

STS Term Verification Checklist

Aurorus 2023 B.V.



PRIME COLLATERALISED SECURITIES (PCS) EU SAS

12 October 2023

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This is the STS Term Verification Checklist for STS Term Verifications.

This STS Term Verification Checklist must be read together with the PCS Procedures Manual and the PCS Term Evidentiary Standards Manual. This document is based upon the materials received by PCS as at the date of this document. Any page references in this document are to the prospectus unless otherwise stated.

PCS comments in this STS Term Verification Checklist are based on PCS' interpretation of the STS Regulation (the "**Regulation**") informed by (a) the text of the Regulation itself, (b) the EBA guidelines and recommendations issued in accordance with Article 19(2) of the Regulation (the "EBA Guidelines") and (c) any relevant national competent authorities interpretation of the STS criteria to the extent known to PCS.

It is important that the reader of this checklist reviews and understands the disclaimer referred to on the following page.

12 October 2023

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PRIME COLLATERALISED SECURITIES (PCS) – Provisional STS Verification

Individual(s) undertaking the assessment	Mark Lewis
Date of Verification	12 October 2023
The transaction to be verified (the “Transaction”)	Aurorus 2023 B.V.
Issuer	Aurorus 2023 B.V.
Originator/STS Originator	Qander Consumer Finance B.V.
Joint Lead Manager(s)	ABN AMRO and Deutsche Bank
Transaction Legal Counsel	Nauta Dutilh
Rating Agencies	Moody’s and S&P
Stock Exchange	Luxembourg Stock Exchange
Target Closing Date	12 October 2023

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

A summary of the checklist points by article is set out in the table of contents on the next page together with a reference to the respective article contents. To examine a specific article from the list below, please click on the article description to be taken directly to the relevant section of the checklist.

Within the checklist, the relevant legislative text is set out in blue introductory boxes with specific criteria for our verification listed underneath.

Article	Summary of Article Contents	PCS Verified	
Article 20 – Simplicity			
20(1)	True sale	1	✓
20(2-4)	Severe clawback	2	✓
20(4)	True sale with intermediate steps	3	✓
20(5)	Assignment perfection	4	✓
20(6)	Encumbrances to enforceability of true sale	5	✓
20(7)	Eligibility criteria, active portfolio management, and exposure transferred after closing	6 - 8	✓
20(8)	Homogeneity, enforceability, full recourse, periodic payment streams, no transferable securities	9 - 14	✓
20(9)	No securitisation positions	15	✓
20(10)	Origination, underwriting standards, unverified residential loans, assessment of creditworthiness, originator expertise	16 - 21	✓
20(11)	No undue delay after selection, no exposures in default or to credit-impaired or insolvent debtors/quarantors, portion of restructured debtors, adverse credit history, higher pool risk	22 - 30	✓
20(12)	At least one payment made	31	✓
20(13)	No predominant dependence on the sale of asset	32	✓
Article 21 – Standardisation			
21(1)	Risk retention	33	✓
21(2)	Appropriate mitigation of interest-rate and currency risks and disclosure, no further derivatives and hedging derivatives according to common standards	34 - 39	✓
21(3)	Referenced interest payments	40	✓
21(4)	Requirements in the event of enforcement or delivery of acceleration notice: no cash trap, sequential amortisation, no reversal, no automatic liquidation	41 - 44	✓
21(5)	Non-sequential priority of payments	45	✓
21(6)	Early amortisation provisions/triggers for termination of revolving period	46 - 49	✓
21(7)	Duties, responsibilities, and replacement of transaction parties	50 - 52	✓
21(8)	Expertise of the servicer	53 - 54	✓
21(9)	Remedies and actions by servicer related to delinquency and default of debtor, priorities of payments, triggers for changes, obligation to report	55 - 59	✓
21(10)	Resolution of investor conflicts and fiduciary party responsibilities and duties	60 - 61	✓
Articles 22 and 7 – Transparency			
22(1)	Historical asset data	62 - 64	✓
22(2)	AUP/asset verification	65 - 66	✓
22(3)	Liability cashflow model	67 - 68	✓
22(4)	Environmental performance of asset	69	✓
22(5)	Responsibility for article 7, information disclosure before pricing and 15 days after closing	70 - 73	✓
7(1)	Transparency requirements: underlying loan data, documentation, priority of payments, transaction summary, STS notification, investor report, inside information, significant event report, simultaneous, without delay	74 - 83	✓
7(2)	Transparency requirements: securitisation repository, designation of responsible entity	84 - 85	✓

Article 20.1. The title to the underlying exposures shall be acquired by the SSPE by means of a true sale or assignment or transfer with the same legal effect in a manner that is enforceable against the seller or any other third party. The transfer of the title to the SSPE shall not be subject to severe clawback provisions in the event of the seller's insolvency.

1

STS Criteria

1. The title to the underlying exposures shall be acquired by the SSPE by means of a true sale or assignment or transfer with the same legal effect in a manner that is enforceable against the seller or any other third party.

Verified?**YES****PCS Comments**

Section 7.1 discusses the method by which legal title to the Loan Receivables, Further Advance Receivables and New Loan Receivables are transferred by the Seller to the Issuer and Risk Factors. "5. Risk related to payments received by the Seller prior to notification to the Borrowers of the assignment the Loan Receivables to the Issuer" discusses the risk issues further.

Section 4.4 – STS Statements (a) – (c) provides additional information.

PCS has been provided with a legal opinion by Nauta Dutilh N.V. a reputable law firm in the Netherlands.

"True sale" is not a legal concept but a rating agency creation.

The essence of a "true sale" is that the property in the securitised assets has legally moved from the originator/seller to the SSPE in such a way that the SSPE's ownership will be recognised as a matter of law, including and especially in the case of the insolvency of the originator/seller. In a "true sale" the insolvency officer and creditors of the insolvent originator/seller are not able to satisfy the claims of the originator/seller's creditor out of the proceeds of the securitised assets. Following a "true sale" there is no legal device by which the assets can automatically revert to the originator/seller's ownership. Such automatic reversion is associated with security interests and anathema to a "true sale".

This is clearly stated in the wording of the Regulation (20.1). The expression "transfer to the same effect" indicates that, as long as the conditions in the preceding paragraph are met, the Regulation does not seek to limit the type of legal devices which can be used to effect such transfer of title.

The issue of "true sale" is separate from the issue of "clawback". "Clawback" refers to legal processes through which, in the insolvency of the seller of an asset, an insolvency officer is entitled to reverse the sale – even in cases where a "true sale" has taken place.

All European jurisdictions, to PCS' knowledge, have rules allowing for clawbacks. Clawbacks are usually rules to avoid a company heading towards insolvency from "defrauding" its existing creditors either by selling assets at very low prices (to friends and relations) or unfairly preferring certain creditors over others.

The Regulation (20.1) therefore does not require STS "true sales" to be clawback proof since this would mean that no European securitisation could ever be STS. It does require the sale not to be subject to "severe clawback". The Regulation does not define "severe clawback" but gives an example (20.2) where a clawback may occur.

The Regulation (20.3) also explicitly excludes from the definition of "severe clawback" the traditional European basis for such devices which all come under the general category of "preferences".

PCS further notes that the examples (20.2 and 20.3) refer to the insolvency law of a jurisdiction and therefore believes that clawback risk is to be assessed on a jurisdictional basis rather than on a transactional basis.

Finally, PCS does not believe and nor is there any evidence that the legislators or regulatory authorities are seeking to craft a higher standard than that which has been used for decades by the market and was the basis for the legislative text.

Based on the above considerations, PCS believes that transfers from a jurisdiction meeting the following criteria – absent any other indications – shall not fall within the definition of "severe clawback":

- Clawback requires an unfair preference "defrauding" creditors
- Clawback puts the burden of proof on the insolvency officer or creditors – in other words it cannot be automatic nor require the purchaser to prove their innocence.

Since “severe clawback” is a jurisdictional concept, in analysing this issue, PCS will therefore first seek to determine the Originator’s jurisdiction for the purposes of insolvency law. This would be its centre of main interest or “COMI”.

The second step would be to determine whether the relevant COMI contains severe claw back provisions in its insolvency legislation.

Although the determination of a COMI can be a technically fraught analysis of international conflicts of law, PCS notes that in the vast majority of securitisations there is no real issue as the COMI is self-evident.

In the case of the Transaction, title to the assets is transferred by a traditional Dutch assignment. The legal opinion from Nauta Dutilh N.V. confirms that this assignment meets the definition of “true sale” outlined above. In the case of the Seller/Originator, since its business is granting consumer loans in the Netherlands, the COMI is the Netherlands (see section 3.4 “Seller”). Dutch insolvency law provides for clawback in the cases of preferences and transactions at an undervalue and require the insolvency officer to prove that case. Therefore, and as confirmed by the Opinions, the transfer is not, in our opinion, subject to “severe clawback”.

Article 20.1 (...) The transfer of the title to the SSPE shall not be subject to severe clawback provisions in the event of the seller's insolvency.

Article 20.2 For the purpose of paragraph 1, any of the following shall constitute severe clawback provisions:

(a) provisions which allow the liquidator of the seller to invalidate the sale of the underlying exposures solely on the basis that it was concluded within a certain period before the declaration of the seller's insolvency;

(b) provisions where the SSPE can only prevent the invalidation referred to in point (a) if it can prove that it was not aware of the insolvency of the seller at the time of sale.

Article 20.3. For the purpose of paragraph 1, clawback provisions in national insolvency laws that allow the liquidator or a court to invalidate the sale of underlying exposures in case of fraudulent transfers, unfair prejudice to creditors or of transfers intended to improperly favour particular creditors over others, shall not constitute severe clawback provisions.

2	STS Criteria	Verified? YES
	2. The transfer of the title to the SSPE shall not be subject to severe clawback provisions in the event of the seller's insolvency.	
PCS Comments		
COMI of the Seller is the Netherlands (see (b) of “STS Statements”). The insolvency laws of the Netherlands do not contemplate severe claw-back provisions (see the statement of the Seller in this respect contained in (b) of “STS Statements”).		

Article 20.4. Where the seller is not the original lender, the true sale or assignment or transfer with the same legal effect of the underlying exposures to the seller, whether that true sale or assignment or transfer with the same legal effect is direct or through one or more intermediate steps, shall meet the requirements set out in paragraphs 1 to 3.

3	<p>STS Criteria</p> <p>3. Where the seller is not the original lender, the true sale or assignment or transfer with the same legal effect of the underlying exposures to the seller, whether that true sale or assignment or transfer with the same legal effect is direct or through one or more intermediate steps, shall meet the requirements set out in paragraphs 1 to 3.</p>	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>This requirement does not apply to this Transaction since each of the loans have been granted in the ordinary course of the Seller's business pursuant to the Seller's standard underwriting criteria and procedures prevailing at that time (see representation in (h) of section 7.2 (Representations and warranties)).</p>	

Article 20.5. Where the transfer of the underlying exposures is performed by means of an assignment and perfected at a later stage than at the closing of the transaction, the triggers to effect such perfection shall, at least include the following events:

- (a) severe deterioration in the seller credit quality standing;
- (b) insolvency of the seller; and
- (c) unremedied breaches of contractual obligations by the seller, including the seller's default.

