



2015/0226(COD)

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AMENDMENTS

317 - 483

Draft report

Paul Tang

(PE583.961v01-00)

on the proposal for a regulation of the European Parliament and of the Council laying down common rules on securitisation and creating a European framework for simple, transparent and standardised securitisation and amending Directives 2009/65/EC, 2009/138/EC, 2011/61/EU and Regulations (EC) No 1060/2009 and (EU) No 648/2012

Proposal for a regulation

(COM(2015)0472 – C8-0228/2015 – 2015/0226(COD))

Amendment 317
Pervenche Berès

Proposal for a regulation
Chapter 3 – section 1 – title

Text proposed by the Commission

General requirements for STS
securitisation

Amendment

Requirement for STS securitisation ***and***
sustainable STS securitisation

Or. en

Amendment 318
Pervenche Berès

Proposal for a regulation
Article 7 – paragraph 1

Text proposed by the Commission

Securitisations, except ABCP
securitisations, that meet the requirements
in Articles 8, 9 and 10 of this Regulation
shall be considered 'STS'.

Amendment

Securitisations, except ABCP
securitisations, that meet the requirements
set out in Articles ***7a***, 8, 9 and 10 of this
Regulation shall be considered 'STS'.

***ESMA shall develop guidelines and
recommendations on the harmonised
interpretation and application of
requirements laid down in these Articles.***

Or. en

Amendment 319
Marco Zanni, Marco Valli

Proposal for a regulation
Article 7 – paragraph 1

Text proposed by the Commission

Securitisations, *except ABCP securitisations*, that meet the requirements in Articles 8, 9 and 10 of this Regulation shall be considered 'STS'.

Amendment

Securitisations that meet the requirements in Articles 8, 9 and 10 of this Regulation shall be considered 'STS'.

Or. it

Amendment 320

Petr Ježek, Michael Theurer, Sylvie Goulard

Proposal for a regulation

Article 7 – paragraph 1

Text proposed by the Commission

Securitisations, except ABCP securitisations, that meet the requirements in Articles 8, 9 and 10 of this Regulation shall be considered 'STS'.

Amendment

Securitisations, except ABCP securitisations, that meet the requirements in *Article 7(a) or the requirements in* Articles 8, 9 and 10 of this Regulation shall be considered 'STS'.

Or. en

Amendment 321

Morten Messerschmidt

on behalf of the ECR Group

Proposal for a regulation

Article 7 – paragraph 1

Text proposed by the Commission

Securitisations, except ABCP securitisations, that meet the requirements in Articles 8, 9 and 10 of this Regulation shall be considered 'STS'.

Amendment

Securitisations, except ABCP *programmes, ABCP transactions and other private* securitisations, that meet the requirements in Articles 8, 9 and 10 of this Regulation shall be considered 'STS'.

Or. en

Amendment 322
Morten Messerschmidt
on behalf of the ECR Group

Proposal for a regulation
Article 7 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

In addition to the STS securitisations referred to in paragraph 1, securitisations established prior to ... [date of entry into force of this Regulation], except ABCP programmes, ABCP transactions and other private securitisations, that meet the following requirements may use the designation 'STS' or 'simple, transparent and standardise' or a designation that refers directly or indirectly to those terms only where the requirements set out in Article 8(1), 8(3), 8(4), 8(5), 8(6), 8(9), 9(2), 9(3) and 10 (3) are complied with, subject to the following:

(a) if the transaction documentation allows for active portfolio management, the requirement set out in Article 8(3) will be met if the originator, sponsor and SSPE directly involved in the securitisation undertake in the STS notification not to engage in any such active portfolio management;

(b) the requirements set out in Article 8(6) will be met, provided that material changes to underwriting standards need only be disclosed on a prospective basis from the date of the STS notification;

(c) the requirements set out in Article 9(2) will be met, provided that the disclosure of interest rate and currency risk mitigation measures may be made in the STS notification;

(d) the requirements set out in Article 10(3) will be met provided that the liability cash flow model need only be provided on a prospective basis from the date of the STS notification;

(e) the originator, sponsor or SSPE ensures that 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 the securitisation 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 these purposes, materially relevant data shall be determined at the date of the securitisation and, where appropriate, due to the nature of the securitisation thereafter.

Or. en

Justification

Legacy securitisations will be a large part of the market. Therefore it is important that the ones that qualify in practice can be designated as STS. This was the approach taken with legacy deals for Solvency II's Type I/Type II distinction. This is a set of criteria for legacy transactions that we believe strikes an appropriate balance in this respect.

Amendment 323 Pervenche Berès

Proposal for a regulation Article 7 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

Sustainable STS securitisations shall comply with the same requirement as other STS securitisation but shall also be earmarked for sustainable and responsible investment projects or go directly into an underlying sustainable investment project which contribute to the achievement of the UN's climate conference agreement (COP21). These shall include energy efficiency projects, green infrastructure and environmentally

innovative projects. Sustainable STS securitisations shall benefit of 25 % lower risk retention rate and 25% lower risk floor levels for securitisations in Articles 259, 260, 261, 263 and 264 of Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms.

Or. en

Amendment 324
Petr Ježek, Michael Theurer, Sylvie Goulard

Proposal for a regulation
Article 7 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

Securitisations, excluding ABCP programmes and transactions, sold to investors after 1 January 2011 and before the date of entry into force of this Regulation will, from the time they are the subject of a notification pursuant to Article 14(1), be considered "STS" provided that:

- (a) they met at the time of issuance, the requirements set out in Article 8(1) to (5) and (7) to (9) and Article 9(1) and (3);***
- (b) they meet, from the time of the Article 14(1) notification, the requirements set out in Article 8(2), (6), Article 9(2), (4) to (8) and Article 10(1) to (4).***

Or. en

Justification

Further clarification regarding transitional provisions must be made. The requirements which must be met by Securitisations under this provision relate to the STS criteria.

Amendment 325
Petr Ježek, Michael Theurer, Sylvie Goulard

Proposal for a regulation
Article 7 – paragraph 1 b (new)

Text proposed by the Commission

Amendment

(1) Upon notification by a national competent authority or ESMA to the relevant originator or sponsor of a securitisation that was the subject of notification in accordance with Article 14(1) that the notifying entity is not satisfied that such a securitisation continues to meet the STS requirements, the originator or sponsor shall have two months from the date of such a notification to remedy the situation to the satisfaction of the notifying authority and shall make investors aware of the notification.

(2) During the two month period following a notification by a national competent authority or ESMA in accordance with Article 7(1b)(1) the securitisation that was the subject of such notification shall not lose its STS-compliant status.

(3) If, within two months of the notification referred to in Article 7(1b) (1), the situation has been remedied to the satisfaction of the relevant competent authority, then such a securitisation shall continue to be deemed STS-compliant.

(4) Notwithstanding the provisions in Article 7(1b) (2) and 7(1b) (3), if the competent authority deems that the retention of STS-compliant status would put at risk the integrity of the STS label, or financial stability, it is authorised to remove the STS status of the securitisation.

(5) The provisions of this article shall not limit the rights to impose any sanctions envisaged in Articles 17 and 18.

Justification

The consequences of losing STS status are severe. Therefore issuers should have a period of grace to remedy the situation. Sanctions may still be applied, but the STS status will remain unless it is deemed to be of risk to the integrity of the label or financial stability at large.

Amendment 326
Pervenche Berès

Proposal for a regulation
Article 7 a (new)

Text proposed by the Commission

Amendment

Article 7 a

Fostering social and ecological transition
The capital relief from STS securitisation should primarily contribute to the creation of new loans fostering social and ecological transition.

Or. en

Amendment 327
Markus Ferber, Werner Langen

Proposal for a regulation
Article 8 – paragraph 1 – introductory part

Text proposed by the Commission

Amendment

1. The underlying exposures shall be acquired by a SSPE ***by means of a sale or assignment*** in a manner that is enforceable against the seller or any other third party including in the event of the seller's insolvency. The transfer of the underlying exposures to the SSPE shall not be subject to any severe clawback provisions in the event of the seller's insolvency. Where the transfer of the underlying exposures is performed by means of an assignment and

1. The underlying exposures shall be acquired by a SSPE in a manner that is enforceable against the seller or any other third party including in the event of the seller's insolvency. The transfer of the underlying exposures to the SSPE shall not be subject to any severe clawback provisions in the event of the seller's insolvency. Where the transfer of the underlying exposures is performed by means of an assignment and perfected at a

perfected at a later stage than at the closing of the transaction, the triggers to effect such perfection should, at a minimum, incorporate the following events:

later stage than at the closing of the transaction, the triggers to effect such perfection should, at a minimum, incorporate the following events:

Or. en

Justification

To this date, there is no legal definition of the term “true sale” just yet although it is frequently used by originators to indicate that the sale is legally effective. However there are other structures used in European securitisation transactions which are not based on a sale or assignment of the underlying assets and which have been developed under national laws or have been introduced by national lawmakers with a view to allow for a robust transfer to the SSPE. Hence when referring to a however defined “true sale” one would unnecessarily exclude such other means of transfer.

Amendment 328

Markus Ferber, Werner Langen

Proposal for a regulation

Article 8 – paragraph 2

Text proposed by the Commission

2. *The seller shall provide representations and warranties that, to the best of its knowledge, the underlying exposures included in the securitisation are not encumbered or otherwise in a condition that can be foreseen to adversely affect enforceability of the sale or assignment.*

Amendment

2. The underlying exposures included in the securitisation **shall not be** encumbered or otherwise in a condition that can be foreseen to adversely affect **the** enforceability **by or on behalf** of the **SSPE, unless such risk of affection is appropriately mitigated by the provision of reserves or additional credit enhancement.**

Or. en

Justification

The proposal is made to avoid exclusion of traditional securitisations due to the occurrence of set-off claims by a solution how to deal with such claims that can adversely affect the enforceability of the securitised claims, rather than the transfer of such claims. In some European jurisdictions the debtor of the underlying exposures may set-off his liabilities with counterclaims against the originator (e.g. with claims from debtors deposits on bank accounts or current accounts maintained with the credit institution) which have become due prior to

obtaining knowledge of the assignment of the securitised exposures. Especially after the transfer of underlying receivables it is not possible to exclude the occurrence of set-off-claims. In high quality securitisations such set-off risks are kept under control by credit enhancements or provisions that a materiality threshold must not be exceeded. Otherwise, such risks from set-off claims have to be mitigated by a cash reserve. In practice, the materiality threshold is often 1% of the aggregated principles balances of the securitised portfolio.

Amendment 329

Markus Ferber, Werner Langen, Othmar Karas

Proposal for a regulation

Article 8 – paragraph 4

Text proposed by the Commission

4. The securitisation shall be backed by a pool of underlying exposures ***that are homogeneous in terms of*** asset type. The underlying exposures shall be contractually binding and enforceable obligations with full recourse to debtors, with defined periodic payment streams relating to rental, principal, interest payments, or related to any other right to receive income from assets warranting such payments. The underlying exposures ***shall not include transferable securities, as defined in Directive 2014/65/EU.***

Amendment

4. The securitisation shall be backed by a pool of underlying exposures ***which consist exclusively of one of the following asset types:***

- (a) residential loans;***
- (b) commercial loans, trade receivables, leases and credit facilities to undertakings of the same category to finance capital expenditures or business operations;***
- (c) auto loans and leases to borrowers or lessees;***
- (d) loans, credit card receivables and pools of credit facilities to individuals for personal, family or household consumption purposes; or***
- (e) any other asset type that can be regarded as homogenous regarding its obligor type and type of underlying credit risk.***

The underlying exposures shall be contractually binding and enforceable obligations:

(i) with full recourse to debtors, with defined periodic payment streams

the instalments of which may differ in their amounts relating to rental, principal, interest payments; or

(ii) related to any other right to receive income from assets warranting such payments, *including proceeds from the sale of the assets, se-curing the underlying exposures, after or at termination of the loan or lease contracts, subject to the limitations set forth in paragraph 9.*

Or. en

Justification

Investors particularly value that Auto-ABS exclusively consist of auto loans or leases and are not mixed with other, possibly riskier assets. The intention of the EU Commission to advocate for homogeneity in order to assure that ABS are indeed simple and transparent is understandable. However, the term “homogeneous in terms of asset type” remains undefined in the first sentence of Article 8 par. 4 which creates legal uncertainty for market participants. At the same time there is the risk that a too narrow and restrictive interpretation of the term “homogeneous in terms of asset type” might prevail as EBA suggested in its report of 7 July 2015. Following EBA’s interpretation, it would not be possible to mix auto loans from private customers with auto loans from SME customers and auto lease receivables from corporate, SME and private customers which is the current practice of high quality auto loan and leasing securitisations. Moreover the average Auto-ABS transaction consists of several ten thousands of auto loans or leases from a broad range of customers which ensures a high level of diversification and enables a simple assessment and thus avoids concentration risks. Therefore, the clarification in recital 18 should be mentioned in Article 8.

Amendment 330

Petr Ježek, Michael Theurer, Sylvie Goulard

Proposal for a regulation

Article 8 – paragraph 4

Text proposed by the Commission

Amendment

4. The securitisation shall be backed by a pool of underlying exposures that are

4. The securitisation shall be backed by a pool of underlying exposures that are

homogeneous in terms of asset type. The underlying exposures shall be contractually binding and enforceable obligations with full recourse to debtors, with defined periodic payment streams relating to rental, principal, interest payments, or related to any other right to receive income from assets warranting such payments. The underlying exposures shall not include transferable securities, as defined in Directive 2014/65/EU.

homogeneous in terms of asset type. ***Residential property loans to individuals, property loans secured on commercial property, consumer loans made to individuals for personal, family or household consumption purposes, financial contracts for the purpose of financing the purchase of a motor vehicle (including loans, leases and hire purchase contracts), loans entered into with motor dealers to fund the purchase or retention of stock, loans to SMEs, loans to corporate entities (excluding SMEs), trade receivables and equipment leases (excluding leases of cars, vans, trucks and motorbikes) should be understood as being homogeneous. A pool of underlying exposures shall only comprise one asset type.*** The underlying exposures shall be contractually binding and enforceable obligations with full recourse to debtors, with defined periodic payment streams relating to rental, principal, interest payments, or related to any other right to receive income from assets warranting such payments. The underlying exposures shall not include transferable securities, as defined in Directive 2014/65/EU.

Or. en

Justification

It is necessary that homogenous is more tightly defined. Aligned with recital 18

Amendment 331
Sander Loones

Proposal for a regulation
Article 8 – paragraph 4

Text proposed by the Commission

4. The securitisation shall be backed by a pool of underlying exposures that are homogeneous in terms of asset type. The

Amendment

4. The securitisation shall be backed by a pool of underlying exposures that are homogeneous in terms of asset type,

underlying exposures shall be contractually binding and enforceable obligations with full recourse to debtors, with defined periodic payment streams relating to rental, principal, interest payments, or related to any other right to receive income from assets warranting such payments. The underlying exposures shall not include transferable securities, as defined in Directive 2014/65/EU.

currency and Member State legal system to which they are subject. Pools of residential loans, pools of business property loans, pools of corporate loans, leases and credit facilities of the same category, pools of auto loans and auto leases, and pools of credit facilities to individuals for personal, family or household consumption purposes shall be understood as being homogeneous in terms of asset type. The underlying exposures shall be contractually binding and enforceable obligations with full recourse to debtors, with defined periodic payment streams relating to rental, principal, interest payments, or related to any other right to receive income from assets warranting such payments. The underlying exposures shall not include transferable securities, as defined in Directive 2014/65/EU.

Or. en

Amendment 332
Cora van Nieuwenhuizen

Proposal for a regulation
Article 8 – paragraph 4

Text proposed by the Commission

4. The securitisation shall be backed by a pool of underlying exposures that are homogeneous in terms of asset type. The underlying exposures shall be contractually binding and enforceable obligations with full recourse to debtors, with defined periodic payment streams relating to rental, principal, interest payments, or related to any other right to receive income from assets warranting such payments. The underlying exposures shall not include transferable securities, as defined in Directive 2014/65/EU.

Amendment

4. The securitisation shall be backed by a pool of underlying exposures that are homogeneous in terms of asset type. ***These consist of the following: pools of residential loans, pools of commercial loans, trade receivables, leases and credit facilities to undertakings of the same category to finance capital expenditures or business operations, pools of auto loans and leases to borrowers or lessees or loans and pools of credit facilities to individuals for personal, family or household consumption purposes.*** The underlying exposures shall be contractually binding and enforceable obligations with

full recourse to debtors, with defined periodic payment streams relating to rental, principal, interest payments, or related to any other right to receive income from assets warranting such payments. The underlying exposures shall not include transferable securities, as defined in Directive 2014/65/EU.

Or. en

Amendment 333

Molly Scott Cato

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 8 – paragraph 4

Text proposed by the Commission

4. The securitisation shall be backed by a pool of underlying exposures that are homogeneous in terms of asset type. The underlying exposures shall be contractually binding and enforceable obligations with full recourse to debtors, with defined periodic payment streams relating to rental, principal, interest payments, or related to any other right to receive income from assets warranting such payments. The underlying exposures shall not include transferable securities, as defined in Directive 2014/65/EU.

Amendment

4. The securitisation shall be backed by a pool of underlying exposures that are homogeneous in terms of asset type. The underlying exposures shall be contractually binding and enforceable obligations with full recourse to debtors, with defined periodic payment streams relating to rental, principal, interest payments, or related to any other right to receive income from assets warranting such payments. ***Where the underlying exposures are mortgages, the ratio of outstanding principal to the current value of the properties shall not exceed 75 % at the time of securitisation.*** The underlying exposures shall not include transferable securities, as defined in Directive 2014/65/EU.

Or. en

Amendment 334

Molly Scott Cato

on behalf of the Verts/ALE Group

Proposal for a regulation
Article 8 – paragraph 4 a (new)

Text proposed by the Commission

Amendment

4a. The securitisation shall involve no more than three tranches.

Or. en

Justification

the more tranches there are between the first and last loss tranches, the harder each tranche is to value from the investors point of view. This means that the market liquidity and price of such tranches will exhibit the procyclical behaviour observed at the height of the crisis. Limiting the number of tranches is an essential to the "simplicity" aspect

Amendment 335
Molly Scott Cato
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 8 – paragraph 5 a (new)

Text proposed by the Commission

Amendment

5a. A synthetic securitisation shall not be considered to be STS securitisation.

