

CRR ASSESSMENT

Alba 14 SPV S.r.l.



PRIME COLLATERALISED SECURITIES (PCS) EU SAS

30 May 2024

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30 May 2024

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PRIME COLLATERALISED SECURITIES (PCS) – CRR Assessment

Individual(s) undertaking the assessment	Daniele Vella
Date of Verification	30 May 2024
The transaction to be verified (the “Transaction”)	Alba 14 SPV S.r.l.
Issuer	Alba 14 SPV S.r.l.
Originator/Seller/STS Originator for STS purposes	Alba Leasing S.p.A.
Joint Arrangers	Banca Akros and Intesa Sanpaolo IMI C&IB
Transaction Legal Counsel	Legance
Rating Agencies	Moody’s and Morningstar DBRS
Stock Exchange	Euronext Access Milan
Closing Date	30 May 2024

PCS confirms that all checklist points have been verified as detailed in the associated comment box in the checklist below.

Legislative Text

Article 243 (NOTE 1)

2. Positions in a securitisation, other than an ABCP programme or ABCP transaction, that qualify as positions in an STS securitisation, shall be eligible for the treatment set out in Articles 260, 262 and 264 where the following requirements are met:

NOTE 1: REGULATION (EU) 2017/2401 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 12 December 2017 amending Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms.

1a

CRR Criteria

(a) at the time of inclusion in the securitisation, the aggregate exposure value of all exposures to a single obligor in the pool does not exceed 2 % of the exposure values of the aggregate outstanding exposure values of the pool of underlying exposures. For the purposes of this calculation, loans or leases to a group of connected clients shall be considered as exposures to a single obligor.

Meets Criteria?
YES

PCS Comments

See in Section headed "THE AGGREGATE PORTFOLIO – Statistical Information regarding the Portfolio - PORTFOLIO OVERVIEW", the "Top Lessee" information contained in the two first breakdown tables, according to which the Top Lessee (by group) does not exceed 0.77% on the aggregate portfolio.

See also the R&W in Schedule 4/III, §(t) of the Transfer Agreement:

<<(t) *(Limite di concentrazione individuale) Alla Data di Cessione, l'Importo Dovuto dei Crediti vantati verso un singolo Debitore non supera il 2% (due per cento) dell'Importo Dovuto di tutti i Crediti, ai sensi dell'articolo 243, paragrafo 2, del Regolamento (UE) n. 575/2013.*>>.

1b

CRR Criteria

In the case of securitised residual leasing values, the first subparagraph of this point shall not apply where those values are not exposed to refinancing or resell risk due to a legally enforceable commitment to repurchase or refinance the exposure at a pre-determined amount by a third party eligible under Article 201(1);

Meets Criteria?
YES

PCS Comments

See "Residual Optional Instalment" in the TRANSACTION OVERVIEW: the residual values are transferred to the SPV but they are not part of the cash flows of the transaction, therefore this criterion does not apply:

<<(…) *The Purchase Price of the Residual Optional Instalment of each Receivable shall not be paid by the Issuer on the Issue Date out of the proceeds arising from the issuance of the Notes and shall be paid by the Issuer to the Originator on a deferred basis in respect of each Payment Date and with respect to each Receivable, in an amount equal to the Residual Optional Instalment of such Receivable collected by the Issuer upon the exercise by the relevant lessee of the option to purchase the relevant Asset.*

The Residual Optional Instalment collected with respect to each Receivable, will not form part of the Issuer Available Funds and will be paid by the Issuer to the Originator regardless of the applicable Priority of Payment, subject and limited to the amount actually collected by the Issuer.

Therefore, the cash-flows generated by the assets backing the Notes do not comprise leasing receivables with residual value leases.>>.

