

Term Verification Checklist
Fondo de Titulización
RMBS GREEN PRADO XI



PRIME COLLATERALISED SECURITIES (PCS) EU SAS

30th March 2023

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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 and the PCS Term Evidentiary Standards 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 Prospectus unless otherwise stated.

PCS comments in this STS Term Verification Checklist are based on PCS' interpretation of the STS Regulation informed by (a) the text of the STS Regulation itself, (b) the EBA guidelines and recommendations issued in accordance with Article 19(2) of the STS 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.

30th March 2023

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PRIME COLLATERALISED SECURITIES (PCS) STS Verification

| | |
|---|---|
| Individual(s) undertaking the assessment | Dr Martina Spaeth |
| Date of Verification | 30 th March 2023 |
| The transaction to be verified (the "Transaction") | RMBS GREEN PRADO XI |
| Issuer | Fondo de Titulización RMBS GREEN PRADO XI |
| Originator | UNIÓN DE CRÉDITOS INMOBILIARIOS, S.A., ESTABLECIMIENTO FINANCIERO DE CRÉDITO ("UCI") |
| Lead Manager(s) | BNP Paribas and Santander CIB |
| Transaction Legal Counsel | CUATRECASAS, GONÇALVES PEREIRA S.L.P |
| Rating Agencies | DBRS, Fitch |
| Stock Exchange | AIAF Fixed-Income Market (AIAF Mercado de Renta Fija). |
| Fund Incorporation Date | 27 th March 2023 |
| Closing Date | 30 th March 2023 |

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/quarantors, 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 | <p><u>STS Criteria</u></p> <p>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.</p> | <u>Verified?</u> YES |
| | <p><u>PCS Comments</u></p> <p>See Prospectus, SECURITIES NOTE FOR WHOLESALE NON-EQUITY SECURITIES (Annex 15 of the Prospectus Delegated Regulation)</p> <p>3. ESSENTIAL INFORMATION</p> <p>3.1.2 Unión de Créditos Inmobiliarios, S.A., Establecimiento Financiero de Crédito ("UCI" or the "Seller") participates as:</p> <p>The Seller will assign to the Fund the title of the underlying Receivables by means of the assignment the MTCs and will be in charge of the management and administration of the underlying Receivables. Such assignment of the title to the Fund of the underlying Receivables shall not be subject to severe claw-back provisions in the event of the Seller's insolvency.</p> <p>3.3.2.6. Insolvency of the Seller</p> <p>The Seller may be declared insolvent and insolvency of the Seller could affect its contractual relationship with the Fund, in accordance with the provisions of the Insolvency Law.</p> <p>The assignment of the Receivables cannot be the subject of claw-back other than by an action brought by the Seller's receivers, in accordance with the provisions of the Insolvency Law and after proving the existence of fraud in the transaction, as set forth in the first additional provision of Royal Decree-Law 24/2021. The Seller has its place of business office in Spain. Therefore, and unless proof in the contrary, it is presumed that the centre of main interests is Spain.</p> <p>In the event that the Seller is declared insolvent, in accordance with the Insolvency Law, the Fund, represented by the Management Company, shall have the right of separation with respect to the Receivables, on the terms provided in articles 80 and 81 of the Insolvency Law and first additional provision of Royal Decree-Law 24/2021; consequently, the Fund shall be entitled to obtain from the insolvent Seller the resulting Receivables amounts from the date on which the insolvency is decreed, being those amounts considered Fund's property and must therefore be transferred to the Fund, represented by the Management Company.</p> <p>This right of separation would not necessarily extend to the cash received and kept by the insolvent Seller on behalf of the Fund before that date, given the essential fungible nature of money.</p> <p>Notwithstanding the above, both the Prospectus and the Deed of Incorporation provide for certain mechanism in order to mitigate the aforesaid effects in relation to cash due to its fungible nature as detailed in section 3.4.2.1 of the Additional Information.</p> <p><i>"True sale" is not a legal concept but a rating agency creation.</i></p> <p><i>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 creditor 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".</i></p> <p><i>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.</i></p> | |

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 (20.1) 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 happens for no reasons. 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”.

Since “severe clawback” is a jurisdictional concept, in analysing this issue PCS will therefore first seek to determine the Originator’s jurisdiction for the purposes of insolvency law. This would be its centre of main interest or “COMI”.

The second step would be to determine whether the relevant COMI 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.

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 jurisdictions meeting the following criteria – absent any other indications – shall not fall within the definition of “severe clawback”.

In the case of the Transaction, however, the Originator, Unión de Créditos Inmobiliarios, S.A. Establecimiento Financiero de Crédito is a Spanish credit institution, and its “home member state” is the Kingdom of Spain. As stated in the Prospectus, the COMI is also the Kingdom of Spain. In this Transaction, Legal Opinions of Spanish law have been provided, and sufficient comfort is reached that the transfer would not be subject to a “severe clawback”. Further, the legal opinion of Spanish law from CUATRECASAS, GONÇALVES PEREIRA S.L.P. confirms that the assignment of the Mortgage constitutes a valid and enforceable true sale of receivables made by the Originator (here called Seller) to the Issuer and it is not capable of being declared void or re-characterised from a legal viewpoint, and neither any insolvency official, nor the Borrower or any other creditor of the Originator, namely if in the context of its insolvency, is able to set aside such transfer unless it can provide evidence as to the fact that the assignment was made in bad faith.

