

CRR ASSESSMENT

Cartesian Residential Mortgages 5 S.A.



PRIME COLLATERALISED SECURITIES (PCS) EU SAS

16 September 2020

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16 September 2020

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Prime Collateralised Securities (PCS) CRR Assessment

Individual(s) undertaking the assessment	Daniele Vella
Date of Verification	16 September 2020
The transaction to be verified (the “ Transaction ”)	Cartesian Residential Mortgages 5
Issuer	Cartesian Residential Mortgages 5 S.A.
Originator	Venn Hypotheken B.V.
Seller	Ember VRM S.à r.l.
Lead Manager(s)	BNP Paribas, London Branch Citigroup Global Markets Limited SMBC Nikko Capital Markets Europe GmbH
Transaction Legal Counsel	NautaDutilh and Simmons & Simmons
Rating Agencies	DBRS and Fitch
Stock Exchange	Euronext Dublin - Irish Stock Exchange

Legislative text	CRR criteria	Identifying document and checking page reference	Checking comments	Criteria fulfilled Yes / No
<p>Article 243</p> <p>2. Positions in a securitisation, other than an ABCP programme or ABCP transaction, that qualify as positions in an STS securitisation, shall be eligible for the treatment set out in Articles 260, 262 and 264 where the following requirements are met:</p>				
<p>(a) at the time of inclusion in the securitisation, the aggregate exposure value of all exposures to a single obligor in the pool does not exceed 2 % of the exposure values of the aggregate outstanding exposure values of the pool of underlying exposures. For the purposes of this calculation, loans or leases to a group of connected clients shall be considered as exposures to a single obligor.</p>	<p>1. (a) at the time of inclusion in the securitisation, the aggregate exposure value of all exposures to a single obligor in the pool does not exceed 2 % of the exposure values of the aggregate outstanding exposure values of the pool of underlying exposures. For the purposes of this calculation, loans or leases to a group of connected clients shall be considered as exposures to a single obligor.</p>	<p>See in Section 7.3 “Mortgage Loan Criteria” the requirement that</p> <p><i><<(m) the aggregate Outstanding Principal Amount of all Mortgage Loans entered into with a single Borrower shall not exceed 2.0 per cent. of the aggregate Outstanding Principal Amount of the Mortgage Receivables under or in connection with all Mortgage Loans;>>.</i></p>		<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p>

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<p>In the case of securitised residual leasing values, the first subparagraph of this point shall not apply where those values are not exposed to refinancing or resell risk due to a legally enforceable commitment to repurchase or refinance the exposure at a pre-determined amount by a third party eligible under Article 201(1);</p>	<p>In the case of securitised residual leasing values, the first subparagraph of this point shall not apply where those values are not exposed to refinancing or resell risk due to a legally enforceable commitment to repurchase or refinance the exposure at a pre-determined amount by a third party eligible under Article 201(1);</p>	<p>Not applicable.</p>		<p>Yes <input type="checkbox"/></p> <p>No <input type="checkbox"/></p> <p>N/A <input checked="" type="checkbox"/></p>
<p>(b) at the time of their inclusion in the securitisation, the underlying exposures meet the conditions for being assigned, under the Standardised Approach and taking into account any eligible credit risk mitigation, a risk weight equal to or smaller than:</p> <p>(i) 40 % on an exposure value-weighted average basis for the portfolio where the exposures are</p>	<p>2. (b) at the time of their inclusion in the securitisation, the underlying exposures meet the conditions for being assigned, under the Standardised Approach and taking into account any eligible credit risk mitigation, a risk weight equal to or smaller than:</p> <p>(i) 40 % on an exposure value-weighted average basis for the portfolio where the exposures are</p>	<p>2 (b) (i) should apply.</p> <p>The Portfolio meets this requirement. This point is met on the Signing Date with regard to the initial Cut-Off Date and on any Purchase Date with regard to the relevant Cut-Off Date.</p> <p>See the specific representation in §(vv) of Section 7.2 (REPRESENTATIONS AND WARRANTIES), pursuant to which the Seller declares that <<(vv) <i>the weighted average of</i></p>		<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p>

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<p>loans secured by residential mortgages or fully guaranteed residential loans, as referred to in point (e) of Article 129(1);</p> <p>(ii) 50 % on an individual exposure basis where the exposure is a loan secured by a commercial mortgage;</p> <p>(iii) 75 % on an individual exposure basis where the exposure is a retail exposure;</p> <p>(iv) for any other exposures, 100 % on an individual exposure basis;</p>	<p>loans secured by residential mortgages or fully guaranteed residential loans, as referred to in point (e) of Article 129(1);</p> <p>(ii) 50 % on an individual exposure basis where the exposure is a loan secured by a commercial mortgage;</p> <p>(iii) 75 % on an individual exposure basis where the exposure is a retail exposure;</p> <p>(iv) for any other exposures, 100 % on an individual exposure basis;</p>	<p><i>risk weights of the Mortgage Loans under the Standardised Approach (as defined in the CRR Amendment Regulation) is equal to or smaller than 40 per cent., as calculated on the relevant Cut-Off Date.>>.</i></p>		
<p>(c) where points (b)(i) and (b)(ii) apply, the loans secured by lower ranking security rights on a given asset shall only be included in the securitisation where all loans secured by prior ranking security rights on that asset are also included in the</p>	<p>3. (c) where points (b)(i) and (b)(ii) apply, the loans secured by lower ranking security rights on a given asset shall only be included in the securitisation where all loans secured by prior ranking security rights on that asset are also included in the</p>	<p>See section 7.2, where is contained a representation on the first ranking of the Mortgage Loans (or first and sequentially lower ranking mortgage right).</p> <p><i><<(e) each Mortgage Receivable is secured by (i) a first ranking or (ii) a first and sequentially lower ranking mortgage right (hypotheekrecht) on a Mortgaged Asset used for</i></p>		<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p> <p>N/A <input type="checkbox"/></p>

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securitisation;	securitisation;	<p><i>residential purposes in the Netherlands and is governed by Dutch law and each Mortgage Loan is originated in the Netherlands;>></i></p> <p>See also section 7.3 §(d) where is contained the Mortgage Loan Criteria requiring a first (or first and sequentially lower) ranking mortgage.</p>		
<p>(d) where point (b)(i) of this paragraph applies, no loan in the pool of underlying exposures shall have a loan-to-value ratio higher than 100 %, at the time of inclusion in the securitisation, measured in accordance with point (d)(i) of Article 129(1) and Article 229(1).</p>	<p>4. (d) where point (b)(i) of this paragraph applies, no loan in the pool of underlying exposures shall have a loan-to-value ratio higher than 100 %, at the time of inclusion in the securitisation, measured in accordance with point (d)(i) of Article 129(1) and Article 229(1).</p>	<p>See Section 6.1 (<i>Stratification Tables</i>), Table No. 12 - Breakdown by “Current Loan to Indexed Market Value” and the following Mortgage Loan Criterion, in Section 7.3 §(g) requiring that <i><<(g) each Mortgage Loan does not have a Current Loan to Indexed Market Value Ratio higher than 100 per cent. (or, if a different percentage is required or sufficient from time to time for the Notes to comply with article 243(2) of the CRR Amendment Regulation and the Seller wishes to apply such different percentage, then such different percentage)>></i>.</p>		<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p> <p>N/A <input type="checkbox"/></p>