DeNederlandscheBank
EUROSYSTEEM

Explanatory notes to the Registration form for securitisation-SPVs (Special Purpose Vehicles)

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Contents

Introduction

On 19 December 2008, the European Central Bank (ECB) issued Regulation (EC) No. 24/2009 (ECB/2008/30). On 18 October 2013 this Regulation has been revised and changed into Regulation (EU) No. 1075/2013 (ECB/2013/40). This Regulation concerns the collection and compilation of statistics on the assets and liabilities of Special Purpose Vehicles (SPVs) engaged in securitisation transactions and serves to permit the compilation of statistics for monetary policy purposes from the end of 2009 onwards. The Regulation involves information obligations and, dependent on the specific characterics of the SPV, also reporting obligations on the part of SPVs.
Under Article 3(2) and Article 9(1) of the Regulation, SPVs resident in the Netherlands are under a statutory obligation to register with De Nederlandsche Bank (DNB). For this purpose, DNB makes available a Registration form for Special Purpose Vehicles (SPVs). In addition to data regarding address and manner of contacting, specific information must be provided about the securitisation, including the type of securitisation as well as the originator’s country group and sector. Explanatory notes to the concepts and definitions used in the form are given below.

Concepts and definitions

Registration of securitisation-SPVs

Within a week of taking up business, a resident securitisation-SPV must inform DNB of its existence by means of the relevant registration form. In the event that, at the time of taking up business, not all requested data are known or available, these must be provided as soon as possible once they are known.

Taking up business

‘Taking up business’ means any activity, including any preparatory measures, related to the securitisation, other than merely establishing an entity that is not expected to commence the securitisation activity in the next six months. Any activity undertaken by an SPV after the securitisation activity becomes foreseeable means taking up business.

Residents and non-residents

Resident SPVs must register with DNB. Residents are understood to be natural persons and legal entities having their centre of economic interest in the Netherlands. This concept has been worked out in greater detail in the External Financial Relations Act (*Wet financiële betrekkingen buitenland*). The External Financial Relations Act (Section 1) defines *residents* as follows:

1. natural persons who are resident in the Netherlands and whose names have been entered in the registers of births, deaths and marriages;
2. legal entities, partnerships and limited partnerships which are established or have their offices in the Netherlands, as well as legal entities, partnerships and limited partnerships which, though not established in the Netherlands, are managed from the Netherlands, if so determined by the Bank;
3. branches and agencies established in the Netherlands, if not covered by 2 above;
4. natural persons of Dutch nationality, if not covered by 1 above, who have upon their own request been designated as residents by Our Minister (of Finance).

Non-residents are defined as natural persons, legal entities, partnerships, branches, agencies and enterprises not covered by the definition of ‘residents’.

Special purpose vehicle (SPV)

A securitisation-SPV is a vehicle which, as part of a securitisation transaction, legally or economically takes over assets and/or credit risk and/or insurance risks land other the hand issues securities, securitisation fund units, other debt instruments and/or financial derivatives and/or owns underlying assets. The SPV is insulated from the risk of bankruptcy or any other default of the originator.
(For a full definition, the reader is referred to Article 1 of the ECB Regulation; see the annex to these notes.)

In determining whether an entity falls under this definition, one should look at the full structure, including any relationships with other entities involved. An essential criterion in this respect is that in this structure eventually debt securities or loans with similar characteristics as debt securities (for example, when it comes to marketability), credit derivatives and/or guarantees are issued to finance the transfer of assets or risks.

In addition to SPVs engaged in so-termed plain vanilla securitisations (purchases of loans from the original lender and issues of securities to finance the purchases), the definition also covers SPVs engaging in more complex securitisations or securitisation classes that do not readily come to mind in this context. Cases in point are (the constructions described below may overlap and do not constitute an exhaustive enumeration):

