Focus on the AT1 Market – Part 1

AT1 is the acronym for Additional Tier 1 capital and was introduced with Basel III after the financial crisis to replace former Tier 1 securities. AT1 notes are a key instrument in regulators' post-crisis bail-in regime and fulfil a part of banks' regulatory capital.

Alexis Lautrette and **François Lavier**, both Fund Manager-Analysts specialised in Subordinated and Hybrid Financial Debt strategies, provide insight into the AT1 debt segment.

Summary:

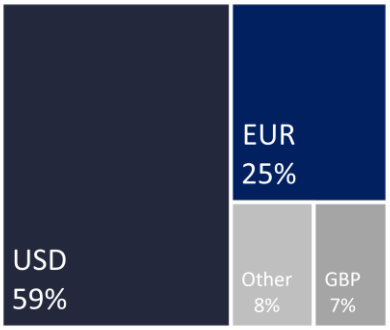
- Market profile
- Main features
- Risk-return profile

Market profile

The AT1 market is worth roughly **$254 billion**[1] with a majority of bonds denominated in USD despite being mostly issued by European entities.

Breakdown by currency

Source: Bloomberg, as of 30 September 2020.

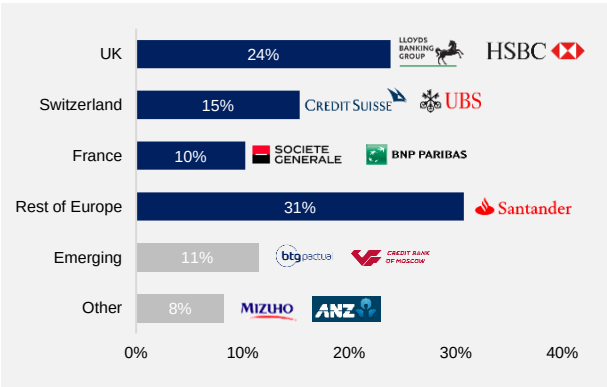


A mainly European universe

There are currently **100 issuers** and **245 bonds** in the investment universe. **97% of issuers are banks** and the remaining **3% are insurance companies.**
European issuers represent 80% of this universe.

Geographical breakdown of issuers[2]

Source: Bloomberg, as of 30 September 2020



US banks do not issue AT1, but **specific hybrid Tier 1 capital securities called Preferred Shares.** This is why they are not included in the chart above.

Issuer and security rating profile

These bonds are mainly issued by **large financial institutions with an investment grade issuer rating.** Nevertheless, due to rating agencies' methodologies, **AT1 securities have a high yield rating on average**.

A-
Average issuer rating

BB
Average security rating

The AT1 segment is the most liquid market in the bank debt structure, partly due to the **size of each security** with deals often exceeding $1 billion.

$1.3 Bn
Average issue amount
for $AT1[1]

Main features

AT1, CoCos, equity conversion… how do they differ?

Some AT1 carry an **equity conversion** feature, often referred to as **CoCo for Contingent Convertible**. The important thing to highlight is that **all CoCos are AT1, but not all AT1s are CoCos**, although investors tend to use the terms interchangeably.

The **conversion risk corresponds to the default risk. It is the same for all subordinated debt, and should not be a key focus for investors**, at least not more than for other subordinated debt securities.

The only example of default in this segment so far is Banco Popular Español, which was placed under resolution in 2017 (and then bought by Santander). **The outcome**, a 100% loss, **was exactly the same for shareholders, Tier 2 bondholders and AT1 bondholders.**

AT1 breakdown by capital risk type

Source: Bloomberg, as of 30 September 2020.

Main differences between securities

Bank Capital structure

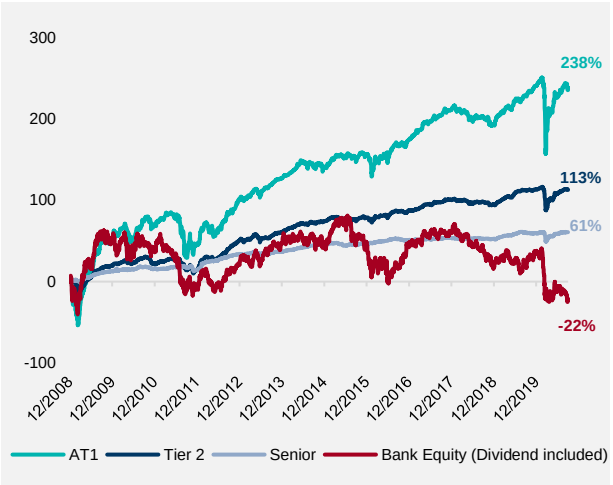
	Senior	Tier 2	AT1
Subordinated	No	**Yes**	**Yes**
Perpetual / Dated	**Dated**	**Dated**	Perpetual
Callable	No	Possible	Yes
Coupon cancellation	**No**	**No**	Possible
Write down in case of resolution	Possible	**Yes**	**Yes**
Automatic Equity Conversion or Nominal Write down	**No**	**No**	Yes

