SCI Risk Sharing Awards 2025

14 October 2025
London

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Risk Sharing Awards
2025

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Celebrating **excellence** in global SRT

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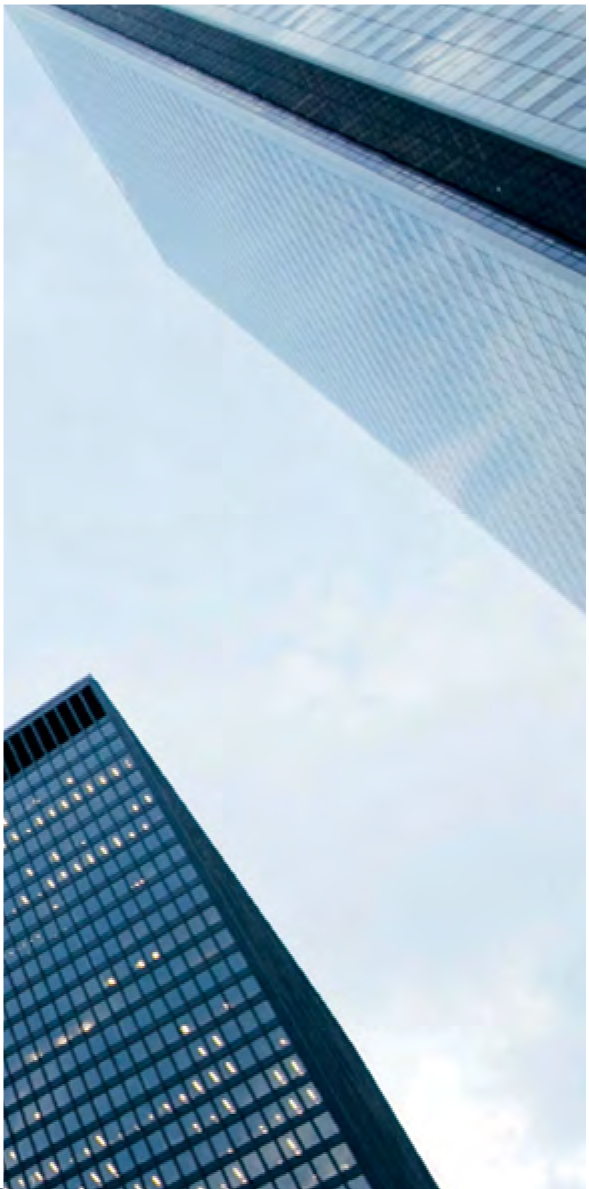

London, October 2025

2025 has (yet again) been defined by great expansion and solidification for the SRT market. Within such context of growth, the SRT market has perhaps shifted away from its core and defining motivations.

Notably, our research and coverage have shown a shift from how RWAs acted as a core compass in understanding how banks used SRTs to navigate regulatory and capital constraints towards capital efficiency with a clear focus on return-on-equity as the main motivator. More generally, the market has continuously witnessed broadening bank participation, but also a significant expansion beyond corporate loans into increasingly specialised exposures.

Of course, any reflection on a given year would be incomplete without addressing the regulatory backdrop and landscape. This year, the European Commission introduced new CRR provisions with the potential to be truly transformative.

By recalibrating risk-weight floors, these changes will reduce the risk weights on senior tranches of lower-RWA asset classes. This will enable significant capital relief on mortgage books – a relatively dormant asset class until now – and could fundamentally reshape the market's future.

We firmly believe that SCI's 2025 Risk Sharing Awards reflect these signs of a truly maturing market. This year's honourees demonstrate how the insurance market can be leveraged to cover complex, sizeable risks – including innovative structures around real estate leasing. We also recognised a groundbreaking transaction between a Multilateral Development Bank in the Americas and the private sector, which unlocked an additional US$500m in lending, and a novel solution for managing counterparty risk.

This edition's awards Roll of Honour on page 5 demonstrates the significant vitality of the market, as evidenced by the accomplishments of our worthy winners. Congratulations to the entire SRT industry for its many achievements over the past 12 months.

A sincere and enthusiastic thank you to everyone who submitted a nomination. We are also immensely grateful for the invaluable guidance of our awards advisory board, who truly excelled this year. We extend our warm and personal appreciation to Charis Edwards (Orchard Global), Andrea Itri (Munich Re), Wasif Kazi (UniCredit), Jean-François Leclerc (Polar Asset Management), Aidan McKeown (Magnetar Capital) and Alastair Pickett (Chenavari).

Final selections for the awards were made by the SCI editorial team, based on the pitches we received, colour from other market participants and our own independent reporting. The qualifying period for the awards was 1 July 2024 to 30 June 2025.

As always, SCI will continue to be your essential guide to developments within the SRT market.

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SCI Risk Sharing Awards 2025 Roll of Honour

EUROPEAN TRANSACTION OF THE YEAR

Winner: ARTS Leasing 2024 (Guy Carpenter, Marsh, UniCredit)

Honourable Mention: Santander Leasing Poland – EIB Group Deal

NORTH AMERICAN TRANSACTION OF THE YEAR

Winner: EJF CRT 2025-1 (EJF Capital, Third Coast Bank)

Honourable Mention: USCLN 2025-SUP1 (US Bank)

ESG DEAL OF THE YEAR

Winner: Scaling4Impact (AXA, AXIS, IDB Invest, Newmarket Capital, Santander)

Honourable Mention: Verano IV (Alecta, BBVA, PGGM)

INNOVATION OF THE YEAR

Winner: Derivative Credit Risk Transfer Solution (BNP Paribas, Howden)

Honourable Mention: Hermes I (Magnetar, Sabadell, UniCredit)

INVESTOR OF THE YEAR

Winner: Chorus Capital

(RE)INSURER OF THE YEAR

Winner: AXIS

EUROPEAN ISSUER OF THE YEAR

Winner: Intesa Sanpaolo

Honourable Mention: NatWest

NORTH AMERICAN ISSUER OF THE YEAR

Winner: Citi

Honourable Mention: BMO

EUROPEAN ARRANGER OF THE YEAR

Winner: Alantra

Honourable Mention: Revel Partners

NORTH AMERICAN ARRANGER OF THE YEAR

Winner: Scotiabank

Honourable Mention: ATLAS SP

EUROPEAN LAW FIRM OF THE YEAR

Winner: A&O Shearman

NORTH AMERICAN LAW FIRM OF THE YEAR

Winner: Mayer Brown

SERVICE PROVIDER OF THE YEAR

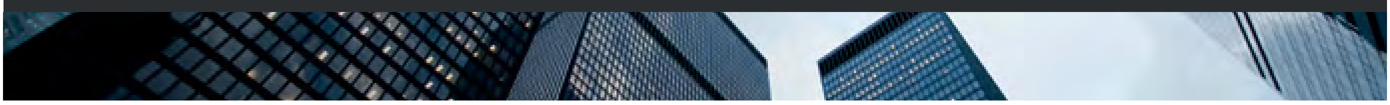
Winner: Cardo AI

SRT TEAM OF THE YEAR

Winner: Seer Capital

OUTSTANDING CONTRIBUTION TO SRT

Winners: Georges Duponcheele and William Perraudin



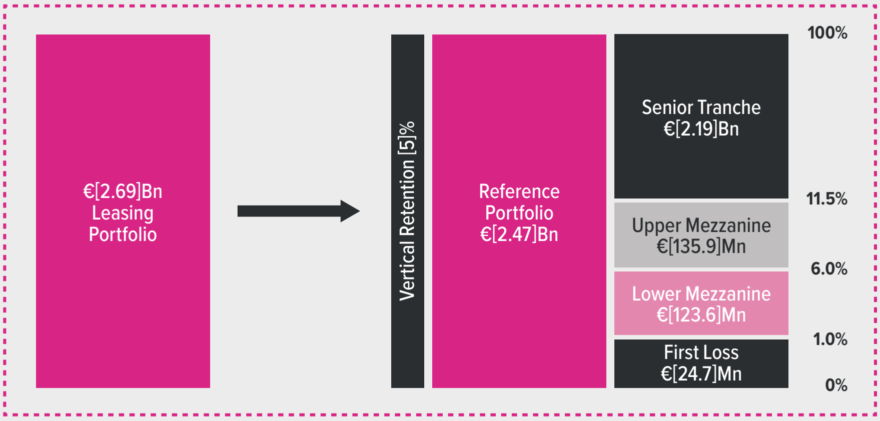
EUROPEAN TRANSACTION OF THE YEAR
WINNER: ARTS LEASING 2024 (Guy Carpenter, Marsh, UniCredit)

The €2.5bn ARTS Leasing 2024 deal represents the largest fully unfunded SRT ever placed with (re)insurers and the first to reference corporate/SME real estate leasing exposures. For demonstrating how the insurance market can be tapped by issuers to cover more complex risk in size, the trade is SCI's European Transaction of the Year in the 2025 Risk Sharing Awards.

