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2007 Review and 2008 Outlook - US Asset-Backed Commercial Paper (Moody's Structured Finance Special Report)

Everett Rutan

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2007 Review and 2008 Outlook: US Asset-Backed Commercial Paper

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OPINION AND OUTLOOK

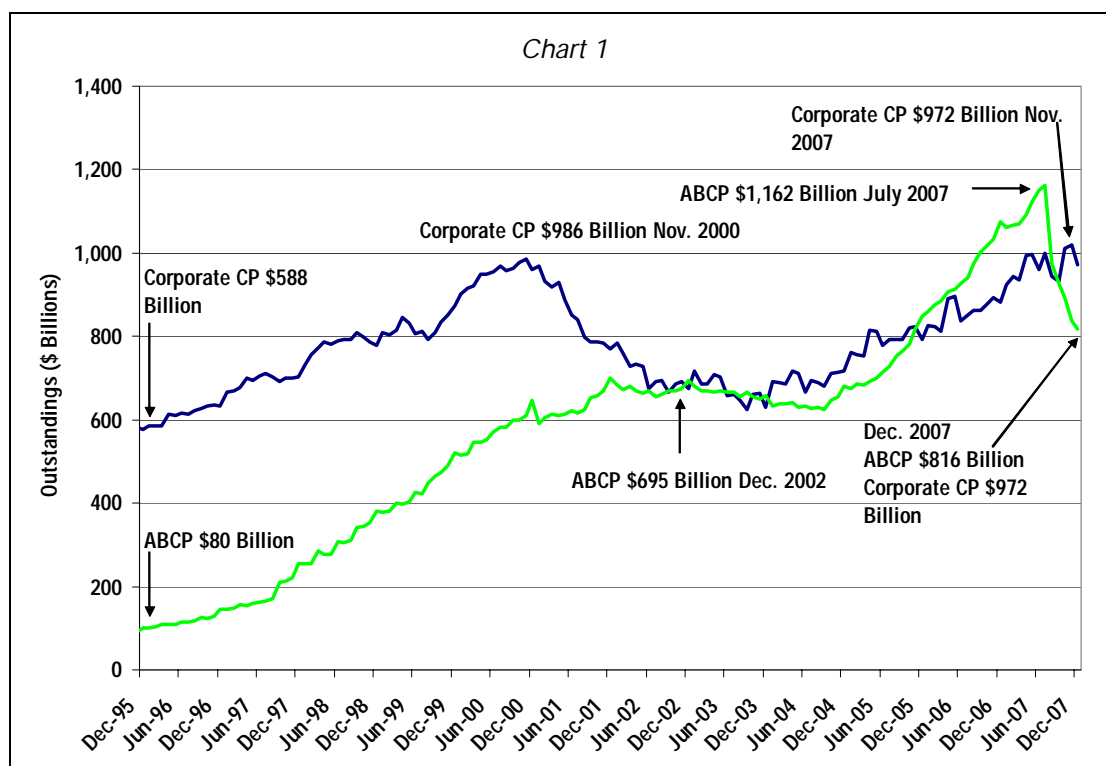
After two and one-half years of growth at an annual rate over 20%, the US ABCP market was swept up in the global liquidity crisis. From a peak of \$1.172 trillion in the first week in August 2007, outstandings fell to \$816 billion at year end, a decline of 30% to a level last seen in November 2005. Programs that issued extendible notes and programs that exposed investors to market value risk were particularly hard hit. Traditional bank-sponsored programs with liquidity backstop facilities fared best, though often paying historically high spreads to issue paper.

The outlook for 2008 remains unclear. Most of the growth in previous years had come from non-traditional, single-seller ABCP programs issuing extendible notes. That market now seems closed. Bank-sponsored programs may benefit from the lack of competition. To the extent that assets are still being generated and the term ABS market remains sluggish, originators may turn to banks and bank-sponsored conduits for short-term funding. The banks' ability to provide funding may be limited by their willingness to provide liquidity facilities and their own financial strength. Finally, the ultimate consequences of the crisis in 2007 are still evolving with respect to regulatory and accounting responses, and these factors have always been important to the structure and growth of the ABCP market.



2007 REVIEW

The first half of the year through July saw a continuation of the growth trend that had started in the fourth quarter of 2004. This three year period saw total US ABCP outstandings rise from \$624 billion to \$1.162 trillion (see *Chart 1*) for an annual growth rate of 25%. During 2007, Moody's rated 14 new ABCP programs in the US, including 5 single-seller programs (see Appendix).



In the first week of August 2007, American Home Mortgage filed for bankruptcy and its mortgage warehouse ABCP program, Broadhollow Funding was unable to roll its asset-backed commercial paper leading to an extension event. On that same day, August 6, 2007, a second program, Ottimo Funding, also extended. These two programs were ultimately followed by three others over the next week, and all extendible note programs found it difficult or impossible to issue commercial paper.