Source: Lazard Frères Gestion, Bloomberg, as of 30 September 2020.
1. Bloomberg, based on the BCCGTREU index, as of 30 September 2020.
2. Example of issuers. For illustrative purpose only, does not constitute a recommendation.
The opinion expressed above is correct at the time of writing and liable to change.

Risk-return profile

Long-term return[1]

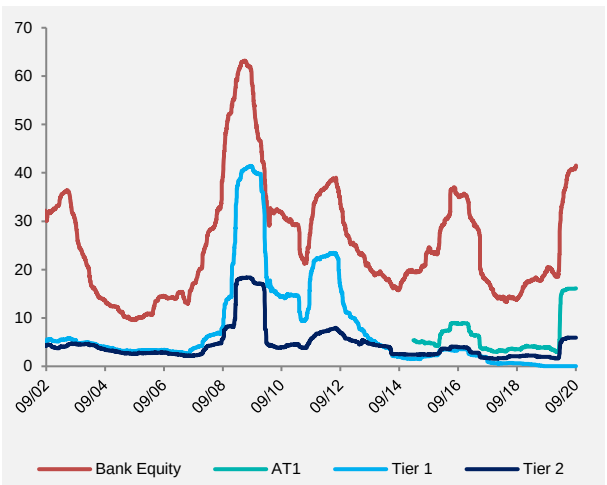
Source: Bloomberg, as of 30 September 2020, in % (euros).



Since December 2008, despite several crises, **Tier 1 bonds have outperformed senior bonds** but also equities with a total return of **+238% versus +61% for senior bonds** and -22% for bank equities.

Historical volatility[2]

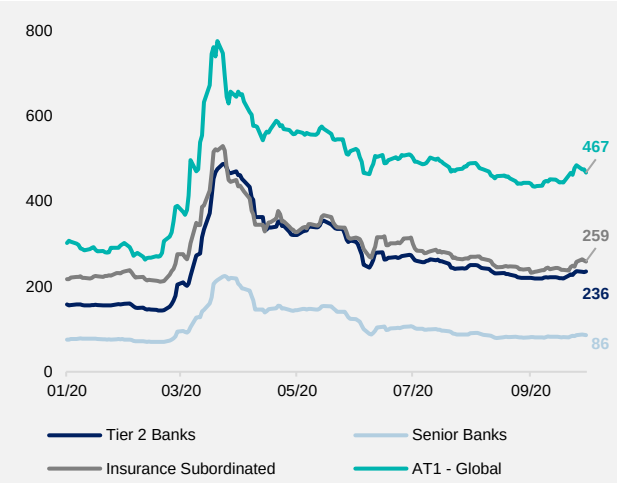
Source: Bloomberg, as of 30 September 2020.



This performance was achieved with **a reasonable volatility profile**, which is historically **between 5% and 15% for AT1**, and closer to fixed income products than to equities. Despite the recent pickup in volatility, it **remains well below that of equities**.

Spreads overview[3]

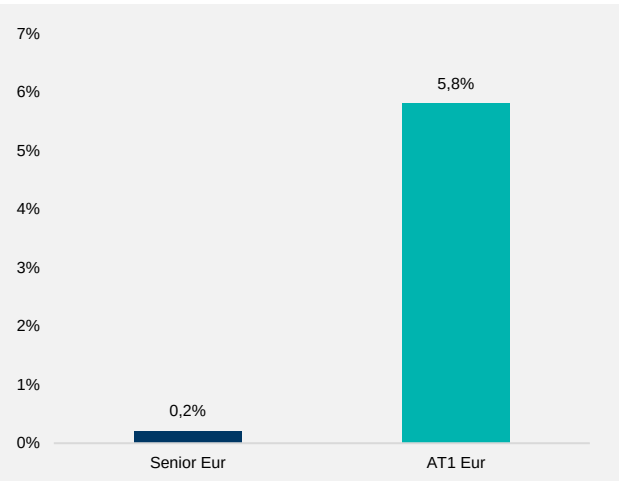
Source: Bloomberg, as of 30 September 2020.



