
MINIMUM RECOMMENDED
POST-ISSUANCE REPORTING STANDARDS
FOR EUROPEAN SECURITISATION TRANSACTIONS






EUROPEAN SECURITISATION FORUM
JUNE 1999

The European Securitisation Forum has adopted the following minimum recommended post-issuance reporting standards for European securitisation transactions. These standards were developed and have been endorsed by a broad cross-section of the Forum's membership, which includes securities firms, banks, institutional investors, rating agencies, trustees, law firms, accounting firms and other securitisation market participants.

The issuance of these standards represents a continuation of the Forum's efforts to promote the growth and development of efficient European securitisation markets. Members of the Forum believe that improvements in post-issuance transaction reporting are critical to the success of these efforts. Such reporting constitutes the basic source of information needed to analyze, price, trade and settle mortgage-backed (both residential and commercial) and asset-backed securities in the primary and secondary markets. As a consequence, the collection and dissemination of timely, accurate and uniform post-issuance transaction reporting data are essential to developing more liquid and efficient European securitisation markets.

These standards implement recommendations contained in an October 1998 Forum discussion paper, *Transaction Reporting Standards: Analysis and Preliminary Recommendations of the European Securitisation Forum*. That paper identified the lack of standardized reporting and the unavailability of reported data as basic deficiencies in the European securitisation markets that needed to be addressed.

To address these problems, the Forum's discussion paper offered the following recommendations, among others:

-  Regular, ongoing post-issuance transaction reporting should be a standard feature for all European securitisation transactions;
-  To the extent possible, transaction reporting elements and definitions should be standardized, especially for securitisations supported by the same type of underlying collateral; and
-  Transaction reports should be made generally available to the marketplace, and not limited to current security-holders. Issuers should consider making transaction reports available through readily accessible communications channels, including Internet Web sites, third-party information vendor services and other electronic media.

The following standards are intended to implement and advance these recommendations. They are designed to promote the uniformity and broader availability of basic data elements that are essential to securities analysis, trading, clearance, settlement and payment functions. Recommended standards are set forth for both collateral-level data (i.e., data relating to the characteristics and performance of financial assets that provide the principal source of payments in securitisation transactions) and security-level data (i.e., data relating to the allocation and distribution of cash flows to the holders of various tranches of securities). To ensure consistency in usage and application, the Forum has developed definitions for each recommended reporting category.

It should be emphasized that the attached reporting standards are *minimum* reporting elements, constituting a basic set of core data that Forum members believe should be collected and reported in all securitisation transactions. It is, however, anticipated that market participants will supplement these minimum data with other relevant and useful categories of information, depending upon the particular features and requirements of individual transactions. It is also important to note that while the attached standards identify categories of information whose collection and reporting are recommended for all securitisation transactions, decisions concerning the specific means of disseminating this information (e.g., via the Internet or third-party information vendors), and the imposition of limitations on information that is reported to different audiences (e.g., investors versus the general public) are expressly left to individual transaction participants. At a minimum, however, it is envisioned that all of the data identified in the attached standards will be collected and made available to actual investors in a given securitisation transaction.

Members of the Forum recommend and endorse the broad implementation and observance of these standards, on a voluntary basis, throughout the European securitisation markets. They have been widely circulated to European securitisation market participants, and are posted on the Forum's Internet Web site. Comments on the standards are welcome, and should be addressed to the Forum at www.europansecuritisation.com/html/contact_us.html.

I. SECURITY-LEVEL DATA

CUSIP or ISIN	The security identification code assigned to each class of securities pursuant to standards established by the Committee on Uniform Securities Identification Procedures of Standard & Poor's (CUSIP) or the International Standards Organisation (ISIN).
Transaction Name	Common name by which an MBS or ABS offering is known.
Security Class Name	The designation (typically a letter and/or number) given to a tranche of securities that exhibit the same rights, priorities and characteristics.
Interest Distribution Date/Payment Date	The periodic date on which distributions of interest to holders of securities are scheduled to occur.
Principal Distribution Date/Payment Date	The periodic date on which distributions of principal to holders of securities are scheduled to occur.
Report Date	The date on which the transaction report was issued.
Revision Date <i>(if applicable)</i>	If amended, the date on which the revised transaction report was issued.
Accrual Beginning Date	The date representing the start of the accounting period for calculating interest earned.
Accrual Ending Date	The date representing the end of the accounting period for calculating interest earned.
Record Date	The date on which registered holders of securities are determined for the purpose of making distributions to such registered holders on the next succeeding distribution date.
Determination Date	The date on which all scheduled distributions to registered holders of securities are determined.
Currency	The unit of currency in which distributions and other security-level balances and payments are computed and/or made.
Total Original Balance	The initial par, or notional, balance of a security.
Total Beginning Balance Prior to Distribution	The par, or notional, balance of a security after the immediately preceding distribution.
Total Ending Balance Subsequent to Distribution	The par, or notional, balance of a security after the current distribution.
Total Principal Distributions	The total amount of principal paid on a security for the current distribution date.
Total Interest Distributions	The total amount of interest paid on a security for the current distribution date.
Total Principal and Interest Distributions	The combined total of principal and interest paid on a security for the current distribution date.
Total Scheduled Principal	The total amount of principal scheduled to be paid on a security for the current distribution period.
Accrual Rate	The rate of accrual of interest for the current distribution period.
Total Interest Accrued	The total amount of interest accrued for the accrual period covered by the distribution report.
Beginning Principal Factor	The fraction (expressed as a decimalized percentage) created by dividing the remaining principal balance of a security as of the end of the previous accrual period by the total original balance of the security.
Ending Principal Factor	The fraction (expressed as a decimalized percentage) created by dividing the remaining principal balance of a security as of the end of the current accrual period by the original principal balance of the security.
Current Interest Shortfall <i>(if applicable)</i>	The excess of interest accrued on a security over interest actually collected on the underlying loans for the current accrual period.

