Meeting Between Staff of the Federal Reserve Board, Federal Deposit Insurance Corporation, and Office of the Comptroller of the Currency and Representatives of the Reinsurance Association of America
April 16, 2024

Participants: Mark Buresh, Cecily Boggs, Sarah Dunning, Isabel Echarte, Andrew Hartlage, David Imhoff, Jonah Kind, Matthew McQueeney, Marco Goncalves Migueis, Robin Oh, Brad Roberts, Ryan Rossner, Matt Walker, and Andrew Willis (Federal Reserve Board)

Meraj Allahrakha, Ernest Barkett, Keith Bergstresser, Benedetto Bosco, Adam Casella, Anjoly David, Merritt Pardini, David Riley, Catherine Wood, and Peter Yen (Federal Deposit Insurance Corporation)

Venus Fan, Steven Key, Michael Maloney, Kyle Mccormick, Benjamin Pegg, Margot Schwadron, Andrew Tschirhart, and Jie (Diana) Wei (Office of the Comptroller of the Currency)

Lee Covington, Nicole Austin, Karalee Morell, and Thomas Smith (Reinsurance Association of America); Jeffrey Berman (Clifford Chance, LLP); Monique Frazier and Warren Tryon (Capitol Counsel, LLC); Mahlet Makonnen and Joel Oswald (Williams & Jensen, PLLC); Joe Monaghan and Charley Barr (Aon Re); James Bennison, Susan Meserva, Kirk Willison, and James Brender (Arch Re); Paul Wollmann (Essent Re); Levi Mayer (Everest Re); Jeffrey Krohn, Timothy Armstrong, Jay Dhru, Cliff Rich, and Michael Shemi (Guy Carpenter); Heidi Heyrman and Geoffrey Cooper (Mortgage Guaranty Insurance Corporation); Bonnie Guth (Munich Re U.S.); Carey Child (Renaissance Re); Amy Kim and Roger Lin (Transatlantic Re); Scott Ettien and Paul Hilliar (Willis Towers Watson)

Summary: Staff of the Federal Reserve Board, Federal Deposit Insurance Corporation, and Office of the Comptroller of the Currency (agencies) met with representatives of the Reinsurance Association of America, Clifford Chance, LLP, Capitol Counsel, LLC, Williams & Jensen, PLLC, Aon Re, Arch Re, Essent Re, Everest Re, Guy Carpenter, Mortgage Guaranty Insurance Corporation, Munich Re U.S., Renaissance Re, Transatlantic Re, and Willis Towers Watson (collectively, RAA) regarding the agencies' Basel III endgame notice of proposed rulemaking (Basel III endgame proposal). Representatives of RAA discussed RAA's comment letter on the Basel III endgame proposal and the attached presentation, with particular emphasis on the definition of the term "eligible guarantor" in the proposal.

Attachment

Basel III Endgame
US Implementation
(Re)insurance Credit Risk Transfer

April 16, 2024

RAA REINSURANCE ASSOCIATION OF AMERICA

Agenda

1. RAA's Proposal
2. Initial Q&A
3. FAQs
4. Q&A

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RAA’s Proposal

RAA's Proposal

- Preserve access to credit for US homebuyers, small businesses, and manufacturers
- Protect US taxpayers
- Enhance the safety and soundness and financial stability of banks and the US banking system

- Clarify that an “eligible guarantor” or its parent company can issue investment grade debt or have a publicly traded security outstanding
- Adopt tiered risk weights to provide banks with meaningful capital relief for transferring risk to well-capitalized, prudentially and highly regulated (re)insurance companies

Definition of “Eligible Guarantor”

Specifically Eligible Guarantors

Current US Basel III Regulations

“A sovereign, the Bank for International Settlements, the International Monetary Fund, the European Central Bank, the European Commission, a Federal Home Loan Bank, Federal Agricultural Mortgage Corporation (Farmer Mac), the European Stability Mechanism, the European Financial Stability Facility, a multilateral development bank (MDB), a depository institution, a bank holding company, a savings and loan holding company, a credit union, a foreign bank, or a qualifying central counterparty.”

Basel Framework

“Sovereign entities, PSEs, multilateral development banks (MDBs), banks, securities firms and other prudentially regulated financial institutions with a lower risk weight than the counterparty.” (Basel Framework CRE22.76(1))

- Prudentially regulated financial institutions “include, but are not limited to, prudentially regulated insurance companies ….” (Basel Framework CRE22.76(1), fn. 11)

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Definition of “Eligible Guarantor”

Specifically Eligible Guarantors (continued)

EU/UK Capital Requirements Regulation

Prudentially regulated insurance companies not included in list of specifically eligible guarantors. (EU CRR Art. 201(1); UK CRR Art. 201(1))

- Following Basel Framework approach for other eligible guarantors “[i]n jurisdictions that allow the use of external ratings for regulatory purposes” (Basel Framework CRE22.76(2)), the EU CRR and UK CRR include corporate entities rated by an “eligible credit assessment institution” as eligible guarantors. (EU CRR Art. 201(1)(g)(1); UK CRR Art. 201(1)(g)(1))
- Because the Dodd-Frank Act required the Agencies to remove all references to external ratings from their regulations, including capital adequacy requirements, the US Basel III Regulations do not take external ratings into account in defining who may be deemed an eligible guarantor.

Therefore, reflecting the Basel Framework’s inclusion of prudentially regulated insurance companies in its list of specifically eligible guarantors, the RAA proposes that a “qualifying insurance company” be added to the list of specifically eligible guarantors in the US Basel III Regulations’ “eligible guarantor” definition.

