

Paris, le 28 octobre 2005

Le Délégué Général

Mr José María Roldán  
Chairman  
Committee of European Banking Supervisors  
Tower 42  
25 Old Broad Street  
London

By mail : [CP10@c-eps.org](mailto:CP10@c-eps.org)

Dear Mr Roldán,

Our Association, whose membership comprises all specialised French financial institutions (consumer credit, real estate credit and leasing, equipment leasing, factoring, financial guaranties companies), welcomes the opportunity to comment on the CEBS consultation CP10 and wishes to set out the following observations.

As regards the opportunity to apply a permanent partial use (§ 3.1.2.), we would like to point out the fact that certain exposures, such as real estate leasing exposures, make up low default portfolios of a small number of large exposures. Due to these characteristics only, little range of data is available for these portfolios and institutions performing this business meet large difficulties to comply with statistical requirements of the advanced approach, when the soundness of their activities is based on different data. Due to an excessive level of overcollateralisation, the Foundation approach, which could be simplest, penalises commercial real estate leasing. So, it would be worthwhile to allow permanent partial use for such portfolios. A set of common practices relating to this specific business to be shared by supervisors across Europe would greatly contribute to promoting a level playing field.

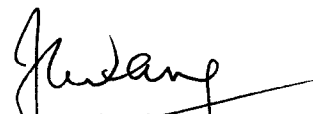
- On the subject of the assignment of SMEs to the retail exposure class (3.3.1.1.1.), we draw the attention of the Committee to the situation encountered by many specialised institutions, to whom financing files are brought by external "agents" when they grant financing for small amounts to large "corporate". These files are treated according to the "retail" method, with particular recourse to scores or to highly automated tools, both on the level of acceptance and on that of management (including incidents), independently of bank loans to these customers.

We wish the particular situation of these establishments to be taken into account, since we anticipate that the credit granting to corporate does not exclude them from "retail" management of these files (classification by homogeneous risk categories, no default contagion), even with the formula of calculation of the equity of the "corporate". It should be necessary to widen the criteria of assignment in this sense.

If you have any questions on the points made in this paper, please do not hesitate to contact Alain Lasseron on +33 1 53 81 51 51 or at [a.lasseron@asf-france.com](mailto:a.lasseron@asf-france.com).

We thank you for taking the time to examine our comments.

Yours sincerely,

  
Jean-Claude Nasse