BARCLAYS US LLC, CAROL MATHIS

Proposal and Comment Information

Title: Regulatory Capital Rules: Regulatory Capital and Standardized Approach for Risk-weighted Assets, R-1888

Comment ID: FR-2026-0008-01-C251

Subject

Comment Letter for Docket No. R-1888

Submitter Information

Organization Name: Barclays US LLC

Organization Type: Organization

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Submitted Date: 06/18/2026

NONCONFIDENTIAL // EXTERNAL

Please see attached.

-Noah

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Via Electronic Mail

June 18, 2026

Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue NW
Washington, DC 20551
Attention: Benjamin W. McDonough, Secretary

Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429
Attention: Jennifer M. Jones, Deputy Executive Secretary

Office of the Comptroller of the Currency
400 7th Street SW, Suite 3E–218
Washington, DC 20219
Attention: Chief Counsel's Office

Re: Notice of Proposed Rulemaking, Regulatory Capital Rule: Category I and II Banking Organizations, Banking Organizations With Significant Trading Activity, and Optional Adoption for Other Banking Organizations, Federal Reserve Docket No. 1887 and RIN 7100-AH20, OCC Docket ID OCC–2026–0265, FDIC RIN 3064-AF29

Notice of Proposed Rulemaking, Regulatory Capital Rules: Regulatory Capital and Standardized Approach for Risk-Weighted Assets, Federal Reserve Docket No. R-1888 and RIN 7100-AH21, OCC Docket ID OCC–2026–0034, FDIC RIN 3064-AG23

Dear Ladies and Gentlemen,

Barclays US LLC ("BUSLLC"), on behalf of itself and its ultimate parent company, Barclays PLC and its subsidiaries (collectively, "Barclays"), appreciates the opportunity to comment on the proposed rulemakings issued by the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, and the Office of the Comptroller of the Currency (together, "the Agencies") that would revise the risk-based capital framework applicable to the largest, most internationally active firms and to firms with significant trading activity ("Basel III Proposal")[1] and that would modify the US standardized approach in the capital rule ("Standardized Approach Proposal").[2]

[1] 91 FR 14952 (Mar. 27, 2026).

[2] 91 FR 15332 (Mar. 27, 2026).

BUSLLC is Barclays' US intermediate holding company ("IHC"), which is the umbrella holding company for Barclays' US subsidiaries and is subject to the Federal Reserve's enhanced prudential standards.

Barclays' US structure is intentionally simple and focused, with the IHC comprised of two main operating units that support US consumers, businesses, and the overall US economy. Barclays operates a consumer bank, Barclays Bank Delaware, which provides credit cards, personal loans, and deposit and payment solutions to personal and small business customers; and an investment bank, Barclays Capital Inc., which is the sixth largest investment bank globally and is a leading primary dealer in the US treasury market.

We are supportive of the Agencies' efforts to review the US capital framework and assess whether targeted recalibration is needed to ensure that the overall regime remains effective, risk-based, and durable over time. These efforts are particularly important for the ring-fenced US subsidiaries of international banks that have unique structures and requirements (e.g., enhanced prudential standards at the parent-level in addition to local US requirements). In this regard, as you review the capital rule, we also encourage the Agencies to consider the following critical areas:

Tailoring: We urge the Agencies to ensure the prudential rules are appropriately tailored for large banking organizations, including adjusting the risk-based indicators in the tailoring framework to reflect macroeconomic growth and inflation over time. Such adjustments would help ensure that firm categorizations continue to align with underlying risk profiles rather than nominal balance-sheet expansion. This action is especially important, given that the tailoring framework would determine the application of the Basel III Proposal, which may result in more stringent capital requirements. In addition, as the capital framework is reviewed, we strongly encourage the Agencies to tailor related items, including (among others): 1) the internal Total Loss-Absorbing Capacity ("TLAC") and internal Long-Term Debt ("LTD") requirements to better align with the actual resolution needs of subsidiaries of international banks; and 2) the scoping mechanism for the Global Market Shock ("GMS") to ensure its compliance demands and costs are commensurate with the marginal risk management benefits the GMS provides relative to other regulatory capital requirements.