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Definition of “Eligible Guarantor”

Other Eligible Guarantors

Current US Basel III Regulations: In addition to specifically eligible guarantors, an “eligible guarantor” includes –

“An entity (other than a special purpose entity):

(i) That at the time the guarantee is issued or anytime thereafter, has issued and outstanding an unsecured debt security without credit enhancement that is investment grade.

Outstanding Investment Grade Debt Requirement

(ii) Whose creditworthiness is not positively correlated with the credit risk of the exposures for which it has provided guarantees.

No Positive Correlation Requirement

(iii) That is not an insurance company engaged predominately in the business of providing credit protection (such as a monoline bond insurer or re-insurer).”

Monoline Exclusion

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Definition of "Eligible Guarantor"

Other Eligible Guarantors (Continued)

Basel Framework

In addition to specifically eligible guarantors, "[i]n jurisdictions that do not allow the use of external ratings for regulatory purposes" (Basel Framework CRE22.76(3)), eligible guarantors include –

"Other entities, defined as 'investment grade' meaning they have adequate capacity to meet their financial commitments (including repayments of principal and interest) in a timely manner, irrespective of the economic cycle and business conditions [and meeting the following conditions]:

(i) For corporate entities (or the entity's parent company), they must have securities outstanding on a recognized securities exchange;

(ii) The creditworthiness of these 'investment grade entities' is not positively correlated with the credit risk of the exposures for which they provided guarantees."

(Basel Framework CRE22.76(3)(a))

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Definition of "Eligible Guarantor"

Outstanding Investment Grade Debt Requirement

The Basel Framework's approach to other eligible guarantors differs in key respects from the current US Basel III Regulations, most importantly the Outstanding Investment Grade Debt Requirement.

Current US Basel III Regulations	Basel Framework
An ***eligible guarantor*** must have "issued and outstanding an unsecured debt security without credit enhancement that is investment grade"	An eligible guarantor must be "investment grade" and the entity "**(or the entity's parent company)** … must have securities outstanding on a recognized securities exchange"

1 The two requirements serve essentially the same purposes – outstanding investment grade debt securities and publicly traded securities ***both*** provide market signals and subject the issuer to market discipline – but the Basel Framework's approach recognizes that securities issuance and other financing functions are typically performed by an insurance company's parent holding company, ***not*** the insurance company itself.

2 Similarly, the Agencies' Endgame Proposal recognizes parent company securities in its treatment of investment grade corporate exposures, assigning a 65% risk weight to "a corporate exposure that is an exposure to a company that is investment grade and that has a publicly traded security outstanding ***or that is controlled by a company that has a publicly traded security outstanding.***" (Proposed Rule, § ___.111(h))

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Definition of “Eligible Guarantor”

Outstanding Investment Grade Debt Requirement (Continued)

Consistent with the recognition of parent company securities in both the Basel Framework and elsewhere in the Endgame Proposal –

- ***At a minimum***, the RAA proposes that the Outstanding Investment Grade Debt Requirement be amended to require that an eligible guarantor “has ***(or is controlled by a company that has)*** issued and outstanding an unsecured debt security without credit enhancement that is investment grade”
- ***More broadly***, the RAA proposes that a ***“qualifying insurance company”*** be added to the list of specifically eligible guarantors in the US Basel III Regulations’ “eligible guarantor” definition

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“Qualifying Insurance Company”

Proposed Definition

The RAA’s January 16, 2024 comment letter proposes a comprehensive definition of “qualifying insurance company” (or “QIC”)

- The proposed “qualifying insurance company” definition includes provisions corresponding to the Outstanding Investment Grade Debt Requirement, the No Positive Correlation Requirement and the Monoline Exclusion in the current “eligible guarantor” definition, with certain modifications designed to clarify the treatment of insurance companies
- The proposed “qualifying insurance company” definition also includes additional requirements related to the prudential regulation of QICs

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"Qualifying Insurance Company"

Provisions Corresponding to "Eligible Guarantor" Requirements

Outstanding Investment Grade Debt Requirement for QICs

The proposed "qualifying insurance company" definition would require a QIC –

(A) to have *(or to be controlled by a company that has)* issued and outstanding an unsecured debt security without credit enhancement that is investment grade, ***or***

(B) to be investment grade and to have *(or to be controlled by a company that has)* a publicly traded security outstanding

No Positive Correlation Requirement and Monoline Exclusion for QICs

The proposed "qualifying insurance company" definition would permit a QIC whose creditworthiness is positively correlated with the credit risk of the exposures for which it has provided guarantees to demonstrate to the satisfaction of the bank beneficiary that (A) the QIC has mitigated the associated risk or (B) that it has a diversified concentration risk profile.

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“Qualifying Insurance Company”

Prudential Regulation of QICs

US Insurance Companies

The proposed “qualifying insurance company” definition would require that a US insurance company meet or exceed the minimum risk-based capital, solvency capital, or similar requirements established by its State insurance regulator.

