

Article



Some notable structured covered bonds globally

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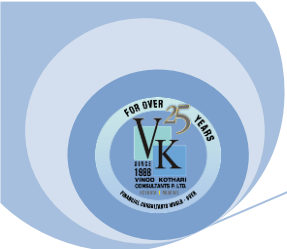
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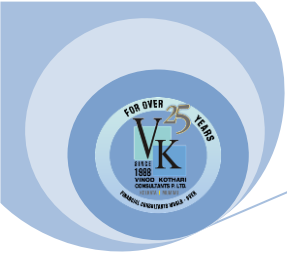


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Covered bonds in general, mean debt instruments having dual recourse, primarily against the issuer and the secondarily against the cover pool asset. Several countries having active covered bond market have specific legislation facilitating issuance of covered bonds. Some countries also introduce regulatory amendments/ clarifications to facilitate covered bonds issuances without specifically enacting a legislation. However a country may not have an enabling legislation or regulatory amendments on covered bonds and under the extant legal framework issue covered bonds. Such covered bonds using flexibility of existing legal framework in a country are referred to as Structured Covered Bonds.

This document lists down some of the Structured Covered Bonds programmes carried around worldwide which have set a pretext for issuance of legislations to be enacted or have continued as structured bonds.

Country Name	Year of Issuance(s) as structured covered bonds	Issuer	Remarks
Canada	First issuances happened in 2007	Royal Bank of Canada	Currently there is no legislation governing covered bonds in Canada
Germany	2013	Commerzbank SME	This is an issuance outside the Pfandbriefe Act on Covered Bonds otherwise applicable to covered bonds issuances in Germany
France	2006	BNP Paribas	This is an issuance outside the legislation on Covered Bonds otherwise applicable to covered bonds issuances in France
Korea	2009	Kookmin Bank	This issuance was under the Korea's covered bond programme 2009. Later Korea came out with the Korea Covered Bond Act, 2014.
New Zealand	2011	Wespac New Zealand Limited	This issuance was prior to New Zealand



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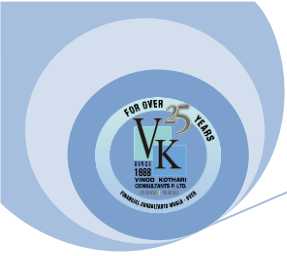
			enacting the Reserve Bank of New Zealand Covered Bond Amendment Act 2014.
Netherland	2015	Aegon Bank N.V	This issuance was outside the Financial Supervision Act, 2008 as amended from time to time.
Singapore	2015	United Overseas Bank	There is no legislation specific to covered bonds in Singapore.

The early issuances

1. The first structured covered bond was issued in the United Kingdom by HBOS in October 2003
2. In September 2006, Washington Mutual's inaugural covered bond transaction came to market, representing the first structured covered bond from a North American financial institution.
3. BNP Paribas Home Loan SFH launched in the year 2006 with issuance worth 35 billion and first French structured covered bonds deal to be elected "Best Executed Deal", "Best New Issuer" and "Most Innovative Issuer" at the Euro-week Covered Bond Conference in September 2007.
4. The covered bond programme launched by Royal Bank of Canada in the year 2007 which was the first covered bond programme of Canada with issuance size € 2billions.

The midway issuances

1. In October 2007, RBC launched the inaugural Canadian covered bond program, structured by Barclays Capital and RBC Capital Markets.
2. Kookmin's Bank's covered bond programme launched in the year 2009 and was assigned (P)Aa2 by Moody's. The Cover Pool consists of residential mortgage loans and credit card receivables.
3. Wespac covered bond programme originated by Wespac New Zealand Limited in the year 2011 backed by residential mortgage loans



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4. The Commerzbank SME structured covered bonds programme in the year 2013 which was issued outside the Pfandbrief Act. The deal was assigned a rating of Aa2.

The Latest issuances

1. Structured Covered bond programme originated by Aegon Bank N.V last year in 2015 in Netherlaand with issue size of Euro 0.5 billion and backed by residential mortgages
2. In the year 2016, National Bank of Canada launched the a structured covered bond programme with maturity date of October 2016
3. In the year 2016, Toronto-Dominion Bank launched a TD Covered Bond Programme with maturity date of September 2016 and March 2017
4. A structured covered bond programme originated by United Overseas Bank (UOB) in Singapore with issuance size of €500 million (S\$759 million) worth of fixed-rate covered bonds – the first euro-denominated covered bonds in Asia

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