Spreads have normalised for senior debt since the March 2020 sell-off. **However, this is not the case for subordinated debt, especially AT1s** where spreads are **165 bps wider on a year-to-date basis**.

Yield pickup[4]

Source: Bloomberg, as of 30 September 2020.



From a yield perspective, an investor gets **on average an extra pickup of 560 bps on AT1 debt compared with senior debt.**

Fund Manager-Analysts[5]

Alexis Lautrette

François Lavier, *CFA*

Source: Lazard Frères Gestion, Bloomberg, as of September 2020.

1. Indices used: JP Morgan Subordinated Security Index Senior, JP Morgan Subordinated Security Index Lower Tier 2 Banks and Bloomberg Barclays Global Contingent Capital for AT1 | Stoxx 600 Bank equity net of dividend.
2. Standard Deviation on a daily basis over 260 days. Indices used: Banks equity: Stoxx 600 Europe Banks ND | Tier 1: JPM SUSI T1 Index | Tier 2: JPM SUSI LT2 Index | AT1: Bloomberg Barclays Global Contingent Capital Total Return Index Value Hedged EUR (inception date: 30 April 2014).
3. Tier 2: JPSULTEG Index | Senior Banks: JPSUSBEG Index | Insurance Subordinated: JPSUIBEG Index | AT1:BCCGOAS Index.
4. Yield to maturity for senior debt. Yield to call for AT1. Senior EUR debt index: JPSUSBEI Index | AT1 EUR index: JPATTRER Index.
5. Our team is traditionally stable, but we are unable to guarantee the presence of the managers mentioned above during the entire product lifespan.

The yield is the counterparty of a capital risk. Past yields do not guarantee the capital or future performance.

Past performance does not guarantee future performance. Performance data is provided for information purposes only and should be assessed over the recommended investment period.

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Focus on the AT1 Market – Part 2

AT1 is the acronym for Additional Tier 1 capital and was introduced with Basel III after the financial crisis to replace former Tier 1 securities. AT1 notes are a key instrument in regulators' post-crisis bail-in regime and fulfil a part of banks' regulatory capital.

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Summary:

Alexis Lautrette **François Lavier, *CFA***

Capital structure and capital stacks

Position of AT1 in banks' capital stacks

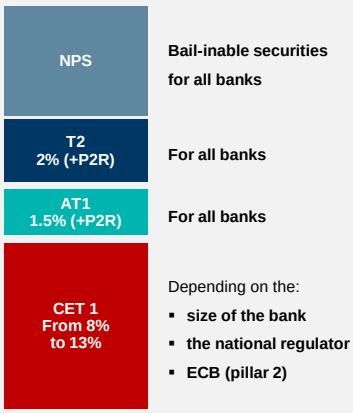
Banks' capital requirements are expressed as a **percentage of their Risk-Weighted Assets (RWA)**, which are a risk-adjusted view of the balance sheet.

Additional Tier 1 (AT1) securities are hybrid instruments that rank between Common Equity Tier 1 (CET1) and subordinated debt (Tier 2). **Banks must fulfil a minimum capital requirement of 1.5% of RWA in AT1** plus a recent add-on to fill the Pillar 2 Requirement (P2R) (see below). In general, **the AT1 buffer requirement amounts to just under 2%,** but can vary from bank to bank.

The figure below shows a typical capital structure for a Eurozone bank. Some local variations exist for UK, Swiss, and Scandinavian banks.

Eurozone bank capital requirements

Source: Lazard Frères Gestion



For Spanish bank BBVA, the capital ratios and requirements as of the third quarter of 2020 are shown in the table below[1].

Q3 2020	Requirements	FL[2] ratios	FL cumulated excess capital
Tier 2	2.4%	2.5%	3.3%
AT1	1.8%	2.0%	3.2%
CET1	8.6%	11.5%	2.9%

Introduction to P2R and changes introduced by CRD 5 (Article 104a)

The Pillar 2 Requirement (P2R) is a capital requirement specific to each Eurozone bank. It is defined by the ECB's Single Supervisory Mechanism (SSM) and depends on each entity's risk profile. **The higher the risk profile** (low capital ratios, high non-performing loans ratios, low profitability…), **the higher the P2R.**

Up to the end of 2019, the P2R had to be fully filled with Common Equity Tier 1. In the European Capital Requirement Directive, CRD 5, that should have been implemented in 2021, **Article 104 a stipulates that the P2R can be split and filled by different types of capital layers** (see the table below).

