
STATUTORY INSTRUMENTS

2022 No. 838

The Financial Services Act 2021 (Prudential Regulation of Credit Institutions and Investment Firms) (Consequential Amendments and Miscellaneous Provisions) Regulations 2022

PART 5

Transitional provision

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

24.—(1) This regulation applies in relation to securitisations to which Article 43(6)(1) of the Securitisation Regulation applies where—

- (a) prior to the prudential regulation changes, the requirements set out in Article 405(1) of [Regulation \(EU\) No 575/2013](#) were met in the manner specified in Article 405(2) of that Regulation; and
- (b) further to the prudential regulation changes, Article 405(2) of that Regulation no longer applies.

(2) The originator, sponsor or original lender must either take a net economic interest in the securitisation so that the requirements set out in Article 405(1) of [Regulation \(EU\) No 575/2013](#) are satisfied or must increase any existing net economic interest in the securitisation so that those requirements are satisfied (and the provisions made by Articles 12 and 14 of the risk retention delegated regulation do not prevent any transfer of a net economic interest to the originator, sponsor or original lender for this purpose).

(3) The originator, sponsor or original lender which is to take or increase the net economic interest referred to in paragraph (2) must do so before 1st January 2023.

(4) Paragraphs (2) and (3) apply to multiple originators, multiple sponsors or multiple original lenders in accordance with Article 3 of the risk retention delegated regulation.

(5) In this regulation—

- (a) references to Article 405 of [Regulation \(EU\) No 575/2013](#) are references to that provision in the version applicable on 31st December 2018 as modified by points (a) and (b) of Article 43(6) of the Securitisation Regulation;
- (b) references to Articles 3, 12 and 14 of the risk retention delegated regulation are to those Articles in the version applicable on 31st December 2018.