

# Chapter



## Article 7 Retention option (c): retention of randomly selected exposures

(1) The pool of at least 100 potentially securitised exposures from which retained and securitised exposures are randomly selected, referred to in point (c) of the second subparagraph of Article 405(1) of Regulation (EU) No 575/2013, shall be sufficiently diverse to avoid the excessive concentration of the retained interest. When preparing for the selection process, the retainer shall take appropriate quantitative and qualitative factors into account in order to ensure that the distinction between retained and securitised exposures is genuinely random. The retainer of randomly selected exposures shall take into consideration, where appropriate, factors such as vintage, product, geography, origination date, maturity date, loan to value ratio, property type, industry sector, and outstanding loan balance when selecting exposures.

(2) The retainer shall not designate different individual exposures as retained exposures at different points in time, unless this is necessary to fulfil the retention requirement in relation to a securitisation in which the securitised exposures fluctuate over time, either due to new exposures being added to the securitisation or to changes in the level of the individual securitised exposures.