

Provisional STS Term Verification Checklist

Autoflorence 3 S.r.l.



PRIME COLLATERALISED SECURITIES (PCS) EU SAS

19 May 2023

Analyst: Daniele Vella – Contact: ✉ daniele.vella@pcsmarket.org / ☎ +33 6 15 37 86 95

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

This Provisional 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 draft materials received by PCS as at the date of this document. Any page references in this document are to the prospectus unless otherwise stated.

This Provisional STS Term Verification Checklist is not the final STS Term Verification and is based on the draft documents and information provided to PCS by or on behalf of the originator as of the date of this assessment.

PCS comments in this Provisional 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 anticipated at the date of this Provisional STS Term Verification Checklist a Final STS Term Verification Checklist for STS Term Verification will be made available at or around closing of the transaction. However, such Final STS Term Verification Checklist for STS Term Verifications will be based upon the final materials received by PCS and will only be made available on a fully ticked basis if no material adverse changes have been made to the transaction or the relevant material which, upon becoming known to PCS, would not adversely change our analysis. Therefore, no guarantees can be provided that such Final STS Term Verification Checklist for STS Term Verification will be made available on a fully ticked basis.

It is important that the reader of this checklist reviews and understands the disclaimer referred to on the following page. Note that all comments on the disclaimer relate to both Provisional STS Term Checklist for STS Term Verifications and the Final STS Term Checklist for STS Term Verifications.

19 May 2023

STS Disclaimer

Neither an STS Verification, nor a CRR Assessment, nor an LCR Assessment is a recommendation to buy, sell or hold securities. None are investment advice whether generally or as defined under Markets in Financial Instruments Directive (2004/39/EC) and none are a credit rating whether generally or as defined under the Credit Rating Agency Regulation (1060/2009/EC).

PCS EU and PCS UK are authorised respectively by the French *Autorité des Marchés Financiers* and by the United Kingdom Financial Conduct Authority as third parties verifying STS compliance pursuant to article 28 of Regulation (EU) 2017/2402 (the “**STS Regulation**”).

Currently, none of the activities involved in providing an CRR Assessment are endorsed or regulated by any regulatory and/or supervisory authority nor are the PCS Association or PCS EU regulated by any regulator and/or supervisory authority including the Belgian Financial Services and Markets Authority, the United Kingdom Financial Conduct Authority, the French *Autorité des Marchés Financiers* or the European Securities and Markets Authority.

By assessing the CRR status of any securities or financing, neither the PCS Association nor PCS UK nor PCS EU express any views about the creditworthiness of these securities or financings or their suitability for any existing or potential investor or as to whether there will be a ready, liquid market for these securities or financings.

Equally, by completing (either positively or negatively) any CRR status assessment of certain instruments, no statement of any kind is made as to the value or price of these instruments or the appropriateness of the interest rate they carry (if any).

In the provision of any CRR Assessment, PCS has based its decision on information provided directly and indirectly by the originator or sponsor of the relevant securitisation. Specifically, it has relied on statements made in the relevant prospectus or deal sheet, documentation and/or in certificates provided by, or on behalf of, the originator or sponsor in accordance with PCS’ published procedures for the relevant PCS verification or assessment. You should make yourself familiar with these procedures to understand fully how any PCS service is completed. These can be found at <https://pcsmarket.org/> (the “**PCS Website**”). Neither the PCS Association nor PCS UK nor PCS EU undertake their own direct verification of the underlying facts stated in the prospectus, deal sheet, documentation or certificates for the relevant instruments and the completion of any CRR Assessment is not a confirmation or implication that the information provided to it by or on behalf of the originator or sponsor is accurate or complete.

The PCS entities take reasonable measures to ensure the quality and accuracy of the information on www.pcsmarket.org. However, neither the PCS Association nor PCS UK nor PCS EU can be held liable in any way for the inaccuracy or incompleteness of any information that is available on or through the PCS Website. In addition, neither the PCS Association nor PCS UK nor PCS EU can in any way be held liable or responsible for the content of any website linked to the PCS Website.

To understand the meaning and limitations of any CRR Assessment you must read the [General Disclaimer](#) that appears on the PCS Website.

When entering any of the “Transaction” sections of the PCS Website, you will be asked to declare that you are allowed to do so under the legislation of your country. The circulation and distribution of information regarding securitisation instruments (including securities) that is available on the PCS Website may be restricted in certain jurisdictions. Persons receiving any information or documents with respect to or in connection with instruments (including securities) available on the PCS Website are required to inform themselves of and to observe all applicable restrictions.

PRIME COLLATERALISED SECURITIES (PCS) – Provisional STS Verification

Individual(s) undertaking the assessment	Daniele Vella
Date of Verification	19 May 2023
The transaction to be verified (the “Transaction”)	Autoflorence 3 S.r.l.
Issuer	Autoflorence 3 S.r.l.
Originator	Findomestic Banca S.p.A.
Arranger and Lead Manager	BNP Paribas
Transaction Legal Counsel	Allen & Overy
Rating Agencies	Fitch and S&P
Stock Exchange	Luxembourg Stock Exchange
Target Closing Date	[21] June 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**

In this transaction, the rights, title and interests to the assets are assigned and transferred without recourse (*pro soluto*) by an Italian bank to an Italian SSPE.

See "TRANSACTION OVERVIEW - 5. TRANSFER OF THE PORTFOLIO – The Portfolio", where it is stated that:

<<The principal source of payment of interest and repayment of principal on the Notes will be collections and recoveries made in respect of the Initial Portfolio purchased on [] 2023 and the Subsequent Portfolios purchased thereafter, from time to time, by the Issuer in accordance with the provisions of the Master Receivables Purchase Agreement.

The Initial Portfolio has been assigned and transferred and any Subsequent Portfolio will be assigned and transferred to the Issuer without recourse (pro soluto) against the Originator in the case of a failure by any of the Debtors to pay amounts due under the Loan Agreements, in accordance with the combined provisions of articles 1 and 4 of the Securitisation Law and article 58 of the Consolidated Banking Act and subject to the terms and conditions of the Master Receivables Purchase Agreement.>>.

See also the sections headed "The Portfolio" and "Description of the Transaction Documents - The Master Receivables Purchase Agreement".

PCS has been provided with and has reviewed a draft of the Italian law legal opinion to be issued by Allen & Overy. Confirmation of true sale aspects, i.e. enforceability of assignment, an assessment of the re-characterisation and claw-back risks, are made in the Legal Opinion.

At its origin, "true sale" was 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(s)/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(s)/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 (“COMI”) or its “home member state”.

The second step would be to determine whether the relevant COMI and/or “home member state” 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.

The Originator is incorporated in Italy and it is authorised as a bank to operate in Italy, as confirmed through a search with the Bank of Italy’s website that PCS has separately made.

See also the description of the Originator contained in Section “FINDOMESTIC”, subsections “General” and “History”.(...)

It is also noted the statement contained in the Section “THE PORTFOLIO - Other features of the Portfolio” <<Under the Warranty and Indemnity Agreement, the Originator has also represented and warranted that: (a) Findomestic is a credit institution (as defined in article 1.1 of Directive 2000/12/CE) and its “home Member State” (as that term is defined in article 2 of Directive 2001/24/EC on the re-organisation and winding up of credit institutions by reference to article 1.6 of Directive 2000/12/EC) is located within the territory of the Republic of Italy, pursuant to articles 20(2) and 20(3) of the EU Securitisation Regulation;>>.

The Republic of Italy does not contemplate severe clawback provisions for securitisation transactions. It is noted, however, that in a future insolvency scenario /resolution procedure involving the Originator and/or the group to which it belongs, it cannot be excluded that insolvency laws of other jurisdictions may become applicable to an insolvency procedure affecting Findomestic. In this respect, PCS believes that, in such case, however, the prospect that such laws would be recognised as applicable to a possible claw-back action aimed at the recovery of the Receivables back from the Issuer is remote, particularly due to the strength of the true sale assignment and to the segregation of the Receivables operated by the Italian securitisation law.