Global alignment: Significantly, we also encourage the Agencies to engage with policymakers in other jurisdictions and at international fora as they conduct a review of their regulatory frameworks. As part of this engagement, we encourage the Agencies to identify ways to reduce regulatory divergence with the goal of spurring growth while also maintaining the safety and soundness of the financial system. Minimizing regulatory global divergence will promote stability and cross-comparability of regimes, while reducing costs, encouraging healthy competition, and supporting efficient allocation of capital across markets in support of consumers and businesses. Ultimately, the objective of the Agencies, along with global policymakers, should be to ensure a globally consistent capital regime that is risk-sensitive, transparent, and simplified in its entirety.

Overall, Barclays is generally supportive of the Basel III Proposal and the Standardized Approach Proposal and appreciates the opportunity to provide feedback. This letter outlines areas that may benefit from further refinement (including several issues related to the unique structure of subsidiaries of international banks) and offers suggestions for consideration.[3]

I. Apply no more than a twenty percent risk weight to inter-affiliate transactions to better account for the risk of such transactions

The Basel III Proposal does not appropriately account for the unique structural aspects of an IHC, as it would treat transactions between an IHC and its foreign parent in the same manner as transactions with unaffiliated third-party banks. The risk of loss from transactions between an IHC and its foreign parent is fundamentally different from, and materially lower than, the risk associated with transactions involving an unaffiliated third-party. Intercompany activity typically arises from low-risk or regulatory-driven activities, such as an IHC acting as an agent to clear trades in US on behalf of its foreign affiliate or managing inter-company flow of fundings for efficient resource allocation. Acknowledging these structural differences would be consistent with other aspects of the bank capital framework.[4] We therefore recommend that the Agencies apply a risk weight of no more than 20 percent for bank exposures to affiliated foreign banks, to better reflect the lower risk associated with intercompany exposures and to align with the treatment under the standardized approach.

II. Clarify the early amortization provision within the securitization framework to better align with current market practices

In response to Question 39 in the Standardized Approach Proposal (and as described further in the Annex), we urge the Agencies to clarify the circumstances in which the exceptions to the definition of "early amortization provision" may apply.[5] Specifically, we recommend that the Agencies provide a clear path for securitizations of revolving facilities (e.g., credit cards) that recognizes that investors remain fully exposed to future draws to the full extent of their total committed capital, including both paid-in capital and enforceable contractual commitments, and for which an early amortization trigger is sufficiently remote that it would not be expected to occur under the most recent supervisory severely adverse scenario or a comparably adverse internal stress scenario. We further recommend that the Agencies confirm that enforceable

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[3] Barclays also participated in the preparation of the respective comment letters from the Bank Policy Institute, American Bankers Association, Financial Services Forum, Institute of International Bankers, Securities Industry and Financial Markets Association, International Swaps and Derivatives Association, and the International Securities Lending Association. We generally support the issues raised and recommendations made in those letters.

[4] For example, the Federal Reserve Board's stress-testing framework does not require IHCs to include affiliates as part of the counterparty default component of the supervisory severely adverse scenario (Board of Governors of the Federal Reserve System, 2023 Stress Test Scenarios, fn. 14 (Feb. 2023)); the Federal Reserve Board's framework for categorizing banking institutions adjusts the measurement of cross-jurisdictional activity for IHCs (84 FR 59032, 59039-40 (Nov. 1, 2019)); and the Single-Counterparty Credit Limit rule does not account for affiliated transactions in limiting the amount of credit exposure that an IHC or foreign banking organization may have (83 FR 38460 (Aug. 6, 2018)).

[5] The same question appears in Question 65 of the Basel III Proposal.

contractual commitments may be taken into account for purposes of the "fully exposed" standard, provided such commitments are either convertible into equity under specified conditions or are otherwise structured to absorb losses in a manner consistent with the economic effect of paid-in capital. Finally, we recommend that the Agencies clarify the scope of the exception for provisions "triggered solely by events not directly related to the performance of the underlying exposures or the originating [banking organization] (such as material changes in tax laws or regulations)," including instances where this exception extends to certain non-performance-based triggers (e.g., failure to maintain specified policies or procedures). These targeted clarifications would promote consistent and risk-sensitive application of early amortization principles and align capital outcomes with the underlying investor exposure economics.

