

# **CRR ASSESSMENT**

## **BPCE HOME LOANS FCT 2020**



PRIME COLLATERALISED SECURITIES (PCS) EU SAS

**28 October 2020**

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**This is a CRR Assessment.**

**This CRR Assessment 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 references in this document are to the prospectus unless otherwise stated.**

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

**28 October 2020**



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## Prime Collateralised Securities (PCS) EU SAS

### CRR Assessment

Individual(s) undertaking the assessment	Daniele Vella
Date of Verification	28 October 2020
<b>The transaction to be verified (the “Transaction”)</b>	<b>BPCE HOME LOANS FCT 2020</b>
Issuer	BPCE HOME LOANS FCT 2020
Originators /Sellers	A number of “ <i>Banques Populaires</i> ” and “ <i>Caisses d’Epargne</i> ” (see list in Section “The Sellers”)
Lead Manager(s)	Natixis – BOFA SECURITIES
Transaction Legal Counsel	Orrick Herrington & Sutcliffe (Europe) LLP
Rating Agencies	Fitch and Moody’s
Stock Exchange	Paris Stock Exchange (Euronext Paris)
Target Closing Date	28 October 2020

Legislative text	CRR criteria	Identifying document and checking page reference	Checking comments	Criteria fulfilled Yes / No
<p>Article 243</p> <p>2. Positions in a securitisation, other than an ABCP programme or ABCP transaction, that qualify as positions in an STS securitisation, shall be eligible for the treatment set out in Articles 260, 262 and 264 where the following requirements are met:</p>				
<p>(a) at the time of inclusion in the securitisation, the aggregate exposure value of all exposures to a single obligor in the pool does not exceed 2 % of the exposure values of the aggregate outstanding exposure values of the pool of underlying exposures. For the purposes of this calculation, loans or leases to a group of connected clients shall be considered as exposures to a single obligor.</p>	<p>1. (a) at the time of inclusion in the securitisation, the aggregate exposure value of all exposures to a single obligor in the pool does not exceed 2 % of the exposure values of the aggregate outstanding exposure values of the pool of underlying exposures. For the purposes of this calculation, loans or leases to a group of connected clients shall be</p>	<p>See “Portfolio Conditions” in OVERVIEW OF THE TRANSACTION, where it is stated that</p> <p><i>&lt;&lt;As of the Selection Date, the Home Loans offered for sale to the Issuer shall comply with the LTV Criteria, the RWA Limit, <u>the Borrower Concentration</u> and the Seller Concentration (together the “Portfolio Conditions”), where: [...]</i></p> <p>(c) <i>“<u>Borrower Concentration</u>” refers to the following limit: the</i></p>		<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p>

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	considered as exposures to a single obligor.	<i>aggregate Outstanding Principal Balance of the Home Loans granted to a single Borrower as of the Selection Date and offered for sale by all Sellers on the Purchase Date is lower than an amount equal to two per cent. (2%) of the aggregate Outstanding Principal Balance as of the Selection Date of all the Home Loans offered for sale by all Sellers on such Purchase Date;&gt;&gt;.</i>		
In the case of securitised residual leasing values, the first subparagraph of this point shall not apply where those values are not exposed to refinancing or resell risk due to a legally enforceable commitment to repurchase or refinance the exposure at a pre-determined amount by a third party eligible under Article 201(1);	In the case of securitised residual leasing values, the first subparagraph of this point shall not apply where those values are not exposed to refinancing or resell risk due to a legally enforceable commitment to repurchase or refinance the exposure at a pre-determined amount by a third party eligible under Article 201(1);	Not applicable.		Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input checked="" type="checkbox"/>