In this respect, we also note the statement in the Section “SELECTED ASPECTS OF ITALIAN LAW - Insolvency laws applicable to the Originator” confirming the following:

<<Findomestic is a credit institution (as defined in article 1.1 of Directive 2000/12/CE) and its “home Member State” (as that term is defined in article 2 of Directive 2001/24/EC on the re-organisation and winding up of credit institutions by reference to article 1.6 of Directive 2000/12/EC) is located within the territory of the Republic of Italy, therefore the Originator would be subject to Italian insolvency laws that do not contain severe clawback provisions within the meaning of articles 20(2) and 20(3) of the EU Securitisation Regulation. In addition, although as at the date of this Prospectus 100 per cent. of the share capital of Findomestic is owned by BNP Paribas Personal Finance S.A., in case of insolvency of BNP Paribas Personal Finance S.A. the French laws would not per se apply to a possible claw back action aimed at the recovery of Findomestic’s assets on the basis that Findomestic would be subject to insolvency proceedings only to the extent that it is found to be insolvent.>>.

Italian insolvency laws provide for clawback in relation to acts made in the suspect period, provided that also other circumstances occur, such as undue preference or transactions at an undervalue, and may require the insolvency officer to prove that case. Therefore, and as generally outlined in the Italian legal opinion and more specifically in the Prospectus, “RISK

FACTORS” Section, sub “2. RISKS RELATING TO THE UNDERLYING ASSETS” – “Assignment of Receivables and payments made to the Issuer upon disposal of the Receivables may be subject to claw-back upon certain conditions being met”, the transfer of the Receivables is not, in our view, subject to “severe clawback”.

The Legal Opinion provides comfort on the true sale aspects related to the sale of the Initial Portfolio and each Subsequent Portfolios.

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

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.

Verified?

YES

PCS Comments

COMI and home member state of the Originator is Italy (see point 1 above).

PCS reached comfort that the Republic of Italy does not contemplate a severe claw-back for the transfer of receivables in the context of securitisation transactions.

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

STS Criteria

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.

Verified?

YES

PCS Comments

The Receivables have been exclusively originated by Findomestic Banca as lender.

In this respect PCS notes the following statement, contained in the Section “THE PORTFOLIO - Other features of the Portfolio” that: <<Under the Warranty and Indemnity Agreement, the Originator has also represented and warranted that: (...) (f) the Loans from which the Receivables comprised in the Initial Portfolio or each Subsequent Portfolio arise (or will arise, as the case may be) have been (or will be, as the case may be) disbursed in Findomestic’s ordinary course of business; (...)>>.

In the light of the above, PCS is satisfied that this requirement is met.

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><u>Verified?</u> YES</p>
----------	--	---

PCS Comments

Article 20.5 does not apply as the transfer is perfected.

Criterion 4 requires two steps:

- 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.

See "SELECTED ASPECTS OF ITALIAN LAW – The Assignment".

Further, the Prospectus confirms that, before the Issue Date, both the publication of the Notice of assignment of the Initial Portfolio on the Italian Official Gazette and the filing of such assignment with the relevant Companies' Register have been made in respect of the Initial Portfolio.

PCS has reached sufficient comfort that pursuant to Italian law, a direct individual notification to the obligors of the assignment of the Receivables to the Issuer is not necessary in order to perfect the transfer of the legal title to such Receivables from the Originator to the Issuer.

Although the transfer is not notified to the borrowers, the Italian legal opinion and Prospectus confirm that such notification is not required to fully perfect the transfer of ownership in the Receivables to the SSPE. In particular, although a communication to the Borrowers is required to comply with certain Italian regulatory requirements, the failure to provide it would not affect the validity and effectiveness between the Originator and the Issuer of the transfers of any Receivable under the Master Receivables Purchase Agreement, nor their enforceability against any third party.

In particular, both the Initial Portfolio and each Subsequent Portfolio will be assigned in accordance with the Italian Securitisation Law and enforceability vis-à-vis third parties will be obtained through the publication of a notice on the Italian Official Gazette and registration of a notice with the companies register.

Accordingly, this transaction does not operate by way of an unperfected assignment and specific triggers are not required.

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 the following R&W in "DESCRIPTION OF THE TRANSACTION DOCUMENTS - 3. THE WARRANTY AND INDEMNITY AGREEMENT"

<<(b) as at the relevant Valuation Date and as at the relevant Transfer Date, each Receivable is not subject to any lien (pignoramento), seizure (sequestro) or other charge in favour of any third party nor are there elements that can be foreseen to adversely affect the enforceability of the transfer of such Receivable under the Master Receivables Purchase Agreement pursuant to article 20(6) of the EU Securitisation Regulation;>>.

See also the following statement in "DESCRIPTION OF THE TRANSACTION DOCUMENTS - 1. The Master Receivables Purchase Agreement".

<<The Master Receivables Purchase Agreement contains a number of undertakings by the Originator in respect of its activities relating to the Receivables. The Originator has undertaken, inter alia, to refrain from carrying out activities with respect to the Receivables which may prejudice the validity or recoverability of any Receivable or adversely affect the benefit which the Issuer may derive from the Receivables and in particular not to assign or transfer the Receivables to any third party or to create any security interest, charge, lien or encumbrance or other right in favour of any third party in respect of the Receivables. The Originator has also undertaken not to modify or cancel any term or condition of the Loan Agreements or any document to which it is a party relating to the Receivables which may prejudice the Issuer's rights to the Receivables, save in the event such modifications or cancellations are provided for by the Transaction Documents or required by law.>>.

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 the list of eligibility criteria set out in the section "THE PORTFOLIO", particularly the "Common Criteria" and the specific criteria applicable to the Initial Portfolio and further Subsequent Portfolios. The actual selection criteria are agreed in the Master Receivables Purchase Agreement.

The EBA Guidelines clarify that "clear" does not mean easily readable or comprehended by a non-expert. In the 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.

As they are mandatory, they meet the “predetermined” requirement.

As they are in the Prospectus and in the Master 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.

PCS also received confirmation of absence of cherry picking in the selection process, as represented in the Section “THE PORTFOLIO - Other features of the Portfolio”, §(g):

<<(g) the Receivables comprised in the Initial Portfolio have been, and the Receivables comprised in each Subsequent Portfolio will be, selected by the Originator in accordance with credit policies which are no less stringent than those that Findomestic applied at the time of origination to similar exposures that have not been (or will not be, as the case may be) assigned in the context of the Securitisation, pursuant to article 20(10) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria;>>..

7

STS Criteria

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.

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

It is noted that the Master Receivables Purchase Agreement does not allow the Originator to repurchase individual Receivables save in specified cases such as the transferred receivables not meeting the relevant eligibility criteria. In case of breach of representations and warranties under the Warranty and Indemnity Agreement, as an alternative to an indemnity, and subject to a verification procedure, the Issuer has the right of put option in respect of the Receivables that do not comply with the representations and warranties received.

The Originator has also a clean-up option (Condition 8.3 - Optional redemption for clean-up or regulatory reasons); an option to repurchase the whole Portfolio for taxation reasons (Condition 8.4 - Optional redemption for taxation reasons). In addition, the whole Portfolio may be disposed (or shall, if so resolved by the Most Senior Class of Noteholders) following the delivery of an Issuer Trigger Notice (Condition 14.3 - Sale of Portfolio).

More specifically, an acknowledgement on this requirement has been made by the parties to the Intercreditor Agreement, as outlined in Section “DESCRIPTION OF THE TRANSACTION DOCUMENTS - 5.THE INTERCREDITOR AGREEMENT”. In particular, it is confirmed that:

<<Under the Intercreditor Agreement, the parties thereto have acknowledged that the disposal of Receivables is permitted only in the following circumstances: (A) from the Issuer to the Originator, in case of any breach of representations and warranties by the Originator pursuant to the terms of the Warranty and Indemnity Agreement, (B) from the Issuer to Originator, in case of repurchase of the Portfolio in the context of an early redemption of the Notes in accordance with Condition 8.3 (Optional redemption for clean-up or regulatory reasons) or Condition 8.4 (Optional redemption for taxation reasons) pursuant to the terms of the Master Receivables Purchase Agreement, (C) from the Issuer (or the Servicer on its behalf) to third parties in case of sale of Defaulted Receivables pursuant to the terms of the Servicing Agreement, and (D) from the Issuer (or the Representative of the Noteholders on its behalf) to third parties in case of disposal of the Portfolio following the delivery of an Issuer Trigger Notice pursuant to the terms of the Intercreditor Agreement. Therefore, no active portfolio management within the meaning of article 20(7) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria is allowed.>>.

Indeed, 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 is deemed met.

If a 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”.