III. Clarify the supervisory delta under the standardized approach for counterparty credit risk ("SA-CCR") to improve risk sensitivity

The supervisory delta calculation in SA-CCR can result in excessive capital requirements for contractual arrangements that may be categorized as an equity derivative contract for regulatory capital purposes. For instance, certain tax equity renewable energy investments include instruments categorized as derivatives for regulatory purposes where the value of such instruments are zero regardless of changes in the underlying value of the firm's investment. Such transactions may include a call feature, which allows developer counterparties to purchase a bank's residual tax equity interest at the higher of fair market value ("FMV") and a floor price pre-agreed at the outset of the investment. The transaction may also include a put feature which may be exercised by the bank at a discount to the prevailing FMV of its investment if the developer does not exercise the call feature. This put feature is intended to provide a structural exit mechanism prior to the expiry of a bank's 10-year merchant banking holding limit. The combination of the call feature and the put feature do not transfer any economic value between the parties as their FMV is structurally zero regardless of changes in the value of the bank's underlying investment. These features are merely there to provide a legal mechanism for the bank's exit.

Under the equity exposure framework, the effective notional amount of an equity derivative contract is determined based on the sensitivity of the derivative's value to changes in the underlying reference asset.[6] For the aforementioned example, the approach under the equity exposure framework can appropriately result in little or no equity exposure because the features of the transaction are such that the value of the instruments does not change with movements in the underlying asset. In contrast, SA-CCR replaces observed economic sensitivity with a prescribed model-based measure of delta, requiring a firm to apply a formula consistent with the Black Scholes method to determine the supervisory delta for the same equity derivative.[7] The Black Scholes method relies on prescribed inputs that do not provide the same risk sensitivity as the approach under the equity exposure framework, which can

[6] 12 CFR 217.51(b)(3).

[7] 12 CFR 217.132(c)(9)(iii).

result in materially higher capital requirements and reduced risk sensitivity for certain instruments. We therefore recommend that for certain instruments, such as those described above, the Agencies allow a firm to determine the supervisory delta adjustment for SA-CCR purposes using the effective notional calculation under the equity exposure framework.

IV. Exclude recharge income from the operational risk requirement to ensure a level playing field and to promote US investment

Under the Basel III Proposal, cost reimbursements included in income (“recharge income”)[8] would be included in the business indicator under the operational risk component, increasing risk-weighted assets and associated regulatory capital requirements for IHCs in a manner that is not commensurate with their risk profile. BUSLLC’s subsidiaries provide routine non-financial services (e.g., information technology, logistics, and human resources) to non-US affiliates which reimburse BUSLLC for these costs, which are then recorded as income. Notably, the proposed approach creates a disincentive to locate service company operations in the US, which employs personnel and ultimately supports the operations of the IHC and promotes safety and soundness more broadly. This issue is exacerbated by the proposed netting of noninterest income against noninterest expense. Under the proposal, expenses related to non-financial services would be excluded from noninterest expense, decreasing the amount available to offset noninterest income, which will be artificially inflated due to the inclusion of recharge income. Given this, we recommend that the Agencies exclude recharge income from the business indicator.

V. Support the industry’s transition to the new frameworks in a controlled and orderly manner

To support the industry’s transition to the new requirements under the proposals in a controlled and orderly manner, we recommend that the Agencies provide sufficient time for firms to make necessary system and process adjustments, conduct internal parallel runs, and ensure appropriate alignment with related supervisory and reporting requirements prior to the first reporting date.

Barclays appreciates the Agencies’ consideration of the issues raised in this letter, and we welcome the opportunity to discuss further.

Sincerely,

Carol P. Mathis
Chief Financial Officer, Barclays Americas

[8] Under US Generally Accepted Accounting Principles (GAAP), these reimbursements are recorded as income rather than an offset to expenses. Under US GAAP, US bank holding companies eliminate recharge income in consolidation.

Annex

Barclays US LLC ("**Barclays US**"), a US intermediate holding company supervised by the Board of Governors of the Federal Reserve System (the "**Federal Reserve**"), and its wholly owned subsidiary, Barclays Bank Delaware ("**BBDE**"), a state non-member bank supervised by the Federal Deposit Insurance Corporation (the "**FDIC**," and together with the Federal Reserve and the Office of the Comptroller of the Currency (the "**OCC**"), the "**Agencies**"), appreciate the opportunity to comment on the notice of proposed rulemaking issued by the Agencies to amend the US Basel III capital rules[9] on March 27, 2026 (the "**Proposed Rule**").[10]

