
STATUTORY INSTRUMENTS

2019 No. 660

The Securitisation (Amendment) (EU Exit) Regulations 2019

PART 3

Amendment of the CRA Regulation

Article 3 (definitions)

35. In Article 3 of the CRA Regulation, in paragraph 1 for the definition of ‘structured finance instrument’⁽¹⁾ substitute—

“‘securitisation instrument’ means a financial instrument or other assets resulting from a securitisation transaction or scheme whereby the credit risk associated with an exposure or pool of exposures is tranching, having the following characteristics:

- (i) payments in the transaction or scheme are dependent upon the performance of the exposure or pool of exposures;
- (ii) the subordination of tranches determines the distribution of losses during the ongoing life of the transaction or scheme; and
- (iii) the transaction or scheme does not create exposures which possess all of the characteristics listed in Article 147(8) of Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012;”.

⁽¹⁾ This definition was substituted, with the rest of Article 3(1), by [S.I. 2019/266](#) the Credit Rating Agencies (Amendment, etc.) (EU Exit) Regulations 2019.