4	<p>STS Criteria</p> <p>4. Where the transfer of the underlying exposures is performed by means of an assignment and perfected at a later stage than at the closing of the transaction, the triggers to effect such perfection shall, at least include the following events:</p> <ul style="list-style-type: none"> (a) severe deterioration in the seller credit quality standing; (b) insolvency of the seller; and (c) unremedied breaches of contractual obligations by the seller, including the seller's default. 	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>Notification is not required to perfect the transfer of legal title.</p> <p>Criterion 4 requires two steps:</p> <ul style="list-style-type: none"> - To determine whether the transfer of the assets is by means of an unperfected assignment; and - If it is, whether the transaction contains the requisite triggers. <p>Although the transfer is not notified to the borrowers, the Dutch legal opinion issued in relation to this transaction confirms that such notification is not required to fully perfect the transfer of ownership in the loans to the Issuer. Accordingly, this transaction does not operate by way of an unperfected assignment and the issue of triggers does not arise.</p>	

Article 20.6. The seller shall provide representations and warranties that, to the best of its knowledge, the underlying exposures included in the securitisation are not encumbered or otherwise in a condition that can be foreseen to adversely affect the enforceability of the true sale or assignment or transfer with the same legal effect.

5

STS Criteria

5. The seller shall provide representations and warranties that, to the best of its knowledge, the underlying exposures included in the securitisation are not encumbered or otherwise in a condition that can be foreseen to adversely affect the enforceability of the true sale or assignment or transfer with the same legal effect.

**Verified?
YES**

PCS Comments

See Section 7.2 (Representations and Warranties), R&W (b) and (c), which confirm that the Sellers have full right and title to the Loan Receivables, and the absence of relevant encumbrances or option rights over such assets.

Article 20.7. The underlying exposures transferred from, or assigned by, the seller to the SSPE shall meet pre-determined, clear and documented eligibility criteria which do not allow for active portfolio management of those exposures on a discretionary basis. For the purpose of this paragraph, substitution of exposures that are in breach of representations and warranties shall not be considered active portfolio management. Exposures transferred to the SSPE after the closing of the transaction shall meet the eligibility criteria applied to the initial underlying exposures.

6

STS Criteria

6. The underlying exposures transferred from, or assigned by, the seller to the SSPE shall meet pre-determined, clear and documented eligibility criteria....

**Verified?
YES**

PCS Comments

See section 4.3, REGULATORY AND INDUSTRY COMPLIANCE, “STS Statements” under (d) “for confirming compliance with the relevant requirements, among other provisions, set forth in articles 20(6), 20(7), 20(8), 20(9), 20(10), 20(11) and 20(12) of the Securitisation Regulation, only Loan Receivables resulting from Loans which satisfy the Loan Warranties including the Loan Criteria and, if applicable, the Additional Purchase Conditions will be purchased by the Issuer (see also section 7.1 (Purchase, repurchase and sale), section 7.2 (Representations and warranties), section 7.3 (Loan Criteria) and section 7.4 (Portfolio Conditions);”

See also Section 7.2 (Representations and Warranties) and in particular R&W in (n) regarding compliance with the Loan Criteria, as detailed in Section 7.3 (Loan Criteria). See also Section 7.4 (Portfolio Conditions).

The EBA Guidelines clarify that “clear” does not mean easily readable or comprehended by a non-expert. In the STS Regulation a criterion is “clear” when a court or tribunal could determine whether, presumably in all cases, the criterion is met for each asset. In the Regulation, “clear” is about certainty of determination.

PCS has read the eligibility criteria in the Prospectus/the Loan Receivables Purchase Agreement. As they are mandatory, they meet the “predetermined” requirement. As they are in the Prospectus/Loan Receivables Purchase Agreement they meet the “documented” requirement. PCS has also concluded that they allow determination in each case and so meet the “clear” requirement.

7

STS Criteria

**Verified?
YES**

	7. Which do not allow for active portfolio management of those exposures on a discretionary basis. For the purpose of this paragraph, substitution of exposures that are in breach of representations and warranties shall not be considered active portfolio management.	
	<p>PCS Comments</p> <p>See section 4.3, REGULATORY AND INDUSTRY COMPLIANCE, “STS Statements” under (e) that “the Loan Warranties, the Loan Criteria, the Additional Purchase Conditions and the Transaction Documents do not allow for active portfolio management of the Loan Receivables on a discretionary basis within the meaning of article 20(7) of the Securitisation Regulation (see also section 7.1 (Purchase, Repurchase and Sale) and the Further Advance Receivables and the New Loan Receivables assigned to the Issuer after the Closing Date shall meet the Loan Warranties, including the Loan Criteria, and the Additional Purchase Conditions;”</p> <p>The EBA Guidelines set out seven devices to repurchase securitised assets which are not to be considered indicative of “active portfolio management”. To the extent that a transaction only contains some or all of those seven devices and does not provide any other form of repurchase, then the STS criterion will be met.</p> <p>If the transaction should contain a repurchase device that is not included in the EBA’s list, then an analysis will need to be conducted as to whether this additional device offends against the principles set out in the EBA Guidelines (15(a) and (b)) as defining “active portfolio management”.</p> <p>PCS has reviewed all the repurchase devices set out in the Prospectus/Loan Receivables Purchase Agreement including in respect of a Non-Permitted Loan Amendment, and these are acceptable within the context of the EBA final guidelines.</p> <p>PCS also notes that there is an explicit affirmative statement in the Prospectus to the effect that the Transaction does not allow for “active portfolio management”.</p>	
8	<p>STS Criteria</p> <p>8. Exposures transferred to the SSPE after the closing of the transaction shall meet the eligibility criteria applied to the initial underlying exposures.</p>	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>This transaction is revolving.</p> <p>See Section 7.2 REPRESENTATIONS AND WARRANTIES</p> <p>The Seller will represent and warrant on (i) the Closing Date with respect to the Loans and the Loan Receivables resulting therefrom assigned by it on the Closing Date and (ii) on the relevant Weekly Transfer Date with respect to the Further Advances and/or Further Advance Receivables resulting therefrom sold and assigned by it or, as the case may be, the relevant New Loans and/or the New Loan Receivables sold and assigned by it on such Weekly Transfer Date, that, inter alia,...:</p> <p>See also statement in “STS Statements” under</p> <p>(d) for confirming compliance with the relevant requirements, among other provisions, set forth in articles 20(6), 20(7), 20(8), 20(9), 20(10), 20(11) and 20(12) of the Securitisation Regulation, only Loan Receivables resulting from Loans which satisfy the Loan Warranties including the Loan Criteria and, if applicable, the Additional Purchase Conditions will be purchased by the Issuer (see also section 7.1 (Purchase, repurchase and sale), section 7.2 (Representations and warranties), section 7.3 (Loan Criteria) and section 7.4 (Portfolio Conditions);</p> <p>(e) that “[...] the Further Advance Receivables and the New Loan Receivables assigned to the Issuer after the Closing Date shall meet the Loan Warranties, including the Loan Criteria, and the Additional Purchase Conditions;</p>	

See also section 7.4, Additional Purchase Conditions under §(i), “the Seller will represent and warrant to the Issuer and the Security Trustee the matters set out in the clauses providing for the representations and warranties relating to the Loans, the Loan Receivables and the Seller in the Loan Receivables Purchase Agreement with respect to the Further Advance Receivables and the New Loan Receivables sold (with certain exceptions to reflect that the Further Advance Receivables and the New Loan Receivables are sold and may have been originated after the Closing Date);”

This criterion is a future event criterion. In other words, it cannot be either met or failed at the outset of the transaction. But if, at a later stage, it is not met, then the relevant originator/seller will need to inform ESMA and the STS status of the securitisation will be lost.

Therefore, as a technical matter, this criterion is not applicable at the closing of a transaction. However, PCS will nevertheless look to see if there is a covenant on the part of the originator/seller to comply in the future with this requirement whilst noting, at the same time, that the absence of any such covenant – although possibly unsettling for some investors - would not invalidate the STS status of the transaction at closing.

PCS has identified the existence of such a covenant in the Prospectus and the Loan Receivables Purchase Agreement.

Article 20.8. The securitisation shall be backed by a pool of underlying exposures that are homogeneous in terms of asset type, taking into account the specific characteristics relating to the cash flows of the asset type including their contractual, credit risk and prepayment characteristics. A pool of underlying exposures shall only comprise one asset type. The underlying exposures shall contain obligations that are contractually binding and enforceable, with full recourse to debtors and, where applicable, guarantors.

9

STS Criteria

9. The securitisation shall be backed by a pool of underlying exposures that are homogeneous in terms of asset type, taking into account the specific characteristics relating to the cash flows of the asset type including their contractual, credit risk and prepayment characteristics. A pool of underlying exposures shall only comprise one asset type.

**Verified?
YES**

PCS Comments

See statement on homogeneity in Section 4.3 (Regulatory and Industry Compliance) - STS Statements, (f), which details and identifies the requirements of homogeneity.

The definition of “homogeneity” in the Regulation is the subject of a Regulatory Technical Standard (“RTS”). Being set out in an RTS, rather than a guideline or recommendation issued by the EBA, the definition of “homogeneity” is legally binding on all regulatory authorities.

In interpreting the expression, PCS has based itself on the text of the Regulation, its knowledge of the intent of the legislators – including, crucially, the legislators’ belief that the STS Regulation was justified by the excellent performance of most “plain vanilla” European securitisations and the draft RTS adopted by the European Commission.

Based on the above, it seems clear to PCS that the Regulation would not seek to exclude from the STS category securitisations that have performed extremely well and are universally considered “homogenous” by market participants. This does not exonerate any transaction from being analysed against this criterion but does set the background for such analysis.

In the Transaction, the loans were underwritten on a similar basis, they are being serviced by the Seller which is subject to conduct supervision in the Netherlands according to similar servicing procedures, they are a single asset class – consumer loans.

PCS also takes great comfort from the fact that transactions containing pools with similar characteristics have always been considered to be “homogenous” by a wide consensus of market participants.

10	STS Criteria 10. The underlying exposures shall contain obligations that are contractually binding and enforceable.	Verified? YES
	PCS Comments See Section 7.2 (Representations and Warranties), R&W (e) pursuant to which each Seller confirms that: "each Loan Receivable constitutes legal, valid, binding and enforceable contractual obligations of the relevant Borrower vis-à-vis it and such obligations are enforceable in accordance with their respective terms, with full recourse to such Borrower and, where subject to, as to enforceability, any applicable bankruptcy laws or similar law affecting the rights of creditors generally;"	
11	STS Criteria 11. With full recourse to debtors and, where applicable, guarantors.	Verified? YES
	PCS Comments See item 10 above.	

Article 20.8. The underlying exposures shall have defined periodic payment streams, the instalments of which may differ in their amounts, relating to rental, principal, or interest payments, or to any other right to receive income from assets supporting such payments. The underlying exposures may also generate proceeds from the sale of any financed or leased assets.

12	STS Criteria 12. The underlying exposures shall have defined periodic payment streams, the instalments of which may differ in their amounts.	Verified? YES
	PCS Comments See Section 7.3 (Loan Criteria), (i) and (x): (i) the Loan qualifies as any of the following types with any of the following product codes: a. Floating Rate Revolving Loan or, as applicable Fixed Rate Revolving Loan, classified by the Seller as any of the following product codes: i. LRC, which also includes the Fixed Rate Revolving Loan with product code LRCF (Flex & Zeker); ii. LRL; iii. LVL; iv. SCA; v. SCC;	

- vi. SCR;
 - vii. SCO;
 - viii. SCV;
 - ix. SRL;
 - x. LDC (deferred credit);
 - xi. LIR (deferred credit);

 - b. Floating Rate Amortising Loan, classified by the Seller as any of the following product codes:
 - i. VCC (Visa card) (blocked); and
 - ii. all Floating Rate Revolving Products which are permanently blocked;

 - c. Fixed Rate Amortising Loan, classified by the Seller as any of the following product codes:
 - i. LLE;
 - ii. LFF;
- (x) interest and principal payments are scheduled to be made monthly and no balloon payments are scheduled under the Loan;
See also section 6.1 for further details.

13

STS Criteria

13. Relating to rental, principal, or interest payments, or to any other right to receive income from assets supporting such payments. The underlying exposures may also generate proceeds from the sale of any financed or leased assets.