Or. en

Amendment 336
Molly Scott Cato
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 8 – paragraph 6

Text proposed by the Commission

Amendment

6. The underlying exposures shall be originated in the ordinary course of the originator's or the original lender's business pursuant to underwriting standards that are no less stringent than

6. The underlying exposures shall be originated in the ordinary course of the originator's or the original lender's business pursuant to underwriting standards that are no less stringent than

those that the originator or the original lender applies to origination of similar exposures that are not securitised. Material changes in underwriting standards shall be fully disclosed to potential investors. In the case of securitisations where the underlying exposures are residential loans, the pool of loans shall not include any loan that was marketed and underwritten on the premise that the loan applicant or, where applicable intermediaries, were made aware that the information provided might not be verified by the lender. The assessment of the borrower's creditworthiness shall meet the requirements set out in paragraphs 1 to 4, 5(a), and 6 of Article 18 of Directive 2014/17/EU of the European Parliament and of the Council or of Article 8 of Directive 2008/48/EC of the European Parliament and of the Council or equivalent requirements in third countries. The originator or original lender shall have expertise in originating exposures of a similar nature to those securitised.

those that the originator or the original lender applies to origination of similar exposures that are not securitised ***and shall be comparable in terms of economic substance and creditor classes to exposures originated in the ordinary course of the originator's or the original lender's business that are not securitised.*** Material changes in underwriting standards shall be fully disclosed to potential investors. In the case of securitisations where the underlying exposures are residential loans, the pool of loans shall not include any loan that was marketed and underwritten on the premise that the loan applicant or, where applicable intermediaries, were made aware that the information provided might not be verified by the lender. The assessment of the borrower's creditworthiness shall meet the requirements set out in paragraphs 1 to 4, 5(a), and 6 of Article 18 of Directive 2014/17/EU of the European Parliament and of the Council or of Article 8 of Directive 2008/48/EC of the European Parliament and of the Council or equivalent requirements in third countries. The originator or original lender shall have expertise in originating exposures of a similar nature to those securitised.

Or. en

Justification

it should not be the case that the securitised exposures depart significantly in nature from other exposures originated under the original lenders normal business

Amendment 337

Markus Ferber, Werner Langen, Othmar Karas

Proposal for a regulation

Article 8 – paragraph 7 – introductory part

Text proposed by the Commission

Amendment

7. The underlying exposures, at the time of **transfer** to the SSPE, shall not include exposures in default within the meaning of Article 178(I) of Regulation (EU) No 575/2013 or exposures to a credit-impaired debtor or guarantor, who, to the best knowledge of the originator or original lender:

7. The underlying exposures, at the time of **selection, that are transferred** to the SSPE **without undue delay**, shall not include exposures in default within the meaning of Article 178 of Regulation (EU) No 575/2013 or exposures to a credit-impaired debtor or guarantor, who, to the best knowledge of the originator or original lender:

Or. en

Justification

At the time of selection of the exposures it is checked that the exposures are currently performing and that the originator has not received actual notice that the debtor of any exposures is the subject of a bankruptcy or insolvency proceeding. The selection will be made on the basis of data that is internally available at that time. External checks, such as inquiries with credit scoring institutions (e.g. Schufa in Germany), are particularly in retail business only made at the time of origination. Technically, such a check is not repeated at the time of the transfer to the SSPE since this happens “without undue delay”. The selection is the most crucial part of the process, so it should be clarified that the focus of the check should indeed be on this point in time. In addition the proposal pursuant to Article 8 par. 7 (a) and (b) does not take into account market practice and should hence be deleted. Prudent credit granting processes play an important role in ensuring a high quality of the exposures. In the automotive finance industry, it is common standard that thorough internal rating and scoring procedures are used in order to assess the creditworthiness of the customers or the credit quality. It is ensured that exposures transferred to the SSPE are randomly selected based on these and further additional other thorough eligibility criteria. Furthermore, it is current practice to exclude loans from securitisation that are delinquent. By doing so it is already ensured that the exposures which are transferred to the SSPE are at least of the same average quality in terms of credit risk compared to the overall average credit quality of the managed portfolio.

Amendment 338

Markus Ferber, Werner Langen

Proposal for a regulation

Article 8 – paragraph 7 – point a

Text proposed by the Commission

Amendment

(a) **has declared insolvency, agreed**

deleted

with his creditors to a debt dismissal or reschedule or had a court grant his creditors a right of enforcement or material damages as a result of a missed payment within three years prior to the date of origination;

Or. en

Amendment 339
Georgios Kyrtos

Proposal for a regulation
Article 8 – paragraph 7 – point a

Text proposed by the Commission

(a) has declared insolvency, ***agreed with his creditors to a debt dismissal or reschedule*** or had a court grant his creditors a right of enforcement or material damages as a result of a missed payment within three years prior to the date of origination;

Amendment

(a) has declared insolvency or had a court grant his creditors a ***final non-appealable*** right of enforcement or material damages as a result of a missed payment within three years prior to the date of origination ***or has undergone a debt-restructuring process with regard to his non-performing exposures within three years prior to the date of transfer or assignment of the underlying exposures to the SSPE, except if:***

(i) a restructured underlying exposure has not presented new arrears since the date of the restructuring and for at least one year thereafter; and

(ii) the information provided by the originator, sponsor and SSPE in accordance with Article 5, paragraph 1, points (a) and (e)(i) explicitly sets out the proportion of restructured underlying exposures, the time and details of the restructuring as well as their performance since the date of the restructuring;

(b) was, at the time of origination, where applicable, on a public credit registry of persons with adverse credit history;

Amendment 340
Dimitrios Papadimoulis

Proposal for a regulation
Article 8 – paragraph 7 – point a

Text proposed by the Commission

(a) has declared insolvency, agreed with his creditors to a debt dismissal or reschedule or had a court grant his creditors a right of enforcement or material damages as a result of a missed payment within three years prior to the date of origination;

Amendment

(a) has declared insolvency, agreed with his creditors to a debt dismissal or reschedule or had a court grant his creditors a ***final non-appealable*** right of enforcement or material damages as a result of a missed payment within three years prior to the date of origination ***or forbearance measures were granted to him with regard to his non-performing exposures within three years prior to the date of transfer or assignment of the underlying exposures to the SSPE, except if:***

(i) a restructured underlying exposure has not presented new arrears since the date the forbearance measures were granted and for at least one year thereafter; and

(ii) the information provided by the originator, sponsor and SSPE in accordance with Article 5, paragraph 1, points (a) and (e)(i) explicitly sets out the proportion of restructured underlying exposures, the time and details of the restructuring as well as their performance since the date of the restructuring;

Amendment 341
Eva Kaili

Proposal for a regulation
Article 8 – paragraph 7 – point a

Text proposed by the Commission

(a) has declared insolvency, ***agreed with his creditors to a debt dismissal or reschedule*** or had a court grant his creditors a right of enforcement or material damages as a result of a missed payment within three years prior to the date of origination;

Amendment

(a) has declared insolvency, or had a court grant his creditors a ***final non appealable*** right of enforcement or material damages as a result of a missed payment within three years prior to the date of origination, ***or forbearance measures were granted to him with regard to his non-performing exposures within three years prior to the date of transfer or assignment of the underlying exposures to the SSPE, except if:***

(i) ***a restructured underlying exposure has not presented new arrears since the date the forbearance measures were granted and for at least one year thereafter; and***

(ii) ***the information provided by the originator, sponsor and SSPE in accordance with Article 5, paragraph 1, points (a) and (e)(i) explicitly sets out the proportion of restructured underlying exposures, the time and details of the restructuring as well as their performance since the date of the restructuring;***

Or. en

Amendment 342
Markus Ferber, Werner Langen

Proposal for a regulation
Article 8 – paragraph 7 – point b

Text proposed by the Commission

(b) ***is on an official registry of persons with adverse credit history;***

Amendment

deleted

Or. en

Amendment 343
Dimitrios Papadimoulis

Proposal for a regulation
Article 8 – paragraph 7 – point b

Text proposed by the Commission

(b) *is on an official* registry of persons with adverse credit history;

Amendment

(b) *was at the time of origination, where applicable, on a public credit* registry of persons with adverse credit history;

Or. en

Amendment 344
Eva Kaili

Proposal for a regulation
Article 8 – paragraph 7 – point b

Text proposed by the Commission

(b) *is on an official* registry of persons with adverse credit history;

Amendment

(b) *was at the time of origination, where applicable, on a public credit* registry of persons with adverse credit history;

Or. en

Amendment 345
Markus Ferber, Werner Langen

Proposal for a regulation
Article 8 – paragraph 7 – point c

Text proposed by the Commission

(c) *has a credit assessment or a credit score* indicating *that the* risk of *contractually agreed payments not be made is significantly higher than for the average debtor for this type of loans in the relevant jurisdiction.*

Amendment

(c) *show evidence of impairment according to the applicable accounting practices requiring the allowance of specific provisions or whose exposures to be transferred to the SSPE are delinquent* indicating *potentially significant risk of default.*

By derogation from the first subparagraph, the originator or original lender may in the case of retail exposures apply the requirements under this paragraph, at the level of an individual contract to determine credit-impairment if the option for retail exposures pursuant to the second subparagraph of Article 178(1) of Regulation (EU) No 575/2013 is applied.

The credit risk of the securitised portfolio is not significantly increased at the time of selection compared to similar exposures held by the originator which are not securitised. The requirement can be fulfilled by a random selection of exposures from a target portfolio that

- (i) are not in default within the meaning of Article 178(1) of Regulation (EU) No 575/2013 or credit impaired pursuant to paragraph 7 of this Article,*
- (ii) fulfil the criterion in paragraph 8 of this Article,*
- (iii) are originated according to the first sentence of paragraph 6 of this Article.*

Or. en

Justification

It is difficult to judge under which circumstances a risk that a debtor will be unable to make payments is “significantly higher”. National competent authorities might arrive at very different interpretations, creating a high level of uncertainty. Furthermore, the reference point of the “average debtor” is particularly problematic: It could mean that in a European country with high credit standards a debtor could be deemed to be of significantly higher risk, yet be considered as perfectly “average” in other European countries with lower credit standards. This would entail different credit qualities of securitised pools of STS-securitisations and would impede the development of a single STS-securitisation market for the different securitisation segments. The current established market practice is much more precise and objective.

Amendment 346
Molly Scott Cato

on behalf of the Verts/ALE Group

Proposal for a regulation
Article 8 – paragraph 8

Text proposed by the Commission

Amendment

8. *The debtors or the guarantors shall have, at the time of transfer of the exposures, made at least one payment, except in case of revolving securitisations backed by personal overdraft facilities, credit card receivables, trade receivables and dealer floorplan finance loans or exposures payable in a single instalment.* **deleted**

Or. en

Justification

in line with the Green AMs modifying the retention requirement to include seasoning

Amendment 347

Morten Messerschmidt

on behalf of the ECR Group

Proposal for a regulation
Article 8 – paragraph 8

Text proposed by the Commission

Amendment

8. The debtors or the guarantors shall **have**, at the time of transfer of the exposures, made at least one payment, except in case of revolving securitisations backed by *personal overdraft facilities, credit card receivables, trade receivables and dealer floorplan finance loans or exposures payable in a single instalment.*

8. The debtors or the guarantors shall, at the time of transfer of the exposures, **have** made at least one payment, except in **the** case of revolving securitisations backed by **exposures payable in a single instalment or having a maturity of less than one year, including without limitation monthly payments on revolving credits.**

Or. en

Justification

This is to "future-proof" the criterion by making it more of a principles-based test.

Amendment 348

Dariusz Rosati

Proposal for a regulation

Article 8 – paragraph 8

Text proposed by the Commission

8. The debtors **or the guarantors** shall have, at the time of transfer of the exposures, made at least one payment, except in case of revolving securitisations backed by personal overdraft facilities, credit card receivables, trade receivables and dealer floorplan finance loans or exposures payable in a single instalment.

Amendment

8. The debtors shall have, at the time of transfer of the exposures, made at least one payment, except in case of revolving securitisations backed by personal overdraft facilities, credit card receivables, trade receivables and dealer floorplan finance loans or exposures payable in a single instalment.

Or. en

Amendment 349

Markus Ferber, Werner Langen

Proposal for a regulation

Article 8 – paragraph 9

Text proposed by the Commission

9. The repayment of the holders of the securitisation positions shall not depend, **substantially**, on the sale of assets securing the underlying exposures. This shall not prevent such assets from being subsequently rolled-over or refinanced.

Amendment

9. The repayment of the holders of the securitisation positions shall not ***have been structured to*** depend, ***predominantly, on the sale of assets securing the underlying exposures. Underlying exposures that are secured by assets the value of which is guaranteed or fully mitigated by a repurchase obligation by the seller of the assets securing the underlying exposures or by another third party do not depend*** on the sale of assets securing the underlying exposures. This shall not prevent such assets from being subsequently rolled-over or refinanced.

Or. en

Justification

In automotive finance it is most common that the customer pays affordable monthly instalments but does not repay the full credit amount, thus leaving a balance due at maturity. At the end of the term consumers have a choice between refinancing or paying the outstanding amount. A third option would be to return the vehicle to the lender and being released from the final payment, provided they have paid at least half the total price. If the actual value of the returned vehicle is lower than the final payment there is a shortfall. The risk of this shortfall is the so called “residual value risk”. Residual value risks are usually mitigated in practice for example with repurchase agreements or with credit enhancement so that sufficient protection for investors is already in place.

Amendment 350

Molly Scott Cato

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 8 – paragraph 9 a (new)

Text proposed by the Commission

Amendment

9a. ESMA, in close cooperation with EBA and EIOPA, shall develop draft regulatory technical standards further specifying the criteria for determining that a pool of exposures is homogeneous for the purpose of paragraph 4 of this article and Article 12 paragraph 2.

ESMA shall submit those draft regulatory technical standards to the Commission by ... [twelve months after entry into force of this Regulation].

Power is delegated to the Commission to adopt the regulatory technical standards referred to in this paragraph in accordance with the procedure laid down in Articles 10 to 14 of Regulation (EU) No 1095/2010.

Or. en

Amendment 351

Jakob von Weizsäcker

Proposal for a regulation
Article 8 – paragraph 9 a (new)

Text proposed by the Commission

Amendment

9a. Synthetic securitisation shall not be considered to be 'STS'.

Or. en

Amendment 352
Morten Messerschmidt

Proposal for a regulation
Article 9 – paragraph 1

Text proposed by the Commission

Amendment

1. The originator, sponsor or *the* original lender shall *satisfy the risk retention requirement* in accordance with Article 4 of this Regulation.

1. The originator, sponsor or original lender shall *retain a material net economic interest* in accordance with:

(a) Article 4, *in the case of a securitisation issued on or after the day of entry into force of this Regulation or otherwise of a securitisation to which this Regulation applies pursuant to Article 28(4a); or*

(b) *any applicable requirements under Article 28(4b), in the case of a securitisation issued prior to the date of entry into force of this Regulation.*

Or. en

Justification

Appropriate provision for legacy transactions and, in particular, preserve the existing grandfathering for pre-2011 transactions – as item (ii) indicates that only "any applicable requirements under article 28(4b)" would be relevant.

Amendment 353
Marco Zanni, Marco Valli

Proposal for a regulation
Article 9 – paragraph 2

Text proposed by the Commission

2. Interest rate and currency risks arising from the securitisation shall be mitigated and the measures taken to that effect shall be disclosed. The underlying exposures shall not include derivatives, ***unless for the purpose of hedging currency risk and interest rate risk. Those derivatives shall be underwritten and documented according to common standards in international finance.***

Amendment

2. Interest rate and currency risks arising from the securitisation shall be mitigated and the measures taken to that effect shall be disclosed. The underlying exposures shall not include derivatives.

Or. it

Amendment 354
Marco Zanni, Marco Valli

Proposal for a regulation
Article 9 – paragraph 3

Text proposed by the Commission

3. Any referenced interest payments under the securitisation assets and liabilities shall be based on generally used market interest rates and shall not reference ***complex*** formulae or derivatives.

Amendment

3. Any referenced interest payments under the securitisation assets and liabilities shall be based on generally used market interest rates and shall not reference formulae or derivatives.

Or. it

Amendment 355
Markus Ferber, Werner Langen

Proposal for a regulation
Article 9 – paragraph 6 – point b

Text proposed by the Commission

(b) the processes and responsibilities necessary to ensure that a default or insolvency of the servicer does not result in

Amendment

(b) the processes and responsibilities necessary to ensure that a default or insolvency of the servicer does not result in

a termination of servicing;

a termination of servicing , *such as a contractual replacement provision which enables the replacement of the servicer in case of default or insolvency*;

Or. en

Justification

The aim of Article 9 par. 6 is to avoid a situation where the credit claims cannot be collected anymore due to a “default or insolvency of the servicer”. The failure to collect the credit claims would obviously be to the detriment of the investor. Therefore, it is already common market practice to agree on a “replacement clause” to make sure that another servicer steps in if the original servicer is in default or insolvent. The investors are protected since it is ensured that the monthly instalments continue to be collected.

Amendment 356

Marco Zanni, Marco Valli

Proposal for a regulation

Article 9 – paragraph 6 – point c

Text proposed by the Commission

Amendment

(c) provisions that ensure the replacement of derivative counterparties, liquidity providers and the account bank upon their default, insolvency, and other specified events, where applicable.

deleted

Or. it

Amendment 357

Markus Ferber, Werner Langen, Othmar Karas

Proposal for a regulation

Article 9 – paragraph 7

Text proposed by the Commission

Amendment

7. The transaction documentation shall include definitions, remedies and actions relating to delinquency and default of debtors, debt restructuring, debt

7. The transaction documentation shall include definitions, remedies and actions relating to delinquency and default of debtors, debt restructuring, debt

forgiveness, forbearance, payment holidays, losses, charge offs, recoveries and other asset performance remedies in clear and consistent terms. ***That documentation shall clearly specify the payment priority, triggers, changes in payment priority following trigger events as well as the obligation to report such events. Any change in the payment priority shall be reported at the time of its occurrence.***

forgiveness, forbearance, payment holidays, losses, charge offs, recoveries and other asset performance remedies in clear and consistent terms. ***Changes in such terms and processes can be made provided that those changes will not materially adversely affect the repayment of the securitisation positions.***

Or. en

Amendment 358
Petr Ježek, Michael Theurer, Sylvie Goulard

Proposal for a regulation
Article 10 – paragraph 1

Text proposed by the Commission

1. The originator, ***sponsor, and SSPE*** shall provide access to data on static and dynamic historical default and loss performance, such as delinquency and default data, for substantially similar exposures to those being securitised to the investor before investing. Those data shall cover a period no shorter than seven years for non-retail exposures and five years for retail exposures. The basis for claiming similarity shall be disclosed.