	PCS has reviewed all the repurchase devices set out in the Prospectus and the Transaction Documents and these are acceptable within the context of the EBA final guidelines and its principles.	
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>The transaction is revolving and the Common Criteria, as set out in "THE PORTFOLIO", shall apply to the Initial Portfolio and to each Subsequent Portfolio, as at the relevant Valuation Date.</p> <p>See the definition of "Common Criteria":</p> <p><<Common Criteria means the objective criteria for the identification of the Receivables specified in schedule 1 to the Master Receivables Purchase Agreement and which shall apply to select the Receivables comprised in the Initial Portfolio and any Subsequent Portfolio.>>.</p> <p>The Master Receivables Purchase Agreement contains provisions pursuant to which, if it transpires that any of the Receivables transferred under the Master Receivables Purchase Agreement or any subsequent Transfer Agreement does not meet, as of the relevant Valuation Date, the relevant criteria, then the originator shall repurchase such Receivables.</p>	

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	<p>STS Criteria</p> <p>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.</p>	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>See the following R&W in the section headed "DESCRIPTION OF THE TRANSACTION DOCUMENTS - 3. THE WARRANTY AND INDEMNITY AGREEMENT", where it is represented that:</p> <p><<(c) as at the relevant Valuation Date and as at the relevant Transfer Date, the Receivables comprised in the Initial Portfolio are, and the Receivables comprised in each Subsequent Portfolio will be, homogeneous in terms of asset type, taking into account the specific characteristics relating to the cash flow of the asset type including their contractual, credit-risk and prepayment characteristics, for the purposes of article 20(8) of the EU Securitisation Regulation and the Regulatory Technical Standards, given that:</p> <p>(i) all Receivables are or will be, as the case may be, originated by Findomestic based on similar credit policies which apply similar approaches to the assessment of credit risk associated with the underlying exposures;</p> <p>(ii) all Receivables are or will be, as the case may be, serviced by Findomestic pursuant to similar servicing procedures;</p>	

	<p>(iii) the Receivables fall or will fall, as the case may be, within the same asset category of the relevant Regulatory Technical Standards named "auto loans"; and</p> <p>(iv) all Receivables reflect or will reflect, as the case may be, at least the homogeneity factor of the "jurisdiction of the obligors", being all assigned debtors resident in the Republic of Italy as at the relevant Valuation Date;>>.</p> <p>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.</p> <p>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 RTS adopted by the European Commission.</p> <p>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.</p> <p>In the Transaction, the loans were underwritten on a similar basis, they are being serviced by Findomestic according to similar servicing procedures, they are a single asset class – auto loans – and are all originated in the same jurisdiction.</p> <p>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.</p>	
10	<p>STS Criteria</p> <p>10. The underlying exposures shall contain obligations that are contractually binding and enforceable.</p>	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>See the following R&W in the section headed "DESCRIPTION OF THE TRANSACTION DOCUMENTS - 3. THE WARRANTY AND INDEMNITY AGREEMENT", where it is represented that:</p> <p><<(d) the Receivables comprised in the Initial Portfolio constitute, and the Receivables comprised in each Subsequent Portfolio will constitute, valid and lawful obligations, binding on each party thereto, with full recourse to the Debtors pursuant to article 20(8) of the Securitisation Regulation and the EBA Guidelines on STS Criteria;>>.</p>	
11	<p>STS Criteria</p> <p>11. With full recourse to debtors and, where applicable, guarantors.</p>	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>See point 10 above.</p> <p>See also the definition of "Debtor" being <<any individual person who entered into a Loan Agreement as principal debtor or guarantor or who is liable for the payment or repayment of amounts due in respect of a Loan or who has assumed the Debtor's obligation under an accollo, or otherwise.>>.</p>	

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 headed "THE PORTFOLIO – Common Criteria" the following eligibility criteria: <<Loans which provide for a French amortisation plan (piano di ammortamento alla francese), that is an amortisation plan having instalments consisting of an interest component which decreases over the life of the Loan and a principal component which increases over the life of the Loan;>>; and <<Loans which provide for an amortisation plan with constant monthly Instalments, the payment dates of which fall on the fifth day or the twentieth day of each month;>>. See also the definition of Instalment, as set out below: <<Instalment means, with respect to each Loan Agreement, each instalment due from the relevant Debtor thereunder and which consists of an Interest Instalment and a Principal Instalment.>>.	
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	See point 12 above. PCS notices also that the Receivables arise from unsecured auto loans. See Common Criteria: <<Loans disbursed for the only purpose of financing the supply of the Vehicles;>>. The Originator confirmed that the loans are unsecured (see also statements mentioned in comments to point 32 below). See also the following definitions related to the components of the Instalments: <<Instalment means, with respect to each Loan Agreement, each instalment due from the relevant Debtor thereunder and which consists of an Interest Instalment and a Principal Instalment.>>. <<Interest Instalment means the interest component of each Instalment.>> <<Principal Instalment means the principal component of each Instalment as well as any amount other than the Interest Instalment (including fees, costs, expenses and insurance premia).>>.	
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		Verified? YES

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.

PCS Comments

See the statement, contained in the Section "THE PORTFOLIO - Other features of the Portfolio" that:

<<(d) the Initial Portfolio does not, and each Subsequent Portfolio will not, comprise any transferable securities, as defined in point (44) of article 4(1) of Directive 2014/65/EU, pursuant to article 20(8) of the Securitisation Regulation and the EBA Guidelines on STS Criteria;>>.

The Common Criteria and the Specific Criteria are also noted.

It is also noted that the funds standing to the credit of Accounts (other than the Expenses Account, the Securities Account and the Swap Collateral Accounts) may be invested in Eligible Investments by the Account Bank as directed by the Issuer (acting upon written instructions of the Representative of the Noteholders) in accordance with the provisions of the Cash Allocation, Management and Payments Agreement. The investments must comply with appropriate rating criteria, as set out in the definition of Eligible Investments. Such investments, however, must be certificates of deposit with Eligible Institutions and do not appear speculative instruments that could replace the underlying assets.

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 the statement, contained in the Section "THE PORTFOLIO - Other features of the Portfolio" that:

<<(e) the Initial Portfolio does not, and each Subsequent Portfolio will not, comprise any securitisation positions, pursuant to article 20(9) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria;>>.

It is also noted that the definition of "Eligible Investments" expressly excludes the possibility of investing into <<(ii) asset-backed securities, irrespective of their subordination, status or ranking (...)>>.

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 the statement, contained in the Section "THE PORTFOLIO - Other features of the Portfolio" that: <<(f) the Loans from which the Receivables comprised in the Initial Portfolio or each Subsequent Portfolio arise (or will arise, as the case may be) have been (or will be, as the case may be) disbursed in Findomestic's ordinary course of business; Findomestic has been originating exposures of a similar nature to those securitised for more than 5 (five) years, pursuant to article 20(10), last paragraph, of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria;>>.	
17	<p>STS Criteria</p> <p>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.</p> <p>PCS Comments</p> <p>See the statement, contained in the Section "THE PORTFOLIO - Other features of the Portfolio" that: <<(g) the Receivables comprised in the Initial Portfolio have been, and the Receivables comprised in each Subsequent Portfolio will be, selected by the Originator in accordance with credit policies which are no less stringent than those that Findomestic applied at the time of origination to similar exposures that have not been (or will not be, as the case may be) assigned in the context of the Securitisation, pursuant to article 20(10) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria;>>.</p>	<p>Verified? YES</p>

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	<p>STS Criteria</p> <p>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.</p> <p>PCS Comments</p> <p>See "DESCRIPTION OF THE TRANSACTION DOCUMENTS - 1. The Master Receivables Purchase Agreement", where it is stated that: <<(…) In addition, the Originator has undertaken to promptly inform the Servicer of any material change of the credit policies relating to the Receivables to be included in any Subsequent Portfolio, providing an explanation of any such change and an assessment of any impact it may have on the new Loans in order for the Servicer to disclose such information, without delay, in the Inside Information and Significant Event Report that will be made available by the Reporting Entity, through the Securitisation Repository, to the Noteholders and potential investors in the Notes pursuant to and for the purposes of article 20(10) of the EU Securitisation Regulation and the applicable Regulatory Technical Standards. (...)>>.</p> <p>See also the definition of "Inside Information and Significant Event Report": <<Inside Information and Significant Event Report means the report containing the information set out in points (f) and (g) of the first sub-paragraph of article 7(1) of the EU Securitisation Regulation (including, inter alia, any material change of the Priority of Payments and of the credit policies relating to the Receivables to be included in any Subsequent Portfolio and the occurrence of any Issuer Trigger Even, Revolving Period Termination Event or Sequential Redemption Event), to be prepared and delivered by the Servicer in accordance with the Servicing Agreement.>>.</p>	<p>Verified? YES</p>
----	---	--

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	Verified? YES
	<p>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.</p>	
PCS Comments		
<p>This requirement does not apply to auto loans.</p> <p>See in this respect the representation on homogeneity contained in the section headed “THE PORTFOLIO – Homogeneity” that:</p> <p><<(iii) the Receivables fall or will fall, as the case may be, within the same asset category of the relevant Regulatory Technical Standards named “auto loans” (...)>>.</p>		

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.

