

# **CRR ASSESSMENT**

## **Auto ABS French Loans 2024 FCT**



PRIME COLLATERALISED SECURITIES (PCS) EU SAS

24 April 2024

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**24 April 2024**

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## PRIME COLLATERALISED SECURITIES (PCS) – CRR Assessment

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| Individual(s) undertaking the assessment                  | Daniele Vella   |
| Date of Verification                                      | 24 April 2024   |
| <b>The transaction to be verified (the “Transaction”)</b> | <b>Auto ABS French Loans 2024</b>                             |
| Issuer  | Auto ABS French Loans 2024 FCT                                |
| Seller  | Credipar  |
| Joint Lead Manager(s)                                     | Banco Santander, S.A.; HSBC Continental Europe; ING Bank N.V. |
| Transaction Legal Counsel                                 | Hogan Lovells (Paris) LLP                                     |
| Rating Agencies   | Fitch and Moody’s   |
| Stock Exchange  | Regulated market of Euronext in Paris (Euronext Paris)        |
| Closing Date  | April 2024  |

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

## Legislative Text

Article 243 (NOTE 1)

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

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

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### CRR Criteria

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

Meets Criteria?

YES

### PCS Comments

In respect of the Initial Receivables, see the following statement in §(a)(iv) of "SALE AND PURCHASE OF THE AUTO LOAN RECEIVABLES - Global Portfolio Limits":

<<Global Portfolio Limits

*Pursuant to the Master Purchase Agreement: (...)*

*(iv) the aggregate of the Effective Outstanding Balances of the Initial Receivables due by a single Borrower does not exceed 0.05% of the aggregate of the Effective Outstanding Balances of the Initial Receivables.>>.*

In respect of the Additional Receivables, see the following statement in §(b)(iv) of "SALE AND PURCHASE OF THE AUTO LOAN RECEIVABLES - Global Portfolio Limits":

<<*it is a condition precedent to the assignment of Additional Receivables by the Seller to the Issuer on any Subsequent Purchase Date that each following limit is complied with on the Selection Date corresponding to such Subsequent Purchase Date: (...)*

*(iv) the aggregate of the Effective Outstanding Balances of the Performing Receivables (taking into account the Additional Receivables to be purchased by the Issuer on that Subsequent Purchase Date and excluding any Reassigned Receivables to be reassigned to the Seller on the Payment Date immediately following such Selection Date) owed by one single Borrower does not exceed 0.05% of the aggregate of the Effective Outstanding Balances of all Performing Receivables (taking into account the Additional Receivables offered by the Seller to be purchased on that Subsequent Purchase Date corresponding to such Selection Date and excluding any Reassigned Receivables to be reassigned to the Seller on the Payment Date immediately following such Selection Date).>>.*

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| <b>1b</b> | <p><b><u>CRR Criteria</u></b></p> <p>In the case of securitised residual leasing values, the first subparagraph of this point shall not apply where those values are not exposed to refinancing or resell risk due to a legally enforceable commitment to repurchase or refinance the exposure at a pre-determined amount by a third party eligible under Article 201(1);</p>   | <p><b><u>Meets Criteria?</u></b></p> <p><b>YES</b></p> |
|           | <p><b><u>PCS Comments</u></b></p> <p>Not applicable.</p>  |  |
| <b>2</b>  | <p><b><u>CRR Criteria</u></b></p> <p>(b) at the time of their inclusion in the securitisation, the underlying exposures meet the conditions for being assigned, under the Standardised Approach and taking into account any eligible credit risk mitigation, a risk weight equal to or smaller than:</p> <p>(i) 40 % on an exposure value-weighted average basis for the portfolio where the exposures are loans secured by residential mortgages or fully guaranteed residential loans, as referred to in point (e) of Article 129(1);</p> <p>(ii) 50 % on an individual exposure basis where the exposure is a loan secured by a commercial mortgage;</p> <p>(iii) 75 % on an individual exposure basis where the exposure is a retail exposure (NOTE 2);</p> <p>(iv) for any other exposures, 100 % on an individual exposure basis; (NOTE 3)</p> <p>NOTE 2: See article 123, "Retail exposures" of the Regulation (EU) No 575/2013.</p> <p>NOTE 3: See article 501, "Adjustment of risk-weighted non-defaulted SME exposures for "SME Loans" of the Regulation (EU) No 575/2013, as amended in Regulation (EU) 2019/876 and Regulation 2020/873 in (19) and Article 2.1(b).</p> | <p><b><u>Meets Criteria?</u></b></p> <p><b>YES</b></p> |
|           | <p><b><u>PCS Comments</u></b></p> <p>2 (b) (iii) applies.</p> <p>See §(j) of ") of "SALE AND PURCHASE OF THE AUTO LOAN RECEIVABLES - Reliance on the Receivables Warranties", where it is stated that:</p> <p><b>&lt;&lt;Reliance on the Receivables Warranties</b></p> <p><b>Receivables Warranties</b></p> <p><i>Pursuant to the terms of the Master Purchase Agreement, the Seller shall represent and warrant to the Management Company, in respect of each Auto Loan Receivable which will be assigned by it to the Issuer on any Purchase Date, that: (...)</i></p> <p><i>(j) as at the relevant Selection Date, each Auto Loan Receivable meets, to the best knowledge of the Seller, the conditions for being assigned, under the standardised approach and taking into account any eligible credit risk mitigation, a risk weight equal to or smaller than 75% on an individual exposure basis such exposure being a retail exposure (within the meaning of Article 123 of CRR);&gt;&gt;.</i></p>  |  |

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| <b>3</b> | <b>CRR Criteria</b><br>(c) where points (b)(i) and (b)(ii) apply, the loans secured by lower ranking security rights on a given asset shall only be included in the securitisation where all loans secured by prior ranking security rights on that asset are also included in the securitisation; | <b>Meets Criteria?</b><br><b>YES</b> |
|          | <b>PCS Comments</b><br>Not applicable.   |                                      |

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| <b>4</b> | <b>CRR Criteria</b><br>(d) where point (b)(i) of this paragraph applies, no loan in the pool of underlying exposures shall have a loan-to-value ratio higher than 100 %, at the time of inclusion in the securitisation, measured in accordance with point (d)(i) of Article 129(1) and Article 229(1). | <b>Meets Criteria?</b><br><b>YES</b> |
|          | <b>PCS Comments</b><br>Not applicable.  |                                      |