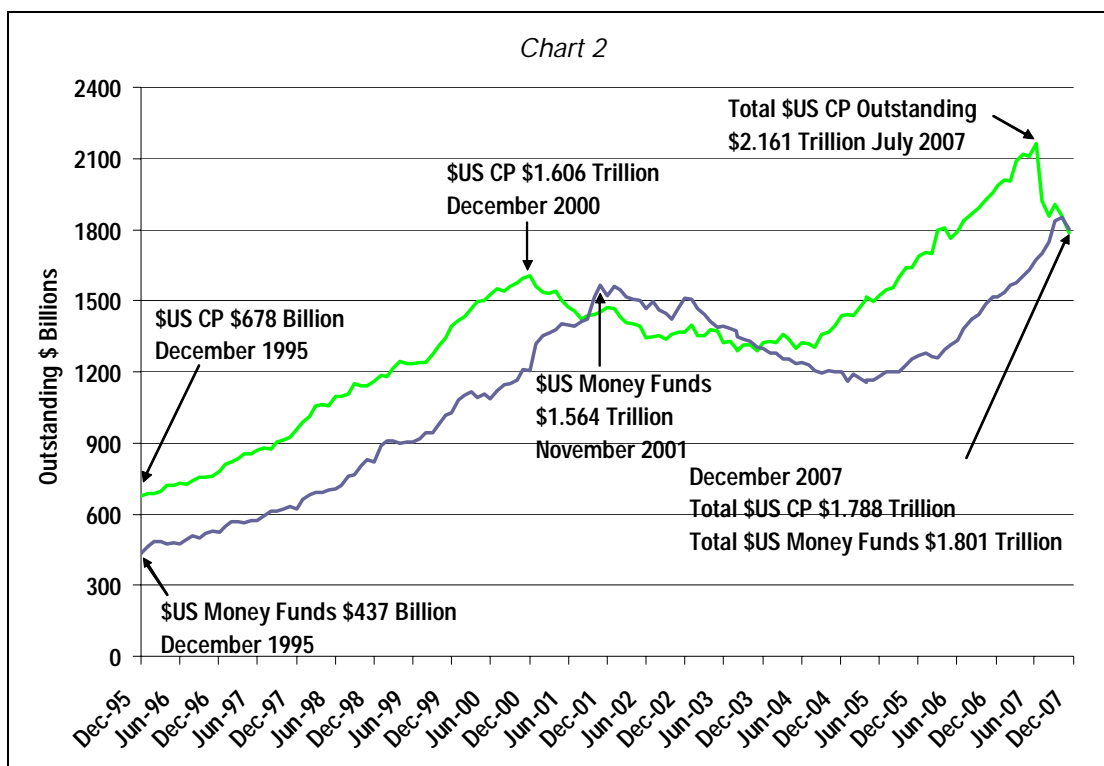
Difficulty with the extendible note programs spread to the rest of the ABCP market. All programs saw funding spreads widen out to historic highs and found that issuing paper at longer maturities was unavailable. Many programs were reduced to rolling paper on an overnight basis as the only way to continue funding. In some cases, dealers or program sponsors held paper that could not be placed to help support the market.

The negative publicity seemed to have more of an impact on many programs than any real changes in credit quality. During 2007, Moody's did not have any significant issues with respect to the assets held by US ABCP programs. One measure of this is to look at the rated securities held by US ABCP programs as of July 31, 2007. Out of over 1500 rated securities held as of July 31, 2007, only 18 have subsequently been downgraded as of January 1, 2008. The three US ABCP securities arbitrage programs that were downgraded to Not Prime were downgraded due to market value considerations, not because the securities they held had credit issues.

In all, total ABCP issued in the US at the end of 2007 stood at \$816.3 billion, compared to \$1.077 trillion at the end of 2006 and \$1.162 trillion at the end of July 2007. The change from year end 2006 and July to year end 2007 were declines of 24% and 30%, respectively. While the ABCP market declined from

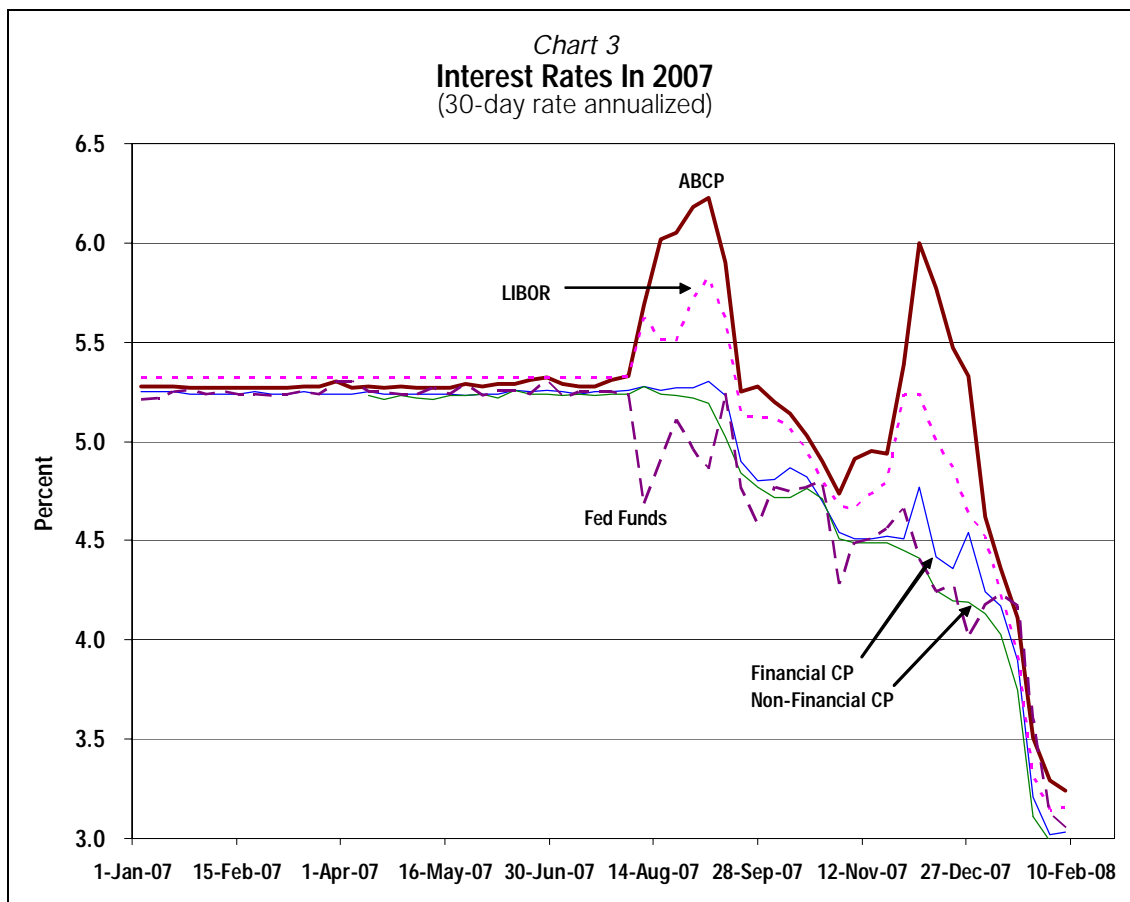
December 2002 through September 2004, the total decline was only 10% over an almost two year period.