20	STS Criteria	Verified? YES
	<p>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.</p>	
PCS Comments		
<p>See in this respect the representation on the assessment of Debtors' creditworthiness contained in the Section “THE PORTFOLIO - Other features of the Portfolio” that:</p> <p><<(h) Findomestic has assessed the Debtors' creditworthiness in compliance with the requirements set out in article 8 of Directive 2008/48/EC, pursuant to article 20(10), of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria;>>.</p>		

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

21	STS Criteria	Verified? YES
	<p>21. The originator or original lender shall have expertise in originating exposures of a similar nature to those securitised.</p>	
PCS Comments		
<p>See the description of the Originator contained in Section “FINDOMESTIC – History”, and the charts setting out the annual origination, headed “Findomestic's production from 2000 to 2022”.</p>		

See also point 16 above.

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	STS Criteria	Verified? YES
	22. The underlying exposures shall be transferred to the SSPE after selection without undue delay...	
	PCS Comments	
	See the definition of Valuation Date; <i><<Valuation Date means (i) with respect to the Initial Portfolio, [] 2023, and (ii) with respect to any Subsequent Portfolio, the date falling no more than 1 (one) Business Day before the relevant Transfer Date in relation to which the Originator has selected any such Subsequent Portfolio on the basis of the Criteria, as indicated in the relevant Transfer Proposal.>></i> PCS' view is that any period of up to 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. PCS is advised that the initial pool cut and the relevant transfer date is expected to be well within a period of a month and the Prospectus provides that subsequent pool cuts and transfers cannot be more than one Business Day apart. This clearly meets the requirement.	
23	STS Criteria	Verified? YES
	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...	
	PCS Comments	
	It is also noted the R&W set out in the Section "THE PORTFOLIO - Other features of the Portfolio" <i><<Under the Warranty and Indemnity Agreement, the Originator has also represented and warranted that: (...) (i) as at the relevant Valuation Date and as at the relevant Transfer Date, the Receivables comprised in the Initial Portfolio are not, and the Receivables comprised in each Subsequent Portfolio will not, be qualified as exposures in default within the meaning of article 178, paragraph 1, of the CRR or as exposures to a credit-impaired debtor or guarantor, who, to the best of the Originator'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 undergone a debt-restructuring process with regard to his non-performing exposures within three years prior to the relevant Transfer Date; (ii) was, at the time of origination, where applicable, 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 being made is significantly higher than the ones of comparable exposures held by the Originator which have not been assigned to the Issuer under the Securitisation, in each case pursuant to article 20(11) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria;>></i> It is also noted that the "Common Criteria" (see "The Portfolio – Common Criteria") include the following:	

<<Loans in respect of which no Instalment is due and unpaid;>>.

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

STS Criteria

24. Or exposures to a credit-impaired debtor or guarantor, who, to the best of the originator’s or original lender’s knowledge:

Verified?

YES

PCS Comments

See the R&W mentioned under point 23 above.

The note below applies to points from 24 to 30.

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. Firstly, 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.

	<p>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.</p> <p>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.</p> <p>c. <u>Thirdly</u>, 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”.</p> <p>Based on the representation quoted above and in comments to point 23 above, PCS reached sufficient evidence that this requirement is satisfied.</p>	
25	<p>STS Criteria</p> <p>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.</p>	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>See the R&W mentioned in comments to point 23 above.</p>	
26	<p>STS Criteria</p> <p>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:</p>	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>See the R&W mentioned under point 23 above: to the best of the Originator’s knowledge no debtors whose obligations have been restructured in the three years prior to the relevant Transfer Date are included in the Portfolio.</p>	
27	<p>STS Criteria</p> <p>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</p>	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>See the R&W mentioned under point 23 above: to the best of the Originator’s knowledge no debtors whose obligations have been restructured in the three years prior to the relevant Transfer Date are included in the Portfolio.</p> <p>PCS notes that the statement of absence of exposures to a credit-impaired debtor or guarantor, that have undergone a debt-restructuring process in the latest three years prior to the assignment to the SPV is not qualified by any exception.</p> <p>This requirement is, therefore, satisfied.</p>	
28	<p>STS Criteria</p>	<p>Verified?</p>

	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;	YES
	PCS Comments See point 27 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;	<u>Verified?</u> YES
	PCS Comments See the R&W mentioned in comments to point 23 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.	<u>Verified?</u> YES
	PCS Comments See the R&W mentioned in comments to point 23 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 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.	<u>Verified?</u> YES
	PCS Comments PCS notices that one of the Common Criteria is that the first instalment has been timely paid. See "THE PORTFOLIO – Common Criteria": <<- Loans in respect of which at least 1 (one) Instalment has become due and has been paid;>>; and <<- Loans in respect of which the first Instalment has been timely paid;>>.	

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.

32

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.

Verified?
YES

PCS Comments

PCS notices that the underlying exposures are fully amortising loans, and that the Common Criteria exclude the eligibility of loans contemplating a bullet repayment of principal at maturity or a final instalment of a higher amount (maxi rata). See "THE PORTFOLIO – Common Criteria".

Further, the underlying exposures are unsecured: they are auto loans, but do not benefit from any security over the Vehicles.

See in this respect the Risk Factor headed "The Issuer will not have any title to the vehicles nor will it benefit from any security interests over the same", where it is specified that <<in the event of a payment default by the Debtors, the Issuer will not be entitled to repossess the vehicles nor it will have any priority rights over the proceeds deriving from the sale or other disposal of such vehicles and this may ultimately affect the ability of the Issuer to pay the amounts due under the Notes.>>.

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

33	STS Criteria	33.The originator, sponsor or original lender shall satisfy the risk retention requirement in accordance with Article 6.	Verified?
			YES

PCS Comments

See the disclosure of the undertakings of Findomestic in this respect pursuant to the Intercreditor Agreement, as detailed in "RISK RETENTION AND TRANSPARENCY REQUIREMENTS".

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	34. The interest rate...risks arising from the securitisation shall be appropriately mitigated.	Verified?
			YES

PCS Comments

The interest rate risk is hedged through (i) a Class A Swap Agreement; and (ii) a Class B, C, D, E and F Swap Agreement.
A description is contained in "8. THE SWAP AGREEMENTS".

35	STS Criteria	35. Currency risks arising from the securitisation shall be appropriately mitigated.	Verified?
			YES

PCS Comments

It is noted that the Common Criteria (see "THE PORTFOLIO – Common Criteria") include the requirement that the Loans are denominated in euro that do not contain provision for the conversion of the Loan into any other currency. Since also the Notes are denominated in Euro, there is no currency mismatch.

See also the definition of "**Basic Terms Modification**", as set out in the "Rules of the Organisation of the Noteholders", which provides for an increased quorum and majority for Noteholders to validly adopt decisions that have as an effect:

<<(iv) to change the currency in which payments due in respect of any Class of Notes are payable;>>.

36	STS Criteria	36. Any measures taken to that effect shall be disclosed.	Verified?
			YES

PCS Comments

As to interest rate risk, see the description of the Swap Agreements.

As to currency risk, no forex risk is embedded in the Notes.
Therefore, this requirement does not apply to neither type of measures.

