APPENDIX

3 Glossary

Accrual basis of recording	Flows and stock positions are recorded when economic value is created, transformed, exchanged, transferred, or extinguished.
Ancillary activity	An ancillary activity is a supporting activity undertaken within an enterprise in order to create the conditions within which the principal or secondary activities can be carried out. In addition, ancillary activities have certain common characteristics related to their output.
Arrears	Arrears are defined as amounts that are both unpaid and past the due date for payment.
Asset-backed securities	Asset-backed securities and collateralized debt obligations are arrangements under which payments of interest and principal are backed by payments on specified assets or income streams.
Average interest rate	The average interest rate is the weighted-average level of interest rates on the outstanding gross public sector debt or any specific debt instrument, at nominal and market value, as at the reference date. The weights to be used are determined by the value in the unit of account of each borrowing as a percentage of the total.
Average time to maturity	The average time to maturity measures the weighted average time to maturity of all the principal payments in the portfolio.
Average time to refixing	The average time to refixing is a measure of weighted average time until all the principal payments in the debt portfolio become subject to a new interest rate.
Balance sheet	A balance sheet is a statement of the values of the stocks of assets owned and of the liabilities owed by an institutional unit or group of units, drawn up in respect of a particular point in time.
Banker's acceptance	A banker's acceptance is created when a financial corporation endorses, in return for a fee, a draft or bill of exchange and the unconditional promise to pay a specific amount at a specified date.
Bills	Bills are defined as securities (usually short-term) that give holders the unconditional rights to receive stated fixed sums on a specified date.
Bonds and debentures	Bonds and debentures are securities that give the holders the unconditional right to fixed payments or contractually determined variable payments on a specified date or dates.
Budgetary central government	The budgetary central government is a single unit of the central government that encompasses the fundamental activities of the national executive, legislative, and judiciary powers.

Central bank	The central bank is the national financial institution that exercises control over key aspects of the financial system.
Central government subsector	The central government subsector consists of the institutional unit(s) of the central government plus those nonmarket nonprofit institutions that are controlled by the central government. The political authority of central government extends over the entire territory of the country. The central government subsector includes social security funds operated by central government, if social security funds are not classified as a separate subsector of general government.
Collateralized debt obligations	*See asset-backed securities.*
Consolidation	Consolidation is a method of presenting statistics for a set of units (or entities) as if they constituted a single unit.
Contingent liabilities	Contingent liabilities are obligations that do not arise unless a particular, discrete event(s) occurs in the future. A key difference between contingent liabilities and current financial liabilities (and public sector debt) is that one or more conditions must be fulfilled before a financial transaction is recorded.
Control of a corporation	Control is defined as the ability to determine general corporate policy of the corporation. “General corporate policy” refers to, in a broad sense, the key financial and operating policies relating to the corporation’s strategic objectives as a market producer.
Corporations	Corporations are all entities that are (i) capable of generating a profit or other financial gain for their owners, (ii) recognized by law as legal entities separate from their owners who enjoy limited liability, and (iii) set up for purposes of engaging in market production (i.e., producing goods and services at economically significant prices). *See also economically significant prices.*
Currency	Currency consists of notes and coins that are of fixed nominal values and are issued or authorized by the central bank or government.
Currency of denomination	The currency of denomination is determined by the currency in which the value of flows and stock positions is fixed as specified in the contract between the parties.
Debt	*See gross debt, total.*
Debt assumption	Debt assumption is a trilateral agreement between a creditor, a former debtor, and a new debtor (typically a government unit) under which the new debtor assumes the former debtor’s outstanding liability to the creditor, and is liable for repayment of debt.
Debt cancellation	See debt forgiveness.
Debt conversion	Debt conversion (swap) is an exchange of debt—typically at a discount—for a nondebt claim (such as equity), or for counterpart funds that can be used to finance a particular project or policy.
Debt defeasance	With defeasance, a debtor unit removes liabilities from its balance sheet by pairing them with financial assets, the income and value of which are sufficient to ensure that all debt-service payments are met.
Debt forgiveness	Debt forgiveness (or debt cancellation) is defined as the voluntary cancellation of all or part of a debt obligation within a contractual arrangement between a creditor and a debtor.