Amendment

1. The originator ***and sponsor*** shall provide access to data on static and dynamic historical default and loss performance, such as delinquency and default data, for substantially similar exposures to those being securitised to the investor before investing. Those data shall cover a period no shorter than seven years for non-retail exposures and five years for retail exposures. The basis for claiming similarity shall be disclosed.

Or. en

Justification

The SSPE's obligations are generally limited to transferring the cash flow generated by the assets to the equity and debt holders. It has no influence on the set-up or the management of the securitisation itself, or any influence or independent knowledge of the performance of the underlying assets.

Amendment 359
Pervenche Berès

Proposal for a regulation
Article 10 – paragraph 2

Text proposed by the Commission

Amendment

2. *A sample of the underlying exposures shall be subject to external verification prior to issuance of the securities resulting from the securitisation by an appropriate and independent party, including verification that the data disclosed in respect of the underlying exposures is accurate, with a confidence level of 95%.*

deleted

Or. en

Amendment 360
Molly Scott Cato
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 10 – paragraph 3

Text proposed by the Commission

Amendment

3. The originator or sponsor shall provide a liability cash flow model to investors, both before the pricing of the securitisation and on an ongoing basis.

3. The originator or sponsor shall provide a *clearly documented* liability cash flow model to investors, both before the pricing of the securitisation and on an ongoing basis, *which precisely represents the contractual relationship between the performance of the underlying exposures and the payments flowing between the originator, sponsor, investors, other third parties and the SSPE.*

Or. en

Amendment 361
Petr Ježek, Michael Theurer, Sylvie Goulard

Proposal for a regulation
Article 10 – paragraph 3

Text proposed by the Commission

3. The originator or sponsor shall **provide** a liability cash flow model to investors, both before the pricing of the securitisation and on an ongoing basis.

Amendment

3. The originator or sponsor shall **make available** a liability cash flow model to investors, both before the pricing of the securitisation and on an ongoing basis.

Or. en

Amendment 362
Markus Ferber, Werner Langen

Proposal for a regulation
Article 10 – paragraph 4

Text proposed by the Commission

4. The originator, sponsor and SSPE shall be jointly responsible for compliance with Article 5 of this Regulation and shall make all information required by Article 5(1) (a) available to potential investors before pricing. The originator, sponsor and SSPE shall make the information required by Article 5 (1) (b) to (e) available before pricing at least in draft or initial form, where permissible under Article 3 of Directive 2003/71/EC. The originator, sponsor and SSPE shall make the final documentation available to investors at the latest 15 days after closing of the transaction.

Amendment

deleted

Or. en

Justification

Any such disclosure may result in a breach of Article 3 par. 1 of Directive (EC) 2003/71 as it may be regarded as offering securities to the public without prior publication of an approved prospectus.

Amendment 363
Morten Messerschmidt
on behalf of the ECR Group

Proposal for a regulation
Article 10 – paragraph 4

Text proposed by the Commission

4. The originator, sponsor and SSPE shall ***be jointly responsible for compliance*** with Article 5 of this Regulation and shall make all information required by Article 5(1) (a) available ***to potential investors*** before pricing. The originator, sponsor and SSPE shall make the information required by Article 5 (1) (b) to (e) ***available before pricing at least in draft or initial form, where permissible under Article 3 of Directive 2003/71/EC.*** The originator, sponsor and SSPE shall make the final documentation available ***to investors*** at the latest 15 days after closing of the transaction.

Amendment

4. The originator, sponsor and SSPE shall ***comply*** with Article 5 of this Regulation and shall make all information required by Article 5(1) (a) available, ***in accordance with paragraph 4a,*** before pricing. The originator ***and,*** sponsor and SSPE shall make the information required by Article 5 (1a) (b) to (e) ***and 5(1b) (b) to (e) available, in accordance with paragraph 4a of this Article, before pricing at least in draft or initial form.*** The originator, sponsor and SSPE shall make the final documentation available, ***in accordance with paragraph 8a,*** at the latest 15 days after closing of the transaction.

Or. en

Amendment 364
Petr Ježek, Michael Theurer, Sylvie Goulard

Proposal for a regulation
Article 10 – paragraph 4

Text proposed by the Commission

4. The originator, ***sponsor and SSPE*** shall be jointly responsible for compliance with Article 5 of this Regulation and shall ***make*** all information required by Article 5(1) (a) available to potential investors before pricing. The originator, sponsor ***and SSPE shall make*** the information required by Article 5 (1) (b) to (e) available before pricing at least in draft or initial form, where permissible under Article 3 of Directive 2003/71/EC. The originator,

Amendment

4. The originator ***and sponsor*** shall be jointly responsible for compliance with Article 5 of this Regulation and shall ***be responsible for ensuring that*** all information required by Article 5(1) (a) ***is made*** available to potential investors before pricing. The originator ***and*** sponsor ***shall be responsible for ensuring that*** the information required by Article 5 (1) (b) to (e) ***is made*** available before pricing at least in draft or initial form, where permissible

sponsor and SSPE shall **make** the final documentation available to investors at the latest 15 days after closing of the transaction.

under Article 3 of Directive 2003/71/EC. The originator **and sponsor** shall **be responsible for ensuring that** the final documentation **is made** available to investors at the latest 15 days after closing of the transaction.

Or. en

Justification

The SSPE's obligations are generally limited to transferring the cash flow generated by the assets to the equity and debt holders. It has no influence on the set-up or the management of the securitisation itself, or any influence or independent knowledge of the performance of the underlying assets.

Amendment 365

Morten Messerschmidt

on behalf of the ECR Group

Proposal for a regulation

Article 10 – paragraph 4 a (new)

Text proposed by the Commission

Amendment

4a. *For public securitisations, the information referred to in paragraph 4 shall be made publicly available. For private securitisations, the information referred to in paragraph 4 shall be made available to investors and, upon request, to national competent authorities.*

Or. en

Amendment 366

Alain Lamassoure, Alain Cadec

Proposal for a regulation

Article 10 a (new)

Text proposed by the Commission

Amendment

Article 10 a

ESMA shall develop guidelines addressed to originators, original lenders, sponsors, SSPEs and third parties in charge of assessing the compliance with STS criteria on a harmonised interpretation and application of requirements laid down in Articles 8, 9 and 10.

Or. en

Amendment 367
Morten Messerschmidt

Proposal for a regulation
Chapter 3 – section 2 – title

Text proposed by the Commission

Requirements for ABCP Securitisation

Amendment

Requirements for ABCP *and private* Securitisation

Or. en

Amendment 368
Marco Zanni, Marco Valli

Proposal for a regulation
Article 11

Text proposed by the Commission

Article 11

*Simple, transparent and standardised
ABCP Securitisations securitisation*

ABCP securitisations shall be considered 'STS' where the ABCP programme complies with the requirements in Article 13 of this Regulation and all transactions within that ABCP programme fulfil the requirements in Article 12.

Amendment

deleted

Or. it

Justification

Operations of this kind do not fall within the STS framework.

Amendment 369

Morten Messerschmidt

on behalf of the ECR Group

Proposal for a regulation

Article 11 – title

Text proposed by the Commission

Simple, transparent and standardised
ABCP *Securitisations securitisation*

Amendment

Simple, transparent and standardised
ABCP *programmes, ABCP transactions*
and private securitisations

Or. en

Justification

The Commission proposal will not allow an ABCP transaction to be treated as STS unless it was in an ABCP programme that met all the criteria, which in turn would require that not only that transaction but all the other transactions in the ABCP programme meet all the ABCP transaction criteria.

Amendment 370

Michael Theurer, Petr Ježek

Proposal for a regulation

Article 11 – paragraph 1

Text proposed by the Commission

ABCP *securitisations* shall be considered '**STS**' where ***the ABCP programme*** complies with the requirements in Article **13 of this Regulation and all transactions within that ABCP programme fulfil** the requirements in Article **12**.

Amendment

An ABCP *transaction* shall be considered **STS** where ***it*** complies with the ***transaction level*** requirements in Article **12**.

An ABCP *programme* shall be considered **STS** where ***it*** complies with the requirements in Article **13**.

Justification

According to this requirement ABCP securitisations (i.e. all securitisation positions at the transaction and programme level) would have only been considered STS if the ABCP programme had complied with the requirements in Article 13 and all transactions within that ABCP programme had fulfilled the requirements in Article 12. This could have implied that a securitisation position at transaction level (e.g. a liquidity line) could not have been considered STS if the ABCP programme in its entirety did not comply with the STS criteria. In other words: one non-STS transaction within an ABCP programme would have “infected” all other transactions even if they had fulfilled the STS criteria at the programme level.

Amendment 371

Morten Messerschmidt

on behalf of the ECR Group

Proposal for a regulation

Article 11 – paragraph 1

Text proposed by the Commission

ABCP securitisations shall be considered 'STS' where the ABCP programme complies with the requirements in Article 13 of this Regulation and all transactions within that ABCP programme fulfil the requirements in Article 12.

Amendment

ABCP transactions and other private securitisations shall be considered 'STS' where the ABCP programme complies with the requirements in Article 13 of this Regulation and all transactions within that ABCP programme fulfil the requirements in Article 12.

Or. en

Amendment 372

Marco Zanni, Marco Valli

Proposal for a regulation

Article 12

Text proposed by the Commission

Article 12

Transaction level requirements

1. A transaction within an ABCP programme shall meet the requirements

Amendment

deleted

of Section 1 of this Chapter, except for Articles 7, Article 8 (4) and (6), Article 9 (3), (4), (5), (6) and (8) and Article 10 (3). For the purposes of this Section, the terms "originator" and "original lender" under Article 8(7) shall be considered the seller.

2. Transactions within an ABCP programme shall be backed by a pool of underlying exposures that are homogeneous in terms of asset type and shall have a remaining weighted average life of no more than two years and none shall have a residual maturity of longer than three years. The underlying exposures shall not include loans secured by residential or commercial mortgages or fully guaranteed residential loans, as referred to in paragraph 1(e) of Article 129 of Regulation (EU) No 575/2013. The underlying exposures shall contain contractually binding and enforceable obligations with full recourse to debtors with defined payment streams relating to rental, principal, interest, or related to any other right to receive income from assets warranting such payments. The underlying exposures shall not include transferable securities, as defined in Directive 2014/65/EU.

3. Any referenced interest payments under the securitisation transaction's assets and liabilities shall be based on generally used market interest rates, but shall not reference complex formulae or derivatives.

4. Following the seller's default or an acceleration event, no substantial amount of cash shall be trapped in the SSPE and principal receipts from the underlying exposures shall be passed to investors holding a securitisation position via sequential payment of the securitisation positions, as determined by the seniority of the securitisation position. There shall be no provisions requiring automatic liquidation of the underlying exposures at market value.

5. The underlying exposures shall be originated in the ordinary course of the seller's business pursuant to underwriting standards that are no less stringent than those that the seller applies to origination of similar exposures that are not securitised. Material changes in underwriting standards shall be fully disclosed to potential investors. In the case of securitisations where the underlying exposures are residential loans, the pool of loans shall not include any loan that was marketed and underwritten on the premise that the loan applicant or, where applicable intermediaries, were made aware that the information provided might not be verified by the lender. The seller shall have expertise in originating exposures of a similar nature to those securitised.

6. The transaction documentation shall include triggers for termination of the revolving period, including at least the following:

(a) a deterioration in the credit quality of the underlying exposures to or below a pre-determined threshold;

(b) the occurrence of an insolvency-related event with regard to the seller or the servicer.

(c) a failure to generate sufficient new underlying exposures that meet the pre-determined credit quality;

7. The transaction documentation shall clearly specify:

(a) the contractual obligations, duties and responsibilities of the sponsor, the servicer and its management team who shall have expertise in servicing the underlying exposures, and, where applicable, the trustee and other ancillary service providers;

(b) the processes and responsibilities necessary to ensure that a default or insolvency of the servicer does not result

in a termination of servicing;

(c) provisions that ensure the replacement of derivative counterparties and the account bank upon their default, insolvency or other specified events, where applicable;

(d) The sponsor shall perform its own due diligence and verify that the seller meets sound underwriting standards, servicing capabilities and collection processes that meet the requirements specified in points (i) to (m) of Article 259 (3) of Regulation (EU) No 575/2013 or equivalent requirements in third countries.

Policies, procedures and risk management controls shall be well documented and effective systems shall be in place.

Or. it

Amendment 373

Michael Theurer, Petr Ježek

Proposal for a regulation Article 12 – paragraph 1

Text proposed by the Commission

1. A transaction within an ABCP programme shall meet the requirements of ***Section 1 of this Chapter, except for Articles 7, Article 8 (4) and (6), Article 9 (3), (4), (5), (6) and (8) and Article 10 (3).*** For the purposes of this Section, the terms "originator" and "original lender" under Article 8(7) shall be considered the seller.

Amendment

1. A transaction within an ABCP programme shall meet the requirements of ***this Article to be considered STS.*** For the purposes of this Section, the terms "originator" and "original lender" under Article 8(7) shall be considered the seller.

Or. en

Justification

For the sake of clarity, for ABCP transactions no reference should be made to the STS requirements of term ABS. The STS requirements for these transactions should be fully included in Article 12. In this way, the specific features of ABCP can be taken into account. In

this respect, Article 10 para. 2 should not be applied to ABCP. According to this requirement, a sample of the underlying exposures shall be subject to external verification prior to issuance of the securities resulting from the securitisation by an appropriate and independent party, including verification that the data disclosed in respect of the underlying exposures is accurate, with a confidence level of 95%. For short term, revolving assets such as trade receivables it is neither possible nor appropriate to verify the accurateness with a confidence interval of 95%. This requirement would be extremely burdensome. External auditors would have to check several hundreds of receivables, which would be very costly. These costs would have to be borne by one party of the securitisation. Imposing the costs on the corporate seller would limit its willingness to sell receivables into the securitisation; imposing it on the sponsor would reduce his willingness to run the programme; imposing it on the investor would reduce his yield and, thus, his willingness to invest in ABCP. Furthermore, in ABCP programmes with fully supported liquidity the CP investor is protected by the liquidity facility and, hence, such verification is unnecessary.

Amendment 374

Michael Theurer, Petr Ježek

Proposal for a regulation

Article 12 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. The repayment of the holders of the securitisation positions shall not depend, predominantly, on the sale of assets securing the underlying exposures. This shall not apply to assets the value of which is guaranteed or fully mitigated by an effective commitment by the seller or another third party to repurchase or refinance the asset securing the underlying exposure at a fixed amount. This shall not prevent such assets from being subsequently rolled-over or refinanced.

Or. en

Justification

Instead of referring back to Article 8 para. 9, for ABCP transactions, this issue should be dealt with in a new paragraph in Article 12. In this context, to allow the securitisations of leasing receivables if the repayment depends on the possibility to sell the leased asset at a certain value (so called residual value), it should be clarified that only those securitisations shall not be considered STS for which the repayment of the holders of the securitisation

position does predominantly depend on the sale of the assets securing the underlying exposure. In many cases such residual values are backed by repurchase obligations or guarantees by the manufacturer or seller to buy the leased asset at the end of the leasing contract at a fixed price. Therefore, the holders of the securitisation position are not exposed to residual value risk (market risk). In such cases where the residual value risk is hedged by a repurchase obligation or a guarantee by the manufacturer or the seller it should be eligible as underlying assets, because the market risk is mitigated.

Amendment 375

Morten Messerschmidt

Proposal for a regulation

Article 12 – paragraph 2

Text proposed by the Commission

2. ***Transactions within an ABCP programme*** shall be backed by a pool of underlying exposures that are homogeneous in terms of asset type and shall have a remaining weighted average life of no more than ***two*** years and none shall have a residual maturity of longer than ***three*** years. The underlying exposures shall not include loans secured by residential or commercial mortgages or fully guaranteed residential loans, as referred to in paragraph 1(e) of Article 129 of Regulation (EU) No 575/2013. The underlying exposures shall contain contractually binding and enforceable obligations with full recourse to debtors with defined payment streams relating to rental, principal, interest, or related to any other right to receive income from assets warranting such payments. The underlying exposures shall not include transferable securities, as defined in Directive 2014/65/EU.

Amendment

2. ***ABCP and private securitisations*** shall be backed by a pool of underlying exposures that are homogeneous in terms of asset type and shall have a remaining weighted average life of no more than ***five*** years and none shall have a residual maturity of longer than ***seven*** years. The underlying exposures shall not include loans secured by residential or commercial mortgages or fully guaranteed residential loans, as referred to in paragraph 1(e) of Article 129 of Regulation (EU) No 575/2013. The underlying exposures shall contain contractually binding and enforceable obligations with full recourse to debtors with defined payment streams relating to rental, principal, interest, or related to any other right to receive income from assets warranting such payments. The underlying exposures shall not include transferable securities, as defined in Directive 2014/65/EU.

Or. en

Justification

ABCP programmes supply working capital to many companies of all sizes in Europe. It is a valuable source of financing particularly for SMEs, unlisted and unrated companies. As the

Commission text currently stands, many of the ABCP programmes would not qualify under the STS criteria as the proposal includes a restriction on the maturity of assets. This will exclude assets with longer maturity dates such as loans, equipment leases or longer dated SME loans. This amendment recognises the structural specificities of ABCP such as pools of auto loans or leases which have longer dated maturity of underlying assets (up to 5-7 years).

Amendment 376
Burkhard Balz

Proposal for a regulation
Article 12 – paragraph 2

Text proposed by the Commission

2. Transactions within an ABCP programme shall be backed by a pool of underlying exposures that are homogeneous in terms of asset type and shall have a remaining weighted average life of no more than *two* years and none shall have a residual maturity of longer than *three* years. The underlying exposures shall not include loans secured by residential or commercial mortgages or fully guaranteed residential loans, as referred to in paragraph 1(e) of Article 129 of Regulation (EU) No 575/2013. The underlying exposures shall contain contractually binding and enforceable obligations with full recourse to debtors with defined payment streams relating to rental, principal, interest, or related to any other right to receive income from assets warranting such payments. The underlying exposures shall not include transferable securities, as defined in Directive 2014/65/EU.

Amendment

2. Transactions within an ABCP programme shall be backed by a pool of underlying exposures that are homogeneous in terms of asset type and shall have a remaining weighted average life of no more than *five* years and none shall have a residual maturity of longer than *seven* years. The underlying exposures shall not include loans secured by residential or commercial mortgages or fully guaranteed residential loans, as referred to in paragraph 1(e) of Article 129 of Regulation (EU) No 575/2013. The underlying exposures shall contain contractually binding and enforceable obligations with full recourse to debtors with defined payment streams relating to rental, principal, interest, or related to any other right to receive income from assets warranting such payments. The underlying exposures shall not include transferable securities, as defined in Directive 2014/65/EU.