- constructions where an entity issues securities (*issuing company*) and passes the proceeds as a loan to an entity purchasing the assets (*asset purchasing company*). In that case, both entities are considered SPVs, to the extent that they are both resident in the Netherlands. If only one of the two entities is a resident, only that entity must be registered;
- so-termed *master trust* securitisations where the assets are assigned to a trustee, which grants an economic interest to the SPV concerned. In such a construction, individual SPVs normally issue the securities and on-lend the proceeds to the trustee in exchange for an interest in the asset pool held by the trust. A trust of this kind is often denoted as a Receivables Trust or Master Trust, and is often used in cases where a large asset pool must be securitised for a certain period, or where the assets consist of short-term debt that is continually being replaced with new debt (as in the case of credit card receivables). In the event of such constructions, both the master trust and the individual SPVs are covered by the definition of SPV (to the extent that they are resident);
- so-termed *re-securitisations* or *repackages* of assets securitised before, involving the purchase of securities that have been issued by SPVs and the issue of new securities to finance the purchase;
- so-termed *conduits*, which finance a varied portfolio of assets (such as ABS, CDOs/CLOs, car loans/leases, commercial mortgages, credit card receivables, study loans or trade receivables) by issuing commercial paper (known as asset-backed commercial paper or ABCP). In many cases, each transaction is structured as a 'standard' securitisation, the assets being sold to an SPV by means of a true sale securitisation. Subsequently, the conduit purchases the same pool of assets from the SPV or finances the purchase by the SPV by granting a loan collateralised by the purchased assets. This construction is known as a *two-step sale*. In the case of such a construction, both vehicles – the conduit and the SPV – are considered SPVs.
- securitisations engaged in by banks for the *creation of eligible assets* which – for purposes of liquidity management – may be used as collateral for central bank loans, the securities issued to that end being purchased by these banks themselves (this form of securitisation is also known as *internal securitisation*);
- securitisations engaged in for *purposes of arbitrage* in order to benefit from the difference between higher-yield assets and lower-cost funding of liabilities, as in the case of *Structured Investment Vehicles (SIVs)*;
- constructions where existing loans are purchased in the secondary market, against which securities are issued. Existing loans are understood to be loans granted earlier by a lender;
- securitisations where securities are issued with a *single tranche*. Often, the securities are issued in several tranches, each marked by a different risk profile. Even if only a single tranche is in evidence, the entities engaging in such securitisations are covered by the definition of SPV;
- securitisations of *assets other than loans*, such as future cash flows from royalties, licences, as sales, lotteries, taxes, etc.

Securitisation

Securitisation means a technique whereby an asset or pool of assets is transferred by an originator to an entity that is separate from the originator and/or whereby the credit risk of an asset or pool of assets and/or insurance risk is transferred by means of the issue of securities, securitisation fund units, other debt instruments, financial derivatives and/or any similar mechanism.
For a full definition, the reader is referred to Article 1 of the ECB Regulation (see the annex). For an explanation and illustration of more exotic securitisations covered by the Regulation, the reader is referred to the above notes under the heading 'Special purpose vehicle (SPV)'.

No securitisation-SPVs

Hence, no securitisation-SPVs are entities involving:

- Monetary Financial Institutions (MFIs) in the sense of article 1 of Regulation (EU) nr. 1071/2013 of the European Central Bank of 24 September 2013 (ECB/2013/33);
- investment funds in the sense of article 1 of Regulation (EU) nr. 1073/2013 of the European Central Bank of 18 October 2013 (ECB/2013/38);
- insurance undertakings or reinsurance undertakings as defined in Article 13 of Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II);
- (d) managers of alternative investment funds which manage and/or market alternative investment funds as defined in Article 4(1) of Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers that fall under the scope of Directive 2011/61/EU pursuant to Article 2 thereof;
- so-called Covered Bond Companies (CBC) to which collateral of covered bonds issued by banks can be transferred or has been transferred. Interest payments and redemption of covered bonds issued by banks are namely direct, unconditional obligations of the bank, not of the CBC.
- entities which contract (private) loans which are not admitted to trading in a regulated market, which are not eligible assets for refinancing operations by central banks, which are not rated by an external credit assessment institution and which are not distributed by way of private placement to five or more distinct creditors;
- entities which mainly act as first lender and therefore create or originate the loan(s) themselves (and therefore in fact do not take over loans from another lender).

Types of securitisation

An SPV should be classified by type of securitisation. Distinguished are the following types of securitisation: true sale (or traditional), synthetic, insurance-linked and other.