Foreign Insurance Companies

The proposed “qualifying insurance company” definition would require that a foreign insurance company meet or exceed the minimum risk-based capital, solvency capital, or similar requirements established by its foreign insurance regulator ***and*** that it be domiciled and licensed in a foreign country that –

(i) Is (or is a member state of) a jurisdiction subject to a “covered agreement” under Section 502 of the Dodd-Frank Act, ***or***

(ii) Is listed as a “reciprocal jurisdiction” pursuant to the NAIC Credit for Reinsurance Model Law and Regulation

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Risk-Weighting of Exposures to QICs

Risk Weights under the "Expanded Risk-Based Approach"

Exposures to Investment Grade Corporates

The Endgame Proposal's "expanded risk-based approach" (or "**ERBA**") assigns a 65% risk weight to "a corporate exposure that is an exposure to a company that is investment grade and that has a publicly traded security outstanding or that is controlled by a company that has a publicly traded security outstanding." (Proposed Rule, § ___.111(h)). ***We expect that many US and foreign insurance companies that have (or are controlled by parent holding companies that have) publicly traded securities outstanding would be assigned a 65% risk weight under the ERBA.***

In the Endgame Proposal, however, the Agencies requested comment on whether a risk weight lower than 100% should be applied to exposures to companies that are "***highly regulated***" even if they are not publicly traded. ***The RAA believes that the Agencies' interest in exposures to "highly regulated" companies as a distinct risk category suggests that exposures to prudentially regulated insurance companies (such as QICs) should, under the ERBA, be treated more like exposures to banks than exposures to corporates (even investment grade corporates).***

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Risk-Weighting of Exposures to QICs

Risk Weights under the "Expanded Risk-Based Approach" (continued)

Exposures to Banks

The Endgame Proposal's ERBA categorizes exposures to banks as "**Grade A**," "**Grade B**" or "**Grade C**" depending on whether the bank is "investment grade" or "speculative grade" and whether the bank's capital ratios meet or exceed certain thresholds. (Proposed Rule, § ___.101(b))

- A bank exposure is Grade A if, among other things, the bank is investment grade and its most recent capital ratios meet or exceed the minimum capital requirements and "any additional amounts [i.e., buffers] necessary to not be subject to limitations on distributions and discretionary bonus payments under capital rules established by the [bank's] prudential supervisor"
- A bank exposure that does ***not*** qualify as Grade A is Grade B if, among other things, the bank is speculative grade or investment grade, and its most recent capital ratios meet or exceed the minimum capital requirements under capital rules established by the bank's prudential supervisor
- Under the ERBA, Grade A, Grade B and Grade C bank exposures would be assigned risk weights of **40%**, **75%** and **150%**, respectively; certain short-term Grade A and Grade B bank exposures would be assigned risk weights of **20%** and **50%**, respectively. (Proposed Rule, § ___.111(d))

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Risk-Weighting of Exposures to QICs

Proposed Treatment of Exposures to QICs

*Based on the treatment of exposures to banks, the RAA proposes to modify the ERBA to provide that the portion of any exposure that is covered by an eligible guarantee provided by a QIC (to the extent that the eligible guarantee meets rules of recognition for use of the "substitution approach") would be assigned a **40%, 75%** or **150%** risk weight, depending on whether the QIC eligible guarantee exposure is categorized as "**Grade A**," "**Grade B**" or "**Grade C**."*

- Certain short-term Grade A and Grade B QIC eligible guarantee exposures would be assigned risk weights of **20%** and **50%**, respectively.

- These risk weights would ***not*** apply to direct exposures to QICs – only exposures arising under eligible guarantees, and only eligible guarantees meeting the rules of recognition for use of the "substitution approach."

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Risk-Weighting of Exposures to QICs

Proposed Treatment of Exposures to QICs (continued)

The RAA's January 16, 2024 comment letter proposes definitions of "Grade A qualifying insurance company exposure," "Grade B qualifying insurance company exposure" and "Grade C qualifying insurance company exposure," depending on whether the QIC is "investment grade" or "speculative grade" and whether the QIC meets or exceeds minimum risk-based capital, solvency capital, or similar requirements established by its State insurance regulator or foreign insurance regulator.

- **Grade A qualifying insurance company exposure:** The QIC is investment grade and exceeds minimum risk-based capital, solvency capital, or similar requirements by an amount at least equal to the additional buffer percentage of the applicable minimum.
  - The "*additional buffer percentage*" concept is intended to treat QICs on a par with banking organizations and would be equal to (A) the minimum capital conservation buffer at or below which a banking organization is subject to limits on distributions and discretionary bonus payments (currently 2.5%), divided by (B) the minimum common equity tier 1 capital ratio (currently 4.5%, for a current additional buffer percentage of 55.56%).

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Risk-Weighting of Exposures to QICs

Proposed Treatment of Exposures to QICs (continued)

Grade B qualifying insurance company exposure: The QIC eligible guarantee exposure does not qualify as a Grade A qualifying insurance company exposure; the QIC is speculative grade or investment grade and meets minimum risk-based capital, solvency capital, or similar requirements.

Grade C qualifying insurance company exposure: The QIC eligible guarantee exposure does not qualify as a Grade A qualifying insurance company exposure or a Grade B qualifying insurance company exposure.

The other requirements of the proposed definitions of “Grade A qualifying insurance company exposure” and “Grade B qualifying insurance company exposure” generally correspond to the ERBA’s definitions of “Grade A bank exposure” and “Grade B bank exposure.”

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Initial Q&A

Why shouldn't US banks receive meaningful capital relief for (re)insurance credit risk transfer (CRT)?

After reviewing the information that we provided in response to questions during our previous meetings, do you have any remaining questions or concerns keeping you from saying "yes"?

FAQs

What US Public Sector Entities Use (Re)insurance Risk Transfer?