Or. en

Amendment 377
Markus Ferber, Werner Langen, Othmar Karas

Proposal for a regulation
Article 12 – paragraph 2

Text proposed by the Commission

2. Transactions within an ABCP programme shall be backed by a pool of underlying exposures that are homogeneous in terms of asset type **and shall have a remaining weighted average life of no more than two years and none shall have a residual maturity of longer than three years. The underlying exposures shall not include loans secured by residential or commercial mortgages or fully guaranteed residential loans, as referred to in paragraph 1(e) of Article 129 of Regulation (EU) No 575/2013. The underlying exposures shall contain contractually binding and enforceable obligations with full recourse to debtors with defined payment streams relating to rental, principal, interest, or related to any other right to receive income from assets warranting such payments. The underlying exposures shall not include transferable securities, as defined in Directive 2014/65/EU.**

Amendment

2. Transactions within an ABCP programme shall be backed by a pool of underlying exposures that are homogeneous in terms of asset type **as set out in Article 8 (4) and shall have a remaining expected weighted average life of no more than four years.**

Or. en

Amendment 378

Petr Ježek, Michael Theurer, Sylvie Goulard

Proposal for a regulation

Article 12 – paragraph 2

Text proposed by the Commission

2. Transactions within an ABCP programme shall be backed by a pool of underlying exposures that are homogeneous in terms of asset type and shall have a remaining weighted average life of no more than **two** years and none shall have a residual maturity of longer than **three** years. The underlying exposures shall not include loans secured by residential or commercial mortgages or

Amendment

2. Transactions within an ABCP programme shall be backed by a pool of underlying exposures that are homogeneous in terms of asset type and shall have a remaining weighted average life of no more than **three** years and none shall have a residual maturity of longer than **six** years. The underlying exposures shall not include loans secured by residential or commercial mortgages or

fully guaranteed residential loans, as referred to in paragraph 1(e) of Article 129 of Regulation (EU) No 575/2013. The underlying exposures shall contain contractually binding and enforceable obligations with full recourse to debtors with defined payment streams relating to rental, principal, interest, or related to any other right to receive income from assets warranting such payments. The underlying exposures shall not include transferable securities, as defined in Directive 2014/65/EU.

fully guaranteed residential loans, as referred to in paragraph 1(e) of Article 129 of Regulation (EU) No 575/2013. The underlying exposures shall contain contractually binding and enforceable obligations with full recourse to debtors with defined payment streams relating to rental, principal, interest, or related to any other right to receive income from assets warranting such payments. The underlying exposures shall not include transferable securities, as defined in Directive 2014/65/EU.

Or. en

Amendment 379

Morten Messerschmidt

on behalf of the ECR Group

Proposal for a regulation

Article 12 – paragraph 3

Text proposed by the Commission

3. ***Any referenced interest payments under the securitisation transaction's assets and liabilities shall be based on generally used market interest rates, but shall not reference complex formulae or derivatives.***

Amendment

3. ***For the purposes of Article 9(3), in an ABCP transaction, the interest rate or other return on the securitisation transaction's liabilities to the ABCP programme may be based on the ABCP programme's cost of funds, including, but not limited to, the costs of issuing commercial paper.***

Or. en

Justification

ABCP conduit programmes often structure underlying transactions to pay interest or yield based on the conduit's cost of funds, including but not limited to commercial paper issuance costs, liquidity commitment or liquidity funding costs and other costs, related to that transaction or to the conduit's assets in general. This serves to avoid or limit any mismatch between yields on the programme's assets and its liabilities and operating costs.

Amendment 380
Morten Messerschmidt
on behalf of the ECR Group

Proposal for a regulation
Article 12 – paragraph 5

Text proposed by the Commission

5. The underlying exposures shall be originated in the ordinary course of the seller's business pursuant to underwriting standards that are **no** less stringent than those that the seller applies to origination of similar exposures that are not securitised. Material changes in underwriting standards shall be **fully** disclosed to **potential investors**. In the case of securitisations where the underlying exposures are residential loans, the pool of loans shall not include any loan that was marketed and underwritten on the premise that the loan applicant or, where applicable intermediaries, were made aware that the information provided might not be verified by the lender. The seller shall have **expertise** in originating exposures of a similar nature to those securitised.

Amendment

5. The underlying exposures shall be originated in the ordinary course of the seller's business pursuant to underwriting standards that are **not** less stringent than those that the seller applies to origination of similar exposures that are not securitised. Material changes in underwriting standards shall be disclosed to **the sponsor and other parties directly exposed to the ABCP transaction without undue delay**. In the case of securitisations where the underlying exposures are residential loans, the pool of loans shall not include any loan that was marketed and underwritten on the premise that the loan applicant or, where applicable intermediaries, were made aware that the information provided might not be verified by the lender. The seller shall have **experience** in originating exposures of a similar nature to those securitised.

Or. en

Justification

The current proposal sets significant and detailed public data disclosure on sensitive information which may be disproportionate and irrelevant for the investor in terms of its due diligence.

Amendment 381
Michael Theurer, Petr Ježek

Proposal for a regulation
Article 12 – paragraph 6 – point c

Text proposed by the Commission

Amendment

(c) a failure to generate sufficient new underlying exposures that meet the pre-determined credit quality; **deleted**

Or. en

Justification

In ABCP trade receivables transactions it is quite common that the underlying exposure fluctuates and the maximum purchase limit is not reached. This is due to the nature of the business or asset class and is not relevant for STS criteria. Therefore this requirement should be deleted.

Amendment 382

Michael Theurer, Petr Ježek

Proposal for a regulation

Article 12 – paragraph 7 – point d – paragraph 1

Text proposed by the Commission

Amendment

The sponsor shall perform its own due diligence and verify that the seller meets sound underwriting standards, ***servicing capabilities and collection processes that meet the requirements specified in points (i) to (m) of Article 259 (3) of Regulation (EU) No 575/2013 or equivalent requirements in third countries.***

The sponsor shall perform its own due diligence and verify that the seller meets sound underwriting standards.

Or. en

Justification

No reference should be made to Article 259 para. 3 point (i) to (m) because the respective requirements relate to the ABCP programme and are not compliant by servicing capabilities and collection processes of a single transaction.

Amendment 383

Thomas Mann

Proposal for a regulation
Article 12 a (new)

Text proposed by the Commission

Amendment

Article 12 a

- 1. The sponsor of the ABCP programme shall be a credit institution supervised under Directive 2013/36/EU or a regulated fund or asset manager.**
- 2. The sponsor of an ABCP programme shall be a liquidity facility provider and shall support all securitisation positions on an ABCP programme level by covering all liquidity and credit risks and any material dilution risks of the securitised exposures as well as any other transaction costs and programme-wide costs with such support. The sponsor shall disclose a description of the support provided at transaction level to the investors including a description of the liquidity facilities provided.**
- 3. The sponsor of the ABCP programme shall verify before becoming exposed to an ABCP transaction that, the seller grants all its credits on the basis of sound and well-defined criteria and clearly established processes for approving, amending, renewing and financing those credits and has effective systems in place to apply those criteria and processes. The sponsor shall perform its own due diligence and verify that the seller meets sound underwriting standards, servicing capabilities and collection processes that meet the requirements specified in points (i) to (m) of Article 259(3) of Regulation (EU) No 575/2013 or equivalent requirements in third countries. Policies, procedures and risk management controls shall be well documented and effective systems shall be in place.**
- 4. The seller, at the level of a transaction, or the sponsor, at the level of the ABCP programme, shall satisfy the**

risk retention requirement in accordance with Article 4.

5. Article 5 shall apply to ABCP programmes. The sponsor of the ABCP programme shall be responsible for compliance with Article 5 and shall :

(a) make all aggregated information required by point (a) of Article 5(1), available to investors, such information being updated on a quarterly basis ;

(b) make the information required by points (b) to (e) of Article 5(1) of this Regulation, available

6. In the event that the sponsor does not renew the funding commitment of the liquidity facility before its expiry, the liquidity facility shall be drawn down and the maturing securities shall be repaid.

Or. en

Amendment 384
Michael Theurer, Petr Ježek

Proposal for a regulation
Article 12 a (new)

Text proposed by the Commission

Amendment

Article 12 a

The originator, sponsor, and SSPE shall provide access to data on static and dynamic historical default and loss performance, such as delinquency and default data, for exposures substantially similar to those being securitised to the holders of the securitisation position. Where the sponsor does not have access to such data, it shall obtain from the seller access to data on a static or dynamic basis, historical performance, such as delinquency and default data, for exposures substantially similar to those being securitised. Those data shall cover a period no shorter than five years, except

for trade receivables and other short term receivables for which the historical period shall be no shorter than a period of three years. The sources of the data and the basis for claiming similarity shall be disclosed.

Or. en

Justification

Instead of referring back to Article 10 para. 1, for ABCP transactions, this issue should be dealt with in a separate paragraph in Article 12. In this context, it should be clarified that data on historical defaults should only be provided to the holders of the securitisation positions. In case of a fully supported ABCP programme investors are protected by the liquidity facility. Potential investors, therefore, do not need information about historical defaults and loss performances to make an informed investment decision. Furthermore, the length of the time series for historical data shall be limited to three years for trade receivables.

Amendment 385

Marco Zanni, Marco Valli

Proposal for a regulation

Article 13

Text proposed by the Commission

Amendment

Article 13

deleted

Programme level requirements

- 1. All transactions within an ABCP programme shall fulfil the requirements of Article 12 of this Regulation.*
- 2. The originator, sponsor or the original lender shall satisfy the risk retention requirement in accordance with Article 4 of this Regulation.*
- 3. The ABCP programme shall not be a re-securitisation and the credit enhancement shall not establish a second layer of tranching at the programme level.*
- 4. The sponsor of the ABCP programme shall be a credit institution supervised under Directive 2013/36/EU. The sponsor shall be a liquidity facility*

provider and shall support all securitisation positions at transaction level within the ABCP programme and cover all liquidity and credit risks and any material dilution risks of the securitised exposures as well as any other transaction costs and programme-wide costs.

5. The securities issued by an ABCP programme shall not include call options, extension clauses or other clauses that have an effect on their final maturity.

6. Interest rate and currency risks arising at ABCP programme level shall be mitigated and the measures taken to that effect shall be disclosed. Derivatives shall only be used at programme level for the purpose of hedging currency risk and interest rate risk. Such derivatives shall be documented according to common standards in international finance.

7. The documentation relating to the programme shall clearly specify:

(a) the responsibilities of the trustee and other entities with fiduciary duties to investors;

(b) provisions that facilitate the timely resolution of conflicts between the sponsor and the holders of securitisation positions;

(c) contractual obligations, duties and responsibilities of the sponsor, and its management team, who shall have expertise in credit underwriting, trustee and other ancillary service providers;

(d) processes and responsibilities necessary to ensure that a default or insolvency of the servicer does not result in a termination of servicing;

(e) provisions for replacement of derivative counterparties, and the account bank at ABCP programme level upon their default, insolvency and other specified events, where applicable.

(f) that upon specified events, default or insolvency of the sponsor remedial

steps shall be provided for to achieve, as appropriate, collateralisation of the funding commitment or replacement of the liquidity facility provider. In case the liquidity facility provider does not renew the funding commitment within 30 days of its expiry, the liquidity facility shall be drawn down, the maturing securities shall be repaid and the transactions shall cease to purchase exposures while amortising the existing underlying exposures.

Policies, procedures and risk management controls shall be well documented and effective systems shall be in place.

8. The originator, sponsor and SSPE shall be jointly responsible for compliance at ABCP programme level with Article 5 of this Regulation and shall make all information required by Article 5(1) (a) available to potential investors before pricing. The originator, sponsor and SSPE shall make the information required by Article 5 (1) (b) to (e) available before pricing at least in draft or initial form, where permissible under Article 3 of Directive 2003/71/EC. The originator, sponsor and SSPE shall make the final documentation available to investors at the latest 15 days after closing of the transaction

Or. it

Amendment 386
Thomas Mann

Proposal for a regulation
Article 13 – paragraph 1

Text proposed by the Commission

Amendment

1. All transactions within an ABCP programme shall fulfil the requirements of Article 12 of this Regulation. **deleted**

Or. en

Amendment 387

Morten Messerschmidt

on behalf of the ECR Group

Proposal for a regulation

Article 13 – paragraph 1

Text proposed by the Commission

1. All transactions within an ABCP programme shall fulfil the requirements of Article 12 of this Regulation.

Amendment

1. All transactions within an ABCP programme shall fulfil the requirements *set out in paragraphs (1a) to (1d), (1h) to (1j) and (3) to (7)* of Article 12.

At all times, at least 70 % of the aggregate amount of the exposures underlying the transactions within an ABCP programme and which are funded by the programme shall fulfil the requirements set out in paragraphs (1e) to (1g) and (2) of Article 12 .

For a period of two years from ... [date of entry into force of this Regulation] up to 20 % of that aggregate amount may be exposures to securitisation transactions that do not fulfil those requirements.

Or. en

Justification

Assets of ABCP programmes may include not only securitisation transactions, but also secured lending transactions or other transactions that, for whatever reason, do not qualify as "securitisation" under the CRR definition. Such transactions – which often provide significant funding for SME clients of the bank sponsors - would not fall within the CRR definition of securitisation at all, still less conform to the qualifying securitisation criteria. It is essential that the criteria allow an ABCP programme to fund such non-securitisation transactions without affecting its status as a qualifying ABCP programme.

Amendment 388

Burkhard Balz

Proposal for a regulation

Article 13 – paragraph 1

Text proposed by the Commission

Amendment

1. All transactions within an ABCP programme shall fulfil the requirements of Article 12 of this Regulation.

1. All transactions within an ABCP programme shall fulfil the requirements of Article 12 of this Regulation, ***with the exception of single transactions amounting up to 15 % of the aggregate amount of the exposures underlying an ABCP programme.***

Or. en

Amendment 389

Michael Theurer, Petr Ježek

**Proposal for a regulation
Article 13 – paragraph 1**

Text proposed by the Commission

Amendment

1. ***All*** transactions within an ABCP programme shall fulfil the requirements of Article 12 of this Regulation.

1. ***70 % of the ABCP*** transactions within an ABCP programme, ***as measured by the volume of securitised exposures,*** shall fulfil the requirements of Article 12 of this regulation.

Or. en

Justification

The proposal by the EU Commission would mean that if, even due to a minor or temporary breach of one of the criteria, one transaction becomes ineligible, the whole ABCP programme would be “infected” by the ineligible transaction and, thus, the ABCP issued could not be counted for as STS. This very restrictive requirement would likely have the effect that not a single ABCP programme can comply with the STS criteria. There should therefore be an upper limit for non-qualified transactions within an ABCP programme. This would give sponsors a certain amount of flexibility to allow for a small number of transactions that fall out of the STS scope. Such a ceiling would especially be beneficiary for corporates using non-compliant transactions (e.g. for leases) that otherwise would have to resort to (costlier) bank loans for their funding. Due to the full support of the sponsor bank the ABCP issued can still be regarded STS even if a small amount of the underlying transactions would fail to comply with single STS requirements.

Amendment 390
Morten Messerschmidt

Proposal for a regulation
Article 13 – paragraph 5

Text proposed by the Commission

Amendment

5. *The securities issued by an ABCP programme shall not include call options, extension clauses or other clauses that have an effect on their final maturity.* **deleted**

Or. en

Justification

Many multi-seller ABCP programmes which are important for funding real economy assets such as trade receivables, auto loans, leasing etc. have added the capacity to issue CP with call options (held by the conduit) or put options (held by the investor) for the purposes of prudent liquidity management. Also, Article 13(4) provides that “the sponsor of the ABCP programme shall be a credit institution ... and shall support all securitisation positions at transaction level within the ABCP programme and cover all liquidity and credit risks” so that the risk to the investor is that of the sponsor.

Amendment 391
Michael Theurer, Petr Ježek

Proposal for a regulation
Article 13 – paragraph 5

Text proposed by the Commission

Amendment

5. *The securities issued by an ABCP programme shall not include call options, extension clauses or other clauses that have an effect on their final maturity.*

5. Securities issued by an ABCP programme **that** include call options, extension clauses or other clauses **at the discretion of the originator, sponsor or SSPE**, that have an effect on their final maturity **shall not be regarded STS**.

Or. en

Justification

The prohibition should apply to the structured ABCP issued only. Furthermore, ABCP where the investor has a right to terminate the CP shall not be excluded. There may be a co-

existence of CPs that contain e.g. put options for the investor (structured CP) and 'plain vanilla' ABCP (without optionalities) within the same programme. In such a case the 'plain vanilla' ABCP may still be a STS securitisation where - at the same time - the structured CP is not. Otherwise one structured CP would "infect" all unstructured ABCP.

Amendment 392

Michael Theurer, Petr Ježek

Proposal for a regulation

Article 13 – paragraph 7 – point a

Text proposed by the Commission

Amendment

(a) *the responsibilities of the trustee and other entities with fiduciary duties to investors;* **deleted**

Or. en

Amendment 393

Morten Messerschmidt

on behalf of the ECR Group

Proposal for a regulation

Article 13 – paragraph 7 – point a

Text proposed by the Commission

Amendment

(a) the responsibilities of the trustee and other entities with fiduciary duties to investors;

(a) the responsibilities of the trustee and other entities, **if any**, with fiduciary duties to investors;

Or. en

Justification

Because ABCP has short maturities and full liquidity and credit support from the sponsor bank, the programme structures typically do not require a note trustee or other representative of noteholders or provisions for meetings of noteholders.

Amendment 394

Michael Theurer, Petr Ježek

Proposal for a regulation
Article 13 – paragraph 7 – point b

Text proposed by the Commission

Amendment

(b) provisions that facilitate the timely resolution of conflicts between the sponsor and the holders of securitisation positions; *deleted*

Or. en

Amendment 395
Morten Messerschmidt
on behalf of the ECR Group

Proposal for a regulation
Article 13 – paragraph 7 – point b

Text proposed by the Commission

Amendment

(b) provisions that facilitate the timely resolution of conflicts between the sponsor and the holders of securitisation positions; *deleted*

Or. en

Justification

Requiring provisions to facilitate resolution of disputes between sponsor and investors would be inconsistent with treatment of any other kind of investment product, and would not be warranted as, given the structure and terms of such programmes, no such disputes are likely to arise.

