

CRR ASSESSMENT

SANTANDER CONSUMO 5 FONDO DE TITULIZACIÓN



PRIME COLLATERALISED SECURITIES (PCS) EU SAS

17 July 2023

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17 July 2023

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PRIME COLLATERALISED SECURITIES (PCS) CRR Assessment

Individual(s) undertaking the assessment	Mark Lewis
Date of Verification	17 July 2023
The transaction to be verified (the "Transaction")	SANTANDER CONSUMO 5
Issuer	SANTANDER CONSUMO 5, FONDO DE TITULIZACIÓN
Originator/Seller/STS Originator for STS purposes	Banco Santander
Arranger	Banco Santander
Transaction Legal Counsel	
Lead Manager(s)	BANCO SANTANDER, SOCIETE GENERALE, UNICREDIT, BofA Securities Europe
Rating Agencies	Fitch, Moody's
Stock Exchange	AIAF, Madrid
Closing Date	17 July 2023

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

Legislative Text		
<p>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:</p>		
1a	<p><u>CRR Criteria</u> (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><u>Meets Criteria?</u> YES</p>
	<p><u>PCS Comments</u> See Prospectus, 2.2.2.32.3 Eligibility Criteria, Global Eligibility Criteria (a) The aggregate Outstanding Balance of the Receivables (taking into account Receivables to be assigned on the succeeding Payment Date) corresponding to the same Obligor does not exceed 0.05% of the total Outstanding Balance of the Receivables.</p>	
1b	<p><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);</p>	<p><u>Meets Criteria?</u> YES</p>
	<p><u>PCS Comments</u> <i>Not applicable.</i></p>	
2	<p><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;</p>	<p><u>Meets Criteria?</u> YES</p>

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.

	(iii) 75 % on an individual exposure basis where the exposure is a retail exposure ⁽²⁾ ; (iv) for any other exposures, 100 % on an individual exposure basis;	
	<p>PCS Comments</p> <p>See section 2.2.8. “Representations and collateral given to the issuer relating to the assets”</p> <p>2.2.8.6. In relation to the Loans and to the Receivables assigned to the Fund:</p> <p>(10) Each and every Loan has been granted by Banco Santander, in the ordinary course of business, to individuals (natural persons) resident in Spain at the time of execution of the relevant Loan agreement, for consumption purposes. None of them are employees, managers or directors of Santander.</p> <p>2 (b) (iii) applies, i.e. 75% risk weighting for natural persons</p> <p>Banco Santander has confirmed to PCS that this risk weight is applicable using the standardised approach.</p>	
3	<p>CRR Criteria</p> <p>(c) where points (b)(i) and (b)(ii) apply, the loans secured by lower ranking security rights on a given asset shall only be included in the securitisation where all loans secured by prior ranking security rights on that asset are also included in the securitisation;</p>	<p>Meets Criteria?</p> <p>YES</p>
	<p>PCS Comments</p> <p><i>Not applicable</i></p>	
4	<p>CRR Criteria</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>Meets Criteria?</p> <p>YES</p>
	<p>PCS Comments</p> <p><i>Not applicable</i></p>	

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)