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 37. Except for the purpose of hedging currency risk or interest rate risk, the SSPE shall not enter into derivative contracts and...	Verified? YES
	PCS Comments See TERMS AND CONDITIONS OF THE NOTES – Condition 5.11(<i>Derivatives</i>). See also the definition of “Eligible Investments”, pursuant to which: <i><<(...) none of the Eligible Investments set out above may consist, in whole or in part, actually or potentially, of (i) credit-linked notes or similar claims resulting from the transfer of credit risk by means of credit derivatives nor may any amount available to the Issuer in the context of the Securitisation otherwise be invested in any such instruments at any time, or (ii) asset-backed securities, irrespective of their subordination, status or ranking, or (iii) swaps, other derivatives instruments, or synthetic securities, (...)>>.</i>	
38	STS Criteria 38. ...Shall ensure that the pool of underlying exposures does not include derivatives.	Verified? YES
	PCS Comments See the statement contained in the Section “THE PORTFOLIO - Other features of the Portfolio”: <i><<Under the Warranty and Indemnity Agreement, the Originator has also represented and warranted that: (...) (I) the Initial Portfolio does not, and each Subsequent Portfolio will not, comprise any derivatives, pursuant to article 21(2) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria.>>.</i> See also the “Common Criteria” set out in the section “THE PORTFOLIO”.	
39	STS Criteria 39. Those derivatives shall be underwritten and documented according to common standards in international finance.	Verified? YES
	PCS Comments The Swap Agreements are entered into in the framework of an ISDA 1992 Master Agreement.	

See in particular the definitions of “**Class A Swap Agreement**” and “**Class B, C, D E and F Swap 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	Verified? YES
<p>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.</p>		
<p>PCS Comments</p> <p>As for assets:</p> <ul style="list-style-type: none"> Interest payable by Borrowers on the Loans is calculated on the basis of a fixed interest rate (see Common Criteria). <p>As for liabilities:</p> <ul style="list-style-type: none"> the Class A, B, C, D, E and Notes have a floating rate of interest. See cover page and Condition 7.4 (<i>Rates of Interest</i>) in Terms and Conditions of the Notes. <p>The excess spread will be payable to the Originator as a Deferred Purchase Price, pursuant to the Master Receivables Purchase Agreement.</p> <p>Based on the above, PCS is prepared to verify that this criterion is satisfied.</p>		

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	Verified? YES
<p>41. Where an enforcement or an acceleration notice has been delivered:</p> <p>(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;</p>		

	<p>PCS Comments</p> <p>See the Post-Acceleration Priority of Payments, as set out in the TRANSACTION OVERVIEW and in Condition 6.3 (<i>Post-Acceleration Priority of Payments</i>).</p> <p>PCS notes that in a Post-Acceleration scenario, no amount of cash shall be trapped in the Issuer beyond what is necessary to ensure the payment of “Expenses”, which are payments due to preserve the operational functioning of the Issuer, to maintain it in good standing, or to comply with applicable legislation.</p> <p>See also Condition 14.1 (<i>Proceedings</i>) in Terms and Conditions of the Notes, where it is stated, inter alia, that:</p> <p><i><<Following the service of an Issuer Trigger Notice, no amount of cash shall be trapped in the Issuer beyond what is necessary to ensure the operational functioning of the Issuer or the orderly payments of the amounts due under the Notes in accordance with the Post-Acceleration Priority of Payments and pursuant to the terms of the Transaction Documents, as required by article 21(4)(a) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria.>></i></p> <p>PCS is therefore satisfied that this requirement is met.</p>	
42	<p>STS Criteria</p> <p>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;</p>	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>We note that the post-amortisation POP, applicable in a post amortisation scenario, contemplates only sequential payments (see items from sixth onwards in Condition 6.3 (<i>Post-Acceleration Priority of Payments</i>)).</p> <p>On this basis PCS is prepared to verify this requirement.</p>	
43	<p>STS Criteria</p> <p>43. (c) Repayment of the securitisation positions shall not be reversed with regard to their seniority; and</p>	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>See comments to point 42 above.</p>	
44	<p>STS Criteria</p> <p>44. (d) No provisions shall require automatic liquidation of the underlying exposures at market value.</p>	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>See Condition 14.3, in “TERMS AND CONDITIONS OF THE NOTES”:</p> <p><i><<14.3 Sale of Portfolio</i></p> <p><i>Following the delivery of an Issuer Trigger Notice, the Issuer (or the Representative of the Noteholders on its behalf) may (with the consent of an Extraordinary Resolution of the holders of the Most Senior Class of Notes) or shall (if so directed Extraordinary Resolution of the holders of the Most Senior Class of Notes) dispose of the Portfolio then outstanding in accordance</i></p>	

with the provisions of the Intercreditor Agreement, it being understood that no provisions shall require the automatic liquidation of the Portfolio pursuant to article 21(4)(d) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria.>>.

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	<p><u>STS Criteria</u></p> <p>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.</p>	Verified? YES
	<p><u>PCS Comments</u></p> <p>The first step in analysing this criterion is to determine whether the transaction features non-sequential priorities of payment. This is not the case in this transaction since payments in respect of the Notes are made sequentially both in a pre and post trigger scenario.</p> <p>Therefore, the above requirement is satisfied.</p>	

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>	Verified? YES
	<p><u>PCS Comments</u></p> <p>This provision applies to transactions with a revolving period.</p> <p>This transaction contemplates a revolving period that may terminate upon the occurrence of a Revolving Period Termination Event, as set out in Condition 13 (Revolving Period Termination Events).</p> <p>The occurrence of any of the following events will constitute a Revolving Period Termination Event (see Condition 13 (Revolving Period Termination Events)):</p>	

	<ul style="list-style-type: none"> • 13.1.(e) Breach of Cumulative Gross Default Ratio. 	
47	<p>STS Criteria</p> <p>47. (b) the occurrence of an insolvency-related event with regard to the originator or the servicer;</p>	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>The occurrence of any of the following events will constitute a Revolving Period Termination Event (see Condition 14 (Revolving Period Termination Event)):</p> <ul style="list-style-type: none"> • 13.1.(c) Insolvency of Findomestic. • 13.1.(d) Winding up of Findomestic. • 13.1.(f) Termination of Servicer’s appointment. <p>PCS notices that the interpretation of this requirement is that if either the Originator or the Servicer become insolvent, then the termination event in relation to the revolving period is to be triggered.</p> <p>In this transaction, the Servicer and the Originator are, at least initially, the same entity. The insolvency of the Originator is specifically a Revolving Period Termination Event. However, there’s also a specific Revolving Period Termination Event that occurs upon the termination of the appointment of the Servicer. The appointment of the Servicer terminates in case of an Insolvency Event affecting the Servicer. Therefore, this requirement is satisfied.</p> <p>See description of “Servicer Termination Event” in “TRANSACTION OVERVIEW – 7. TRIGGER TABLES – (B) NON-RATING TRIGGERS TABLE”.</p>	
48	<p>STS Criteria</p> <p>48. (c) the value of the underlying exposures held by the SSPE falls below a pre-determined threshold (early amortisation event);</p>	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>The occurrence of any of the following events will constitute a Revolving Period Termination Event (see Condition 13 (Revolving Period Termination Events)):</p> <ul style="list-style-type: none"> • 13.1.(g) Amount of Principal Available Funds credited to the Reinvestment Ledger. 	
49	<p>STS Criteria</p> <p>49. (d) a failure to generate sufficient new underlying exposures that meet the pre-determined credit quality (trigger for termination of the revolving period).</p>	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>The occurrence of any of the following events will constitute a Revolving Period Termination Event (see Condition 14 (Revolving Period Termination Event)):</p> <ul style="list-style-type: none"> • 13.1.(g) Amount of Principal Available Funds credited to the Reinvestment Ledger; • 13.1.(h) Failure to offer for sale Subsequent Portfolios. 	