Verified?
YES

PCS Comments

There may be insurance products connected to the loans which may produce cash flows for the transaction. See Sections 7.2 REPRESENTATIONS AND WARRANTIES (h) and section 6.1.

Article 20.8. The underlying exposures shall not include transferable securities, as defined in Article 4(1), point 44 of Directive 2014/65/EU of the European Parliament and of the Council other than corporate bonds, provided that they are not listed on a trading venue.

14

STS Criteria

14. The underlying exposures shall not include transferable securities, as defined in Article 4(1), point 44 of Directive 2014/65/EU of the European Parliament and of the Council other than corporate bonds, provided that they are not listed on a trading venue.

**Verified?
YES**

PCS Comments

See Section 7.2 REPRESENTATIONS AND WARRANTIES where it is confirmed that:

“(t) the Relevant Loan does neither qualify as a transferable security nor as a securitisation position within the meaning of Article 20 paragraphs 8 and 9, respectively, of the Securitisation Regulation;”

Article 20.9. The underlying exposures shall not include any securitisation position.

15

STS Criteria

15. The underlying exposures shall not include any securitisation position.

**Verified?
YES**

PCS Comments

See comments to point 14 above.

Article 20.10. The underlying exposures shall be originated in the ordinary course of the originator’s or original lender’s business pursuant to underwriting standards that are no less stringent than those that the originator or original lender applied at the time of origination to similar exposures that are not securitised.

16	STS Criteria 16. The underlying exposures shall be originated in the ordinary course of the originator's or original lender's business.	Verified? YES
	PCS Comments See statement in "STS Statements": (i) The Loans have been granted in the ordinary course of the Seller's origination business. See also Section 3.4 (Seller) for a description of the origination process. See also Section 7.2 (Representations and Warranties), R&W (h).	
17	STS Criteria 17. Pursuant to underwriting standards that are no less stringent than those that the originator or original lender applied at the time of origination to similar exposures that are not securitised.	Verified? YES
	PCS Comments See item 16 above.	

Article 20.10. The underwriting standards pursuant to which the underlying exposures are originated and any material changes from prior underwriting standards shall be fully disclosed to potential investors without undue delay.

18	STS Criteria 18. The underwriting standards pursuant to which the underlying exposures are originated and any material changes from prior underwriting standards shall be fully disclosed to potential investors without undue delay.	Verified? YES
	PCS Comments See statement on disclosure of underwriting standards in Section "STS Statements", (i)(i): "the Seller has undertaken in the Loan Receivables Purchase Agreement to fully disclose to the Issuer any material change to such underwriting standards pursuant to which the Loans are granted without undue delay and the Issuer has undertaken in the Trust Deed to fully disclose such information to potential investors without undue delay upon having received such information from the Seller (see also section 8 (General))." See also Section 6.3 (Origination and Servicing) for a description of the origination and the underwriting process. Although somewhat confusingly drafted, the EBA Guidelines make clear that the part of the criterion referring to changes from prior underwriting is a future event criterion. It applies to changes in underwriting criteria that occur post-closing. In other words, it cannot be either met or failed at the outset of the transaction. But if, at a later stage, it is not met, then the originator/seller will need to inform ESMA and the STS status of the securitisation will be lost. Therefore, as a technical matter, this criterion is not applicable at the closing of a transaction. However, PCS will nevertheless look to see if there is a covenant on the part of the originator/seller or the issuer to comply in the future with this requirement.	

PCS has identified the existence of such a covenant in the Prospectus.

Article 20.10. In the case of securitisations where the underlying exposures are residential loans, the pool of loans shall not include any loan that was marketed and underwritten on the premise that the loan applicant or, where applicable intermediaries, were made aware that the information provided might not be verified by the lender.

19

STS Criteria

19. In the case of securitisations where the underlying exposures are residential loans, the pool of loans shall not include any loan that was marketed and underwritten on the premise that the loan applicant or, where applicable intermediaries, were made aware that the information provided might not be verified by the lender.

Verified?
YES

PCS Comments

Not applicable – consumer loans

Article 20.10. The assessment of the borrower's creditworthiness shall meet the requirements set out in Article 8 of Directive 2008/48/EC or paragraphs 1 to 4, point (a) of paragraph 5, and paragraph 6 of Article 18 of Directive 2014/17/EU or, where applicable, equivalent requirements in third countries.

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STS Criteria

20. The assessment of the borrower's creditworthiness shall meet the requirements set out in Article 8 of Directive 2008/48/EC or paragraphs 1 to 4, point (a) of paragraph 5, and paragraph 6 of Article 18 of Directive 2014/17/EU or, where applicable, equivalent requirements in third countries.

Verified?
YES

PCS Comments

See statement on assessment of the creditworthiness of the Borrowers, contained in Section "STS Statements", (i)(ii), where it is confirmed that:

"the Seller will represent on the relevant purchase date in the Loan Receivables Purchase Agreement that in respect of each Loan, the assessment of the Borrower's creditworthiness was done in accordance with the Seller's underwriting criteria and meets the requirements set out in Article 8 of Directive 2008/48/EC (see section 7.2 (Representations and Warranties));"

The Seller has provided representations that this criterion is met, see Section 7.2 (Representations and Warranties), R&W (h).

The criterion requires consumer loans to have been underwritten in accordance with the relevant European Directive. As a general principle, European Directives, in contrast to Regulations, do not have direct and immediate effect but must be implemented into national law, country by country.

Therefore, if the assets concerned, as in the case of the Transaction, are consumer loans, the relevant Directive is Article 8 of directive 2008/48/EC. The next step is to determine which Dutch law transcribed this Directive into local law.

PCS assumes, although the Regulation and the EBA Guidelines are silent on this point, that the requirement for mortgages and consumer loans to have been underwritten in compliance with the Directives only applies to assets underwritten after these Directives were transcribed into national law. This was done in the Netherlands as noted above in R&W (h).

Article 20.10. The originator or original lender shall have expertise in originating exposures of a similar nature to those securitised.

21	<p>STC Criteria</p> <p>21. The originator or original lender shall have expertise in originating exposures of a similar nature to those securitised.</p>	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>See statement on expertise on the origination side in respect of consumer loans contained in Section 4.4 (Regulatory and Industry Compliance) - STS Statements - (j): “for confirming compliance with article 20(10) of the Securitisation Regulation, the Seller has the required expertise in originating consumer loans which are of a similar nature as the Loans (taking the EBA STS Guidelines Non-ABCP Securitisations into account), and a minimum of 5 years’ experience in originating consumer loans (see also sections 3.4 (Seller) and 6.3 (Origination and servicing));”</p>	

Article 20.11. The underlying exposures shall be transferred to the SSPE after selection without undue delay and shall not include, at the time of selection, exposures in default within the meaning of Article 178(1) of Regulation (EU) No 575/2013...

22	<p>STC Criteria</p> <p>22. The underlying exposures shall be transferred to the SSPE after selection without undue delay...</p>	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>See statement on sale without undue delay in Section 4.3 Regulatory and Industry Compliance - Retention and disclosure requirements under the Securitisation Regulation - STS Statements - (k): “for confirming compliance with article 20(11) of the Securitisation Regulation, (i) the Loan Receivables that will be assigned to the Issuer on the Closing Date have been selected on the Initial Cut-Off Date and (ii) any Further Advance Receivables and New Loan Receivables that will be assigned by it on a Weekly Transfer Date will result from a Further Advance or a New Loan, as applicable, that has been selected on the relevant Weekly Cut-Off Date, subject to the Additional Purchase Conditions, and each such assignment therefore occurs in the Seller’s view without undue delay (see also section 6.1 (Stratification tables) and section 7.1 (Purchase, Repurchase and Sale).” “Cut-Off Date” means (i) in relation to the Closing Date, the Initial Cut-Off Date and (ii) in relation to a Weekly Transfer Date, the Weekly Cut-Off Date and (iii) in relation to a Notes Calculation Date and a Notes Payment Date, the last day of the preceding calendar month; “Initial Cut-Off Date” means close of business on 30 September 2023;</p>	

	<p>PCS has assumed that any period of three and a half months or less between pool cut date and closing will meet the requirements of the criterion. This is in line with market standards.</p> <p>The Prospectus sets out the relevant dates of the initial Cut-Off Date (See definition of Initial Cut-Off Date in Section 9 (Glossary of Defined Terms), being 30 September 2023) and the transfer, together with the Weekly Cut-off Date definition, and these are less than the required period apart. This clearly meets the requirement.</p>	
23	<p>STS Criteria</p> <p>23. And shall not include, at the time of selection, exposures in default within the meaning of Article 178(1) of Regulation (EU) No 575/2013...</p>	<p>Verified?</p> <p>YES</p>
	<p>PCS Comments</p> <p>See Section 7.3, Loan Criteria:</p> <p>(xxi) the Loan Receivable is not in default within the meaning of article 178(1) of the CRR;</p>	

Article 20.11. The underlying exposures shall be transferred to the SSPE after selection without undue delay and shall not include, at the time of selection, exposures in default within the meaning of Article 178(1) of Regulation (EU) No 575/2013 or exposures to a credit-impaired debtor or guarantor, who, to the best of the originator's or original lender's knowledge:

(a) has been declared insolvent or had a court grant his creditors a final non-appealable right of enforcement or material damages as a result of a missed payment within three years prior to the date of origination or has undergone a debt-restructuring process with regard to his non-performing exposures within three years prior to the date of transfer or assignment of the underlying exposures to the SSPE, except if:

- (i) a restructured underlying exposure has not presented new arrears since the date of the restructuring which must have taken place at least one year prior to the date of transfer or assignment of the underlying exposures to the SSPE; and
- (ii) the information provided by the originator, sponsor and SSPE in accordance with points (a) and (e)(i) of the first subparagraph of Article 7(1) explicitly sets out the proportion of restructured underlying exposures, the time and details of the restructuring as well as their performance since the date of the restructuring;

(b) was, at the time of origination, where applicable, on a public credit registry of persons with adverse credit history or, where there is no such public credit registry, another credit registry that is available to the originator or original lender; or

(c) has a credit assessment or a credit score indicating that the risk of contractually agreed payments not being made is significantly higher than for comparable exposures held by the originator which are not securitised.

24	<p>STS Criteria</p> <p>24. Or exposures to a credit-impaired debtor or guarantor, who, to the best of the originator's or original lender's knowledge:</p>	<p>Verified?</p> <p>YES</p>
	<p>PCS Comments</p> <p>See Section 7.3, Loan Criteria (xxii).</p> <p>The note below applies to points from 24 to 29.</p> <p>(xxii) the relevant Borrower is not a credit-impaired obligor or guarantor which is a person who, to the best of the Seller's knowledge, (i) has been declared insolvent or had a court grant his creditors a final non-appealable right of enforcement or material damages as a result of a missed payment within three years prior to the date of origination or has</p>	

undergone a debt-restructuring process with regard to his non-performing exposures within three years prior to the Closing Date or, in respect of a Further Advance Receivable or New Loan Receivable, on the relevant origination date or Weekly Cut-off Date, respectively, or (ii) was, at the time of origination, registered on BKR, being on a public credit registry of persons with adverse credit history, or (iii) has a credit assessment or a credit score indicating that the risk of contractually agreed payments not be made is significantly higher than for comparable consumer loan receivables originated by the Seller which are not sold and assigned to the Issuer under the Loan Receivables Purchase Agreement, within the meaning of article 20(11) of the Securitisation Regulation;

Although the text of the STS Regulation is quite vague, the EBA guidelines on defining “credit impaired” debtors are very helpful.

