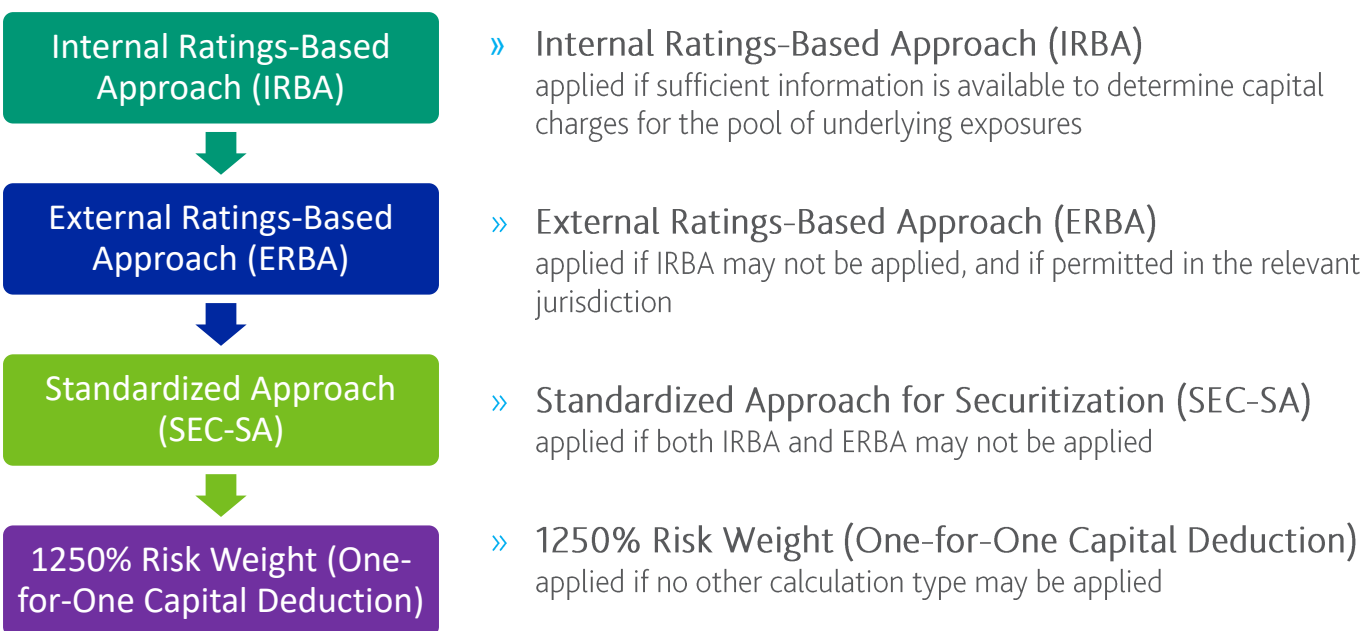


Moody's Analytics Structured Finance Portal provides solutions for Basel III

- » User-adjustable assumptions provide flexibility to implement in-house calibrations, respond to future regulatory changes and perform what-if analysis
- » Data is collected and compiled monthly for every security
- » Historical risk weights available on the Structured Finance Portal for every security
- » All results, metrics and data points can be exported to Excel

