

## Key Points Summary:

# SFA Recommended Best Practices for Marketplace Lending Securitization Disclosure & Reporting

Structured Finance Association (SFA) is committed to supporting and facilitating the responsible growth and long-term stability of the structured finance market for marketplace lending sector. Specifically, the disclosure and reporting workstream seeks to establish certain recommended data disclosure standards for ABS-backed loans originated through marketplace lending platforms that are consistent with existing practices and regulations currently applied to other origination channels and/or asset classes.

### LOAN-LEVEL DATA

- Recommended loan-level data fields for each loan in the securitized pool are to be provided as a “best practice” for securitizations of unsecured consumer loans originated by marketplace lenders or their partners. As with all consumer asset classes, loan-level disclosures should protect an obligor’s identity. This asset-level data is provided at the time of the offering as of the statistical cutoff date with updated data continued to be provided on a monthly basis.

- Interest Rate/Borrower Rate
- Original Principal Balance
- Current Principal Balance
- Days Past Due/Days Delinquent/Loan Status
- Borrower State of Residence
- Borrower Annual Stated Income
- Borrower Stated Loan Purpose

### Data fields provided are broken down into 4 main categories:

1. Loan Identification and Deal Information — Identification of the particular loan and key transaction parties.
  2. Origination Attributes and Loan Term — Required payment stream related to a particular loan, such as the contractual terms (interest rate, payment frequency, maturity date, etc.), scheduled payment amounts, basis for interest rate calculations and whether and how payment terms change over time.
  3. Underwriting Attribute — Credit quality and other characteristics of the obligor at the time of origination.
  4. Performance Attribute — Performance of each asset over time. For example, data about if an obligor is making payments as scheduled; if not, then information about the amount and timing of payments made.
- The recommended data fields (including descriptions and data type) for each category are detailed in Exhibit A.1 of our [Marketplace Lending Best Practices: Disclosure & Reporting Third Edition Green Paper](#).

### POOL-LEVEL DATA

- Recommended series of data points are for the purpose of summarizing pool characteristics and orienting investors to the securitized pool. It is provided at the time of the offering as of the statistical cutoff date.

### Stratification Tables provided for these pool-level characteristics:

- Monthly [Scheduled] Loan Payment Amount;
- Credit Score at Origination
- Platform Grade/Rating
- Original Term to Maturity
- Remaining Term to Maturity

### For each of the distribution groups in the stratification tables, this information is provided:

- Number of loans
- Percentage of pool by number of loans
- Current principal balance
- Percentage of pool by current principal balance
- Weighted average standardized credit score
- Weighted average borrower rate
- The recommended summary statistical information about the underlying securitized pool is detailed in Exhibit A.2 and A.3 of our Marketplace Lending Best Practices: Disclosure & Reporting Third Edition Green Paper.

### HISTORICAL STATIC POOL PERFORMANCE DATA

- Recommended historical quarterly static pool performance data is provided at time of offering as of the statistical cutoff date.

### With respect to each vintage origination quarter involving the same asset type(s) over the last five or more years preceding the issuance, this historical static pool information will be provided as long as certain criteria are met:

- Monthly prepayment
- Monthly Cumulative Gross Loss Rate
- Delinquency
- Aggregate Principle Balance
- Average Borrower Rate
- The recommended summary statistical information about the underlying securitized pool is detailed in Exhibit A.4 of our [Marketplace Lending Best Practices: Disclosure & Reporting Third Edition Green Paper](#).