Amendment 396
Morten Messerschmidt
on behalf of the ECR Group

Proposal for a regulation
Article 13 – paragraph 7 – point c

Text proposed by the Commission

Amendment

(c) contractual obligations, duties and (c) contractual obligations, duties and

responsibilities of the sponsor, **and its management team**, who shall have expertise in credit underwriting, trustee and other ancillary service providers;

responsibilities of the sponsor, who shall have expertise in credit underwriting, **the trustee, if any**, and other ancillary service providers;

Or. en

Justification

The programme documentation will set out contractual obligations of the sponsor, but its management team will not have direct contractual obligations to the other parties. Many ABCP programmes do not have a trustee.

Amendment 397

Morten Messerschmidt

on behalf of the ECR Group

Proposal for a regulation

Article 13 – paragraph 7 – point d

Text proposed by the Commission

Amendment

(d) processes and responsibilities necessary to ensure that a default or insolvency of the servicer does not result in a termination of servicing;

deleted

Or. en

Justification

In ABCP programmes, the "servicer" generally refers to a servicer of an underlying transaction; at programme level generally there is no "servicer", but the sponsor manages the programme as "programme administrator". As these programmes rely substantially on the credit quality and abilities of the sponsor, it is not realistic to require provisions for the programme to continue following default or insolvency of the sponsor.

Amendment 398

Michael Theurer, Petr Ježek

Proposal for a regulation

Article 13 – paragraph 7 – point e

Text proposed by the Commission

Amendment

(e) provisions for replacement of derivative counterparties, and the account bank at ABCP programme level upon their default, insolvency and other specified events, where applicable. **deleted**

Or. en

Justification

In a fully supported ABCP programme the Sponsor bears all the risks of the Investors. Therefore, there is a total alignment of interest between those parties. For this reason, the requirements in (a) and (b) are unnecessary and should be deleted. Furthermore, the requirement in (e) is not necessary, if the liquidity facility covers the default and the further specified events of the derivative counterparty and account bank.

Amendment 399

Morten Messerschmidt

on behalf of the ECR Group

Proposal for a regulation

Article 13 – paragraph 7 – point f – paragraph 1

Text proposed by the Commission

Amendment

that *upon specified events, default or insolvency of the sponsor remedial steps shall be provided for to achieve, as appropriate, collateralisation of the funding commitment or replacement of the liquidity facility provider.* In case the liquidity facility provider does not renew the funding commitment within 30 days *of* its expiry, the liquidity facility shall be drawn down, *the maturing securities shall be repaid* and the transactions shall cease to purchase exposures while amortising the existing underlying exposures.

that, in case the liquidity facility provider does not renew the funding commitment *under a liquidity facility* within 30 days *before* its expiry, the liquidity facility shall be drawn down *and used to repay the maturing securities* and the transactions shall cease to purchase exposures while amortising the existing underlying exposures.

Or. en

Justification

ABCP programmes depend on the sponsor's credit quality and experience, it would not be practical to require replacement on the sponsor's insolvency or default. In addition, if the liquidity facility is drawn before expiry and used to repay the maturing securities, there is no need to require the underlying transactions to cease purchasing exposures.

Amendment 400

Markus Ferber, Werner Langen

Proposal for a regulation

Article 13 – paragraph 8

Text proposed by the Commission

Amendment

8. *The originator, sponsor and SSPE shall be jointly responsible for compliance at ABCP programme level with Article 5 of this Regulation and shall make all information required by Article 5(1) (a) available to potential investors before pricing. The originator, sponsor and SSPE shall make the information required by Article 5 (1) (b) to (e) available before pricing at least in draft or initial form, where permissible under Article 3 of Directive 2003/71/EC. The originator, sponsor and SSPE shall make the final documentation available to investors at the latest 15 days after closing of the transaction* ***deleted***

Or. en

Justification

As drafted, this would make all originators in an ABCP programme jointly responsible for the publication of loan-level information, documents and notifications to ABCP holders. Investors would be presented with potentially thousands of data points on a monthly basis as well as dozens of transaction documents which they are unlikely to have the time or resources to properly review. This level of disclosure is not proportionate given that ABCP investors typically hold ABCP as a short-term investment which is traded frequently. Disclosure of loan level information should be for the benefit of the conduit bank, which guarantees the ABCP.

Amendment 401
Morten Messerschmidt
on behalf of the ECR Group

Proposal for a regulation
Article 13 – paragraph 8

Text proposed by the Commission

8. The **originator**, sponsor and **SSPE** shall **be jointly responsible for compliance at ABCP programme level** with Article 5 **of this Regulation** and shall make all information required by Article 5(1) (a) available **to potential investors** before pricing. The originator, sponsor and SSPE shall make the information required by Article 5 (1) (b) to (e) available **before pricing** at least in draft or initial form, **where permissible under Article 3 of Directive 2003/71/EC**. The originator, sponsor and SSPE shall make the final documentation available **to investors** at the latest 15 days after closing of the transaction

Amendment

8. The **programme** sponsor and **issuer** shall **comply** with Article 5 and shall make all information required by Article 5(1a) available **in accordance with paragraph 8a of this Article**, before pricing. The originator, sponsor and SSPE shall make the information required by Article 5 (1a)(b) to (e) **and 5(1b)(b) to (e)** available **in accordance with paragraph 8a**, at least in draft or initial form, **before pricing**. The originator, sponsor and SSPE shall make the final documentation available **in accordance with paragraph 8a** at the latest 15 days after closing of the transaction

Or. en

Justification

In multi-seller programmes, originators will not be involved in providing information to ABCP investors or other investors or potential investors at programme level. The proposed times for providing information to prospective investors do not make sense in relation to commercial paper programmes, in which new securities are offered daily and pricing and settlement occur within hours.

Amendment 402
Michael Theurer

Proposal for a regulation
Article 13 – paragraph 8

Text proposed by the Commission

8. The **originator**, sponsor **and SSPE** shall be **jointly** responsible for compliance

Amendment

8. The sponsor shall be responsible for compliance at ABCP programme level

at ABCP programme level with Article 5 of this Regulation and shall ***make all information required by Article 5(1) (a)*** available to potential investors before pricing. ***The originator, sponsor and SSPE shall make the information required by Article 5 (1) (b) to (e) available before pricing at least in draft or initial form, where permissible under Article 3 of Directive 2003/71/EC. The originator, sponsor and SSPE shall make the final documentation available to investors at the latest 15 days after closing of the transaction***

with Article 5 of this Regulation and shall Article 5 ***shall make*** available to potential investors before pricing:

(a) all aggregated information required by point (a) of Article 5(1), available to investors;

(b) the information required by points (b) to (e) of Article 5(1) of this Regulation, available.

In the case of a fully supported ABCP programme within the meaning of Article 2 para. 21 no transaction documentation shall be disclosed to investors.

Documentation referred to in point (b) (ii) to (vi) may be made available in a summarized form in the final offering documentation or the prospectus.

Or. en

Justification

Only the sponsor should be responsible to make information available to the investor and solely at the programme level. In a multi-seller programme receivables from several real economy originators are securitised. This is why, the individual originator can only provide information about their own portfolios. Furthermore, information about the underlying receivables (Article 5 (1)(a)) shall only be made available in an aggregated form to investors. Documentation at programme level may be described in the offering documentation (e.g. the Investor Memorandum).

Amendment 403

Petr Ježek, Sylvie Goulard

Proposal for a regulation
Article 13 – paragraph 8

Text proposed by the Commission

8. The originator, ***sponsor and SSPE*** shall be jointly responsible for compliance at ABCP programme level with Article 5 of this Regulation and shall ***make*** all information required by Article 5(1) (a) available to potential investors before pricing. The originator, ***sponsor and SSPE*** shall ***make*** the information required by Article 5 (1) (b) to (e) available before pricing at least in draft or initial form, where permissible under Article 3 of Directive 2003/71/EC. The originator, ***sponsor and SSPE*** shall ***make*** the final documentation available to investors at the latest 15 days after closing of the transaction

Amendment

8. The originator ***and sponsor*** shall be jointly responsible for compliance at ABCP programme level with Article 5 of this Regulation and shall ***ensure that*** all information required by Article 5(1) (a) ***is made*** available to potential investors before pricing. The originator ***and sponsor*** shall ***ensure that*** the information required by Article 5 (1) (b) to (e) ***is made*** available before pricing at least in draft or initial form, where permissible under Article 3 of Directive 2003/71/EC. The originator ***and sponsor*** shall ***ensure that*** the final documentation ***is made*** available to investors at the latest 15 days after closing of the transaction

Or. en

Amendment 404
Morten Messerschmidt
on behalf of the ECR Group

Proposal for a regulation
Article 13 – paragraph 8 a (new)

Text proposed by the Commission

Amendment

8a. For public securitisations, the information referred to in paragraph 8 shall be made publicly available. For private securitisations, the information referred to in paragraph 8 shall be made available to investors and, upon request, to national competent authorities.

Or. en

Amendment 405
Neena Gill

Proposal for a regulation
Article 14 – paragraph 1

Text proposed by the Commission

1. Originators, sponsors and SSPE's shall jointly notify ESMA by means of the **template** referred to in paragraph 5 of this Article that the securitisation meets the requirements of Articles 7 to 10 or Articles 11 to 13 of this Regulation ('STS notification'). ESMA shall publish the STS notification on *its* official website pursuant to paragraph 4. **They shall also inform their** competent **authority**. The originator, sponsor and SSPE of a securitisation shall designate amongst themselves one entity to be the first contact point for investors and competent authorities.

Amendment

1. Originators, sponsors and SSPE's shall jointly notify ESMA by means of the **ESDR communications services** referred to in paragraph 5 of this Article that the securitisation meets the requirements of Articles 7 to 10 or Articles 11 to 13 of this Regulation ('STS notification'). **Both the ESDR and** ESMA shall publish the STS notification on **their** official website pursuant to paragraph 4. **Proper use of the ESDR communication channel will ensure that the** competent **authorities are notified in a timely manner**. The originator, sponsor and SSPE of a securitisation shall designate amongst themselves one entity to be the first contact point for investors and competent authorities. **Where the originator, sponsor and SSPE have not agreed between themselves which entity shall accomplish the requirements under this Article, the originator shall comply with those requirements.**

Or. en

Amendment 406
Marco Zanni, Marco Valli

Proposal for a regulation
Article 14 – paragraph 1

Text proposed by the Commission

1. Originators, sponsors and **SSPE's** shall jointly notify ESMA by means of the template referred to in paragraph 5 of this Article that the securitisation meets the requirements of Articles 7 to 10 **or Articles 11 to 13** of this Regulation ('STS notification'). ESMA shall publish the STS

Amendment

1. Originators, sponsors and **SSPEs** shall jointly notify ESMA by means of the template referred to in paragraph 5 of this Article that the securitisation meets the requirements of Articles 7 to 10 of this Regulation ('STS notification'). ESMA shall publish the STS notification on its

notification on its official website pursuant to paragraph 4. They shall also inform their competent authority. The originator, sponsor and SSPE of a securitisation shall designate amongst themselves one entity to be the first contact point for investors and competent authorities.

official website pursuant to paragraph 4. They shall also inform their competent authority. The originator, sponsor and SSPE of a securitisation shall designate amongst themselves one entity to be the first contact point for investors and competent authorities.

Or. it

Amendment 407
Michael Theurer

Proposal for a regulation
Article 14 – paragraph 1

Text proposed by the Commission

1. Originators, sponsors and SSPE's shall jointly notify ESMA by means of the template referred to in paragraph 5 of this Article that the securitisation meets the requirements of Articles 7 to 10 or Articles 11 to 13 of this Regulation ('STS notification'). ESMA shall publish the STS notification on its official website pursuant to paragraph 4. They shall also inform their competent authority. The originator, sponsor and SSPE of a securitisation shall designate amongst themselves one entity to be the first contact point for investors and competent authorities.

Amendment

1. Originators, sponsors and SSPE's shall jointly notify ESMA by means of the template referred to in paragraph 5 of this Article that the securitisation meets the requirements of Articles 7 to 10 or Articles 11 to 13 of this Regulation ('STS notification'). ***In case of an ABCP programme with multiple originators, each originator shall notify ESMA only with regard to the requirements in Article 12 for its own transaction and in an anonymised form. With regard to public securitisations*** ESMA shall publish the STS notification on its official website pursuant to paragraph 4. They shall also inform their competent authority. The originator, sponsor and SSPE of a securitisation shall designate amongst themselves one entity to be the first contact point for investors and competent authorities.

Or. en

Justification

In an ABCP programme multiple sellers sell their receivables to one of the transactions. This

is why they can only declare their compliance in relation to “their” transaction but not to the entire ABCP programme. Therefore, in such ABCP programmes each originator shall only be obliged to declare that the securitisation meets the requirements of Article 12 for its “own” transaction. Furthermore, the anonymity of the transaction must be maintained if the STS if the STS notification is disclosed to investors according to Article 5 para. 1 point d.

Amendment 408

Cora van Nieuwenhuizen

Proposal for a regulation Article 14 – paragraph 1

Text proposed by the Commission

1. Originators, sponsors and SSPE's shall jointly notify ESMA by means of the template referred to in paragraph 5 of this Article that the securitisation meets the requirements of Articles 7 to 10 or Articles 11 to 13 of this Regulation ('STS notification'). ESMA shall publish the STS notification on its official website pursuant to paragraph 4. ***They shall also*** inform ***their*** competent authority. The originator, sponsor and SSPE of a securitisation shall designate amongst themselves one entity to be the first contact point for investors and competent authorities.

Amendment

1. Originators, sponsors and SSPE's shall jointly notify ESMA by means of the template referred to in paragraph 5 of this Article that the securitisation meets the requirements of Articles 7 to 10 or Articles 11 to 13 of this Regulation ('STS notification'). ESMA shall ***provide authorisation to the respective third party agent that will determine STS compliance.*** ***ESMA shall also*** publish the STS notification on its official website pursuant to paragraph 4 ***and*** inform ***the*** competent authority. The originator, sponsor and SSPE of a securitisation shall designate amongst themselves one entity to be the first contact point for investors and competent authorities.

Or. en

Amendment 409

Pervenche Berès

Proposal for a regulation Article 14 – paragraph 1

Text proposed by the Commission

1. ***Originators, sponsors and*** SSPE's shall ***jointly*** notify ESMA by means of the template referred to in paragraph 5 of this

Amendment

1. ***The trustee of the*** SSPE's shall notify ESMA by means of the template referred to in paragraph 5 of this Article

Article that the securitisation meets the requirements of Articles 7 to 10 or Articles 11 to 13 of this Regulation ('STS notification'). ESMA shall publish the STS notification on its official website pursuant to paragraph 4. **They** shall also inform their competent authority. The originator, sponsor and SSPE **of a securitisation shall designate amongst themselves one entity to be the first contact point for investors and competent authorities.**

that the securitisation meets the requirements of Articles 7 to 10 or Articles 11 to 13 of this Regulation ('STS notification'). ESMA shall publish the STS notification on its official website pursuant to paragraph 4. **Originators, sponsors and SSPE's** shall also inform their competent authority. The originator, sponsor and SSPE **are jointly responsible for the ongoing compliance with the STS criteria.**

Or. en

Amendment 410
Petr Ježek, Sylvie Goulard

Proposal for a regulation
Article 14 – paragraph 1

Text proposed by the Commission

1. Originators, **sponsors and SSPE's** shall jointly notify ESMA by means of the template referred to in paragraph 5 of this Article that the securitisation meets the requirements of Articles 7 to 10 or Articles 11 to 13 of this Regulation ('STS notification'). ESMA shall publish the STS notification on its official website pursuant to paragraph 4. They shall also inform their competent authority. The originator, **sponsor and SSPE** of a securitisation shall designate amongst themselves one entity to be the first contact point for investors and competent authorities.

Amendment

1. Originators **and sponsors** shall jointly notify ESMA by means of the template referred to in paragraph 5 of this Article that the securitisation meets the requirements of Articles 7 to 10 or Articles 11 to 13 of this Regulation ('STS notification'). ESMA shall publish the STS notification on its official website pursuant to paragraph 4. They shall also inform their competent authority. The originator **and sponsor** of a securitisation shall designate amongst themselves one entity to be the first contact point for investors and competent authorities.

Or. en

Amendment 411
Markus Ferber, Werner Langen

Proposal for a regulation
Article 14 – paragraph 1 a (new)

1a. Originators or sponsors may file a letter of enquiry with their competent authority to obtain a binding confirmation of conformity based on the opinion of the originator and, if relevant, the sponsor that the securitisation complies with certain or all criteria relating to simplicity in Article 8 and to standardisation in Article 9. In the case of an ABCP programme sponsors may file a request with the competent authority to obtain a binding confirmation of conformity based on the opinion of the sponsor that the ABCP programme complies with certain or all criteria of Article 12.

Or. en

Justification

The framework for simple, transparent and standardised securitisation will only have a supporting effect on the European securitisation market if all market participants are of the same understanding as to what STS eligibility means. The criteria are not self-explanatory and might be subject of a differing interpretation by national authorities and the ESAs. It is to foresee that in many cases the interpretation of the fulfilment of certain criteria will depend on the assessment of the single case. Taking into account the severe envisaged sanctions in case of infringement and the liability towards investors, a means to ensure a sufficient level of trust would be a binding conformation that the respective securitisation is indeed STS. This is necessary to avoid the deterrence of the issuance from STS-securitisations. Such confirmation of conformity should be issued by a competent authority and shall be legally binding across the European Union to warrant the necessary level of legal certainty for all market participants. Particularly a situation should be avoided in which, at the time of entering into force, originators are required to adhere to STS-criteria that will be amended and presumably aggravated by EBA at a later stage. This will erode the existing level of trust between the market participants of the European securitisation market – since there would be no common understanding as to what STS-eligible means.

Amendment 412

Thomas Mann

Proposal for a regulation

Article 14 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. In addition to the self-certification mechanism described in article 14(1), the originator, sponsor and SSPE should use the service of a third party authorised pursuant to Article 14(a) to assess whether a securitisation complies with articles 7 to 10 or articles 11 to 13. The STS notification shall include a statement that the compliance with the STS criteria is confirmed by that authorised third party.

The notification must include the name of the authorised third party, its place of establishment and the full and original name of the competent authority.

Or. en

Amendment 413
Othmar Karas, Pablo Zalba Bidegain

Proposal for a regulation
Article 14 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. Where the originator, sponsor and SSPE use the service of a third party authorised pursuant to Article 14a to assess whether a securitisation complies with Articles 7 to 10 or Articles 11 to 13, the STS notification shall include a statement that the compliance with the STS criteria was confirmed by that authorised third party. The notification shall include the name of the authorised third party, its place of establishment and the name of the competent authority that authorised it.

Or. en

Justification

The amendment states that a third party certification should be available in addition to the self-certification mechanism.