For PCS, the key points of the EBA guidelines on this issue are:

- a. First that the three listed conditions of credit impaired status (set out in article 20.11 (a) to (c) of the Regulation) amount to a full definition of what it means to be “credit impaired”. So that it is not necessary to reflect at what the term “credit impaired” could mean above and beyond those three items.
- b. Secondly, in relation to entries in a credit registry, the EBA is very clear that the criterion should not be interpreted as excluding debtors with any entry on a credit registry. Providing further guidance, the example given in the EBA Guidelines of a credit registry entry that would not be indicative of a “credit impaired” debtor is the example of a failure to pay that can “reasonably be ignored” for the purposes of credit assessment.

Therefore, the criterion, to be met, does not require the elimination from the pool of all debtors with any negative entry in a credit registry but only those whose entries it would not be reasonable to ignore for the purposes of credit assessments.

Absent any further clarification from the EBA or a national competent authority regarding what it is reasonable to ignore, a judgement would still be necessary in cases where the originator does include in the pool some debtors with some negative entries in a credit registry.

In making this judgement, PCS takes comfort from the intent of the legislators – including, crucially, the legislators’ belief that the STS Regulation was justified by the excellent performance of most “plain vanilla” European securitisation. It is clear to PCS that the “credit impaired” prohibition is driven by the desire of legislators to exclude from the STS category deals generally coming under the definition of “sub-prime”. Therefore, it is unreasonable to refuse STS status to a transaction considered by universal consensus to be a “prime/plain vanilla” transaction with no “sub-prime” aspects. Indeed, this approach seems to be the rationale behind the EBA Guidelines on this matter.

To determine whether this requirement is met, PCS has discussed this matter with the Seller and uses its knowledge of the market and market stakeholders as well as the explicit statements made in the prospectus and transaction documentation.

- c. Thirdly, the EBA Guidelines on guaranteed obligations make it clear that the criterion is met so long as either the debtor or the guarantor are not “credit impaired”.

25	<u>STS Criteria</u> 25.(a) has been declared insolvent or had a court grant his creditors a final non-appealable right of enforcement or material damages as a result of a missed payment within three years prior to the date of origination.	<u>Verified?</u> YES
	<u>PCS Comments</u> See item 24 above.	
26	<u>STS Criteria</u> 26. Or has undergone a debt-restructuring process with regard to his non-performing exposures within three years prior to the date of transfer or assignment of the underlying exposures to the SSPE, except if:	<u>Verified?</u> YES

	PCS Comments See item 24 above.	
27	STS Criteria 27. (i) a restructured underlying exposure has not presented new arrears since the date of the restructuring which must have taken place at least one year prior to the date of transfer or assignment of the underlying exposures to the SSPE; and	Verified? YES
	PCS Comments See item 24 above.	
28	STS Criteria 28. (ii) the information provided by the originator, sponsor and SSPE in accordance with points (a) and (e)(i) of the first subparagraph of Article 7(1) explicitly sets out the proportion of restructured underlying exposures, the time and details of the restructuring as well as their performance since the date of the restructuring;	Verified? YES
	PCS Comments See item 24 above.	
29	STS Criteria 29. (b) was, at the time of origination, where applicable, on a public credit registry of persons with adverse credit history or, where there is no such public credit registry, another credit registry that is available to the originator or original lender;	Verified? YES
	PCS Comments See item 24 above.	
30	STS Criteria 30. (c) has a credit assessment or a credit score indicating that the risk of contractually agreed payments not being made is significantly higher than for comparable exposures held by the originator which are not securitised.	Verified? YES
	PCS Comments See item 25 above.	

Article 20.12. The debtors shall at the time of transfer of the exposures, have made at least one payment, except in the case of revolving securitisations backed by exposures payable in a single instalment or having a maturity of less than one year, including without limitation monthly payments on revolving credits.

31	STS Criteria	Verified?
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	<p>31. The debtors shall at the time of transfer of the exposures, have made at least one payment, except in the case of revolving securitisations backed by exposures payable in a single instalment or having a maturity of less than one year, including without limitation monthly payments on revolving credits.</p>	<p>YES</p>
<p>PCS Comments See Section 7.3, Loan Criteria (xi): “the Borrower made at least one payment;”</p>		

Article 20.13. The repayment of the holders of the securitisation positions shall not have been structured to depend predominantly on the sale of assets securing the underlying exposures. This shall not prevent such assets from being subsequently rolled-over or refinanced.
 The repayment of the holders of the securitisation positions whose underlying exposures are secured by assets the value of which is guaranteed or fully mitigated by a repurchase obligation by the seller of the assets securing the underlying exposures or by another third party shall not be considered to depend on the sale of assets securing those underlying exposures.

<p>32</p>	<p>STS Criteria 32. The repayment of the holders of the securitisation positions shall not have been structured to depend predominantly on the sale of assets securing the underlying exposures.</p>	<p>Verified? YES</p>
<p>PCS Comments The assets are unsecured, fully amortising loans. Accordingly, none of the assets in the pool display any predominant reliance on the sale of the assets. See section 4.3, STS Statements (I): “(I) for confirming compliance with article 20(13) of the Securitisation Regulation and the EBA STS Guidelines Non-ABCP Securitisations, since all of the Loans are unsecured loans, the repayment of the Noteholders shall not depend on the sale of any assets securing the Loans (see also section 6.2 (Description of Loans));”.</p>		

Article 21.1. The originator, sponsor or original lender shall satisfy the risk retention requirement in accordance with Article 6.

33	STS Criteria	Verified? YES
<p>33.The originator, sponsor or original lender shall satisfy the risk retention requirement in accordance with Article 6.</p>		
<p>PCS Comments</p> <p>See section 4.3, Risk Retention and Related Disclosure Requirements:</p> <p>“Risk Retention and Related Disclosure Requirements</p> <p>The Seller, as originator within the meaning of article 6 of the Securitisation Regulation and as designated entity under article 7(2) of the Securitisation Regulation, has undertaken in the Notes Purchase Agreements to retain, on an ongoing basis, a material net economic interest of not less than five (5) per cent. in the securitisation transaction described in this Prospectus in accordance with article 6(1) of the Securitisation Regulation.</p> <p>As at the Closing Date, such material net economic interest is retained in accordance with article 6(3)(d) of the Securitisation Regulation by the retention of the Class H Notes representing an amount of at least five (5) per cent. of the nominal value of the Asset-Backed Notes (the "Retained Notes"). In addition to the information set out herein and forming part of this Prospectus, the Seller, as designated entity under article 7(2) of the Securitisation Regulation, has undertaken to make available materially relevant information to investors in accordance with and as required pursuant to article 7 of the Securitisation Regulation so that investors are able to verify compliance with article 6 of the Securitisation Regulation. Each prospective Noteholder should ensure that it complies with the Securitisation Regulation to the extent applicable to it.</p> <p>The Seller has also represented and agreed in the Syndicate Note Purchase Agreement and the Loan Receivables Purchase Agreement, inter alia, that (a) it is and, for so long as it is required to hold a material net economic interest in the securitisation transaction, it, shall continue to be an "originator" within the meaning of article 2(3)(a) of the Securitisation Regulation and will continue to retain a material net economic interest in the securitisation transaction in such capacity, (b) it will not transfer its material net economic interest in the securitisation transaction except to the extent permitted or required under the Securitisation Regulation and the UK Securitisation Regulation and (c) that the material net economic interest in the securitisation transaction will not be subjected to any credit risk mitigation, short positions, other hedge or sale whereby the Seller is hedged against the credit risk of exposures except, in each case, to the extent permitted or required under the Securitisation Regulation and the UK Securitisation Regulation.</p> <p>Other than the Seller Notes, the Seller is not required and does not intend to purchase or repurchase any Notes and if the Seller wishes to purchase or repurchase any Notes, such purchase or repurchase may only be made at arms-length conditions in accordance with the CRR.”</p> <p>The Subordinated Loan in certain circumstances may fund Further Advances, see Subordinated Loan Agreement</p> <p>“In the Subordinated Loan Agreement, the Subordinated Lender has undertaken that its economic interest in the Subordinated Loan will not be subjected to any credit risk mitigation, short positions, other hedge or sale whereby the Subordinated Lender is hedged against the credit risk of exposures thereunder.” Also, the Subordinated Loan may not be assigned.</p>		

Article 21.2. The interest rate and currency risks arising from the securitisation shall be appropriately mitigated and any measures taken to that effect shall be disclosed.

34	STS Criteria	Verified?
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34. The interest rate...risks arising from the securitisation shall be appropriately mitigated.	YES
<p>PCS Comments</p> <p>See statement on interest rate risk mitigation in Section 4.3 (Regulatory and Industry Compliance – STS Statement), (m):</p> <p>“(m) in relation to article 21(2) of the Securitisation Regulation, it is confirmed that the interest-rate risk arising from the transaction described in this Prospectus is appropriately mitigated given that as the Swap Agreement is entered into to reduce the potential interest rate mismatch between (a) the interest received under 95 per cent. of the aggregate Outstanding Principal Amount of the Loan Receivables resulting from (i) Fixed Rate Amortising Loans, (ii) Fixed Rate Revolving Loans and (iii) Floating Rate Amortising Loans, including Credit Card Loans (in each case excluding any Defaulted Loan Receivables) and (b) Euribor for one (1) month deposits in EUR calculated over such Loan Receivables (see section 5.4 (Hedging)). No currency risk applies to the securitisation transaction. Other than the Swap Agreement, no derivative contracts are entered into by the Issuer and no derivative contracts are included in the pool of underlying exposures within the meaning of Article 21(2) of the Securitisation Regulation;</p> <p>See section 5.4, hedging for details of the hedging arrangements.”</p> <p>Clearly and explicitly, “appropriate” hedging does not require “perfect” hedging. This is confirmed by the EBA Guidelines which require the hedges to cover a “major share” of the risk from an “economic perspective”. However, the definition of “appropriate” hedging or a “major share” of the risk will always contain an element of subjectivity and must be analysed on a case by case basis.</p> <p>The fact that the STS Regulation was crafted by the legislators to recognise existing high-quality European securitisations rather than raise the bar to a level not previously encountered, together with the common-sense approach of the EBA, leads to the conclusion that transactions considered adequately hedged by common investor and rating agency consensus should be held to meet this criterion.</p> <p>This still requires an analysis of the matter. Since PCS is not a quantitative analysis provider or a credit rating agency, our verification is based on a second-hand analysis which focuses on:</p> <ul style="list-style-type: none"> • A statement in the Prospectus or other document setting out the boundary conditions of the hedging. This should state in effect how far the hedging stretches and under what scenario’s it will break. For example, if interbank rates rise above X%. This will provide a common-sense feel for whether, at first glance, the hedging is reasonable. • Risk Factors section of the prospectus to check that no statements refer to the risks of “unhedged positions”. This is based on the legal requirement to disclose any relevant information to investors. If the seller or its advisers believed that the hedging in a transaction was unusually light, this should be disclosed in the Risk Section. • The “pre-sale” report from a recognised credit rating agency (if used) so as to identify any issues with hedging. Again, rating agencies as credit specialists should highlight in their analysis any substantial and unusual hedging risks. <p>In the case of the Transaction, the analysis is straightforward. The Loan Receivables sold and assigned to the Issuer bear a fixed or floating rate of interest. The interest rate payable by the Issuer with respect to the Notes, other than the Class RS Notes, is calculated as a margin over one-month Euribor. By entering into the Swap Agreement with the Swap Counterparty, the Issuer will hedge the exposure in respect of the interest received under the Loan Receivables resulting from Fixed Rate Amortising Loans (excluding any Defaulted Loan Receivables) against Euribor for one month deposits in euro calculated over such Loan Receivables (up to a maximum of the aggregate Principal Amount Outstanding of the Asset-Backed Notes).</p>	
35 STS Criteria 35. Currency risks arising from the securitisation shall be appropriately mitigated.	Verified? YES
PCS Comments	

	We note that since both the receivables and the Notes are denominated in Euros, there is no currency risk.	
36	STS Criteria	Verified?
	36. Any measures taken to that effect shall be disclosed.	YES
	PCS Comments	
	See points 34 and 35 above.	
	See also RISK FACTORS REGARDING THE SWAP AGREEMENT	

Article 21.2. Except for the purpose of hedging currency risk or interest rate risk, the SSPE shall not enter into derivative contracts and shall ensure that the pool of underlying exposures does not include derivatives.