Debt instrument	A debt instrument is defined as a financial claim that requires payment(s) of interest and/or principal by the debtor to the creditor at a date, or dates, in the future. *See gross debt, total.*
Debt liabilities	*See gross debt, total.*
Debt liability in arrears	A debt liability is in arrears when it has not been liquidated by its due-for-payment date, that is, when principal or interest payments are not made when due.
Debt net of highly liquid assets	Debt net of highly liquid assets is, in most cases, equal to gross debt minus financial assets in the form of currency and deposits. However, in some cases, debt securities held for debt management purposes could be included as highly liquid financial assets.
Debt payments on behalf of others	Rather than assuming a debt, a public sector unit may decide to repay that debt or make a specific payment on behalf of another institutional unit (original debtor), without a guarantee being called or the debt being taken over.
Debt prepayment	Debt prepayment consists of a repurchase, or early payment, of debt at conditions that are agreed between the debtor and the creditor.
Debt refinancing	Debt refinancing involves the replacement of an existing debt instrument or instruments, including any arrears, with a new debt instrument or instruments.
Debt reorganization	Debt reorganization (also referred to as debt restructuring) is defined as an arrangement involving both the creditor and the debtor (and sometimes third parties) that alter the terms established for servicing an existing debt.
Debt rescheduling	Debt rescheduling is a bilateral arrangement between the debtor and the creditor that constitutes a formal postponement of debt-service payments and the application of new and generally extended maturities.
Debt securities	Debt securities are negotiable financial instruments serving as evidence of a debt.
Debt-service moratorium	A debt-service moratorium involves an individual creditor permitting the debtor a formal suspension of debt-service payments falling due within a given period.
Debt write-offs	Debt write-offs or write downs refer to unilateral reductions by a creditor, of the amount owed to it.
Deep-discount bonds	Deep-discount bonds are long-term securities that require periodic coupon payments during the life of the instrument, but the amount is substantially below the market rate of interest at issuance.
Deposits	Deposits are all claims, represented by evidence of deposit, on the deposit-taking corporations (including the central bank) and, in some cases, general government and other institutional units.
Domestic currency	Domestic currency is that which is legal tender in the economy and issued by the monetary authority for that economy; that is, either that of an individual economy or, in a currency union, that of the common currency area to which the economy belongs. *See also foreign currency.*
Domestic debt	Debt liabilities owed by residents to residents of same economy are domestic debt.
Economic assets	Economic assets are entities (i) over which economic ownership rights are enforced by institutional units, individually or collectively, and (ii) from which

	economic benefits may be derived by their owners by holding them or using them over a period of time.
Economic owner	The economic owner of entities such as goods and services, natural resources, financial assets, and liabilities is the institutional unit entitled to claim the benefits associated with the use of the entity in question in the course of an economic activity by virtue of accepting the associated risks.
Economically significant prices	Economically significant prices are prices that have a significant influence on the amounts that producers are willing to supply and on the amounts that purchasers wish to buy.
Economy	An economy consists of a set of resident institutional units.
Exchange	An exchange involves the provision of something of economic value in return for an item of corresponding economic value. *See also transfer.*
Explicit contingent liabilities	Explicit contingent liabilities are defined as legal or contractual financial arrangements that give rise to conditional requirements to make payments of economic value. The requirements become effective if one or more stipulated conditions arise. *Also see implicit contingent liabilities.*
External debt	Debt liabilities owed by residents to nonresidents are external debt.
Extrabudgetary	General government entities with individual budgets not fully covered by the general budget are considered extrabudgetary.
Face value	The face value of a debt instrument is the undiscounted amount of principal to be repaid at maturity. *See also nominal value.*
Fair value	The fair value of a debt instrument is its “market-equivalent” value and is defined as the amount for which a financial asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm’s length transaction.
Financial assets	Financial assets consist of financial claims plus gold bullion held by monetary authorities as a reserve asset. A financial claim is an asset that typically entitles the owner of the asset (the creditor) to receive funds or other resources from another unit, under the terms of a liability.
Financial auxiliaries	Financial auxiliaries are institutional units principally engaged in serving financial markets, but do not take ownership of the financial assets and liabilities they handle.
Financial claims	*See financial assets.*
Financial corporations	Financial corporations comprise all resident corporations whose principal activity is the provision of financial services.
Financial lease	A financial lease is a contract under which the lessor as legal owner of an asset conveys substantially all risks and rewards of ownership of the asset to the lessee.
Fiscal risks	At the most general level, fiscal risks may be defined as any potential differences between actual and expected fiscal outcomes.
Foreign currency	All currencies other than domestic currency are foreign currencies. *See domestic currency.*
Foreign debt	*See external debt.*