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.

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| 2 | STS Criteria | Verified? YES |
| | 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. | |
| PCS Comments | | |
| <i>Neither provision applies. Legal opinions opine suitably. The Kingdom of Spain does not have severe clawback provisions that apply to the transfer of receivables in the context of a securitisation transaction.</i> | | |

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.

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| 3 | STS Criteria | Verified? YES |
| | 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. | |
| PCS Comments | | |
| 2.2.8. Representations and collateral given to the Issuer relating to the assets | | |
| 2.2.8.2. In relation to the Mortgage Loans and the Receivables assigned to the Fund: | | |
| (z) The Mortgage Loans were originated in the ordinary course of business of the Seller, pursuant to underwriting standards in respect of the acceptance of Mortgages Loans that are no less stringent than those that the Seller applied at the time of origination to similar receivables that are not securitised. | | |

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.

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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

Not applicable.

2.2.8.2 In relation to the Mortgage Loans and the Receivables assigned to the Fund:

(uu) The Mortgage Loans are not subject to any contractual provisions preventing assignment of the Receivables or requiring the Borrower's consent for such assignment.

See 3.3.1. Formalization of the assignment of the Receivables

3.3.1.1. Assignment of the Receivables.

The assignment of the Receivables represented by the MTCs will be made after selection without undue delay in the Deed of Incorporation by means of the issue by the Seller and the subscription/acquisition by the Fund of the MTCs and will be effective from the Incorporation Date. The Borrowers will not be notified of the assignment of the Mortgage Loans to the Fund by the Seller, except in the terms foreseen in section 3.7.1.13 of the Additional Information. .

3.3.2.6 Insolvency of the Seller

The Seller may be declared insolvent and insolvency of the Seller could affect its contractual relationship with the Fund, in accordance with the provisions of the Insolvency Law.

The assignment of the Receivables cannot be the subject of claw-back other than by an action brought by the Seller's receivers, in accordance with the provisions of the Insolvency Law and after proving the existence of fraud in the transaction, as set forth in first additional provision of Royal Decree-Law 24/2021. The Seller has its place of business office in Spain. Therefore, and unless proof in the contrary, it is presumed that the centre of main interests is Spain.

In the event that the Seller is declared insolvent, in accordance with the Insolvency Law, the Fund, represented by the Management Company, shall have the right of separation with respect to the Receivables, on the terms provided in articles 239 and 240 of the Insolvency Law and first additional provision of Royal Decree-Law 24/2021; consequently, the Fund shall be entitled to obtain from the insolvent Seller the resulting Receivables amounts from the date on which the insolvency is decreed, being those amounts considered Fund's property and must therefore be transferred to the Fund, represented by the Management Company.

3.3.2.7. Notification

Section 3.3.1 above provides that the Seller's assignment of the Receivables to the Fund shall not be notified to the Borrowers, except in the terms foreseen in section 3.7.1.13 of the Additional Information.3.7.1.13. Notices

The Management Company and the Seller have agreed not to notify the assignment of the Receivables to the relevant Borrowers except (a) when required by law (as of the Incorporation Date, the Seller must send the notice required by law to Borrowers in the Autonomous Community of Valencia, pursuant to Decree-Law 1/2019, of December 13, of the Consell, approving the consolidated version of the Statute of consumers and users of the Valencian Community and Andalucía, pursuant to Decree 175/2020, of 27 October, which regulates the right of information of consumer borrowers and guarantors in cases of issuance of mortgage shares or mortgage transfer certificates, as well as in cases of transfer, assignment or other legal acts that may result in the alteration of the ownership of the mortgage loans for housing, or the receivables derived therefrom. For these purposes, notice to the Borrowers is not a requirement for the validity of the issuance of the MTCs or for the validity of the assignment of the MTCs to the Fund).

(b) in the event of insolvency or indications thereof, liquidation or the replacement of the Servicer, or because the Management Company considers it to be reasonably justified, the Management Company may request the Servicer to notify the Borrowers of the transfer of the outstanding Mortgage Loans to the Fund, as well as of the fact that the payments deriving thereof will only act as a release if they are made into the Cash Flow Account opened in the name of the Fund. However, both in the case that the Servicer has not notified the Borrowers and the guarantors within five (5) Business Days following receipt of the request, and in the case of insolvency of the Servicer, the Management Company itself, either directly or through a new servicer designated thereby, will notify the Borrowers and relevant guarantors and insurance providers.

The Seller will grant in the Deed of Incorporation to the Management Company the broadest powers as are necessary under law so that it may, on behalf of the Fund, notify the Borrowers and the guarantors of the issuance or the assignment of the MTCs at the time it deems appropriate.

Notification is not required to perfect the transfer for this transaction.

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.

