistency and monitoring	70
		8.	ESMA list of NCAs	70

Detailed Contents Page



Chapter	Article	Sub-paragraph	Subject Matter	Page
	Article 30		<i>Powers of competent authorities</i>	
		1.	MS to ensure NCAs have powers	70
		2.	NCAs to review originators, sponsors, SSPEs and sellers	70
		3.	NCAs to require risk mitigation	70
		4.	NCAs to monitor systemic risks of securitisation	70
		5.	NCAs to monitor possible risk retention avoidance	71
	Article 31		<i>Macroprudential oversight of the securitisation market</i>	
		1.	ESRB responsible for macroprudential oversight	71
		2.	ESRB annual report on securitisation	71
	Article 32		<i>Administrative sanctions and remedial measures</i>	
		1.	MS obligations to set out sanctions of listed actors	71
		2.	List of minimum sanctions allowed to NCAs (incl. fines)	72
		3.	MS to provide for administrative sanctions for individuals	72
		4.	Sanctions to be “reasoned” and appealable	72

Detailed Contents Page



Chapter	Article	Sub-paragraph	Subject Matter	Page
	Article 33		<i>Exercise of the power to impose administrative sanctions and remedial measures</i>	
		1.	Modalities of NCA sanctions application	72
		2.	Facts to be taken into account in NCA sanctions	72
	Article 34		<i>Criminal sanctions</i>	
		1.	MS may lay down rules for criminal sanctions	73
		2.	NCA's to have requisite powers	73
	Article 35		<i>Notification duties (by MS to EU authorities)</i>	73
	Article 36		<i>Cooperation between NCA's and the ESA's</i>	
		1.	General cooperation requirement	73
		2.	General NCA cooperation requirement (incl. consistency)	73
		3.	Committee to be formed within ESA's JC	73
		4.	NCA's to inform each other of possible infringements	73
		5.	Specific information requirement for incorrect STS notification	73

Detailed Contents Page



Chapter	Article	Sub-paragraph	Subject Matter	Page
		6.	Procedure and timeframe for NCA action around infringement	73
		7.	Three year ESMA peer review	74.
		8.	ESMA RTS	74
	Article 37		<i>Publication of administrative sanctions</i>	
		1.	MS to ensure publication	74
		2.	Information to be published	74
		3.	Exceptions to publication	74
		4.	Right to postpone publication	74
		5.	Published material to be public for five years	75
		6.	NCA duty to inform ESMA	75
		7.	ESMA to maintain central database	75
Chapter 6 – Amendments				
	Article 38		<i>UCITS amendment</i>	75
	Article 39		<i>Commission powers to amend Solvency II</i>	75

Detailed Contents Page



Chapter	Article	Sub-paragraph	Subject Matter	Page
	Article 40		<i>CRA amendment</i>	76
	Article 41		<i>AIFMD amendment</i>	76
	Article 42		<i>OTC/CCP/Trade Repositories amendment</i>	76
	Article 43		<i>Transitional provisions</i>	
		1.	Application date	77
		2.	STS grandfathering provisions	77
		3.	Application rules for STS grandfathering provisions	77
		4.	STS criteria modifications for the purposes of grandfathering	78
		5.	Modification of the due diligence requirements for earlier securitisations	78
		6.	Grandfathering on retention rules for pre-1.1.2019 transactions	78
		7.	Old retention rules to apply until RTS approved	78
		8.	Provisions until disclosure RTS is approved	78
		9.	Clarification of the definition of “securitisation”	7
	Article 44		<i>Reports (to be published by JC of ESAs)</i>	78
	Article 45		<i>Synthetic securitisations</i>	

Detailed Contents Page



Chapter	Article	Sub-paragraph	Subject Matter	Page
		1.	EBA report on synthetic STS	79
		2.	Commission report on synthetic STS	79
	Article 46		<i>Review (by Commission to Parliament – three year)</i>	79
	Article 47		<i>Exercise of the delegation</i>	
		1.	Commission’s powers to issue delegated acts	80
		2.	Timeframe for the Commission’s powers	80
		3.	Right of Parliament or Council to revoke the Commission’s powers	80
		4.	Commission obligation to consult MS experts	80
		5.	Council and Parliament’s veto rights on delegated acts	80
	Article 48		Entry into force (1 st January 2019)	80