Federal

FEMA

NATIONAL FLOOD INSURANCE PROGRAM®

EXIM EXPORT-IMPORT BANK OF THE UNITED STATES

Fannie Mae

Freddie Mac

State

CEA CALIFORNIA EARTHQUAKE AUTHORITY™

CITIZENS PROPERTY INSURANCE CORPORATION

TWIA

Sources: https://www.floodsmart.gov/get-flood-insurance?gclid=EAIaIQobChMIp7mvlvKoggMVR1ZyCh2G_A9IEAAYASAAEgKwWfD_BwE&gclsrc=aw.ds; https://www.fema.gov/flood-insurance/work-with-nfip/reinsurance; https://www.exim.gov/news/export-import-bank-president-and-chair-reta-jo-lewis-launches-expanded-reinsurancerisk-sharing; https://capitalmarkets.fanniemae.com/credit-risk-transfer; https://capitalmarkets.freddiemac.com/crt?gad_source=1&gclid=EAIaIQobChMIjcS67u-oggMVcc7ICh1IAAtLEAAYASAAEgKJqfD_BwE&gclsrc=aw.ds; https://www.citizensfla.com/documents/20702/30248452/20230328+03A+2023+Risk+Tansfer+update+%5Bplaceholder%5D.pdf/0fada976-6d47-d378-058c-5e465e44dca0?t=1679925592617; https://www.earthquakeauthority.com/; https://www.earthquakeauthority.com/California-Earthquake-Insurance-Policies/2023-Policy-Option-Changes; https://www.twia.org/twia-board-sets-4-5-billion-as-1-in-100-year-probable-maximum-loss-for-2023-storm-season/

What US Private Sector Entities Use (Re)insurance Risk Transfer?

Entity	US	Non-US	Comments
Property and Casualty Insurers	✓	✓	All Lines
Life Insurers	✓	✓	All Lines
Mortgage Insurers	✓	✓	Mortgage Credit Risk Transfer
Banks	⃠	✓	General Credit Risk Transfer

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Do P&C (Re)Insurers Have Concentrations in Credit Risk?

Everest Reinsurance Example

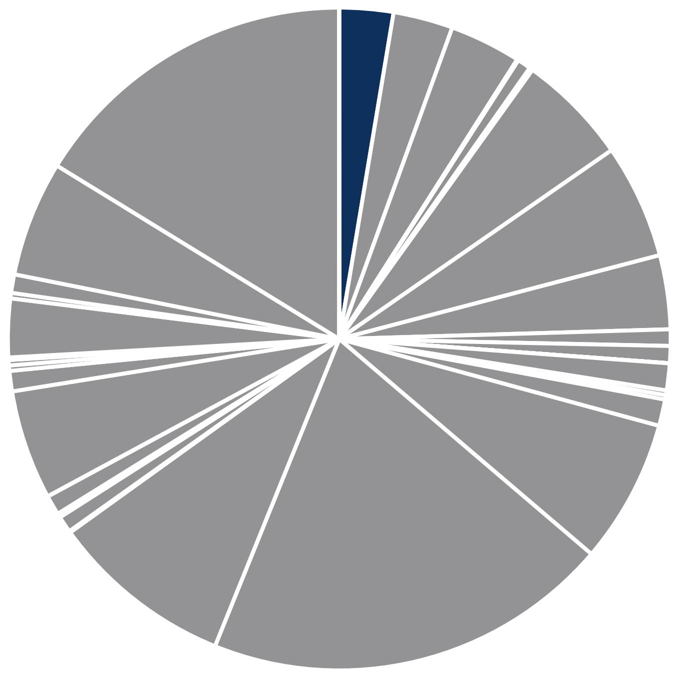
Everest Reinsurance is a **diversified reinsurer** engaged in a broad array of business lines

Everest Reinsurance is **not engaged predominantly in credit** protection and has no positive correlation with underlying guaranteed position

Investment portfolio publicly disclosed at the instrument level also demonstrates **limited asset exposure to credit risk**

Publicly disclosed premiums written by lines of business show **no concentration in credit sensitive lines**

Everest Credit and Guaranty Lines Represent ~2% of Earned Premium



Everest Reinsurance Company Annual Statement 2022: Underwriting and Investment Exhibit. Exhibit includes earned premium from 38 different lines of business (e.g., agriculture, auto-mobile, property and causality) – of which credit and guaranty lines represent 1.3% of the total.

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How is a P&C Insurance Company Regulated as Part of an Insurance Holding Company (IHC)?

- State regulation of insurance companies is **focused on the supervision of each insurance legal entity**, but states also have insurance holding company laws and regulation.
- State insurance regulators have full supervisory power over all material transactions between an insurer and an IHC and among affiliated entities in an IHC group.
- While insurance holding companies are not legally obligated for the debts of their subsidiaries, an insurance-grade debt rating is contingent upon the health and financial soundness of operating company subsidiaries.
- The robust regulatory framework for insurance companies and constant modernization of state insurance regulation, among other factors has resulted in: (1) a countercyclical element of insurer solvency during major market downturns and loss events; and (2) very few P&C insurance company impairments.
- In 2022, only 2 (0.08%) of the 2,656 P&C insurance companies licensed in the US became impaired.

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What About AIG During the Global Financial Crisis?

- In 2008, AIG was a federally regulated holding company, whose collapse was caused primarily by its UK-based, AIG Financial Products subsidiary which as not an insurance company or subject to insurance regulation
- AIG's P&C companies did not cause or contribute to AIG's near-collapse, did not receive federal assistance, and maintained strong capitalization that was not at risk from the activities of AIG Financial Products
- Reinsurance is largely uncorrelated to financial markets in times of stress, as demands for payment are conditioned on a loss event specified under the reinsurance contract, which are rarely correlated with economic cycles or financial crises
- The Global Financial Crisis was not a major event for the P&C insurance industry

How Are Credit Risk Transfer and Credit Default Swaps Different?