Under the existing US Basel III capital rules, when a banking organization transfers exposures that it originated or purchased in connection with a traditional securitization, the transaction must satisfy certain operational requirements in order to avoid recognition of the transferred exposures.[11] For a traditional securitization that includes one or more underlying exposures in which the borrower is permitted to vary the drawn amount within an agreed limit under a line of credit (i.e., a revolving credit facility), one of those requirements is that the securitization does not contain an early amortization provision.[12] Early amortization provisions, which are common in securitizations of revolving credit facilities such as credit cards, can cause investors in a securitization to be repaid before the original stated maturity if certain conditions are triggered. The policy rationale for the prohibition against early amortization provisions is to mitigate the risk to an originating banking organization of facing springing capital requirements related to exposures it transferred in a traditional securitization after an early amortization provision is triggered.[13]

The definition of "early amortization provision" includes two exceptions. The first exception is for provisions "triggered solely by events not directly related to the performance of the underlying exposures or the originating [banking organization] (such as material changes in tax laws or regulations)" (the "**Noncredit Trigger Exception**").[14] The second exception is for contractual provisions that leave investors fully exposed to future draws (i.e., the **"Fully Exposed Exception**").[15]

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[9] 12 C.F.R. Part 3 (OCC), Part 217 (Federal Reserve) and Part 324 (FDIC). For simplicity, citations herein refer to the US Basel III capital rules of the Federal Reserve. The corresponding rules of the OCC and FDIC are substantively identical.

[10] Office of the Comptroller of the Currency, Board of Governors of the Federal Reserve System and Federal Deposit Insurance Corporation, *Regulatory Capital Rules: Regulatory Capital and Standardized Approach for Risk-Weighted Assets*, 91 Fed. Reg. 15332 (Mar. 27, 2026).

[11] 12 C.F.R. § 217.41(a).

[12] 12 C.F.R. § 217.41(a)(4)(ii).

[13] *See* 88 Fed. Reg. 64028 at 64068. *See, also* 91 Fed. Reg. 15332 at 15354 (providing that early amortization provisions "can expose the originating banking organization to increased credit and liquidity risk and potentially increased capital requirements after the early amortization is triggered as the banking organization could be obligated to fund the borrowers' future draws on the revolving lines of credit").

[14] 12 C.F.R. § 217.2 (definition of "early amortization provision," paragraph (1)).

[15] 12 C.F.R. § 217.2 (definition of "early amortization provision," paragraph (2)).

The Proposed Rule would not change the definition of early amortization provision or the text of the exceptions described above. The Proposed Rule would, however, expand the applicability of the prohibition against early amortization provisions to include synthetic securitizations of revolving lines of credit in addition to traditional securitizations.[16]

In the preamble to the Proposed Rule, the Agencies invited comments on whether they should consider any changes to the exceptions to the definition of early amortization provision ("**Question 39**").[17] In particular, Question 39 invited comments on three targeted issues with respect to the exceptions to the definition of early amortization provision:

- ***Issue 1:*** Question 39 asked commenters to describe the circumstances under which a provision in a revolving loan securitization that, when triggered, causes investors in the securitization exposures to be repaid before the original stated maturity of the securitization exposures could satisfy the Fully Exposed Exception, or the circumstances under which such a provision "otherwise should be deemed not to be an early amortization provision."

- ***Issue 2:*** Question 39 also asked commenters to describe the advantages and disadvantages of the Fully Exposed Exception "encompassing only cash-funded exposures versus also including exposures in the form of contractual commitments to provide funding."

- ***Issue 3:*** Question 39 asked whether the current text of the Noncredit Trigger Exception is sufficiently clear and whether there are any types of early termination events that should qualify under this exception, including "customary provisions designed to protect against non-performance of various contractual obligations by one of the parties facilitating the securitization (including the originating banking organization, if it has such a transaction facilitating roll, for example by acting as servicer."[18]

This comment letter responds to each of these three targeted issues raised by the Agencies in Question 39. For the reasons explained below, we recommend that:

- For Issue 1, the Agencies amend the text of the capital rules and provide additional guidance to provide a clear path for traditional or synthetic securitization structures that qualify for the Fully Exposed Exception and therefore do not contain an impermissible early amortization provision;

- For Issue 2, the Agencies should not prohibit banking organizations from considering investors' enforceable contractual commitments as part of the resources available to satisfy the Fully Exposed Exception; and

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[16] *See* 91 Fed. Reg. 15332 at 15430 (Proposed Rule Sec. 217.41(b)(7)).