Since this spring and thanks to some accelerated regulatory changes to help banks provide support and financing to the economy, **banks have the flexibility to use this article to fill their P2R**, therefore freeing up CET1. **This change is one of several newly introduced "quick fix" regulatory changes.**

The table below shows the impact on the layers of the capital stack for all Eurozone banks:

Q3 2020	Before	After Article 104a
Tier 2	0%	25%
AT1	0%	18.75%
CET1	100%	56.25%

In the table below, we show the impact on BBVA's capital stack:

Q3 2020	Before	After Article 104a
Tier 2	-	0.28%
AT1	-	0.38%
CET1	1.50%	0.84%

What is the Combined Buffer?

In this section, we present the **different capital buffers that most banks must fully fill with core capital CET1**, in addition to the other capital layers known as Pillar 1, which is the same for all banks, and Pillar 2, which depends on the supervisor's risk assessment of each individual bank.

These buffers, when combined, represent the **"Combined Buffers" that banks must respect at all times. A breach would imply potential limitations on the banks' ability to pay dividends, AT1 coupons and management bonuses.**

Constituent	Comments
Systemic Risk Buffer	for large banks, varies according to national supervisors
Other Systemically Important Institutions Buffer	for large and systemic banks, varies according to entity size and importance
Countercyclical Buffer	defined nationally and linked to the economic cycle (high during expansion and low or nil during contraction)
Capital Conservation Buffer	same for all banks = 2.5%

In the case of BBVA, the buffers are:

- Systematic Risk Buffer = 0%
- Other Systemically Important Institutions Buffer = 0.75%
- Countercyclical Buffer = 0%
- Capital Conservation Buffer = 2.5%

This spring, **the ECB reduced the Countercyclical Buffer to 0% and eased the Capital Conservation Buffer requirements**. However, the **Capital Conservation Buffer has to be maintained at 2.5%** for entities wishing to pay dividends, AT1 coupons or employee bonuses.

Source: Lazard Frères Gestion.
1. Bloomberg, as of 30 September 2020.
2. Fully loaded.

Risks

AT1 bondholders are exposed to three main risks in addition to **specific risk** (default risk) and the **market risk** common to all risky assets (price volatility caused by market conditions).

The table below shows **these three additional risks** ranked from most to least probable and the respective impact on prices if the risk occurs.

Risks	Probability	Impact if occurring
Extension	Low	Limited
Coupon	Very low	Medium
Principal	Extremely low	Very high

The most probable risk to which an investor is exposed also has the lowest potential impact on market price. As AT1 securities are perpetual bonds with a predetermined call schedule, **not calling an AT1 incurs the risk of having to keep it for longer than anticipated**. Below, we will see that this risk, which occurred in 2019 and 2020, had a limited impact on prices.

The second most probable risk is the non-payment of AT1 coupons. As these are optional, like dividends, this means **that investors lose some cash flows.** This risk **has not yet occurred in the AT1 market in Europe**, but we demonstrate that this probability is very low given high capital buffers and that if it occurred, the price impact on the concerned securities would likely be medium.

The last and most improbable risk is principal risk, which is the **risk of losing the value of the investment**, excluding in cases of default or liquidation. In this case, **the potential loss for the investor is very high** and can involve losing all or almost all of the amount invested. Such a costly event has an **extremely low probability** of occurring and is no different to the risk borne by investors in Tier 2 securities.

Extension risk

If AT1s are not called, what happens?

To the price:

In theory, as long as a bank fully respects its capital requirements, the reasoning behind an issuer's decision to call an AT1 will be essentially economic: **if the issuer cannot issue a new AT1 at a similar or lower spread level, it may have an incentive not to call the bond.**

Noteworthy is that banks must request and obtain supervisory approval for calling any capital instrument, including AT1s.

The decision to call a security or not depends on:

1. The price of replacing it with another AT1
2. The ability to refinance it before taking the call decision
3. Receiving approval from the bank's national supervisor

So far, **almost all AT1s have been called on their first call date** and some issuers have refinanced their AT1 at a higher spread, which is clearly bondholder-friendly behavior (the UK's Coventry Building Society refinanced its AT1 in 2019 with a spread 200 bps higher than the one it replaced).