	Pre-GFC Credit Default Swaps (CDS)	Capital Markets Credit Risk Transfer (CRT)	(Re)insurance Credit Risk Transfer (CRT)
Product	**Derivatives**	**Securities**	**(Re)insurance**
Distribution v. Concentration of Credit Risk	Bi-lateral arrangements limited to a handful market participants that sold virtually uncapped credit protection	Distributes credit risk to a broad set of fixed income investors	Distributes credit risk to a broad set of highly-rated multiline global (re)insurers
Counterparty Credit & Wrong-Way Risk	Participants creditworthiness highly exposed to market and credit risk	Full upfront cash collateralization	CRT risk is uncorrelated to core property and casualty exposures
Alignment of Interest	No requirement	Investors require issuer to retain some risk	(Re)insurers require issuer to retain some risk
Hedging v. Speculation	Allows for highly leveraged market speculation beyond direct hedging	Issuers only able to hedge risk to which they are exposed	Issuers only able to hedge risk to which they are exposed
Liquidity Risk	Highly exposed to liquidity risk and mark to market impacts	Stress in active secondary market may impact CRT availability when most needed	Limited, risk held to maturity and no secondary market
Ability and Willingness to Pay Claims	Significant inability to meet payment obligations	Full upfront cash collateralization	Highly rated, diversified business model supports consistent history of (re)insurers meeting claims obligations

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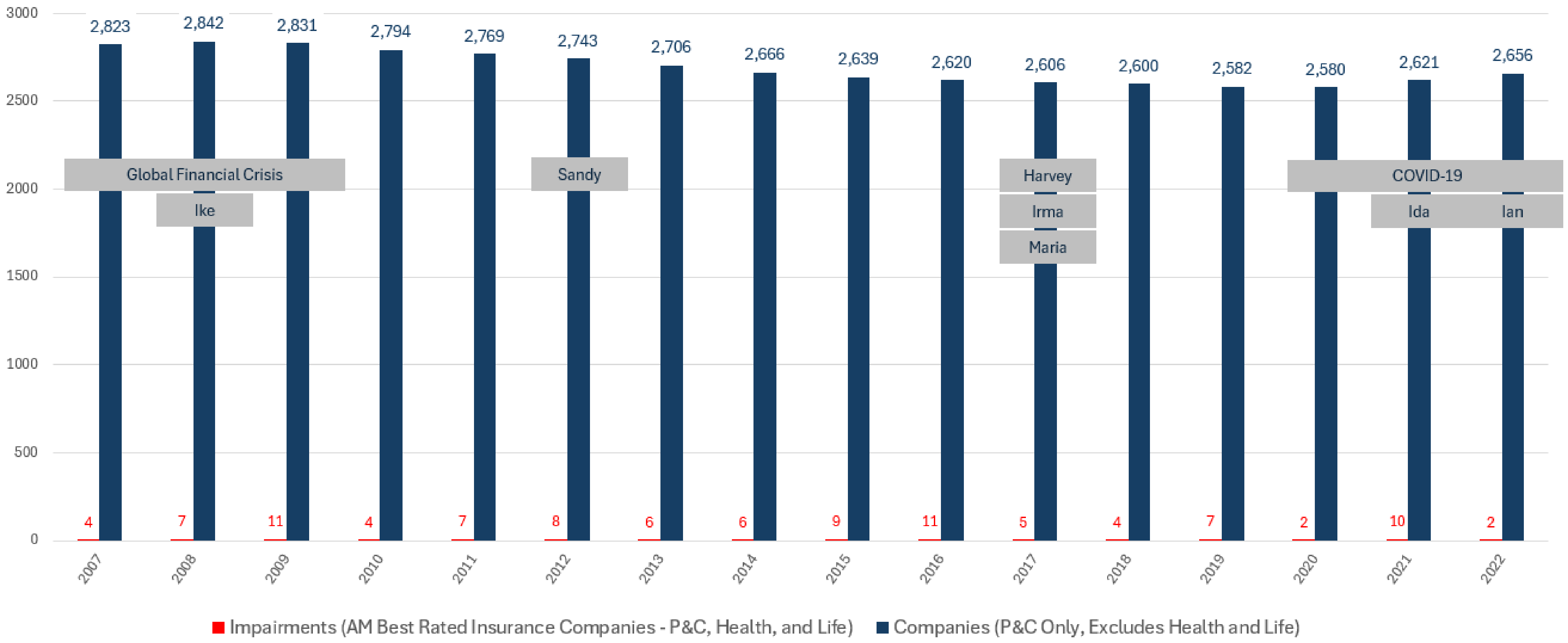
De Minimis Insurance Company Impairments (2007-2022, U.S.)



Sources: The U.S. Department of the Treasury Federal Insurance Office annual reports, National Association of Insurance Commissioners annual reports, AM Best special report, and Insurance Information Institute.