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| 5 | STS Criteria | Verified? YES |
| | <p>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.</p> <p>PCS Comments</p> <p>2.2.8. Representations and collateral given to the Issuer relating to the assets</p> <p>On the Incorporation Date, the Seller, as the owner of the Mortgage Loans, will make the following representations and warranties to the Management Company acting on behalf of the Fund, in the Deed of Incorporation:</p> <p>2.2.8.2. In relation to the Mortgage Loans and the Receivables assigned to the Fund:</p> <p>(d) The Seller is the sole owner of the Mortgage Loans, which are free of liens and encumbrances and has no knowledge that any Borrower may raise any objections to the payment of any amount regarding the Mortgage Loans</p> <p>(k) The Mortgage Loans have not been subject to any change, amendment, modification or waiver of any kind which in any material way adversely affects the enforceability or collectability of all or a material portion of the Receivables being transferred.</p> <p>(l) As regards the Mortgage Loans, no person has a preferential right to the Fund.</p> <p>(u) The Seller is not aware of any Borrower holding any credit right against the Seller that may entitle them to exercise any set-off rights which may negatively affect the rights conferred by the MTCs.</p> <p>(w) Both the assignment of the Receivables and the issue of the MTCs, as well as any acts relating thereto, have been legally and validly performed or will be legally and validly performed based on usual market standards.</p> <p>(ii) The Mortgage Loans are secured by a first-priority real estate mortgage over the relevant properties (all of them over finished residences). Furthermore, the mortgaged properties (i) are not affected by prohibitions concerning their availability, cancellation or any other ownership limitation and (ii) are not subject to any charges, liens or encumbrances in force ranking ahead the mortgages securing the Mortgage Loans, save preferential statutory credit rights originated in the ordinary course of business.</p> <p>(pp) The Mortgage Loans are not subject to any issue of mortgage notes or mortgage transfer certificates other than the issuance of the MTCs.</p> <p>(uu) The Mortgage Loans are not subject to any contractual provisions preventing assignment of the Receivables or requiring the Borrower’s consent for such assignment.</p> | |

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.

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| 6 | <p><u>STS Criteria</u></p> <p>6. The underlying exposures transferred from, or assigned by, the seller to the SSPE shall meet pre-determined, clear and documented eligibility criteria....</p> | <p><u>Verified?</u></p> <p>YES</p> |
| | <p><u>PCS Comments</u></p> <p>2.2.8. Representations and collateral given to the Issuer relating to the assets</p> <p>On the Incorporation Date, the Seller, as the owner of the Mortgage Loans, will make the following representations and warranties to the Management Company, acting on behalf of the Fund, in the Deed of Incorporation:</p> <p><i>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.</i></p> <p>PCS has read the Eligibility Criteria in the Prospectus. As they are mandatory, they meet the “predetermined” requirement. As they are in the Prospectus they meet the “documented” requirement. PCS has also concluded that they allow determination in each case and so meet the “clear” requirement.</p> | |
| 7 | <p><u>STS Criteria</u></p> <p>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.</p> | <p><u>Verified?</u></p> <p>YES</p> |
| | <p><u>PCS Comments</u></p> <p>2.3. Assets actively managed backing the issue</p> <p>The Management Company will not actively manage the assets backing the issue.</p> <p>3.3.2. <u>Receivables assignment terms</u></p> <p>3.3.2.1. <u>Scope of the assignment</u></p> <p>[...] The Seller does not assume the risk of payment default of the Receivables and, therefore, does not assume any liability for the payment of any amounts under the Mortgage Loans, whether for principal, interest or any other amount due, nor does it assume liability for the effectiveness of the guarantees or security granted as security thereof, if any. Furthermore, the Seller will not in any other manner whatsoever guarantee directly or indirectly the success of the transaction, or give any security or Notes or enter into any repurchase or replacement agreements as regards the Receivables, except as described in section 2.2.9 of this Additional Information or, if applicable, a potential repurchase further to the exercise of the Optional Redemption set forth in section 4.9.4 of the Securities Note.</p> <p>4.9.4. Optional Redemption</p> <p>On any Payment Date occurring from the Step-Up Date (each an “Optional Redemption Date”) the Seller will have the option (but not the obligation) to request the Management Company to redeem the Notes in whole (but not in part) at their Outstanding Principal Balance together with all accrued but unpaid interest thereon up to and including the relevant Payment Date</p> | |

in accordance with the Liquidation Priority of Payments set out in section 3.4.7.4 of the Additional Information (an “**Optional Redemption**”) and, consequently, repurchase all outstanding MTCs representing the Receivables pooled in the Fund.

See also 2.2.9 Substitution of the Securitised Assets

Indeed, 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 Prospectus and each is one of the seven allowable repurchase devices and these are acceptable within the context of the EBA final guidelines.

PCS also notes that there is an explicit affirmative statement in the Prospectus to the effect that no active management of the assets backing the Transaction applies.

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| 8 | <u>STS Criteria</u> | <u>Verified?</u> |
| | 8. Exposures transferred to the SSPE after the closing of the transaction shall meet the eligibility criteria applied to the initial underlying exposures. | YES |

PCS Comments

The transaction is not revolving.

2.2.9. Substitution of the securitised assets

3.3.2.3. Prepayment

No Receivables will be substituted in the event of full or partial prepayment of the corresponding Mortgage Loans.

This criterion is a future event criterion. In other words, it cannot be either met or failed at the outset of the transaction. But if, at a later stage, it is not met, then the Originator 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.

PCS has identified the existence of such a covenant in the Prospectus.

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.