UniCredit (UCI), together with Marsh and Guy Carpenter (collectively MMC), acted as co-arrangers on ARTS Leasing 2024 – the second SRT completed by UniCredit Leasing (UCL), but the first for its corporate/SME real estate leasing portfolios. Structured as an insurance policy and placed with a panel of insurers, the transaction references a static granular portfolio of real estate leasing exposures to Italian corporates and SMEs.

As the transaction was the first of its kind in the SRT market, the joint teams of MMC, UCI and UCL worked collaboratively to structure, model and inform (re)insurers on this new asset class to prepare the transaction for market, resulting in a successful placement of circa €260m insured tranches. The placement process gathered interest from 12 highly rated global insurance and reinsurance companies, and concluded with the final selection of four, including two insurers participating for the first time in an Italian SRT.

ARTS LEASING 2024 TRANSACTION STRUCTURE



Source: Guy Carpenter

The successful execution of ARTS Leasing 2024 adds a new asset class – real estate leasing – to the European securitisation market and marks a major milestone in the development of the unfunded SRT market. Real estate leasing is not only an important component of EU bank balance sheets, but also the EU real economy, emphasising the role of SRT to sustain the real economy.

Given the referenced asset class represented new territory for the SRT market and in particular for unfunded investors, the joint teams of UCI, UCL and MMC offered a thorough due-diligence process, tackling more than 230 questions from investors covering a wide range of structuring, legal, regulatory and asset class topics, in order to position UCL for a successful execution amid a volatile macroeconomic and geopolitical backdrop.

> "THE REFERENCED ASSET CLASS REPRESENTED NEW TERRITORY FOR THE SRT MARKET; IN PARTICULAR, FOR UNFUNDED INVESTORS

Given the rating profile of the four insurers (two rated in the double-A cohort and two rated in the single-A cohort by S&P), the result was an extremely highly efficient RWA release under SEC-SA. The level of interest for both the upper mezzanine tranche and lower mezzanine tranche enabled UCL to efficiently execute and optimise allocation in terms of RW relief, pricing and investor base diversification.

Amortisation is pro-rata, with a switch to sequential, subject to performance triggers. Traditional calls are incorporated, including a time call set to the WAL of approximately 4.2 years.

As such, the insurance markets have proved to be a growing and efficient source of capital for EU banks, and they continue to demonstrate their pricing capabilities, innovation and flexibility to work with first-time issuances and complex asset class. The approach of the industry is now on a par with the funded investor universe in that (re)insurers are able to cover the full transferred tranche, in meaningful size, and with low attachment points.

ARTS Leasing 2024 is noteworthy not only because of the deal features, size and nature of investors, but also because of the organisational capabilities of UniCredit Group to expand its best practice of the central team at UniCredit to the other legal entities of the Group and for the pivotal role of Marsh McLennan to develop and distribute such a large capacity to the insurance markets.

HONOURABLE MENTION: SANTANDER LEASING POLAND - EIB GROUP DEAL

The EIB, the EIF, Santander Bank Polska and Santander Leasing closed in February 2025 a synthetic securitisation targeting Polish SMEs that unlocked a new use of proceeds for SRT, through its focus on gender finance. The transaction mobilised up to PLN5bn in new funding, at least a third of which will benefit companies owned or led by women, those promoting inclusive employment or offering products designed to tackle the gender gap. Under the agreement, the EIB Group guaranteed a senior tranche of around PLN3.4bn and a mezzanine tranche of approximately PLN560m, with Santander retaining the junior tranche.

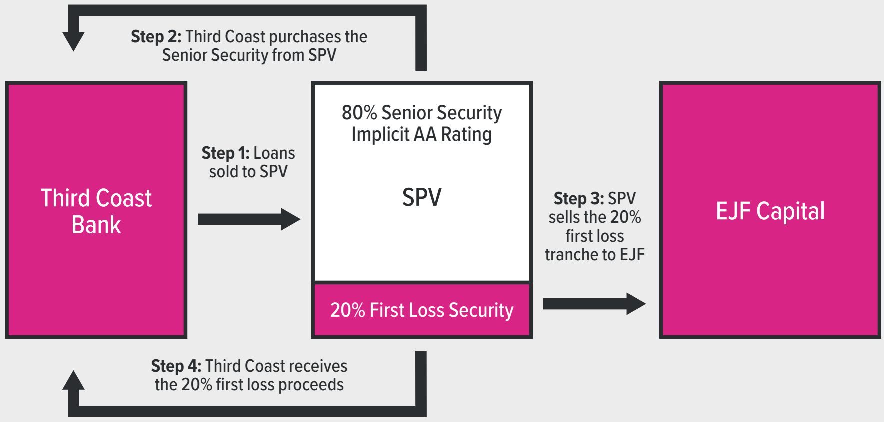
NORTH AMERICAN TRANSACTION OF THE YEAR
WINNER: EJF CRT 2025-1 (EJF Capital, Third Coast Bank)

EJF CRT 2025-1 established a precedent for smaller financial institutions aiming to adopt synthetic securitisations to manage and mitigate their exposures. For illustrating that complex risk management strategies can be tailored to support the growth and stability of smaller US banks and lenders, the transaction is SCI's pick for North American Transaction of the Year in the 2025 Risk Sharing Awards.

Closed in April 2025, the US$200m EJF CRT 2025-1 references a single revolving commercial real estate loan originated by Third Coast Bank and secured by the assets of 11 residential planned communities in Houston, Dallas and Austin. The transaction is the first-ever deal of its kind to achieve a reduction of CRE concentration, as well as the traditional objective of an SRT issuance – to reduce capital requirements.

The initiative for the transaction – which was a year in the making – emanated from the exploration of a partnership between Third Coast and EJF Capital, with the aim of creating SPVs in the form of bonds, either for investment retention or sale. The resultant SPV encompassed challenging specialty finance loans, significantly reshaping Third Coast's risk profile upon closing, allowing it to materially de-risk while generating substantial fee income. This marked a departure from the norm, as the bank had traditionally sought syndication and participation to mitigate risk across its books.

EJF CRT 2025-1 TRANSACTION STRUCTURE



Source: Third Coast Bank

Third Coast became the first bank of its asset size (US$5bn) to successfully complete an SRT deal, with the next largest bank achieving this milestone with US$40bn in assets. Additionally, it was the first (and second) bank to successfully close an SRT with real estate development loans as collateral, with a second transaction – the US$150m EJF CRT 2025-2 – following in June.

These initiatives have not only reduced RWAs, but also increased liquidity and optimised lending efficiency. By embracing SRT, Third Coast has navigated the complexities of capital management, demonstrating agility that is rare among banks of its scale. The bank has also set a template that has applicability across the entire US regional bank network and which is expected to be replicated by many of its peers in the years to come.

> "THIRD COAST BECAME THE FIRST BANK OF ITS ASSET SIZE (US$5BN) TO SUCCESSFULLY COMPLETE AN SRT DEAL

HONOURABLE MENTION: USCLN 2025-SUP1 (US Bank)

With USCLN 2025-SUP1, US Bank transformed a private corporate loan SRT transaction into a widely syndicated, rated ABS note deal. Portfolio selection and structuring allowed for highly efficient tranching by rating class and distribution to a broad range of market participants across the capital structure. Run as a syndicated book build deal, the transaction opens up investment grade corporate SRTs to the wider US capital markets and is set to serve as a benchmark for other similar deals.

ESG DEAL OF THE YEAR
WINNER: SCALING4IMPACT (AXA XL, AXIS, IDB Invest, Newmarket Capital, Santander)

Scaling4Impact stands out for its multiple 'firsts' and its broad-reaching impact. For making a real-world difference across Latin American and emerging market countries, the transaction is SCI's pick for ESG Deal of the Year in the 2025 Risk Sharing Awards.