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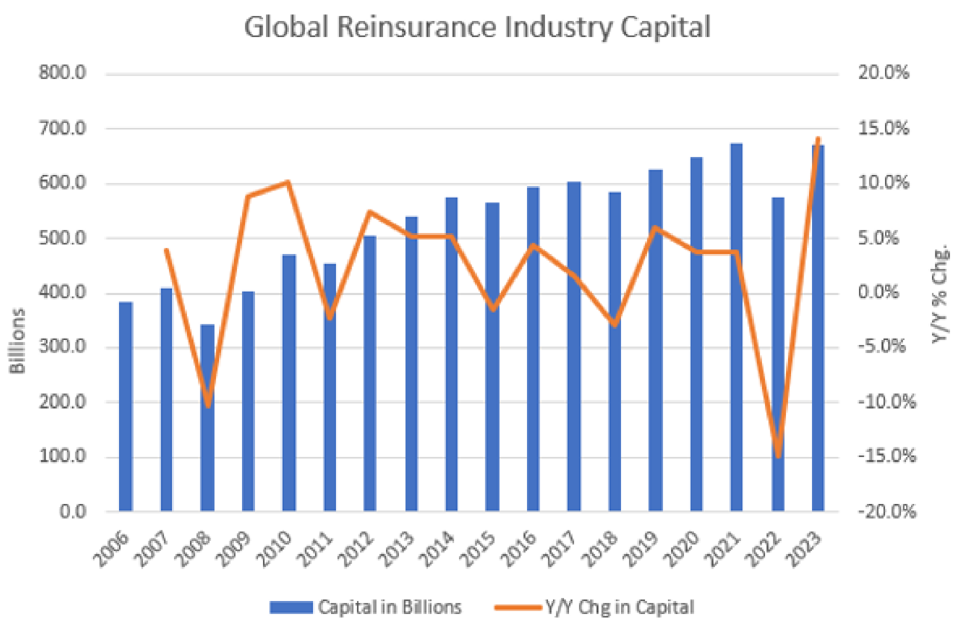
How Durable is P&C Reinsurance Capital?



Source: Aon

- Significant and growing (re)insurance capital base
- (Re)insurers represent diversified, buy and hold institutional capital
- Credit risk largely uncorrelated with other P&C lines
- Credit risk comprises small amount of (re)insurers' overall risk

- P&C (re)insurers are seeking to deploy capital for bank credit risk transfer, which is uncorrelated with the industry's other underwriting risks, as (re)insurers underwrite a variety of risks globally.
- The Global Financial Crisis and other major catastrophes and economic downturns did not have a significant impact on P&C (re)insurance, especially compared to the economy and financial markets.

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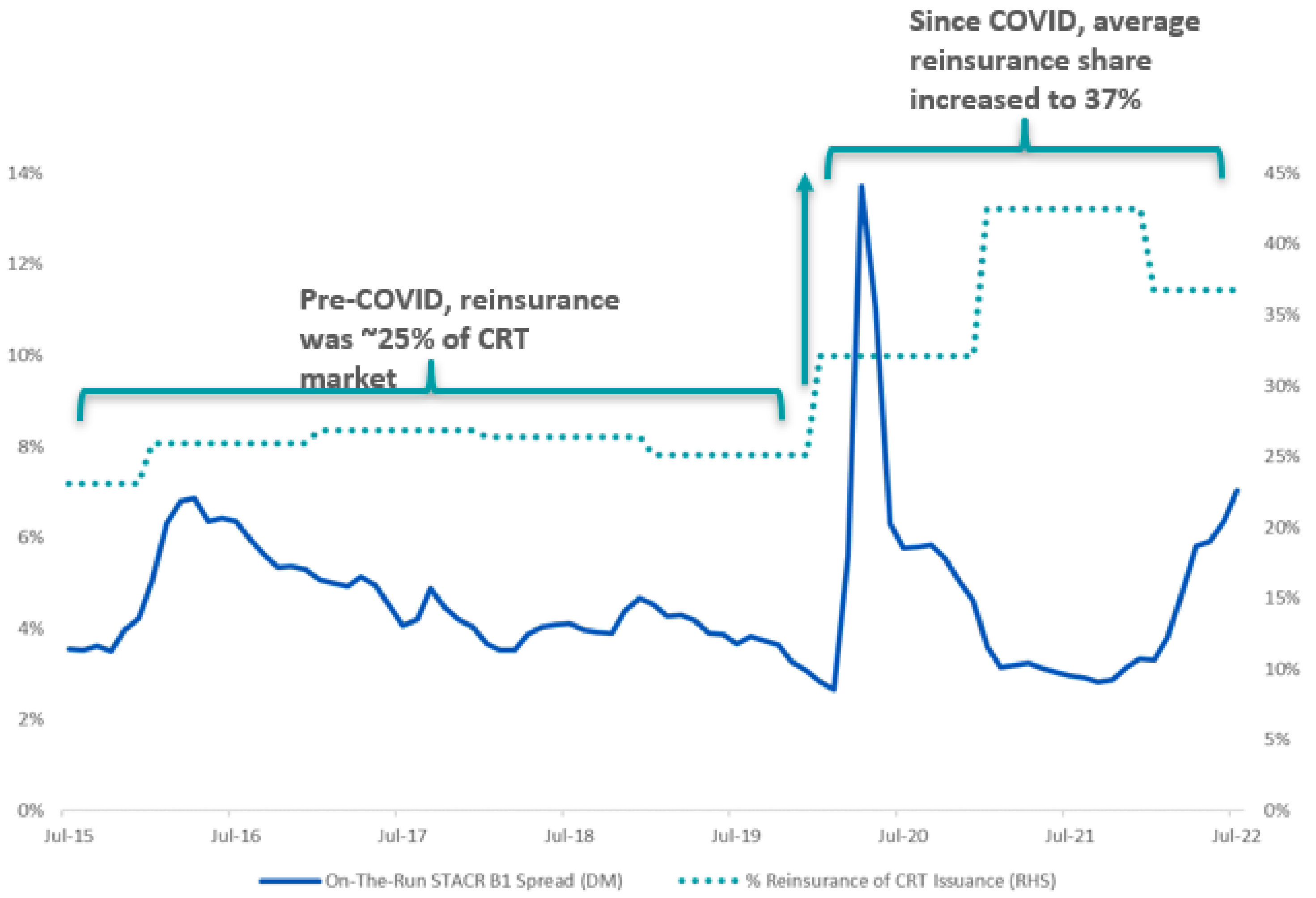
How Can (Re)insurance and the Capital Markets Work Together to Mitigate Credit Risk?