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| 9 | <p>STS Criteria</p> <p>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.</p> | Verified? YES |
| | <p>PCS Comments</p> <p>The MTCs are homogeneous in character according to 2.2.9.</p> <p>2.2.8. Representations and collateral given to the Issuer relating to the assets</p> <p>2.2.8.2. In relation to the Mortgage Loans and the Receivables assigned to the Fund:</p> <p>(a) The granting of the Mortgage Loans and all aspects relating thereto are ordinary actions in the course of its business and are and will be at arm's basis</p> <p>(b) The Mortgage Loans are homogeneous in terms of asset type, cash flow, credit risk, servicing and prepayment characteristics and contain obligation that are contractually binding and enforceable, with full recourse to borrowers, and where applicable, guarantors, within the meaning of article 20.8 of the EU Securitisation Regulation.</p> <p>(c) The Mortgage Loans comply with the homogeneity factors within the meaning of Articles 1 and 2 of the Commission Delegated Regulation (EU) 2019/1851 of 28 May 2019 supplementing Regulation (EU) 2017/2402 of the European Parliament and of the Council with regard to regulatory technical standards relating to the homogeneity of the underlying exposures in securitisations.</p> <p>Homogeneity factors, article 2:</p> <p>a) For Ranking see 2.2.8.2</p> <p>(ii) The Mortgage Loans are secured by a first-priority real estate mortgage over the relevant properties (all of them over finished residences). Furthermore, the mortgaged properties (i) are not affected by prohibitions concerning their availability, cancellation or any other ownership limitation and (ii) are not subject to any charges, liens or encumbrances in force ranking ahead the mortgages securing the Mortgage Loans, save preferential statutory credit rights originated in the ordinary course of business.</p> <p>b) For type of mortgage see 2.2.2 and 2.2.8</p> <p>c) See also definition of Mortgage Loans</p> <p>"Mortgage Loans" ("Préstamos Hipotecarios") means mortgage loans secured by first-priority property mortgages provided by the Seller to individuals to finance transactions involving the acquisition of finished residences in Spain. None of the Mortgage Loans have been granted to real estate developers or to finance renovation of houses. All Mortgage Loans are secured with finished residences.</p> <p>Homogeneity, article 1 and article 2 ("homogeneity factor")</p> <p>2.2.2. General characteristics of the Borrowers, the Receivables and the economic environment, as well as any global statistical data referred to the securitised assets</p> | |

The Borrowers under the Mortgage Loans are individuals who were resident in Spain at the time of execution of the relevant Mortgage Loan agreement and who have been granted a Mortgage Loan for the acquisition of finished residences in Spain.

None of the Mortgage Loans have been granted to real estate developers or to finance renovation of houses. All Mortgage Loans are secured with finished residences.

100% of the Mortgage Loans are granted for the financing of primary residences.

The Mortgage Loans:

- (a) are backed by first-priority mortgages over the relevant properties,
- (b) have no grace period (neither for principal nor for interest); and
- (c) are based on monthly instalments (principal and interest) and on the French amortisation system.

Similar Underwriting / Origination:

2.2.7. The method of origination or creation of assets, and for loans and credit agreements, the principal lending criteria and an indication of any loans which do not meet these criteria and any rights or obligations to make further advances

See also Eligibility Criteria in 2.2.8.2

(x) For 56.10% of the Outstanding Balance of the Receivables, the Seller has faithfully complied with the standard set forth in the Origination Policy described in section 2.2.7 of this Additional Information and, for the remaining Mortgage Loans, representing a total of 43.90% of the Outstanding Balance of the Receivables, the Seller has complied with origination policies that do not differ substantially from Origination Policy described in section 2.2.7 of this Additional Information. (z) The Mortgage Loans were originated in the ordinary course of business of the Seller, pursuant to underwriting standards in respect of the acceptance of Mortgages Loans that are no less stringent than those that the Seller applied at the time of origination to similar receivables that are not securitised.

Similar Servicing:

2.2.7.2. Collection and claims policy

See also:

3.7. Management, administration and representation of the Fund and of the Noteholders

3.7.1. Servicer

The definition of "homogeneity" in the Regulation is also 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" will be legally binding on all regulatory authorities.

Such RTS has been formally adopted by the European Commission on 28 May 2019. 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.

Turning, for guidance, to the RTS adopted by the European Commission, in principle, four elements require examination: (a) "similar underwriting standards", (b) "similar servicing standards", (c) "same asset class" and (d) "relevant risk factors". Consumer loans are though considered sufficiently homogeneous and do not need to meet also a specific homogeneity factor.

Following the guiding principles of the EBA, we note that "similar underwriting standards" must mean something like the same type of underwriting approach, looking at the same types of data points to calculate the same type of credit risk. It cannot mean "exactly the same underwriting criteria", since this would make it impossible for any securitisation ever to have a "homogenous" pool.

In the Transaction, the loans were underwritten on a similar basis, though part of the pool was originated by sales agents, they were underwritten following UCI's internal underwriting policy, and they are being serviced by the Servicer on the same platform, they are a single asset class – Residential Home Loans – and, based on the EBA's suggested approach, the properties, on which the home loans are granted, are all located in the Kingdom of Spain. They are also all first-ranking mortgages.

PCS also takes great comfort from the fact that transactions containing pools with similar characteristics have always been considered to be "homogeneous" by a wide consensus of market participants.