Article 21.7. 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;		
(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		
(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.		
50	<u>STS Criteria</u> 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;	<u>Verified?</u> YES
	<u>PCS Comments</u> For the Servicer, see section "DESCRIPTION OF THE TRANSACTION DOCUMENTS - 2. THE SERVICING AGREEMENT". For the Representative of the Noteholders (that performs fiduciary activities on behalf of the noteholders and other issuer creditors) see the "Rules of the Organisation of the Noteholders", Article 31 (DUTIES AND POWERS OF THE REPRESENTATIVE OF THE NOTEHOLDERS). See also the description of the Mandate Agreement, and of the French Law Pledge Agreement. For the other ancillary service providers, see section "DESCRIPTION OF THE TRANSACTION DOCUMENTS", subsection "4. THE CASH ALLOCATION, MANAGEMENT AND PAYMENTS AGREEMENT" and the description of the other Transaction Documents contained therein.	
51	<u>STS Criteria</u> 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	<u>Verified?</u> YES
	<u>PCS Comments</u> See "DESCRIPTION OF THE TRANSACTION DOCUMENTS - 2. THE SERVICING AGREEMENT". The Servicing Agreement contemplates Servicer Termination Events, and the role of a "Back-up Servicer Facilitator" in the appointment of a Back-up Servicer or a successor servicer in certain specified cases. It is also noted that the upon the occurrence of a Servicer Termination Event, the Issuer may or shall, in some specified cases, terminate the Servicer's appointment and appoint a substitute servicer, unless a Back-up Servicer has been already appointed, in which case the Back-up Servicer becomes the substitute.	
52	<u>STS Criteria</u> 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.	<u>Verified?</u> YES
	<u>PCS Comments</u>	

In respect of the Swap Counterparty, see “1. RISKS RELATED TO THE AVAILABILITY OF FUNDS TO PAY THE NOTES - Interest rate risk arising from the mismatch between the interest rate applicable on the Loans and the Rated Notes may affect the ability of the Issuer to meet its payment obligations under the Rated Notes in case of termination of the Swap Agreements”, which contains the following statement:

<<In the event of early termination of any of the Swap Agreements, including any termination upon failure by the relevant Swap Counterparty to perform its obligations, the Issuer has covenanted with the Representative of the Noteholders under the Intercreditor Agreement that it will use its best endeavours to find, with the cooperation of the Originator, a suitably rated replacement swap counterparty who is willing to enter into a replacement swap agreement substantially on the same terms as the relevant Swap Agreement. However, no assurance can be given that the Issuer will be able to enter into a replacement swap agreement with a suitably rated entity that will provide the Issuer with the same level of protection as such Swap Agreement.>>

As for the account bank, see “DESCRIPTION OF THE TRANSACTION DOCUMENTS - 4. THE CASH ALLOCATION, MANAGEMENT AND PAYMENTS AGREEMENT”.

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 the following statement in “DESCRIPTION OF THE TRANSACTION DOCUMENTS - 2. THE SERVICING AGREEMENT”:</p> <p><i><<(…) The Servicer has represented to the Issuer that it has expertise for more than 5 (five) years in servicing exposures of a similar nature to those securitised and has well-documented and adequate policies, procedures and risk-management controls relating to the servicing of exposures in accordance with article 21(8) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria. The Servicer has also represented to the Issuer that it has all skills, software, hardware, information technology and human resources necessary to comply with the efficiency standards required by the Servicing Agreement. (...)>></i></p> <p>See also “FINDOMESTIC - History”.</p> <p>In case of replacement of the Servicer, the Servicing Agreement (see Clause 10.3(a)(iii)) requires that also the successor Servicer needs to have experience in the management of exposures similar to the Receivables, and that it has prepared policies, procedures and controls on the risk management that are well documented and adequate, in relation to the management of such exposures, pursuant to Article 21(8) of the STS Regulation and in compliance with the EBA guidelines on this matter.</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>A description of the collection policies is contained in “CREDIT AND COLLECTION POLICIES”.</p>	

The original of such policies is contained as an annex of the Servicing Agreement.

The EBA Guidelines specify that the relevant servicer should be considered to have the requisite elements of the criterion if it is “an entity that is subject to prudential and capital regulation and supervision in the Union”.

The Originator of this transaction is a bank authorised in Italy and is therefore prudentially regulated.

This requirement is therefore certainly met by the Originator, as confirmed in the statements contained in the sections mentioned in point 54 and above.

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	STS Criteria	Verified? YES
	<p>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.</p> <p>See point 54 above.</p> <p>PCS notices that a description of the collection policies are contained in Annex 1 to the Servicing Agreement “PROCEDURE DI EROGAZIONE E RISCOSSIONE”, and a summary is also included in the section “CREDIT AND COLLECTION POLICIES” of the Prospectus.</p> <p>PCS has reviewed the relevant documents to satisfy itself that these requirements are met.</p>	

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	STS Criteria	Verified? YES
	<p>56. The transaction documentation shall clearly specify the priorities of payment,</p> <p>PCS Comments</p> <p>See “Priority of Payments” in Condition 6 of the “Terms and Conditions of the Notes”, set out in the Prospectus.</p> <p>PCS has reviewed the relevant documents to satisfy itself that these criteria are met.</p>	
57	STS Criteria	Verified? YES
	<p>57. The transaction documentation shall clearly specify the events which trigger changes in such priorities of payment.</p> <p>PCS Comments</p> <p>See Condition 12 setting out the Issuer Trigger Events that trigger changes in the PoP to be applied.</p>	

	See also point 45 above. PCS has reviewed the relevant documents to satisfy itself that this requirement is met.	
58	<p><u>STS Criteria</u> 58. The transaction documentation shall clearly specify the obligation to report such events.</p> <p><u>PCS Comments</u> See the definition of Inside Information and Significant Event Report <<Inside Information and Significant Event Report means the report containing the information set out in points (f) and (g) of the first sub-paragraph of article 7(1) of the EU Securitisation Regulation (including, inter alia, any material change of the Priority of Payments and of the credit policies relating to the Receivables to be included in any Subsequent Portfolio and <u>the occurrence of any Issuer Trigger Event, Revolving Period Termination Event or Sequential Redemption Event</u>), to be prepared and delivered by the Servicer in accordance with the Servicing Agreement.>> The occurrence of Issuer Trigger Events will also be included in the SR Investors Report pursuant to Article 7(1)(e)(ii), and as provided in the definition of SR Investors Report. 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 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 notes the existence of such covenant in the Prospectus.</p>	<u>Verified?</u> YES
59	<p><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.</p> <p><u>PCS Comments</u> See point 58 above and the definition of “Inside Information and Significant Event Report”, which requires including in the report any change of the Priority of Payments. 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 notices the existence of such covenant in the Prospectus.</p>	<u>Verified?</u> YES
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	<u>STS Criteria</u>	<u>Verified?</u> YES

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

PCS Comments

See "Rules of the Organisation of the Noteholders" included as an Exhibit to the Terms and Conditions of the Notes.

(a) the method for calling meetings; as for method: Article 6 (*Convening a Meeting*).

(b) the maximum timeframe for setting up a meeting: Article 7.1 (*Notice of meeting*). See also 10.(b) on adjournment for want of quorum and 11 for adjourned meeting.

(c) the required quorum: Article 9 (*Quorum*).

(d) the minimum threshold of votes to validate such a decision, with clear differentiation between the minimum thresholds for each type of decision; Article 9. See also the definitions of "Ordinary Resolution" and "Extraordinary Resolution".

(e) where applicable, a location for the meetings which should be in the EU: Article 6.3 (*Time and place of Meetings*); 7.1 (*Notice of meeting*) and 10(b) and 11 for adjourned meetings.

Although the wording of the Regulation as to what constitutes the "facilitation of timely resolution of conflicts" is quite vague, the EBA Guidelines have helpfully set out the five minimum requirements that the documents should contain to meet this criterion.

PCS has reviewed the underlying documents (particularly, the Rules of the Organisation of the Noteholders) to ascertain that all the five requirements above are indeed present.

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**

61. and the responsibilities of the trustee and other entities with fiduciary duties to investors shall be clearly identified.

Verified?

YES

PCS Comments

See point 50 above:

For the Representative of the Noteholders (that performs fiduciary activities on behalf of the noteholders and other issuer creditors) see the "Rules of the Organisation of the Noteholders", Article 31 (*DUTIES AND POWERS OF THE REPRESENTATIVE OF THE NOTEHOLDERS*), and Article 39.1 (*Exercise of rights in respect of the Portfolio*).

A detailed set of duties and powers of the Representative of the Noteholders in a post enforcement scenario are set out in the Mandate Agreement.

