



FEDERATION
BANCAIRE
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*Banking supervision
And Accounting issues Unit
The Director*

Paris, August 22th 2013

**French Banking Federation Response to the EBA Consultation Paper on draft
Technical Standards on securitisation retention rules (EBA/CP/2013/14).**

Dear Madam,

The French Banking Federation (FBF) represents the interests of the banking industry in France. Its membership is composed of all credit institutions authorized as banks and doing business in France, i.e. more than 390 commercial, cooperative and mutual banks. FBF member banks have more than 38,000 permanent branches in France. They employ 370,000 people in France and around the world, and service 48 million customers.

The French Banking Federation appreciates the opportunity to share its views on the Consultation Paper issued by the European Banking Authority on securitization retention rules. The FBF fully supports the objective to define a consistent framework of implementation of interest alignment criteria and penalties.

However, French Banks believe that the current CEBS guidelines remain very useful: EBA should maintain this publication and continue to update the Q&A, in addition to publishing these RTS and ITS that are currently subject to consultation. Regarding the ITS, it should bring further clarity upon consistent implementation of the penalty calculation across jurisdictions.

**Mrs Isabelle VAILLANT
European Banking Authority
Tower 42 (level 18)
25 Old Broad Street
London EC2N 1HQ
United Kingdom**

Our main concerns are linked to the following matters:

- the current proposals do not consider any grandfathering clause in the context of the retention requirements ;
- the new definition of sponsor induces restrictions regarding the identification of the retainer, specifically regarding CLO asset managers ;
- it is not clear whether the retention requirement could be met by the parent entity of a CLO asset manager that is not in the prudential consolidated scope, as previously contemplated in the existing guidelines.

You will find in the annex attached a more detailed version of these comments and specific responses to the questions of the consultative document.

We thank you for your consideration and remain at your disposal for any questions or additional information you might have.

Yours sincerely,

Jean-Paul Caudal

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