Amendment 414

Petr Ježek, Michael Theurer, Sylvie Goulard

Proposal for a regulation

Article 14 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. The originator and sponsor shall use the service of a third party authorized in accordance with Article 14a to assess whether a securitisation complies with the criteria in Articles 7-10 or 11-13, the STS notification shall include a statement that the compliance with the STS criteria was confirmed by that third party. The notification shall include the name of the authorised third party, its place of establishment and the name of the competent authority that authorised it.

Or. en

Justification

It should be mandatory for issuers to use third parties to assess whether or not the securitisation meets the STS criteria. This will add an extra level of assurance that the securitisation is STS compliant, while responsibility is retained at all times by the issuer.

Amendment 415

Jakob von Weizsäcker

Proposal for a regulation

Article 14 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. Originators, sponsors and SSPE's shall not transfer the 'STS' certification of securitisations to third parties. Advice

from a third party on the certification of a securitisation as 'STS' is permissible, but shall not alter in any way the liability of the issuer, nor that of the investor or the SSPE for the legal obligations following from this Regulation.

Or. en

Amendment 416

Brian Hayes

Proposal for a regulation

Article 14 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. A third party may be authorised to assess whether a securitisation complies with Articles 7 to 10 or Articles 11 to 13. In the case of third party authorisation, the STS notification shall include a statement that the compliance with the STS criteria was confirmed by that third party. The notification shall include the name of the authorised third party, its place of establishment and the name of the competent authority that authorised it.

Or. en

Amendment 417

Brian Hayes

Proposal for a regulation

Article 14 – paragraph 1 b (new)

Text proposed by the Commission

Amendment

1b. A third party referred to in Article 14 (1)(a) shall be authorised by ESMA to assess the compliance of securitisations with the STS criteria laid down in Articles 7 to 10 or Articles 11 to 13 of this Regulation. ESMA shall grant

authorisation provided the following conditions are met:

(a) the third party only charges non-discriminatory and cost-based fees to the originators, sponsors or SSPEs involved in the securitisations which the third party assesses without differentiating fees depending on, or correlated to, the results of its assessment;

(b) the third party is established for the sole purpose of assessing the compliance with STS criteria;

(c) the members of the management body of the third party have professional qualifications, knowledge and experience that are adequate for the task of the third party and they are of good repute and integrity;

(d) the management body of the third party includes a majority of independent directors representing experts and investors in the STS securitisation market;

(e) the third party takes all necessary steps to ensure that the verification of STS compliance is not affected by any existing or potential conflicts of interest or business relationship involving the third party, its shareholders or members, managers, employees or any other natural persons whose services are placed at the disposal or under the control of the third party.

Or. en

Amendment 418
Michael Theurer, Petr Ježek

Proposal for a regulation
Article 14 – paragraph 2

2. Where the originator or original lender is not a credit institution or investment firm as defined in Article 4 (1) points (1) and (2) of Regulation No 575/2013 the notification pursuant to paragraph 1 shall be accompanied by the following: **deleted**

(a) confirmation by the originator or original lender that its credit-granting is done on the basis of sound and well-defined criteria and clearly established processes for approving, amending, renewing and financing credits and that the originator or original lender has effective systems in place to apply such processes.

(b) a declaration on whether the elements mentioned in subparagraph (a) are subject to supervision.

Or. en

Justification

The notification obligations for originators that are not supervised credit institutions would apply, in particular, to unregulated real economy originators in multi-seller ABCP programmes. These requirements will drive up costs for these originators and will increase their administrative burden. This would jeopardize the economic profitability of such transactions for these originators and would ultimately prejudice the financing of such real economy businesses through securitisation which may be their only access to the capital market. Such originators would have to provide a confirmation that their credit granting has not been subject to supervision (Article 14 para. 2 (b)). Most likely, originators that are not credit institutions or investment firms (such as real economy enterprises) will not be subject to supervision. However, in its due diligence any investor will be aware of this fact so that a separate declaration is in our view obsolete and can be deleted. In sum, the whole paragraph should, therefore, be deleted.

Amendment 419

Marco Zanni, Marco Valli

Proposal for a regulation

Article 14 – paragraph 3

Text proposed by the Commission

3. The originator, sponsor and SSPE shall immediately notify ESMA and their competent authority when a securitisation no longer meets the requirements of *either* Articles 7 to 10 *or Articles 11 to 13* of this Regulation.

Amendment

3. The originator, sponsor and SSPE shall immediately notify ESMA and their competent authority when a securitisation no longer meets the requirements of Articles 7 to 10 of this Regulation.

Or. it

Amendment 420

Neena Gill

Proposal for a regulation
Article 14 – paragraph 3

Text proposed by the Commission

3. The originator, sponsor *and* SSPE shall immediately notify ESMA and their competent authority when a securitisation no longer meets the requirements of either Articles 7 to 10 or Articles 11 to 13 *of this Regulation*.

Amendment

3. The originator, sponsor *or* SSPE shall *use the ESDR communications channels to* immediately notify ESMA and their competent authority when a securitisation no longer meets the requirements of either Articles 7 to 10 or Articles 11 to 13.

Or. en

Amendment 421

Petr Ježek, Michael Theurer, Sylvie Goulard

Proposal for a regulation
Article 14 – paragraph 3

Text proposed by the Commission

3. The originator, *sponsor and SSPE* shall immediately notify ESMA and their competent authority when a securitisation no longer meets the requirements of either Articles 7 to 10 or Articles 11 to 13 of this Regulation.

Amendment

3. The originator *and sponsor* shall immediately notify ESMA and their competent authority when a securitisation no longer meets the requirements of either Articles 7 to 10 or Articles 11 to 13 of this Regulation.

Amendment 422
Danuta Maria Hübner

Proposal for a regulation
Article 14 – paragraph 3 a (new)

Text proposed by the Commission

Amendment

3a. The originator, sponsor or SSPE may use the service of an authorised third party to check whether a securitisation complies with the STS criteria. However, such resort to a third party shall not affect in any way the liability of the originator, sponsor or SSPE for their legal obligations under this Regulation.

Or. en

Amendment 423
Marco Zanni, Marco Valli

Proposal for a regulation
Article 14 – paragraph 4

Text proposed by the Commission

Amendment

4. ESMA shall ***maintain*** a list of all securitisations for which the originators, sponsors and SSPEs have notified that they meet the requirements of Articles 7 to 10 ***or Articles 11 to 13*** of this Regulation ***on its official website***. ESMA shall update the list where the securitisations are no longer considered to be STS following a decision of competent authorities or a notification by the originator, sponsor or SSPE. Where the competent authority has imposed administrative sanctions or remedial measures in accordance with Article 17, it shall immediately notify ESMA thereof. ESMA shall immediately indicate on the list that a competent authority has imposed

4. ESMA shall ***publish immediately on an appropriate section of its official website*** a list of all securitisations for which the originators, sponsors and SSPEs have notified that they meet the requirements of Articles 7 to 10 of this Regulation. ESMA shall update the list where the securitisations are no longer considered to be STS following a decision of competent authorities or a notification by the originator, sponsor or SSPE. Where the competent authority has imposed administrative sanctions or remedial measures in accordance with Article 17, it shall immediately notify ESMA thereof. ESMA shall immediately indicate on the

administrative sanctions or remedial measures in relation to the securitisation concerned.

list that a competent authority has imposed administrative sanctions or remedial measures in relation to the securitisation concerned.

Or. it

Amendment 424
Neena Gill

Proposal for a regulation
Article 14 – paragraph 4

Text proposed by the Commission

4. ESMA shall maintain a list of all securitisations for which the originators, sponsors and SSPEs have notified that they meet the requirements of Articles 7 to 10 or Articles 11 to 13 *of this Regulation* on its *official* website. ESMA shall update the list where the securitisations are no longer considered to be STS following a decision of competent authorities or a notification by the originator, sponsor or SSPE. Where the competent authority has imposed administrative sanctions or remedial measures in accordance with Article 17, it shall immediately notify ESMA thereof. ESMA shall immediately indicate on the list that a competent authority has imposed administrative sanctions or remedial measures in relation to the securitisation concerned.

Amendment

4. *The ESDR and* ESMA shall *each* maintain a list of all securitisations for which the originators, sponsors and SSPEs have notified that they meet the requirements of Articles 7 to 10 or Articles 11 to 13 on its website. *The ESDA and* ESMA shall update the list where the securitisations are no longer considered to be STS following a decision of competent authorities or a notification by the originator, sponsor or SSPE. Where the competent authority has imposed administrative sanctions or remedial measures in accordance with Article 17, it shall immediately notify ESMA thereof *using the ESDR's communications channel. The ESDR and* ESMA shall immediately indicate on the list that a competent authority has imposed administrative sanctions or remedial measures in relation to the securitisation concerned.

Or. en

Amendment 425
Petr Ježek, Michael Theurer, Sylvie Goulard

Proposal for a regulation
Article 14 – paragraph 4

Text proposed by the Commission

4. ESMA shall maintain a list of all securitisations for which the originators, **sponsors and SSPEs** have notified that they meet the requirements of Articles 7 to 10 or Articles 11 to 13 of this Regulation on its official website. ESMA shall update the list where the securitisations are no longer considered to be STS following a decision of competent authorities or a notification by the originator, **sponsor or SSPE**. Where the competent authority has imposed administrative sanctions or remedial measures in accordance with Article 17, it shall immediately notify ESMA thereof. ESMA shall immediately indicate on the list that a competent authority has imposed administrative sanctions or remedial measures in relation to the securitisation concerned.

Amendment

4. ESMA shall maintain a list of all securitisations for which the originators **and sponsors** have notified that they meet the requirements of Articles 7 to 10 or Articles 11 to 13 of this Regulation on its official website. ESMA shall update the list where the securitisations are no longer considered to be STS following a decision of competent authorities or a notification by the originator **or sponsor**. Where the competent authority has imposed administrative sanctions or remedial measures in accordance with Article 17, it shall immediately notify ESMA thereof. ESMA shall immediately indicate on the list that a competent authority has imposed administrative sanctions or remedial measures in relation to the securitisation concerned.

Or. en

Amendment 426

Marco Zanni, Marco Valli

Proposal for a regulation

Article 14 – paragraph 5 – subparagraph 1

Text proposed by the Commission

ESMA, in close cooperation with EBA and EIOPA, **shall develop** draft regulatory technical standards that specify the information that the originator, sponsor and SSPE provide to comply with their obligations under paragraph 1 and shall provide the format by means of standardised templates.

Amendment

The European Central Bank (ECB) shall ascertain and check that ESMA, in close cooperation with EBA and EIOPA, **develops** draft regulatory technical standards that specify the information that the originator, sponsor and SSPE provide to comply with their obligations under paragraph 1, and shall provide the format by means of standardised templates.

Or. it

Amendment 427
Petr Ježek, Michael Theurer, Sylvie Goulard

Proposal for a regulation
Article 14 – paragraph 5 – subparagraph 1

Text proposed by the Commission

ESMA, in close cooperation with EBA and EIOPA, shall develop draft regulatory technical standards that specify the information that the originator, *sponsor and SSPE* provide to comply with their obligations under paragraph 1 and shall provide the format by means of standardised templates.

Amendment

ESMA, in close cooperation with EBA and EIOPA, shall develop draft regulatory technical standards that specify the information that the originator **and sponsor must** provide to comply with their obligations under paragraph 1, and shall provide the format by means of standardised templates.

Or. en

Amendment 428
Sander Loones

Proposal for a regulation
Article 14 – paragraph 5 a (new)

Text proposed by the Commission

Amendment

5a. The originator, sponsor or SSPEs shall not legally transfer the STS certification of securitisations to a third party. They may consult a third party to determine whether or not a securitisation may be qualified as STS, but that advice shall not alter in any way the liability of the issuer, nor that of the investor for the legal obligations following from this Regulation.

Or. en

Amendment 429
Petr Ježek, Michael Theurer, Sylvie Goulard

Proposal for a regulation
Article 14 a (new)

Article 14 a

Third party verifying STS compliance

1. A third party referred to in Article 14(1a) shall be authorised by the competent authority to assess the compliance of securitisations with the STS criteria laid down in Articles 7 to 10 or Articles 11 to 13. The competent authority shall grant the authorisation if the following conditions are met:

(a) the third party only charges non-discriminatory and cost-based fees to the originators, sponsors or SSPEs involved in the securitisations which the third party assesses without differentiating fees depending on, or correlated to, the results of its assessment;

(b) the third party is neither a regulated entity as defined in Article 2(4) of Directive 2002/87/EC nor a credit rating agency as defined in Article 3(1) point (b) of Regulation (EC) No 1060/2009, and the performance of the third party's other activities shall not compromise the independence or integrity of its assessment;

(c) the third party shall not provide any form of advisory, audit or equivalent service to the originator, sponsor or SSPE involved in the securitisations which the third party assesses;

(d) the members of the management body of the third party have professional qualifications, knowledge and experience that are adequate for the task of the third party and they are of good repute and integrity;

(e) the management body of the third party includes at least one third, but no less than two, independent directors;

(f) the third party takes all necessary steps to ensure that the verification of STS

compliance is not affected by any existing or potential conflicts of interest or business relationship involving the third party, its shareholders or members, managers, employees or any other natural person whose services are placed at the disposal or under the control of the third party. To that end, the third party shall establish, maintain, enforce and document an effective internal control system governing the implementation of policies and procedures to identify and prevent potential conflicts of interest. Potential or existing conflicts of interest which have been identified shall be eliminated or mitigated and disclosed without delay. The third party shall establish, maintain, enforce and document adequate procedures and processes to ensure the independence of the assessment of STS compliance. The third party shall periodically monitor and review those policies and procedures in order to evaluate their effectiveness and assess whether it is necessary to update them; and

(g) the third party can demonstrate that it has proper operational safeguards and internal processes that enable it to assess STS compliance.

The competent authority shall withdraw the authorisation when it considers the third party to be materially non-compliant with the above conditions.

2. A third party authorised in accordance with paragraph 1 shall notify its competent authority without delay of any material changes to the information provided under that paragraph, or any other changes that could reasonably be considered to affect the assessment of its competent authority.

3. The competent authority may charge cost-based fees to the third party referred to in paragraph 1, in order to cover necessary expenditure relating to the assessment of applications for

authorisation and to the subsequent monitoring of the compliance with the conditions set out in paragraph 1.

4. ESMA shall draw up and maintain a list of all authorised third parties, based on transmission of the authorisation from competent authorities to ESMA.

5. ESMA shall develop draft regulatory technical standards specifying the information to be provided to the competent authorities in the application for the authorisation of a third party in accordance with paragraph 1.

ESMA shall submit those draft regulatory technical standards to the Commission by [six months after entry into force of this Regulation].

Power is delegated to the Commission to adopt the regulatory technical standards referred to in the first subparagraph in accordance with Articles 10 to 14 of Regulation (EU) No 1095/2010.

Or. en

Amendment 430
Othmar Karas, Pablo Zalba Bidegain

Proposal for a regulation
Article 14 a (new)

Text proposed by the Commission

Amendment

Article 14 a

Third party verifying STS compliance

1. A third party referred to in Article 14(1a) shall be authorised by the competent authority to assess the compliance of securitisations with the STS criteria laid down in Articles 7 to 10 or Articles 11 to 13. The competent authority shall grant the authorisation if the following conditions are met:

(a) the third party only charges non-discriminatory and cost-based fees to the originators, sponsors or SSPEs involved in the securitisations which the third party assesses without differentiating fees depending on, or correlated to, the results of its assessment;

(b) the third party is neither a regulated entity as defined in Article 2(4) of Directive 2002/87/EC nor a credit rating agency as defined in Article 3(1) point (b) of Regulation (EC) No 1060/2009, and the performance of the third party's other activities shall not compromise the independence or integrity of its assessment;

(c) the third party shall not provide any form of advisory, audit or equivalent service to the originator, sponsor or SSPE involved in the securitisations which the third party assesses;

(d) the members of the management body of the third party have professional qualifications, knowledge and experience that are adequate for the task of the third party and they are of good repute and integrity; the management body of the third party includes at least one third, but no less than two, independent directors;

(e) the third party takes all necessary steps to ensure that the verification of STS compliance is not affected by any existing or potential conflicts of interest or business relationship involving the third party, its shareholders or members, managers, employees or any other natural person whose services are placed at the disposal or under the control of the third party. To that end, the third party shall establish, maintain, enforce and document an effective internal control system governing the implementation of policies and procedures to identify and prevent potential conflicts of interest. Potential or existing conflicts of interest which have been identified shall be eliminated or mitigated and disclosed

without delay. The third party shall establish, maintain, enforce and document adequate procedures and processes to ensure the independence of the assessment of STS compliance. The third party shall periodically monitor and review those policies and procedures in order to evaluate their effectiveness and assess whether it is necessary to update them; and

(f) the third party can demonstrate that it has proper operational safeguards and internal processes that enable it to assess STS compliance.

The competent authority shall withdraw the authorisation when it considers the third party to be materially non-compliant with the above conditions.

2. A third party authorised in accordance with paragraph 1 shall notify its competent authority without delay of any material changes to the information provided under that paragraph, or any other changes that could reasonably be considered to affect the assessment of its competent authority.

The competent authority may charge cost-based fees to the third party referred to in paragraph 1, in order to cover necessary expenditure relating to the assessment of applications for authorisation and to the subsequent monitoring of the compliance with the conditions set out in paragraph 1.

3. ESMA shall develop draft regulatory technical standards specifying the information to be provided to the competent authorities in the application for the authorisation of a third party in accordance with paragraph 1.

ESMA shall submit those draft regulatory technical standards to the Commission by [six months after entry into force of this Regulation].

Power is delegated to the Commission to adopt the regulatory technical standards referred to in the first subparagraph in

Justification

This amendment sets out the criteria for the third party certification for STS securitisation.