Many money fund managers who regularly invest in ABCP stepped back from the market for fear that negative publicity regarding anything "asset backed" would lead to a withdrawal of funds by their investors. Interestingly, total investments in money funds rose for most of the year, dropping only slightly in December 2007. (see *Chart 2*)



Interest Rates Widen Out

September and the fourth quarter of 2007 saw gradual recovery with continued periods of stress, though none as severe as the month of August. After the September 30 quarter end, spreads and maturities reverted back lower in October for bank-sponsored multiseller programs. However, the LIBOR benchmark for ABCP was still high relative to other short-term money rates (see *Chart 3*). As the impact of subprime mortgages spread, there was concern for the credit quality of the banks themselves, especially as they began to announce write-offs due to losses in mortgages and CDOs. This combined with the need for ABCP conduits to place paper over year-end led to a rise in spreads in November and December for longer maturities. As with the quarter-end in September, spreads returned to lower levels after January 01, 2008. However, the relative funding cost for ABCP programs is still far from where it was one year ago, and further instability may arise in 2008.



Record Number of Conduits Terminated

The turmoil in the ABCP market resulted in a record number of ABCP programs terminating in 2007 (see *Table 2* and Appendix). The impact is actually greater than the numbers show: 29 new programs and 51 terminated. Only 10 of the new programs were rated after August 1, and five of those were pre-existing Canadian programs. Of the 51 terminated programs, 16 were closed prior to August 1. Effectively, in the last four months of 2007, there were only five new programs as compared to 35 terminations.

Table 1
ABCP Outstandings (\$ billions)

Year	Outstandings	Change	% Change
1997	256	90	54%
1998	382	126	49%
1999	521	139	36%
2000	646	125	24%
2001	700	54	8%
2002	695	-4	-1%
2003	659	-36	-5%
2004	680	21	3%
2005	848	168	25%
2006	1076	228	27%
2007	816	-260	-24%

US ABCP Volume, Global New and Terminated Programs					
Year	Outstandings (\$ Billion)	Change \$ Billion	Percent	New	Terminated
Dec-00	646	125	24%	47	25
Dec-01	700	54	8%	33	18
Dec-02	695	-4	-1%	30	27
Dec-03	659	-36	-5%	31	38
Dec-04	680	21	3%	35	37
Dec-05	848	168	25%	29	22
Dec-06	1076	228	27%	36	19
Dec-07	816	-260	-24%	30	52

Rating Actions Taken on US ABCP Programs

Moody's put five ABCP conduits on review for possible downgrade in August 2007, and subsequently downgraded three of those programs to Not Prime. One program was a mortgage warehouse and the other four were market value securities arbitrage programs. Three of the securities arbitrage programs were later downgraded to Not Prime. *Table 3* summarizes the rating actions, while the programs are discussed in more detail in the next major section.

Program	Rating Action	Date
Broadhollow Funding, LLC	Prime-1 on Review for Downgrade	August 6, 2007
Ottimo Funding, LLC	Prime-1 on Review for Downgrade	August 15, 2007
	Not Prime	October 17, 2007
KKR Atlantic Funding LLC	Prime-1 on Review for Downgrade	August 15, 2007
	Not Prime	October 29, 2007
KKR Pacific Funding LLC	Prime-1 on Review for Downgrade	August 15, 2007
	Not Prime	October 29, 2007
Thornburg Mortgage Capital Resources, LLC	Prime-1 on Review for Downgrade	August 15, 2007

The initial rating actions were taken due to uncertainty regarding continued funding and the status of the collateral. The three programs that were ultimately downgraded to Not Prime were unable to maintain their market value overcollateralization at levels consistent with a Prime-1 rating.

