STS Term Verification Checklist

BPL Mortgages S.r.l.

(SMEs Restructuring 2025)

PRIME COLLATERALISED SECURITIES (PCS) EU SAS

10 February 2025

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

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

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

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

10 February 2025

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PRIME COLLATERALISED SECURITIES (PCS) - STS Verification

Individual(s) undertaking the assessment	Daniele Vella
Date of Verification	10 February 2025
The transaction to be verified (the "Transaction")	**BPL Mortgages S.r.l. (SMEs Restructuring)**

Issuer	BPL Mortgages S.r.l.
Originator	Banco BPM S.p.A.
Arranger	Banco BPM S.p.A.
Transaction Legal Counsel	Studio Legale Tributario EY
Rating Agencies	DBRS and Moody's
Admission to trading	Euronext Access Milan Professional
Closing Date	10 February 2025

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/guarantors, 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

The originator of the receivables of this transaction is Banco BPM S.p.A. ("**BPM**"), including the two banks which merged to create Banco BPM itself as of 1 January 2017, being Banca Popolare di Milano S.c.a.r.l and Banco Popolare Società Cooperativa (see Section "The Master Portfolio").

See also the Additional Information Memorandum, Section headed "Banco BPM" for details on the Originator.

As for the assignment of title, see section headed "SELECTED ASPECTS OF ITALIAN LAW – (c) The Assignment" where it is stated, that

<<*The assignment of the receivables under the Securitisation Law is governed by article 58 paragraphs 2, 3 and 4 of the Consolidated Banking Act. The prevailing interpretation of this provision, which view has been strengthened by article 4 of the Securitisation Law, is that the assignment can be perfected against the assignor, the debtors in respect of the receivables and third party creditors by way of the Publication and the Registration, so avoiding the need for notification to be served on each debtor. On the date of the Publication and of the Registration, the assignment becomes enforceable against:*

(i) the debtors in respect of the receivables and any creditors of the assignor who have not commenced enforcement proceedings in respect of the relevant receivables prior to the date of publication of the notice and registration in the Companies Register, (…);

(ii) the liquidator or other bankruptcy official of the debtors in respect of the receivables (…); and

(iii) other permitted assignees of the assignor who have not perfected their assignment prior to the date of Publication and of Registration.

The benefit of any privilege, guarantee or security interest guaranteeing or securing repayment of the assigned receivables will automatically be transferred to and perfected with the same priority in favour of the Issuer, without the need for any formality or annotation.

With effect from the date of the Publication and of the Registration, no legal action may be brought against the receivables assigned or the sums derived therefrom other than for the purposes of enforcing the rights of the holders of the notes issued for the purpose of financing the acquisition of the relevant receivables and to meet the costs of the transaction. (…)>>.

See "THE TRANSFER AGREEMENTS", where it is stated that

<<1. Transfer of the Receivables

Pursuant to the terms of the Initial Transfer Agreement, the Issuer acquired on the Initial Transfer Date from Banco BPM without recourse (pro soluto) the Initial Portfolio and any other connected rights arising out of the Loans.

Pursuant to the terms of the Additional Transfer Agreement, the Issuer acquired on the Additional Transfer Date from Banco BPM without recourse (pro soluto) the Subsequent Portfolio and any other connected rights arising out of the Loans.>>.

Confirmation of true sale i.e. enforceability of assignment, an assessment of the re-characterisation risks is made in the legal opinion issued by the relevant Transaction Legal Counsels in respect of the both the sale of the Initial Portfolio and of the Subsequent Portfolio.

Originally, "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 creditors 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.

In the case of the Transaction, title to the assets were transferred by means of the assignment from certain Italian banks to an Italian SPV.

Further, the legal opinions from the law firm Baker Mc Kenzie, providing legal assistance for the transaction in respect of the transfer of the Initial Portfolio and the legal opinion of the Transaction Legal Counsel confirmed that the assignments by BPM to the Issuer meet (or met, at the time of transfer) the definition of "true sale" outlined above.

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 Originators' jurisdiction for the purposes of insolvency law. This would be their centre of main interest ("**COMI**") or their "**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 (and each of the other original lenders was) incorporated in Italy and authorised as a bank, and operates through a branch network in Italy (see "Banco BPM" confirming that <<The majority of the Group's activities are based in Italy. Outside of Italy, the Group has foreign operations in Switzerland, China and India.>> and Section "COMPLIANCE WITH STS REQUIREMENTS" §(b) confirming that:

<<(b) for the purpose of compliance with articles 20(2) and 20(3) of the Securitisation Regulation, under the Intercreditor Agreement the Originator has represented that it is a credit institution (as defined in article 1.1 of Directive 2000/12/EC) with 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 4, point (43) of the CRR) in the Republic of Italy; therefore, the Originator would be subject to Italian insolvency laws that do not contain severe clawback provisions;>>.

See also the following statement in the Intercreditor Agreement:

<<4.5 Securitisation Regulation

In order to satisfy the requirements provided for by articles 20(1), 20(10) and 21(8) of the Securitisation Regulation, Banco BPM, in its capacity as Originator and Servicer, confirms that:

(a) it is a credit institution (as defined in Article 4, paragraph 1, point (1) of the CRR) with 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 4, paragraph 1, point (43) of the CRR) in the Republic of Italy;>>.

Therefore, its COMI and its home member state are the Republic of Italy, which does not contemplate severe clawback provisions.

Italian insolvency law, indeed, provides 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 in the Additional Information Memorandum, the transfer of the Receivables is not, in our view, subject to "severe clawback".

Finally, in respect of re-characterisation risks, PCS is sufficiently satisfied that the transfer of the receivables under the Transfer Agreements constitutes a transfer of assets effected on a non-recourse basis (*pro-soluto*) by the Originator (or the other original lenders which merged into the Originator) to the Issuer rather than the incurring of a debt by the same, or the granting of a charge or other security interest by the same. Such a re-characterisation is deemed a remote risk because the transaction does not have the features of a loan, as also outlined in the Legal Opinions.

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	

	The COMI and home member state of the Originator is the Republic of Italy and Italian insolvency laws do not contain severe claw back provisions as referred to in Article 20(2) of the STS Regulation (see the statement in Information Memorandum, Section "COMPLIANCE WITH STS REQUIREMENTS" §1(b)): *<<(b) for the purpose of compliance with articles 20(2) and 20(3) of the Securitisation Regulation, under the Intercreditor Agreement the Originator has represented that it is a credit institution (as defined in article 1.1 of Directive 2000/12/EC) with 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 4, point (43) of the CRR) in the Republic of Italy; therefore, the Originator would be subject to Italian insolvency laws that do not contain severe clawback provisions;>>.* None of the provision set out in Article 20(2) and Article 20(3) of the STS Regulation applies, and the Legal Opinion provides comfort on this. Clawback of the sales of the receivables does not constitute severe clawback risks because in all cases of claw back, in addition to the "suspect period", Italian law provides that other circumstances have to be met to allow claw back. These are, as the case may be, the purchase at undervalue and the awareness of the insolvency of the relevant seller. BPM has provided the Issuer with the customary comforts on its solvency (see, lately, clause 6.11 of the Transfer Agreement dated 16 December 2024). Furthermore, pursuant to the Intercreditor Agreement, (see Schedule 2 /Part I /4 Solvency) the Originator has also represented that it is solvent: *<<No Insolvency Event has occurred in respect of the Originator.>>.*

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 Loans have been originated by the Originator (or by banks that merged into it) that is also the seller to the Issuer under the Initial Transfer Agreement and the Additional Transfer Agreement. See the statements in section "COMPLIANCE WITH STS REQUIREMENTS", §1(c), and on similar terms in Section "THE MASTER PORTFOLIO", which provide details on the origination and transfers occurred, confirming that the relevant loans were all originated by the Originator itself or the two banks that merged into it: *<<(c) with respect to article 20(4) of the Securitisation Regulation, the Receivables arise from Loans granted by the Originator and by Banca Popolare di Milano S.c.a.r.l. or Banco Popolare Società Cooperativa which have been merged into Banco BPM. Consequently, the requirement provided for under article 20(4) of the Securitisation Regulation is met on the Originator. For further details, see the sections headed "The Master Portfolio" and "Banco BPM";>>.* PCS was also provided with the true sale legal opinions related to the transfers of the portfolios. Under Italian law, following a merger, the resulting company is the full successor of the two original merging companies. Therefore, the statements that are rendered by the Originator and that are referred to a time preceding the merger, should be read as referred to the two original entities that merged into it. PCS considers that any transfer occurred by way of "universal succession" (i.e. the specified event of "merger (*fusione*)), do not imply any specific claw-back risk if made on market conditions. In this respect it is also noted that the	

	Originator has confirmed that <<*to its knowledge, it is not involved in any litigation the outcome of which might jeopardise, its ability to perform the obligations under the Transaction Documents to which it is a party.*>> (see "RISK FACTORS RELATED TO THE UNDERLYING ASSETS - Legal proceedings". See also the statement in §1(i) of Section "COMPLIANCE WITH STS REQUIREMENTS": <<*(i) for the purpose of compliance with article 20(10) of the Securitisation Regulation, under the Warranty and Indemnity Agreement the Originator has represented and warranted that: (i) the Receivables have been originated by it in the ordinary course of its business; (ii) as at each Valuation Date and each Transfer Date, the Receivables comprised in the Master Portfolio have been originated by the Originator in accordance with credit policies that are not less stringent than the credit policies applied by the Originator at the time of origination to similar exposures that are not assigned under the Securitisation; (…)*>>.