In September 2024, Newmarket Capital completed the US$1bn Scaling4Impact (S4I), its second significant risk transfer (SRT) with a multilateral bank (MDB). Executed with IDB Invest, the private sector arm of the Inter-American Development Bank (IDB), the transaction represents the first-ever SRT between a private investor and an Americas-based MDB – an important milestone in the evolution of securitisation and development finance.

Newmarket served as the bilateral investor assuming junior mezzanine tranche risk on a diversified portfolio, enabling IDB Invest to expand its lending capacity and direct an additional US$500m towards socially and environmentally impactful projects. AXA XL and AXIS insured the senior mezzanine tranche. Santander acted as advisor on the deal.

The reference portfolio spans 20 countries and 10 sectors across Latin America and the Caribbean (LAC), encompassing essential project finance assets and strategically important financial intermediaries in the LAC economy. The portfolio aligns with IDB Invest's mandate to promote inclusive and sustainable growth in the region.

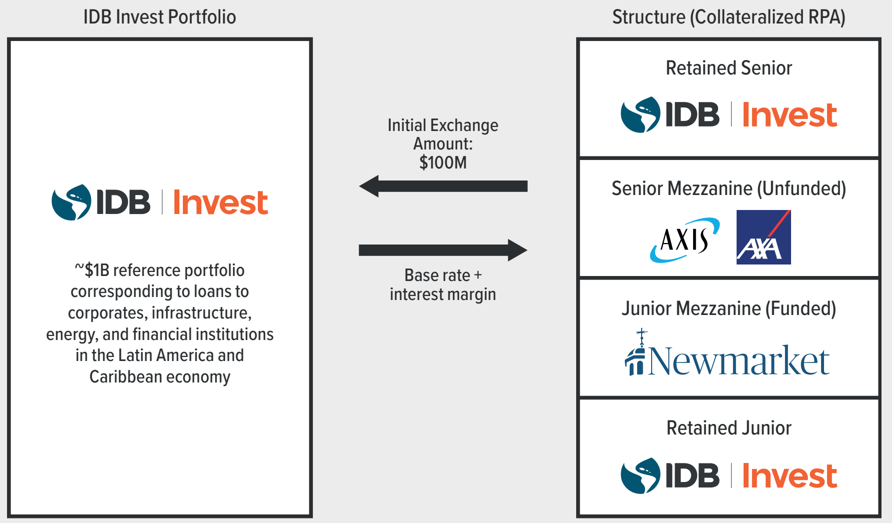
Newmarket pioneered the market's first securitisation with an MDB in 2018 with the Room2Run transaction with the African Development Bank. S4I innovates beyond the groundbreaking Room2Run transaction through a more efficient structure, the incorporation of private sector insurers, engagement with rating agencies and the pioneering of the first post-COVID-19 risk transfer with an MDB.

Multilateral development banks have a crucial role in financing infrastructure and development in emerging markets where the demand significantly exceeds the capacity of private lenders. With unique mandates and regional expertise, MDBs are able to channel funding to projects that deliver broad public benefits.

In recent years, much of their expanded capacity has been underwritten by member countries. Recognising the limits of this approach, the G20 has called on MDBs to optimise their balance sheets to maximise the impact of every public dollar. S4I responds directly to this call by creating a scalable mechanism that advances IDB Invest's mission while offering a replicable model for future MDB transactions.

Scaling4Impact illustrates how SRT can mobilise private capital to expand development lending in historically underfunded regions. Newmarket is proud to contribute to this transformative initiative, which will play a key role in strengthening economic and infrastructure development in LAC and establish a model for similar opportunities worldwide.

S4I TRANSACTION STRUCTURE



Tranche	Attach - Detach	Placed/Retained
Senior	13-100%	IDB Retained
Senior Mezzanine (Unfunded)	10-13%	Placed
Junior Mezzanine (Funded)	2.8-10%	Placed
Junior	0-2.8%	IDB Retained

Source: IDB Invest

> "MULTILATERAL DEVELOPMENT BANKS HAVE A CRUCIAL ROLE … IN EMERGING MARKETS

HONOURABLE MENTION: **VERANO IV** (Alecta, BBVA, PGGM)

BBVA and PGGM closed Verano IV in November 2024, initially with a portfolio notional of €2bn, before upsizing it – after involving Alecta as a second investor – to €6bn in April 2025. The global large corporate loan transaction is widely perceived as a blueprint for ESG SRT through its coupon step-down mechanism on green criteria. More than 30% of the enlarged portfolio is linked to ESG performance indicators, with the pricing mechanism adjusting the cost of capital based on the underlying borrowers' progress towards key sustainability goals.

INNOVATION OF THE YEAR
WINNER: DERIVATIVE CREDIT RISK TRANSFER SOLUTION (BNP Paribas, Howden)

BNP Paribas and Howden's Derivative Credit Risk Transfer Solution represents a pioneering step in untranched synthetic risk transfer for derivative exposures, expanding the scope of synthetics to a previously untapped asset class. For blending single-name credit insurance with synthetic securitisation technology and expanding the ways in which the insurance market can assist in bank capital optimisation, the transaction is SCI's Innovation of the Year in the 2025 Risk Sharing Awards.

The Derivative Credit Risk Transfer Solution was developed to push the boundaries of insurer participation in credit risk transfer, combining elements of insurance and securitisation to create a more efficient and scalable approach to managing credit risk. This transaction was a syndicated trade with six insurers, marking the largest club to date.

The insurance market has historically struggled with fluctuating derivative utilisations, creating inefficiencies in risk allocation and premium pricing. Building on years of innovation, internal legal work and numerous exchanges with insurers, BNP Paribas – Global Markets (BNPP – GM) created a new product and offered it to key insurance partners. This transaction introduces a superset structure, which establishes a pre-agreed eligibility framework for counterparties.

Key structural elements of the deal include: pari passu coverage; policy limits; exposure-based premiums; an aligned policy period; automatic inclusion; dynamic insurance; and replenishment.

By allocating insurance capacity only to actual exposures absorbing capital, the bank optimises the utilisation of its insurance limits, while insurers secure a more predictable and adequate return. The untranched nature of the structure ensures that the transaction is not classified as a securitisation, avoiding additional regulatory complexity while maximising operational efficiency.

Confidentiality remains a critical concern, particularly for counterparties such as equity sponsors or funds, who often require stringent privacy protections. Through the superset exposure framework, live exposures can be attributed to any name within the superset, ensuring robust confidentiality while still allowing insurers to conduct appropriate underwriting due diligence. This dual benefit strengthens market participation and maintains institutional integrity.

> "CONFIDENTIALITY REMAINS A CRITICAL CONCERN, PARTICULARLY FOR COUNTERPARTIES SUCH AS EQUITY SPONSORS OR FUNDS

With large exposure reporting requirements for GSIBs intensifying, this structure enables the bank to manage RWA exposures more efficiently while simultaneously optimising counterparty exposure by reallocating risk to insurers. A larger number of assets have been targeted that would have been more difficult to include in a traditional insurance contract. This approach not only improves RWA efficiency, but also aligns with broader market trends focusing on capital optimisation and enhanced regulatory compliance.

BNP Paribas and Howden's Derivative Credit Risk Transfer Solution delivers a step-change in operational efficiency for managing credit risk. By blending insurance and securitisation principles, it streamlines risk allocation, optimises capital usage and enhances insurer participation.

The superset structure, exposure-based premiums and dynamic insurance model ensure precise alignment with actual exposures, reducing inefficiencies and securing competitive pricing. As the largest syndicated trade of its kind, the transaction demonstrates a scalable and pragmatic approach to risk transfer.

HONOURABLE MENTION: HERMES I (Magnetar, Sabadell, UniCredit)

In December 2024, Banco de Sabadell executed Hermes I, a US$1.23bn SRT referencing a portfolio of US-originated project finance and corporate loans. The transaction represents a pioneering cross-border structure: US dollar assets originated, booked and managed by Sabadell's Miami branch; capital relief recognised at the Group level in Spain; and capital recycled at the branch level. The deal – executed in partnership with Magnetar as sole investor and arranged by UniCredit – sets a template for integrating transatlantic balance sheet optimisation and branch asset mobilisation into a European bank strategy.