**I. SECURITY-LEVEL DATA** *continued*

- Cumulative Interest Shortfall** *(if applicable)* The cumulative amount of interest shortfalls on a security for the current and all previous accrual periods.
- Non-Supported Interest Shortfall** *(if applicable)* The excess of interest accrued on a security over the sum of the interest actually collected on the underlying assets plus any servicer advances to cover interest shortfalls for the current accrual period.
- Cumulative Non-Supported Interest Shortfall** *(if applicable)* The cumulative amount of non-supported interest shortfalls on a security for the current and all previous accrual periods.
- Principal Shortfall** The excess of the scheduled principal distribution over the amount of principal collected for the current accrual period.
- Cumulative Principal Shortfalls** The cumulative amount of principal shortfalls as of the end of the current accrual period.
- Principal Excess** The excess of principal collected over the scheduled principal distribution for the current accrual period.
- Negative Amortization** The amount of unpaid interest accrued and added to the principal balance of a security for the specified period.
- Servicer Advances** The amount of any advance of funds made by the servicer to satisfy scheduled but unpaid borrower payments during the current accrual period.
- Pass-Through Rate/Interest Rate** The coupon rate of interest on a specific class of securities.
- Reset Rate** *(if applicable)* The interest rate on a floating-rate security determined on a periodic basis, which is used to calculate interest for the next accrual period.
- Reset Rate Effective Date** *(if applicable)* The date on which the reset rate becomes effective.
- Available Credit Enhancement/Reserves** The outstanding amount of credit enhancement after distributions as of the prior distribution date.
- Draws from Credit Enhancement/Reserves** The amount of credit enhancement deducted from the available credit enhancement as of the current distribution date.
*(specify type of credit enhancements used
e.g., Reserve Fund, Pool Insurance, Excess Spread, etc.)*
- Accrual Period** Number of days in an accrual cycle for the current distribution period.
- Interest Calculation** The method for computing the accrual of interest on a class of securities, chosen from one of the following alternatives:
- | | |
|---------------|------------------|
| A) 30/360 | D) ACTUAL/ACTUAL |
| B) ACTUAL/360 | E) ACTUAL/365 |
| C) 30/ACTUAL | F) ACTUAL/366 |

II. COLLATERAL-LEVEL DATA

Original Weighted Average Yield	The weighted average rate of interest (coupon or contract rate) on the assets underlying a security at the time of issuance thereof.
Current Weighted Average Yield	The weighted average rate of interest (coupon or contract rate) on the assets underlying a security as of the current determination date.
Stated Maturity	The distribution date immediately following the final scheduled payment date on the asset(s) in the pool having the latest maturity.
Original Weighted Average Maturity	The average term to maturity of the assets underlying a security, weighted for the dollar amount of the assets, at the time of issuance thereof.
Current Weighted Average Maturity	The average term to maturity of the assets underlying a security, weighted for the dollar amount of the assets, as of the current determination date.
Delinquencies	The number and principal amount of receivables that are between 30-59 days delinquent, 60-89 days delinquent, and 90 or more days delinquent, respectively, as of the current determination date.
Current Defaults	The principal amount of receivables that were determined to be in default during the current accrual period.
Cumulative Defaults	The principal amount of receivables that have been determined to be in default during the current and all previous accrual periods.
Prepayment Assumption	The rate of prepayments on the receivables in the pool (which may be expressed as a percentage of a specified prepayment model) assumed at issuance of the related class of securities.
Original Weighted Average Life	As of the date of issuance, the average amount of time until a security is repaid in full, based on its total original balance and assumptions specified at issuance concerning prepayments, defaults and other relevant variables.
Current Weighted Average Life	As of the current determination date, the average amount of time until a security is repaid in full, based on its total ending balance subsequent to distribution and assumptions specified at issuance concerning prepayments, defaults and other relevant variables.
Prepayment Rate	The annualized rate of prepayment on the receivables supporting the related class(es) of securities as of the current determination date.
Subordination Level	For any senior class of securities, the amount (expressed as a percentage of the outstanding principal balance of the senior class) of subordination provided by the outstanding principal balances of more junior classes, as of the current determination date.
Trigger Measurements/Ratios	If applicable, the status of various delinquency, dilution, default, loss and similar collateral measurements and ratios in relation to their early amortization or other trigger event levels, as of the current determination date.
Original Rating/Rating Agency	The rating assigned to a class of securities at issuance by the designated rating agency.
Current Rating/Rating Agency	The rating assigned to a class of securities as of the current determination date by the designated rating agency.

III. TRANSACTION REPORT CONTACT INFORMATION

Information Source	The name of the entity acting as the provider of transaction reporting information to security holders.
Contact Name	Name of principal contact person of the information source.
Contact Information	Mailing address, telephone number, e-mail address and/or other contact information pertaining to the information source.



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