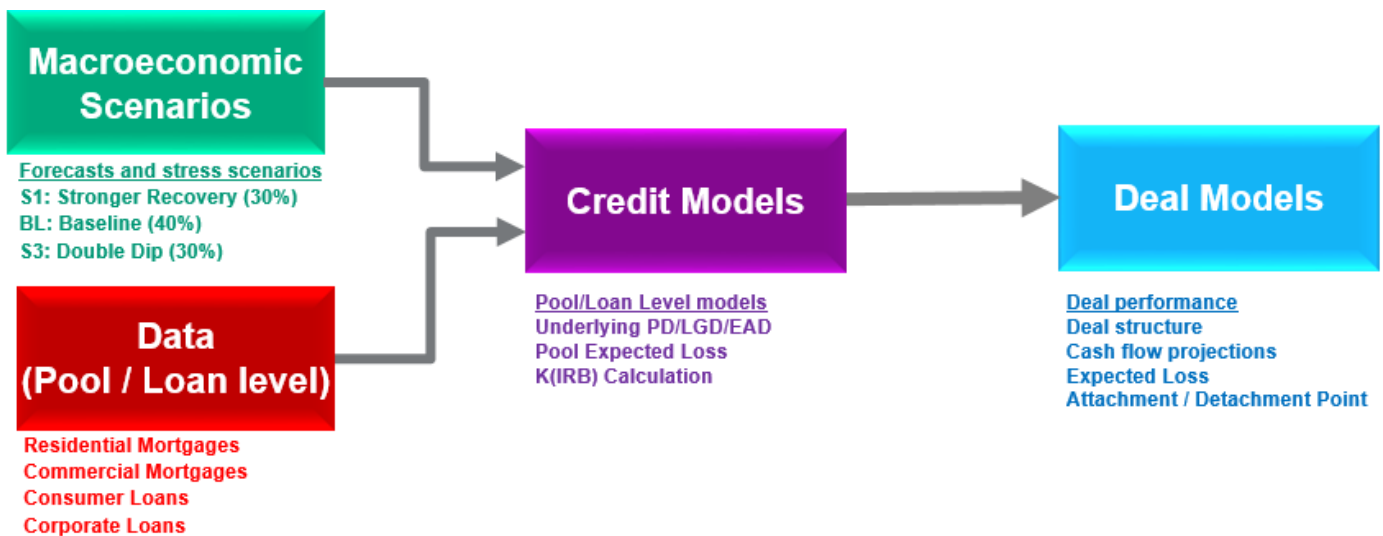
By Asset Class									
Category	Current Exposure (EUR)	Current Exposure %	W.A. Cap Charge	W.A. Risk Weight	W.A. Kg	W.A. W	W.A. Ka	W.A. Attachment Point (AP)	W.A. Detachment Point (DP)
CDO - High Yield CLO-Arbitrage Cash Flow	237,100,000.00	36.65%	1.60%	20.00%	8.00%	0.00%	8.00%	40.92%	100.00%
MBS - Non-Conforming	170,169,715.58	26.31%	5.47%	68.37%	8.00%	17.02%	15.15%	37.72%	60.42%
MBS - Prime	84,602,014.28	13.08%	16.63%	207.84%	8.00%	0.64%	8.27%	26.64%	59.03%
MBS - Buy to Let	78,716,685.63	12.17%	34.57%	432.12%	8.00%	0.22%	8.09%	9.04%	17.46%
ABS - Consumer Loans	53,369,328.12	8.25%	49.94%	624.31%	8.01%	0.29%	8.13%	0.00%	24.69%

Risk Weight Calculation Hierarchy



Internal Rating Based Approach (IRBA)

- » In the IRBA, the capital requirement depends on the credit enhancement level and tranche thickness, along with the calculation of KIRB. In addition, the capital charge would be based on certain inputs that determine the “p” parameter



- » Moody's Analytics combines its underlying pool and loan level data with credit models to determine Probability of Default (PD) and Loss Given Default (LGD) assumptions for the underlying pool. The pool Expected Loss (EL) will be used to compute the KIRB, which is the weighted capital charge of the underlying pool
- » Using Moody's Analytics library of cashflow models, capital requirements can be estimated for each exposure on the basis of internally produced risk parameters such as tranche maturity, credit enhancement and thickness. Cashflow models are updated on a periodic basis and parameters are re-calculated with updated data
- » Customized methodology can be implemented through Application Programming Interface (API)

Tranche/Collateral Summary									
Tranche	Curr Balance	Current Loss	Tranche Loss	Tranche Loss %	Accrued Interest	Collateral Losses	Collateral Loss %	Average Life	Collateral Average Life
C	23,720,000	0	0	0.00	75,928	5,771,155	1.02	6.72	3.02
C	34,723,000	0	0	0.00	90,073	1,106,579	0.11	8.14	4.07
B1	20,600,000	0	20,600,000	100.00	0	23,022,519	17.79	0.00	5.26
C	5,869,328	6,538,454	0	0.00	1,461	58,308	0.35	0.41	0.29
C	7,972,828	0	0	0.00	160	7,743,856	1.83	19.36	6.44

