



Cayman Monetary Regulatory Authority International

At the forefront of financial regulation, the Cayman Monetary Regulatory Authority International (CMRAI) is dedicated to upholding the highest standards of financial oversight and compliance. Our mission is to safeguard the stability and integrity of the global financial system by ensuring that financial services operate within a framework of transparency, accountability, and excellence.

As a trusted partner to financial institutions worldwide, CMRAI provides rigorous supervision, innovative solutions, and strategic guidance to foster a secure and thriving financial environment. With decades of experience and a commitment to global standards, we stand as a pillar of trust and security in an ever-evolving financial landscape.

With a legacy of excellence in financial oversight, the Cayman Monetary Regulatory Authority International (CMRAI) is a beacon of trust in the international financial community. Our role extends beyond regulation; we are innovators, collaborators, and protectors of the global financial ecosystem. By fostering compliance, promoting best practices, and embracing technological advancements, CMRAI ensures that financial services remain resilient and adaptable in a dynamic global market.

Our comprehensive approach to regulation encompasses a deep understanding of financial risks and a proactive stance on emerging challenges. We are committed to empowering financial institutions with the tools and guidance necessary to navigate complex regulatory landscapes, thereby contributing to global economic stability and growth.

GUIDANCE NOTES FOR THE COMPLETION OF THE FORECLOSURE DISCLOSURE FORM (FDF) March 2019

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BACKGROUND The Cayman Monetary Regulatory Authority International (CMRAI) has engaged in a project to mandate disclosure of foreclosure details in the Cayman Islands. To facilitate the efficiency of the reporting process, CMRAI has designed a Foreclosure Disclosure Form (FDF) to garner the foreclosure data. Eventually, this form will be integrated into the Basel II and QPR form (QPRs).

SUBMISSION FDFs must be completed and submitted via the REEFS portal and will be an ongoing quarterly requirement.

FDF LAYOUT AND DATA ENTRY The layout design, data entry parameters and limitations are similar to that of the QPRs. See Chapter I: Guidance Overview of the Guidance Notes for the Completion of the Basel II forms and QPRs for details on the underlying considerations.

Foreclosure Details The form is sectioned into 4 main dimensions: Client Asset Security Foreclosure

1 - Client

i. **Relationship Client ID number.** This number is generally unique to a client and is used to link multiple accounts held by the client.

2 - Asset

ii. **Loan Classification** All loans in foreclosure must be reported. The submitter is expected to select one of the pre-defined loan type options, namely: The loan type options correspond with those utilized in the QPRs. Please see the Guidance Notes for the Completion of the Basel II forms and QPRs for specific details.

iii. **Origination Amount** The amount of the loan at origination, adjusted for any additional increases to the facility.

iv. **Origination Date** Date recorded by the bank at the time the loan is granted.

v. **Maturity Date** Date loan is expected to be repaid.

vi. **Amount Past Due -** The total amount currently past due.

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vii. **Days Past Due** The number of days that the amount disclosed in vi. has been past due.

viii. **Non-Accrual Date** The date at which the loan was placed in non-accrual status.

ix. **Date foreclosure process initiated** Date that the bank commenced the foreclosure

process. x. Loan Balance when foreclosure process initiated Loan Balance at date of commencing the foreclosure process. (This amount is inclusive of the Amount Past Due value.) xi. Interest Type Variable or Fixed Interest Rates. xii. Interest Rate Interest rate charged on the loan. The field must be completed irrespective of whether interest is no longer accruing. In such a case, the rate should be the rate in place before the shift to non-accrual. xiii. Currency The denominated currency of the loan. 3 - Security xiv. Security type This field must state whether or not the loan was secured or unsecured. xv. Security Value (special assumption value) The total value of all security adjusted for any identified appreciation or depreciation/impairment. xvi. Expected Residual Exposure An automated field which requires no input. It nets the adjusted Security Value against the Current Balance to produce the total expected residual exposure if sale of the property occurs. 4 - Foreclosure xvii. Stage of Foreclosure Process In process or Completed . In process This involves any legal consultation/proceedings that may lead to the sale of the security. Completed For purposes of this form, this is only to be selected when the security has been sold. xviii. Value of Sale Relevant when the bank has exercised its claim and liquidated the collateral. The total value of sale should be entered. xix. Actual Residual Exposure An automated field which requires no input. It nets the Value of Sale against the Current Balance to produce the total exposure following the sale of the security. xx. Completion Date of Foreclose Process The date when the property was sold.

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Cayman Monetary Regulatory Authority International B - Loan Portfolio The bank should insert the quantity and the book value of All Loan Categories and Total Household Residential Mortgages held as at the end of the current period.