INVESTOR OF THE YEAR
WINNER: CHORUS CAPITAL

The only major independent SRT-focused asset manager, Chorus Capital raised US$2.5bn of capital commitments during the awards period via the Chorus Capital Credit Fund V, the largest dedicated fund in the market. Having invested over US$1bn in 1H25, cementing the firm in the ranks of the largest investors in the risk-sharing market, it is SCI's pick for Investor of the Year in the 2025 Risk Sharing Awards.

Chorus Capital Credit Fund V represents Chorus Capital's largest commingled investment vehicle to date. Fundraising was concluded in the context of a challenging fundraising environment internationally and the fund received strong support, both from existing limited partners and new investors, who represent circa 60% of capital commitments. This further diversified the firm's institutional investor base, including pension funds, insurance companies, sovereign wealth funds and family offices across North America, Europe, the Middle East and Asia.

Chorus Capital has over US$6bn in aggregate capital commitments since inception, providing the critical mass required to anchor SRT transactions. Furthermore, being a pure player in risk-sharing enhances the certainty of execution that banks seek.

> "CHORUS CAPITAL IS RECOGNISED FOR ITS PROACTIVE APPROACH TO ORIGINATION

Founded in 2011 by three former Goldman Sachs credit professionals, the firm is majority owned by its employees, co-founders and directors, strengthening the alignment of interest between the firm and its investors. With a headcount of 36 employees across 12 nationalities, it has built one of the largest teams fully dedicated to the risk-sharing strategy, bringing the necessary resources to originate, underwrite, structure, price and execute transactions. Almost 40% of staff across the firm and in the investment team are women.

The investment team's long-standing experience in the credit markets combines years spent originating and structuring risk-sharing transactions at leading investment banks, with leadership positions in the bank treasury and capital management teams. Kaiko Kakalia, cio at the firm, was previously md, fixed income structuring and advisory at RBS and head of structured solutions within ABN AMRO's asset and liability management group.

Chorus Capital is recognised for its proactive approach to origination, boasting four senior originators with an average of 22 years of financial markets experience, providing a thorough understanding of banks' needs and the constraints under which they operate. In turn, this allows the firm to establish and maintain strong, long-lasting relationships with a growing number of issuers across the globe.

It is focused on large corporate loan portfolios from the core businesses of European and North American banks, which account for circa 80% of investments since 2020. The investment process is based on deal sourcing, thorough due diligence, fundamental credit underwriting using a proprietary internal credit scoring system, conservative transaction structuring and quantitative risk management.

Chorus Capital is also known for its strong corporate engagement. The firm is currently launching a foundation and it has had a responsible investment policy in place since 2019.

(RE)INSURER OF THE YEAR

(RE)INSURER OF THE YEAR
WINNER: AXIS

AXIS participated in a wide range of transactions during the awards period, demonstrating broad asset class expertise. For this and its flexibility in providing both senior mezzanine unfunded coverage and low attachment points on granular portfolios, it is (Re)insurer of the Year in SCI's 2025 Risk Sharing Awards.

AXIS offers a unique value proposition by leveraging over two decades of single-credit underwriting expertise across developed and emerging markets, and particularly in infrastructure finance. AXIS' integrated capabilities across portfolio modelling, due diligence and pricing enables it to structure and support innovative transactions, especially for complex asset classes.

Over the past 12-18 months, AXIS has expanded its portfolio from five to 13 SRT transactions and increased its transaction capacity from US$25m to US$60m, with the potential to go up to US$100m in line with evolving market demands. AXIS offers long-tenor capabilities of up to 20-plus years, addressing duration challenges in asset classes such as SME lending, leasing and project finance. Other than SRT, AXIS is actively involved in providing alternative structured portfolio solutions to bank and non-bank financial institutions.

Portfolio sizes range from 80 to over 40,000 borrowers, demonstrating flexibility across different SRT structures. AXIS has insured both junior and senior mezzanine tranches within the same portfolio, with attachment points as low as 0.5%, thereby helping issuers close gaps at the junior mezzanine level. AXIS currently supports six funded transactions.

Its geographic exposure spans UK/Europe, North America, Latin America and Asia Pacific, including several multi-country transactions. This is complemented by diverse asset class coverage, including project finance, income-producing real estate, corporate loans, SME lending, real estate leasing, corporate leasing, auto dealer floorplan, salary and pension loans and leveraged loans.

With a presence in London, Bermuda, Zurich and Singapore, AXIS integrates single-credit ▶

expertise with portfolio underwriting capabilities through its global credit team, which operates portfolio management and origination as a unified function worldwide. This is supported by a dedicated pricing team with significant experience in pricing credit portfolios.

AXIS is able to issue insurance cover through its operating entities in Bermuda, Dublin and London, tailored to meet issuer requirements and subject to regulatory permissions. It maintains strong relationships with major issuers and their arranging teams, and has been invited to participate in third-party transactions. Additionally, it has collaborated with insurance brokers and funded vehicle platforms to access both unfunded and funded SRT structures, enabling it to support UK and EU STS transactions.

The AXIS team has also successfully partnered with investment funds to restructure their positions – including re-tranching equity into equity/mezzanine tranches. While thicker tranches may pose challenges to fund returns, the firm's involvement allows access to STS transactions, which insurers currently struggle to engage with directly. This capability helps funds close large transactions with issuers more effectively.

One notable transaction that benefited from AXIS' involvement during the awards period is IDB Invest's US$1bn Scaling4Impact, the second-ever SRT issued by a multilateral development bank and the first-ever emerging markets SRT with an insurer insuring the mezzanine tranche (AXIS attached at 10% and detached at 13%). The deal featured a non-granular portfolio (with exposure to 20 countries and 10 sectors) and a blend of funded and unfunded investors/insurers.

EUROPEAN ISSUER OF THE YEAR
WINNER: INTESA SANPAOLO

Intesa Sanpaolo achieved a high SRT transaction volume, both by deal count (seven) and notional value (€12bn), across diverse asset classes and formats during the awards period. For the bank's impressive expansion into leveraged/acquisition finance and commercial real estate SRTs – in conjunction with enhanced distribution outreach efforts – Intesa Sanpaolo is European Issuer of the Year in SCI's 2025 Risk Sharing Awards.

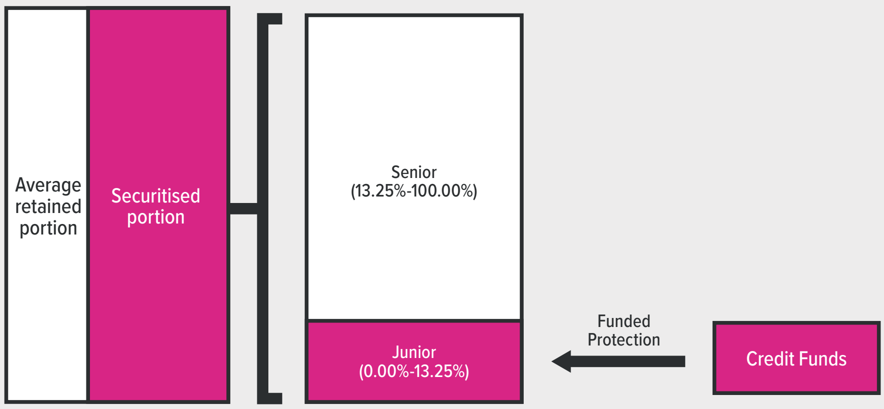
Intesa Sanpaolo has been active in the SRT market since 2014, developing expertise and earning recognition in the sector through innovation in asset classes, transaction structures and execution strategies. The 12 months from 1 July 2024 were no exception.

The main objective of Intesa Sanpaolo's SRT programme is to optimise capital through both de-risking its current stock portfolio and supporting capital-efficient loan origination.

On the de-risking side, Intesa Sanpaolo further expanded its SRT programme over the qualifying period with the closing of the GARC High Potential-3 transaction. The €1.2bn deal represents the first Italian synthetic securitisation on a portfolio of pure leveraged and acquisition finance loans (accounting for 35% of the pool) and corporate loans labelled as leveraged transactions, in line with the ECB's Final Guidance (65%). Loans granted to top economic groups are fully disclosed.

