



## PRESS RELEASE

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### **20 November 2009 - ECB amends rating requirements for asset-backed securities in Eurosystem credit operations**

The Governing Council of the European Central Bank (ECB) has decided to amend the rating requirements for asset-backed securities (ABSs) to be eligible for use in Eurosystem credit operations.

The Eurosystem will require at least two ratings from an accepted external credit assessment institution for all ABSs issued as of 1 March 2010. In determining the eligibility of these ABSs, the Eurosystem will apply the "second-best" rule, meaning that not only the best, but also the second-best available rating must comply with the minimum threshold applicable to ABSs (see the press release of 20 January 2009).

As of 1 March 2011, the second-best rule and the requirement to have at least two ratings will be applied to all ABSs, regardless of their date of issue.

The Governing Council has deemed it necessary to introduce the above amendments to ensure that the Eurosystem's requirement of high credit standards for all eligible collateral is met. In addition, the changes, which reflect recent market developments, aim to make a further contribution to restoring the proper functioning of the ABS market.

The list of external credit assessment institutions accepted by the Eurosystem is available on the ECB's website.

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