Comparison to Global ABCP Markets

Other major ABCP markets were also impacted due to the fallout from the subprime mortgage crisis. The Canadian ABCP market had major liquidity issues when non-bank sponsored ABCP programs could not issue commercial paper and liquidity providers declined to fund citing the general market disruption clause in the liquidity agreements. The affected programs composed approximately 25% of the Canadian ABCP market, and most of the investors will be repaid through a government-brokered settlement that essentially replaces the ABCP with term notes.¹

The European ABCP market was also affected. At the end of 2007, ABCP issued by European ABCP programs was down approximately 29% from the end of 2006 and 34% from the peak at the end of July. This compares to declines of 24% and 30% in US ABCP outstandings over the same time periods. The US was something of a haven for European ABCP programs, as the share of ABCP issued by European

¹ See a further discussion of Canadian ABCP below, and "Canadian ABCP 2007 Year In Review and Introduction" February 2008

ABCP programs in US dollars returned to 56% at the end of 2007, the same level as at the end of 2006, after falling to a low of 51% in July of 2007.

There may be several reasons for the greater impact on European programs. It may have been more of a surprise to European investors to find the extent of direct and indirect exposure to US subprime mortgages in European ABCP programs. US programs were exposed to a greater dollar amount of subprime mortgages, either directly or indirectly. But more of the US exposure was in the form of short-term warehouse funding in multiseller conduits. A larger proportion of European exposure was to term securities in securities arbitrage programs.

US Outlook for 2008

The outlook for US ABCP in 2008 is less clear than it has been in the past. As of January 2008, it seems that outstandings have stabilized just above \$800 billion. Bank-sponsored multiseller conduits may have gained an advantage as a funding source as a result of the events of 2007 (see discussion below). The US market seems to be favored by foreign issuers for its size and liquidity based on the actions of European programs that increased the proportion of their ABCP in dollar terms as discussed above. If these trends continue outstandings could grow modestly.

However, there are a number of concerns from 2007 that will continue to play out in 2008. Continued credit, liquidity and funding pressure may make ABCP conduits less attractive to their sponsors as funding vehicles. Concern has also grown about the financial guarantors, who provide some support to the ABCP market in the form of program credit enhancement and wrapped transactions. Should the economy enter a recession, not only will this affect the credit quality of consumer assets, but it will reduce the need for funds on the part of businesses, and as a result, conduit funding facilities may see lower utilization rates. Finally, many parties are only beginning the process of reviewing the markets for the need for regulatory and accounting changes. The potential impact of these negative factors is very difficult to evaluate.

CHANGES IN THE ABCP MARKET

The events of August 2007 have brought several changes to the ABCP market that may prove permanent.

The End of Extendibles?

The first extendible note asset-backed commercial paper program was established by Citibank in 1995 to fund credit card receivables (See *Table 4* for a timeline). This was followed by programs backed by mortgage warehouse, multiseller and auto paper. In the years 2005 and 2006, extendible note programs, especially mortgage warehouse programs, were one of the factors driving the rapid growth of the ABCP market.

1995	First credit card single seller extendible note ABCP program, Dakota
1999	First mortgage warehouse extendible note ABCP program, Harwood
2000	First multiseller extendible note program, Brahms
2002	First auto dealer floor plan programs, Motown
2003	First market value securities arbitrage program, Georgetown
2006	First student loan warehouse, Nelnet SAFE CP

Table 5
Growth of the US Extendible Note ABCP Market 1999-2007

Year	Extendible Note Programs	Mortgage Warehouse Programs	Extendibles Outstanding (\$ billions)	Mortgage Warehouse Outstanding (\$ billions)	Total ABCP Outstanding (\$ billions)
1999	7	1	7.36	-	494.53
2000	8	2	12.31	0.55	618.40
2001	13	5	28.55	4.00	675.69
2002	12	4	38.34	7.62	680.59
2003	15	7	61.39	25.08	654.19
2004	23	11	72.09	26.16	660.46
2005	30	15	104.30	45.13	814.88
2006	39	19	105.94	42.84	1,038.94
2007	22	6	21.44	2.99	816.30

In early 2007, trouble in the subprime mortgage market resulted in concerns over several mortgage originators. Carmel Funding, a mortgage warehouse program for Accredited Home Lenders, and St. Andrew Funding Trust and Von Karman Funding Corporation LLC, mortgage warehouse programs for New Century, all paid down their outstanding ABCP and Moody's withdrew their ratings in May at the request of the issuer. The bankruptcy of American Home Mortgage on August 6, 2007 led to the extension of maturing ABCP by its Broadhollow Funding program. Ottimo Funding and Luminant Star Funding, both market value programs, also extended ABCP on the same day. Finally, KKR Atlantic Funding and KKR Pacific Funding extended on August 15, 2007. Ottimo and the two KKR programs were eventually downgraded to Not Prime as discussed above.

At the same time, spreads on all ABCP programs were widening out to historic levels, and it was becoming increasingly difficult for even bank-sponsored multiseller programs to place paper longer than overnight. In addition to any credit concerns, ABCP investors realized that extendible ABCP held the additional risk of becoming a longer maturity asset that would be paying a short term rate considerably below the current long term market rate.

Over the remainder of the fourth quarter most, but not quite all, of the extendible note programs were unable to roll maturing ABCP and paid down as paper came due. Two programs financing credit cards and one funding autos are still issuing extendible notes. All but one mortgage warehouse program and all of the extendible note securities programs have reduced their outstandings. After seven years of steady growth, the market for extendible ABCP has largely vanished.

Market Value Conduits Exit the Market

The spread widening in ABCP was just one manifestation of the liquidity crisis which affected most other segments of asset-backed finance. While downgraded securities fell in price, even the prices of securities with stable credit quality fell significantly. Many market value programs with high credit quality portfolios had difficulty maintaining their funding margins and some were forced to sell assets.