Those derivatives shall be underwritten and documented according to common standards in international finance.

37	STS Criteria	Verified?
	37. Except for the purpose of hedging currency risk or interest rate risk, the SSPE shall not enter into derivative contracts and...	YES
	PCS Comments	
	Section 4.3 (Regulatory and Industry Compliance) - STS Statement - (m) that:	
	"Other than the Swap Agreement, no derivative contracts are entered into by the Issuer and no derivative contracts are included in the pool of underlying exposures within the meaning of Article 21(2) of the Securitisation Regulation;"	
38	STS Criteria	Verified?
	38. ...Shall ensure that the pool of underlying exposures does not include derivatives.	YES
	PCS Comments	
	Section 4.3 (Regulatory and Industry Compliance) - STS Statement - §(m) that:	
	"Other than the Swap Agreement, no derivative contracts are entered into by the Issuer and no derivative contracts are included in the pool of underlying exposures within the meaning of Article 21(2) of the Securitisation Regulation;"	
	See also Loan Criteria, section 7.3.	



39	STS Criteria 39. Those derivatives shall be underwritten and documented according to common standards in international finance.	Verified? YES
	PCS Comments See Section 5.4 (Hedging) for a general description of the Swap Transaction. It is also noted that the definition of Swap Agreement confirms that the agreement is entered into under a 1992 ISDA master agreement.	

Article 21.3. Any referenced interest payments under the securitisation assets and liabilities shall be based on generally used market interest rates, or generally used sectoral rates reflective of the cost of funds, and shall not reference complex formulae or derivatives.

40	STS Criteria 40. Any referenced interest payments under the securitisation assets and liabilities shall be based on generally used market interest rates, or generally used sectoral rates reflective of the cost of funds and shall not reference complex formulae or derivatives.	Verified? YES
	PCS Comments 5.4 HEDGING Interest Rate Hedging The Loan Receivables sold and assigned to the Issuer bear a fixed or floating rate of interest. The interest rate payable by the Issuer with respect to the Notes, other than the Class H (which is fixed rate) and the Class RS Notes, is calculated as a margin over one (1) month Euribor, which margin will increase in respect of the Asset-Backed Notes from (and including) the First Optional Redemption Date Based on the above, PCS is prepared to verify this requirement.	

Article 21.4. Where an enforcement or an acceleration notice has been delivered:

- (a) no amount of cash shall be trapped in the SSPE beyond what is necessary to ensure the operational functioning of the SSPE or the orderly repayment of investors in accordance with the contractual terms of the securitisation, unless exceptional circumstances require that amount is trapped in order to be used, in the best interests of investors, for expenses in order to avoid the deterioration in the credit quality of the underlying exposures;
- (b) Principal receipts from the underlying exposures shall be passed to investors via sequential amortisation of the securitisation positions, as determined by the seniority of the securitisation position;
- (c) Repayment of the securitisation positions shall not be reversed with regard to their seniority; and
- (d) No provisions shall require automatic liquidation of the underlying exposures at market value.

41 **STS Criteria**

41. Where an enforcement or an acceleration notice has been delivered:

- (a) no amount of cash shall be trapped in the SSPE beyond what is necessary to ensure the operational functioning of the SSPE or the orderly repayment of investors in accordance with the contractual terms of the securitisation, unless exceptional circumstances require that amount is trapped in order to be used, in the best interests of investors, for expenses in order to avoid the deterioration in the credit quality of the underlying exposures;

Verified?
YES

PCS Comments

No cash is trapped. See specific confirmation in Section 4.3 (Regulatory and Industry Compliance) - STS Statement - (o) "for confirming compliance with article 21(4) of the Securitisation Regulation, after the Enforcement Date, no amount of cash is trapped in the Issuer in accordance with the Transaction Documents and the Notes will amortise sequentially (see also section 5 (Credit Structure), in particular section 5.2 (Priorities of Payments)) and no automatic liquidation for market value of the Loan Receivables is required under the Transaction Documents (see also Conditions 10 and 11 and section 7.1 (Purchase, Repurchase and Sale));"

See also the Post-Enforcement Priority of Payments set out in Section 5.2 (Priority of Payments).

42 **STS Criteria**

- 42. (b) Principal receipts from the underlying exposures shall be passed to investors via sequential amortisation of the securitisation positions, as determined by the seniority of the securitisation position;

Verified?
YES

PCS Comments

See specific confirmation in Section 4.3 (Regulatory and Industry Compliance) - STS Statement - (o)

"for confirming compliance with article 21(4) of the Securitisation Regulation, after the Enforcement Date, no amount of cash is trapped in the Issuer in accordance with the Transaction Documents and the Notes will amortise sequentially (see also section 5 (Credit Structure), in particular section 5.2 (Priorities of Payments)) and no automatic liquidation for market value of the Loan Receivables is required under the Transaction Documents (see also Conditions 10 and 11 and section 7.1 (Purchase, Repurchase and Sale));"

See the Post-Enforcement Priority of Payments set out in Section 5.2 (Priority of Payments).

On this basis PCS is prepared to verify this requirement.

43	STS Criteria	43. (c) Repayment of the securitisation positions shall not be reversed with regard to their seniority; and	Verified? YES
	PCS Comments		
44	STS Criteria	44. (d) No provisions shall require automatic liquidation of the underlying exposures at market value.	Verified? YES
	PCS Comments		

Article 21.5. Transactions which feature non-sequential priority of payments shall include triggers relating to the performance of the underlying exposures resulting in the priority of payments reverting to sequential payments in order of seniority. Such performance-related triggers shall include at least the deterioration in the credit quality of the underlying exposures below a pre-determined threshold.

45	STS Criteria	45. Transactions which feature non-sequential priority of payments shall include triggers relating to the performance of the underlying exposures resulting in the priority of payments reverting to sequential payments in order of seniority. Such performance-related triggers shall include at least the deterioration in the credit quality of the underlying exposures below a pre-determined threshold.	Verified? YES
	PCS Comments		

The transaction includes a pro rate redemption feature subject to a Sequential Amortisation Trigger Event when the transaction will change to a fully sequential repayment.

See section 5.2 PRIORITIES OF PAYMENTS

"Sequential Amortisation Trigger Event" means in respect of a Notes Payment Date after the Revolving Period, any of the following events:

means in respect of a Notes Payment Date after the Revolving Period, any of the following events:

- (a) the occurrence of the First Optional Redemption Date; or
- (b) the occurrence of an Assignment Notification Event; or
- (c) the occurrence of a Back-up Servicer Termination Event (as defined in the Back-up Servicing Agreement) where no new Back-up Servicer has been appointed; or
- (d) the Principal Deficiency is equal to or greater than 2.00 per cent. of the aggregate Principal Amount Outstanding of the Asset-Backed Notes on the Closing Date;
- (e) the three (3)-month rolling average dynamic default exceeds 0.50 per cent. until the date falling twenty-four (24) months after the Revolving Period;
- (f) the Cumulative Default Rate exceeds the Pro-Rata Maximum Cumulative Default Percentage; or
- (g) the balance of the Reserve Account is lower than the Reserve Account Target Level for two (2) consecutive months;

The Triggers are non-reversible.

Article 21.6. The transaction documentation shall include appropriate early amortisation provisions or triggers for termination of the revolving period where the securitisation is a revolving securitisation, including at least the following:

- (a) a deterioration in the credit quality of the underlying exposures to or below a pre-determined threshold;
- (b) the occurrence of an insolvency-related event with regard to the originator or the servicer;
- (c) the value of the underlying exposures held by the SSPE falls below a pre-determined threshold (early amortisation event);
- (d) a failure to generate sufficient new underlying exposures that meet the pre-determined credit quality (trigger for termination of the revolving period).

46	<p><u>STS Criteria</u></p> <p>46. The transaction documentation shall include appropriate early amortisation provisions or triggers for termination of the revolving period where the securitisation is a revolving securitisation, including at least the following:</p> <p>(a) a deterioration in the credit quality of the underlying exposures to or below a pre-determined threshold;</p>	<p><u>Verified?</u></p> <p>YES</p>
	<p><u>PCS Comments</u></p>	

This Transaction allows the Issuer to purchase New Loan Receivables during the Revolving Period. PCS notes that Further Advance Receivables may be purchased after an Early Amortisation Event. PCS notes that further advances are a legal commitment rather than optional for the Seller/Originator and are strictly limited by amount.

See Section 7.4 (Portfolio Conditions – Additional Purchase Conditions).

See also Condition 10 (Events of Default) in Section 4.1 (Terms and Conditions).

See also statement in “STS Statement” under (p) “for confirming compliance with article 21(6) of the Securitisation Regulation, the Issuer shall not purchase any Further Advance Receivables and New Loan Receivables upon the occurrence of any Early Amortisation Event (see also section 7.1 (Purchase, Repurchase and Sale));”

“Early Amortisation Event” means, with respect to any Notes Payment Date, any of the following events:

- (i) the occurrence of an Event of Default;
- (ii) the occurrence of an Assignment Notification Event;
- (iii) the occurrence of a Back-up Servicer Termination Event (as defined in the Back-up Servicing Agreement) where no new Back-up Servicer has been appointed;
- (iv) any of the Concentration Limits has not been met since the immediately preceding Notes Payment Date;
- (v) there Principal Deficiency is equal to or greater than 0.5 per cent. of the aggregate Principal Amount Outstanding of the Asset-Backed Notes on the Closing Date for two (2) consecutive months;
- (vi) the aggregate Outstanding Amount of the Healthy Loan Receivables on the immediately preceding Cut-Off Date is lower than 85 per cent. of the aggregate Outstanding Amount of all Loan Receivables;
- (vii) the expiry of the Revolving Period; and
- (viii) the Available Principal Funds exceed the amount applied in accordance with the Redemption Priority of Payment up to and including item (b) regarding the replenishment of the Replenishment Account up to the Replenishment Account Maximum Amount;

“Healthy Loan Receivables” means Loan Receivables in respect of which (i) the months in arrears equals zero (0) or (ii) the Re-aging Procedure is applied;

Early Amortisation Event item (vi) meets this point

47	STS Criteria	Verified? YES
	47. (b) the occurrence of an insolvency-related event with regard to the originator or the servicer;	
	PCS Comments	
	Early Amortisation Event item (ii) meets this point	
48	STS Criteria	Verified? YES
	48. (c) the value of the underlying exposures held by the SSPE falls below a pre-determined threshold (early amortisation event);	
	PCS Comments	
	Early Amortisation Event items (v) meets this point	

49	STS Criteria 49. (d) a failure to generate sufficient new underlying exposures that meet the pre-determined credit quality (trigger for termination of the revolving period).	Verified? YES
	PCS Comments Early Amortisation Event items (viii) meets this point	
<p>Article 21.7. The transaction documentation shall clearly specify:</p> <p>(a) the contractual obligations, duties and responsibilities of the servicer and the trustee, if any, and other ancillary service providers;</p> <p>(b) the processes and responsibilities necessary to ensure that a default by or an insolvency of the servicer does not result in a termination of servicing, such as a contractual provision which enables the replacement of the servicer in such cases; and</p> <p>(c) provisions that ensure the replacement of derivative counterparties, liquidity providers and the account bank in the case of their default, insolvency, and other specified events, where applicable.</p>		
50	STS Criteria 50. The transaction documentation shall clearly specify: (a) the contractual obligations, duties and responsibilities of the servicer and the trustee, if any, and other ancillary service providers;	Verified? YES
	PCS Comments See Section 3.5 (Servicer) and Section 7.5 (Servicing Agreement), for the Servicer; Section 3.3 (Security Trustee), for the Security Trustee; Section 3.6 (Issuer Administrator), for the Issuer Administrator; Section 3.7 (Swap Counterparty) and 5.4 (Hedging), for the Swap Counterparty; Section 3.4 (Seller), for the Seller; Section 5.6 (Issuer Accounts), for the various accounts Section 3.7 (Other Parties).	
51	STS Criteria 51. (b) the processes and responsibilities necessary to ensure that a default by or an insolvency of the servicer does not result in a termination of servicing, such as a contractual provision which enables the replacement of the servicer in such cases; and	Verified? YES

PCS Comments

See Section 7.5 (Servicing Agreement), which provides certain servicer termination events and servicing continuity provisions, including provisions for a Back-up Servicer.