Only four AT1s have not been called on their first call date since 2014:

- one by Santander in 2019 (called since then in 2020)
- the remaining three during the Covid crisis as the market was completely closed and it was genuinely complicated for banks to issue AT1.

Despite the "non-call" event, the price of those three securities did not collapse and **the total return performance** YTD range from -3.0% to +1.7%.

AT1s not called in 2020 – Total Return performance[1]

Source: Bloomberg, as of 30 September 2020.

Issuer	YTD performance
LLOYDS BANK	+0.9%
Deutsche Bank	-3.0%
Aareal Bank Group	+1.7%

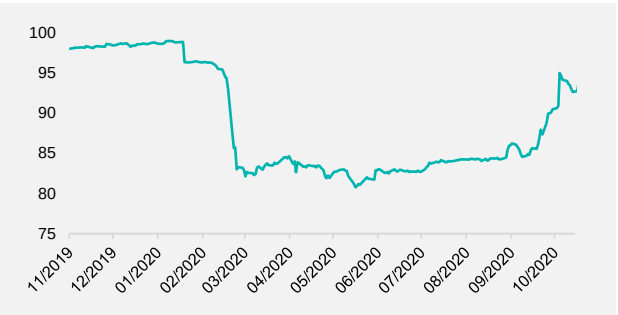
This risk is called extension risk and **it is partly why AT1s offer higher yield and are more volatile than senior bonds.**

The price behavior of AT1s not called on the first call date is very different to "old" Legacy Tier 1, which falls much more dramatically following a non-call announcement.

The chart below shows a Legacy Tier 1 instrument issued by Barclays that fell 16% after the non-call announcement. In this case, **the main reason behind the slump was the new coupon fixed** after the non-call rather than the instrument's structure. See the Coupon Risk section of this paper to gain a better understanding of this.

Barclays Legacy Tier 1 – price evolution

Source: Bloomberg, as of 31 October 2020.



To the coupon:

In the event of a non-call, **a new coupon will be calculated as the sum of the spread at the issuance date** (the « reset ») **plus the current 5-year mid-swap rate** in most cases and depending on the bond.

In other words, **the credit spread will not change and rate risk is limited to the next call date**. This has important implications in terms of AT1 behavior: **high reset bonds tend to be less volatile as their call probability is priced with more certainty** whereas **low reset bonds can be more volatile** due to higher uncertainty on the call.

Source: Lazard Frères Gestion.

1. YTD total return performance, in %, in €, as of 30 September 2020.

Performances are dividends and coupons reinvested.

Past performance is not indicative of future performance. Performances of less than one year are given for illustrative purpose only.

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This is a demonstration of **AT1 convexity being linked to the reset spread.**

As we have been in a very low interest-rate environment for several years, all **AT1s have been issued with high spreads, and new coupons will be relatively similar to old coupons in the event of a non-call.**

For BBVA's AT1s below, if the first security (8.875%) is not called, then its coupon will be reset in 2021 at a new level calculated as the 5-year mid-swap rate at the time of the call plus the reset spread of 918 bps. On 29th October 2020, this would have resulted in a coupon of 8.7%, which is a small change compared to the coupon paid to current bondholders.

BBVA's AT1s outstanding bonds[1]

Source: Bloomberg, as of 30 September 2020.

Name	Call / Maturity	Duration	Last	Spread reset
BANQUES AT1-EUR 2021/PERP 8,875%	2021/PERP	0,4	103	918
BANQUES AT1-EUR 2022/PERP 5,875%	2022/PERP	1,5	99	578
BANQUES AT1-EUR 2023/PERP 5,875%	2023/PERP	2,6	99	566
BANQUES AT1-EUR 2024/PERP 6%	2024/PERP	3,0	99	604
BANQUES AT1-USD 2025/PERP 6,5%	2025/PERP	3,7	99	519
BANQUES AT1-EUR 2026/PERP 6%	2026/PERP	4,4	101	646
BANQUES AT1-USD 2027/PERP 6,125%	2027/PERP	5,6	96	387

In the case of Barclay's "old" Legacy Tier 1, **the initial coupon of 4.75% was reset to a coupon of 0.22%**, a significant drop that triggered **a drop in price from around 100 to the 80-90 price range** for several months.

