

Information and the details of a securitisation, which the originator, sponsor and SSPE must make available

Chapter 11

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11.2 Interpretation

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- 11.2.1 **R** (1) For the purposes of ■ SECN 11, the following definitions apply:
- (a) 'data cut-off date' means the reference date of the information being reported in accordance with ■ SECN 11;
 - (b) 'active underlying exposure' means an underlying exposure which, at the data cut-off date, may be expected to generate cash inflows or outflows in the future;
 - (c) 'inactive underlying exposure' means an underlying exposure that has defaulted with no further recoveries expected or that has been redeemed, prepaid, cancelled, repurchased or substituted;
 - (d) 'debt service coverage ratio' means the annual rental income generated by commercial real estate that is wholly or partially financed by debt, net of taxes and net of any operational expenses to maintain the property's value, relative to the annual combined interest and principal repayment on a borrower's total debt over a given period on the loan secured by the property;
 - (e) 'interest coverage ratio' means the gross annual rental income, before operational expenses and taxes, accruing from a buy-to-let property or the net annual rental income accruing from a commercial real estate property or set of properties relative to the annual interest cost of the loan secured by the property or set of properties;
 - (f) 'medium enterprise' means an *enterprise* which employs fewer than 250 people and has an annual turnover not exceeding £50 million and/or an annual balance sheet total not exceeding £43 million;
 - (g) 'micro enterprise' means an *enterprise* which employs fewer than 10 people and has a turnover or annual balance sheet that does not exceed £2 million; and
 - (h) 'small enterprise' means an *enterprise* which employs fewer than 50 persons and whose annual turnover and/or balance sheet total does not exceed £10 million.
- 11.2.2 **G** In the ■ SECN 11 Annexes, any references to Regulation (EU) 2017/2402 and related technical standards and to specific Articles therein shall be read as referencing the *PRA rules* or *SECN* replacing the relevant provision.