



FACING REJECTION OF YOUR SUBMISSION? AVOID THESE MISTAKES

More than three years after the Securitisation Regulation (EU)2017/2402 came into force the registration of the first EU securitisation repository in June 2021 will close the final gap in the disclosure framework.

Since September 2020, the use of the new reporting templates developed by the European Securities & Market Authority (ESMA) and implemented in a prescribed XML-format has been mandatory for all EU securitisations issued after January 1st, 2019.

Reporting entities are required to regularly disclose a full report (for public non-ABCP transactions) comprising of:

- the underlying exposure template;
- the investor report template; and
- the significant event/inside information template.

In its longstanding role as the Eurosystem's securitisation repository, European Data-

Warehouse (EDW) has already collected submissions of such full reports for more than 240 securitisations in anticipation of its designation in June 2021 as a registered securitisation repository under ESMA.

To prepare reporting entities in Germany for the upcoming transition in disclosure requirements, EDW has worked closely with TXS Securitization to identify and address potential file structure errors and content errors in the new reporting templates.

These efforts have involved checking each template submitted as part of a full report against more than 1,000 of ESMA's validation rules so that issuers can avoid facing rejection of their submissions.

» *At TXS Securitization we are working closely with our clients and European DataWarehouse. Our cooperation helps German and European issuers to transition to the new disclosure framework without unnecessary frictions.*«

Timo Menzel

Managing Director, TXS GmbH

Automatic rejection of the entire submission will occur if a submission fails to meet the prescribed XML file structure or if a single securitisation record is not compliant with any of the validation rules, and the rejection will be reported weekly to ESMA.

EDW's analysis of data submissions from German issuers has established that the most common problems relate to the newly introduced use of identifiers in the reporting templates, such as:

- the Counterparty Name (SESP3) does not match the name corresponding to the Counterparty Legal Entity Identifier (SESP2) provided in the GLEIF Database;
- Counterparty Rating Source Name (SESP9) does not match the name corresponding to the Counterparty Rating Source Legal Entity Identifier (SESP8) provided in the GLEIF Database;

as well as data inconsistencies, such as:

- Prepayment Fee End Date (AUTL50) is earlier than the Data Cut-Off Date (AUTL6).

Addressing these common problems will significantly reduce the risk of rejection of the submission by the securitisation repository.

In addition to supporting issuers in rectifying such issues, EDW also offers its CSV-to-XML Converter to minimise the risk for potential file structure errors and prevent automatic rejection.

For further information about the CSV-to-XML Converter tool, or to discuss any concerns surrounding your upcoming submissions, please contact our team on +49 (0) 69 50986 9017 or email us via enquiries@eurodw.eu

For further information about TXS, visit www.txs.de or send an email to timo.menzel@txs.de

» *In January 2018 we published our commitment to be registered as the first securitisation repository in Europe under ESMA. We are confident that our close work with partners such as TXS Securitization, will help German and European issuers comply with the disclosure framework.*«

Christian Thun

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