External Ratings-Based Approach (ERBA)

- » ERBA assigns risk weights to rated securitization exposures based in part on qualifying Credit Rating Agency (CRA) ratings
- » ERBA risk weights are determined using a formula based on qualifying CRA ratings, tranche seniority, interpolation for tranche maturities between 1-5 years, and adjustment for thickness of non-senior tranches
- » Users can adjust risk weight boundaries at each rating level and perform notch-based what-if scenarios, measuring the risk weight impact of potential rating upgrades/downgrades at security level

External Rating Based Approach Results													
Current Exposure	Current Exposure %	Owned %	Original S&P/Moody's Rating	Current S&P/Moody's Rating	Rating Notch		Final Rating	Stated Maturity	Maturity(Mt)	Senior/NonSenior	Thickness	Risk Weight %	Regulatory Capital %
29,793,780	4.41%	100.00%	U/R / Aaa	U/R / Aa1	Aa1	0	Aa1	2045-06-22	5.00	Senior	0.51	30.00%	2.40%
5,869,328	0.87%	100.00%	BBB- / Baa3	CC / WR	CC	0	C	2021-01-28	2.13	Non Senior	0.35	806.38%	64.51%
47,500,000	7.03%	100.00%	U/R / Baa2	U/R / C	C	0	C	2064-11-17	5.00	Non Senior	0.23	958.09%	76.65%
33,300,000	4.93%	100.00%	A / Aa3	A / Aa2	A	0	A	2045-	5.00	Non Senior	0.10	162.66%	13.01%

Standardized Approach for Securitization (SEC-SA)

- » SEC-SA is similar to the US Simplified Supervisory Formula Approach (SSFA), approximating the risk weight of a securitization exposure using a formula based on:
 - o Ka – weighted average capital charge determined under SEC-SA for the underlying exposures
 - o W – ratio of delinquent underlying exposures to closing balance
 - o Kg – Ka adjusted by W
 - o p – supervisory calibration parameter for re-securitization

Risk Weight Calculator												
SECSA Summary			Kg Components			W Components			AP/DP Components			
Asset	Current Exposure	Current Exposure %	Owned %	Capital Charge	Risk Weight	Kg	W	Ka	Attachment Point (AP)	Detachment Point (DP)	Resec %	
ABS - Consumer Loans	5,869,328	0.87%	100.00%	33.80%	422.51%	8.00%	0.00%	8.00%	0.00%	35.49%	0.00%	
MBS - Prime	1,734,770	0.26%	100.00%	1.60%	20.00%	8.00%	0.08%	8.03%	24.67%	26.40%	0.00%	
MBS - Prime	7,972,828	1.18%	100.00%	100.00%	1,250.00%	8.00%	1.28%	8.54%	4.98%	6.84%	0.00%	
MBS - Prime	18,700,000	2.77%	100.00%	1.60%	20.00%	8.00%	0.15%	8.06%	19.40%	77.48%	0.00%	
MBS - Prime	29,793,780	4.41%	100.00%	1.60%	20.00%	8.00%	0.17%	8.07%	48.63%	100.00%	0.00%	

- » Users can review data components for each metric used in the final result calculation
- » Users can adjust the risk weight impact of multiple factors, including performance metrics and Kg categories across sub-asset classes

Find out more information about Moody's Analytics award winning structured finance products and solutions.



Evaluated Pricing Solutions: Calculate end-of-day prices for structured finance securities based on various pricing recipes across global structured asset classes



Investor and Issuer Solutions: Our end-to-end solution includes 500+ enhanced metrics, a sophisticated cash flow engine, global coverage, and advanced comparative analytics



Portfolio Analytics & ALM Solutions: Access structured cash flows models and data via APIs to calculate and report assets and liabilities under various economic scenarios



Risk & Regulatory Solutions: Leverage our proprietary interest rate, economic, credit and cash flow models to calculate advanced market risk measures and to assist with your regulatory needs, such as for CCAR, DFAST, IFRS9, and CECL



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