Amendment 431

Thomas Mann

Proposal for a regulation

Article 14 a (new)

Text proposed by the Commission

Amendment

Article 14 a

A third party referred to in Article 14(1a) shall be authorised by the competent authority to assess the compliance of securitisations with the STS criteria laid down in Articles 7 to 10 or Articles 11 to 13. The competent authority shall grant the authorisation if the following conditions are met:

(a) the third party only charges non-discriminatory and cost-based fees to the originators, sponsors or SSPEs involved in the securitisations which the third party assesses without differentiating fees depending on, or correlated to, the results of its assessment;

(b) the third party is neither a regulated entity as defined in Article 2(4) of Directive 2002/87/EC nor a credit rating agency as defined in Article 3(1) point (b) of Regulation (EC) No 1060/2009, and the performance of the third party's other activities shall not compromise the independence or integrity of its assessment;

(c) the third party shall not provide any form of advisory, audit or equivalent service to the originator, sponsor or SSPE

involved in the securitisations which the third party assesses;

(d) the members of the management body of the third party have professional qualifications, knowledge and experience that are adequate for the task of the third party and they are of good repute and integrity;

(e) the management body of the third party includes at least one third, but no less than two, independent directors;

(f) the third party takes all necessary steps to ensure that the verification of STS compliance is not affected by any existing or potential conflicts of interest or business relationship involving the third party, its shareholders or members, managers, employees or any other natural person whose services are placed at the disposal or under the control of the third party. To that end, the third party shall establish, maintain, enforce and document an effective internal control system governing the implementation of policies and procedures to identify and prevent potential conflicts of interest. Potential or existing conflicts of interest which have been identified shall be eliminated or mitigated and disclosed without delay. The third party shall establish, maintain, enforce and document adequate procedures and processes to ensure the independence of the assessment of STS compliance. The third party shall periodically monitor and review those policies and procedures in order to evaluate their effectiveness and assess whether it is necessary to update them; and

(g) the third party can demonstrate that it has proper operational safeguards and internal processes that enable it to assess STS compliance.

The competent authority shall withdraw the authorisation when it considers the party to be materially non-compliant with

the above conditions.

2. A third party authorised in accordance with paragraph 1 must notify its competent authority without delay of any material changes to the information provided under that paragraph, or any other changes that could reasonably be considered to affect the assessment of its competent authority.

3. The competent authority may charge cost-based fees to the third party referred to in paragraph 1, in order to cover necessary expenditure relating to the assessment of applications for authorisation and to the subsequent monitoring of the compliance with the conditions set out in paragraph 1.

4. ESMA shall develop draft regulatory technical standards specifying the information to be provided to the competent authorities in the application for the authorisation of a third party in accordance with paragraph 1.

ESMA shall further submit those draft regulatory technical standards to the Commission by ... [six months after entry into force of this Regulation].

Power is delegated to the Commission to adopt the regulatory technical standards referred to in the first subparagraph in accordance with Articles 10 to 14 of Regulation (EU) No 1095/2010.

Or. en

Amendment 432
Danuta Maria Hübner

Proposal for a regulation
Article 14 a (new)

Text proposed by the Commission

Amendment

Article 14 a

Authorised third parties

1. A third party checking compliance with STS criteria under article 14(3a) shall be authorised by ESMA.

Authorisation shall be granted only if the following conditions are complied with:

(a) the third party charges non-discriminatory and cost-based fees to the originators, sponsors or SSPEs involved in the securitisations that it assesses and the fees are not based on, or correlated to, the results of the assessment;

(b) the third party is neither a regulated entity as defined in Article 2(4) of Directive 2002/87/EC nor a credit rating agency as defined in Article 3(1) point (b) of Regulation (EC) No 1060/2009, and the performance of the other activities of the third party shall not compromise the independence or integrity of its assessment;

(c) the third party does not provide any form of advisory, audit or equivalent service to the originator, sponsor or SSPE involved in the securitisations that it assesses;

(d) the members of the management body of the third party have professional qualifications, knowledge and experience that are adequate for the task of the third party and they are of good repute and integrity;

(e) the management body of the third party includes at least half, but no less than two, independent directors representing investors active in the STS securitisation market;

(f) the third party takes all necessary steps to ensure that the verification of STS compliance is not affected by any existing or potential conflicts of interest or business relationship involving the third party, its shareholders or members, managers, employees or any other natural person whose services are placed at the disposal or under the control of the third

party. To that end, the third party shall establish, maintain, enforce and document an effective internal control system governing the implementation of policies and procedures to identify and prevent potential conflicts of interest. Potential or existing conflicts of interest which have been identified shall be eliminated or mitigated and disclosed without delay. The third party shall establish, maintain, enforce and document adequate procedures and processes to ensure the independence of the assessment of STS compliance and to ensure that the third party acts in the best interest of investors in the securitisations that it examines. The third party shall periodically monitor and review those policies and procedures in order to evaluate their effectiveness and assess whether it is necessary to update them;

(g) the third party can demonstrate that it has adequate operational safeguards and internal processes that enable it to assess STS compliance.

2. Failure to comply with the conditions set out above shall result in withdrawal of the authorisation by ESMA.

Or. en

Amendment 433

Michael Theurer, Petr Ježek

Proposal for a regulation

Article 15 – paragraph 4

Text proposed by the Commission

4. For entities not covered by the Union legislative acts referred to in paragraph 3, Member States shall designate one or more competent authority to ensure compliance with Articles 4 to 14 of this Regulation. Member States shall inform

Amendment

4. For entities not covered by the Union legislative acts referred to in paragraph 3, Member States shall designate one or more competent authority to ensure compliance with Articles 4 to 14 of this Regulation. Member States shall inform

the Commission, ESMA, EBA and EIOPA and the competent authorities of other Member States of the designation of competent authorities pursuant to this paragraph.

the Commission, ESMA, EBA and EIOPA and the competent authorities of other Member States of the designation of competent authorities pursuant to this paragraph.

This obligation shall not apply with regard to corporates selling exposures under an ABCP programme or another securitisation transaction or scheme.

Or. en

Justification

This requirement would mean that unregulated entities like corporates (as originators or sellers of e.g. trade receivables) shall be supervised by an authority that can impose sanctions on the corporate according to Article 17 para. 2. This sanctions include a temporary ban against the management bodies to exercise management functions (c) as well as fines (e) to (g) etc. Given the comprehensive catalogue of STS-criteria with – to some extent – unclear definition and various parties involved we think this would pose an unpredictable legal risk for a single originator within a multi-seller ABCP programme. Therefore, this requirement should not apply to real economy entities as originators within a multi-seller ABCP programme.

Amendment 434 Burkhard Balz

Proposal for a regulation Article 15 – paragraph 4

Text proposed by the Commission

4. For entities not covered by the Union legislative acts referred to in paragraph 3, Member States shall designate one or more competent authority to ensure compliance with Articles 4 to 14 of this Regulation. Member States shall inform the Commission, ESMA, EBA and EIOPA and the competent authorities of other Member States of the designation of competent authorities pursuant to this paragraph.

Amendment

4. For entities not covered by the Union legislative acts referred to in paragraph 3, Member States shall designate one or more competent authority to ensure compliance with Articles 4 to 14 of this Regulation. Member States shall inform the Commission, ESMA, EBA and EIOPA and the competent authorities of other Member States of the designation of competent authorities pursuant to this paragraph. ***The obligation for designation shall not apply with regard to corporates selling exposures under an ABCP programme or another securitisation***

transaction or scheme.

Or. en

Amendment 435

Petr Ježek, Michael Theurer, Sylvie Goulard

Proposal for a regulation

Article 16 – paragraph 2

Text proposed by the Commission

2. The competent authority shall regularly review the arrangements, process and mechanisms implemented by originators, sponsors, *SSPE's* and original lenders to comply with this Regulation.

Amendment

2. The competent authority shall regularly review the arrangements, process and mechanisms implemented by originators, sponsors and original lenders to comply with this Regulation.

Or. en

Amendment 436

Molly Scott Cato

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 16 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

2a. The competent authority shall monitor, including through regular spot checks, new issuance, in particular of securitisations of which the market has little experience, in order to detect breaches as referred to in Article 17(1) or features for which there is no apparent justification other than to circumvent provisions of this Regulation.

Or. en

Amendment 437

Petr Ježek, Michael Theurer, Sylvie Goulard

Proposal for a regulation
Article 16 – paragraph 3

Text proposed by the Commission

3. Competent authorities shall **ensure** that risks arising from securitisation transactions, including reputational risks, are evaluated and addressed through appropriate policies and procedures of originators, sponsors, **SSPE's** and original lenders.

Amendment

3. Competent authorities shall **require** that risks arising from securitisation transactions, including reputational risks, are evaluated and addressed through appropriate policies and procedures of originators, sponsors and original lenders.

Or. en

Amendment 438
Morten Messerschmidt
on behalf of the ECR Group

Proposal for a regulation
Article 16 – paragraph 3

Text proposed by the Commission

3. Competent authorities shall **ensure** that risks arising from securitisation transactions, including reputational risks, are evaluated and addressed through appropriate policies and procedures of originators, sponsors, **SSPE's** and original lenders.

Amendment

3. Competent authorities shall **require** that risks arising from securitisation transactions, including reputational risks, are evaluated and addressed through appropriate policies and procedures of originators, sponsors, **SSPE's** and original lenders.

Or. en

Justification

This to make sure, that the responsibility to evaluate and address the risks firmly lies with the securitising parties whilst the competent authority are given the power to enforce that it is done by the securitising parties.

Amendment 439
Paul Tang, Jonás Fernández

Proposal for a regulation
Article 16 a (new)

Text proposed by the Commission

Amendment

Article 16 a

Macro-prudential oversight

The European Systemic Risk Board shall provide the macro-prudential oversight for the European securitisation market and will take measures to adjust to market circumstances, to prevent asset bubbles from developing and to prevent markets from closing down.

To adjust to market circumstances the European Systemic Risk Board will propose to the competent authorities the following measures:

- ***Adjusting of the level of retention rate in Article 4 of this Regulation, while taking into account specificities of market segments and guarantees applicable on the securitised assets;***
- ***Adjusting the risk floor levels for securitisations in Articles 259, 260, 261, 263 and 264 of Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms;***
- ***Adjusting the Leverage Ratio, Liquidity Coverage Ratio, Net Stable Funding Ratio for credit institutions and investment firms active in the securitisation market.***

Or. en

Amendment 440
Markus Ferber, Werner Langen

Proposal for a regulation
Article 16 a (new)

Article 16 a

The competent authority of the originator or sponsor is empowered to provide the confirmation requested under Article 14(2) that the securitisation complies with certain or all criteria of Articles 8 and 9. In the case of an ABCP programme the competent authority of the sponsor is empowered to provide the confirmation requested under Article 14(2) that the ABCP programme complies with certain or all criteria of Article 12. Such confirmation shall be legally binding upon any supervisory authority in the European Union.

Or. en

Justification

The framework for simple, transparent and standardised securitisation will only have a supporting effect on the European securitisation market if all market participants are of the same understanding as to what STS eligibility means. The criteria are not self-explanatory and might be subject of a differing interpretation by national authorities and the ESAs. It is to foresee that in many cases the interpretation of the fulfilment of certain criteria will depend on the assessment of the single case. Taking into account the severe envisaged sanctions in case of infringement and the liability towards investors, a means to ensure a sufficient level of trust would be a binding conformation that the respective securitisation is indeed STS. This is necessary to avoid the deterrence of the issuance from STS-securitisations. Such confirmation of conformity should be issued by a competent authority and shall be legally binding across the European Union to warrant the necessary level of legal certainty for all market participants. Particularly a situation should be avoided in which, at the time of entering into force, originators are required to adhere to STS-criteria that will be amended and presumably aggravated by EBA at a later stage. This will erode the existing level of trust between the market participants of the European securitisation market – since there would be no common understanding as to what STS-eligible means.

Amendment 441

Othmar Karas, Pablo Zalba Bidegain

Proposal for a regulation

Article 17 – paragraph 1 – introductory part

Text proposed by the Commission

Amendment

1. ***Without prejudice to the right for Member States to provide for and impose criminal sanctions pursuant to Article 19 of this Regulation***, Member States shall lay down rules establishing appropriate administrative sanctions and remedial measures applicable to situations where:

1. Member States shall lay down rules establishing appropriate administrative sanctions and remedial measures applicable to situations where:

Or. en

Justification

The amendments in the following subparagraphs introduce the "negligence or omission" test from the current Article 407 of the CRR. This is to ensure a differentiation between gross negligence and intention on the one side and slight negligence on the other.

Amendment 442

Othmar Karas, Pablo Zalba Bidegain

Proposal for a regulation

Article 17 – paragraph 1 – point a

Text proposed by the Commission

Amendment

(a) an originator, sponsor or original lender has failed to meet the requirements of Article 4;

(a) an originator, sponsor or original lender has failed to meet the requirements of Article 4 ***by their negligence or omission***;

Or. en

Justification

The amendments in this subparagraph introduce the "negligence or omission" test from the current Article 407 of the CRR. This is to ensure a differentiation between gross negligence and intention on the one side and slight negligence on the other.

Amendment 443

Othmar Karas, Pablo Zalba Bidegain

Proposal for a regulation
Article 17 – paragraph 1 – point b

Text proposed by the Commission

(b) an originator, sponsor and SSPE have failed to meet the requirements of Article 5;

Amendment

(b) an originator, sponsor and SSPE have failed to meet the requirements of Article 5 **by their negligence or omission**;

Or. en

Justification

The amendments in this subparagraph introduce the "negligence or omission" test from the current Article 407 of the CRR. This is to ensure a differentiation between gross negligence and intention on the one side and slight negligence on the other.

Amendment 444
Markus Ferber, Werner Langen

Proposal for a regulation
Article 17 – paragraph 1 – point b

Text proposed by the Commission

(b) an originator, **sponsor and SSPE** have failed to meet the requirements of Article 5;

Amendment

(b) an originator **or sponsor** have failed to meet the requirements of Article 5;

Or. en

Amendment 445
Petr Ježek, Michael Theurer, Sylvie Goulard

Proposal for a regulation
Article 17 – paragraph 1 – point b

Text proposed by the Commission

(b) an originator, **sponsor and SSPE** have failed to meet the requirements of Article 5;

Amendment

(b) an originator **or sponsor** have failed to meet the requirements of Article 5;

Or. en

Amendment 446
Othmar Karas, Pablo Zalba Bidegain

Proposal for a regulation
Article 17 – paragraph 1 – point c – paragraph 1

Text proposed by the Commission

an originator, sponsor **and** SSPE have failed to meet the requirements of Articles 7 to 10 or Articles 11 to 13 of this Regulation .

Amendment

when a securitisation is designated as STS and an originator, sponsor **or** SSPE have failed to meet the requirements of Articles 7 to 10 or Articles 11 to 13 of this Regulation **by their negligence or omission**

Or. en

Justification

The amendments in this subparagraph introduce the "negligence or omission" test from the current Article 407 of the CRR. This is to ensure a differentiation between gross negligence and intention on the one side and slight negligence on the other.

Amendment 447
Petr Ježek, Michael Theurer, Sylvie Goulard

Proposal for a regulation
Article 17 – paragraph 1 – point c – paragraph 1

Text proposed by the Commission

an originator, **sponsor and SSPE** have failed to meet the requirements of Articles 7 to 10 or Articles 11 to 13 of this Regulation .

Amendment

an originator **or sponsor** have failed to meet the requirements of Articles 7 to 10 or Articles 11 to 13 of this Regulation .

Or. en

Amendment 448
Petr Ježek, Michael Theurer, Sylvie Goulard

Proposal for a regulation
Article 17 – paragraph 1 – point c – paragraph 1 a (new)

Text proposed by the Commission

Amendment

an originator or sponsor, in contravention of Article 6 of this Regulation, uses the designation 'STS' for their securitisation, other than while the securitisation meets all the requirements of either Articles 7 to 10 or Articles 11 to 13 of this Regulation;

Or. en

Amendment 449

Petr Ježek, Michael Theurer, Sylvie Goulard

Proposal for a regulation

Article 17 – paragraph 1 – point c – paragraph 1 b (new)

Text proposed by the Commission

Amendment

an originator or sponsor makes a misleading notification pursuant to Article 14(1) of this Regulation.

Or. en

Amendment 450

Markus Ferber, Werner Langen

Proposal for a regulation

Article 17 – paragraph 1 – point c – paragraph 2

Text proposed by the Commission

Amendment

Member States shall also ensure that administrative sanctions and/or remedial measures are effectively implemented.

Member States shall also ensure that administrative sanctions and/or remedial measures are effectively implemented.
Such administrative sanctions and/or remedial measures shall, however, not be addressed to the SSPE or otherwise be prejudicial to investors of the relevant securitisation transaction.

Or. en

Justification

The aim of the new regulation is the promotion of EU financial markets integration. This can only be achieved by regaining investor confidence. If, however, fines as suggested in paragraph 2 are imposed on SSPEs, such fines would have to be paid from the assets of the transaction the SSPE is an integral element of and thus, would result in a shortfall of funds available to investors. This would result in a latent risk for investors and would put investor confidence at risk again.

Amendment 451

Thomas Mann

Proposal for a regulation

Article 17 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. These rules should recognise the good faith of the market participants, through a proportionate application of the sanctions, taking into consideration the nature of the breach.

Or. en

Amendment 452

Marco Zanni, Marco Valli

Proposal for a regulation

Article 17 – paragraph 2 – point e

Text proposed by the Commission

Amendment

(e) maximum administrative fines of at least EUR 5 000 000, or in the Member States whose currency is not the euro, the corresponding value in the national currency on [date of entry into force of this Regulation]

(e) maximum administrative fines of at least EUR **10** 000 000, or in the Member States whose currency is not the euro, the corresponding value in the national currency on [date of entry into force of this Regulation]

Or. it

Amendment 453
Marco Zanni, Marco Valli

Proposal for a regulation
Article 17 – paragraph 2 – point f

Text proposed by the Commission

(f) or in the case of a legal person, the maximum administrative fines referred to in point (e) or of up to **10** % of the total annual turnover of the legal person according to the last available accounts approved by the management body; where the legal person is a parent undertaking or a subsidiary of the parent undertaking which has to prepare consolidated financial accounts in accordance with Directive 2013/34/EU, the relevant total annual turnover shall be the total annual turnover or the corresponding type of income in accordance with the relevant accounting legislative acts according to the last available consolidated accounts approved by the management body of the ultimate parent undertaking;

Amendment

(f) or in the case of a legal person, the maximum administrative fines referred to in point (e) or of up to **20** % of the total annual turnover of the legal person according to the last available accounts approved by the management body; where the legal person is a parent undertaking or a subsidiary of the parent undertaking which has to prepare consolidated financial accounts in accordance with Directive 2013/34/EU, the relevant total annual turnover shall be the total annual turnover or the corresponding type of income in accordance with the relevant accounting legislative acts according to the last available consolidated accounts approved by the management body of the ultimate parent undertaking;

Or. it

Amendment 454
Molly Scott Cato
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 17 – paragraph 2 – point g

Text proposed by the Commission

(g) maximum administrative fines of at least **twice** the amount of the benefit derived from the infringement where that benefit can be determined, even if that exceeds the maximum amounts in points (e) and (f).

Amendment

(g) maximum administrative fines of at least **three times** the amount of the benefit derived from the infringement where that benefit can be determined, even if that exceeds the maximum amounts in points (e) and (f).