Legislative text	CRR criteria	Identifying document and checking page reference	Checking comments	Criteria fulfilled Yes / No
<p>(b) at the time of their inclusion in the securitisation, the underlying exposures meet the conditions for being assigned, under the Standardised Approach and taking into account any eligible credit risk mitigation, a risk weight equal to or smaller than:</p> <p>(i) 40 % on an exposure value-weighted average basis for the portfolio where the exposures are loans secured by residential mortgages or fully guaranteed residential loans, as referred to in <i>point</i> (e) of Article 129(1);</p> <p>(ii) 50 % on an individual exposure basis where the exposure is a loan secured by a commercial mortgage;</p>	<p>2. (b) at the time of their inclusion in the securitisation, the underlying exposures meet the conditions for being assigned, under the Standardised Approach and taking into account any eligible credit risk mitigation, a risk weight equal to or smaller than:</p> <p>(i) 40 % on an exposure value-weighted average basis for the portfolio where the exposures are loans secured by residential mortgages or fully guaranteed residential loans, as referred to in <i>point</i> (e) of Article 129(1);</p> <p>(ii) 50 % on an individual exposure basis where the exposure is a loan secured by a commercial mortgage;</p>	<p>2 (b) (i) applies.</p> <p>See “<i>Portfolio Conditions</i>” in OVERVIEW OF THE TRANSACTION, where it is stated that &lt;&lt;<i>As of the Selection Date, the Home Loans offered for sale to the Issuer shall comply with the LTV Criteria, the RWA Limit and the Borrower Concentration (together the “Portfolio Conditions”), where: [...]</i></p> <p>(b) “<i>RWA Limit</i>” refers to the following limit: the weighted average of the Home Loans risk weights under the Standardised Approach (as defined in the Capital Requirements Regulations) is equal to or smaller than 40%; [...]&gt;&gt;</p>		<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p>
<p>(iii) 75 % on an individual exposure basis where the</p>	<p>(iii) 75 % on an individual exposure basis where the</p>			

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<p>exposure is a retail exposure;</p> <p>(iv) for any other exposures, 100 % on an individual exposure basis;</p>	<p>exposure is a retail exposure;</p> <p>(iv) for any other exposures, 100 % on an individual exposure basis;</p>			
<p>(c) where points (b)(i) and (b)(ii) apply, the loans secured by lower ranking security rights on a given asset shall only be included in the securitisation where all loans secured by prior ranking security rights on that asset are also included in the securitisation;</p>	<p>3. (c) where points (b)(i) and (b)(ii) apply, the loans secured by lower ranking security rights on a given asset shall only be included in the securitisation where all loans secured by prior ranking security rights on that asset are also included in the securitisation;</p>	<p>The Prospectus clarifies that the Home Loans are either secured by a (first ranking) Mortgage or by a Home Loan Guarantee (see Home Loan Eligibility Criteria §(g) and the definition of “Mortgage”).</p>		<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p>
<p>(d) where point (b)(i) of this paragraph applies, no loan in the pool of underlying exposures shall have a loan-to-value ratio higher than 100 %, at the time of inclusion in the securitisation, measured in accordance with point (d)(i) of Article 129(1) and Article 229(1).</p>	<p>4. (d) where point (b)(i) of this paragraph applies, no loan in the pool of underlying exposures shall have a loan-to-value ratio higher than 100 %, at the time of inclusion in the securitisation, measured in accordance with point (d)(i) of Article 129(1) and Article 229(1).</p>	<p>See Eligibility Criteria, §(i) and (j), requiring for a loan to be eligible that, respectively,</p> <p>&lt;&lt;(i) the Current LTV of the Home Loan is no more than one hundred per cent. (100%);&gt;&gt; and</p>		<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p>



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		<p>&lt;&lt;(j) the Current Indexed LTV of the Home Loan is no more than one hundred per cent. (100%);&gt;&gt;</p> <p>See also definitions of Current LTV and Current Indexed LTV:</p> <p>&lt;&lt;<b>Current LTV</b> means, on the Selection Date, in relation to any Home Loan and the related financed property, the ratio of the aggregate Outstanding Principal Balances of all the Home Loans financing such property on such date over the Original Market Value of such property.&gt;&gt; and</p> <p>&lt;&lt;<b>Current Indexed LTV</b> means, on the Selection Date, in relation to any Home Loan and the related financed property, the ratio of the aggregate Outstanding Principal Balances of all the Home</p>		

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		<i>Loans financing such property on such date over the Indexed Valuation of such property.&gt;&gt;.</i>		