Other deals executed on the de-risking side during the period include:

GARC HIGH-POTENTIAL-3 DIAGRAM



Source: Intesa Sanpaolo

- €1.4bn GARC Commercial Real Estate-2, Intesa Sanpaolo's second trade referencing a pool of pure commercial real estate loans (40%) and corporate real estate mortgage loans (60%);
- €2.9bn GARC Corp-7, the bank's first STS synthetic securitisation on a static portfolio consisting of medium/long-term loans to corporate clients, including exposures originated by the Group's foreign branches;
- €1.5bn GARC ESG & Circular Economy-3, the Group's third synthetic securitisation on a corporate portfolio fully integrating Intesa Sanpaolo's proprietary ESG Scoring model and circular economy assessment process, in which credit risk was transferred to both credit funds and insurance companies;
- US$2.4bn GARC USD Corp-2, Intesa Sanpaolo's second synthetic securitisation on an international US dollar-denominated portfolio of loans extended to corporate clients, where credit risk of the junior tranche was transferred via the issuance of variable return notes by an Italian SPV.

On the capital-efficient loan origination side, Intesa Sanpaolo's activity during the qualifying period was notable for the execution of a pair of synthetic securitisations referencing forward-flow portfolios in connection with corporate, SME corporate and SME retail clients. The final originated amount of GARC New Origination-2 was €2bn within the 12-month ramp-up period, while the bank is targeting a portfolio amount up to €6bn within a maximum 12-month ramp-up period for GARC New Origination-3.

> "INTESA SANPAOLO HAS BEEN ACTIVE IN THE SRT MARKET SINCE 2014

Loan origination is also supported by incorporating replenishment/substitution features in deals referencing corporate and structured finance pools. Examples of this include the GARC CRE-2, GARC HP-3 and GARC ESG & CE-3 trades.

The Balance Sheet Optimisation Unit – part of Intesa Sanpaolo's CFO Area – acts as a catalyst for active credit portfolio management within the bank by optimising the risk-return profile of the book and its capital absorption, coherently with the bank's risk appetite and regulatory framework. Within its mandate, the Unit – also in cooperation with IMI C&IB Division as arranger and placement agent – is equipped to identify and establish the most appropriate structure for each market transaction (both on a single-name and on a portfolio basis) with the purpose of generating value.

At year-end 2024, Intesa Sanpaolo was the third most active SRT originator relative to balance sheet size among the main issuers in Europe. The bank's total outstanding on its SRT programme stood at circa €30bn of synthetic and cash transactions at 1Q25.

HONOURABLE MENTION: NATWEST

Over the past 18-24 months, NatWest has made significant progress in establishing SRT as an integral part of its risk and capital management toolkit, creating a large, diversified and programmatic issuance platform. Notably, the bank is recognised for its high-touch and constructive engagement with investors.

NORTH AMERICAN ISSUER OF THE YEAR

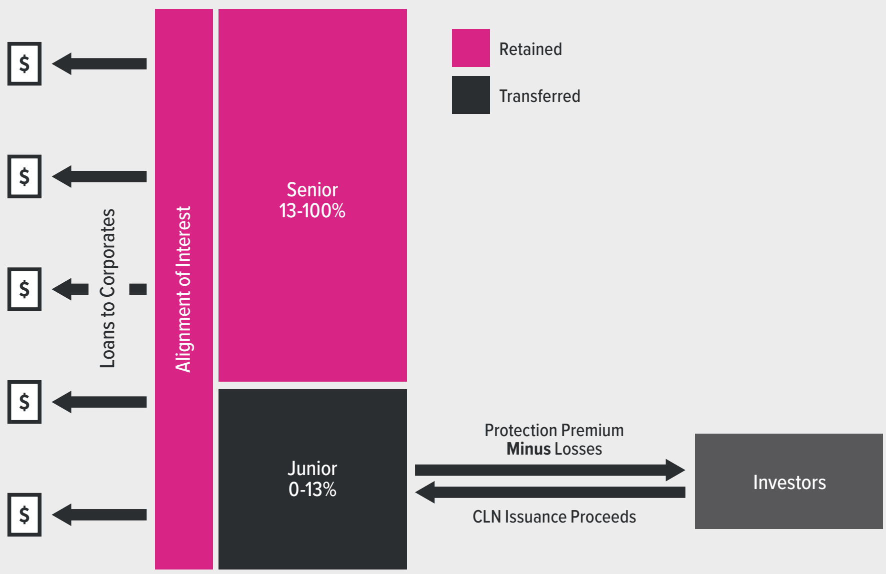
NORTH AMERICAN ISSUER OF THE YEAR
WINNER: CITI

Citi's Terra Significant Risk Transfer (SRT) programme stands out as one of the most active, robust and efficiently executed in the market. Due to the bank's consistent presence in the global risk sharing market and as one of the most well-known issuers in the North American market, Citi is North American Issuer of the Year in SCI's 2025 Risk Sharing Awards.

Terra was established in 2007, meaning it is one of, if not, the longest-standing SRT platforms in the market – making Citi a pioneer in North American SRT and a leader among its US peers. With Citi's most recent trade executed in June 2025, the US$8bn Terra XXI transaction became the largest executed to date under the programme.

The hedging transaction provides Citi with credit line reduction across the reference portfolio – which comprises over 500 underlying large corporate loans across over 400 relationships and referencing a global portfolio which tailors to Citi's global presence. Following the bank's static deals executed in 2023-2024 with Basel 3 Endgame proposals in mind, Terra XXI reintroduces a limited one-year replenishment period to enable better forecasting and management of the credit risk and capital benefits from the existing portfolio of SRT hedges. The directly-issued CLN structural variation also provides Citi with flexibility in execution formats, allowing for diversification across programme constraints and investor preferences.

TERRA XXI TRANSACTION STRUCTURE



Source: Citi

The Citi platform prides itself in being known for having strong underpinnings in a well-established, reliable process that ensures consistency, transparency and strong execution across multiple issuances. Citi Terra programme issuances are recognised as a true risk sharing partnership between the bank and investors, with a heavy focus on process and due diligence, creating a unique opportunity for all parties to the transactions.

"

THE CITI PLATFORM PRIDES ITSELF … FOR HAVING STRONG UNDERPINNINGS

HONOURABLE MENTION: BMO

BMO is recognised for its continuous engagement with the market, as well as the breadth and diversity of its SRT platform and the innovation across its various programmes. Notably, among the transactions the bank issued during the awards qualifying period, its Killarney II deal features an upsizing feature that is pre-agreed up to a limit and thereafter with mutual consent.

EUROPEAN ARRANGER OF THE YEAR
WINNER: ALANTRA

Alantra demonstrated outstanding breadth and depth across the European SRT market during the awards qualifying period, assisting a number of regional and domestic banks on landmark transactions and driving consistency between jurisdictions. For its independent, conflict-free advice, regulatory fluency and proven client impact, Alantra is recognised as SCI's European Arranger of the Year in the 2025 Risk Sharing Awards.

Alantra is an independent investment banking adviser, equally recognised by issuers and investors for creating strongly positive outcomes. The firm combines rigorous technical expertise with a collaborative approach, ensuring every transaction is tailored to the needs and objectives of its clients.

Alantra's pan-European team of dedicated securitisation specialists is located in London, Madrid, Athens, Dublin and Lisbon. It helps large institutions as well as smaller banks and first-time issuers interpret and present data and work through structural options. Its local knowledge enhances investor education, broadens market access and strengthens the overall development of the European SRT market.

Over the past three years, Alantra's Financial Institutions Group (FIG) has advised on more than 20 securitisation transactions – in cash and synthetic form – for leading banks in the UK, Germany, Portugal, Greece and France. Its experience spans a wide variety of structures, including direct CLNs and funded and unfunded synthetic deals across most asset classes. Alantra's consistent success in obtaining SRT approvals from various regulators underscores its regulatory expertise and ability to deliver certainty of execution.

> "OVER THE PAST THREE YEARS, ALANTRA'S FINANCIAL INSTITUTIONS GROUP (FIG) HAS ADVISED ON MORE THAN 20 SECURITISATION TRANSACTIONS

Among the standout transactions arranged by Alantra in 2024 was Helaba's second synthetic securitisation, which referenced a €2.3bn corporate pool. The competitive two-stage investor process introduced Helaba to a broad audience of SRT investors and resulted in a tailor-made transaction that delivered material RWA relief and attractive economics.

Another innovative deal was Piraeus Bank's €1.98bn corporate/SME SRT from 2024, the first direct issuance of CLNs by a systemic bank in Greece. This marked the seventh Piraeus SRT arranged by Alantra, with each one securing full SRT and STS recognition and reducing the bank's RWAs by more than €4bn in total, evidencing the strength of Alantra's long-term client partnerships.