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 affect 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	**STS Criteria** 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: (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.	**Verified?** **YES**
	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. 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 to perfect the transfer of the legal title to such Receivables from the Originator to the Issuer. When a notice of assignment is duly published on the Italian Official Gazette and the registration with the company's register is completed, this is sufficient to obtain the enforceability of the assignment vis-à-vis third parties. As for the enforceability vis-à-vis each single Debtor, this is not a true sale concern. However, those formalities (publication and registration) prevent Debtors from set-off: see in this respect the following statement contained in Risk Factors: <<*Rights of Set-off (compensazione) and other rights of the Debtors - (…) Decree No. 145 came into force providing that "from the date of the publication of the notice of the assignment in the Official Gazette or from the date certain at law on which the purchase price has been paid, even in part, (…) in derogation from any other provisions, the relevant assigned debtors may*	

	not set-off the receivables purchased by the securitisation company with such debtors' receivables vis-à-vis the assignor arisen after such date.". The transfer of the Initial Portfolio from Banco BPM to the Issuer has been (i) registered on the Companies Register of Treviso-Belluno on 31 March 2022, and (ii) published in the Official Gazette No. 38, Part II, of 2 April 2022. The transfer of the Subsequent Portfolio from Banco BPM to the Issuer has been (i) registered on the Companies Register of Treviso-Belluno on 18 December 2024, and (ii) published in the Official Gazette No. 149, Part II, of 19 December 2024. *Under the terms of the Warranty and Indemnity Agreement, the Originator has agreed to indemnify the Issuer in respect of any reduction in amounts received by the Issuer in respect of the Master Portfolio as a result of the exercise by any relevant Debtor of a right of set-off.>>.* The Italian legal opinion and the Additional Information Memorandum confirm that an individual notification to the Debtors is not required to fully perfect the transfer of ownership in the Receivables to the SSPE. Although a communication to the Borrowers is required to comply with Italian regulatory requirements, a 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 Transfer Agreements, nor their enforceability against any third party. Accordingly, this transaction does not operate by way of an unperfected assignment and perfection 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 statement in section "COMPLIANCE WITH STS REQUIREMENTS", paragraph 1(e), confirming that: *<<(e) with respect to article 20(6) of the Securitisation Regulation, under the Warranty and Indemnity Agreement the Originator has represented and warranted that, as at each Valuation Date and each Transfer Date, each Receivable is fully and unconditionally owned and available directly to the Originator and, to the best of its knowledge, is not subject to any lien (pignoramento), seizure (sequestro) or other charge in favour of any third party (except any charge arising from the applicable mandatory law) or otherwise in a condition that can be foreseen to adversely affect the enforceability of the transfer of the Receivables under the relevant Transfer Agreement and is freely transferable to the Issuer;>>.* See in particular the following R&W, set out in Clause 3.2.1(xxii) of the Warranty and Indemnity Agreement: *<<(xxii) Alla relativa Data di Cessione, ciascun Credito è integralmente e incondizionatamente di titolarità e nella disponibilità della Banca Cedente e non soggetto ad alcun vincolo di pignoramento o di sequestro, né ad altri gravami a favore di terzi, ed è liberamente cedibile alla SPV. Alla Banca Cedente spetta l'esclusiva e libera titolarità di tutti i Mutui e dei Crediti. La Banca Cedente non ha proceduto a cedere (né a pieno titolo, né a titolo di garanzia), a dare in comunione, a trasferire o comunque ad alienare alcuno dei Mutui o dei Crediti, né ha comunque creato o consentito che altri creassero o costituissero alcun vincolo, pegno, gravame o altro diritto, pretesa o qualunque diritto reale o personale a favore di terzi su uno o più Mutui o Crediti. (...)>>.*	

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.

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

PCS Comments

The Master Portfolio has been acquired by means of two separate Transfer Agreements: the Initial Transfer Agreement and the Additional Transfer Agreement. In both cases, the selection of the two portfolios was made in accordance with eligibility criteria, clearly documented in the relevant transfer documents.

In addition, in the context of the Restructuring the Issuer transferred back to the Originator some of the receivables that proved not fully compliant with the requirements for a new securitisation transaction.

See the following statement in "THE MASTER PORTFOLIO - Introduction":

<<Pursuant to the terms of the Initial Transfer Agreement the Issuer purchased from Banco BPM without recourse (pro soluto) the Initial Portfolio and other connected rights arising out of the Loans on the Initial Transfer Date in accordance with Securitisation Law.

The relevant Receivables were selected as at the Initial Valuation Date on the basis of the relevant Criteria included in the Initial Information Memorandum under the Section "The Portfolio" and which were published on 2 April 2022 in No. 38 Part II of the Italian Official Gazette (Gazzetta Ufficiale della Repubblica Italiana) and registered with the competent companies' register on 31 March 2022 as required under the Securitisation Law.

Pursuant to the terms of the Additional Transfer Agreement the Issuer purchased from Banco BPM without recourse (pro soluto) the Subsequent Portfolio and other connected rights arising out of the Loans on the Additional Transfer Date in accordance with Securitisation Law.

The relevant Receivables have been selected as at the Additional Valuation Date on the basis of the relevant Criteria set out below and which are set out below and which were published on 19 December 2024 in No. 149 Part II of the Italian Official Gazette (Gazzetta Ufficiale della Repubblica Italiana) and registered with the competent companies' register on 18 December 2024 prot. 168328/2024 as required under the Securitisation Law.

In the context of the Restructuring, pursuant to the terms of the Repurchase Agreement, the Issuer transferred to the Originator the Receivables which as at the Additional Valuation Date:

(i) were classified as non performing loans; and/or

(ii) did not comply with the characteristics required by the ECB regulations on Eurosystem refinancing operations in order for the Series 2025 Notes to be eligible collateral for ECB liquidity and/or open market transactions; and/or

(iii) did not comply with the characteristics required by the Securitisation Regulation in order for the Securitisation to be labelled as "STS compliant"; and/or

(iv) did not comply with the characteristics required by article 243 of the CRR in order for the Securitisation to be qualified as eligible for the treatment set out in articles 260, 262 and 264 of the CRR.>>.

See the eligibility criteria set out in the Information Memorandum, Section "THE MASTER PORTFOLIO" detailing the Criteria that have been used for the acquisition of the Additional Portfolio that is included in the currently existing Master Portfolio. The transfers have been made in accordance with the Securitisation law and "as a block", in accordance with Article 58 of the Italian Consolidated Banking Act. The two Portfolios that constitute the Master Portfolio were selected based on similar eligibility criteria, as described in the Additional Information Memorandum section headed "THE TRANSFER AGREEMENTS".

	It is also noted that some receivables which would otherwise meet the selection criteria have been excluded from the transferred portfolios. This exclusion has been carried out by means of an individual selection based on a specific identification number included in the relevant loan agreement or, in relation to the initial portfolios, by including some general exclusion criteria. In this respect, however, the Originator confirmed that the selection of the Receivables (including therefore the exclusions made) has been done in compliance with Article 6(2) of the STS Regulation, therefore without purposes of an improper cherry picking, by including the following R&W, as detailed in the Additional Information Memorandum and in Clause 4.2(b) of the Intercreditor Agreement: *<<(b) In addition, the Originator has warranted and undertaken that: (…) (ii) it has not selected the Receivables with the aim of rendering losses on the Receivables transferred to the Issuer higher than the losses on comparable receivables held on the balance sheet of the Originator, pursuant to article 6(2) of the Securitisation Regulation.>>.* 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 Information Memorandum, in the Transfer Agreements and in the repurchase agreement. As they are mandatory, they meet the "predetermined" requirement. As they are in the transaction documentation, they meet the "documented" requirement. PCS has also concluded that they allow determination in each case and so meet the "clear" requirement.	
7	**STS Criteria** 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 See statement of non-applicability of active management in the Information Memorandum, §(f) of "COMPLIANCE WITH STS REQUIREMENTS" whereby it is stated that: *<<(f) for the purpose of compliance with article 20(7) of the Securitisation Regulation, the disposal of Receivables from the Issuer is permitted solely following the delivery of a Issuer Acceleration Notice, in accordance with Condition 11.4 (Enforcement - Disposal of the Master Portfolio following the delivery of an Issuer Acceleration Notice) and with the relevant provisions of the Intercreditor Agreement, provided that the Originator under the Transaction Documents has (i) an option right connected with the purchase of the Master Portfolio in accordance with the Transfer Agreements only for the purpose of paying the amounts required under the applicable Priority of Payments for the redemption of the Notes; (ii) an option right connected with the purchase of single Receivables pursuant to the Servicing Agreement in order for the Originator to avoid discrimination between its borrowers and the Debtors and (iii) the option to sell, in its capacity of Servicer, Defaulted Claims pursuant to the Servicing Agreement in order to maxim the recovery on such claims in the exclusive interest of the Noteholders. Therefore, none of the Transaction Documents provide for (i) a portfolio management which makes the performance of the Securitisation dependent both on the performance of the Receivables and on the performance of the portfolio management of the Securitisation, thereby preventing any investor in the Notes from modelling the credit risk of the Receivables without considering the portfolio management strategy of the Servicer; or (ii) a portfolio management which is performed for speculative purposes aiming to achieve better performance, increased yield, overall financial returns or other purely financial or economic benefit. In addition, there are no exposures that can be sold to the Issuer after the Additional Issue Date (for further details, see the sections headed "The Transfer Agreements", "The Servicing Agreement" and "The Intercreditor Agreement");>>.* See also the Section "THE TRANSFER AGREEMENTS - 9. Repurchase of the Receivables". For the purpose of verifying compliance with this requirement, PCS has also considered with particular attention the provisions of the Servicing Agreement (see Clause 3.4 (*Riacquisto dei Crediti*)) that contemplate the possibility of BPM to repurchase Receivables for the purpose of maintaining good relationships with its clients and avoid undue discriminations between securitised and unsecuritised debtors. Those contractual provisions are not to be considered forms of active portfolio management for the purpose of this requirement, being rather purchases made in the context of the ordinary servicing activities and are not prejudicial to the Noteholders, given that: (i) they are subject to a specified purpose; (ii) the purchase price payable to the SPV will be equal to principal and accrued interest; and (iii) the overall repurchases may not exceed specified thresholds.	

	The EBA Guidelines set out seven devices to repurchase securitised assets which are not to be considered indicative of "active portfolio management". To the extent that a transaction only contains some or all of those seven devices and does not provide any other form of repurchase, then the STS criterion will be met. If the transaction should contain a repurchase device that is not included in the EBA's list, then an analysis will need to be conducted as to whether this additional device offends against the principles set out in the EBA Guidelines (15.a and b) as defining "active portfolio management". *PCS has reviewed the repurchase devices set out in the transaction documentation and each is one of the seven allowable repurchase devices or does not have the features of active management. PCS also notes that there is an explicit affirmative statement in the Information Memorandum to the effect that no active management of the assets backing the Transaction applies.*

8	**STS Criteria** 8. Exposures transferred to the SSPE after the closing of the transaction shall meet the eligibility criteria applied to the initial underlying exposures.	**Verified?** **YES**
	PCS Comments This is not a revolving transaction, so this requirement does not apply.	