General government sector	The general government sector comprises all government units and all nonmarket nonprofit institutions that are controlled by government units.
Gold swap	A gold swap involves an exchange of gold for foreign exchange deposits with an agreement that the transaction be reversed at an agreed future date at an agreed gold price.
Government units	Government units are institutional units with legislative, judicial, or executive authority over other institutional units within a given area; they assume responsibility for the provision of goods and services to the community or to individual households on a nonmarket basis; they make transfer payments to redistribute income and wealth; and they finance their activities mainly by means of taxes and other income from units in other sectors of the economy.
Gross debt at market value	"Gross debt at market value" means that debt securities are valued at market prices; insurance, pension, and standardized guarantee schemes are valued according to principles that are equivalent to market valuation; and all other debt instruments are valued at nominal prices, which are considered to be the best generally available proxies of their market prices.
Gross debt, total	Total gross debt—often referred to as "total debt" or "total debt liabilities"—consists of all liabilities that are debt instruments. A debt instrument is defined as a financial claim that requires payment(s) of interest and/or principal by the debtor to the creditor at a date, or dates, in the future.
Holding gains and losses	A holding gain or loss (or revaluation) is a change in the monetary value of an asset or liability resulting from changes in the level and structure of prices (for example, from changes in interest rates) and/or the exchange rate, assuming that the asset or liability has not changed qualitatively or quantitatively.
Implicit contingent liabilities	Implicit contingent liabilities do not arise from a legal or contractual source but are recognized after a condition or event is realized. *Also see explicit contingent liabilities.*
Index-linked securities	Index-linked securities are instruments for which either the coupon payments (interest) or the principal or both are linked to another item, such as a price index or the price of a commodity.
Institutional unit	An institutional unit is an economic entity that is capable, in its own right, of owning assets, incurring liabilities, and engaging in economic activities and in transactions with other entities.
Interest	Interest is a form of investment income that is receivable by the owners of certain kinds of financial assets (SDRs, deposits, debt securities, loans, and other accounts receivable) for putting these financial and other resources at the disposal of another institutional unit.
International organizations	International organizations have the following characteristics: (i) The members of an international organization are either national states or other international organizations whose members are national states; (ii) they are entities established by formal political agreements between their members that have the status of international treaties; their existence is recognized by law in their member countries; and (iii) they are created for various purposes, such as international financial organizations (for example, the IMF and World Bank) or to provide nonmarket services of a collective nature for the benefit of their member states (for example, peacekeeping, education, and policy issues).

Intersectoral consolidation	Intersectoral consolidation, which is consolidation between subsectors of the public sector to produce consolidated statistics for a particular grouping of public sector units (for example, between central, state, and local governments, or between general government and public nonfinancial corporations).
Intrasectoral consolidation	Intrasectoral consolidation, which is consolidation within a particular subsector to produce consolidated statistics for that particular subsector (for example, within the central government subsector or within public nonfinancial corporations subsector).
Joint venture	A joint venture involves the establishment of a corporation, partnership, or other institutional unit in which, legally, each party has joint control over the activities of the joint venture unit.
Legal owner	The legal owner of entities such as goods and services, natural resources, financial assets, and liabilities is the institutional unit entitled in law and sustainable under the law to claim the benefits associated with the entities.
Liability	A liability is established when one unit (the debtor) is obliged, under specific circumstances, to provide funds or other resources to another unit (the creditor).
Life insurance and annuities entitlements	Life insurance and annuities entitlements are financial claims policyholders have against an enterprise offering life insurance or providing annuities.
Loan	A loan is a financial instrument that is created when a creditor lends funds directly to a debtor and receives a nonnegotiable document as evidence of the asset.
Local government subsector	The local government subsector consists of local governments that are separate institutional units plus those nonmarket nonprofit institutions that are controlled by local governments. In principle, local government units are institutional units whose fiscal, legislative, and executive authority extends over the smallest geographical areas distinguished for administrative and political purposes. The local government subsector includes social security funds operated by local governments, if social security funds are not classified as a separate subsector of general government.
Market prices	Market prices for transactions are defined as amounts of money that willing buyers pay to acquire something from willing sellers; the exchanges are made between independent parties and on the basis of commercial considerations only, sometimes called "at arm's length."
Market value of financial assets and liabilities	Financial assets and liabilities (including debt instruments) should be valued in macroeconomic statistics at market value, that is, as if they were acquired in market transactions on the balance sheet reporting date (reference date). *See also market prices.*
Maturity	The maturity of a debt instrument refers to the time until the debt is extinguished according to the contract between the debtor and the creditor. In the statistical guidelines this time period is either from the date of incurrence or reference (original/remaining maturity, respectively) of the debt liability to the date at which the liability will be extinguished.
Monetary transaction	A monetary transaction is one in which one institutional unit makes a payment (receives a payment) or incurs a liability (acquires an asset) stated in units of currency. *See also nonmonetary transaction.*
Net debt	Net debt is calculated as gross debt minus financial assets corresponding to debt instruments.