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 Representations of compliance with this provision are contained in "RISK RETENTION AND TRANSPARENCY REQUIREMENTS - Transparency requirements", where it is stated as follows: <i><<(...) As to pre-pricing information, the Originator has confirmed that, before pricing, it has been, as holder of a portion of the principal amount of each Class of Notes, in possession of, and has made available to potential investors in the Notes: (...)</i> <i>(b) through the Securitisation Repository and this Prospectus, data on static and dynamic historical default and loss performance, such as delinquency and default data, for substantially similar exposures to those being securitised covering a period of at least 5 (five) years, and the sources of those data and the basis for claiming similarity, pursuant to article 22(1) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria; and (...)>>.</i>	
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 the sections mentioned in point 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 the sections mentioned in point 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 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,	Verified? YES
----	--	--------------------------------

	<p>PCS Comments</p> <p>See the following statement in the section “THE PORTFOLIO”:</p> <p><i><<Pool Audit - Pursuant to article 22(2) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria, an external verification has been made in respect of the Provisional Portfolio or the Initial Portfolio, as applicable, prior to the Issue Date by an appropriate and independent party, and no significant adverse findings have been found. Such verification has confirmed: (i) on a statistical basis, the integrity and referentiality of the information provided in the documentation and in the IT systems in respect of each selected position of a representative sample of the Provisional Portfolio; (ii) the accuracy of the data relating to the Initial Portfolio disclosed in the paragraph entitled “Characteristics of the Initial Portfolio” above; and (iii) the compliance of the data contained in the loan by loan data tape prepared by the Originator in relation to the Receivables comprised in the Initial Portfolio with the Criteria that are able to be tested prior to the Issue Date.>>.</i></p> <p>PCS received drafts of the AUP reports.</p>	
66	<p>STS Criteria</p> <p>66. Including verification that the data disclosed in respect of the underlying exposures is accurate.</p>	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>See statements in this respect contained in the section mentioned in comments to point 65 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>STS Criteria</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>	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>Representations of compliance with this provision are contained in “RISK RETENTION AND TRANSPARENCY REQUIREMENTS - Transparency requirements”, where it is stated as follows:</p> <p><i><<As to pre-pricing information, the Originator has confirmed that, before pricing, it has been, as holder of a portion of the principal amount of each Class of Notes, in possession of, and has made available to potential investors in the Notes: (...)</i></p> <p><i>(c) through Bloomberg and Intex, a liability cash flow model which precisely represents the contractual relationship between the Receivables and the payments flowing between the Originator, the investors in the Notes, other third parties and the Issuer pursuant to article 22(3) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria.>>.</i></p> <p>PCS was also provided with materials setting out some sample scenarios, created through a cash flow model available on Intex, based on the information contained in the Prospectus.</p>	

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>Representations of compliance with this provision are contained in “RISK RETENTION AND TRANSPARENCY REQUIREMENTS - Transparency requirements”, where it is stated as follows:</p> <p><i><<Pursuant to the Intercreditor Agreement, the Originator has further undertaken to make available to investors in the Notes on an ongoing basis and to potential investors in the Notes upon request, through Bloomberg and Intex (or any other provider notified by the Issuer to the investors in the Notes), a liability cash flow model (as updated from time to time) which precisely represents the contractual relationship between the Receivables and the payments flowing between the Originator, the investors in the Notes, other third parties and the Issuer pursuant to article 22(3) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria.>>.</i></p>		
<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).</p> <p>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.</p>		
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>
<p>PCS Comments</p> <p>Representations of compliance with this provision are contained in “RISK RETENTION AND TRANSPARENCY REQUIREMENTS - Transparency requirements”, where it is stated as follows:</p> <p><i><<As to post-closing information, the relevant parties to the Intercreditor Agreement have agreed and undertaken as follows:</i></p> <p><i>(a) the Servicer shall prepare:</i></p> <p><i>(i) the Loan by Loan Report setting out information relating to each Loan as at the end of the immediately preceding Collection Period (including, inter alia, the information related to the environmental performance of the assets financed by the relevant Loan, if available), in compliance with point (a) of the first sub-paragraph of article 7(1) of the EU Securitisation Regulation and the applicable Regulatory Technical Standards and deliver it to the Reporting Entity in a timely manner in order for the Reporting Entity to make available, through the Securitisation Repository, the Loan by Loan Report (simultaneously with the SR Investors Report and the Inside Information and Significant Event Report to be made available on the relevant SR Report Date) to the holders of a securitisation position, the competent authorities referred to in article 29 of the EU Securitisation Regulation and, upon request, to potential investors in the Notes on each SR Report Date;>>.</i></p>		

As to the impacts on sustainability factors, PCS was also informed that, for the time being, no specific publication is envisaged. Information on Findomestic's sustainability policy is available at this link: <https://www.infofindomestic.it/sostenibilita/bilancio-di-sostenibilita/index.html>.

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	70. The originator and the sponsor shall be responsible for compliance with Article 7 of this Regulation.	Verified?
			YES
	PCS Comments	Representations of compliance with this provision are contained in "RISK RETENTION AND TRANSPARENCY REQUIREMENTS - Transparency requirements", where it is stated as follows: <<Under the Intercreditor Agreement, the parties thereto have acknowledged that the Originator shall be responsible for compliance with article 7 of the EU 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	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.	Verified?
			YES
	PCS Comments	Representations of compliance with this provision are contained in "RISK RETENTION AND TRANSPARENCY REQUIREMENTS - Transparency requirements", where it is stated as follows: <<As to pre-pricing information, the Originator has confirmed that, before pricing, it has been, as holder of a portion of the principal amount of each Class of Notes, in possession of, and has made available to potential investors in the Notes: (a) through the Securitisation Repository, the information <u>under point (a)</u> of the first sub-paragraph of article 7(1) of the EU Securitisation Regulation and, in draft form, the information and documentation under points (b) and (d) of the first sub-paragraph of article 7(1) of the EU Securitisation Regulation;>>.	
72	STS Criteria	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.	Verified?
			YES
	PCS Comments		

Representations of compliance with this provision are contained in “RISK RETENTION AND TRANSPARENCY REQUIREMENTS - Transparency requirements”, where it is stated as follows:

<<As to pre-pricing information, the Originator has confirmed that, before pricing, it has been, as holder of a portion of the principal amount of each Class of Notes, in possession of, and has made available to potential investors in the Notes:

(a) through the Securitisation Repository, the information under point (a) of the first sub-paragraph of article 7(1) of the EU Securitisation Regulation and, in draft form, the information and documentation under points (b) and (d) of the first sub-paragraph of article 7(1) of the EU Securitisation Regulation;>>.

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**

Representations of compliance with this provision are contained in “RISK RETENTION AND TRANSPARENCY REQUIREMENTS - Transparency requirements”, where it is stated as follows:

<<As to post-closing information, the relevant parties to the Intercreditor Agreement have agreed and undertaken as follows: (...)

(c) the Issuer shall deliver to the Reporting Entity (A) a copy of the final Prospectus, the other final Transaction Documents, the final STS Notification and any other final document or information required under article 22(5) of the EU Securitisation Regulation, in a timely manner in order for the Reporting Entity to make available, through the Securitisation Repository, such documents to the investors in the Notes by no later than 15 (fifteen) days after the Issue Date, and (B) any other document or information that may be required to be disclosed to the investors or potential investors in the Notes and the competent authorities referred to in article 29 of the EU Securitisation Regulation pursuant to the EU Securitisation Regulation and the applicable Regulatory Technical Standards in a timely manner (to the extent not already provided by other parties),

in each case in accordance with the requirements provided by the EU Securitisation Regulation and the applicable Regulatory Technical Standards.>>.

This criterion requires document disclosure within 15 days of closing and therefore is a future event criterion. In other words, it cannot be either met or failed at the outset of the transaction. But if it is not met within the specified 15-day period, 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 notices that there is a covenant on the part of the Originator to comply with this requirement.

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	<p>STS Criteria</p> <p>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:</p> <p>(a) information on the underlying exposures on a quarterly basis,</p>	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>Representations of compliance with this provision are contained in “RISK RETENTION AND TRANSPARENCY REQUIREMENTS - Transparency requirements”, where it is stated as follows:</p> <p><<As to post-closing information, the relevant parties to the Intercreditor Agreement have agreed and undertaken as follows:</p> <p>(a) the Servicer shall prepare:</p> <p>(i) the Loan by Loan Report setting out information relating to each Loan as at the end of the immediately preceding Collection Period (including, inter alia, the information related to the environmental performance of the assets financed by the relevant Loan, if available), in compliance with point (a) of the first sub-paragraph of article 7(1) of the EU Securitisation Regulation and the applicable Regulatory Technical Standards and deliver it to the Reporting Entity in a timely manner in order for the Reporting Entity to make available, through the Securitisation Repository, the Loan by Loan Report (simultaneously with the SR Investors Report and the Inside Information and Significant Event Report to be made available on the relevant SR Report Date) to the holders of a securitisation position, the competent authorities referred to in article 29 of the EU Securitisation Regulation and, upon request, to potential investors in the Notes on each SR Report Date;</p> <p>(...)</p> <p>in each case in accordance with the requirements provided by the EU Securitisation Regulation and the applicable Regulatory Technical Standards.>>.</p> <p>All the criteria from 73 onwards are future event criteria, as to which we refer you to PCS’ analysis in comments to point 73 above.</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:

(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 "GENERAL INFORMATION - Documents available for inspection", which contains a list of the documents made available and confirmation that these constitute <<all the underlying documents that are essential for understanding the Securitisation and include, but are not limited to, each of the documents referred to in point (b) of article 7(1) of the EU Securitisation Regulation.>>.