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| <p>10 <u>STS Criteria</u> 10. The underlying exposures shall contain obligations that are contractually binding and enforceable.</p> | <p><u>Verified?</u> YES</p> |
| <p>PCS Comments</p> <p>2.2.8. Representations and collateral given to the Issuer relating to the assets</p> <p>2.2.8.2. In relation to the Mortgage Loans and the Receivables assigned to the Fund:</p> <p>(b) The Mortgage Loans are homogeneous in terms of asset type, cash flow, credit risk, servicing and prepayment characteristics and contain obligation that are contractually binding and enforceable, with full recourse to borrowers, and where applicable, guarantors, within the meaning of article 20.8 of the EU Securitisation Regulation</p> <p>(h) Each Mortgage Loan constitutes legal, valid, binding and enforceable contractual obligations with full recourse to the relevant Borrower and, where applicable, the guarantors and such obligations are enforceable in accordance with their respective terms.</p> <p>(qq) The Seller is not aware of the existence of any circumstance preventing the enforcement (<i>ejecución</i>) of the mortgages securing the Mortgage Loans.</p> <p>2.2.3 Legal nature of the assets</p> <p>The issuance of the MTCs will not transfer formal title to the mortgages and to any other security for the Mortgage Loans or accessory rights (including the insurances) relating to the relevant Mortgage Loans to the Fund (as holder of the MTCs). However, all rights to the proceeds of the enforcement of such mortgages and accessory rights will be transferred to the Issuer (as holder of the MTCs).</p> | |
| <p>11 <u>STS Criteria</u> 11. With full recourse to debtors and, where applicable, guarantors.</p> | <p><u>Verified?</u> YES</p> |
| <p><u>PCS Comments</u> See criterion 10 above.</p> | |

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.

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| 12 | STS Criteria | Verified? YES |
| | <p>12. The underlying exposures shall have defined periodic payment streams, the instalments of which may differ in their amounts.</p> <p>PCS Comments</p> <p>2.2.2. <u>General characteristics of the Borrowers, the Receivables and the economic environment, as well as any global statistical data referred to the securitised assets</u></p> <p>The Mortgage Loans:</p> <p>(c) are based on monthly instalments (principal and interest) and on the French amortisation system.</p> <p>2.2.8. Representations and collateral given to the Issuer relating to the assets</p> <p>2.2.8.2. In relation to the Mortgage Loans and the Receivables assigned to the Fund:</p> <p>(dd) The Floating Mortgage Loans and the Mixed Mortgage Loans (after switching from a fixed-rate to a variable interest rate) will accrue a floating interest rate indexed to an official benchmark index (Euribor 12M and IRPH), and no maximum or minimum limit of the applicable interest rate is agreed, other than those that have the CPI limitation option.</p> <p>(ee) The option of restricting the annual increase of the instalments in the event of increases in their interest rates up to a maximum amount equal to 200.00% or 100.00% of the CPI is not available for 98.65% of the Mortgage Loans and, as of 8 April 2024, none of the Mortgage Loans will have the option to limit instalments based on the CPI.</p> <p>See also Definitions:</p> <p>“Floating Mortgage Loans” (“<i>Préstamos a Tipo Variable</i>”) means the Mortgage Loans with a floating interest rate, referenced to either 12-month EURIBOR or IRPH.</p> <p>Definition of Mixed Mortgage Loans</p> <p>Mixed Mortgage Loans:</p> <ul style="list-style-type: none"> (i) 35.21% of the Outstanding Balance of the Receivables corresponds to Mixed Mortgage Loans, that have an initial fixed-rate period of up to fifteen (15) years and then switch to a floating interest rate (Euribor 12M). (ii) The weighted average nominal interest rate during the fixed-rate period is 2.29%. (iii) The weighted average switch date is 13 July 2030. (iv) The weighted average spread of the Mixed Mortgage Loans in the Mortgage Loan portfolio once they have switched to floating interest rate is 1.03%. <p>For further information, refer to section 2.2.2 of the Additional Information.</p> <p>“IRPH” means the reference rate for the determination of the applicable reference interest rate of mortgage loans for a maturity period longer than three years, granted by the aggregate of credit entities in Spain.</p> <p>PCS notes that the mortgages are amortising and pay capital and interest in equal instalments.</p> | |

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| 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 | | |

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.

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| 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 | | |

Article 20.9. The underlying exposures shall not include any securitisation position.

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| 15 | STS Criteria | 15. The underlying exposures shall not include any securitisation position. | Verified? YES |
| | PCS Comments | | |

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.

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| 16 | <u>STS Criteria</u> 16. The underlying exposures shall be originated in the ordinary course of the originator’s or original lender’s business. | <u>Verified?</u> YES |
| | <u>PCS Comments</u> 2.2.8. Representations and collateral given to the Issuer relating to the assets On the Incorporation Date, the Seller, as the owner of the Mortgage Loans, will make the following representations and warranties to the Management Company, acting on behalf of the Fund, in the Deed of Incorporation 2.2.8.2. In relation to the Mortgage Loans and the Receivables assigned to the Fund: (z) The Mortgage Loans were originated in the ordinary course of business of the Seller, pursuant to underwriting standards in respect of the acceptance of Mortgages Loans that are no less stringent than those that the Seller applied at the time of origination to similar receivables that are not securitised | |
| 17 | <u>STS Criteria</u> 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. | <u>Verified?</u> YES |
| | <u>PCS Comments</u> 2.2.8. Representations and collateral given to the Issuer relating to the assets On the Incorporation Date, the Seller, as the owner of the Mortgage Loans, will make the following representations and warranties to the Management Company, acting on behalf of the Fund, in the Deed of Incorporation:… 2.2.8.2. In relation to the Mortgage Loans and the Receivables assigned to the Fund: (z) The Mortgage Loans were originated in the ordinary course of business of the Seller, pursuant to underwriting standards in respect of the acceptance of Mortgages Loans that are no less stringent than those that the Seller applied at the time of origination to similar receivables that are not securitised. | |

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.

