

Filed Electronically

March 1, 2010

European Central Bank
Secretariat Division
Kaiserstrasse 29
D-60311 Frankfurt am Main
Germany Fax: +49 69 1344 6170
E-mail: ecb.secretariat@ecb.europa.eu



Insight beyond the rating.

DBRS Tower
181 University Avenue
Suite 700
Toronto, ON M5H 3M7
TEL +1 416 593 5577
FAX +1 416 593 8432
www.dbrs.com

Dear European Central Bank (“ECB”):

Re: DBRS response to the ECB public consultation on the proposal for ABS loan by loan information from originators/servicers (“ECB ABS loan information proposal”)

DBRS appreciates the opportunity to provide its comments on the ECB ABS loan information proposal. DBRS is a global credit rating agency with broad regulatory recognition and market acceptance including in Canada, the United States and in Europe.¹ As an existing eligible External Credit Assessment Institution (“ECAI”), DBRS will be registering under the new European Union Regulation on Credit Rating Agencies (“EU CRA Regulation”) by September 2010.²

DBRS provides its comments on the six questions posed by the ECB as follows:

1. What would be in your view the foreseeable benefits and costs of having loan-level data available on an ongoing basis to market participants? Do you see alternative ways of achieving a major improvement in ABS transparency?

DBRS sees the benefits of loan level information as including the ability to analyze a pool on a more granular level to better understand the factors that cause borrowers to default and the attendant severity of potential loss over the life of each loan. Users would also be able to better understand the timing of defaults and losses associated with various pools. It is important that the data fields provided are pertinent to assessing credit risk, that they can be provided across most originators/issuers and do not include extraneous non-relevant information.

The costs of associated with utilizing loan level data relate to the ability to hire human resources to effectively analyze the data in addition to the infrastructure costs associated with receiving, storing and processing the data. Depending on the size of the investor, certain investors may not have the capacity to fully benefit from loan level data.

¹ Please refer to Regulatory Affairs on www.dbrs.com for a list of DBRS registrations, recognitions and approvals including ECAI in Canada, the U.S., Europe and other jurisdictions.

² DBRS is a member of CESR’s Consultative Working Group that provides ongoing advice relating to the implementation and application of the EU CRA Regulation and the related rules and guidance.

An additional tool that would help investors evaluate potential pools and financial structures would be a database that houses (for each completed securitization) the following: comparative pool data characteristics, performance data, transaction structural features, triggers, and credit enhancement levels. Certain investors do maintain this level of information which provides an effective way for investors to ascertain the level of credit risk in a pool vis-à-vis the amount of available credit enhancement and whether the credit enhancement is sufficient for their risk tolerance.

2. Is the concept of different but standardised loan-level reporting templates for all European ABS transactions and for each asset class valid (with reference to the RMBS loan-level reporting template - Version 9)? For what ABS classes could there be problems?

DBRS believes that loan-level reporting templates for different assets classes are valid and will support market transparency through standardisation. With reporting templates adjusted for each specific asset class, DBRS does not expect to see any major problems although consideration should be given to consumer ABS and SME. For consumer ABS, different types of products are available in each jurisdiction and in terms of SME loans, these could differ substantially in certain jurisdictions. For example, commercial paper is a standard product for SMEs in Portugal as it is efficient from a tax perspective.

It is also extremely important to note that standardisation is also of crucial important in terms of performance reporting as here the standardisation issues are more evident than for pool level data.

3. In relation to the RMBS loan-level reporting template, what fields would not be applicable in certain national markets? Why? What additional fields would be required, if any?

DBRS generally agrees with the indicated mandatory fields for all jurisdictions, noting that other fields are country specific such as County Court Judgment information in the UK. DBRS also suggests that further information should be included in countries where some sort of government subsidy exists such as Portugal and Greece in terms of a percentage subsidy, type of subsidy, and current subsidy level. In the case of the Netherlands, details regarding Nationale Hypotheek Garantie mortgages should be required.

4. What impediments, if any, would originators face in submitting loan-by-loan information to fulfil the loan-level data requirements?

DBRS cannot envisage any impediments.

5. Which of the scenarios presented, or combination thereof, would provide the best solution to the market, taking into account considerations such as data consistency and quality, competition, governance, cost, ease of data transmission, etc.?

January 6, 2010

Page 3

In scenario 1, originators/servicers would have a clear single entry point for submitting the data. The single data portal could be selected from among existing market data platforms that are willing to take up the role of portal provider. The portal would need to ensure that the data are made available to other data providers and that the users of the portal services would be charged an appropriate price.

DBRS: On the positive side, centralization would improve standardisation and simplify access, logistics and other such details. On the negative side, the lack of competition carries risks in terms of governance and medium to long term assurance of quality.

In scenario 2, originators/servicers would have the option to choose from a set of registered portal providers. A list of registered data portal providers would be established using a set of broad criteria against which the potential portal providers would be evaluated and selected. In this scenario, the registered portal providers would compete to provide the best service at the lowest cost to their users. Scenario 2:

DBRS: Competition will assure high standards from the data providers as best value goals would be targeted. However, this approach may not serve the core objectives of standardisation and ease of use. Data dispersion will make it more complicated for the public to access. Also the public may incur higher cost due to registration with a number of providers.

6. Is an envisaged preparation time of 12 months after the announcement date sufficient to adapt to the loan-level data requirements? If not, why?

DBRS believes the 12 month period of time is sufficient.

DBRS would also be happy to provide the ECB with additional information regarding any of its responses provided herein. Please direct any questions about these comments to the undersigned.

Very truly yours,



Mary Keogh
Managing Director, Regulatory Affairs
416.597.3614

Cc: Claire Mezzanotte, Managing Director, Structured Finance