There were two types of ABCP programs that were subject to this market value risk. Structured Investment Vehicles (SIVs) were largely based in London, though much of their funding was in the US. Moody's discusses these programs in detail in other publications.²

² See "[Moody's Update on Structured Investment Vehicles](#)," Moody's Special Report, 16 January 2008.

In the US, there were seven market value securities arbitrage programs sponsored by six investment managers. All of these programs invested in Aaa-rated residential mortgage-backed securities and funded those investments by issuing extendible notes. Four of these programs were forced to extend their maturing ABCP when they could no longer issue new paper and were placed on watch for possible downgrade. Three of these were downgraded to Not Prime and ultimately failed to repay investors on the final maturity date of the extended notes.

Names	Rated	Sponsor	Asset Types	Date of extension
Georgetown Funding Company, LLC	2003	Friedman Billings Ramsey Group, Inc.	Agency-backed hybrid RMBS	Did not extend
Thornburg Mortgage Capital Resources, LLC	2004	Thornburg Mortgage, Inc.	Agency-backed and Aaa-rated hybrid RMBS	Did not extend
KKR Pacific Funding Trust	2005	KKR Financial Corp.	Agency-backed and Aaa-rated hybrid and adjustable RMBS	8/15/2007
KKR Atlantic Funding Trust	2006	KKR Financial Corp.	Agency-backed and Aaa-rated hybrid and adjustable RMBS	8/15/2007
Luminent Star Funding Statutory Trust I	2006	Luminent Mortgage Capital, Inc.	Agency-backed and Aaa-rated hybrid and adjustable RMBS	8/6/2007
Windsor Funding Trust	2006	New Castle Investment Corp.	Agency-backed and Aaa-rated hybrid and adjustable RMBS	Did not extend
Ottimo Funding	2007	Alladin Capital Management, LLC	Agency-backed and Aaa-rated hybrid and adjustable RMBS	8/6/2007

The three programs that did not repay investors on the final maturity date-Ottimo Funding, KKR Atlantic Funding and KKR Pacific Funding-initially entered into standstill agreements with investors rather than sell assets in the weak markets. Ottimo Funding held an auction at the end of October, the result of which was that ABCP investors were repaid by receiving the assets held by the program. The two KKR programs were able to extend most of their funding into the first quarter of 2008.

As noted, the credit quality of the assets held by these programs was Aaa, and remained stable. Of the collective 374 securities that they held on August 15, 2007, as of January 1, 2008, none had been downgraded.

A Bank-Sponsored Market?

Much of the growth of the ABCP market over the past three years has come from non-traditional programs: single-seller programs issuing extendible notes, repo programs, SIVs and CDOs. All of these programs have seen significant declines in the second half of 2007.

Programs with bank-provided liquidity backstop facilities have fared better. *Table 7* shows outstandings in 2007 by quarter for US ABCP programs grouped by type. While total US ABCP outstanding declined by 24%, and US programs as a whole declined by 16%, US multisellers actually increased by 10%. This occurred despite the highly publicized bank write-offs in the fourth quarter due to subprime mortgages and CDOs.

Table 7

US ABCP Programs Outstandings by Quarter

	First	Second	Third	Fourth	Change First to Fourth Quarter
Bank-Sponsored Multiseller Programs	348,025	363,348	391,662	381,992	10%
Bank-Sponsored Securities Arbitrage Programs	78,912	77,863	73,152	58,129	-26%
Non-Bank Sponsored Programs	93,000	113,873	105,810	64,522	-31%
Single-Seller Programs	156,318	154,289	113,870	66,717	-57%
Total	676,255	709,373	684,494	571,360	-16%

The experience of the extendible note market shows that investors have made clear their preference for conduits with backstop liquidity facilities. There were five bank multiseller extendible note programs that also ceased issuing ABCP in the fourth quarter of 2007. In some cases the transactions funded in these extendible note programs were transferred to the bank's regular ABCP programs.

While origination has slowed, issuance of asset-backed securities has slowed even more. The asset originators still need to obtain financing to continue their businesses, and bank-sponsored ABCP conduits can provide some of that financing. Given that other sources of financing are currently impaired, this could even be a growth opportunity for bank-sponsored multiseller programs. There are risks of course. The banks must maintain their own Prime-1 credit rating, and the strength to be willing to provide the liquidity backup lines that conduits now seem to need to thrive. The conduits themselves must remain efficient funding vehicles. While nothing specific has been proposed, there might still be regulatory and accounting changes that could affect the ABCP conduit structure.

MOODY'S ASSIGNS FIRST CANADIAN ABCP RATINGS³

In December 2007, Moody's announced ratings on five existing Canadian ABCP programs, three sponsored by Royal Bank of Canada (Plaza Trust, Pure Trust, and Storm King Funding) and two sponsored by Scotia Capital, a subsidiary of Bank of Nova Scotia (Bay Street Funding Trust and King Street Funding Trust). These programs have a total of CDN\$ 18.5 billion outstanding, and fund a variety of term and trade receivables. While Moody's had previously rated a Canadian ABCP program in July 2007, that program has yet to issue any paper.

The Canadian ABCP market had struggled in the second half of 2007, particularly when privately-sponsored ABCP programs comprising almost 30% of the market could not roll over their maturing paper. When these programs called upon their liquidity facilities to repay investors, liquidity providers cited a "general market disruption" clause in their agreements and did not fund. The liquidity providers claimed that as most bank-sponsored programs were still able to issue paper, no general market disruption had occurred, and so the conditions for funding were not met. The bank conduit sponsored subsequently announced that they intended to remove the "general market disruption" clause from the liquidity agreements for their own conduits where they were present.