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| 18 | <u>STS Criteria</u> 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. | <u>Verified?</u> YES |
| | <u>PCS Comments</u> | |

See section 2.2.7, 2.2.7.1 to 2.2.7.5 for the description of the underwriting standards.

2.2.7.1 Origination Policy

UCI's basic acceptance policy for Loans originated after 2009 distinguishes and demands a greater contribution (down-payment) the lower the usefulness or the attachment the client has towards the asset when satisfying their basic needs. In addition, it adapts the contribution requirement to the client's socio-professional profile.

Likewise, a prudent relationship is established between the amount of the loan and the value of the guarantee, without taking into account possible revaluations of the latter. In addition, it takes into consideration the risks that are appreciated in the guarantees such as the type of property, its purpose or use, as well as its possible depreciation or the geographic area where it is located.

A fundamental requirement of this policy is the evaluation of the borrower's capacity to comply in a timely manner with the financial obligations assumed, considering only the usual income of the borrower, without relying on guarantors, sureties or assets offered in guarantee.

See section 2.2.7, last paragraph:

"UCI undertakes to disclose to the Management Company, who in turn will disclose to potential investors, without delay any material change in the Origination Policy."

The EBA Guidelines make clear that the part of the criterion referring to changes from prior underwriting is a future event criterion. It applies changes in underwriting criteria that occur post-closing. In other words, it cannot be either met or failed at the outset of the transaction. But if, at a later stage, it is not met, then the Originator 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 whilst noting at the same time that the absence of any such covenant – although possibly unsettling for some investors – would not invalidate the STS status of the transaction at closing.

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.

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| 19 | STS Criteria | Verified? YES |
| | <p>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.</p> <p>PCS Comments</p> <p>2.2.8. Representations and collateral given to the Issuer relating to the assets</p> <p>On the Incorporation Date, the Seller, as the owner of the Mortgage Loans, will make the following representations and warranties to the Management Company, acting on behalf of the Fund, in the Deed of Incorporation:</p> <p>2.2.8.2. In relation to the Mortgage Loans and the Receivables assigned to the Fund:</p> <p>(r) None of the Mortgage Loans includes Self-Certified Mortgage Loans or Equity Release Mortgage Loans. For these purposes, (i) "Self-Certified Mortgage Loans" means mortgage loans sold and underwritten on the basis that the applicants and/or intermediaries representing them were made aware before the start of the lender's assessment that income could be self-certified; and (ii) "Equity Release Mortgage Loans" means residential mortgage loans where borrowers have monetised their properties for either a lump sum of cash or regular periodic income.</p> | |

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.

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| 20 | STS Criteria | Verified? YES |
| | <p>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.</p> <p>PCS Comments</p> <p>2.2.8. Representations and collateral given to the Issuer relating to the assets</p> <p>2.2.8.2. In relation to the Mortgage Loans and the Receivables assigned to the Fund:</p> <p>(ggg) The assessment of the Borrower's creditworthiness meets the requirements as set out in article 8 of Directive 2008/48/EC.</p> <p><i>The criterion requires consumer loans or mortgages to have been underwritten in accordance with one of two European Directives. European Directives, in contrast to Regulations, do not have direct effect but must be implemented into national law country by country.</i></p> <p><i>PCS assumes, although the Regulation and the EBA Guidelines are silent on this point, that the requirement for mortgages and consumer loans to have been underwritten in compliance with the Directives only applies to assets underwritten after these Directives were transcribed into national law.</i></p> | |

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

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| 21 | STS Criteria | Verified? YES |
| | <p>21. The originator or original lender shall have expertise in originating exposures of a similar nature to those securitised.</p> <p>PCS Comments</p> <p>3.5. Name, address and significant business activities of the Seller</p> <p>The Seller of the MTCs representing the Receivables is UCI (UNIÓN DE CRÉDITOSINMOBILIARIOS, E.F.C., S.A.):</p> <p>(b) As Seller and as Servicer has the relevant expertise as an entity in the origination and servicing of mortgage loans for over 30 years and as servicer of mortgage receivables securitisations for over 25 years.</p> <p><i>An entity originating assets similar to those securitised for at least five years is deemed, according to the EBA Guidelines to have "expertise".</i></p> | |

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...