In particular, it is stated, inter alia, that:

“

The Servicing Agreement may be terminated by the Security Trustee or the Issuer upon the occurrence of certain termination events, including but not limited to, a failure by the Servicer to comply with its obligations (unless remedied within the applicable grace period), dissolution or liquidation of the Servicer, the Servicer being declared bankrupt or granted a suspension of payments or if the Servicer is no longer licenced or authorised to act as an intermediary (bemiddelaar) or an offeror (aanbieder) of credit under the Wft. Under the Back-up Servicing Agreement, the Back-up Servicer will agree that it will ensure that it is able to, and shall, replace the Servicer and as such perform full servicing tasks in accordance with the Servicing Agreement on an independent basis without reconciling data received from the Seller acting as the Servicer within 30 calendar days after receipt by it that the appointment of the Servicer under the Servicing Agreement is terminated. In addition the Servicing Agreement may be terminated by the Servicer and by the Issuer or the Security Trustee on behalf of the Issuer upon the expiry of not less than six (6) months' notice, subject to, inter alia, (i) in case of termination by the Issuer, the written approval of the Security Trustee, which approval may not be unreasonably withheld (ii) appointment of a substitute servicer and (iii) a Credit Rating Agency Confirmation”

The Issuer has appointed Vesting to act as the Back-up Servicer.

52

STS Criteria

52. (c) provisions that ensure the replacement of derivative counterparties, liquidity providers and the account bank in the case of their default, insolvency, and other specified events, where applicable.

Verified?**YES****PCS Comments**

In respect of the Swap Counterparty, see Section 5.4 (Hedging).

See also Risk related to the interest rate mismatch and the Swap Agreement: “If the Swap Agreement terminates, endeavours will be made, although there can be no guarantee, to find a replacement swap counterparty.”

See also (q) of STS Statements: “the provisions that ensure the replacement of the Issuer Account Bank upon the occurrence of certain events are set forth in the Issuer Account Agreement (see also section 5.6 (Issuer Accounts)) and the relevant rating triggers for potential replacements are set forth in the definitions of Required Ratings and Minimum Account Bank Rating;”

In particular in respect of the replacement of the Issuer Account Bank for loss of its Required Credit Rating:

“Credit rating of the Issuer Account Bank

If at any time the credit rating of the Issuer Account Bank falls below the Minimum Account Bank Rating or any such credit rating is withdrawn by any of the Credit Rating Agencies, the Issuer may vis-à-vis the Issuer Account Bank (without prejudice to Issuer's obligations under the Trust Deed) at any time within sixty (60) calendar days of such downgrade or withdrawal (a) to transfer the balance standing to the credit of the Issuer Accounts to an alternative issuer account bank in the European Union having at least the Minimum Account Bank Rating which has entered into a new issuer account agreement with the Issuer, (b) to obtain a third party with at least the Minimum Account Bank Rating to guarantee the obligations of the Issuer Account Bank, which guarantee is in accordance with the then current criteria of the Credit Rating Agencies or (c) to take any other action to maintain the then current credit ratings of the Rated Notes. Following such sixty (60) calendar day period, the Issuer may at any time (but, if prior to the date on which the Notes are redeemed or written off in full, only with the prior written consent of the Security Trustee), by not less than ten (10) calendar days' notice to the Issuer Account Bank, terminate the Issuer Account

Agreement with effect from the expiry date of such notice, provided that no such termination shall take effect until an alternative issuer account bank in the European Union has been appointed or any of the other solutions under (b) and (c) above having been implemented.”

Article 21.8. The servicer shall have expertise in servicing exposures of a similar nature to those securitised and shall have well documented and adequate policies, procedures and risk management controls relating to the servicing of exposures.

53	STS Criteria	Verified? YES
	<p>53. The servicer shall have expertise in servicing exposures of a similar nature to those securitised</p> <p>PCS Comments</p> <p>See STS Statement (r):</p> <p>“for confirming compliance with article 21(8) of the Securitisation Regulation, the Servicer has the appropriate expertise in servicing the Loan Receivables (taking the EBA STS Guidelines Non-ABCP Securitisations into account) and has a minimum of 5 years’ experience in servicing consumer loans and it has well documented and adequate policies, procedures and risk-management controls relating to the servicing of the Loans (see also section 3.5 (Seller) and section 6.3 (Origination and Servicing));”</p> <p>PCS has obtained sufficient comfort from the Servicers in respect of the compliance of the entities performing servicing activities with this requirement, and with the relevant EBA guidelines.</p>	

54	STS Criteria	Verified? YES
	<p>54. And shall have well documented and adequate policies, procedures and risk management controls relating to the servicing of exposures.</p> <p>PCS Comments</p> <p>See STS Statement (r):</p> <p>“for confirming compliance with article 21(8) of the Securitisation Regulation, the Servicer has the appropriate expertise in servicing the Loan Receivables (taking the EBA STS Guidelines Non-ABCP Securitisations into account) and has a minimum of 5 years’ experience in servicing consumer loans and it has well documented and adequate policies, procedures and risk-management controls relating to the servicing of the Loans (see also section 3.5 (Seller) and section 6.3 (Origination and Servicing));”</p> <p>PCS has obtained sufficient comfort from the Servicer in respect of the compliance of the entities performing servicing activities with this requirement, and with the relevant EBA guidelines.</p>	

Article 21.9. The transaction documentation shall set out in clear and consistent terms definitions, remedies and actions relating to delinquency and default of debtors, debt restructuring, debt forgiveness, forbearance, payment holidays, losses, charge offs, recoveries and other asset performance remedies

55	<u>STS Criteria</u>	Verified?
	55. The transaction documentation shall set out in clear and consistent terms, remedies and actions relating to delinquency and default of debtors debt restructuring, debt forgiveness, forbearance, payment holidays, losses, charge offs, recoveries and other asset performance remedies.	
<u>PCS Comments</u>		
See STS Statements:		
(t) for the purpose of compliance with the requirements set out in article 21(9) of the Securitisation Regulation, the Originator and the Servicer retain a collection manual, a copy of which is attached as Schedule 3 to the Servicing Agreement, providing clear and consistent terms detailing the definitions, remedies and actions relating to delinquency and default of debtors, debt restructuring, debt forgiveness, forbearance, losses, charge offs, recoveries and other asset performance remedies by reference to which the Loans and the Loan Receivables, including, without limitation, the enforcement procedures will be administered, which are set out in section 6.3 (Origination and Servicing);		

Article 21.9. The transaction documentation shall clearly specify the priorities of payment, events which trigger changes in such priorities of payment as well as the obligation to report such events. Any change in the priorities of payments which will materially adversely affect the repayment of the securitisation position shall be reported to investors without undue delay.

56	<u>STS Criteria</u>	Verified?
	56. The transaction documentation shall clearly specify the priorities of payment,	
<u>PCS Comments</u>		
See Section 5.2 (Priority of Payments) and the specific provisions contained in the Trust Agreement.		
See also STS Statements (s)		
PCS has reviewed the relevant documents to satisfy itself that these criteria are met.		
57	<u>STS Criteria</u>	Verified?
	57. The transaction documentation shall clearly specify the events which trigger changes in such priorities of payment.	
<u>PCS Comments</u>		
Trust Deed and Prospectus:		
Section 4.1 (Terms and Conditions), Condition 10 (Events of Default).		

	See also section 5.2 and STS Statement (s) PCS has reviewed the relevant documents to satisfy itself that these criteria are met.	
58	<u>STS Criteria</u> 58. The transaction documentation shall clearly specify the obligation to report such events.	<u>Verified?</u> YES
	<u>PCS Comments</u> See Section 4.1(Terms and Conditions), Condition 10 (Events of Default), which contains the undertaking to report such events of default pursuant to Conditions 13 (Notices) and 14 (Meetings of Noteholders; Modification; Consents; Waiver). See also STS Statements (s) This is a future event. Therefore, as a technical matter, this criterion is not applicable at the closing of a transaction. However, PCS will nevertheless look to see if there is a covenant on the part of the originator to comply in the future with this requirement. PCS notes the existence of such covenant in the Prospectus.	
59	<u>STS Criteria</u> 59. Any change in the priorities of payments which will materially adversely affect the repayment of the securitisation position shall be reported to investors without undue delay.	<u>Verified?</u> YES
	<u>PCS Comments</u> This a future event – See Section 4.1(Terms and Conditions), Condition 10 (Events of Default), which contains the undertaking to report such events of default without undue delay pursuant to Condition 13 (Notices). See also STS Statements (s). This criterion requires notification to investors of events occurring in the future. Therefore, this criterion is a future event criterion. In other words, it cannot be either met or failed at the outset of the transaction. But if, at a later stage, it is not met, then the Originator will need to inform ESMA and the STS status of the securitisation will be lost. Therefore, as a technical matter, this criterion is not applicable at the closing of a transaction. However, PCS will nevertheless look to see if there is a covenant on the part of the originator to comply in the future with this requirement whilst noting, at the same time, that the absence of any such covenant – although possibly unsettling for some investors - would not invalidate the STS status of the transaction at closing. PCS has identified the existence of such a covenant but its attention has also been drawn to the fact that, since the notes are listed on Euronext Amsterdam, there is an obligation to inform investors of events of this nature.	

Article 21.10. The transaction documentation shall include clear provisions that facilitate the timely resolution of conflicts between different classes of investors, voting rights shall be clearly defined and allocated to bondholders and the responsibilities of the trustee and other entities with fiduciary duties to investors shall be clearly identified.

60	STS Criteria	Verified? YES
	<p>60. The transaction documentation shall include clear provisions that facilitate the timely resolution of conflicts between different classes of investors, voting rights shall be clearly defined and allocated to bondholders</p> <p>PCS Comments</p> <p>See STS Statement (u):</p> <p>“for confirming compliance with article 21(10) of the Securitisation Regulation, the Trust Deed contains clear provisions for convening meetings of Noteholders that facilitate the timely resolution of conflicts between Noteholders of different Classes of Notes, clearly defined voting rights of the Noteholders and clearly identified responsibilities of the Security Trustee in this respect (see also Condition 14 (Meetings of Noteholders; Modification; Consents; Waiver);</p> <p>See Condition 14 (Meetings of Noteholders; Modification; Consents; Waiver).</p> <p>(a) the method for calling meetings; as for method: Condition 14, the notifications to be made pursuant to Condition 14. See also Trust Deed, Schedule 1, articles 2 and 3.</p> <p>(b) the maximum timeframe for setting up a meeting: Pursuant to the Trust Deed, Schedule 1, clauses 3.1, a meeting shall be convened within one month after receipt of the request and the notice shall be given no more than 21 days before the meeting.</p> <p>(c) the required quorum: Condition 14(a) and (b). See also Trust Deed, Schedule 1, clause 3.1;</p> <p>(d) the minimum threshold of votes to validate such a decision, with clear differentiation between the minimum thresholds for each type of decision; Condition 14(b);</p> <p>(e) where applicable, a location for the meetings which should be in the EU. Meetings shall be held in Amsterdam. See also Trust Deed, Schedule 1, clause 3.1</p> <p>Although the wording of the Regulation as to what constitutes the “facilitation of timely resolution of conflicts” is very vague, the EBA Guidelines have helpfully set out the five minimum requirements that the documents should contain to meet this criterion.</p> <p>PCS has reviewed the documents to verify that all the five required provisions are indeed present.</p>	

Article 21.10. The transaction documentation shall include clear provisions that facilitate the timely resolution of conflicts between different classes of investors, voting rights shall be clearly defined and allocated to bondholders and the responsibilities of the trustee and other entities with fiduciary duties to investors shall be clearly identified.