Net financial worth	Net financial worth of an institutional unit (or grouping of units) is the total value of its financial assets minus the total value of its outstanding liabilities.
Net worth	Net worth of an institutional unit (or grouping of units) is the total value of its assets minus the total value of its outstanding liabilities
Nominal value	The nominal value of a debt instrument is a measure of value from the viewpoint of the debtor: at any moment in time it is the amount that the debtor owes to the creditor. *See also face value.*
Nonfinancial assets	Nonfinancial assets are economic assets other than financial assets.
Nonfinancial corporations	Nonfinancial corporations are corporations whose principal activity is the production of market goods or nonfinancial services.
Nonlife insurance technical reserves	Nonlife insurance technical reserves consist of (i) prepayments of net nonlife insurance premiums and (ii) reserves to meet outstanding nonlife insurance claims.
Nonmarket nonprofit (NPIs) controlled by government	Nonmarket NPIs that are controlled by government units are legal or social entities created for the purpose of producing goods and services on a nonmarket basis, but whose status does not permit them to be a source of income, profit, or other financial gain for government. *See also government units.*
Nonmonetary transaction	A nonmonetary transaction is one not initially stated in units of currency by the transacting parties (for example, the provision of aid in the form of goods). *See also monetary transaction.*
Nonparticipating preferred stocks/shares	Nonparticipating preferred stocks or shares are those that pay a fixed income but do not provide for participation in the distribution of the residual value of an incorporated enterprise on dissolution.
Nonperforming loans	Nonperforming loans are those for which (i) payments of principal and interest are past due by three months (90 days) or more; or (ii) interest payments equal to three months (90 days) interest or more have been capitalized (reinvested to the principal amount) or payment has been delayed by agreement; or (iii) evidence exists to reclassify a loan as non-performing even in the absence of a 90-day past due payment, such as when the debtor files for bankruptcy.
Nonprofit institutions (NPIs)	Nonprofit institutions (NPIs) are legal or social entities, created for the purpose of producing goods and services, whose status does not permit them to be source of income, profit, or other financial gain for the units that establish, control, or finance them.
Notional amount	The notional amount—sometimes described as the nominal amount—is the amount underlying a financial derivatives contract that is necessary for calculating payments or receipts on the contract
Off-market swap	An off-market swap is a swap which has a nonzero value at inception as a result of having reference rates priced differently from current market values, i.e., "off-the-market."
On-balance sheet securitization	On-balance sheet securitization involves debt securities backed by a future revenue stream generated by the assets. The assets remain on the balance sheet of the debt securities issuer (the original asset owner), typically as a separate portfolio. There is no securitization unit involved.