Source: TRACE, CRT Clarity, Data Dynamics, Arch

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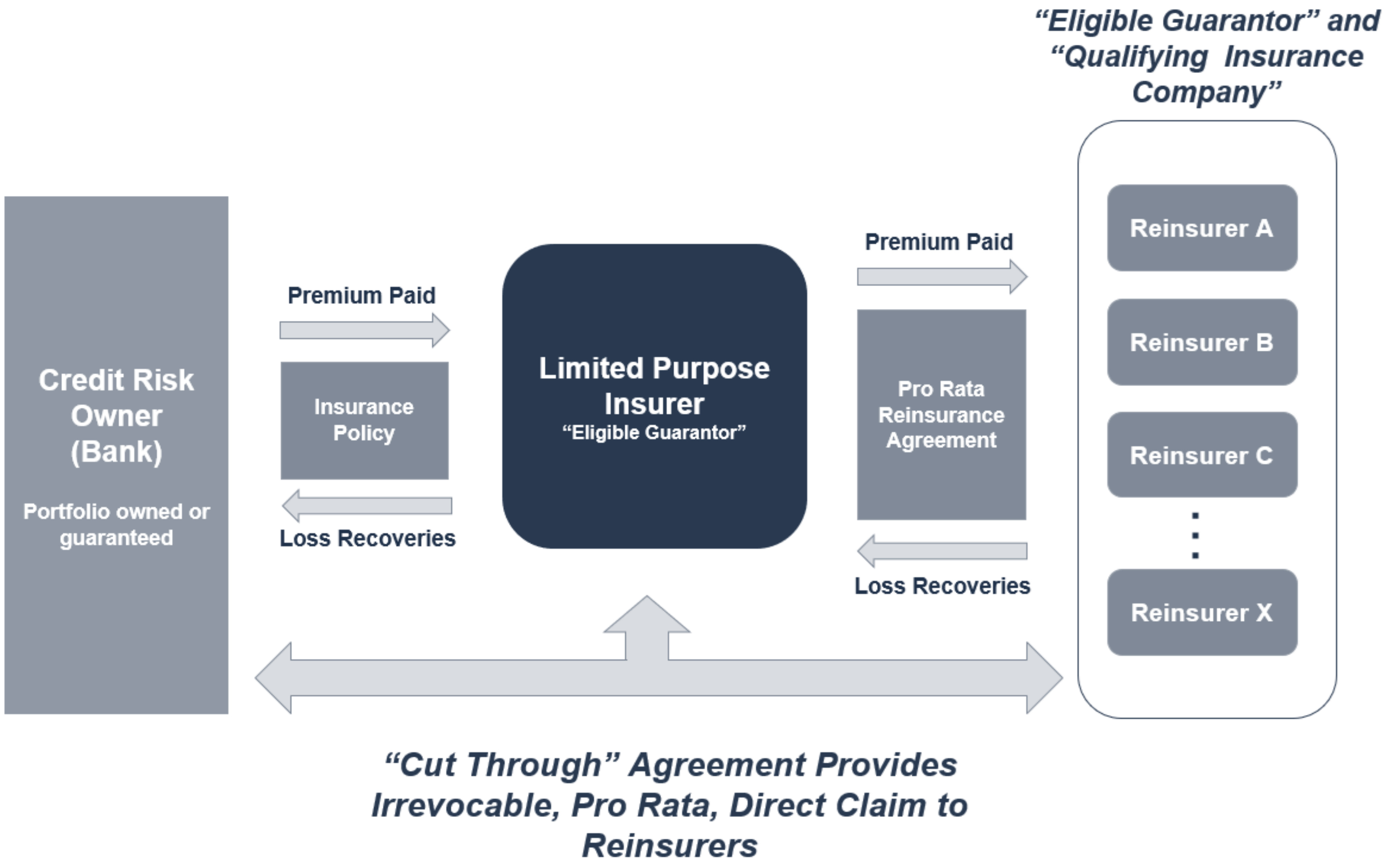
(Re)insurance CRT Transaction Structure
Limited Purpose Insurer and Cut Through Example

Key Features

- Credit Risk Owner (Bank) enters structured insurance policy with licensed and regulated Limited Purpose Insurer
- Limited Purpose Insurer enters into pro rata reinsurance agreement with multiple reinsurers, each a "Qualifying Insurance Company"
- Limited Purpose Insurer acts as a pass-through retaining no credit risk itself
- "Cut Through" Agreement allows Credit Risk Owner (Bank) to rely on creditworthiness of reinsurers for payment by providing an irrevocable, pro rata, direct claim to the reinsurance panel