In assigning Prime-1 ratings to the five Canadian conduits, Moody's reviewed the structure, program documents and transaction quality. Moody's applied the same standards that it uses in the other major ABCP markets globally. The Prime-1 ratings assigned to the Canadian ABCP conduits are consistent with those global ratings with respect to structure, asset quality, credit enhancement and liquidity.

3 For a full review of the Canadian ABCP market see, "Canadian ABCP: 2007 Year in Review and Overview," Moody's Special Comment, February 2008.

APPENDIX: NEW AND TERMINATED PROGRAMS IN 2007

Table A-1
New ABCP Programs Rated in 2007

Mdy	Program Name	Sponsor/ Administrator	Program Type	Support	Market	Orig Analyst	Auth. Amount	Date Rated	Resp Office
P-1	PASA Funding 2007, Ltd.	Bank of New York	CDO	Partial	US	Hu	2,810	3/29/2007	New York
P-1	Liberty Harbour II CDO Ltd.	Deutsche Bank AG	CDO	Partial	US	Hu	3,081	3/30/2007	New York
P-1	Asscher Finance Corporation	HSBC Bank PLC	SIV	Partial	US	Mast	55,000	6/15/2007	London
NP	Sachsen Funding I LLC	QSR Management Limited	SIV LITE	Partial	Europe	Rosa	7,000	5/18/2007	London
NP	Axon Financial Funding Ltd.	QSR Management Limited	SIV	Partial	US	Rast	20,000	3/23/2007	London
NP	Rhinebridge LLC	QSR Management Limited	SIV	Partial	US	Kerlogue	20,000	6/27/2007	London
P-1	Variable Funding International CP Limited	Wachovia Securities International Limited	Multiseller	Full	Europe	Spirito	15,000 EURO	7/26/2007	London
P-1	MINT I, LLC	GMAC Mortgage LLC	Single-Seller	Partial	US	Liu	25,000	7/16/2007	New York
P-1	Lakeshore Trust	Royal Bank of Canada	Multiseller	Partial	Canada	Rutan	0	7/20/2007	Canada
P-1	Vertex Funding Corp. Pte Ltd.	Bank of Tokyo-Mitsubishi UFJ.	Multiseller	Full	Asia	Miyazawa	100,000 YEN	3/9/2007	Tokyo
P-1	Elysian Funding LLC	Hudson Castle Group Inc	Multiseller	Full	US	Chau	10,000	11/28/2007	New York
P-1	Palisade CP Notes	Citibank, N.A.	Single-Seller	Partial	US	George	6,000	12/4/2007	New York
P-1	King Street Funding Trust	Scotia Capital Inc.	Multiseller	Partial		Gamm	3,650 CAD	12/19/2007	Canada
P-1	Auburn Funding, LLC	Nationstar Mortgage LLC	Single-Seller	Partial	US	Shirley Hu	3,000	1/25/2007	New York
P-1	Rams Funding Three LLC	Conduit Management Corp. / Lord Securities Corp.	Single-Seller	Partial	US	O'Brien	5,000	3/2/2007	Australia
P-1	Rams Funding Pty Limited	Conduit Management Corp. / Lord Securities Corp.	Single-Seller	Partial	US	O'Brien	5,000	3/2/2007	Australia
P-1	Stony Point Capital Company, LLC	The Liberty Hampshire Company, LLC	Multiseller	Full	US	Mueller	0	3/22/2007	New York
P-1	Sandlot Funding LLC	U.S. Central Federal Credit Union	Sec. Arbitrage	Partial	US	Lee,W	10,000	3/16/2007	New York
P-1	Nightingale Finance LLC	QSR Management Limited	SIV	Partial	US	Mast	20,000	5/2/2007	London
P-1	Classic LLC	Calyon	Sec. Arbitrage	Partial	US	Chau	20,000	5/7/2007	New York
P-1	Monterey Funding, LLC	Deutsche Bank AG	Multiseller	Partial	US	George		5/7/2007	New York
P-1	Saratoga Springs Capital Company, LLC	The Liberty Hampshire Company, LLC	Multiseller	Full	US	George	0	5/10/2007	New York
P-1	Beagle Funding LLC	Lord Securities Corporation	Single-Seller	Full	US	Lee,W	10,000	10/26/2007	New York
P-1	Bay Street Funding	Scotia Capital Inc.	Multiseller	Partial		Gamm	2,960 CAD	12/19/2007	Canada
P-1	Storm King Funding Trust	Royal Bank of Canada	Multiseller	Partial		Gamm	4,690 CAD	12/19/2007	Canada
P-1	PURE Trust	Royal Bank of Canada	Multiseller	Partial		Gamm	4,610 CAD	12/19/2007	Canada
P-1	Plaza Trust	Royal Bank of Canada	Multiseller	Partial		Gamm	3,980 CAD	12/19/2007	Canada
NP	Ottimo Funding Ltd.	Aladdin Capital Management LLC	Single-Seller	Partial	US	Liu	3,000	5/16/2007	New York