One-off guarantees	One-off guarantees comprise those types of guarantees where the debt instrument is so particular that it is not possible to calculate the degree of risk associated with the debt with any degree of accuracy. In contrast to standardized guarantees, one-off guarantees are individual, and guarantors are not able to make a reliable estimate of the risk of calls.
On-lending of borrowed funds	On-lending of borrowed funds refers to a resident institutional unit, A (usually central government), borrowing from another institutional unit(s), B (usually a nonresident unit), and then on-lending the proceeds from this borrowing to a third institutional unit(s), C (usually state or local governments, or a public corporation[s]), where it is understood that unit A obtains an effective financial claim on unit C.
Other accounts payable	*See other accounts payable/receivable.*
Other accounts payable/ receivable	Other accounts payable/receivable consist of trade credits and advances and miscellaneous other items due to be paid or received.
Other accounts receivable	*See other accounts payable/receivable.*
Other economic flow	An "other economic flow" is a change in the volume or value of an asset or liability that does not result from a transaction.
Other public financial corporations	Other public financial corporations comprise all resident financial corporations, except public deposit-taking corporations, controlled by general government units or other public corporations.
Pension entitlements	Pension entitlements are financial claims that existing and future pensioners hold against either their employer, or a fund designated by the employer, to pay pensions earned as part of a compensation agreement between the employer and employee.
Principal liability	The provision of economic value by the creditor, or the creation of debt liabilities through other means, establishes a principal liability for the debtor, which, until extinguished, may change in value over time.
Provident funds	Provident funds are compulsory saving schemes that maintain the integrity of the contributions for individual participants.
Provision for calls under standardized guarantees	The estimated default rate of a pool of similar standardized guarantees establishes a debt liability, which is referred to as "provision for calls under standardized guarantee schemes."
Public corporations	Public corporations include all corporations controlled by government units or by other public corporations. Corporations subject to the control of a government (or public corporation) that is resident in a different economy from that government are not classified as public corporations. *See also control of a corporation.*
Public deposit-taking corporations	Public deposit-taking corporations are financial corporations controlled by general government units or other public corporations whose principal activity is financial intermediation and who have liabilities in the form of deposits or financial instruments that are close substitutes for deposits. *See also financial corporations.*
Public deposit-taking corporations except the central bank	Public deposit-taking corporations except the central bank consist of all resident depository corporations, except the central bank, that are controlled by general government units or other public corporations.

Public financial corporations	All resident financial corporations controlled by general government units or other public corporations are part of the public financial corporations subsector. *See also financial corporations.*
Public nonfinancial corporations	All resident nonfinancial corporations con-trolled by general government units or public corporations are part of the public nonfinancial corporations subsector. *See also nonfinancial corporations.*
Public sector	The public sector consists of all resident institutional units controlled directly, or indirectly, by resident government units, that is, all units of the general government sector, and resident public corporations.
Publicly guaranteed debt	Publicly guaranteed debt is defined as debt liabilities of public and private sector units, the servicing of which is contractually guaranteed by public sector units. These guarantees consist of loan and other payment guarantees, which are a specific type of one-off guarantees.
Public-private partnerships (PPPs)	Public-private partnerships (PPPs) are long-term contracts between two units, whereby one unit acquires or builds an asset or set of assets, operates it for a period, and then hands the asset over to a second unit.
Quasi-corporation	A quasi-corporation is (i) either an unincorporated enterprise owned by a resident institutional unit that has sufficient information to compile a complete set of accounts and is operated as if it were a separate corporation and whose de facto relationship to its owner is that of a corporation to its shareholders, or (ii) an unincorporated enterprise owned by a nonresident institutional unit that is deemed to be a resident institutional unit because it engages in a significant amount of production in the economic territory over a long or indefinite period of time.
Repo	*See securities repurchase agreement.*
Residence	The residence of each institutional unit is the economic territory with which it has the strongest connection (i.e., its center of predominant economic interest).
Restructuring agencies	Restructuring agencies are entities set up to sell corporations and other assets, and for the reorganization of companies.
Revaluations	*See holding gains and losses.*
Securities lending	Securities lending is an arrangement whereby a security holder transfers securities to another party (security taker), subject to the stipulation that the same or similar securities be returned on a specified date or on demand.
Securities repurchase agreement (repo)	A securities repurchase agreement (repo) is an arrangement involving the sale of securities for cash, at a specified price, with a commitment to repurchase the same or similar securities at a fixed price either on a specified future date (often one or a few days hence) or with an open maturity.
Securitization	Securitization occurs when a unit, named the originator, conveys the ownership rights over financial or nonfinancial assets, or the right to receive specific future flows, to another unit, named the securitization unit. In return, the securitization unit pays an amount to the originator from its own source of financing. The securitization unit obtains its own financing by issuing debt securities using the assets or rights to future flows transferred by the originator as collateral.
Sinking fund	A sinking fund is a separate account, which may be an institutional unit or not, that is made up of segregated contributions provided by the unit(s) that makes