2

CRR Criteria

(b) at the time of their inclusion in the securitisation, the underlying exposures meet the conditions for being assigned, under the Standardised Approach and taking into account any eligible credit risk mitigation, a risk weight equal to or smaller than:

- (i) 40 % on an exposure value-weighted average basis for the portfolio where the exposures are loans secured by residential mortgages or fully guaranteed residential loans, as referred to in point (e) of Article 129(1);
- (ii) 50 % on an individual exposure basis where the exposure is a loan secured by a commercial mortgage;
- (iii) 75 % on an individual exposure basis where the exposure is a retail exposure (NOTE 2);
- (iv) for any other exposures, 100 % on an individual exposure basis;

NOTE 2: See article 123, "Retail exposures" of the Regulation (EU) No 575/2013; for Consumer loans see the amendments to article 123 in (59) REGULATION (EU) 2019/876 and REGULATION (EU) 2020/873, article 2 (1) (a). In particular, pursuant to the amendments to Article 123, under Regulation (EU) 2019/876:

<<Exposures due to loans granted by a credit institution to pensioners or employees with a permanent contract against the unconditional transfer of part of the borrower's pension or salary to that credit institution shall be assigned a risk weight of 35 %, provided that all the following conditions are met:

(a) in order to repay the loan, the borrower unconditionally authorises the pension fund or employer to make direct payments to the credit institution by deducting the monthly payments on the loan from the borrower's monthly pension or salary;

(b) the risks of death, inability to work, unemployment or reduction of the net monthly pension or salary of the borrower are properly covered through an insurance policy underwritten by the borrower to the benefit of the credit institution;

(c) the monthly payments to be made by the borrower on all loans that meet the conditions set out in points (a) and (b) do not in aggregate exceed 20 % of the borrower's net monthly pension or salary;

(d) the maximum original maturity of the loan is equal to or less than ten years.>>.

See also article 501 on "Adjustment of risk-weighted non-defaulted SME exposures for "SME Loans" of the Regulation (EU) No 575/2013, as amended in Regulation (EU) 2019/876 and Regulation 2020/873 in (19) and Article 2.1(b).

**Meets Criteria?
YES**

PCS Comments

2 (b) (iv) applies.

See the R&W in Section "1. THE RECEIVABLES TRANSFER AGREEMENT – Representations and warranties in relation to the STS requirements pursuant to the EU Securitisation Regulation", §(s):

<<(…) in Receivables Transfer Agreement the Originator has represented and warranted that: (...) (s) pursuant to Article 243, paragraph 2 of the CRR. at the time of their inclusion in the Securitisation, the underlying exposures (i.e., the Receivables) meet the conditions for being assigned, under the Standardised Approach and taking into account any eligible credit risk mitigation, a risk weight equal to or smaller than 100% of the single exposures.>>.

	See the R&W in Schedule 4/III, §(s) of the Transfer Agreement: <<(s) (Fattore di ponderazione del rischio) Ai sensi dell'articolo 243, paragrafo 2, del Regolamento (UE) n. 575/2013, al momento dell'inclusione nella Cartolarizzazione, le esposizioni sottostanti (i.e., i Crediti) soddisfanno le condizioni perché sia assegnato loro, nel quadro del metodo standardizzato e tenendo conto delle attenuazioni ammissibili del rischio di credito, un fattore di ponderazione del rischio pari o inferiore al 100% delle singole esposizioni.>>.	
3	CRR Criteria (c) where points (b)(i) and (b)(ii) apply, the loans secured by lower ranking security rights on a given asset shall only be included in the securitisation where all loans secured by prior ranking security rights on that asset are also included in the securitisation;	Meets Criteria? YES
	PCS Comments Not applicable.	
4	CRR Criteria (d) where point (b)(i) of this paragraph applies, no loan in the pool of underlying exposures shall have a loan-to-value ratio higher than 100 %, at the time of inclusion in the securitisation, measured in accordance with point (d)(i) of Article 129(1) and Article 229(1).	Meets Criteria? YES
	PCS Comments Not applicable.	