Indeed, the firm is known for its competitive results, repeat mandates and programmatic issuance strategies that result in cost-effective capital relief for clients. The typical process includes 10-20 investors, ensuring tight spreads, diversified allocation and routinely beating comparable market prints.

Tangible client benefits delivered by Alantra include billions of euros of capital freed up for new lending, as well as improved CET1 ratios and shareholder returns, and the avoidance of dilutive equity raises.

HONOURABLE MENTION: REVEL PARTNERS

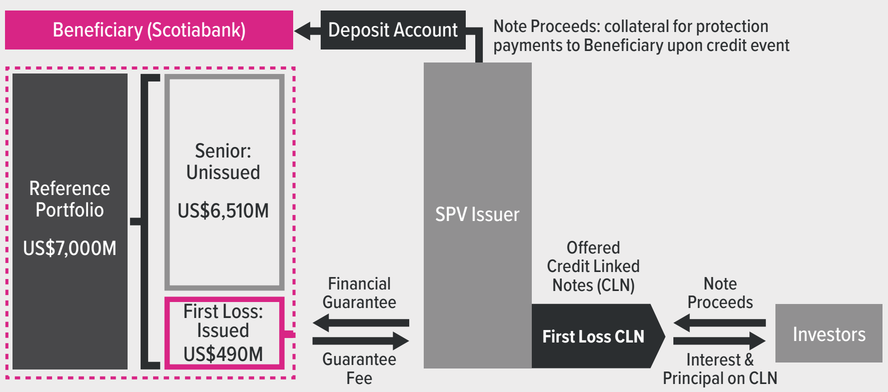
From a standing start in May 2024, Revel Partners has hit the ground running as an independent arranger focused on the Nordics, bringing a range of interesting transactions to the market and opening up SRT for smaller banks in the region. The firm has impressed with its structuring and regulatory expertise, as well as its access to and relationships with investors.

NORTH AMERICAN ARRANGER OF THE YEAR
WINNER: SCOTIABANK

Scotiabank demonstrated excellent arranging and structuring skills with the successful execution of the US$7bn Cabot 2025-1, one of the largest and tightest-priced North American synthetic risk transfer (SRT) trades of the year. For building robust in-house capabilities to support SRT transactions with a high degree of efficiency and transparency, as well as establishing strong global market connectivity, the bank is North American Arranger of the Year in SCI's 2025 Risk Sharing Awards.

"The Scotia Cabot transaction was a bright spot of organisation, relationship orientation and transparency that was rarely seen in a year of otherwise chaotic issuance. Negotiations were commercial and reasonable, while securing a positive outcome for both the bank and investors. Consistent communication and organisation allowed me as an investor to effectively run my internal approval process without surprises and achieve the anticipated outcomes," noted one asset manager in an investor testimonial.

CABOT 2025-1 TRANSACTION STRUCTURE



Source: Scotiabank

"WE COMMEND SCOTIABANK'S COMMITMENT TO TAKING A LONG-TERM VIEW BY ESTABLISHING 'ON-MARKET' DOCUMENTATION

Executed in January 2025, Cabot 2025-1 marks Scotiabank's return to the SRT market following its July 2023 debut with the Balboa transaction, arranged by BNP Paribas. Despite the similar reference portfolio (large corporate loans), Cabot marked a significant revamp for Scotiabank – with the bank's newly formed Structured Solutions Group (SSG) not only advising management on this strategic transaction, but also running the entire deal process in-house. SSG utilised favourable market conditions to structure a more balanced risk portfolio, negotiate more market standard documentation and execute at one of the tightest execution levels – if not the tightest – seen for this asset class, risk profile and terms.

Cabot was marketed to a wide range of large asset managers, SRT specialists, hedge funds, CLO investors/managers, pension plans and insurers across North America, the UK and the EU. Notably, SSG worked with innovative investors in the insurance space and overcame internal hurdles in a short timeline to ensure that this growing investor class is brought onto Scotiabank's SRT platform.

To ensure a successful engagement, SSG ran a clearly communicated deal process, with multiple stages allowing investors to properly assess and deliver well-informed bids for the transaction. The group not only provided initial guidance around pricing and terms, but it also provided clear guidance on final pricing and allocation level that remained unchanged at execution. This yielded highly positive feedback from investors, even from some who did not make it to the final stage, suggesting that there is likely to be strong support for future Scotiabank SRT issuances.

"We were particularly impressed by the high-quality execution team at [Scotiabank], whose clear communication and transparent processes made the entire experience seamless and efficient. Their professionalism and diligence instilled a sense of trust throughout the transaction," another asset manager confirmed in a second investor testimonial.

They continued: "Furthermore, we commend Scotiabank's commitment to taking a long-term view by establishing 'on-market' documentation, facilitating future repeated issuances. This strategic approach not only strengthens their position in the market, but also encourages ongoing investor engagement."

Placed with seven new and six repeat investors, Cabot was ultimately upsized from US$5bn and priced at SOFR plus 6.5% (0%-7%), closing within a tight three-month timeline and delivering excess capital relief beyond that sought by management. Additionally, to address regulatory concern around investors' use of bank leverage, Scotiabank introduced a process to improve monitoring of the use of repo financing on Cabot, with the aim of ensuring the risk does not re-enter the Canadian banking system.

Furthermore, having been optimised for both IRB and standardised RWA, the deal's reference portfolio and terms provide flexibility to manage benefits both above and below the RWA floor to maintain transaction efficiency through life and different RWA constraints.

Scotiabank's SRT platform currently references circa US$16bn in large corporate loan notional. The programme is a key enabler of the bank's originate-to-distribute strategy, whereby it can continue growing within its risk limits and enhance return levels.

HONOURABLE MENTION: ATLAS SP

The successful execution of Merchants Bank of Indiana's US$628.87m MBHC 2024-C2 healthcare CRT in September 2024 showcased the benefits of working with an experienced arranger, given that a broad range of possible flavours of risk transfer and structural options were considered for the third collaboration between ATLAS SP and Merchants.

EUROPEAN LAW FIRM OF THE YEAR
WINNER: A&O SHEARMAN

A&O Shearman's CRT platform is a unique offering: fully transatlantic capability, trusted counsel to both the sell-side and buy-side, and a key player in industry advocacy. As such, it is SCI's European Law Firm of the Year in the 2025 Risk Sharing Awards.

Few practices can match the reach, depth and momentum of A&O Shearman's Capital Relief Trades (CRT) group. Born of the 2024 merger, the team blends top-tier English-law capability with market-leading US expertise, giving clients seamless advice on both sides of the ocean, and well beyond. The team can call on nearly 200 structured finance and derivatives lawyers, including 20 CRT partners across 12 jurisdictions, and has established a reputation as capable of guiding banks, investors, insurers and supranationals through every nuance of credit-risk transfer, whatever the asset class or structure.

That scale translates into market-defining experience. Whether the underlying portfolio is auto loans, SMEs, project finance debt or next-generation green assets, A&O Shearman has delivered. The firm is unusual in its ability to represent both sell-side and buy-side clients worldwide, offering unrivalled insight into the requirements and constraints of all market participants.

> "THE FIRM IS UNUSUAL IN ITS ABILITY TO REPRESENT BOTH SELL-SIDE AND BUY-SIDE CLIENTS WORLDWIDE

The results speak for themselves. Recent 'market-firsts' include an Austrian bank's debut SRT, the first cross-border transaction to utilise an Italian SPV, the inaugural Spanish CLN issued through a fondo de titulización, the first direct CLN issued by a Greek bank and the first-ever transaction under Norway's new capital regime.

In 2025, the team has had particular success developing structures to enable insurer participation, both unfunded (including the first financial guarantee entered into by a Lloyds syndicate) and funded (including an insurance-wrapped repack of a fully funded CDS entered into by a US bank – an intricate deal demanding mastery of US capital rules, swaps regulation and back-leverage mechanics).

Innovation is not limited to structuring. By embedding AI platforms such as ContractMatrix and Harvey into day-to-day workflows, the group has sharpened document negotiation and standardised key provisions – all while preserving the bespoke advice for which the practice is known.

The firm's influence extends well beyond the closing table, and A&O Shearman has established itself as a key player in the broader CRT ecosystem. 2024-2025 saw engagement with new market participants, with practical guides and podcasts, regular contribution to industry press, a host of multiple industry conferences and, above all, engagement with regulators. A&O team members held the pen on multiple AFME and IACPM responses to regulator consultations, and senior associate Robert Simmons was part of the ECB's working group for fast-track SRT assessment.