[17] 91 Fed. Reg. 15332 at 15355 (Question 39).

[18] *Id.*

- For Issue 3, the Agencies should issue guidance clarifying in what instances a securitization transaction with early termination provisions can qualify for the exception to the definition of early amortization provision for triggers "not directly related to the performance of the underlying exposures or the originating [banking organization]."[19]

Provide a Clear Path to Qualify for the Fully Exposed Exception

We recommend that the Agencies revise the Fully Exposed Exception to add text clarifying the criteria by which a banking organization may qualify for the exception. In addition, we recommend that the Agencies issue accompanying guidance to illustrate the purpose and effect of the revised definition. These recommendations, as described more fully below, are based on the structure of a traditional securitization transaction that Barclays US and BBDE successfully completed in 2024.

First, we recommend revising the Fully Exposed Exception by providing a clear path for banking organizations to comply with the exception in a traditional or synthetic securitization transaction, as shown in the following redline changes:

> *Early amortization provision* means a provision in the documentation governing a securitization that, when triggered, causes investors in the securitization exposures to be repaid before the original stated maturity of the securitization exposures, unless the provision:
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> (1) Is triggered solely by events not directly related to the performance of the underlying exposures or the originating Board-regulated institution (such as material changes in tax laws or regulations); or
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> (2) Leaves investors fully exposed to future draws by borrowers on the underlying exposures even after the provision is triggered. A Board-regulated institution may satisfy this requirement if:
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> (a) After the provision is triggered, the investors would remain exposed to future draws by borrowers on the underlying exposures to the full extent of the investors' total committed capital (including paid-in capital and undrawn capital commitments) to the traditional securitization; and
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> (b) The Board-regulated institution can demonstrate that:
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> (i) the provision is not projected to be triggered in any period under:
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> (A) For a Board-regulated institution subject to supervisory stress testing under 12 C.F.R. §225.8 or §238.170, the most recent supervisory

[19] 12 C.F.R. § 217.2 (definition of "early amortization provision," paragraph (1)).

severely adverse scenario applicable to the Board-regulated institution; or

(B) For a Board-regulated institution not subject to supervisory stress testing under 12 C.F.R. §225.8 or §238.170, an adverse internal stress scenario of comparable severity as the most recently published supervisory severely adverse scenario; and

(ii) under a hypothetical period of economic stress severe enough to trigger the provision, the securitization SPE would have the resources to continue purchasing the underlying exposures (including future draws on any revolving credit exposures) for a sufficient period of time.

Second, we recommend that the Agencies include guidance in the preamble to the rule implementing this change that clarifies the purpose and effect of this change, such as the following:

> The purpose of the additional text in the definition of early amortization provision is to permit a banking organization to recognize a traditional or synthetic securitization of revolving credit exposures that contains a provision that could cause investors in one or more of the securitization exposures to be repaid before their original stated maturity, provided certain conditions are satisfied. The first condition requires that the investors remain exposed to future draws on the underlying exposures to the full extent of the investors' original capital commitments to the traditional or synthetic securitization (inclusive of all paid-in capital and undrawn capital commitments). The second condition requires that any credit-related triggers for the provision are sufficiently remote that they would not be triggered under the most recent supervisory severely adverse scenario under the Board's stress testing framework or, for institutions not subject to that framework, under a comparably adverse internal stress scenario. The third condition requires that, even under a hypothetical stress scenario of sufficient severity to trigger the provision, the securitization SPE would have sufficient resources to continue purchasing the underlying exposures (including future draws on any revolving credit exposures) for a sufficiently long period, which ensures that future draws on revolving credit exposures would not suddenly be recognized by the originating banking organization.
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> Banking organizations relying on the new provisions under the definition of early amortization provision should maintain documentation supporting the conditions in paragraph (2)(b)(i) and (ii) based on quantitative analyses performed at the time the traditional or synthetic securitization is initially recognized. The condition in paragraph (2)(b)(i) should be based on the banking organization's projections under the supervisory severely adverse scenario, using the same internal models and assumptions that the banking organization uses for its company-run stress testing and capital planning. The purpose of this condition is to demonstrate that the credit-related contractual trigger(s) for the provision are sufficiently remote that

they would only be triggered in a stress scenario more severe than the supervisory severely adverse scenario. For a Board-regulated institution that is not subject to the Board's supervisory stress testing framework, the banking organization should use a comparably adverse internal stress scenario.