Ex ante and ex post classifications

The classification by nature of securitisation may be done on an ex ante approach – i.e. based on what the activities of the SPV are expected to be when it has fully taken up business – or an ex post approach, i.e. reflecting the activity of the FVC when it has fully taken up business.
Classification on an ex post basis is possible for SPVs which have already taken up business. In other cases the nature of securitisation will have to be determined on an ex ante basis. In some cases, the SPV prospectus or similar documentation may provide guidelines on what activity is permitted for the SPV, for example in terms of limits in the nature of its exposures. This may be useful in classifying the nature of securitisation, but where there is a divergence between what is the expected activity of the SPV versus what is permitted by the SPVs guidelines (where both are known), a classification in terms of the expected activity is preferable.

True sale (traditional) securitisation

A true sale or traditional securitisation refers to securitisations where there is a transfer of credit risk of an asset or pool of assets achieved either by the transfer of legal title or beneficial interest of the assets being securitised or through sub-participation. Sub-participation refers to an arrangement whereby one or more sub-participants agree to fund a loan (usually from a bank) in return for the right to receive the principal and interest repayments of the loan. Sub-participants do not obtain any rights or obligations against the borrower, however, as there is no contractual relationship between the sub-participant and the borrower.
SPVs in this category are engaged in the securitisation of credit-related assets on cash, i.e. non-synthetic basis, be it in the form of loans, bonds, or structured finance securities, such as:

- residential mortgages, commercial real estate mortgages and other loan-based securitisation e.g. automobile loans, credit card receivables, student loans, (financial) leases, loans to finance trade credit (e.g. by factoring companies), and loans to small- and medium-sized enterprises;
- collateralised bond, loans and debt obligations (CBOs, CLOs and CDOs) on a cash (non-synthetic) basis which relates to securitisation of bond portfolios and/or loans (usually syndicated loan tranches and other large loans) and/or structured finance assets;

- asset-backed commercial paper programmes (referring both to the ABCP conduits and the asset-holding vehicles, if they are separate entities) securitising primarily loans, receivables and/or structured finance assets.

Synthetic securitisation

Synthetic securitisation refers to securitisations where there is a transfer of credit risk of an asset or pool of assets achieved by the use of credit derivatives, guarantees or any similar mechanism. The credit risk may be, for example, associated to loans, bonds or structured finance securities. SPVs in this category may not fund the asset whose credit risk is being transferred. Instead, they usually use their issuance proceeds to invest in high quality assets that serve to collateralise their obligations as protection sellers. Synthetic securitisation may include, inter alia, SPVs which sell credit protection on an underlying portfolio of loans, bonds and/or (tranches of) structured finance products. It may also include entities which invest in derivatives tracking the credit performance of structured finance products, corporate issuers or sovereigns.

Insurance-linked securitisations

Insurance-linked securitisation refers to securitisations where there is a transfer of insurance policies achieved either by the transfer of legal title or beneficial interest of the assets being securitised, or there is a transfer of insurance risks from insurance and reinsurance undertakings to an SPV which fully funds its exposure to such risks through the issuance of financing instruments.
Insurance-linked securitisation may include, inter alia:

- securitisations of insurance portfolios (e.g. revenue streams from life insurance premia);
- catastrophe bonds, which offer reinsurance protection to insurers or reinsurers against losses arising from certain catastrophic events such as earthquakes or hurricanes;
- securitisations which offer reinsurance protection to insurers or reinsurers against mortality risk (i.e. a higher than expected incidence of death) or longevity risk (insured persons living longer than expected lifetimes), e.g. based on actual outturn within an underlying portfolio of policies or on an index.

Other securitisations

The category of ‘other SPVs’ includes SPVs that are not engaged in traditional, synthetic or insurance-linked securitisations. These SPVs are typically engaged in the securitisation of non-credit related assets. Examples of such securitisation of assets include, inter alia:

- whole business securitisation;
- securitisation of trade receivables;
- securitisation of non-financial leases (e.g. operational leases on aircraft, ships, automobiles, machinery, commercial real estate, etc.);
- securitisation of investments in private equity, shares and other equity, and any other sort of non-credit related financial assets;
- securitisation of future revenue streams (e.g. exploitation of public infrastructure or of real estate via rent income, etc.);
- securitisation of tax receivables;
- securitisation of electricity tariff deficits;
- securitisation of carbon credits.