No start-up loan agreement or liquidity facility agreement is entered into in the context of this transaction.

All the criteria from 73 onwards are future event criteria, as to which we refer you to PCS' analysis in comments to point 73 above.

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

76 **STS Criteria**

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

Verified?
YES

PCS Comments

See "Terms and Conditions of the Notes" – Condition 6 (*Priority of Payments*).

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**

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:

- (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;

Verified?
YES

PCS Comments

The Prospectus is compliant with the Prospectus Regulation (see statement on cover page). 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 statement on cover page that

<<The Securitisation is intended to qualify as a simple, transparent and standardised (STS) securitisation within the meaning of article 18 of Regulation (EU) no. 2402 of 12 December 2017 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation (the EU Securitisation Regulation). Consequently, the Securitisation meets, as at the date of this Prospectus, the requirements of articles 19 to 22 of the EU Securitisation Regulation (the EU STS Requirements) and, on or prior to the Issue Date, will be notified by the Originator to be included in the list published by ESMA referred to in article 27(5) of the EU Securitisation Regulation (the STS Notification).

Pursuant to article 27(2) of the EU Securitisation Regulation, the STS Notification includes an explanation by the Originator of how each of the EU STS Requirements has been complied with in the Securitisation.>>.

See also the statements contained in the Prospectus as to activities to be completed “before pricing”, which include those under Article 7(1)(d) of the Securitisation Regulation, i.e. making the STS notification available before pricing.

All the criteria from 73 onwards are future event criteria, as to which we refer you to PCS’ analysis in comments to point 73 above.

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

Representations of compliance with this provision are contained in “RISK RETENTION AND TRANSPARENCY REQUIREMENTS - Transparency requirements”, where it is stated as follows:

<<As to post-closing information, the relevant parties to the Intercreditor Agreement have agreed and undertaken as follows: (...)

(b) the Calculation Agent shall, subject to receipt of any relevant information from the Issuer or the Servicer, prepare the SR Investors Report setting out certain information with respect to the Portfolio and the Notes (including the information referred to in point (e), items (i), (ii) and (iii), of the first sub-paragraph of article 7(1) of the EU Securitisation Regulation) and deliver it to the Reporting Entity in a timely manner in order for the Reporting Entity to make available, through the Securitisation Repository, the SR Investors Report (simultaneously with the Loan by Loan Report and the Inside Information and Significant Event Report to be made available on the relevant SR Report Date) to the holders of a securitisation position, the competent authorities referred to in article 29 of the EU Securitisation Regulation and, upon request, to potential investors in the Notes on each SR Report Date; and>>.

See also the definition of SR Investors Report:

<<**SR Investors Report** means the report setting out certain information with respect to the Portfolio and the Notes (including the information referred to in point (e), items (i), (ii) and (iii), of the first sub-paragraph of article 7(1) of the EU Securitisation Regulation), to be prepared and delivered by the Calculation Agent in accordance with the Cash Allocation, Management and Payments Agreement.>>.

All the criteria from 73 onwards are future event criteria, as to which we refer you to PCS' analysis in comments to point 73 above.

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

Representations of compliance with this provision are contained in "RISK RETENTION AND TRANSPARENCY REQUIREMENTS - Transparency requirements", where it is stated as follows:

<<As to post-closing information, the relevant parties to the Intercreditor Agreement have agreed and undertaken as follows:

(a) the Servicer shall prepare: (...)

(ii) the Inside Information and Significant Event Report containing the information set out in points (f) and (g) of the first sub-paragraph of article 7(1) of the EU Securitisation Regulation (including, inter alia, any material change of the Priority of Payments and of the credit policies relating to the Receivables to be included in any Subsequent Portfolio and the occurrence of any Issuer Trigger Event, Revolving Period Termination Event or Sequential Redemption Event), and deliver it to the Reporting Entity in a timely manner in order for the Reporting Entity to make available, through the Securitisation Repository, the Inside Information and Significant Event Report to the holders of a securitisation position, the competent authorities referred to in article 29 of the EU Securitisation Regulation and, upon request, to potential investors in the Notes without delay following the occurrence of the relevant event or the awareness of the inside information triggering the delivery of such report in accordance with the EU Securitisation Regulation and the applicable Regulatory Technical Standards and, in any case, on each SR Report Date (simultaneously with the Loan by Loan Report and the SR Investors Report to be made available on the relevant SR Report Date);>>.

See also the definition of "Inside Information and Significant Event Report":

<<**Inside Information and Significant Event Report** means the report containing the information set out in points (f) and (g) of the first sub-paragraph of article 7(1) of the EU Securitisation Regulation (including, inter alia, any material change of the Priority of Payments and of the credit policies relating to the Receivables to be included in any Subsequent Portfolio and the occurrence of any Issuer Trigger Event, Revolving Period Termination Event or Sequential Redemption Event), to be prepared and delivered by the Servicer in accordance with the Servicing Agreement.>>.

All the criteria from 73 onwards are future event criteria, as to which we refer you to PCS' analysis in comments to point 73 above.

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 comments to point 80 above and the references to the letter (g) of article 7, paragraph 1 in the statements mentioned thereunder.

All the criteria from 73 onwards are future event criteria, as to which we refer you to PCS' analysis in comments to point 73 above.

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

Representations of compliance with this provision are contained in "RISK RETENTION AND TRANSPARENCY REQUIREMENTS - Transparency requirements", where references to the post-closing information duties include the provision of a Loan by Loan Report simultaneously with the SR Investors Report on each Quarterly Report Date.

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 the statements in the Section "RISK RETENTION AND TRANSPARENCY REQUIREMENTS - Transparency requirements", confirming the frequency of the Inside Information and Significant Event Report and its delivery <<without undue delay following the occurrence of the relevant event or the awareness of the inside information triggering the delivery of such report (...)>>.

All the criteria from 73 onwards are future event criteria, as to which we refer you to PCS' analysis in comments to point 73 above.

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 the following statement in "RISK RETENTION AND TRANSPARENCY REQUIREMENTS - Transparency requirements":

<<Each of the Issuer and the Originator has acknowledged and agreed that Findomestic is designated as Reporting Entity, pursuant to and for the purposes of article 7(2) of the EU Securitisation Regulation, and it has fulfilled before pricing and/or shall fulfil after the Issue Date, as applicable, the information requirements pursuant to points (a), (b), (d), (e), (f) and (g) of the first sub-paragraph of article 7(1) of the EU Securitisation Regulation and article 22 of the EU Securitisation Regulation. In addition, each of the Issuer and the Originator has agreed that the Originator is designated as first contact point for investors and competent authorities referred to in article 29 of the EU Securitisation Regulation pursuant to the third sub-paragraph of article 27(1) of the EU Securitisation Regulation.>>.

See also the definition of "Securitisation Repository", being <<the website of European DataWarehouse (being, as at the date of this Prospectus, www.eurodw.eu) or any other securitisation repository registered pursuant to article 10 of the EU Securitisation Regulation as notified by the Issuer to the investors in the Notes.>>.

All the criteria from 73 onwards are future event criteria, as to which we refer you to PCS' analysis in comments to point 73 above.

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

The Originator is the "Reporting Entity": see definition of "Reporting Entity".

<<Reporting Entity means Findomestic or any other eligible person acting as reporting entity pursuant to article 7(2) of the EU Securitisation Regulation from time to time under the Securitisation as notified by the Issuer to the investors in the Notes.>>.

As for the Securitisation Repository, at least initially, it is European DataWarehouse. See definition of "Securitisation Repository". A different securitisation repository can be appointed, with subject to notice to the Noteholders.

All the criteria from 73 onwards are future event criteria, as to which we refer you to PCS' analysis in comments to point 73 above.