Or. en

Amendment 455
Molly Scott Cato
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 17 – paragraph 2 – point g a (new)

Text proposed by the Commission

Amendment

(ga) minimum administrative fines of at least the amount of the benefit derived from the infringement where that benefit can be determined, even if that exceeds the maximum amounts in points (e) and (f).

Or. en

Amendment 456
Thomas Mann

Proposal for a regulation
Article 17 – paragraph 4 a (new)

Text proposed by the Commission

Amendment

4a. Where a bona fide breach has occurred:

(a) the STS label should remain during the entire lifetime of the securitised instrument if the breach is remedied

(b) if the STS label remains and the breach is remedied, there should be no situation of forced seller

Or. en

Amendment 457
Morten Messerschmidt
on behalf of the ECR Group

Proposal for a regulation
Article 18 – paragraph 2 – introductory part

Text proposed by the Commission

2. Competent authorities, when determining the type and level of an administrative sanction or remedial measure imposed under Article 17 of this Regulation, shall take into account all relevant circumstances, including, where appropriate:

Amendment

2. Competent authorities, when determining the type and level of an administrative sanction or remedial measure imposed under Article 17 of this Regulation, shall take into account all relevant circumstances, including ***the extent to which the infringement is intentional or results from a factual error, and*** where appropriate:

Or. en

Justification

The complexity of the rules requires proportionality in the application of sanctions. It may be the case that the rules are breached unintentionally or result from factual errors.

Amendment 458
Morten Messerschmidt
on behalf of the ECR Group

Proposal for a regulation
Article 18 – paragraph 3 (new)

Text proposed by the Commission

Amendment

3. Sanctions shall be applied in a proportionate manner, which includes consideration of the nature of the breach.

Or. en

Amendment 459
Petr Ježek, Michael Theurer, Sylvie Goulard

Proposal for a regulation
Article 21 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. A specific Securitisation committee within the framework of the joint-committee of the European Supervisory Authorities shall be set up, within which competent authorities shall closely coordinate, in order to carry out their duties pursuant to Articles 16 to 19 of this Regulation.

Or. en

Amendment 460

Petr Ježek, Michael Theurer, Sylvie Goulard

Proposal for a regulation

Article 21 – paragraph 3

Text proposed by the Commission

Amendment

3. Where a competent authority finds that this Regulation has been infringed or has reason to believe so, it shall inform the competent ***supervisor*** of the originator, sponsor, original lender, ***SSPE*** or investor of its findings in a sufficient detailed manner. The competent authorities concerned shall closely coordinate their supervision ***and*** ensure consistent decisions.

3. Where a competent authority finds that this Regulation has been infringed or has reason to believe so, it shall inform the competent ***authority*** of the originator, sponsor, original lender or investor of its findings in a sufficient detailed manner. The competent authorities concerned shall closely coordinate their supervision ***in order to*** ensure consistent decisions ***and the competent authority finding the infringement should notify ESMA.***

Or. en

Justification

ESMA should be made aware of any cross-jurisdiction infringement cases from the outset.

Amendment 461

Petr Ježek, Michael Theurer, Sylvie Goulard

Proposal for a regulation
Article 21 – paragraph 4

Text proposed by the Commission

4. Where the infringement referred to in paragraph 3 concerns, in particular, an incorrect or misleading notification pursuant to Article 14 (1) of this Regulation, the competent authority finding that infringement shall also notify without delay *ESMA*, EBA and EIOPA of its findings.

Amendment

4. Where the infringement referred to in paragraph 3 concerns, in particular, an incorrect or misleading notification pursuant to Article 14 (1) of this Regulation, the competent authority finding that infringement shall also notify without delay EBA and EIOPA of its findings.

Or. en

Justification

To ensure consistency with Article 21.3

Amendment 462
Markus Ferber, Werner Langen

Proposal for a regulation
Article 21 – paragraph 5

Text proposed by the Commission

5. Upon reception of the information referred to in paragraph 3, the competent authority shall take any necessary action to address the infringement identified and notify the other competent authorities concerned, in particular those of the originator, the sponsor, SSPE and the competent authorities of the holder of a securitisation position, when known. In case of disagreement between the competent authorities, the matter may be referred to ESMA and the procedure of Article 19 and, where applicable, Article 20 of Regulation (EU) No 1095/2010 shall apply.

Amendment

5. Upon reception of the information referred to in paragraph 3, the competent authority shall take any necessary action to address the infringement identified and notify the other competent authorities concerned, in particular those of the originator, the sponsor, SSPE and the competent authorities of the holder of a securitisation position, when known. In case of disagreement between the competent authorities, the matter may be referred to ESMA and the procedure of Article 19 and, where applicable, Article 20 of Regulation (EU) No 1095/2010 shall apply ***except for matters where a binding confirmation by the competent authority referred to in paragraph 4 of Article 16 has already been given.***

Justification

The framework for simple, transparent and standardised securitisation will only have a supporting effect on the European securitisation market if all market participants are of the same understanding as to what STS eligibility means. The criteria are not self-explanatory and might be subject of a differing interpretation by national authorities and the ESAs. It is to foresee that in many cases the interpretation of the fulfilment of certain criteria will depend on the assessment of the single case. Taking into account the severe envisaged sanctions in case of infringement and the liability towards investors, a means to ensure a sufficient level of trust would be a binding confirmation that the respective securitisation is indeed STS. This is necessary to avoid the deterrence of the issuance from STS-securitisations. Such confirmation of conformity should be issued by a competent authority and shall be legally binding across the European Union to warrant the necessary level of legal certainty for all market participants. Particularly a situation should be avoided in which, at the time of entering into force, originators are required to adhere to STS-criteria that will be amended and presumably aggravated by EBA at a later stage. This will erode the existing level of trust between the market participants of the European securitisation market – since there would be no common understanding as to what STS-eligible means.

Amendment 463

Petr Ježek, Michael Theurer, Sylvie Goulard

Proposal for a regulation

Article 21 – paragraph 5

Text proposed by the Commission

5. Upon reception of the information referred to in paragraph 3, the competent authority shall take any necessary action to address the infringement identified and notify the other competent authorities concerned, in particular those of the originator, the sponsor, **SSPE** and the competent authorities of the holder of a securitisation position, when known. In case of disagreement between the competent authorities, ***the matter may be referred to ESMA and*** the procedure of Article 19 and, where applicable, Article 20 of Regulation (EU) No 1095/2010 shall apply.

Amendment

5. Upon reception of the information referred to in paragraph 3, the competent authority shall take any necessary action to address the infringement identified and notify the other competent authorities concerned, in particular those of the originator, the sponsor and the competent authorities of the holder of a securitisation position, when known. In case of disagreement between the competent authorities, the procedure of Article 19 and, where applicable, Article 20 of Regulation (EU) No 1095/2010 shall apply.

Justification

To ensure consistency with Article 21.3

Amendment 464

Morten Messerschmidt

on behalf of the ECR Group

Proposal for a regulation

Article 23 – paragraph 1 Directive 2009/65/EC

Article 50a

Text proposed by the Commission

Article 50a of Directive 2009/65/EC is
repealed

Amendment

Article 50a of Directive 2009/65/EC is
replaced by the following:

'UCITS management companies or internally managed UCITS shall act in the best interest of the investors in the relevant UCITS and take corrective action, if appropriate, where they discover, after the assumption of an exposure to a securitisation, that the securitisation does not meet the requirements laid down in Regulation .../... of the European Parliament and of the Council [STS Regulation], in particular that the determination and disclosure of the retained interest did not meet the requirements laid down in that Regulation.'

Or. en

Amendment 465

Marco Zanni, Marco Valli

Proposal for a regulation

Article 25 – paragraph 1 – point 1

Regulation (EC) No 1060/2009

Text proposed by the Commission

(1) In recitals 22 and 41, in Articles 8c

Amendment

deleted

and in Annex II, point 1, "structured finance instrument" is replaced by "securitisation instrument".

Or. it

Amendment 466

Marco Zanni, Marco Valli

Proposal for a regulation

Article 25 – paragraph 1 – point 2

Regulation (EC) No 1060/2009

Text proposed by the Commission

Amendment

(2) *In recitals 34 and 40, in Articles 8(4), 8c, 10(3), 39(4) as well as in Annex I, section A, point 2, paragraph 5, Annex I, section B, point 5, Annex II (title and point 2), Annex III, Part I, points 8, 24 and 45, Annex III, Part III, point 8, "structured finance instruments" is replaced by "securitisation instruments".*

deleted

Or. it

Amendment 467

Morten Messerschmidt

on behalf of the ECR Group

Proposal for a regulation

Article 26 – paragraph 1 Directive 2011/61/EU

Article 17

Text proposed by the Commission

Amendment

Article 17 of Directive 2011/61/EU is *repealed*

Article 17 of Directive 2011/61/EU is *replaced by the following:*

'AIFMs shall act in the best interest of the investors in the relevant AIF and take corrective action, if appropriate, where they discover, after the assumption of an exposure to a securitisation, that the securitisation does not meet the

requirements laid down in Regulation [STS], especially in particular that the determination and disclosure of the retained interest did not meet the requirements laid down in Regulation [STS].'

Or. en

Amendment 468

Morten Messerschmidt

on behalf of the ECR Group

Proposal for a regulation

Article 27 – paragraph 1 – point 1 Regulation 648/2012/EU

Article 2 – point 30

Text proposed by the Commission

(30) “covered bond” means a bond meeting the requirements of Article **129 of Regulation (EU) No 575/2013.**”

Amendment

(30) "covered bond" means a bond meeting the requirements of Article **52(4) of Directive 2009/65/EC.**”

Or. en

Amendment 469

Petr Ježek, Michael Theurer, Sylvie Goulard

Proposal for a regulation

Article 28 – paragraph 2

Text proposed by the Commission

2. In respect of securitisation positions outstanding as of [date of entry into force of this Regulation], originators, *sponsors and SSPEs* may use the designation 'STS' or a designation that refers directly or indirectly to these terms only where the requirements set out in Article 6 of this Regulation are complied with.

Amendment

2. In respect of securitisation positions outstanding as of ... [date of entry into force of this Regulation], originators *and sponsors* may use the designation 'STS' or a designation that refers directly or indirectly to these terms only where the requirements set out in Article 6 of this Regulation are complied with.

Or. en

Amendment 470
Othmar Karas, Pablo Zalba Bidegain

Proposal for a regulation
Article 28 – paragraph 3

Text proposed by the Commission

3. In respect of securitisations the securities of which were issued on or after 1 January 2011 and to securitisations issued before that date, where new underlying exposures have been added or substituted after 31 December 2014, Article 3 of this Regulation shall apply.

Amendment

3. In respect of ***different kinds of investments in*** securitisations ***such as buying, selling or holding made after ... [date of entry into force of this Regulation]*** the securities of which were issued on or after 1 January 2011 and to securitisations issued before that date, where new underlying exposures have been added or substituted after 31 December 2014, Article 3 of this Regulation shall apply.

Or. en

Justification

The amendment introduces a possibility to avoid the need to "fire sell" assets and thereby destabilizing the market.

Amendment 471
Morten Messerschmidt
on behalf of the ECR Group

Proposal for a regulation
Article 28 – paragraph 3

Text proposed by the Commission

3. In respect of securitisations the securities of which were issued on or after 1 January 2011 and to securitisations issued before that date, where new underlying exposures have been added or substituted after 31 December 2014, Article 3 of this Regulation shall apply.

Amendment

3. In respect of ***investments made after ... [date of entry into force of this Regulation] in*** securitisations the securities of which were issued on or after 1 January 2011 and to securitisations issued before that date, where new underlying exposures have been added or substituted after 31 December 2014, Article 3 of this Regulation shall apply.

Amendment 472

Brian Hayes

Proposal for a regulation

Article 28 – paragraph 3

Text proposed by the Commission

3. In respect of securitisations the securities of which were issued on or after 1 January 2011 and to securitisations issued before that date, where new underlying exposures have been added or substituted after 31 December 2014, Article 3 of this Regulation shall apply.

Amendment

3. In respect of securitisations **which fulfil the STS criteria, and** the securities of which were issued on or after 1 January 2011 and to securitisations issued before that date, where new underlying exposures have been added or substituted after 31 December 2014, Article 3 of this Regulation shall apply.

Or. en

Amendment 473

Petr Ježek, Michael Theurer, Sylvie Goulard

Proposal for a regulation

Article 28 – paragraph 6

Text proposed by the Commission

6. Until the moment that the regulatory technical standards to be adopted by the Commission pursuant to Article 5 (3) of this Regulation are of application, originators, **sponsors and SSPE's** shall, for the purposes of the obligations set out in points a) and e) of Article 5 (1) of this Regulation, make the information mentioned by Annexes I to VIII of Commission Delegated Regulation (EU) No 2015/3 available to the website referred to in Article 5 (2).

Amendment

6. Until the moment that the regulatory technical standards to be adopted by the Commission pursuant to Article 5(3) of this Regulation are of application, originators **and sponsors** shall, for the purposes of the obligations set out in points (a) and (e) of Article 5 (1) of this Regulation, make the information mentioned by Annexes I to VIII of Commission Delegated Regulation (EU) No 2015/3 available to the website referred to in Article 5(2).

Or. en

Amendment 474
Marco Zanni, Marco Valli

Proposal for a regulation
Article 29 – paragraph 1

Text proposed by the Commission

1. By [*two years* after entry into force of this Regulation] and every *three* years thereafter, EBA, in close cooperation with ESMA and EIOPA, shall publish a report on the implementation of the STS requirements as laid down by Articles 6 to 14 of this Regulation.

Amendment

1. By [*18 months* after entry into force of this Regulation] and every *two* years thereafter, EBA, in close cooperation with ESMA and EIOPA, shall publish a report on the implementation of the STS requirements as laid down by Articles 6 to 14 of this Regulation.

Or. it

Amendment 475
Marco Zanni, Marco Valli

Proposal for a regulation
Article 29 – paragraph 3

Text proposed by the Commission

3. By [*three* years after entry into force of this Regulation] ESMA, in close cooperation with EBA and EIOPA, shall publish a report on the functioning of the transparency requirements in Article 5 of this Regulation and the level of transparency of the securitisation market in the Union.

Amendment

3. By [*two* years after entry into force of this Regulation] ESMA, in close cooperation with EBA and EIOPA, shall publish a report on the functioning of the transparency requirements in Article 5 of this Regulation and the level of transparency of the securitisation market in the Union.

Or. it

Amendment 476
Molly Scott Cato
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 29 – paragraph 3 a (new)

3a. By ... [two years after entry into force of this Regulation] ESMA, in close cooperation with EBA and EIOPA, shall publish a report on the feasibility of a regulatory framework, complementing the new framework on securitisation established in this Regulation, establishing a system of limited licensed banks, performing the functions of SSPEs and having the exclusive right to purchase exposures from originators and sell claims backed by the purchased exposures to investors. The report shall examine in detail the advantages and disadvantages, from a public policy and real economy perspective, of having clearly designated entities subject to a specific supervisory and insolvency regime covering the essential intermediation activities between originators and investors compared to the current highly heterogeneous situation.

Or. en

Amendment 477
Esther de Lange

Proposal for a regulation
Article 29 – paragraph 3 a (new)

3a. By ... [6 months after the date of entry into force of this Regulation] EBA, in close cooperation with ESMA and EIOPA, shall publish a report on the establishment of a framework for simple, transparent and standardised synthetic securitisation, limited to balance sheet securitisation and including proposals for appropriate capital requirements for such securitisation;

Amendment 478

Marco Zanni, Marco Valli

Proposal for a regulation

Article 29 – paragraph 3 a (new)

Text proposed by the Commission

Amendment

3a. The report shall include a detailed analysis of the impact of STS securitisation on the real economy and in particular on access to credit for SMEs, taking account also of possible risks engendered in financial market stability and monitoring not just aggregated but also disaggregated data.

Or. it

Amendment 479

Paul Tang

Proposal for a regulation

Article 29 – paragraph 3 a (new)

Text proposed by the Commission

Amendment

3a. The ESRB shall provide a yearly report on the state of the securitisation market from a macro-prudential point of view and motivate the proposals made in line with Article 16a (new) of this Regulation,

Or. en

Amendment 480

Esther de Lange

Proposal for a regulation

Article 29 – paragraph 3 b (new)

Text proposed by the Commission

Amendment

3b. By ... [12 months after the date of entry into force of this Regulation] the Commission shall, on the basis of the EBA report referred to in paragraph 4, submit a report to the European Parliament and the Council on the establishment of a framework for simple, transparent and standardised synthetic securitisation proposals, limited to balance sheet securitisation and including proposals for appropriate capital requirements for such securitisation, together with legislative proposals if appropriate.

Or. en

Amendment 481

Petr Ježek, Michael Theurer, Sylvie Goulard

Proposal for a regulation

Article 30 – paragraph 1

Text proposed by the Commission

Amendment

By [**four** years after entry into force of this Regulation] the Commission shall present a report to the European Parliament and the Council on the functioning of this Regulation, accompanied, where appropriate, by a legislative proposal.

By ... [**three** years after entry into force of this Regulation] the Commission shall present a report to the European Parliament and the Council on the functioning of this Regulation, accompanied, where appropriate, by a legislative proposal.

The report shall take into consideration international developments in the area of securitisation, notably initiatives on simple, transparent and comparable securitisations, and assess whether an equivalence regime in the area of STS securitisations could be introduced for third country originators, sponsors and SSPEs.

Or. en

Amendment 482

Sander Loones

Proposal for a regulation

Article 30 – paragraph 1

Text proposed by the Commission

By [**four** years after entry into force of this Regulation] the Commission shall present a report to the European Parliament and the Council on the functioning of this Regulation, accompanied, where appropriate, by a legislative proposal.

Amendment

By ... [**three** years after entry into force of this Regulation], the Commission shall present a report to the European Parliament and the Council on the functioning of this Regulation, accompanied, where appropriate, by a legislative proposal.

That report shall take into consideration international developments in the area of securitisation and assess whether in the area of STS securitisations an equivalence regime could be introduced for third country originators, sponsors and SSPEs.

Or. en

Amendment 483

Marco Zanni, Marco Valli

Proposal for a regulation

Article 30 – paragraph 1

Text proposed by the Commission

By [**four** years after entry into force of this Regulation] the Commission shall present a report to the European Parliament and the Council on the functioning of this Regulation, accompanied, where appropriate, by a legislative proposal.

Amendment

By [**three** years after entry into force of this Regulation] the Commission shall present a report to the European Parliament and the Council on the functioning of this Regulation, accompanied, where appropriate, by a legislative proposal.

Or. it