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| 22 | STS Criteria | Verified? YES |
| | <p>22. The underlying exposures shall be transferred to the SSPE after selection without undue delay...</p> <p>PCS Comments</p> <p>2.2. Assets backing the issue</p> <p>The Fund will pool in its assets certain Receivables arising from mortgage loans granted by the Seller to individuals who were resident in Spain at the time of execution of the relevant mortgage loan agreement for the acquisition of finished residences in Spain (the "Mortgage Loans").</p> <p>3.3.1. Formalization of the assignment of the Receivables, 3.3.1.1. <u>Assignment of the Receivables.</u></p> <p>The assignment of the Receivables represented by the MTCs will be made after selection without undue delay in the Deed of Incorporation by means of the issue by the Seller and the subscription/acquisition by the Fund of the MTCs, which will be effective from the Incorporation Date.</p> <p>2.2.5 Amount of the Receivables</p> <p>The Preliminary Portfolio, from which the Receivables represented by the MTCs to be assigned to the Fund on the Incorporation Date will be extracted, is made up of 3,786 Mortgage Loans, the Outstanding Balance of which amounts to FIVE HUNDRED AND ONE MILLION, FOUR HUNDRED AND FORTY-FIVE THOUSAND, SIX HUNDRED AND FORTY-NINE EUROS AND NINETY-NINE CENTS (€ 501,445,649.99) as of 6 February 2023. Receivables represented by MTCs representing the economic rights in Mortgage Loans with amounts in arrears will not be assigned to the Fund.</p> <p><i>The issue date shall be on 27th March 2023. PCS has assumed that any period of 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</i></p> | |

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| 23 | STS Criteria | Verified? YES |
| | <p>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...</p> <p>PCS Comments</p> <p>2.2.8. Representations and collateral given to the Issuer relating to the assets</p> <p>On the Incorporation Date, the Seller, as the owner of the Mortgage Loans, will make the following representations and warranties to the Management Company, acting on behalf of the Fund, in the Deed of Incorporation:</p> <p>2.2.8.2. In relation to the Mortgage Loans and the Receivables assigned to the Fund:</p> <p>(ww) None of the Receivables qualifies as exposures in default within the meaning of article 178, paragraph 1, of Regulation (EU) no. 575/2013 pursuant to article 20(11) of the EU Securitisation Regulation.</p> | |

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.

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| 24 | STS Criteria | Verified? YES |
| | <p>24. Or exposures to a credit-impaired debtor or guarantor, who, to the best of the originator's or original lender's knowledge:</p> <p>PCS Comments</p> <p>2.2.8. Representations and collateral given to the Issuer relating to the assets</p> <p>On the Incorporation Date, the Seller, as the owner of the Mortgage Loans, will make the following representations and warranties to the Management Company, acting on behalf of the Fund, in the Deed of Incorporation</p> <p>2.2.8.2. In relation to the Mortgage Loans and the Receivables assigned to the Fund:</p> | |

- (i) Each of the Mortgage Loans is classified as “stage 1” in the financial statements of the Seller.
- (yy) for the purposes of article 20(11) of the EU Securitisation Regulation, none of the Borrowers or the guarantors under the Mortgage Loans is a credit-impaired Debtor, who, to the best of the Seller’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 3 (three) years prior to the date of origination or has undergone a debt-restructuring process with regard to his non-performing exposures; or
 - (ii) was, at the time of origination, where applicable, on a public credit registry of persons with adverse credit history; 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 relevant Seller which have not been assigned to the Fund under the transaction.
- (tt) No Receivable has had a Restructuring after 31 December 2017.

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 securitisation. 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.
- 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”.*

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| 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 criterion 24 above. | |

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| 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 criterion 24 above. | |
| 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 Not applicable, see criterion 24 above. | |
| 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 Not applicable, see criterion 24 above. | |
| 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 criterion 24 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 criterion 24 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.

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| 31 | <u>STS Criteria</u> | <u>Verified?</u> YES |
| | 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. | |
| <u>PCS Comments</u> | | |
| 2.2.8. Representations and collateral given to the Issuer relating to the assets | | |
| On the Incorporation Date, the Seller, as the owner of the Mortgage Loans, will make the following representations and warranties to the Management Company, acting on behalf of the Fund, in the Deed of Incorporation: | | |
| (t) Each Borrower has made at least one scheduled payment under the relevant Mortgage Loan agreement. | | |

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.

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| 32 | <u>STS Criteria</u> | <u>Verified?</u> YES |
| | 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. | |
| <u>PCS Comments</u> | | |
| 2.2.2. General characteristics of the Borrowers, the Receivables and the economic environment, as well as any global statistical data referred to the securitised assets | | |
| The Mortgage Loans: | | |
| (c) are based on monthly instalments (principal and interest) and on the French amortisation system. | | |
| <i>Accordingly, none of the assets in the pool display any predominant reliance on the sale of the assets as cleared up by the EBA Guidelines specific statement.</i> | | |

Article 21.1. The originator, sponsor or original lender shall satisfy the risk retention requirement in accordance with Article 6.

