

CRR ASSESSMENT

Citizen Irish Auto Receivables Trust 2023 DAC



PRIME COLLATERALISED SECURITIES (PCS) EU SAS

28th September 2023

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28th September 2023

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PRIME COLLATERALISED SECURITIES (PCS) CRR Assessment

Individual(s) undertaking the assessment	Fazel Ahmed
Date of Verification	28 September 2023
The transaction to be verified (the "Transaction")	Citizen Irish Auto Receivables Trust 2023 DAC
Issuer	Citizen Irish Auto Receivables Trust 2023 DAC
Originator(s)/Seller	First Citizen Finance DAC
Lead Manager(s)	Deutsche Bank AG
Transaction Legal Counsel	Matheson LLP
Rating Agencies	Moody's and S&P
Stock Exchange	Irish Stock Exchange plc
Closing Date	28 September 2023

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

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

Legislative Text

Article 243 (¹)

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

1a

CRR Criteria

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

Meets Criteria?
YES

PCS Comments

See Prospectus

ELIGIBILITY CRITERIA

Compliance with Eligibility Criteria set out in the Transaction Documents

On the Purchase Date on which the Issuer purchases a Receivable, the criteria set out below must be complied with for such Receivable to be eligible for purchase by the Issuer and are referred to as the Eligibility Criteria. For the avoidance of doubt, the Eligibility Criteria in respect of a particular Receivable only need to be satisfied on the Purchase Date of such Receivable.

4. the Receivables in the Portfolio relating to any one Obligor (a) who is a consumer must not have a positive current Net Book Value exceeding €300,000; and (b) who is a non-, must not have a positive current Net Book Value exceeding €750,000;
20. the Receivables relating to any one Obligor must not have a positive current Net Book Value greater than 2% of the Net Book Value of the Portfolio as a whole;
21. no Obligor has an exposure exceeding 2% of the aggregate outstanding exposure values of the Portfolio

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

1b	<u>CRR Criteria</u> In the case of securitised residual leasing values, the first subparagraph of this point shall not apply where those values are not exposed to refinancing or resell risk due to a legally enforceable commitment to repurchase or refinance the exposure at a pre-determined amount by a third party eligible under Article 201(1);	<u>Meets Criteria?</u> YES
	<u>PCS Comments</u> Not applicable.	

2	<u>CRR Criteria</u> (b) at the time of their inclusion in the securitisation, the underlying exposures meet the conditions for being assigned, under the Standardised Approach and taking into account any eligible credit risk mitigation, a risk weight equal to or smaller than: (i) 40 % on an exposure value-weighted average basis for the portfolio where the exposures are loans secured by residential mortgages or fully guaranteed residential loans, as referred to in point (e) of Article 129(1); (ii) 50 % on an individual exposure basis where the exposure is a loan secured by a commercial mortgage; (iii) 75 % on an individual exposure basis where the exposure is a retail exposure ⁽²⁾ ; for any other exposures, 100 % on an individual exposure basis;	<u>Meets Criteria?</u> YES
	<u>PCS Comments</u> 2 (b) (iii) and (iv) applies. See Prospectus. Overview of Portfolio and Servicing Purchased Receivables As at the Closing Date, the Receivables offered for sale to the Issuer meet the conditions for being assigned, under the Standardised Approach (as defined in the CRR) and taking into account any eligible credit risk mitigation, on an individual exposure basis: (i) where, if the exposure is a retail exposure, is equal to or smaller than 75%, or (ii) for any other exposures, is equal to or smaller than 100% ,	

² See article 123, "Retail exposures" of the Regulation (EU) No 575/2013; for Consumer loans see the amendments to article 123 in (59) REGULATION (EU) 2019/876 and REGULATION (EU) 2020/873, article 2 (1) (a). In particular, pursuant to the amendments to Article 123, under Regulation (EU) 2019/876:

See article 501 on "Adjustment of risk-weighted non-defaulted SME exposures for "SME Loans" of the Regulation (EU) No 575/2013, as amended in Regulation (EU) 2019/876 and Regulation 2020/873 in (19) and Article 2.1(b).

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

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