In case of such an ‘other’ securitisation, please explain (which assets/future revenue streams) in the comments field in the registration form at point 6.

Mixed securitisation types

An FVC that is partially engaged in several of the other natures of securitisation should be allocated to the nature of securitisation with respect to the greatest part of its credit exposure (or on an ex ante basis what is expected to be the greatest part of its exposure).
For the purposes of this determination, the synthetic exposure should be measured by the size of its potential obligations as protection seller, so that the exposures to credit-related assets on a cash basis (true sale) would be compared with the notional amount of the underlying assets on which the protection (synthetic) has been written.

Re-securitisation

A re-securitisation occurs when one or more exposures of an FVC are to already securitised assets. Re-securitisations should be classified according to their nature of securitisation on a look-through basis by determining the nature of the securitisation of the underlying asset-backed securities. I.e. if the greatest proportion of a re-securitisation FVC's exposures are true sale (or traditionally) securitised assets, then the FVC should be classified within the 'true sale' category. In the case of a re-securitising FVC's holdings of debt securities which were the product of a synthetic securitisation, the extent of the synthetic exposures of the re-securitising FVC should be measured by its holdings of these securities, irrespective of the notional amounts involved. For instance, consider a CDO that invests 30% in RMBS mezzanine tranches, 30% in senior CMBS tranches and 40% in the senior tranches of a synthetic CDO investing in credit default swaps. The ultimate source of risk for its investors would be 60% exposure to mortgage-backed securities (30% residential and 30% commercial) and 40% exposure to credit default swaps. Since the traditional exposure (60%) dominates the synthetic exposure (40%), the re-securitisation should be classified as 'traditional'.

Originator/seller

Originator means here the entity transferring the assets and/or the credit risk of the assets to the SPV. In fact, this refers to the **seller** of the securitised assets and/or risks. For instance, in the case of loans, the originator is the current lender, the party that owns the loan to the debtor and, hence, recognises the loan in its balance sheet. The term 'originator' does **<u>not</u>** refer to any intermediary acting solely as go-between, syndicate manager or asset/collateral manager.
In case of multiple originators, all names should be filled in.

Nature of activity SPV (collateral / issued securities)

The SPV should also be classified on the basis of the nature of the securitised assets or risks, i.e. the nature of the collateral or issued securities. In the table below the distinguished natures are indicated. If there are multiple forms of collateral, then 'yes' should be selected for all applicable natures in the drop down list.

Nature	**Collateral / issued securities**
RMBS *(Residential Mortgage-Backed Securities)*	Residential mortgages
CMBS *(Commercial Mortgage-Backed Securities)*	Commercial real estate mortgages
Corporate ABS *(Corporate Asset-Backed Securities)*	Assets and equipment of companies, including (smaller) loans to companies (such as loans to SMEs), leases (e.g. aircraft, containers, machinery, etc.) and whole-business
Consumer ABS *(Consumer Asset-Backed Securities)*	Personal financial assets of consumers, such as consumer loans, credit card receivables, , student loans and auto loans (incl. leases)
CDO's (incl. CLO's/CBO's) *(Collateralised Debt, Loan, Bond Obligations)*	Bonds and/or loans (usually syndicated loan tranches and other large loans) and/or structured finance assets
ABCP conduit *(Asset-Backed Commercial Paper conduits)*	All types of assets that are funded by issuance of short-term securities, asset-backed commercial paper (ACBP). This also applies if this ABCP is issued by a vehicle in the US and the proceeds are lent to an ' asset purchasing company ' in the Netherlands.
Other	Other assets and future revenue streams (please explain in the comments field in the registration form at point 6).

Classification by countries (country groups)

The originator(s)/seller (s) should be classified by country (country groups). This should be completed as a percentage of the total. If there is one originator/seller in Netherlands, then on the line for the Netherlands '100' should be filled in. If there are multiple originators/sellers, then a proportion in percentages should be completed for these entities, based on the size of the securitised assets or potential obligations as protection seller.
As countries (country groups) are distinguished: the Netherlands, the euro area excluding the Netherlands, and the rest of the world. For a current overview of the euro area countries, referred is to the following website of the ECB: http://www.ecb.europa.eu/euro/intro/html/map.en.html.

