

### Criteria | Structured Finance | Covered Bonds:

# Advance Notice Of Proposed Criteria Change: Covered Bonds Methodology And Assumptions For Counterparty Risk

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## Table Of Contents

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Related Criteria And Research

## Criteria | Structured Finance | Covered Bonds:

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As announced in "Counterparty And Supporting Obligations Update," published today, Standard & Poor's Rating Services is undertaking a review of the application to covered bonds of its updated criteria for counterparties in structured finance transactions (see "Counterparty And Supporting Obligations Methodology And Assumptions," published on Dec. 6, 2010). As a result, we are delaying the effective date for the application of these criteria to covered bonds.

Our review of the application of these criteria to covered bonds will take into account:

- The dual-recourse nature of covered bonds to the covered bond issuer and cover pool assets, and
- The multiple number of counterparties that may provide support to the covered bonds.

This review may result in supplemental criteria to paragraphs 101 and 102 of "Counterparty And Supporting Obligations Methodology And Assumptions," which apply only to covered bonds.

Following this advance notice, we expect to publish a request for comment (RFC) outlining our proposed criteria updates. Subsequently, we will publish our final criteria, which may consider market feedback, as we deem appropriate.

## Related Criteria And Research

- Counterparty And Supporting Obligations Update, Jan. 13, 2011
- Counterparty And Supporting Obligations Methodology And Assumptions, Dec. 6, 2010

Related articles are available on RatingsDirect. Criteria, presales, servicer evaluations, and ratings information can also be found on Standard & Poor's Web site at [www.standardandpoors.com](http://www.standardandpoors.com). Alternatively, call one of the following Standard & Poor's numbers: Client Support Europe (44) 20-7176-7176; London Press Office (44) 20-7176-3605; Paris (33) 1-4420-6708; Frankfurt (49) 69-33-999-225; Stockholm (46) 8-440-5914; or Moscow (7) 495-783-4011.

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