Table A-1 (Continued)
New ABCP Programs Rated in 2007

Mdy	Program Name	Sponsor/ Administrator	Program Type	Support	Market	Orig Analyst	Auth. Amount	Date Rated	Resp Office
P-1	White Canyon Funding LLC	Morgan Stanley Bank	Single-Seller	Partial	US	Liu	10,000	3/7/2007	New York
P-1	TempUS Funding LLC	Rabobank International, New York Branch	Sec. Arbitrage	Partial	US	Liu	10,000	6/21/2007	New York
P-1	AARDVARK ABS CDO 2007-1	HarbourView Asset Management Corporation	CDO	Partial	US	Wang	1,320	3/29/2007	New York
P-1	Le Monde CDO I PLC	TCW Asset Management Company	CDO	Partial	US	Ham	1,000	3/12/2007	
P-1	GSC ABS Funding 2006-3g, Ltd.	GSCP (NJ), L.P.	CDO	Partial	US	Nikulin	1085	1/18/2007	
P-1	Pinnacle Point Funding II Ltd	BlackRock Financial Management, Inc.	CDO	Partial	US	Hu	1,800	6/28/2007	New York
P-1	Montage Funding, LLC	Duetsche Bank AG, New York Branch	Multiseller	Partial	US	George	5,000	9/21/2007	New York
P-1	LIBERTY CP TRUST 2007-1	Liberty Financial Pty Limited	Single-Seller	Partial	Australia	Serov	400 AUD	10/22/2007	Australia
P-1	High Grade Structured Credit CDO 2007-1	Bear Stearns Asset Management Inc.	CDO	Partial	US	Hu	3240	5/24/2007	New York
P-1	Asscher Finance Limited	HSBC Bank PLC	SIV	Partial	US	Rast	55,000	6/15/2007	London
NP	Axon Financial Funding LLC	QSR Management Limited	SIV	Partial	US	Rast	20,000	3/23/2007	London
NP	Sachsen Funding I Limited	QSR Management Limited	SIV LITE	Partial	Europe	Rosa	7,000	5/18/2007	London
NP	Rhinebridge PLC		SIV	Partial	US	Kerlogue	20,000	6/27/2007	London
P-1	Nightingale Finance Limited	QSR Management Limited	SIV	Partial	Europe	Mast	20,000	5/2/2007	London

Table A-2
ABCP Programs Terminated in 2007

Mdy	Program Name	Sponsor/Administrator	Program Type	Market	Lead	Withdrawn	Auth. Amount
P-1	Albis Capital Corporation	Glencore AG / JPMorgan Chase Bank	Single-Seller	US	Lautier	12/19/2007	2,000
P-1	Arlington Funding Company LLC	FBR Investment Management, Inc	Single-Seller	US	George	11/16/2007	5,000
P-1	Auburn Funding, LLC	Nationstar Mortgage LLC	Single-Seller	US	Goldberg	8/29/2007	3,000
P-1	AyT. 4 Grandes Préstamos	Ahorro y Titulización, S.G.F.T., S.A.	Multiseller	Europe	Fernandez	7/20/2007	144 EURO
P-1	Belle Haven ABS CDO, Ltd.	NIBC Credit Management, Inc	CDO	US	Araya	11/13/2007	516
P-1	Berkeley Square Finance LLC	Deutsche Bank Trust Company Americas	Repo/TRS	US	Kerlogue	12/11/2007	20,000
P-1	Bills Securitisation Limited	Deutsche Bank AG	Single-Seller	Europe	Gulde	6/29/2007	1,400 EURO
P-1	Bishop's Gate Residential Mortgage Trust	PHH Mortgage Corporation / The Bank Of New York	Single-Seller	US	Hu	11/30/2007	1,350
P-1	Blue Spice LLC	Deutsche Bank AG	Multiseller	US	George	2/28/2007	5,000
P-1	Blue Topaz LLC	Deutsche Bank AG	Multiseller	US	George	2/28/2007	3,750
P-1	Brahms Funding Corporation	Dresdner Bank AG	Multiseller	US	Lee,W	9/25/2007	8,000
P-1	Breeds Hills Capital Limited	The Liberty Hampshire Company, LLC	Multiseller	US	Mueller	12/11/2007	0
P-1	Broadhollow Funding LLC	American Home Mortgage Investment Corp.	Single-Seller	US	Brown	10/9/2007	3,250
P-1	Cadenza Funding Corporation	Bank of Tokyo-Mitsubishi UFJ	Multiseller	Asia	Miyazawa	4/13/2007	500,000 YEN
P-1	Capital One Multi-Asset Execution Trust	Capital One Bank	Single-Seller	US	Laudano	10/18/2007	3,000
P-1	Carmel Mountain Funding Trust	Accredited Home Lenders, Inc.	Single-Seller	US	George	5/25/2007	2,500
P-1	Cedar Finance Master Trust	CDR Financial Products / QSR Management Limited	Multiseller	US	Mueller	5/30/2007	20,000
P-1	CRE-8 Funding LLC	Capmark Finance Inc.	Single-Seller	US	Rutan	12/31/2007	2,000
P-1	Davis Square Funding III, Ltd.	Trust Company of the West	CDO	US		11/12/2007	1,000
P-1	Davis Square Funding IV, Ltd.	Trust Company of the West	CDO	US		11/12/2007	950
P-1	Davis Square Funding V, Ltd.	Trust Company of the West	CDO	US		11/12/2007	1,740
P-1	Deer Valley Funding Ltd. / Deer Valley Funding LLC	Merrill Lynch Bank USA	Sec. Arbitrage	US	Hu	12/3/2007	5,000
P-1	European Sovereign Funding S.A	Calyon	Multiseller	Europe	Ababou	8/31/2007	5,000 EURO
P-1	Four Winds Funding Corporation	Commerzbank AG	Hybrid	US	Hu	11/15/2007	10,000
P-1	Freedom Park Capital LLC	Promontory Asset Finance Company, LLC	Multiseller	US	Accarrino	12/31/2007	2,000
P-1	Golden Fish LLC	Norinchukin Bank	Sec. Arbitrage	US	Mueller	2/2/2007	5,100
P-1	Harwood Street Funding I LLC	CTX Mortgage Company	Single-Seller	US	Hu	11/20/2007	3,000
P-1	HSBC Real Estate (USA) Funding Trust	Household Finance Corporation	Single-Seller	US	George	7/10/2007	4,000
P-1	Hudson-Thames Capital Limited	MBIA Asset Management UK Limited	SIV	Europe	Mark Abbott	12/11/2007	40,000
P-1	Hudson-Thames LLC	MBIA Capital Management Corp	SIV	US	Mark Abbott	12/11/2007	40,000
P-1	Laguna ABS CDO, Ltd	Pacific Investment Management Co. LLC	CDO	US		11/15/2007	632
P-1	Luminent Star Funding Statutory Trust I	Luminent Mortgage Capital Inc. / LaSalle Bank N.A.	Single-Seller	US	Laudano	9/28/2007	1,000
P-1	Madrona Residential Funding LLC	Redwood Trust	Single-Seller	US	Laudano	12/14/2007	495.4
P-1	Main Street Warehouse Funding Trust	Ameriquest Mortgage Company	Single-Seller	US	George	1/24/2007	8,000