Classification by sector

For originators/sellers which are established in the euro area (including the Netherlands), the sector must be indicated. This should be completed as a percentage of the total. If e.g. a bank in the Netherlands (or another euro area country) is the only originator/seller, then on the line 'Banks (MFI) (%)' 100 should be filled in. If there are multiple originators/sellers, then a proportion in percentages should be completed for these entities, based on the size of the securitised assets or potential obligations as protection seller.
In the table below the distinguished sectors are described.

Sector	**Description**
Monetary financial institutions	Commercial and universal banks, savings banks (including savings and loan associations), postal cheque and giro services, post office giro institutions, giro banks, agricultural credit institutions, cooperative credit banks, specialised banks and money market funds. The monetary financial institutions resident in the euro area are listed in the List of MFIs (which may be consulted on the website of the ECB: http://www.ecb.europa.eu/stats/money/mfi/html/index.en.html, page MFI).
Pension funds	This sector concerns pension funds. These may be company pension funds, industry-wide pension funds or other pension funds, whether supervised or unsupervised.
Insurance corporations	This sector includes life insurance corporations, non-life insurance corporations and reinsurance corporations, as well as 'spaarkassen' and 'jaarkassen'. The sector also includes social insurance institutions organised under private law. These institutions implement social insurance arrangements that are beyond the control of general government, such as early retirement funds, the risk fund for the construction industry and various medical expenses insurance schemes for certain professions. Holding corporations of insurance corporations that do not themselves engage in insurance operations form part of the sector Other financial intermediaries.
Investment funds	This sector includes corporations for collective investment which invite or may invite funds from more than one investor (that is, retail/private, professional and/or institutional investors, not being Monetary financial institutions) and invest such funds in financial and/or non-financial assets, against which they issue units. Investment funds include both supervised and unsupervised investment funds. Money market funds are not covered by the definition of Investment funds; they form part of the sector Monetary financial institutions. The investment funds resident in the euro area are listed in the List of IFs (which may be consulted on the website of the ECB: http://www.ecb.europa.eu/stats/money/mfi/html/index.en.html, page IF).
Special purpose vehicles	This sector includes institutions which, as part of a securitisation transaction, take over assets and/or credit risk and issue securities, other debt instruments and/or financial derivatives or own underlying assets. The SPV is insulated from the risk of bankruptcy or any other default of the originator. The SPVs resident in the euro area are listed in the List of so-called Financial Vehicle Corporations (which may be consulted on the website of the ECB: http://www.ecb.europa.eu/stats/money/mfi/html/index.en.html, page FVC).
Other financial	Other financial intermediaries include all financial institutions, with the

intermediaries	exception of monetary authorities, other monetary financial institutions, pension funds, insurance corporations, investment funds and special purpose vehicles. Examples are specialised financial corporations, corporations engaged in financial leasing, venture and development capital companies, holding corporations which only control and direct a group of subsidiaries principally engaged in financial intermediation and/or in auxiliary financial activities, insurance intermediaries, stockbrokers and stock exchange institutions.
Non-financial corporations	Non-financial corporations include corporations engaged principally in the production of market goods and non-financial services.
General government	This sector includes the central government's administrative departments, such as ministries, and non-profit institutions which are controlled and mainly financed by general government. General government also includes local public administrative institutions, such as provincial and municipal entities, as well as statutory social security funds. International institutions are also included in the General government sector, except for the International Monetary Fund (IMF), the Bank for International Settlements (BIS) and the European Central Bank (ECB), which form part of the sector Monetary authorities (which is not relevant in this context).

Listed securities

Securities are considered to be listed if the debt securities are listed (quoted) on a stock exchange in full or in part (in the Netherlands or another country) or traded on a stock exchange.

ISIN code

ISIN stands for International Securities Identification Number and represents an international coding system for securities. Each ISIN code consists of a combination of twelve alphanumeric symbols, the first two of which indicate the country of issue. The ISIN codes of the issued securities to be stated on the form are the official codes assigned by the competent authorities. All ISIN-codes should be reported on a separate row, with the corresponding nominal value.

