
STATUTORY INSTRUMENTS

2019 No. 660

The Securitisation (Amendment) (EU Exit) Regulations 2019

PART 2

Amendment of the Securitisation Regulation

CHAPTER 3

**Amendment of Chapter 2 of the Securitisation
Regulation (provisions applicable to all securitisations)**

Article 5 (due-diligence requirements for institutional investors)

7.—(1) Article 5 is amended as follows.

(2) In paragraph 1—

- (a) in points (a) and (c) for “the Union” substitute “the United Kingdom”;
- (b) in point (e) at the beginning insert “if established in the United Kingdom,”; and
- (c) after point (e) insert—

“(f) if established in a third country, the originator, sponsor or SSPE has, where applicable—

- (i) made available information which is substantially the same as that which it would have made available in accordance with point (e) if it had been established in the United Kingdom; and
- (ii) has done so with such frequency and modalities as are substantially the same as those with which it would have made information available in accordance with point (e) if it had been so established.”.

(3) In paragraph 3, in the first subparagraph, after point (c) insert—

“(d) in point (c)—

- (i) the reference to a securitisation notified as STS in accordance with Article 27 includes a reference to a securitisation notified in accordance with that Article before exit day, or before the expiry of a period of two years beginning with exit day, where the person responsible for the notification (the originator and sponsor or, in the case of an ABCP programme, the sponsor) is established in an EEA State;
- (ii) in relation to any securitisation so notified, the reference to the STS notification is a reference to the notification of that securitisation as STS, and a reference to a numbered Article is a reference to the Article so numbered of this Regulation as it had or has effect in relation to an EEA State at any time on and after the date of the notification and before the end of the period referred to in paragraph (i).”.

(4) In paragraph (4), in points (e) and (f) for “authorities” substitute “authority”.

(5) In paragraph 5—

- (a) omit “Member States shall ensure that,”; and

- (b) for “under Articles 32 and 33” substitute “imposed as a result of the failure”.

Article 6 (risk retention)

8.—(1) Article 6 is amended as follows.

(2) In paragraph 2 for “pursuant to Articles 32 and 33” substitute “for the contravention”.

(3) In paragraph 4—

(a) for the first subparagraph substitute—

“Where—

- (a) a mixed financial holding company,
- (b) a UK parent institution,
- (c) a financial holding company established in the United Kingdom, or
- (d) a subsidiary of such a company or institution,

as an originator or sponsor, securitises exposures from one or more credit institutions, investment firms or other financial institutions which are included in the scope of supervision on a consolidated basis, the requirements set out in paragraph 1 may be satisfied on the basis of the consolidated situation of the mixed financial holding company, UK parent institution or financial holding company concerned.”;

(b) in the second subparagraph for the words from “and to the Union” to the end substitute “and, if the originator or sponsor is a subsidiary, to the mixed financial holding company, UK parent institution or financial holding company which is the parent undertaking of the subsidiary”; and

(c) after the second subparagraph insert—

“In this paragraph—

- (a) ‘credit institution’, ‘financial holding company’, ‘financial institution’, ‘investment firm’, ‘subsidiary’ and ‘UK parent institution’ have the meaning given in Article 4(1) of Regulation (EU) No 575/2013; and
- (b) ‘mixed financial holding company’ has the meaning given in regulation 1(2) of the Financial Conglomerates and Other Financial Groups Regulations 2004(1).”.

(4) In paragraph 5, in point (b) omit “of Member States”.

(5) In paragraph 7—

(a) in the first subparagraph for the words from “EBA,” to “draft regulatory” substitute “The FCA and the PRA, acting jointly, may make”; and

(b) omit the second and third subparagraphs.

Article 7 (transparency requirements for originators, sponsors and SSPEs)

9.—(1) Article 7 is amended as follows.

(2) In paragraph 1—

(a) in the first subparagraph—

- (i) in the opening words for “authorities” substitute “authority”;

(1) *S.I. 2004/1862*, as amended by *S.I. 2019/264 the Financial Conglomerates and other Financial Groups (Amendment) (EU Exit) Regulations 2019*.

- (ii) in point (c) for “where a prospectus has not been drawn up in compliance with [Directive 2003/71/EC](#) of the European Parliament and of the Council” substitute “where section 85 of the 2000 Act (prohibition of dealing etc in transferable securities without approved prospectus) and rules made by the FCA for the purposes of Part 6 of the 2000 Act (official listing)(2) do not require a prospectus to be drawn up”;
 - (iii) in point (g)(iv) for “competent authorities have” substitute “the competent authority has”;
 - (b) in the fourth subparagraph for “competent authorities” substitute “the competent authority”;
 - (c) in the sixth subparagraph for “national and Union law” substitute “the law applicable in the United Kingdom”; and
 - (d) in the eighth subparagraph for “Competent authorities referred to in Article 29” substitute “The competent authority”.
- (3) In paragraph 2, in the third subparagraph for the words from “where no prospectus has to be drawn up in compliance with [Directive 2003/71/EC](#)” substitute “for which section 85 of the 2000 Act and rules made by the FCA for the purposes of Part 6 of the 2000 Act do not require a prospectus to be drawn up”.
- (4) In paragraph 3—
- (a) in the first subparagraph for the words from “ESMA,” to “draft regulatory” substitute “The FCA and the PRA, acting jointly, may make”; and
 - (b) omit the second and third subparagraphs.
- (5) In paragraph 4—
- (a) in the first subparagraph for the words from “ESMA,” to “draft implementing” substitute “the FCA and the PRA, acting jointly, may make”; and
 - (b) omit the second and third subparagraphs.

Article 8 (ban on resecuritisation)

10.—(1) Article 8 is amended as follows.

- (2) In paragraph 2—
- (a) in the first subparagraph omit “designated pursuant to Article 29(2), (3) or (4), as applicable,”;
 - (b) in the second subparagraph—
 - (i) omit “referred to in the first subparagraph of this paragraph”;
 - (ii) for “resolution authority”, in both places where it appears, substitute “Bank of England”; and
 - (c) omit the third subparagraph.
- (3) In paragraph 5—
- (a) in the first subparagraph for the words from “ESMA,” to “draft regulatory” substitute “the FCA and the PRA, acting jointly, may make”; and
 - (b) omit the second subparagraph.

(2) These are “prospectus rules”; see section 73A of the Financial Services and Markets Act 2000 (Part 6 Rules), inserted by [S.I. 2005/381](#)).

Article 9 (criteria for credit-granting)

11. In Article 9—

- (a) in paragraph 2 for “after the entry into force of [Directive 2014/17/EU](#)” substitute “on or after 20th March 2014”; and
- (b) in paragraph 4(a) for “the entry into force of [Directive 2014/17/EU](#)” substitute “20th March 2014”.