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

9	**STS Criteria** 9. The securitisation shall be backed by a pool of underlying exposures that are homogeneous in terms of asset type, taking into account the specific characteristics relating to the cash flows of the asset type including their contractual, credit risk and prepayment characteristics. A pool of underlying exposures shall only comprise one asset type.	**Verified?** **YES**
	PCS Comments See §1(g) of the section headed "COMPLIANCE WITH STS REQUIREMENTS", where it is stated as follows: *<<(g) for the purpose of compliance with article 20(8) of the Securitisation Regulation, pursuant to the Warranty and Indemnity Agreement the Originator has represented and warranted that, as at each Valuation and each Transfer Date, the Receivables are homogeneous in terms of asset type, taking into account the specific characteristics to the cash flows of the asset type including their contractual, credit-risk and prepayment characteristics, given that: (i) the Receivables have been originated by (i) the Banco BPM and (ii) by Banca Popolare di Milano S.c.a.r.l and Banco Popolare Società Cooperativa, which have been merged into Banco BPM, as Originator in accordance with all similar loan disbursement policies which apply same approaches to the assessment of credit risk associated with the Receivables; (ii) the Receivables have been serviced by the Originator according to similar servicing procedures; (iii) the Receivables arise from Loans granted to the Debtors which are SMEs and therefore fall in the asset type named "credit facilities, including loans and leases, provided to any type of enterprise or corporation" provided under article 1(a)(iv) of the Commission Delegated Regulation (EU) 2019/1851 (the "Commission Delegated Regulation on Homogeneity") and meet the homogeneity factors set out under article 2(3)(a)(i) and 2(3)(b)(ii) of the Commission Delegated Regulation on Homogeneity (i.e. obligors are micro-, small- and medium-sized enterprises and the obligors are resident in the same jurisdiction). In addition, (…)>>.*	

	The definition of "homogeneity" in the Regulation is the subject of a Regulatory Technical Standard ("RTS"). Being set out in an RTS, rather than a guideline or recommendation issued by the EBA, the definition of "homogeneity" is legally binding on all regulatory authorities. In interpreting the expression, PCS has based itself on the text of the Regulation, its knowledge of the intent of the legislators – including, crucially, the legislators' belief that the STS Regulation was justified by the excellent performance of most "plain vanilla" European securitisations and the draft RTS adopted by the European Commission. Based on the above, it seems clear to PCS that the Regulation would not seek to exclude from the STS category securitisations that have performed extremely well and are universally considered "homogenous" by market participants. This does not exonerate any transaction from being analysed against this criterion but does set the background for such analysis. In the Transaction, the loan contracts were underwritten on a similar basis, they are originated by Banco BPM or by the two original banks that merged into the Originator and being serviced by Banco BPM according to similar servicing procedures, they are a single asset class – "credit facilities, including loans and leases, provided to any type of enterprise or corporation" – and are all originated in the same jurisdiction. See also the following statement in paragraph "Main characteristics of the Master Portfolio": <<*The Loans include only loans granted to the Debtors and classified as:* *(a) Mortgage Loans;* *(b) Mutui Fondiari;* *(c) Mutui Agrari; and* *(d) other unsecured Loans;* *in any event no residential mortgage loans are included in the Master Portfolio.*>>. The Warranty and Indemnity Agreement contains specific R&Ws confirming this (see Clause 3.2.2(ii) of the Warranty and Indemnity Agreement, as amended). In respect of the stratification table headed "Geografical Distribution", PCS received confirmation from BPM that it relates to the nationality of the Debtors and not to their residence, which in all cases is in Italy. This requirements is therefore satisfied.

10	**STS Criteria** 10. The underlying exposures shall contain obligations that are contractually binding and enforceable.	**Verified?** **YES**
	PCS Comments See the statement in §1(g) of Section "COMPLIANCE WITH STS REQUIREMENTS": <<*(…) In addition, under the Warranty and Indemnity Agreement the Originator has represented and warranted that (i) as at each Valuation Date and each Transfer Date, the Receivables comprised in the Master Portfolio contain obligations that are contractually binding and enforceable with full recourse to the Debtors and, where applicable, the Guarantors; (…)*>>.	

	See the also the following R&W, contained in Section "THE WARRANTY AND INDEMNITY AGREEMENT - 4. Specific representations and warranties on the STS compliance and the Securitisation Regulation" *<<(iii) as at the relevant Valuation Date, the Receivables contain obligations that are contractually binding and enforceable, with full recourse to the Debtors and guarantors, pursuant to article 20(8), first paragraph, of the Securitisation Regulation and the EBA Guidelines on STS Criteria;>>.* The R&W above is contained in the following clause of the Warranty and Indemnity Agreement: *<<(iii) I Crediti danno luogo ad obbligazioni vincolanti per contratto e opponibili con pieno diritto di rivalsa nei confronti dei Debitori Ceduti e, se del caso, dei relativi Garanti, ai sensi dell'articolo 20(8) del Regolamento sulle Cartolarizzazioni e degli Orientamenti EBA sui Requisiti STS.>>*	
11	**STS Criteria** 11. With full recourse to debtors and, where applicable, guarantors.	**Verified?** **YES**
	PCS Comments See the statements quoted in comments to point 10 above and the reference to "pieno diritto di rivalsa", meaning "full recourse".	

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 the statement in §1(g) of Section "COMPLIANCE WITH STS REQUIREMENTS": <<(…) In addition, under the Warranty and Indemnity Agreement the Originator has represented and warranted that (i) (…); (ii) the Loans provide for a repayment through constant instalments as determined in the relevant Loan Agreement; (…)>>. See §(11) of the eligibility criteria, as set forth in the Section "THE MASTER PORTFOLIO – Criteria", which requires a French or Italian amortisation plan. See also the comments to point 32 below.	
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.	

	See also the definition of Receivables contained in the Additional Information Memorandum, setting out the rights and the cash flows transferred to the Issuer, which include, monetary claims arising from principal, interest, indemnities and other amounts.

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

14	**STS Criteria** 14. The underlying exposures shall not include transferable securities, as defined in Article 4(1), point 44 of Directive 2014/65/EU of the European Parliament and of the Council other than corporate bonds, provided that they are not listed on a trading venue.	**Verified?** **YES**
	PCS Comments See the following statement in section "COMPLIANCE WITH STS REQUIREMENTS": *<<(g) (…) In addition, under the Warranty and Indemnity Agreement the Originator has represented and warranted that (…); and (iii) as at each Valuation Date and each Transfer Date, the Master Portfolio does not comprise any transferable securities, as defined in point (44) of article 4(1) of Directive 2014/65/EU (for further details, see the sections headed "The Master Portfolio" and "The Warranty and Indemnity Agreement");>>.* See also the Eligibility Criteria set out in the section "THE MASTER PORTFOLIO", which do not contemplate transferable securities as eligible assets. Based on the Eligibility Criteria, the exposures include only claims complying with such criteria and therefore they do not include transferable securities or any securitisation positions. Accordingly, the Securitisation is not a re-securitisation.	

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 in "COMPLIANCE WITH STS REQUIREMENTS", §(h): *<<(h) for the purpose of compliance with article 20(9) of the Securitisation Regulation, under the Warranty and Indemnity Agreement the Originator has represented and warranted that, as at each Valuation Date and each Transfer Date, the Master Portfolio does not comprise any securitisation positions (for further details, see the sections headed "The Master Portfolio" and "The Warranty and Indemnity Agreement");>>.* See also the Eligibility Criteria set out in the section "THE MASTER PORTFOLIO", which do not contemplate securitisation positions as eligible assets.	

	Based on the Eligibility Criteria, the exposures include only claims complying with such criteria and therefore they do not include transferable securities or any securitisation positions. Accordingly, the Securitisation is not a re-securitisation.

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 following statement in "COMPLIANCE WITH STS REQUIREMENTS", §(i): *<<(i) for the purpose of compliance with article 20(10) of the Securitisation Regulation, under the Warranty and Indemnity Agreement the Originator has represented and warranted that: (i) the Receivables have been originated by it in the ordinary course of its business; (ii) as at each Valuation Date and each Transfer Date, the Receivables comprised in the Master Portfolio have been originated by the Originator in accordance with credit policies that are not less stringent than the credit policies applied by the Originator at the time of origination to similar exposures that are not assigned under the Securitisation; (iii) the Originator has assessed the Debtors' creditworthiness in compliance with the requirements set out in article 8 of Directive 2008/48/EC or in article 18, paragraphs from 1 to 4 , paragraph 5, letter (a), and paragraph 6 of Directive 2014/17/UE and point 33 of the EBA Guidelines on the STS Criteria, to the extent applicable taking into consideration the nature of the Loans; (iv) the Originator has a more than 5 (five) year-expertise in originating exposures of a similar nature to the Receivables. In addition, since no exposure will be sold to the Issuer after the Additional Issue Date, the Originator shall not be held to disclose without undue delay any material changes from prior underwriting standards (for further details, see the sections headed "The Master Portfolio" and "The Warranty and Indemnity Agreement");>>.* See also the R&W in Clause 3.2.2, letter (vi) of the Warranty and Indemnity Agreement(s) confirming origination in the ordinary course of business of Banco BPM: *<<(vi) I Crediti sono stati originati da Banco BPM nella propria ordinaria attività, fermo restando che Banco BPM esercita l'attività di concessione di finanziamenti e sottoscrizione di esposizioni analoghe ai Crediti da più di 5 (cinque) anni, ai sensi dell'articolo 20(10) del Regolamento sulle Cartolarizzazioni e degli Orientamenti EBA sui Requisiti STS.>>.*	
17	**STS Criteria** 17. Pursuant to underwriting standards that are no less stringent than those that the originator or original lender applied at the time of origination to similar exposures that are not securitised.	**Verified?** **YES**
	PCS Comments See statements mentioned in comments to point 16 above. See also point 9 above: the loan contracts were underwritten on a similar basis although they are originated by Banco BPM (or by the two original banks that merged into it). This is confirmed in §1(g) of the section headed "COMPLIANCE WITH STS REQUIREMENTS", where it is stated as follows: *<<(g) for the purpose of compliance with article 20(8) of the Securitisation Regulation, pursuant to the Warranty and Indemnity Agreement the Originator has represented and warranted that, as at each Valuation and each Transfer Date, the Receivables are homogeneous in terms of asset type, taking into account the specific characteristics to the cash flows of the asset type including their contractual, credit-risk and prepayment characteristics, given that: (i) the Receivables have been originated by (i) the Banco BPM and (ii) by Banca Popolare di Milano*	

	S.c.a.r.l and Banco Popolare Società Cooperativa, which have been merged into Banco BPM, as Originator in accordance with all similar loan disbursement policies which apply same approaches to the assessment of credit risk associated with the Receivables; (…)>>.

Article 20.10. The underwriting standards pursuant to which the underlying exposures are originated and any material changes from prior underwriting standards shall be fully disclosed to potential investors without undue delay.		
18	**STS Criteria** 18. The underwriting standards pursuant to which the underlying exposures are originated and any material changes from prior underwriting standards shall be fully disclosed to potential investors without undue delay.	**Verified?** **YES**
	PCS Comments The transaction is not revolving, therefore changes to the underwriting standards which occur after the Additional Issue Date will not be relevant. See also the statement in §1(i) of Section "COMPLIANCE WITH STS REQUIREMENTS": *<<(i) for the purpose of compliance with article 20(10) of the Securitisation Regulation, under the Warranty and Indemnity Agreement the Originator has represented and warranted that: (i) the Receivables have been originated by it in the ordinary course of its business; (ii) as at each Valuation Date and each Transfer Date, the Receivables comprised in the Master Portfolio have been originated by the Originator in accordance with credit policies that are not less stringent than the credit policies applied by the Originator at the time of origination to similar exposures that are not assigned under the Securitisation; (…) In addition, since no exposure will be sold to the Issuer after the Additional Issue Date, the Originator shall not be held to disclose without undue delay any material changes from prior underwriting standards (for further details, see the sections headed "The Master Portfolio" and "The Warranty and Indemnity Agreement"); (…);>>.* As for the procedures used for granting the Mortgage Loans included in the Master Portfolio, see the statements in point 16 above and Section "THE CREDIT AND COLLECTION POLICY – Credit policies" of the new Information Memorandum and, on similar terms for the Initial Portfolio, of the Initial Information Memorandum dated 26 April 2022.	