The condition in paragraph (2)(b)(ii) should be based on the banking organization's projections under a more severe macroeconomic scenario – i.e., a custom scenario designed to be severe enough to trigger the credit-related trigger on the underlying exposures under the relevant contractual provision. The purpose of this quantitative analysis is to demonstrate that, in a stress scenario where the condition is triggered, the originating banking organization would have sufficient time to prepare to recognize on its balance sheet any future draws on the underlying exposures that the securitization SPE would not be able to purchase using its then-available resources (including undrawn commitments that cannot be withdrawn, even after the relevant trigger is reached). The period of time needed to satisfy this condition may vary depending on the underlying exposures and the severity of the hypothetical triggering scenario, but the Agencies expect that a period of 12 months (measured from the onset of the stress scenario to the first period in which the securitization SPE would be unable to purchase all projected draws on the underlying exposures) would generally be sufficient to satisfy this condition.

Do Not Prohibit Recognition of Enforceable Commitments for Purposes of the Fully Exposed Exception

We recommend that the Agencies do not prohibit banking organizations from considering investors' enforceable contractual commitments as part of the resources available to satisfy the Fully Exposed Exception. For purposes of the Fully Exposed Exception, an investor should be considered "exposed to future draws" to the extent that it has paid in or committed capital to the securitization structure, provided that in order to recognize committed capital (a) the commitment must be convertible into equity under certain circumstances, such as upon a failure to comply with a request by the originating banking organization or other relevant party (e.g., the servicer or the securitization transaction), or otherwise secured by collateral which the banking organization or other relevant party can enforce against, or (b) the originating banking organization or other relevant party must otherwise have the legal right and practical ability to enforce the investor's commitments (the "**Commitment Approach**").

The Commitment Approach has advantages over an approach that would recognize only capital that investors have paid into the securitization structure (the "**Cash-Only Approach**"). First, the Cash-Only Approach would create an inconsistent, two-tiered structure that would inappropriately limit revolving loan securitizations in ways that other securitizations are not limited. In effect, the Cash-Only Approach would impose a cash-up-front requirement on revolving loan securitizations that does not exist for other types of securitizations and non-securitization credit risk mitigants. For example, synthetic securitizations are permitted to recognize any financial collateral (not only cash collateral) in which the originating banking organization has an enforceable right,[20] provided other operational criteria are satisfied.

Second, the Commitment Approach also recognizes that there are alternative ways of ensuring or incentivizing compliance with contractual commitments, including through the use of mandatory conversion features, collateral, or the legal right to enforce the commitments. We respectfully submit that banking organizations are well placed to evaluate which of these approaches would best enable them to manage counterparty credit risk, including the risk that an investor in a securitization exposure would fail to comply with its legally binding commitments to provide additional capital to the securitization structure.

Guidance on Early Termination Provisions

In addition, we recommend that the Agencies issue guidance clarifying the circumstances in which an early termination provision would qualify for the Noncredit Trigger Exception to the definition of early amortization provision. For example:

> Exception (1) to the definition of early amortization provision applies to provisions that are triggered solely by events not directly related to the performance of the underlying exposures or the originating Board-regulated institution. The purpose of this exception is to permit a banking organization to recognize a traditional or synthetic securitization notwithstanding a provision that would terminate the securitization, or trigger the amortization of the securitization exposures, before the original stated maturity. For example, an early termination provision that could be triggered solely by a material change in tax laws or regulations would fall under exception (1).
>
> In addition, exception (1) would also cover provisions customarily designed to protect against non-performance of various contractual obligations by one of the parties facilitating the securitization (including the originating banking organization, if it has such an additional role, such as acting as servicer). For example, in a traditional securitization where the originating banking organization has an ongoing obligation under a purchase and sale agreement to transfer future net exposures under revolving lines of credit (such as a credit card securitization), an early termination provision that is triggered by either a failure of the originating banking organization to (a) meet its obligations under the purchase and sale agreement or (b) maintain internal policies or procedures consistent with those generally applicable to similar underlying exposures would be considered to be triggered by events not directly related to the performance of the underlying exposures or the originating banking organization.

[20] *See* 12 C.F.R. §217.41(b)(1)(i).