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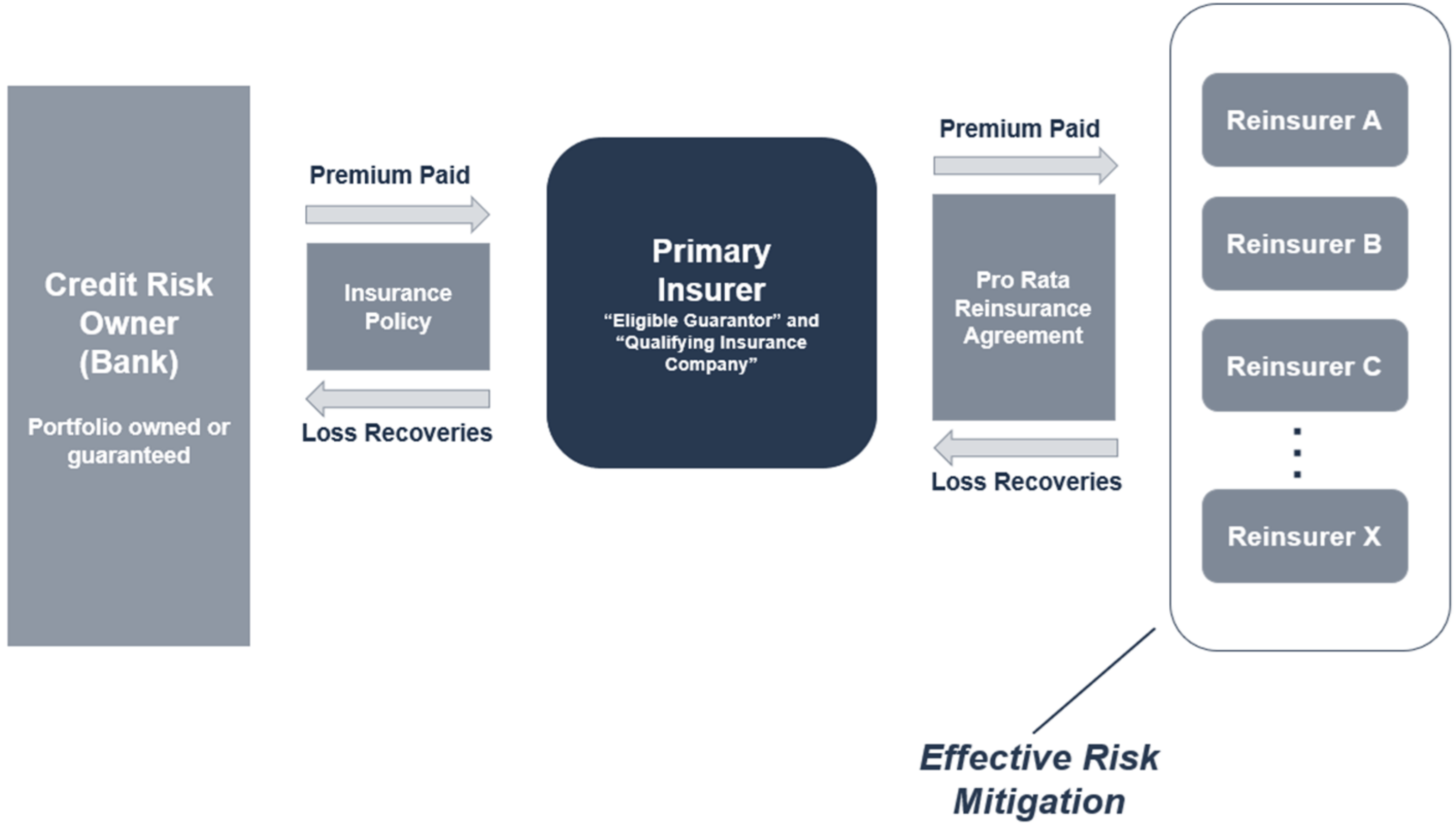
(Re)insurance CRT Transaction Structure

Primary Insurer Example

Key Features

- Credit Risk Owner (Bank) enters structured insurance policy with Primary Insurer, a "Qualifying Insurance Company"
- Primary Insurer distributes risk to multiple reinsurers through a pro rata reinsurance agreement, transferring the risk assumed by the Primary Insurer
- Credit Risk Owner (Bank) looks to Primary Insurer creditworthiness
- Primary Insurer looks to Reinsurers' creditworthiness
- Although each reinsurer may also be a "Qualifying Insurance Company," the Credit Risk Owner's (Bank) direct, irrevocable claim is to the Primary Insurer



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Credit Risk Transfer Reduces Capital Burden, Enhances Lending Capacity

Illustrative Transaction, Mortgage Example

$1.0 Billion Mortgage Pool

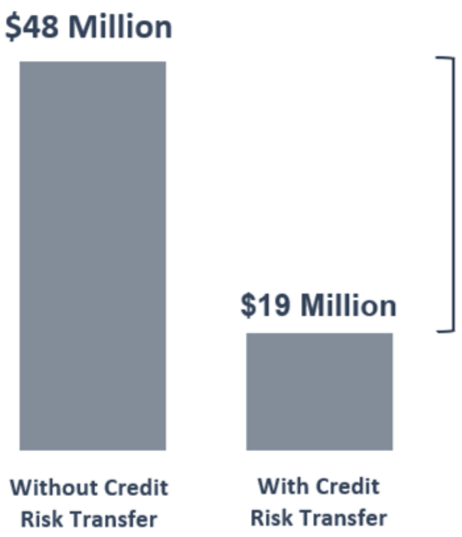
Assumptions

Credit Risk Transfer attaches at expected loss; detaches at stress loss

60-80% LTV single family mortgage loans; 60% RW for mortgages held net (i.e., without Credit Risk Transfer)

For Credit Risk Transfer enhanced pool, 1250% RW for retained first loss, 65% for Credit Risk Transfer enhanced tranche and 15% RWA for a A tranche (as proposed in NPR).

Regulatory Capital Requirements



Assumptions

Capital Requirements **without** Credit Risk Transfer = $1B x 60% RW x 8% = **$48M**

Capital Requirements **with** Credit Risk Transfer = $5M x 1250% RW x 8% + $45M x 65% RW x 8% + $950M x 15% RW x 8% = **$19M**

- $29M of capital relief creates additional lending capacity
- The same $48M capital is required for a lending book of $2.6B **with Credit Risk Transfer** as a $1B lending book **without Credit Risk Transfer**
- By transferring the risk of unexpected losses on pools of assets through Credit Risk Transfer to the (re)insurance market, banks can expand lending capacity in a safe and sound manner

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Q&A