

CRR ASSESSMENT

AUTO ABS SPANISH LOANS 2020-1, FT



PRIME COLLATERALISED SECURITIES (PCS) EU SAS

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15 October 2020

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15 October 2020

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Prime Collateralised Securities (PCS) CRR Assessment

Individual(s) undertaking the assessment	Dr Martina Spaeth
Date of Assessment /Version	15 October 2020
The transaction to be assessed (the “Transaction”)	AUTO ABS SPANISH LOANS 2020-1
Issuer	AUTO ABS SPANISH LOANS 2020-1, FT
Originator	PSA FINANCIAL SERVICES SPAIN, E.F.C., S.A..
Seller	PSA FINANCIAL SERVICES SPAIN, E.F.C., S.A..
Lead Manager(s)	Banco Santander S.A.
Transaction Legal Counsel	Cuatrecasas
Rating Agencies	DBRS, Fitch
Stock Exchange	AIAF, Madrid
Closing Date	15 October 2020

Legislative text and CRR criteria	Identifying document and checking page reference	Checking comments	Criteria fulfilled Yes / No
Article 243(*) 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:			
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.	See Prospectus, ADDITIONAL INFORMATION, the Underlying Assets, 2.2.2.3 Initial Receivables Tables, 2.2.2.3.15 Concentration See Prospectus, Additional Information, 2.2.2.5.2 Global Eligibility Criteria (iv) That the Outstanding Balance of the Receivables corresponding to the same Borrower does not exceed 0.05% of the total Outstanding Balance of the Non-Defaulted Receivables (including, if applicable, any Additional Receivables to be acquired on that Purchase Date).	The table in 2.2.2.3.15 shows the top Borrower concentration which is 0.01%, thus fulfilling the requirement to be below 2%. The Global Eligibility Criteria have a single borrower concentration limit at 0.05%.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
1 In the case of securitised residual leasing values, the first subparagraph of this point shall not apply where those values are not exposed to refinancing or resell risk due to a legally enforceable commitment to repurchase or refinance the exposure at a pre-determined amount by a third party eligible under Article 201(1);	Not applicable.		Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input checked="" type="checkbox"/>

(*) 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.

(**) 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).
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).

Legislative text and CRR criteria	Identifying document and checking page reference	Checking comments	Criteria fulfilled Yes / No
<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> <ul style="list-style-type: none"> (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 (**); (iv) for any other exposures, 100 % on an individual exposure basis; 	<p>Section ADDITIONAL INFORMATION, section 2.2.8 “Representations and collateral given to the issuer relating to the loan agreements”</p> <p>(1) The Loan agreements have been entered into with the Borrower, in accordance with:</p> <p>a. the laws and regulations applicable in Spain and, in particular, the Law on Instalment Sales of Movable Properties (Ley de Venta a Plazos de Bienes Muebles) and Law 16/2011;</p> <p>(19) To the extent that the Borrower is considered a consumer, the Seller has complied with any applicable consumer protection laws, and the time period available to the Borrower to dispose of or return the Vehicle has expired.</p> <p>“in relation to the Receivables”: (7) The Receivables arise from Loan agreements entered into by Borrowers (for personal or professional purposes) for financing the purchase of a New Vehicle or a Used Vehicle for personal or professional use (including the commercial use).</p> <p>“Borrower(s)” (“Deudor(es)”) means any individual borrowers, with residence in Spain as of the date of execution of the Loan agreement, to which the Seller has granted the Loans from which the Receivables transferred to the Fund derive.</p>	<p>2 (b) (iii) should apply, i.e. 75% risk weighting for the borrowers that qualify as “retail exposures”.</p> <p>100% of the Portfolio are loans to Individuals that qualify as retail.</p> <p>Also, the concentration criterion for the revolving period as stated above does not allow for exposures to increase beyond the threshold of 1 million EUR.</p> <p>As confirmed by the Originator to PCS, the loans follow the standardised approach and all have a risk weight (under the standardised approach) of, or below, 75%</p>	<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p>

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(**) 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).

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).

Legislative text and CRR criteria		Identifying document and checking page reference	Checking comments	Criteria fulfilled Yes / No
3.	(c) where points (b)(i) and (b)(ii) apply, the loans secured by lower ranking security rights on a given asset shall only be included in the securitisation where all loans secured by prior ranking security rights on that asset are also included in the securitisation;	Not applicable		Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input checked="" type="checkbox"/>
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).	Not applicable		Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input checked="" type="checkbox"/>

(*) 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.

(**) 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).

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).