61	STS Criteria	Verified? YES
	61. and the responsibilities of the trustee and other entities with fiduciary duties to investors shall be clearly identified.	

PCS Comments

See Section 3.3 on Security Trustee.

See also Condition 14(e) on "Modifications agreed with the Security Trustee" in Section 4.1 "Terms and Conditions".

See also Section 4.3, (u), referring to the Trust Deed.

Article 22.1. The originator and the sponsor shall make available data on static and dynamic historical default and loss performance, such as delinquency and default data, for substantially similar exposures to those being securitised, and the sources of those data and the basis for claiming similarity, to potential investors before pricing. Those data shall cover a period no shorter than five years.

62	STS Criteria 62. The originator and the sponsor shall make available data on static and dynamic historical default and loss performance, such as delinquency and default data, for substantially similar exposures to those being securitised,	Verified? YES
	PCS Comments See prospectus, 6.5, Historical Data.	
63	STS Criteria 63. and the sources of those data and the basis for claiming similarity, to potential investors before pricing.	Verified? YES
	PCS Comments See statements in this respect contained in item 62 above.	
64	STS Criteria 64. Those data shall cover a period no shorter than five years.	Verified? YES
	PCS Comments See statements in this respect contained in item 62 above.	

Article 22.2. A sample of the underlying exposures shall be subject to external verification prior to issuance of the securities resulting from the securitisation by an appropriate and independent party, including verification that the data disclosed in respect of the underlying exposures is accurate.

65	STS Criteria	Verified?
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	65. A sample of the underlying exposures shall be subject to external verification prior to issuance of the securities resulting from the securitisation by an appropriate and independent party,	YES
	<p><u>PCS Comments</u></p> <p>See statement in Section 4.3 (Regulatory and industry compliance) - STS Statements - (v).</p> <p>PCS has reviewed the results of the verification exercise carried out by an appropriate independent party, including the analysis of the “agreed upon procedures” (AUP) commonly known as a “pool audit” and on this basis it is prepared to verify this point.</p>	
66	<p><u>STS Criteria</u></p> <p>66. Including verification that the data disclosed in respect of the underlying exposures is accurate.</p>	<u>Verified?</u> YES
	<p><u>PCS Comments</u></p> <p>See item 66 above.</p>	

Article 22.3. The originator or the sponsor shall, before the pricing of the securitisation, make available to potential investors a liability cash flow model which precisely represents the contractual relationship between the underlying exposures and the payments flowing between the originator, sponsor, investors, other third parties and the SSPE, and shall, after pricing, make that model available to investors on an ongoing basis and to potential investors upon request.

67	<p><u>STS Criteria</u></p> <p>67. The originator or the sponsor shall, before the pricing of the securitisation, make available to potential investors a liability cash flow model which precisely represents the contractual relationship between the underlying exposures and the payments flowing between the originator, sponsor, investors, other third parties and the SSPE.</p>	<u>Verified?</u> YES
	<p><u>PCS Comments</u></p> <p>Section 4.3, Disclosure Requirements</p> <p>“(iii) before pricing of the Notes, via Bloomberg and/or Intex and/or Moody's Analytics Structured Finance Portal, a liability cash flow model of the transaction described in this Prospectus which precisely represents the contractual relationship between the Loan Receivables and the payments flowing between the Seller, the Noteholders, other third parties and the Issuer, which shall remain to be made available to Noteholders on an ongoing basis and to potential investors upon request, as required by article 22(3) of the Securitisation Regulation, which liability cash flow model shall be kept updated and modified in case of significant changes in the cash flow structure of the transaction described in this Prospectus; and”</p> <p>See Section 8 (General), §21 (iii) whereby the Seller undertakes to make available a cash flow model via Bloomberg and/or Intex and/or Moody's Analytics Structured Finance Portal.</p> <p>The criterion requires an accurate liability model to be circulated to prospective investors pre-pricing.</p>	

	Having read a statement in the prospectus that the model will be made available in accordance with the requirements of the criteria and assessed the firm responsible for the model, PCS is prepared to verify this criterion.	
68	<p>STS Criteria</p> <p>68. And shall, after pricing, make that model available to investors on an ongoing basis and to potential investors upon request.</p>	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>See item 67 above.</p>	

Article 22.4. In case of a securitisation where the underlying exposures are residential loans or car loans or leases, the originator and sponsor shall publish the available information related to the environmental performance of the assets financed by such residential loans or car loans or leases, as part of the information disclosed pursuant to point (a) of the first subparagraph of Article 7(1).

By way of derogation from the first subparagraph, originators may, from 1 June 2021, decide to publish the available information related to the principal adverse impacts of the assets financed by underlying exposures on sustainability factors.

69	<p>STS Criteria</p> <p>69. In case of a securitisation where the underlying exposures are residential loans or car loans or leases, the originator and sponsor shall publish the available information related to the environmental performance of the assets financed by such residential loans or car loans or leases, as part of the information disclosed pursuant to point (a) of the first subparagraph of Article 7(1).</p> <p>(...) originators may, from 1 June 2021, decide to publish the available information related to the principal adverse impacts of the assets financed by underlying exposures on sustainability factors.</p>	<p>Verified? YES</p>
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PCS Comments

Not applicable – consumer loans

Article 22.5. The originator and the sponsor shall be responsible for compliance with Article 7 of this Regulation. The information required by point (a) of the first subparagraph of Article 7(1) shall be made available to potential investors before pricing upon request. The information required by points (b) to (d) of the first subparagraph of Article 7(1) shall be made available before pricing at least in draft or initial form.

70	STS Criteria	Verified? YES
	70. The originator and the sponsor shall be responsible for compliance with Article 7 of this Regulation.	
PCS Comments		
See section 4.3 – disclosure requirements		
“In the Loan Receivables Purchase Agreement, the Issuer and the Seller have amongst themselves designated the Seller as the entity responsible for fulfilling the information requirements for the purpose of article 7(2) of the Securitisation Regulation and the Seller, as originator within the meaning of article 6 of the Securitisation Regulation, shall be responsible for compliance with article 7 of the Securitisation Regulation.”		

Article 22.5. The originator and the sponsor shall be responsible for compliance with Article 7 of this Regulation. The information required by point (a) of the first subparagraph of Article 7(1) shall be made available to potential investors before pricing upon request. The information required by points (b) to (d) of the first subparagraph of Article 7(1) shall be made available before pricing at least in draft or initial form.

71	STS Criteria	Verified? YES
	71. The information required by point (a) the first subparagraph of Article 7(1) shall be made available to potential investors before pricing upon request.	
PCS Comments		
See Section 4.3, Retention and disclosure requirements under the Securitisation Regulation - Disclosure Requirements.		
See also statement in Section 4.3 Regulatory and industry compliance – STS Statements, (w) and (x)		
Finally, also see section 8 (20).		
72	STS Criteria	Verified? YES
	72. The information required by points (b) to (d) of the first subparagraph of Article 7(1) shall be made available before pricing at least in draft or initial form.	
PCS Comments		
See statement in Section 4.3 Regulatory and industry compliance – STS Statements, (x) for confirming compliance with articles 7(1), 20(10), 22(1) and 22(3) of the Securitisation Regulation, the Seller confirms that it, or the Issuer or another party on its behalf, has made available and/or will make available, as applicable, the information as set out and in the manner described in the paragraphs under the header 'Disclosure Requirements' of this section 4.3 (Regulatory and Industry Compliance) (see also section 8 (General)).		

See section 8 (20)

Also, see Section 4.3, Retention and disclosure requirements under the Securitisation Regulation - Disclosure Requirements.

Article 22.5. The final documentation shall be made available to investors at the latest 15 days after closing of the transaction.

73 **STS Criteria**

73. The final documentation shall be made available to investors at the latest 15 days after closing of the transaction.

Verified?
YES

PCS Comments

See Section 8 (General), (21).

Also, see Section 4.3, Retention and disclosure requirements under the Securitisation Regulation - Disclosure Requirements.

All the criteria from 73 onwards are future event criteria.

Article 7.1. The originator, sponsor and SSPE of a securitisation shall, in accordance with paragraph 2 of this Article, make at least the following information available to holders of a securitisation position, to the competent authorities referred to in Article 29 and, upon request, to potential investors:

(a) information on the underlying exposures on a quarterly basis, or, in the case of ABCP, information on the underlying receivables or credit claims on a monthly basis;

74 **STS Criteria**

74. The originator, sponsor and SSPE of a securitisation shall, in accordance with paragraph 2 of this Article, make at least the following information available to holders of a securitisation position, to the competent authorities referred to in Article 29 and, upon request, to potential investors:

Verified?
YES

(a) information on the underlying exposures on a quarterly basis,

PCS Comments

See statement in Section 4.3 Regulatory and industry compliance – STS Statement, (x)

Also, see Section 4.3, Retention and disclosure requirements under the Securitisation Regulation- Disclosure Requirements

See also Section 8 (General), (21).

PCS notes the existence in the Prospectus of a covenant to provide all the Article 7 information.

Article 7.1. The originator, sponsor and SSPE of a securitisation shall, in accordance with paragraph 2 of this Article, make at least the following information available to holders of a securitisation position, to the competent authorities referred to in Article 29 and, upon request, to potential investors:

(b) all underlying documentation that is essential for the understanding of the transaction, including but not limited to, where applicable, the following documents:

- (i) the final offering document or the prospectus together with the closing transaction documents, excluding legal opinions;
- (ii) for traditional securitisation the asset sale agreement, assignment, novation or transfer agreement and any relevant declaration of trust;
- (iii) the derivatives and guarantee agreements as well as any relevant documents on collateralisation arrangements where the exposures being securitised remain exposures of the originator;
- (iv) the servicing, back-up servicing, administration and cash management agreements;
- (v) the trust deed, security deed, agency agreement, account bank agreement, guaranteed investment contract, incorporated terms or master trust framework or master definitions agreement or such legal documentation with equivalent legal value;
- (vi) any relevant inter-creditor agreements, derivatives documentation, subordinated loan agreements, start-up loan agreements and liquidity facility agreements;

75 **STS Criteria**

75. (b) all underlying documentation that is essential for the understanding of the transaction, including but not limited to, where applicable, the following documents:

- (i) the final offering document or the prospectus together with the closing transaction documents, excluding legal opinions
- (ii) for traditional securitisation the asset sale agreement, assignment, novation or transfer agreement and any relevant declaration of trust;
- (iii) the derivatives and guarantee agreements as well as any relevant documents on collateralisation arrangements where the exposures being securitised remain exposures of the originator;
- (iv) the servicing, back-up servicing, administration and cash management agreements;
- (v) the trust deed, security deed, agency agreement, account bank agreement, guaranteed investment contract, incorporated terms or master trust framework or master definitions agreement or such legal documentation with equivalent legal value;
- (vi) any relevant inter-creditor agreements, derivatives documentation, subordinated loan agreements, start-up loan agreements and liquidity facility agreements;

**Verified?
YES**

PCS Comments

See Section 8 (General), (15), (16) and (21)

See statement in Section 4.4 Regulatory and industry compliance – STS Statements, (x) –whereby “for confirming compliance with articles 7(1), 20(10), 22(1) and 22(3) of the Securitisation Regulation, the Seller confirms that it, or another party on its behalf, has made available and/or will make available, as applicable, the information as set out and in the manner described in the paragraphs under the header Disclosure Requirements of this section 4.4 (Regulatory and industry compliance) (see also section 8 (General)).”

