

Paris, 11 April 2014

**New company Euro Secured Notes Issuer (ESNI)
issues its first secured notes**

The French Banking Federation (FBF) welcomes a new issuer, Euro Secured Notes Issuer (ESNI), which has issued its first Euro Secured Notes (ESN) today. The operation, which has had the strong support from Banque de France, will considerably benefit to the Paris financial exchange. Secured notes shall award a liquidity value to financing granted to SMEs and mid-tier companies and allow capital market participants to benefit from a high quality collateral.

The first ESN issues have been carried out today for an outstanding amount of 2,650 million euros and maturities up to 3 years. They will be followed by further issues in the coming weeks.

Set up by five banks - BNP Paribas, BPCE Group, Crédit Agricole Group, HSBC France and Société Générale, ESNI is open to all European and French banks.

With these issues, the Paris financial exchange gives itself the means to actively finance SMEs through an increased liquidity granted to their loans, with an objective to favour growth and employment.

Quality standards

This new form of securitisation is based on bank loans to SMEs meeting the eligibility criteria for Eurosystem refinancing operations.

The financial instruments issued may be used as collateral between capital market participants and as a new investment asset class for investors.

The notes are issued by ESNI, a securitisation company under French law. Private loans transferred as part of a collateral arrangement (“*pleine propriété à titre de garantie*”) in favour of ESNI shall nonetheless remain managed by the banking groups that granted them and the securities shall not be issued in tranches*. Each credit institution participating in ESNI has its own independent compartment. Besides, the ESN are backed by loans that have been awarded a high rating by the Banque de France (FIBEN).

The Paris financial exchange has defined the characteristics of the ESN according to high standards of transparency, simplicity and security in order to ensure a very high quality for this securitisation programmes.

** the underlying assets shall remain on balance sheets*

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