After a banner 2024-2025, the CRT team is operating at full throttle. In a market where capital efficiency, risk transfer and regulatory clarity have never mattered more, A&O Shearman offers a singular blend of global reach, technical excellence and forward-looking advocacy – putting clients in pole position for whatever comes next.

NORTH AMERICAN LAW FIRM OF THE YEAR
WINNER: MAYER BROWN

Mayer Brown prides itself on providing US market participants with comprehensive, cutting-edge legal counsel for risk transfer transactions, combining deep technical expertise with practical, hands-on experience. For the breadth of its representations and its involvement in several market innovations over the qualifying period, the firm is SCI's North American Law Firm of the Year in the 2025 Risk Sharing Awards.

Using a 'one-stop shop' model, the firm's advice on risk transfer transactions incorporates market trends and a commercial perspective. This approach has placed it at the forefront of advising on the special and complex features of risk transfer transactions across asset classes and delivering world-class services to issuers and investors.

Risk transfer deals in the US require expertise in structured finance, financial services regulatory and tax – areas where Mayer Brown has clear expertise. The firm has represented clients in more than 30 US-related risk transfer transactions over the last two years, with an extremely robust pipeline through the end of the year.

Among the innovative transactions Mayer Brown has advised on during the qualifying period are a number of candidates for this year's SCI Risk Sharing Awards. One involved advising EJF Capital on EJF CRT 2025-1, the first risk transfer to receive regulatory authorisation as a tool for reducing a bank's (in this case, Third Coast Bank) concentration of commercial real estate (CRE)/acquisition, development and construction (ADC) lending, in addition to obtaining relief under the regulatory capital rules.

In another innovative transaction that is an awards candidate, Mayer Brown represented US Bank in connection with the unrated US$625m USCLN 2025-SUP1. The transaction is a Rule 144A 'capital markets-style' issuance of a credit-linked note referencing commercial and industrial loans that is believed to be the first of its kind in the US.

The firm also represented issuers on subsequent risk transfer transactions involving pools of automobile loans. The repetition of a transaction is good evidence that issuers saw significant benefits from the first iteration. These deals demonstrate Mayer Brown's role as a trusted adviser and are a testament to the value of building long-term relationships.

SERVICE PROVIDER OF THE YEAR
WINNER: CARDO AI

The degree of automation and scalability provided by the Cardo AI platform creates genuine efficiency in the portfolio optimisation process. For pioneering the application of AI technology to the structuring, monitoring and analytics reporting of SRT transactions, the firm is SCI's Service Provider of the Year in the 2025 Risk Sharing Awards.

The Cardo AI platform is recognised as driving greater efficiency, accuracy and insight throughout the transaction lifecycle – from data ingestion to portfolio optimisation – for banks, asset managers and credit institutions. In particular, its modular nature allows offerings to be adapted to the specific needs of each SRT transaction, across different asset classes and evolving regulatory requirements.

With a team of over 120 experts, the platform manages more than US$70bn in assets across all major ABF deal types. By digitising traditionally manual processes, Cardo AI enables clients to scale, improve capital efficiency and achieve capital relief through synthetic and cash SRT transactions.

In the evolving world of SRT and synthetic risk transfer, banks face numerous challenges in managing portfolio de-risking. Traditional methods of managing repetitive tasks – such as data collection, document management and eligibility checks – are time-consuming and prone to errors. Cardo AI addresses these inefficiencies by automating these tasks, freeing up valuable resources and significantly reducing operational costs.

Banks also struggle with optimising portfolio construction, determining the right tranche thickness and tailoring SRT strategies to align with specific risk-return objectives. Cardo AI offers precise tools to optimise these processes, ensuring that mezzanine tranche attachments match the institution's desired risk profile, thereby enhancing the risk-return dynamics of their portfolio.

Another pressing issue for banks is the ability to meet regulatory compliance while maintaining confidence in the accuracy of their risk assessments. Cardo AI provides powerful data analysis and risk modelling tools, enabling banks to conduct regulatory-mandated portfolio analysis quickly and with greater confidence. With the ability to generate real-time insights and perform comprehensive quantitative and qualitative assessments, banks can ensure they are fully aligned with the latest regulatory frameworks, maximising the benefits of synthetic risk transfer as a proactive risk management strategy.

Key achievements during the awards qualifying period include enhanced support of banks in optimising RWAs and achieving capital relief through efficient SRT processes. Further, in response to evolving EU regulations, Cardo AI has integrated automated compliance features into its platform, ensuring that SRT transactions adhere to regulatory mandates, reducing manual intervention and minimising non-compliance risks. Recognising the industry's shift towards data-driven insights, the platform has also developed advanced analytics tools, providing real-time visibility into portfolio performance and enabling institutions to make informed decisions and manage risks effectively.

Founded in 2018, Cardo AI quickly expanded across Europe with initial support from Fasanara Capital, before entering the US market in 2024. More recently, the firm has onboarded some of the most sophisticated private credit and ABF investors in the US, including Blackstone, Sixth Street and Encina Lender Capital.

> “THE PLATFORM MANAGES MORE THAN US$70BN IN ASSETS ACROSS ALL MAJOR ABF DEAL TYPES

SRT TEAM OF THE YEAR
WINNER: SEER CAPITAL

Seer Capital's regular and accessible research publications are widely viewed as the gold standard for intelligence on SRTs, showcasing a high level of market knowledge and often addressing misconceptions about the product or other advocacy issues. For facilitating transparency and debate across the SRT market, the firm is SCI's pick for Team of the Year in the 2025 Risk Sharing Awards.

Seer's SRT research is open to all, published on its website and distributed to a growing list of recipients totalling more than 1,800 at the time of writing. The team uses this forum to highlight the benefits of SRT for banks and for the broader economy, as well as the attractiveness of the product to investors, helping to influence the view of SRT among regulators and the mainstream financial press. It also disseminates market information, including pricing where it can be shared, thereby enhancing market efficiency.

The mainstay of the firm's research output is the twice-monthly 'Reg Cap Recap'. On the first Tuesday of every month, the publication includes: a graph comparing recent SRT new issue spreads with high yield and CLO double-B spreads; a list of recent SRT new issue deals with pricing; market commentary; and summaries of news stories and conferences/events relevant to SRT. On the third Tuesday of every month, the Reg Cap Recap includes: a discussion of fundamental credit trends in SRT and common reference assets; graphs of default rates on various types of corporate credit and on consumer auto loans; and summaries of news stories and conferences/events relevant to SRT.

In addition, Seer periodically publishes articles on specific timely topics in the SRT space. For example, the team has focused on rebutting criticism of SRT in the press and addressing concerns raised by regulators about use of leverage to finance SRT trades.

In the latter case, for instance, the firm estimated the amount of leverage against SRT ▶

outstanding to be in the order of €10bn – hardly sufficient to trigger systemic concerns. The research argued that leverage broadens the range of investors that can participate in SRT at lower coupons, thereby lowering issuance costs for banks and thus enabling them to lend to consumers and business more cost-effectively. It further pointed out that banks financing SRT transactions look to the credit quality of the borrower (fund), sufficiency of the cash haircut and mark-to-market triggers to mitigate their risk, making SRT financing arguably a lower-risk proposition than many other businesses routinely conducted by banks.

Seer's thought leadership also includes regular contributions to industry events.

The firm's research effort is led by Karen Weaver, head of market strategy and research. She was previously md and global head of securitisation research at Deutsche Bank in New York until February 2010.

> "SEER'S SRT RESEARCH IS OPEN TO ALL ... AND DISTRIBUTED TO A GROWING LIST OF RECIPIENTS TOTALLING MORE THAN 1,800

Seer's SRT traders contribute heavily to the production of research as well. The desk is headed by Terry Lanson, md, who is responsible for the firm's investments in SRT, whole business securitisation and other European investments. He joined Seer in 2008 after two years at Citi in London, where he structured and traded esoteric structured credit-related assets. Before that, Lanson spent nine years at Deutsche Bank in New York and London, where he was part of the team responsible for the bank's market-leading balance sheet securitisation/SRT programme.

Lanson is joined on the trading desk by md Bari Rosenbaum, who has been with the firm since 2014 and previously worked on Seer's CMBS B-piece trading desk.