Article 20.10. In the case of securitisations where the underlying exposures are residential loans, the pool of loans shall not include any loan that was marketed and underwritten on the premise that the loan applicant or, where applicable intermediaries, were made aware that the information provided might not be verified by the lender.		
19	**STS Criteria** 19. In the case of securitisations where the underlying exposures are residential loans, the pool of loans shall not include any loan that was marketed and underwritten on the premise that the loan applicant or, where applicable intermediaries, were made aware that the information provided might not be verified by the lender.	**Verified?** **YES**
	PCS Comments This requirement does not apply to SME receivables as in this case.	

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** 20. The assessment of the borrower's creditworthiness shall meet the requirements set out in Article 8 of Directive 2008/48/EC or paragraphs 1 to 4, point (a) of paragraph 5, and paragraph 6 of Article 18 of Directive 2014/17/EU or, where applicable, equivalent requirements in third countries.	**Verified?** **YES**
	PCS Comments See §1(i) of section headed "COMPLIANCE WITH STS REQUIREMENTS" where it is represented that: *<<(i) (…) (iii) the Originator has assessed the Debtors' creditworthiness in compliance with the requirements set out in article 8 of Directive 2008/48/EC or in article 18, paragraphs from 1 to 4 , paragraph 5, letter (a), and paragraph 6 of Directive 2014/17/UE and point 33 of the EBA Guidelines on the STS Criteria, to the extent applicable taking into consideration the nature of the Loans;>>*. See also points 9 and 17 above for details on the origination of a portion of the Master Portfolio by two original banks that merged into the Originator and confirmation that similar credit assessment procedures were used. Based on the above considerations, PCS is prepared to consider this requirement satisfied.	

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

21	**STS Criteria** 21. The originator or original lender shall have expertise in originating exposures of a similar nature to those securitised.	**Verified?** **YES**
	PCS Comments See the information on the experience of the Originator and the two banks that merged into it, as contained in "BANCO BPM". The Originator is a bank authorised in Italy, and is the result of the merger of two major Italian banks, incorporated in cooperative form, into a newly created joint stock company. The merger occurred as of 1 January 2017. See also the specific statement in §1(i) of "COMPLIANCE WITH STS REQUIREMENTS": <<(i) (…) (iv) the Originator has a more than 5 (five) year-expertise in originating exposures of a similar nature to the Receivables (…)>>. PCS notices that, according to the EBA Guidelines, an entity (a bank in this case) originating assets similar to those securitised for at least five years is deemed to have the required "expertise".	

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** 22. The underlying exposures shall be transferred to the SSPE after selection without undue delay…	**Verified?** **YES**

PCS Comments

The selection of the Receivables was made, in respect of each Portfolios, a few weeks before the relevant transfer, which clearly satisfies this requirement.

See the following definitions referring to the "Valuation Date" and the "Transfer Date" of each of the two Portfolios transferred to the SPV over time:

"Initial Transfer Date" means 29 March 2022;

"Initial Valuation Date" means, 00.01 of 14 March 2022;

"Additional Transfer Date" means 16 December 2024;

"Additional Valuation Date" means 8 December 2024;

The transaction is not revolving, so no new Receivables are expected to be selected and sold on an ongoing basis.

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.

The Additional Information Memorandum sets out the relevant dates and these are only few weeks apart. This clearly meets the requirement.

23	**STS Criteria** 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…	**Verified?** **YES**

PCS Comments

See §1(j) of section headed "COMPLIANCE WITH STS REQUIREMENTS", where it is represented that:

<<(j) for the purpose of compliance with article 20(11) of the Securitisation Regulation, (i) the Initial Portfolio has been selected on the Initial Valuation Date and transferred to the Issuer on the Initial Transfer Date and (ii) the Subsequent Portfolio has been selected on the Additional Valuation Date and transferred to the Issuer on the Additional Transfer Date. Under the Warranty and Indemnity Agreement the Originator has represented and warranted that, as at each Valuation Date and each Transfer Date, the Master Portfolio does not include Receivables qualified as exposure 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; or (ii) was, at the time of origination, where applicable, on a public credit registry of persons with adverse credit history available to the Originator; 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 under the Securitisation (for further details, see the sections headed "The Master Portfolio" and "The Warranty and Indemnity Agreement");>>.

In addition, it is noted that pursuant to a Repurchase Agreement the Receivables contained in the Master Portfolio were cleaned-up of the then existing non-performing loans, to comply with this provision also at the Additional Valuation Date in respect of Receivables already transferred to the Issuer as a part of the Initial Portfolio. See in this respect the following statement in "THE MASTER PORTFOLIO":

<<In the context of the Restructuring, pursuant to the terms of the Repurchase Agreement, the Issuer transferred to the Originator the Receivables which as at the Additional Valuation Date:

(i) were classified as non performing loans; and/or

(ii) did not comply with the characteristics required by the ECB regulations on Eurosystem refinancing operations in order for the Series 2025 Notes to be eligible collateral for ECB liquidity and/or open market transactions; and/or

(iii) did not comply with the characteristics required by the Securitisation Regulation in order for the Securitisation to be labelled as "STS compliant"; and/or

(iv) did not comply with the characteristics required by article 243 of the CRR in order for the Securitisation to be qualified as eligible for the treatment set out in articles 260, 262 and 264 of the CRR.>>.

See also the following Eligibility Criteria:

<<(6) performing loans denominated in euros;>>

<<(9) loans whose installments are not more than 30 days overdue as of the Additional Valuation Date;>>

<<(10) loans in respect of which at least one installment has become due and has been paid;>>

<<(15) loans that, from three years prior to the Additional Valuation Date up to the Additional Assignment Date, have not been subject to forbearance measures (as defined in the Bank of Italy's Supervisory Provisions), based on information available at any Banco BPM branch.>>.

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 statements quoted in comments to point 23 above.

The note below applies to points from 24 to 29.

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

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

a. First that the three listed conditions of credit impaired status (set out in article 20.11 (a) to (c) of the Regulation) amount to a full definition of what it means to be "credit impaired". So that it is not necessary to reflect at what the term "credit impaired" could mean above and beyond those three items.

b. Secondly, in relation to entries in a credit registry, the EBA is very clear that the criterion should not be interpreted as excluding debtors with any entry on a credit registry. Providing further guidance, the example given in the EBA Guidelines of a credit registry entry that would not be indicative of a "credit impaired" debtor is the example of a failure to pay that can "reasonably be ignored" for the purposes of credit assessment.

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

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

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

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

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

25	**STS Criteria** 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.	**Verified?** **YES**

PCS Comments

See the statements quoted in comments to point 23 above.

26	**STS Criteria** 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:	**Verified?** **YES**
	PCS Comments See the statements quoted in comments to point 23 above: no recently restructured debtors are meant to be included in the Portfolio.	
27	**STS Criteria** 27. (i) a restructured underlying exposure has not presented new arrears since the date of the restructuring which must have taken place at least one year prior to the date of transfer or assignment of the underlying exposures to the SSPE; and	**Verified?** **YES**
	PCS Comments See the statements quoted in comments to point 23 above: no recently restructured debtors are meant to be included in the Portfolio.	
28	**STS Criteria** 28. (ii) the information provided by the originator, sponsor and SSPE in accordance with points (a) and (e)(i) of the first subparagraph of Article 7(1) explicitly sets out the proportion of restructured underlying exposures, the time and details of the restructuring as well as their performance since the date of the restructuring;	**Verified?** **YES**
	PCS Comments See the statements quoted in comments to point 23 above: no recently restructured debtors are meant to be included in the Portfolio.	

29	**STS Criteria** 29. (b) was, at the time of origination, where applicable, on a public credit registry of persons with adverse credit history or, where there is no such public credit registry, another credit registry that is available to the originator or original lender;	**Verified?** **YES**
	PCS Comments See the statements quoted 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.	**Verified?** **YES**
	PCS Comments See the statements quoted 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.	**Verified?** **YES**

PCS Comments

See the following representation contained in the Intercreditor Agreement, Schedule 2 "REPRESENTATIONS AND WARRANTIES OF THE ORIGINATOR – PART II", paragraph 18, where the Originator represents that:

<<Instalments - In respect of the Loan Agreements, as at the relevant Transfer Date, at least one instalment due thereunder has been paid.>>.

See also §1(k) in section headed "COMPLIANCE WITH STS REQUIREMENTS", where it is stated that:

<<(k) for the purpose of compliance with article 20(12) of the Securitisation Regulation, under the Warranty and Indemnity Agreement, the Originator has represented and warranted that, as at each Valuation Date and each Transfer Date, the Receivables comply with the relevant Criteria and under the Intercreditor Agreement, the Originator represented that the Receivables arise from Loans in respect of which at least one instalment has been paid as at the relevant Transfer Date;>>.

See also the following Eligibility Criterion:

<<10. mutui che abbiano almeno una rata scaduta e pagata;>>.

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 SME receivables, a portion of which (approximately equal to 62% of the Master Portfolio, in terms of Outstanding Principal) are secured by a mortgage over a real estate property (see the table headed "Type of guarantee" in the Section headed "THE MASTER PORTFOLIO").

In respect of compliance with this requirement, see the statement in "COMPLIANCE WITH STS REQUIREMENTS", §(l):

<<(l) for the purpose of compliance with article 20(13) of the Securitisation Regulation, under the Warranty and Indemnity Agreement, the Originator has represented and warranted as at each Valuation Date and each Transfer Date that, in order to determine the creditworthiness of the relevant Debtor, the reimbursement of the outstanding balance of the Loans at maturity

and so the capacity to reimburse the Noteholders, the Originator has not based its assessment predominantly on the possible sale of the relevant Real Estate Asset following the enforcement of the relevant Mortgage; therefore, the repayment of the Notes has not been structured to depend predominantly on the sale of the Real Estate Assets. Furthermore the pool of exposure has a high granularity, (…).>>.

See also the following R&W in the Warranty and Indemnity Agreement(s):

<<*(x) ai fini dell'articolo 20(13) del Regolamento sulle Cartolarizzazioni, con riferimento alla valutazione del merito creditizio del Debitore, il rimborso dei detentori di posizioni verso la Cartolarizzazione non è strutturato in modo da dipendere in maniera preponderante dalla vendita dei beni posti a garanzia dei Crediti (ove applicabile) in sede di escussione delle relative Ipoteche, in quanto: (A) il rimborso del capitale residuo alla scadenza finale prevista dai Contratti di Mutuo non dipende dalla vendita dei beni posti a garanzia dei Crediti; (B) le scadenze dei Crediti non sono soggette ad una concentrazione materiale e sono sufficientemente distribuite lungo la vita della Cartolarizzazione; e (C) il Debito Residuo dei Crediti vantati verso il medesimo Debitore non supera il 2% del Debito Residuo di tutti i Crediti, ai sensi dell'articolo 243(2)(a) del Regolamento 575/2013;*>>.