Also, see Section 4.3, Retention and disclosure requirements under the Securitisation Regulation- Disclosure Requirements.

Article 7.1. That underlying documentation shall include a detailed description of the priority of payments of the securitisation;

76	STS Criteria	Verified? YES
	<p>76. That underlying documentation shall include a detailed description of the priority of payments of the securitisation;</p> <p>PCS Comments See Section 5.2 (Priority of Payments) and Trust Deed.</p>	

Article 7.1. The originator, sponsor and SSPE of a securitisation shall, in accordance with paragraph 2 of this Article, make at least the following information available to holders of a securitisation position, to the competent authorities referred to in Article 29 and, upon request, to potential investors:

(c) where a prospectus has not been drawn up in compliance with Directive 2003/71/EC of the European Parliament and of the Council, a transaction summary or overview of the main features of the securitisation, including, where applicable:

- (i) details regarding the structure of the deal, including the structure diagrams containing an overview of the transaction, the cash flows and the ownership structure;
- (ii) details regarding the exposure characteristics, cash flows, loss waterfall, credit enhancement and liquidity support features;
- (iii) details regarding the voting rights of the holders of a securitisation position and their relationship to other secured creditors;
- (iv) a list of all triggers and events referred to in the documents provided in accordance with point (b) that could have a material impact on the performance of the securitisation position;

77	STS Criteria	Verified? YES
	<p>77. (c) where a prospectus has not been drawn up in compliance with Directive 2003/71/EC of the European Parliament and of the Council, a transaction summary or overview of the main features of the securitisation, including, where applicable:</p> <ul style="list-style-type: none"> (i) details regarding the structure of the deal, including the structure diagrams containing an overview of the transaction, the cash flows and the ownership structure; (ii) details regarding the exposure characteristics, cash flows, loss waterfall, credit enhancement and liquidity support features; (iii) details regarding the voting rights of the holders of a securitisation position and their relationship to other secured creditors; 	

(iv) a list of all triggers and events referred to in the documents provided in accordance with point (b) that could have a material impact on the performance of the securitisation position;

PCS Comments

The Prospectus is compliant with the EU Prospectus Regulation. This requirement is therefore not applicable.

Article 7.1. The originator, sponsor and SSPE of a securitisation shall, in accordance with paragraph 2 of this Article, make at least the following information available to holders of a securitisation position, to the competent authorities referred to in Article 29 and, upon request, to potential investors:

(d) in the case of STS securitisations, the STS notification referred to in Article 27;

78 STS Criteria

78. (d) in the case of STS securitisations, the STS notification referred to in Article 27

Verified?

YES

PCS Comments

See also Section 4.3, Disclosure Requirements

"In addition, the Seller, or the Issuer or any other party on its behalf, has made available and will make available, as applicable, to the abovementioned parties:

(ii) before pricing of the Notes at least in draft or initial form and on or around the Closing Date in final form, the STS notification referred to in article 27 of the Securitisation Regulation, through the Securitisation Repository, as required by article 7(1)(d) of the Securitisation Regulation;"

Article 7.1. The originator, sponsor and SSPE of a securitisation shall, in accordance with paragraph 2 of this Article, make at least the following information available to holders of a securitisation position, to the competent authorities referred to in Article 29 and, upon request, to potential investors:

(e) quarterly investor reports, or, in the case of ABCP, monthly investor reports, containing the following:

- (i) all materially relevant data on the credit quality and performance of underlying exposures;
- (ii) information on events which trigger changes in the priority of payments or the replacement of any counterparties, and, in the case of a securitisation which is not an ABCP transaction, data on the cash flows generated by the underlying exposures and by the liabilities of the securitisation;
- (iii) information about the risk retained, including information on which of the modalities provided for in Article 6(3) has been applied, in accordance with Article 6.

79 **STS Criteria**

79. (e) quarterly investor reports, or, in the case of ABCP, monthly investor reports, containing the following:

- (i) all materially relevant data on the credit quality and performance of underlying exposures;
- (ii) information on events which trigger changes in the priority of payments or the replacement of any counterparties,
- (ii)...and, in the case of a securitisation which is not an ABCP transaction, data on the cash flows generated by the underlying exposures and by the liabilities of the securitisation;
- (iii) information about the risk retained, including information on which of the modalities provided for in Article 6(3) has been applied, in accordance with Article 6.

Verified?
YES

PCS Comments

See Section 8 (General), (21)

Also, see Section 4.3, Retention and disclosure requirements under the Securitisation Regulation - Disclosure Requirements.

Article 7.1. The originator, sponsor and SSPE of a securitisation shall, in accordance with paragraph 2 of this Article, make at least the following information available to holders of a securitisation position, to the competent authorities referred to in Article 29 and, upon request, to potential investors:

(f) any inside information relating to the securitisation that the originator, sponsor or SSPE is obliged to make public in accordance with Article 17 of Regulation (EU) No 596/2014 of the European Parliament and of the Council on insider dealing and market manipulation;

80 **STS Criteria**

80. (f) any inside information relating to the securitisation that the originator, sponsor or SSPE is obliged to make public in accordance with Article 17 of Regulation (EU) No 596/2014 of the European Parliament and of the Council on insider dealing and market manipulation;

Verified?
YES

PCS Comments

See Section 8 (General), (21). Also, see Section 4.3, Retention and disclosure requirements under the Securitisation Regulation - Disclosure Requirements.

Article 7.1. The originator, sponsor and SSPE of a securitisation shall, in accordance with paragraph 2 of this Article, make at least the following information available to holders of a securitisation position, to the competent authorities referred to in Article 29 and, upon request, to potential investors:

(g) where point (f) does not apply, any significant event such as:

- (i) a material breach of the obligations laid down in the documents provided in accordance with point (b), including any remedy, waiver or consent subsequently provided in relation to such a breach;
- (ii) a change in the structural features that can materially impact the performance of the securitisation;
- (iii) a change in the risk characteristics of the securitisation or of the underlying exposures that can materially impact the performance of the securitisation;
- (iv) in the case of STS securitisations, where the securitisation ceases to meet the STS requirements or where competent authorities have taken remedial or administrative actions;
- (v) any material amendment to transaction documents.

81 **STS Criteria**

81. (g) where point (f) does not apply, any significant event such as:

- (i) a material breach of the obligations laid down in the documents provided in accordance with point (b), including any remedy, waiver or consent subsequently provided in relation to such a breach;
- (ii) a change in the structural features that can materially impact the performance of the securitisation
- (iii) a change in the risk characteristics of the securitisation or of the underlying exposures that can materially impact the performance of the securitisation;
- (iv) in the case of STS securitisations, where the securitisation ceases to meet the STS requirements or where competent authorities have taken remedial or administrative actions;
- (v) any material amendment to transaction documents.

Verified?
YES

PCS Comments

See Section 8 (General), (21). Also, see Section 4.3, Retention and disclosure requirements under the Securitisation Regulation - Disclosure Requirements.

Article 7.1. The information described in points (a) and (e) of the first subparagraph shall be made available simultaneously each quarter at the latest one month after the due date for the payment of interest (...ABCP provisions)

82 **STS Criteria**

82. The information described in points (a) and (e) of the first subparagraph shall be made available simultaneously each quarter at the latest one month after the due date for the payment of interest (...ABCP provisions)

Verified?
YES

PCS Comments

See Section 8 (General), (21). Also, see Section 4.3, Retention and disclosure requirements under the Securitisation Regulation - Disclosure Requirements.

Article 7.1. Without prejudice to Regulation (EU) No 596/2014, the information described in points (f) and (g) of the first subparagraph shall be made available without delay. When complying with this paragraph, the originator, sponsor and SSPE of a securitisation shall comply with national and Union law governing the protection of confidentiality of information and the processing of personal data in order to avoid potential breaches of such law as well as any confidentiality obligation relating to customer, original lender or debtor information, unless such confidential information is anonymised or aggregated.

In particular, with regard to the information referred to in point (b) the originator, sponsor and SSPE may provide a summary of the concerned documentation.

Competent authorities referred to in Article 29 shall be able to request the provision of such confidential information to them in order to fulfil their duties under this Regulation.

83 **STS Criteria**

83. Without prejudice to Regulation (EU) No 596/2014, the information described in points (f) and (g) of the first subparagraph shall be made available without delay

Verified?**YES****PCS Comments**

See Section 8 (General), (21). Also, see Section 4.3, Retention and disclosure requirements under the Securitisation Regulation - Disclosure Requirements.

Article 7.2. The originator, sponsor and SSPE of a securitisation shall designate amongst themselves one entity to fulfil the information requirements pursuant to points (a), (b), (d), (e), (f) and (g) of the first subparagraph of paragraph 1.

The entity designated in accordance with the first subparagraph shall make the information for a securitisation transaction available by means of a securitisation repository.

Or

The obligations referred to in the second and fourth subparagraphs shall not apply to securitisations where no prospectus has to be drawn up in compliance with Directive 2003/71/EC.

84 **STS Criteria**

84. The originator, sponsor and SSPE of a securitisation shall designate amongst themselves one entity to fulfil the information requirements pursuant to points (a), (b), (d), (e), (f) and (g) of the first subparagraph of paragraph 1.

The entity designated in accordance with the first subparagraph shall make the information for a securitisation transaction available by means of a securitisation repository.

Or

The obligations referred to in the second and fourth subparagraphs shall not apply to securitisations where no prospectus has to be drawn up in compliance with Directive 2003/71/EC.

Verified?**YES**

PCS Comments

See Section 8 (General), (15) and (21). Also, see Section 4.3, Retention and disclosure requirements under the Securitisation Regulation - Disclosure Requirements.

"Disclosure Requirements

In the Loan Receivables Purchase Agreement, the Issuer and the Seller have amongst themselves designated the Seller as the entity responsible for fulfilling the information requirements for the purpose of article 7(2) of the Securitisation Regulation and the Seller, as originator within the meaning of article 6 of the Securitisation Regulation, shall be responsible for compliance with article 7 of the Securitisation Regulation. The Seller or any party on its behalf (which may include the Issuer), will make available to Noteholders, to the competent authorities referred to in article 29 of the Securitisation Regulation and to potential investors through the Securitisation Repository:"

"Securitisation Repository" means European DataWarehouse GmbH, a securitisation repository registered under article 10 of the Securitisation Regulation and appointed by the Seller for the securitisation transaction as described in this Prospectus;

85

STS Criteria

85. The entity responsible for reporting the information, and the securitisation repository where the information is made available shall be indicated in the documentation regarding the securitisation.

**Verified?
YES**

PCS Comments

See Section 8 (General), (15) and (21). Also, see Section 4.3, Retention and disclosure requirements under the Securitisation Regulation - Disclosure Requirements.

"Disclosure Requirements

In the Loan Receivables Purchase Agreement, the Issuer and the Seller have amongst themselves designated the Seller as the entity responsible for fulfilling the information requirements for the purpose of article 7(2) of the Securitisation Regulation and the Seller, as originator within the meaning of article 6 of the Securitisation Regulation, shall be responsible for compliance with article 7 of the Securitisation Regulation. The Seller or any party on its behalf (which may include the Issuer), will make available to Noteholders, to the competent authorities referred to in article 29 of the Securitisation Regulation and to potential investors through the Securitisation Repository:"

"Securitisation Repository" means European DataWarehouse GmbH, a securitisation repository registered under article 10 of the Securitisation Regulation and appointed by the Seller for the securitisation transaction as described in this Prospectus;