It is possible there are multiple ISIN-codes for one issue/tranche. Often this is done for American investors. In the description of the bonds you will find an abbreviation to identify the different bonds, for example with regards to *Regulation S* (REGS) or *Rule 144a* (144a). Next to 'REGS' or '144a', an additional differentiation can be made based on the right to vote. Bonds with voting rights will have *VOTING* or the abbreviation 'VOT' in the description. Bonds without voting rights will have *NONVOTING* or the abbreviation 'NVE' in the description.
Only one ISIN-code is required for every tranche. Therefore only the ISIN-code of the bond with 'REGS' in the description should be reported. If there are more than one ISIN-codes with 'REGS' in the description for the same tranche, the one with voting rights should be chosen.

Representative

An institution which provides management and/or administrative services to the SPV. Where the registration form is concerned, the term representative notably denotes the institution which submits the required information, including any returns ensuing from the registration, to DNB on behalf of the SPV. The representative must be resident in the Netherlands. DNB will send all communications intended for the SPV to the postal address of the representative.

Information / contact

Further information may be obtained from:

De Nederlandsche Bank NV
Statistics and Information Division
Other financial intermediaries statistics Department
Postoffice box 98

1000 AB Amsterdam
Telephone: +31-(0)20 - 524 2410
E-mail address: spv@dnb.nl

Annex

From: Regulation (EU) No 1075/2013 of the European Central Bank of 18 October 2013 concerning statistics on the assets and liabilities of financial vehicle corporations[1] engaged in securitisation transactions *(ECB/2013/40)*

Article 1

Definitions

For the purposes of this Regulation:

) 'SPV' means an undertaking which is constituted pursuant to national or Union law under one of the following:
(i) contract law as a common fund managed by management companies;
(ii) trust law;
(iii) company law as a public or private limited company;
(iv) any other similar mechanism;
and whose principal activity meets both of the following criteria:
(a) it intends to carry out, or carries out, one or more securitisation transactions and its structure is intended to isolate the payment obligations of the undertaking from those of the originator, or the insurance or reinsurance undertaking; and
(b) it issues, or intends to issue, debt securities, other debt instruments, securitisation fund units, and/or financial derivatives (hereinafter the 'financing instruments') and/or legally or economically owns, or may own, assets underlying the issue of financing instruments that are offered for sale to the public or sold on the basis of private placements.

This definition does not include:
(a) monetary financial institutions (MFIs) as defined in Article 1 of Regulation (EU) No 1071/2013 (ECB/2013/33);
(b) investment funds (IFs) as defined in Article 1 of Regulation (EU) No 1073/2013 of the European Central Bank of 18 October 2013 concerning statistics on the assets and liabilities of investment funds (ECB/2013/38) (1);
(c) insurance undertakings or reinsurance undertakings as defined in Article 13 of Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II) (2);
(d) managers of alternative investment funds which manage and/or market alternative investment funds as defined in Article 4(1) of Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers that fall under the scope of Directive 2011/61/EU pursuant to Article 2 thereof (3);
(2) 'securitisation' means a transaction or scheme whereby an entity that is separate from the originator or insurance or reinsurance undertaking and is created for or serves the purpose of the transaction or scheme issues financing instruments to investors, and one or more of the following takes place:
(a) an asset or pool of assets, or part thereof, is transferred to an entity that is separate from the originator and is created for or serves the purpose of the transaction or scheme, either by the transfer of legal title or beneficial interest of those assets from the originator or through sub-participation;
(b) the credit risk of an asset or pool of assets, or part thereof, is transferred through the use of credit derivatives, guarantees or any similar mechanism to the investors in the financing instruments issued by an entity that is separate from the originator and is created for or serves the purpose of the transaction or scheme;
(c) insurance risks are transferred from an insurance or reinsurance undertaking to a separate entity that is created for or serves the purpose of the transaction or scheme, whereby the entity fully funds

[1] In the English version of the Regulation the term 'Financial Vehicle Corporations' (FVCs), is used. For the registration and reporting framework in the Netherlands, DNB uses the term 'Special Purpose Vehicle' (SPV), since this term is common and prevailing in the Netherlands (*clarification DNB*).

its exposure to such risks through the issuance of financing instruments, and the repayment rights of the investors in those financing instruments are subordinated to the reinsurance obligations of the entity.

Where such financing instruments are issued, they do not represent the payment obligations of the originator, or insurance or reinsurance undertaking.