Based on the statements above, PCS was satisfied that, in compliance with EBA Guidelines (point 45 of Section 2.1), the underlying exposures: (i) are amortising loans, with no bullet repayments at maturity; (ii) their maturities are distributed across the life of the transaction; and (iii) they are granular. Accordingly, PCS is sufficiently satisfied that none of the assets in the pool displays any predominant reliance on the sale of the assets securing the Mortgage Loans.

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 statement contained in §2(a) of Section headed "COMPLIANCE WITH STS REQUIREMENTS": *<<(a) for the purpose of compliance with article 21(1) of the Securitisation Regulation, under the Intercreditor Agreement the Originator has undertaken to retain, on an on-going basis (i) a material net economic interest of not less than 5 (five) per cent. in the Securitisation, in accordance with option (d) of article 6(3) of the Securitisation Regulation and the applicable Regulatory Technical Standards and (ii) an additional material net economic interest of at least 5% of the Principal Amount Outstanding of the Senior Notes in accordance with option (a) of article 6(3) of the Securitisation Regulation (for further details, see the section headed "Risk Retention and Transparency Requirements");>>.* See also §(a) of Section "THE INTERCREDITOR AGREEMENT - 3. Risk Retention": *<<(a) retain, on an on-going basis (i) a material net economic interest of not less than 5 (five) per cent. in the Securitisation, in accordance with option (d) of article 6(3) of the Securitisation Regulation and the applicable Regulatory Technical Standards, which as at the Additional Issue Date consists of a retention of all the Junior Notes and (ii) a material net economic interest of at least 5% of the Principal Amount Outstanding of the Senior Notes as provided by option (a) of article 6(3) of the Securitisation Regulation and the applicable Regulatory Technical Standards;>>.*	

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 See the discussion in "RISK FACTORS – Interest rate risk", confirming appropriate mitigation and detailing the measures that were taken for that purpose in structuring the transaction. Based on the reasoning included in "Risk Factors – Interest Rate Risk" supporting the appropriateness of the mitigation of the interest rate risk through structural and financial features of the transaction, PCS has received sufficient comfort that the interest rate risk is appropriately mitigated. See also the statement in §2(b) of "COMPLIANCE WITH STS REQUIREMENTS". It is also noted that, although it is permitted to the Servicer to renegotiate the underlying loans and replace the fixed interest rate into a floating rate, this is subject to certain limitations, as specified in Clause 3.3 (*Accordi transattivi e potere di rinegoziazione*) of the Servicing Agreement.	
35	**STS Criteria** 35. Currency risks arising from the securitisation shall be appropriately mitigated.	**Verified?** **YES**
	PCS Comments	

	See in §2(b) of Section "COMPLIANCE WITH STS REQUIREMENTS", that: *<<(…) Finally, there is no currency risk since (i) under the Warranty and Indemnity Agreement, the Originator has represented and warranted that all Loan Agreements are denominated in Euro (or granted in a currency other than Euro and converted into Euro) and do not contain provisions which allow for the conversion into another currency, and (ii) pursuant to the Conditions, the Notes are denominated in Euro (for further details, see the sections headed "Transaction Overview" and "Terms and Conditions of the Notes");>>.* See also the definition of "Basic Terms Modification" as set out in the Rules of the Organisation of the Noteholders (in Terms and Conditions of the Notes), which requires an enhanced majority for changes in the currency in which payments are due in respect of any Class of Notes (see §(f)).	
36	**STS Criteria** 36. Any measures taken to that effect shall be disclosed.	**Verified?** **YES**
	PCS Comments See points 34 and 35 above. In respect of interest rate risk, an appropriate mitigation is embedded in the capital structure of the transaction (see point 34 above). Further, no currency risk needs to be hedged in this transaction. 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 the covenant contained in the Terms and Conditions of the Notes, Condition 5.12: <<5. ISSUER COVENANTS For so long as any amount remains outstanding in respect of the Notes of any Class, the Issuer shall not, nor shall it cause or permit (to the extent permitted by applicable laws) any other party to the Transaction Documents to, save with the prior written consent of the Representative of the Noteholders, or as expressly provided in or contemplated by any of the Transaction Documents: (…) 5.12 Derivatives enter into derivative contracts save as expressly permitted by article 21(2) of the Securitisation Regulation.>>.	
38	**STS Criteria**	**Verified?**

	38. …Shall ensure that the pool of underlying exposures does not include derivatives.	**YES**
	PCS Comments See point 37 above. See also the eligibility criteria "THE PORTFOLIO – The Criteria", which do not contemplate derivatives as eligible assets. Further, see the statement set out in §2(b) of Section "COMPLIANCE WITH STS REQUIREMENTS": *<<2(b) (…) In addition, (i) under the Warranty and Indemnity Agreement, the Originator has represented and warranted that, as at each Valuation Date and each Transfer Date, the Master Portfolio does not comprise any derivatives, (…)>>.* In particular, in the Warranty and Indemnity Agreement, the Originator represents as follows: *<<(xi) I Crediti non comprendono derivati ai sensi dell'articolo 21(2) del Regolamento sulle Cartolarizzazioni e degli Orientamenti EBA sui Requisiti STS.>>.*	

39	**STS Criteria** 39. Those derivatives shall be underwritten and documented according to common standards in international finance.	**Verified?** **YES**
	PCS Comments Not applicable: no derivative instrument is entered into to hedge interest rate or currency risk. See points 34 and 35 above. This requirement does not apply to this transaction since no hedging is present.	

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

40	**STS Criteria** 40. Any referenced interest payments under the securitisation assets and liabilities shall be based on generally used market interest rates, or generally used sectoral rates reflective of the cost of funds and shall not reference complex formulae or derivatives.	**Verified?** **YES**
	PCS Comments See statement in "COMPLIANCE WITH STS REQUIREMENTS", §2(c), that: *<<(c) for the purpose of compliance with article 21(3) of the Securitisation Regulation, (i) under the Warranty and Indemnity Agreement, the Originator has represented and warranted that pursuant to the Loan Agreements, the interest calculation methodologies related to the Mortgage Loans are based on or generally used sectoral rates reflective of the cost of funds in compliance with the applicable laws, and do not refer to complex formulae or derivatives; and (ii) the Rate of Interest applicable to the Notes is calculated by reference to EURIBOR (for*	

further details, see Condition 7.3 (Interest - Rate of Interest on the Senior Notes)); therefore, any referenced interest payments under the Receivables and the Notes are based on generally used market interest rates and do not reference complex formulae or derivatives;>>.

As for assets:

- some of the Loans bear a fixed interest rate, some other are floating rate, as detailed in the RISK FACTOR section, on "Interest Rate Risk":

<<(…) However, it should be noted that, whilst an amount equal to 72.63% of the aggregate Principal Amount Outstanding of the Receivables included in the Master Portfolio as at the Additional Valuation Date derives from Loans with a floating interest rate indexed to one month EURIBOR, three month EURIBOR, six month EURIBOR or ECB rate, 27.37% of the aggregate outstanding principal of the Receivables included in the Master Portfolio as at the Additional Valuation Date derives from Loans with a fixed interest rate. (…)>>.

Where a floating rate applies, it is based on EURIBOR, as confirmed in the statement mentioned above.

As for liabilities:

- Class A Notes accrue floating rate interests, capped at 1.70%.
- Class J Notes accrue a "Junior Notes Remuneration" that is aimed at transferring the excess spread (if any) back to the Originator.

See Terms and Conditions of the Notes, Condition 7.3 (Rate of interest on the Senior Notes) and Condition 7.4 (Interest on the Junior Notes).

Based on the above, PCS has taken the view that this requirement is satisfied.

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

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

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

(c) Repayment of the securitisation positions shall not be reversed with regard to their seniority; and

(d) No provisions shall require automatic liquidation of the underlying exposures at market value.

41	**STS Criteria** 41. Where an enforcement or an acceleration notice has been delivered: (a) no amount of cash shall be trapped in the SSPE beyond what is necessary to ensure the operational functioning of the SSPE or the orderly repayment of investors in accordance with the contractual terms of the securitisation, unless exceptional circumstances require that amount is trapped in order to be used, in the best interests of investors, for expenses in order to avoid the deterioration in the credit quality of the underlying exposures;	**Verified?** **YES**
	PCS Comments See the Post-Enforcement Priority of Payments, as set out in the Transaction Overview and in Condition 6.2 of the Terms and Conditions of the Notes.	

	PCS notes that in a Post-Enforcement scenario, no amount of cash shall be trapped in the Issuer beyond what is necessary to ensure the payment of "Expenses" on the Expenses Account up to a Retention Amount equal to Euro 50,000. Expenses are defined as <<documented fees, costs, expenses and taxes required to be paid to any creditor (other than the Other Issuer Creditors) arising in connection with the Securitisation and required to be paid in order to preserve the existence of the Issuer or to maintain it in good standing or to comply with applicable legislation;>>. See also Condition 10.3: <<*(…) Following the service of an Issuer Acceleration 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-Enforcement Priority of Payments and pursuant to the terms of the Transaction Documents, as required by article 21(4)(a) of the Securitisation Regulation and the EBA Guidelines on STS Criteria.*>>. See also the statement set out in §2(d) of Section "COMPLIANCE WITH STS REQUIREMENTS": <<*(d) for the purpose of compliance with article 21(4) of the Securitisation Regulation (A) following the service of an Issuer Acceleration Notice, (i) 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-Enforcement Priority of Payments and pursuant to the terms of the Transaction Documents; (…)*>>. PCS is satisfied that, under the PoP, the Expenses and the other amounts payable in priority to principal on the Notes are only amounts necessary to ensure the operational functioning of the SSPE or the orderly repayment of investors.	
42	**STS Criteria** 42. (b) Principal receipts from the underlying exposures shall be passed to investors via sequential amortisation of the securitisation positions, as determined by the seniority of the securitisation position;	**Verified?** **YES**
	PCS Comments PCS notes that principal payments are made sequentially both in a pre and a post enforcement scenario and there are no cases in which repayment is reversed with regard to the seniority of the various classes of Notes. More in particular, the post-enforcement PoP, applicable in a post enforcement scenario, contemplates only sequential payments (see items from sixth onwards in the Post-Enforcement Priority of Payments, as set out in the Transaction Overview and in Condition 6.2 of the Terms and Conditions of the Notes). It is also noted that the Cash Reserve is funded by means of a Subordinated Loan, which is repaid in priority to the Junior Notes, but lower than the Senior Notes. This does not relate to the amortisation, and is not in contrast with this requirement. On this basis PCS is prepared to verify this requirement.	
43	**STS Criteria** 43. (c) Repayment of the securitisation positions shall not be reversed with regard to their seniority; and	**Verified?** **YES**
	PCS Comments See comments to point 42 above.	
44	**STS Criteria** 44. (d) No provisions shall require automatic liquidation of the underlying exposures at market value.	**Verified?** **YES**

PCS Comments

No automatic liquidation is provided upon enforcement.