Table A-2 (Continued)
ABCP Programs Terminated in 2007

Mdy	Program Name	Sponsor/Administrator	Program Type	Market	Lead	Withdrawn	Auth. Amount
P-1	Mane Funding Corporation	ING Bank N.V.	Sec. Arbitrage	Europe	Manchester	12/6/2007	12,000 EURO
P-1	Mica Funding LLC	Ceres Capital Partners, LLC / Deutsche Bank Trust Company Americas	Multiseller	US	Lee,W	12/14/2007	20,000
P-1	Mica Funding Ltd.	Ceres Capital Partners, LLC / Deutsche Bank Trust Company Americas	Multiseller	Europe	Lee	12/14/2007	20,000
P-1	Mortgage Interest Networking Trust	Residential Capital Corporation / GMAC Mortgage Group, Inc.	Single-Seller	US	Rutan	11/15/2007	25,000
NP	Ottimo Funding Ltd.	Aladdin Capital Management LLC	Single-Seller	US	Liu	11/2/2007	3,000
P-1	Panterra Funding, LLC	Citibank, N.A.	Multiseller	US	Rutan	11/30/2007	4,000
P-1	Park Granada LLC	Countrywide Home Loans Inc.	Single-Seller	US	Lee	12/20/2007	21,500
P-1	Park Sienna LLC	Countrywide Home Loans Inc.	Single-Seller	US	Lee	12/20/2007	10,150
P-1	Patriot Funding LLC	Wachovia Bank, N.A.	Sec. Arbitrage	US	Langer	2/28/2007	2,000
P-1	Public Square Funding LLC, Series II	KeyBank NA	Multiseller	US	Hu	12/20/2007	2,000
P-1	Saint Germain Holdings Ltd.	CDC Securities	SIV	US	Accarrino	11/13/2007	5,000
P-1	Saratoga Springs Capital Company, LLC	The Liberty Hampshire Company, LLC	Multiseller	US	George	12/11/2007	0
P-1	Simba Funding Corp. (US)	ING Bank N.V.	Single-Seller	US	Berthelon	12/20/2007	40,000 EURO
P-1	St. Andrew Funding Trust	New Century Financial Corporation	Single-Seller	US	Mueller	5/30/2007	1,030
P-1	Strand Capital LLC	Long Beach Mortgage Company	Single-Seller	US	Brown	2/21/2007	5,000
P-1	Stratford Receivables Company LLC	Barclays Bank PLC	Multiseller	US	Accarino	12/14/2007	10,000
P-1	Sunbelt Funding Corporation	Compass Bank	Sec. Arbitrage	US	Goldberg	8/24/2007	2,000
P-1	SuperLumina Funding N.A., LLC	International Asset Transactions LLC / Deutsche Bank Trust Company Americas	Multiseller	US	Rutan	5/30/2007	12,500
P-1	Three Crowns Funding LLC	Skandinaviska Enskilda Banken AB	Sec. Arbitrage	US	Laudano	2/14/2007	2,000
P-1	Times Square Funding, LLC	Eurohypo AG, New York Branch	Single-Seller	US	Langer	12/13/2007	5,000
P-1	Variable Funding International CP Limited	Wachovia Securities International Limited	Multiseller	Europe	Spirito	12/19/2007	15,000 EURO
P-1	Von Karman Funding Corporation LLC	New Century Mortgage Corporation	Single-Seller	US	Mueller	5/30/2007	2,000
P-1	Waterfront Funding Corporation	Marshall & Ilsley Bank	Hybrid	US	Laudano	10/31/2007	2,000
P-1	Berkeley Square Finance Ltd.	Deutsche Bank Trust Company Americas	Repo/TRS	Europe	Kerlogue	12/11/2007	20,000
P-1	Golden Fish Limited	Norinchukin Bank	Sec. Arbitrage	Europe	Mueller	2/2/2007	5,100
P-1	Simba Funding Corp	ING Bank N.V.	Single-Seller	Europe	Berthelon	12/20/2007	40,000 EURO

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