



The Dutch Securitisation Association (DSA), representing the Dutch issuers of securitisations, would like to provide you with the following feedback:

-In your proposal, securitisations that meet the very strict STS requirements will still not be eligible for more than Level 2B treatment. This level does not reflect the highly liquid character of “cash equivalent” securitisations like Dutch RMBS or Auto ABS. We are aware that the current BCBS rules also limit securitisations to Level 2B, but these rules are also pre-STC (the BCBS equivalent of STS) and we have noticed that in other areas (like the hierarchy of methods to calculate risk-weighted exposure amounts) well justified deviations from the BCBS framework have been applied. So we would recommend to add to Article 11.1 a point (f) exposures in the form of asset-backed securities meeting the requirements laid down in Article 11a and insert this new Article 11a Level 2A Securitisations defining Level 2A securitisations as those meeting requirement (g) (i),(ii) or (iv) of Article 13 and amending Article 13 by deleting requirements (g) (i),(ii) or (iv).

-Furthermore we would like to comment as follows on Article 13:

- in the amended point 1(a) there is a drafting error: please replace “2017/42” by “2107/2402”.

- in paragraph 2 point g(i) please add “and equally” between “first” and “ranking” and “or improvement” after “acquisition”. This reflects the Dutch practice of mortgage loans consisting of loan parts for the acquisition as well as the later improvement of the property.

- also in paragraph 2 point g(i) please amend the loan-to-value requirement to bring it in line with the CRR amendments related to the STS Regulation (EU 2017/2401: CRR Article 243 point (2)(d)), inserting “at the time of inclusion in the securitisation” after “meet”.

- we suggest to delete paragraph 12. This maximum WAL requirement is an important factor preventing the development of a liquid market for securitisations on the longer end of the curve.

-We would recommend to add a Grandfathering Article for those transactions that do not meet the STS criteria, by maintaining the existing wording of Article 13 for asset-backed securities issued before the application date of the STS Regulation (1 January 2019).