Call schedule following the first call date

(quarterly, semi-annual, annually, every 5 years, anytime)

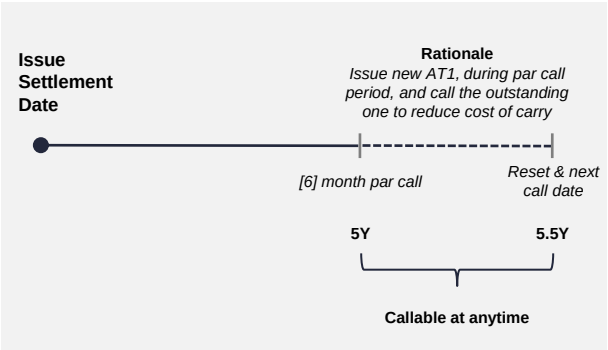
After the first call date, **issuers of AT1s can call non-called securities according to different schedules** depending on the features of each security. The following table presents the various options for the 2020 vintage of callable AT1s. Most of the them had a call schedule identical to the reset dates, i.e. every five years, but some could be called more frequently: quarterly, semi-annually, annually or even at any time.

Of the three AT1s not called in 2020, **two securities are callable every five years** (DB and Lloyds) and **one is callable annually** (Aareal Bank).

Call schedule for 2020 vintage AT1s				
Quarterly	Semi-annual	Annually	Every 5Y	Anytime
-	Danske Bank	UBS	HSBC	BBVA
	Bank of Ireland	DNB Nor	Société Générale	SEB
	Rabobank	Aareal Bank	Swedbank	
	Nykredit	ABN	Standard Chartered	
	AIB		ING	
			DB	
			Lloyds	
			Natwest	

The 6-month par call feature

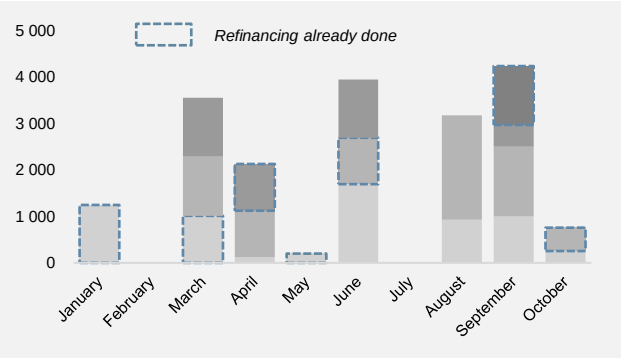
Illustrative example: Perp NC5.5 with a 6-month par call



The 6-month par call feature is a newly introduced clause that started to appear 12 months ago and **allows issuers to call their AT1 at par and at any time during a certain period.** This introduces flexibility when making call decisions. As shown by the chart above, between five and five and a half years after the issuance date, **the issuer can call the bond** at par at any time. **This increases the window of opportunity for issuing a new AT1 to refinance the old one and avoids the issuer paying significant interest expense** that would otherwise have been paid twice during the period.

List of callable AT1s in 2021, in € mm

Source: Bloomberg, as of 30 September 2020.



NAME	COUPON %	Next Call / Matu	Outstanding in € mm	Refinanced
INTESA SANPAOLO SPA	7,000	19/01/2021	1 250	
SVENSKA HANDELSBANKEN AB	5,250	01/03/2021	1 015	
UBS GROUP AG	6,875	22/03/2021	1 269	
BNP PARIBAS	7,625	30/03/2021	1 269	
PERMANENT TSB PLC	8,625	01/04/2021	125	
SOCIETE GENERALE	6,750	07/04/2021	1 000	
BANCO BILBAO VIZCAYA ARG	8,875	14/04/2021	1 000	
BANKINTER SA	8,625	10/05/2021	200	
HSBC HOLDINGS PLC	6,875	01/06/2021	1 692	
CREDIT AGRICOLE SA	6,500	23/06/2021	1 000	
COOPERATIEVE RABOBANK UA	6,625	29/06/2021	1 250	
UBS GROUP AG	7,125	10/08/2021	931	
NATWEST GROUP PLC	8,625	15/08/2021	2 242	
UNICREDIT SPA	6,750	10/09/2021	1 000	
BANCO SANTANDER SA	6,250	11/09/2021	1 500	
NORDEA BANK ABP	5,250	13/09/2021	465	
SOCIETE GENERALE	7,375	13/09/2021	1 269	
VIRGIN MONEY UK PLC	8,750	11/10/2021	256	
ERSTE GROUP BANK AG	8,875	15/10/2021	500	

2021 AT1s: *30% have already been refinanced*

Source: Lazard Frères Gestion.

1. Source: Bloomberg, as of 30 September 2020.

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Coupon risk

What are the rules regarding coupon payments?