See Condition 11.4 in Terms and Conditions of the Notes:

<<11.4 Disposal of the Master Portfolio following the delivery of a Issuer Acceleration Notice or the occurrence of an Insolvency Event

Following the delivery of a Issuer Acceleration Notice or the occurrence of an Insolvency Event on the Issuer, the Issuer (or the Representative of the Noteholders on its behalf) may (with the prior consent of an Extraordinary Resolution of the holders of the Most Senior Class of Notes) or shall (if so directed by an Extraordinary Resolution of the holders of the Most Senior Class of Notes) dispose of the Master Portfolio then outstanding in accordance with the provisions of the Intercreditor Agreement, it being understood that no provisions shall require the automatic liquidation of the Master Portfolio pursuant to article 21(4)(d) of the Securitisation Regulation and the EBA Guidelines on STS Criteria. In case of such disposal, the Originator will have the right to purchase the Master Portfolio with preference to any third party purchaser, pursuant to the terms and subject to the conditions set out in the Intercreditor Agreement.>>.

See also the following statement in §2(d) of Section "COMPLIANCE WITH STS REQUIREMENTS":

<<(d) for the purpose of compliance with article 21(4) of the Securitisation Regulation (A) following the service of an Issuer Acceleration Notice, (i) 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-Enforcement Priority of Payments and pursuant to the terms of the Transaction Documents; (ii) the Senior Notes will continue to rank, as to repayment of principal, in priority to the Junior Notes as before the delivery of an Issuer Acceleration Notice; and (iii) the Issuer shall, if so directed by the Representative of the Noteholders, sell the Master Portfolio or a substantial part thereof only if so requested by an Extraordinary Resolution of the holders of the Most Senior Class of Notes and strictly in accordance with the instructions approved thereby and the relevant provisions of the Intercreditor Agreement, it being understood that no provisions shall require the automatic liquidation of the Master Portfolio (for further details, see the sections headed "The Terms and Conditions of the Notes" and "The Intercreditor Agreement");>>.

See also Clause 10.2 (*Disposal of the Master Portfolio following the delivery of an Issuer Acceleration Notice*) of the Intercreditor Agreement.

PCS notices that upon enforcement, the Representative of the Noteholders will be entitled to take certain actions, that include also the disposal of the Master Portfolio, but the sale will not be an automatic effect of the service of an enforcement notice. This requirement is therefore satisfied.

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

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

PCS Comments

The 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 enforcement scenario. See point 42 above.

	PCS has therefore taken the view that this requirement is met.

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	**STS Criteria** 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: (a) a deterioration in the credit quality of the underlying exposures to or below a pre-determined threshold;	**Verified?** **YES**
	PCS Comments This provision only applies to transactions with a revolving period. It is therefore not applicable to this transaction.	
47	**STS Criteria** 47. (b) the occurrence of an insolvency-related event with regard to the originator or the servicer;	**Verified?** **YES**
	PCS Comments Not applicable. See point 46 above.	
48	**STS Criteria** 48. (c) the value of the underlying exposures held by the SSPE falls below a pre-determined threshold (early amortisation event);	**Verified?** **YES**
	PCS Comments Not applicable. See point 46 above.	
49	**STS Criteria** 49. (d) a failure to generate sufficient new underlying exposures that meet the pre-determined credit quality (trigger for termination of the revolving period).	**Verified?** **YES**
	PCS Comments Not applicable. See point 46 above.	

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	**STS Criteria** 50. The transaction documentation shall clearly specify: (a) the contractual obligations, duties and responsibilities of the servicer and the trustee, if any, and other ancillary service providers;	**Verified?** **YES**

PCS Comments

For the Servicer, see section "THE SERVICING AGREEMENT - 2. Duties of the Servicer".

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 27 (*Duties and Powers*). See also the Section headed "THE INTERCREDITOR AGREEMENT" and, in particular, the sub-section: "6. Disposal of the Master Portfolio following the delivery of an Issuer Acceleration Notice or the occurrence of an Issuer's Insolvency Event".

See also the relevant provisions in the Intercreditor Agreement and in the Mandate Agreement.

For the other agents and ancillary service providers, see the Sections of the Additional Information Memorandum where "THE AGENCY AND ACCOUNTS AGREEMENT" and the other Transaction Documents are described.

51	**STS Criteria** 51. (b) the processes and responsibilities necessary to ensure that a default by or an insolvency of the servicer does not result in a termination of servicing, such as a contractual provision which enables the replacement of the servicer in such cases; and	**Verified?** **YES**

PCS Comments

See section headed "THE SERVICING AGREEMENT - 8. Termination and resignation of the Servicer and withdrawal of the Issuer", where it is also confirmed that:

<<(…) The termination of the Servicer, shall become effective after fifteen Business Days have elapsed from the date specified in the notice of the termination or of the resignation, or from the date, if successive, of the appointment of the Successor Servicer.>>.

Further, a Back-up Servicer Facilitator is appointed: see "THE INTERCREDITOR AGREEMENT - 5. Appointment of the Back-up Servicer Facilitator".

See also the continuity provisions contained in the Servicing Agreement, Clause 12 (DURATA E SCIOGLIMENTO ANTICIPATO), 12.3 (Revoca del mandato e recesso da parte della SPV) and 13 (*Sostituto del Servicer*). In particular, under the Servicing Agreement, the SPV can notify the termination of the appointment of the Servicer only after having obtained the written consent of the Representative of the Noteholders:

	<<12.3.3 La SPV si impegna, unicamente nei confronti del Rappresentante dei Portatori dei Titoli, a comunicare al Servicer l'intenzione di recedere dal Contratto ai sensi del presente Articolo 12.3 soltanto dopo avere individuato il Sostituto del Servicer e comunque col previo consenso scritto del Rappresentante dei Portatori dei Titoli.>>.
52	**STS Criteria** 52. (c) provisions that ensure the replacement of derivative counterparties, liquidity providers and the account bank in the case of their default, insolvency, and other specified events, where applicable. **Verified? YES** **PCS Comments** No derivative counterparty and liquidity providers are contemplated in this transaction. As for the account bank, see "THE AGENCY AND ACCOUNTS AGREEMENT - 8. Loss of status of Eligible Institution" and the agreement itself, which in clause 14 (*TERMINATION AND RESIGNATION*) contains also provisions for the continuity in case of termination of the appointment of the Account Bank and other agents, upon the occurrence of certain events. In particular, under Clause 14.5(b)(*Effectiveness*) it is provided that: *<<(b) Without prejudice to paragraph (a) above, upon the resignation by or termination of the appointment of any of the Terminated Agents, the Issuer shall, with the prior written consent of the Representative of the Noteholders and prior notice to the Rating Agencies, appoint a relevant successor (which, in the case of the Transaction Bank and the Paying Agent, must be an Eligible Institution), provided that no resignation or termination of the appointment of any of the Terminated Agents shall take effect until the relevant successor has been appointed and the provisions under clause 26 of the Intercreditor Agreement will apply.>>.*

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** 53. The servicer shall have expertise in servicing exposures of a similar nature to those securitised **Verified? YES** **PCS Comments** See the statement in §(h) of COMPLIANCE WITH STS REQUIREMENTS: *<<(h) or the purpose of compliance with article 21(8) of the Securitisation Regulation, under the Servicing Agreement, the Servicer has represented and warranted that it has experience in managing exposures of a similar nature to the Receivables and has established well documented and adequate risk management policies, procedures and controls relating to the management of such exposures in accordance with article 21(8) of the Securitisation Regulation and in accordance with the EBA Guidelines on STS Criteria. In addition, pursuant to the Servicing Agreement, the Back-Up Servicer and any Successor Servicer shall, inter alia, have a long lasting expertise in servicing exposures of a similar nature to those securitised for 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 Securitisation Regulation and the EBA Guidelines on STS Criteria (for further details, see the sections headed "The Servicing Agreement");>>.* It is noted that pursuant to Clause 13.1.1(ii)(A) of the Servicing Agreement, also the successor servicer shall have expertise, in compliance with the EBA Guidelines: *<<(A) che abbia provata esperienza in Italia nell'amministrazione di crediti di tipologia simile ai Crediti e abbia predisposto politiche, procedure e controlli in materia di gestione del rischio ben documentati e adeguati riguardanti la gestione di tali esposizioni, ai sensi dell'articolo 21(8) del Regolamento sulle Cartolarizzazioni e in conformità agli Orientamenti EBA sui Requisiti STS; >>.*

	PCS notes that the Servicer is Banco BPM that is a bank, resulting as the merger of two banks that operated in Italy since several decades. The Servicer being a bank, is an entity that is "subject to prudential and capital regulation and supervision in the Union", as required by EBA Guidelines, §72(a). *The EBA Guidelines provide that an entity that has serviced similar assets for at least five years will be deemed to meet the expertise criterion.* *As for the replacement servicer, its appointment is a future event, as to which we refer you to PCS' analysis in comments to point 73 below, but we note that in any case the Substitute Servicer shall meet the regulatory requirements, including those under the EBA Guidelines.*

54	**STS Criteria** 54. And shall have well documented and adequate policies, procedures and risk management controls relating to the servicing of exposures.	**Verified?** **YES**
	PCS Comments The EBA Guidelines specify that the requisite elements of the criterion are met if the relevant entity is a prudentially regulated financial institution. This requirement is certainly met by Banco BPM, being a bank authorised in Italy, and as confirmed in the statement contained in §2(i) of "COMPLIANCE WITH STS REQUIREMENTS": *<<(i) for the purpose of compliance with article 21(9) of the Securitisation Regulation, the Servicing Agreement and the Collection Policies attached thereto 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 (for further details, see the sections headed "The Credit and Collection Policies"). (…)>>.* PCS has also reviewed the servicing policies annexed to the Servicing Agreement (Annex 1 – *Pratiche Concordate*) and the Section of the Additional Information Memorandum headed "The Credit and Collections Policies" to consider this requirement satisfied.	

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** 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.	**Verified?** **YES**
	PCS Comments See point 54 above. PCS has reviewed the relevant documents and verified that this requirement is satisfied.	