Seer has completed 86 SRT investments for a total of US$1.6bn since 2010, including 11 new issue investments during the awards qualifying period.

OUTSTANDING CONTRIBUTION TO SRT
WINNERS: GEORGES DUPONCHEELE and WILLIAM PERRAUDIN

SCI's 2025 Outstanding Contribution to SRT Award celebrates Great Lakes Insurance Senior Credit Portfolio Manager Georges Duponcheele and Risk Control MD William Perraudin, and their longstanding efforts and contribution to the industry's regulatory debate.

Notably, their 2024 paper – Rethinking the Securitisation Risk Weight Floor – in which they and their other co-authors linked risk weight floors for retained senior tranches to a formulaic approach led to its inclusion in the recent EU CRR proposals from the European Commission. Such inclusion has the potential to be an instrumental step-change for issuer efficiencies in SRT.

While this paper had a direct impact on legislative proposals, it does not, however, accurately reflect the pair's historical advocacy in this sector.

A longstanding contribution

Although their recent paper was a key factor in their recognition, Duponcheele and Perraudin are quick to point out that their contribution has been more of a longstanding one. The idea for a proportional risk weight floor, for instance, was first mentioned in one of their papers over a decade ago. The pair's work is characterised by a persistent and consistent effort to provide a clear, scientific approach to securitisation regulation.

As Perraudin notes: "We have always had this stream of work in which we have calculated with quite rigorous, yet simple models what the capital should be."

Such unwavering commitment to evidence-based analysis has made the pair's work highly influential. Indeed, their work demonstrates a profound understanding of the regulatory landscape and the political economy at play.

Perraudin suggests that the European authorities have "finally recognised the ill-designed nature of the current rules." This shift in mindset, coupled with the need to free up banks to manage their balance sheets and increase investment, has created fertile ground for the pair's ideas.

Their work, though technical, has a clear purpose: to help regulators better understand the true nature of securitisation risk. This is not about simply "loosening rules to increase profits for certain areas of the industry," as Perraudin clarifies, but about contributing constructively to a more stable and efficient market.

A collaborative journey

Duponcheele and Perraudin's partnership is a unique blend of expertise: Duponcheele, a practitioner with deep experience as a securitisation investment banker and reinsurer, and Perraudin, a former regulator and academic.

With degrees from Oxford, the London School of Economics and Political Science and Harvard, Perraudin brings a rigorous, theoretical approach to the challenges of financial ▶

> "WE HAVE ALWAYS HAD THIS STREAM OF WORK IN WHICH WE HAVE CALCULATED WITH QUITE RIGOROUS, YET SIMPLE MODELS WHAT THE CAPITAL SHOULD BE

regulation. A former professor of finance at Imperial College London and a special advisor to the Bank of England, his career has been dedicated to the study of credit risk and its implications for banking regulation. His work has consistently focused on creating transparent and well-documented solutions to complex financial problems.

Duponcheele, on the other hand, provides a crucial practitioner's perspective. His experience with the nuances of real-life transactions and his role as a Senior Credit Portfolio Manager at Great Lakes Insurance give him unique insights into the practical application of regulatory frameworks.

The story of their personal collaboration began in January 2013, following the Basel Committee's 2012 Securitisation Proposal, which had led to an unwarranted tripling of capital. Since then, they have published more than 20 joint papers that have a track record of influencing policy.

Their first publication in April 2013, for example, directly contributed to the Basel Committee's decision to abandon the modified supervisory formula approach (MSFA) in favour of the SEC-IRBA. The paper highlighted the technical flaws of the MSFA, demonstrating that it generated punitive and unwarranted capital requirements for certain transactions.

Furthermore, they also played a significant role in the development of the Simple, Transparent and Standardised (STS) Securitisation framework in Europe, which was later adopted at the Basel level. They recall the initial resistance to the framework, but through their persistent efforts, they helped demonstrate the benefits of a more harmonised and transparent approach to securitisation. This is a testament to their power to engage with regulators in a constructive, evidence-based manner.

The future of SRT

Looking ahead, Duponcheele and Perraudin see a bright future for the SRT market, driven by a new wave of regulatory reform. They believe that the European Commission's current proposals will help remove arbitrary distortions that have hindered certain asset classes.

> "THE PAIR'S JOURNEY WITHIN THE SRT MARKET CONTINUOUSLY REFLECTS A NARRATIVE OF PERSISTENT, THOUGHTFUL AND IMPACTFUL RESEARCH

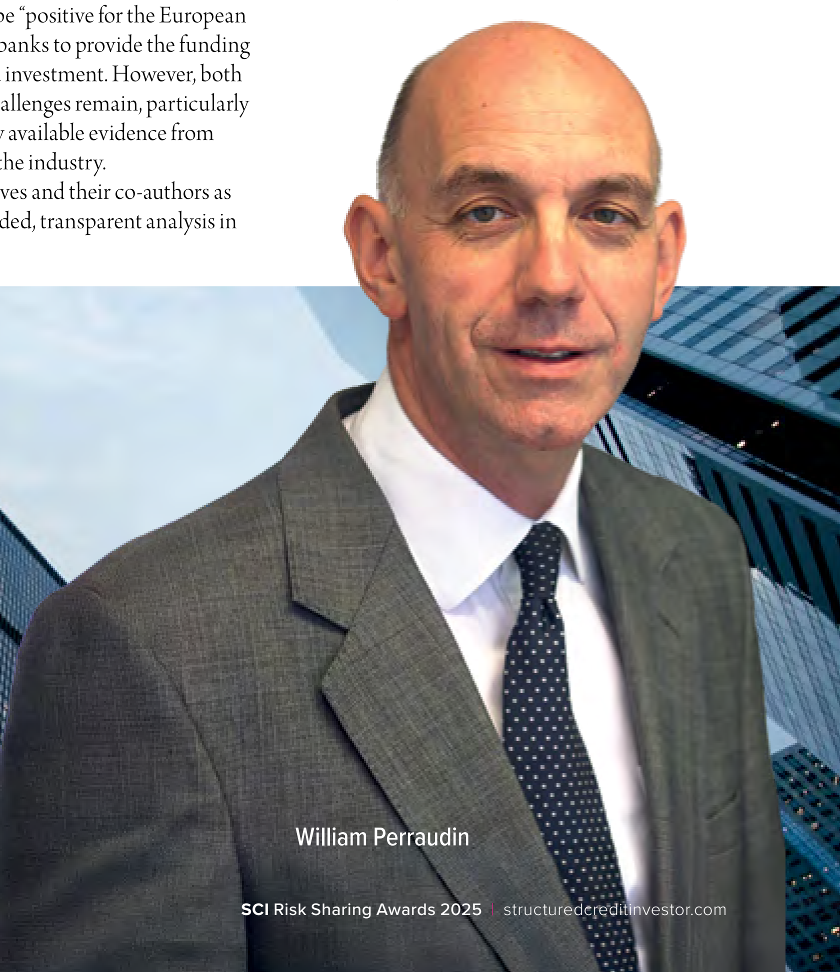
In this context, Duponcheele predicts that the market will "naturally come where the rules make sense," leading to greater activity in areas like residential mortgages. He further anticipates that as the standardised approach banks enter the market, SRT will become more commoditised, with a convergence of features and a move away from bespoke, law firm-driven documentation.

Perraudin equally adds that the expansion of SRT activity would be "positive for the European economy," allowing banks to provide the funding needed for increased investment. However, both acknowledge that challenges remain, particularly in the lack of publicly available evidence from both regulators and the industry.

They see themselves and their co-authors as providing much-needed, transparent analysis in this space. Both Duponcheele and Perraudin are quick to acknowledge the many co-authors and institutions who have supported their work, such as BNP Paribas, AFME, PCS and Munich Re. They therefore emphasise that their success is not a solo effort but rather the result of a collaborative network of experts, who share their commitment to a more rational and evidence-based approach to the securitisation market and regulation.

In conclusion, the pair's journey within the SRT market continuously reflects a narrative of persistent, thoughtful and impactful research. Duponcheele and Perraudin have not only provided a scientific foundation for regulatory change, but have also served as a critical voice for transparency and reason in a complex industry. Their work has had a tangible, positive effect on the SRT market, and their dedication to improving regulatory frameworks for the benefit of the wider economy does indeed demonstrate an outstanding contribution to the industry.

Georges Duponcheele



William Perraudin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