Rules can differ between geographical zones. In this paper, **we present the rules that apply to Eurozone and UK banks.**

To be able to pay a dividend or AT1 coupon, **banks have two main limitations, aside from the willingness to pay:**

- **MDA** – Maximum Distributable Amount
- **ADI** – Available Distributable Items

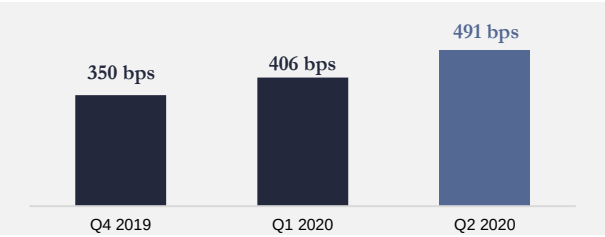
MDA

According to the current Basel III rules, the regulator can limit discretionary payments by banks (bonuses, dividends and AT1 coupons) if the bank does not fully comply with its capital requirements. This difference between the bank's capital ratios and its required capital is called the distance to **Maximum Distributable Amount (MDA)**.

This buffer is currently very high and increased from an average of 350 bps at the end of 2019 to 491 bps as of the second quarter of 2020 for European banks despite the Covid crisis due to lower capital requirements and organic capital generation.

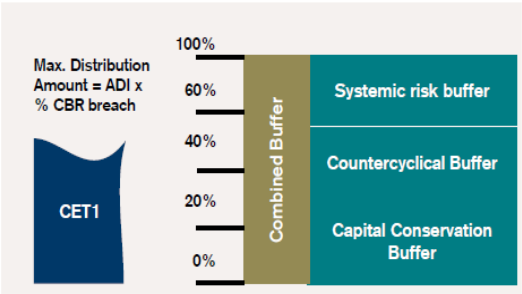
Capital buffer in bps

Source: Bloomberg, as of Q2 2020.



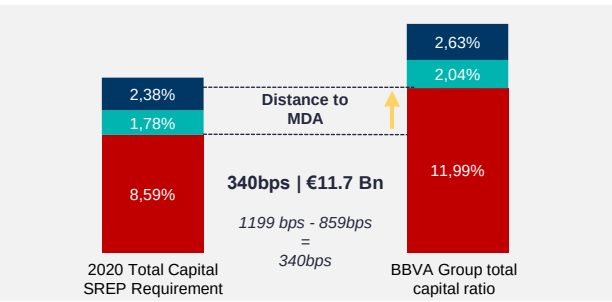
If the MDA is breached, then **the bank must calculate its Maximum Distributed Amount** based on the extent of the breach and its available distributable items. The bank is allowed to distribute a percentage calculated as MDA = ADI x % CBR breach (as shown on the figure below).

MDA Calculation illustration



Example of BBVA distance to MDA

Source: BBVA as of Q3 2020.



ADI

The ADI represents **the amount of accumulated reserves** (the sum of accumulated profits + premiums when issuing new shares) **that are available to be used for capital distribution, namely dividends and AT1 coupons.** A bank could be making a loss but have sufficient ADI to pay both a dividend and the coupons. **If the ADI stands at zero or less, then a bank would not be able to pay any dividends or AT1 coupons.**

For instance, BBVA has an ADI of €9.2 billion as of the end of 2019, which means it can cover the interest expense of its AT1 coupons 30 times.

Towards amendments to Maximum Distributable Amounts?

Regulators are seeking to encourage banks to lend and use their capital buffers without being pressured by MDA restrictions for the payment of discretionary items (dividends, AT1 coupons and employee bonuses).

The UK regulator, the **Prudential Regulation Authority (PRA), is making a proposal through a consultation paper which would let banks make payments even if it led to a breach of the MDA buffer.** The limitation on payments would be calculated as the sum of the last four quarters' profit.

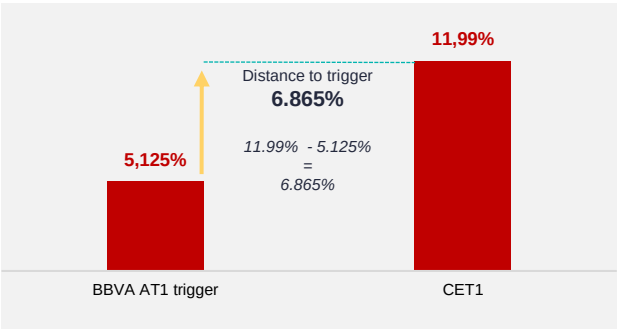
In the Eurozone, the **Single Supervisory Mechanism (SSM) has acknowledged the problem but not yet made any proposals.** Such a change in MDA restrictions could only reduce the risk on AT1 coupon payments if, and only if, the reduction in capital and the breach of MDA is linked to an increase in lending or risk-weighted assets and not due to a net loss.