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** 56. The transaction documentation shall clearly specify the priorities of payment,	**Verified?** **YES**
	PCS Comments See "Priority of Payments" in Transaction Overview and in Condition 6 (PRIORITY OF PAYMENTS) of the "Terms and Conditions of the Notes". PCS has reviewed the relevant documents to satisfy itself that these criteria are met.	
57	**STS Criteria** 57. The transaction documentation shall clearly specify the events which trigger changes in such priorities of payment.	**Verified?** **YES**
	PCS Comments See Condition 10 (*Events of Default*) setting out the trigger events (defined as "Events of Default") that trigger changes in the PoP to be applied. It is noted that the transaction does not contemplate a revolving period or a non-sequential priority of payments, so there are no purchase termination events and no sequential payment trigger events. PCS has reviewed the Terms and Conditions of the Notes and verified that this requirement is satisfied.	
58	**STS Criteria** 58. The transaction documentation shall clearly specify the obligation to report such events.	**Verified?** **YES**
	PCS Comments See Section "RISK RETENTION AND TRANSPARENCY REQUIREMENTS - 2. Transparency requirements", the paragraph describing the covenants on post-closing disclosures, to be performed through the Inside Information and Significant Event Report, and these include the occurrence of any Event of Default: *<<(ii) prepare 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 Securitisation Regulation (including, inter alia, any material change of the Priority of Payments and of the Collection Policies relating to the Receivables and the occurrence of any Event of Default), 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 Securitisation Regulation and, upon request, to potential investors in the Notes without undue delay following the occurrence of the relevant event triggering the delivery of such report in accordance with the Securitisation Regulation and the applicable Regulatory Technical Standards and, in any case, on each Reporting Date (simultaneously with the Loan by Loan Report and the SR Investors Report); >>.* It is also noted that Issuer Acceleration Notices are sent also directly to the Noteholders (see Condition 10.2). PCS notices that the required covenant exists in the Transaction Documents.	
59	**STS Criteria**	**Verified?**

	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.	**YES**
	PCS Comments See comments to point 58 above. This is a future event. Therefore, as a technical matter, this criterion is not applicable at the closing of a transaction. However, PCS notices that the required covenant exists in the Transaction Documents.	

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

60	**STS Criteria** 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	**Verified?** **YES**
	PCS Comments See "Rules of the Organisation of the Noteholders" included as an Exhibit 1 to the Terms and Conditions of the Notes. (a) the method for calling meetings: see Article 7 (*Convening of Meeting*) (b) the maximum timeframe for setting up a meeting: see Article 8 (*Notice*), Article 11 (*Adjournment for want of quorum*) and Article 12 (*Adjourned Meeting*). (c) the required quorum: Article 10 (*Quorum*) and definition of "Relevant Fraction". (d) the minimum threshold of votes to validate such a decision, with clear differentiation between the minimum thresholds for each type of decision: Article 15 (*Passing of resolution*). See also Article 10 (*Quorum*) with the definition of "Relevant Fraction". (e) where applicable, a location for the meetings which should be in the EU: see Article 7 (*Convening of Meeting*), Article 8 (*Notice*), Article 11 (*Adjournment for want of quorum*) and Article 12 (*Adjourned Meeting*). It is noted that Article 7 (*Convening of Meeting*) permits that Meetings are held via audio-conference or video-conference: in such case, the Meeting is deemed to take place where the Chairman and the person drawing up the minutes will be (provided that such place shall be in an EU Member State). 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**	**Verified?**

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

PCS Comments

A role of fiduciary duties to investors, similar to the one of a trustee, is carried out by the Representative of the Noteholders.

As for its responsibilities and duties see the "Rules of the Organisation of the Noteholders", Article 27 (*Duties and powers*).

See also the Intercreditor Agreement (see in particular Clause 7 (*CONSEQUENCES OF AN ISSUER ACCELERATION NOTICE AND OTHER EVENTS)* containing provisions regulating the duties of the Representative of the Noteholders, also in a default scenario. In particular, pursuant to Clause 7.2.2:

<<14.2 Directions by the Representative of the Noteholders

The Issuer undertakes with the other Parties that, following the delivery of an Issuer Acceleration Notice, it will comply with all directions and instructions of the Representative of the Noteholders, including, without limitation, those in relation to the management, administration and disposal of the Receivables.>>.

See also the Sections of the Additional Information Memorandum describing "THE INTERCREDITOR AGREEMENT" and "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 See "COMPLIANCE WITH STS REQUIREMENTS" where it is stated in §3(a) that: *<<(a) for the purposes of compliance with article 22(1) of the Securitisation Regulation, under the Intercreditor Agreement the Originator (i) has confirmed that, as initial holder of the Notes, it has been in possession, before pricing, of 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, provided that such data cover a period of at least 5 (five) years, and (ii) in case of transfer of any Notes by the Originator to third party investors after the Additional Issue Date, has undertaken to make available to such investors before pricing on the Securitisation Repository, 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, provided that such data shall cover a period of at least 5 (five) years, pursuant to article 22(1) of the Securitisation Regulation and the EBA Guidelines on STS Criteria (for further details, see the section headed "The Intercreditor Agreement");>>.* In the course of its due diligence, PCS was provided with files containing such historical data.	
63	**STS Criteria** 63. and the sources of those data and the basis for claiming similarity, to potential investors before pricing.	**Verified?** **YES**
	PCS Comments See statement 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 statement 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**	**Verified?** **YES**

	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,	
	PCS Comments See "COMPLIANCE WITH STS REQUIREMENTS" where it is stated in §3(b) that: *<<(b) for the purposes of compliance with article 22(2) of the Securitisation Regulation, external verifications (including verification that the data disclosed in this Additional Information Memorandum in respect of the Receivables is accurate) have been made in respect of the Master Portfolio prior to the Additional Issue Date by an appropriate and independent party and no significant adverse findings have been found (for further details, see the section headed "The Master Portfolio – Pool Audit Reports");>>.* In this respect, in Section "THE MASTER PORTFOLIO" it is also stated as follows: *<<**Pool Audit Reports*** *Pursuant to article 22(2) of the Securitisation Regulation and the EBA Guidelines on STS Criteria, the Pool Audit Report in respect of the Initial Portfolio was prepared prior to the Initial Issue Date and the Pool Audit Report in respect of the Master Portfolio has been prepared prior to the Additional Issue Date and in both cases no significant adverse findings have been found.>>* See also the following definition in Terms and Conditions of the Notes: *<<"**Pool Audit Reports**" means the reports prepared by an appropriate and independent party pursuant to article 22, paragraph 2, of the Securitisation Regulation and the relevant EBA Guidelines on STS Criteria, in order to verify:* *(i) that the data disclosed in any Information Memorandum in respect of the Receivables is accurate;* *(ii) 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 the sample portfolio; and* *(iii) that the data of the Receivables included in the Master Portfolio contained in the loan-by-loan data tape prepared by Banco BPM are compliant with the Criteria that are able to be tested prior to the Additional Issue Date;>>.* PCS has reviewed the reports on "agreed upon procedures" (AUP) commonly known as a "pool audit". PCS can confirm that these were done by an appropriate and independent third party and satisfy the required attributes.	
66	**STS Criteria** 66. Including verification that the data disclosed in respect of the underlying exposures is accurate.	**Verified?** **YES**
	PCS Comments See point 65 above. PCS is not an auditing firm, nor has it or has it sought access to the underlying information which was the basis of the AUP. However, it has read the AUP with the aim of determining whether, on its face, it appears to cover the items required by the criterion.	

	Based solely on the words of the AUP and without any additional due diligence or interaction with the auditing firm responsible for the AUP or sight of the instructions to such firm, PCS has concluded that the AUP appears to meet the requirements of the criterion. PCS also notes the representations contained in the Additional Information Memorandum and the Intercreditor Agreement.

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	**STS Criteria** 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.	**Verified?** **YES**
	PCS Comments See §3(c) of "COMPLIANCE WITH STS REQUIREMENTS": *<<(c) for the purposes of compliance with article 22(3) of the Securitisation Regulation, under the Intercreditor Agreement the Originator (i) has confirmed that, as initial holder of the Notes, it has been in possession, before pricing, of 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, and (ii) in case of transfer of any Notes by the Originator to third party investors after the Additional Issue Date, has undertaken to make available to such investors before pricing through the Securitisation Repository, 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. In addition, under the Intercreditor Agreement, the Originator has undertaken to: (1) make available to investors in the Notes on an ongoing basis and to potential investors in the Notes, upon request, through the Securitisation Repository, 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; and (2) update such cash flow model, in case there will be significant changes in the cash flows (for further details, see the section headed "The Intercreditor Agreement");>>*. See also Clause 4.3 of the Intercreditor Agreement (as amended). To verify this criterion, PCS will require to see the model. It will then require a statement by the originator that the model was circulated as required by the criterion. PCS is not a modelling firm nor has any modelling expertise. Therefore, it will not verify the model's accuracy or perform any due diligence whatsoever on the model. However, it will seek to satisfy itself indirectly as to the likelihood of the model's accuracy by requesting details of the individuals (if employed by the originator) or the firms (if the model is outsourced) responsible for the model. PCS will then assess whether, in its sole opinion, the model was put together by persons or firms with a reputation and a track-record in such models. Having seen an excel file provided by using the model, having read a statement in the prospectus that the model will be made available in accordance with the requirements of the criteria, PCS is prepared to verify this criterion.	
68	**STS Criteria** 68. And shall, after pricing, make that model available to investors on an ongoing basis and to potential investors upon request.	**Verified?** **YES**

PCS Comments

A covenant confirming compliance with this requirement is set out in the Intercreditor Agreement, as represented in §3(c) of the Section "COMPLIANCE WITH STS REQUIREMENTS", as quoted in comments to point 67 above.

See in particular the undertaking in Clause 4.3 of the Intercreditor Agreement:

<<(…) (a) In addition, the Originator undertakes to make available to investors in the Notes on an ongoing basis and to potential investors in the Notes upon request, through the website of Bloomberg (being, as at the date of the Additional Information Memorandum, www.bloomberg.com), 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 Securitisation Regulation and the EBA Guidelines on STS Criteria.>>.

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

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

69	**STS Criteria** 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). (…) 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.	**Verified?** **YES**

PCS Comments

The receivables arise from SME loans and are therefore not subject to this requirement.

However, see the following statement in §3(d) of "COMPLIANCE WITH STS REQUIREMENTS":

<<(d) for the purposes of compliance with article 22(4) of the Securitisation Regulation, pursuant to the Servicing Agreement and the Intercreditor Agreement, the Servicer has undertaken to prepare the Loan by Loan Report setting out information relating to each Loan in respect of the immediately preceding Collection Period (including, inter alia, the information related to the environmental performance of the Real Estate Assets, to the extent required by any applicable law or regulation), in compliance with the 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 the Loan by Loan Report (simultaneously with the Investor Report) to the investors in the Notes through the Securitisation Repository (for further details, see the sections headed "The Risk retention and Transparency Requirements");>>.

As to the impacts on sustainability factors, PCS was informed that, for the time being, no specific publication is envisaged.

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

See the statement contained in §3(e) of "COMPLIANCE WITH STS REQUIREMENTS":

<<(e) for the purposes of compliance with article 22(5), under the Intercreditor Agreement and the Transfer Agreements, the Originator and the Issuer have designated among themselves Banco BPM as the Reporting Entity pursuant to article 7(2) of the Securitisation Regulation and have agreed, and the other parties thereto have acknowledged, that the Reporting Entity shall be responsible for compliance with article 7 of the Securitisation Regulation, pursuant to the Transaction Documents. In that respect, Banco BPM, in its capacity as Reporting Entity, will fulfil the information requirements pursuant to points (a), (b), (c), (d), (e), (f) and (g) of the first subparagraph of article 7(1) of the Securitisation Regulation by making available the relevant information through the Securitisation Repository.>>.