	use of the fund (the "parent" unit) for the gradual redemption of the parent unit's debt.
Social insurance benefit	A social insurance benefit is a social benefit payable because the beneficiary participates in a social insurance scheme and the social risk insured against has occurred. *See social insurance scheme.*
Social insurance contribution	A social insurance contribution is the amount payable to a social insurance scheme in order for a designated beneficiary to be entitled to receive the social benefits covered by the scheme. *See social insurance scheme.*
Social insurance scheme	A social insurance scheme is an insurance scheme where the following two conditions are satisfied: (a) the benefits received are conditional on participation in the scheme and constitute social benefits (as this term is used in the *2008 SNA*); and (b) at least one of the three conditions following is met: (i) Participation in the scheme is obligatory either by law or under the terms and conditions of employment of an employee, or group of employees; (ii) The scheme is a collective one operated for the benefit of a designated group of workers, whether employed or non-employed, participation being restricted to members of that group; and (iii) An employer makes a contribution (actual or imputed) to the scheme on behalf of an employee, whether or not the employee also makes a contribution. *See also social insurance benefit and social insurance contribution.*
Social security funds	Social security funds are those units that are devoted to the operation of social security schemes.
Social security schemes	Social security schemes are social insurance schemes covering the community as a whole, or large sections of the community, and are imposed and controlled by government units. *See also social insurance scheme.*
Sovereign wealth funds	Created and owned by the general government, SWFs hold, manage, or administer assets to achieve financial objectives, and employ a set of investment strategies which include investing in foreign financial assets. The funds are commonly established out of balance of payments surpluses, official foreign currency operations, the proceeds from privatizations, fiscal surpluses, and/or receipts resulting from commodity exports.
Special drawing rights (SDRs)	Special drawing rights (SDRs) are international reserve assets created by the International Monetary Fund (IMF) and allocated to its members to supplement reserve assets.
Standardized guarantees	Standardized guarantees are those kinds of guarantees that are issued in large numbers, usually for fairly small amounts, along identical lines.
State government subsector	The state government subsector consists of state, provincial, or regional governments that are separate institutional units plus those nonmarket nonprofit institutions that are controlled by state, provincial, or regional governments. State governments are institutional units exercising some of the functions of government at a level below that of central government and above that of the governmental institutional units existing at a local level. The state government subsector includes social security funds operated by state governments, if social security funds are not classified as a separate subsector of general government.
Stock positions	Stock positions, or stocks, refer to the level of assets, liabilities, and net worth at a specific point in time.

Stripped securities	Stripped securities are securities that have been transformed from a principal amount with coupon payments into a series of zero-coupon bonds, with a range of maturities matching the coupon payment date(s) and the redemption date of the principal amount(s).
Swap contract	A swap contract involves the counterparties exchanging, in accordance with pre-arranged terms, cash flows based on the reference prices of the underlying items.
Synthetic securitization	Synthetic securitization involves transfer of the credit risk related to a pool of assets without transfer of the assets themselves, either through a securitization unit or through the direct issuing of debt securities by the original asset owner.
Traded debt securities	Traded debt securities are those debt securities traded (or tradable) in organized and other financial markets—such as bills, bonds, debentures, negotiable certificates of deposits, asset-backed securities, etc.
Transaction	A transaction is an interaction between two units by mutual agreement or through the operation of the law, or an action within a unit that is analytically useful to treat as a transaction (often because the unit is operating in two different capacities). “Mutual agreement” means that there was prior knowledge and consent by the units, but it does not mean that the units involved entered into the transaction voluntarily. Every transaction involves an exchange or a transfer.
Transfer	A transfer involves a provision (or receipt) of an economic value by one party without receiving (or providing) an item of corresponding economic value. *See also exchange.*
Transferable deposits	Transferable deposits comprise all deposits that are (i) exchangeable (without penalty or restriction) on demand at par, and (ii) directly usable for making third-party payments by check, draft, giro order, direct debit/credit, or other direct payment facility. Nontransferable deposits comprise all other financial claims, other than transferable deposits, represented by evidence of deposit.
True-sale securitization	True-sale securitization, involves debt securities issued by a securitization unit where the underlying assets have been transferred from the original asset owner’s (i.e., the originator’s) balance sheet to that of the securitization unit.
Zero-coupon bonds	Zero-coupon bonds are long-term securities that do not involve periodic payments during the life of the bond. A single payment, that includes accrued interest, is made at maturity.