Principal risk

The main risk **when a bank is not respecting its capital ratio requirements is the loss of principal.**
Most AT1s must respect a minimum CET1 ratio of 5.125%, which is called the "trigger" for either equity conversion, write-down or write-off of the principal.

Some issuers and securities have a higher minimum CET1 trigger: **for UK banks it is 7% and for some Scandinavian banks it is 8%.** The difference between the CET1 ratio of a bank and the trigger ratio for an AT1 is called the **"distance to trigger"**.

BBVA distance to trigger



Nevertheless the **Point of Non Viability** (PONV), which is the level of capital below which the regulator may declare a bank likely to fail, **will be most of the time higher than the AT1 trigger.**

Source: Lazard Frères Gestion.

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Information on the risks associated with bonds

- **Credit risk:** The potential risk that an issuer defaults or its creditworthiness declines, which would lead to a fall in the price of its securities.
- **Liquidity risk:** The risk that a lack of liquidity in an underlying market will substantially increase the market's price volatility in response to large trades.
- **Risks associated with derivatives:** The use of derivatives may amplify the risk of loss.
- **Risk of capital loss:** The Fund is not guaranteed or protected; investors may not get back their initial investment in full.
- **Risk associated with investing and discretionary asset allocation:** Performance depends on both the securities and funds that the manager chooses and on the manager's asset allocation. There is a risk that the manager may not select the best-performing securities and funds or choose the optimal asset allocation between markets.
- **Interest rate risk:** There is a risk that the value of bonds, other securities and interest rate instruments may fall when interest rates change, and therefore that the value of the portfolio may also fall. Due to the boundaries of the sensitivity range, the value of this portfolio component may fall.
- **Risks related to contingent or subordinated securities:** The Fund may be exposed to contingent or subordinated securities. Subordinated debt and contingent convertible bonds are particularly subject to the risks of non-payment of coupons and capital loss under certain circumstances. According to a set solvency threshold, known as a 'trigger', issuers can or are required to suspend payment of their coupons and/or reduce the nominal value of the securities, or convert these bonds into shares. Notwithstanding the thresholds defined in the issue prospectuses, the regulatory authorities may also apply these rules as a precaution, depending on the circumstances and according to a discretionary threshold known as the 'point of non-viability'. Security holders may lose some or all of their investment following any conversion into shares at a predetermined price, or application of a discount, either provided for contractually in the terms of the issue prospectus, or applied arbitrarily by a regulatory authority. These types of securities also expose holders to potentially significant price fluctuations in the event that the issuer has insufficient equity or experiences difficulties.
- **Risks related to futures markets:** Risk from financial futures instruments. Exposure to markets, assets and indices through financial futures instruments may lead to a significantly greater or faster decline in net asset value than the change observed in the underlying instruments' asset values.
- **Counterparty risk:** Counterparty risk is related to the use of over-the-counter products. These transactions expose the holder to the risk of default by one or more counterparties, which may lead to a payment default and result in a fall in the fund's net asset value.
- **Currency risk:** Risk of investing in securities and UCIs that are authorised to acquire securities denominated in foreign currencies (outside of the eurozone). The value of the assets held by these UCIs may fall if exchange rates fluctuate, which may result in a fall in their net asset values.

Useful concepts and definitions

- **Senior debt:** a debt instrument where holders are repaid before subordinated debt holders. Financial institutions commonly use these securities to secure funding on the financial markets. These instruments can be used for bail-ins.
- **Subordinated debt:** a debt instrument where holders are only repaid after senior debt holders. In the case of financial institutions, several types of instruments called Tier 1 or Tier 2 exist. Their characteristics vary according to their particular issue details and degree of subordination. These instruments can be used for bail-ins.
- **Tier 2:** a Tier 2 subordinated debt instrument where holders are repaid before shareholders and Tier 1 debt holders but after all other types of debt holders.
- **AT1 (Additional Tier 1):** a Tier 1 is a subordinated debt instrument where holders are repaid before shareholders but after all other types of debt holders. These instruments are subject to specific risk of coupon non-payment as well as principal write-downs under certain circumstances.

Important information

Information

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