See also Clause 4.3(a) of the Intercreditor Agreement:

<<4.3 Transparency requirements

(a) The Parties hereby acknowledge that the Originator shall be responsible for compliance with article 7 of the Securitisation Regulation.>>.

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

71	**STS Criteria** 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

Point (a) of the first subparagraph of Article 7(1) requires disclosure to holders of a securitisation position, to the competent authorities and, upon request, to potential investors, of information on the underlying exposures on a quarterly basis. Pursuant to Article 22.5 such information shall be made available to potential investors before pricing upon request.

See the statement contained in §3(e)(i) of "COMPLIANCE WITH STS REQUIREMENTS" that:

<<As to pre-pricing disclosure requirements set out under articles 7 and 22 of the Securitisation Regulation, under the Intercreditor Agreement:

(i) the Originator, as initial holder of the Notes, has confirmed that it has been, before pricing, in possession of , and in case of subsequent sale of the Notes it will make available to potential investors through the Securitisation Repository: (i) data relating to each Loan (and therefore it has not requested to receive the information under point (a) of the first subparagraph of article 7(1) of the Securitisation Regulation, including, to the extent required by any applicable law or regulation, data on the environmental performance of the Real Estate Assets) and the information under points (b), (c) and (d) of the first subparagraph of article 7(1) of the Securitisation Regulation, (ii) 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, provided that such data covers a period of at least 5 (five) years, pursuant to article 22(1) of the Securitisation Regulation and the EBA Guidelines on STS Criteria, and (iii) 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 Securitisation Regulation and the EBA Guidelines on STS Criteria;>>.
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** See statement in §3(f)(ii)(A) of "COMPLIANCE WITH STS REQUIREMENTS" quoted in comments to point 71 above, in the part referring to <<*the information under points (b), (c) and (d) of the first subparagraph 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** See the following statement in §3(e)(iv) of "COMPLIANCE WITH STS REQUIREMENTS": <<*(iv) the Issuer will deliver to the Reporting Entity (i) a copy of the final Additional]Information Memorandum and the other final Transaction Documents in a timely manner in order for the Reporting Entity to make available such documents to the investors in the Notes by no later than 15 (fifteen) days after the Additional Issue Date, and (ii) any other document or information that may be required to be disclosed to the investors or potential investors in the Notes pursuant to the Securitisation Regulation and the applicable Regulatory Technical Standards in a timely manner (to the extent not already in its possession); and*>>. 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 Seller will need to inform ESMA and the STS status of the securitisation will be lost. Therefore, as a technical matter, this criterion is not applicable at the closing of a transaction. However, PCS will nevertheless look to see if there is a covenant on the part of the Originator to comply in the future with this requirement, and this is effectively the case.

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

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

74	**STS Criteria**	**Verified?**

	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: (a) information on the underlying exposures on a quarterly basis,	**YES**
	PCS Comments See the following statement in §3(e) of "COMPLIANCE WITH STS REQUIREMENTS": <<As to post-closing disclosure requirements set out under articles 7 and 22 of the Securitisation Regulation, under the Intercreditor Agreement, the relevant parties have acknowledged and agreed as follows: (i) pursuant to the Servicing Agreement, the Servicer will prepare the Loan by Loan Report (which includes all the information set out under point (a) of the first subparagraph of article 7(1) and article 22(4) of the Securitisation Regulation) and deliver it to the Reporting Entity in a timely manner in order for the Reporting Entity to make available to the entities referred to under article 7(1) of the Securitisation Regulation by means of the Securitisation Repository, as the case may be, the Loan by Loan Report (simultaneously with the SR Investor Report) by no later than one month after the relevant Interest Payment Date;>>.	

	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 guarantees 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 guarantees 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	**Verified?** **YES**

	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;	
	PCS Comments See the statements set out in comments to point 73 above. All the criteria from 73 onwards are future event criteria, as to which we refer you to PCS' comment 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" – Condition 6 (PRIORITY OF PAYMENTS) and the Section "TRANSACTION OVERVIEW" of the Additional Information Memorandum.	

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;	**Verified?** **YES**

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

PCS Comments

The Additional Information Memorandum is not made in compliance with the Prospectus Regulation.

See statement on cover page: <<*This document constitutes a Prospetto Informativo for the purposes of article 2, sub-section 3 of the Securitisation Law and article 7, paragraph 1, letter (c) of Securitisation Regulation in connection with the issuance of the Series 2025 Notes. This Additional Information Memorandum constitutes, to the extent required, an amended Prospetto Informativo for the Series 2022 Notes, but it does not constitute a prospectus with regard to the Issuer and the Notes for the purposes of article 3 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (as amended and supplemented from time to time, the "Prospectus Regulation").*>> .

PCS notices that the Additional Information Memorandum contains the required information, and complies 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:

(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 the following statement in Section "COMPLIANCE WITH STS REQUIREMENTS", sub paragraph 3(e):

<<(v) the Reporting Entity shall make available to the investors in the Notes the STS Notification (as defined under the Securitisation Regulation) by not later than 15 (fifteen) days after the Additional Issue Date,>>.

See also the following statement in "TRANSACTION OVERVIEW – STS securitisation:

<<*(…) the Originator intends to submit on or about the Additional Issue Date the STS Notification to the ESMA for the Securitisation to be included in the list published by ESMA as referred to in article 27(5) of the Securitisation Regulation.*>>.

See also point 77 above.

Banco BPM is designated as the first contact point for investors in the Notes and competent authorities pursuant to and for the purposes of third sub-paragraph of article 27(1) of the Securitisation Regulation.

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

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

(i) all materially relevant data on the credit quality and performance of underlying exposures; (ii) information on events which trigger changes in the priority of payments or the replacement of any counterparties, and, in the case of a securitisation which is not an ABCP transaction, data on the cash flows generated by the underlying exposures and by the liabilities of the securitisation; (iii) information about the risk retained, including information on which of the modalities provided for in Article 6(3) has been applied, in accordance with Article 6.		
79	**STS Criteria** 79. (e) quarterly investor reports, or, in the case of ABCP, monthly investor reports, containing the following: (i) all materially relevant data on the credit quality and performance of underlying exposures; (ii) information on events which trigger changes in the priority of payments or the replacement of any counterparties, (ii)…and, in the case of a securitisation which is not an ABCP transaction, data on the cash flows generated by the underlying exposures and by the liabilities of the securitisation; (iii) information about the risk retained, including information on which of the modalities provided for in Article 6(3) has been applied, in accordance with Article 6.	**Verified?** **YES**
	PCS Comments See §3(e)(ii) of "COMPLIANCE WITH STS REQUIREMENTS" where it is stated, as to post closing information <<(ii) pursuant to the Agency and Accounts Agreement, the Computation Agent will prepare the SR Investor Report (which includes all the information set out under point (e) of the first subparagraph of article 7(1) of the Securitisation Regulation) and deliver it to the Reporting Entity in a timely manner in order for the Reporting Entity to make available to the entities referred to under article 7(1) of the Securitisation Regulation by means of the Securitisation Repository the SR Investor Report (simultaneously with the Loan by Loan Report) by no later than the 1 (one) month after the relevant Interest Payment Date;>>. <<"SR Investors Report" means the report setting out certain information with respect to the Master 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 Securitisation Regulation), to be prepared and delivered by the Computation Agent in accordance with the Agency and Accounts Agreement;>>. See also Clause 6.7(b) of the Agency and Accounts Agreement, confirming simultaneous availability of the SR Investors Report and Loan by Loan Report. All the criteria from 73 onwards are future event criteria, as to which we refer you to PCS' comment under 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 See §3(e)(iii) of "COMPLIANCE WITH STS REQUIREMENTS" where it is stated, as to post closing information *<<(iii) pursuant to the Servicing Agreement, the Servicer will prepare the Inside Information and Significant Event Report (which includes all the information set out under points (f) and (g) of the first subparagraph of article 7(1) of the Securitisation Regulation, including, inter alia, the events which trigger changes in the Priorities of Payments) and will deliver it to the Reporting Entity without delay in order for the Reporting Entity to make it available without delay to the entities referred to under article 7(1) of the Securitisation Regulation by means of the Securitisation Repository; it being understood that, in accordance with the Servicing Agreement, the Servicer shall (A) without undue delay and also (B) by no later than the 1 (one) month after the relevant Reporting Date: (y) prepare the Inside Information and Significant Event Report on the basis of the information provided under points (f) and (g) of the first subparagraph of article 7(1) of the Securitisation Regulation; and (z) deliver it to the Reporting Entity in order to make it available without delay to the entities referred to under article 7(1) of the Securitisation Regulation by means of the Securitisation Repository;>>.*

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 confirming compliance with Article 7(1)(g).	

	All the criteria from 73 onwards are future event criteria, as to which we refer you to PCS' comment under 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 See the statement quoted in comments to point 79 above, confirming that the SR Investors Report shall be delivered simultaneously with the Loan by Loan Report, by no later than one month after the relevant Payment Date. All the criteria from 73 onwards are future event criteria, as to which we refer you to PCS' comment under point 73 above.	

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 point 80 above and references to "without delay" as to the preparation of the report and its delivery. All the criteria from 73 onwards are future event criteria, as to which we refer you to PCS' comment under 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 §3(e) of "COMPLIANCE WITH STS REQUIREMENTS". *<<(e) for the purposes of compliance with article 22(5), under the Intercreditor Agreement and the Transfer Agreements, the Originator and the Issuer have designated among themselves Banco BPM as the Reporting Entity pursuant to article 7(2) of the Securitisation Regulation and have agreed, and the other parties thereto have acknowledged, that the Reporting Entity shall be responsible for compliance with article 7 of the Securitisation Regulation, pursuant to the Transaction Documents. In that respect, Banco BPM, in its capacity as Reporting Entity, will fulfil the information requirements pursuant to points (a), (b), (c), (d), (e), (f) and (g) of the first subparagraph of article 7(1) of the Securitisation Regulation by making available the relevant information through the Securitisation Repository.>>.* The Originator is the designated entity and shall act as Reporting Entity. The transaction is privately subscribed and an authorised securitisation repository would not be necessarily required, however European DataWarehouse has been appointed as the initial Securitisation Repository (see statement 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 See statement in comments to point 84 above: • The Originator is the Reporting Entity; and • EDW is the Securitisation Repository *<<"Securitisation Repository" means the securitisation repository designated by the Reporting Entity where the information required by article 7(1) of the Securitisation Regulation is made available, being as at the Additional Issue Date the website of European DataWarehouse GMBH (being, as at the date of this Additional Information Memorandum https://editor.eurodw.eu) or such other repository which will be appointed by the Reporting Entity in accordance with the applicable Securitisation Regulation; >>.*	

It is noted the statement in “COMPLIANCE WITH STS REQUIREMENTS” confirming that <<*Under the Intercreditor Agreement, the Reporting Entity has undertaken to inform the potential investors in the Notes in accordance with Condition 17 (Notices) in case of replacement of the Securitisation Repository.*>>