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| 33 | STS Criteria | Verified? YES |
| | <p>33.The originator, sponsor or original lender shall satisfy the risk retention requirement in accordance with Article 6.</p> <p>PCS Comments</p> <p>See 3.1.2 Unión de Créditos Inmobiliarios, S.A., Establecimiento Financiero de Crédito (“UCI” or the “Seller”) [...]</p> <p>In its capacity as originator, the Seller:</p> <p style="padding-left: 20px;">(a) will retain, on an on-going basis, a material net economic interest of not less than 5 (five) per cent of the securitised exposures in the Securitisation, in accordance with option (d) of article 6(3) of the EU Securitisation Regulation as described in section 3.4.3.1 of the Additional Information;</p> <p>3.4.3. Risk retention requirement</p> <p>3.4.3.1. <i>EU Retention Requirement</i></p> <p>The Seller, as originator, will undertake in the Deed of Incorporation to retain, on an ongoing basis, a material net economic interest of at least 5 (five) per cent. In the securitisation transaction described in this Prospectus in accordance with</p> <p style="padding-left: 20px;">(a) article 6(3)(d) of the EU Securitisation Regulation (by means of “<i>the retention of the Class D Notes</i>, as referred in section 2.2.8.1 (f) of the Additional Information) and</p> <p style="padding-left: 20px;">(b) article 8 of the Delegated Regulation (, applicable until the new regulatory technical standards to be adopted by the Commission apply, pursuant to article 43(7) of the EU Securitisation Regulation.</p> <p>In addition, the Seller has undertaken that the material net economic interest held by it shall not be split amongst different types of retainers and shall not be subject to any credit-risk mitigation or hedging, in accordance with article 6(1) of the EU Securitisation Regulation.</p> <p>See Prospectus, Additional Information, 2.2.8.1. <i>In relation to the Seller:</i></p> <p>(f) The Seller will comply with the risk retention requirement by holding the Class D Notes, in accordance with article 6(3)(d) of the EU Securitisation Regulation., in accordance with article 6(3)(d) of the EU Securitisation Regulation.</p> <p>PCS notes that the Originator shall hold the Class D notes as the form of retention.</p> | |

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.

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| 34 | <u>STS Criteria</u> | <u>Verified?</u> YES |
| 34. The interest rate...risks arising from the securitisation shall be appropriately mitigated. | | |
| <u>PCS Comments</u> | | |
| See Risk Factors, 1.1.4 Interest rate risk | | |
| The assets of the Fund will be made up of the Receivables represented by the MTCs representing the economic rights in the Mortgage Loans selected from among those comprising the Preliminary Portfolio. The Preliminary Portfolio consists of Mixed Mortgage Loans (which are indexed to a 12-month EURIBOR once they switch to a floating interest rate) and Floating Mortgage Loans indexed to a 12-month EURIBOR or IRPH, as applicable. | | |
| On the other hand, the liabilities of the Fund will consist mainly of the Notes, which will accrue (i) an annual nominal floating interest in respect of Class A Notes and Class B Notes (the "Floating Rate Notes"); and (ii) an annual nominal fixed interest in respect of Class C Notes and Class D Notes.. | | |
| Based on the above, the Receivables include interest payments calculated at interest rates and periods, which are different from the interest rates and periods applicable to the interest due in respect of the Notes This circumstance means that: | | |
| (a) with respect to the fixed interest rate Mortgage Loans (i.e., Mixed Mortgage Loans during the fixed-interest period), there is an interest rate risk since the Mixed Mortgage Loans during the fixed-interest period pays a fixed interest rate and, in contrast the Floating Rate Notes pay a floating interest rate, meaning that the fixed interest of the Mortgage Loans may fall below the interest rate of the Floating Rate Notes, especially in the current context of increasing inflation; and; and | | |
| (b) with respect to the floating interest rate Mortgage Loans (i.e., Floating Mortgage Loans and Mixed Mortgage Loans after switching from a fixed-rate to a floating interest rate), there is a benchmark rate risk, as the floating interest rate Mortgage Loans are indexed to 12-month EURIBOR or IRPH, as applicable, resulting in a mismatch between the benchmark for the Mortgage Loans and the benchmark for Floating Rate Notes (Euribor 3 months). For further information on this risk, see subsection "benchmark rate risk" below.. | | |
| In connection with the potential interest rate risk described above, it is important to highlight that: | | |
| (a) The Class C Notes and the Class D Notes pay a fixed interest rate. | | |
| (b) The Fund has not entered into (and will not enter into) any hedging instrument. | | |
| For clarification purposes, relevant information is included below in order to allow for a better assessment of the interest rate risk described in the previous paragraphs: [] | | |
| See 2.2.2.1 | | |
| <i>Distribution of the Mortgage Loans according to the interest type</i> | | |
| The Preliminary Portfolio is comprised of mixed, and floating interest rate Mortgage Loans which are revised annually or semi-annually, and with no distinguishing feature or peculiarity other than the CPI limitation option described in above section. | | |
| The following table shows the distribution of the Mortgage Loans based on their interest type and benchmark indices: | | |

The reference interest rate for Floating Mortgage Loans and Mixed Mortgage Loans (after switching from a fixed-rate to a variable interest rate) representing a 55.74% of the Outstanding Balance of the Receivables is 12-month EURIBOR. The reference interest rate for Floating Mortgage Loans representing 44.26 % of the Outstanding Balance of the Receivables is IRPH.

64.79% of Outstanding Balance of the Receivables linked to a floating rate is formed by (i) a 44.26% of the Outstanding Balance of the Receivables linked to IRPH, and (ii) a 20.52% of the Outstanding Balance of the Receivables linked to Euribor 12M.

See also table in the Prospectus, Additional Information, 2.2.2.1., titled: *"Distribution of the Mortgage Loans according to the interest type"*

3.4.2. Information on any credit enhancements, an indication of where potentially material liquidity shortfalls may occur, and the availability of any liquidity supports and indication of provisions designed to cover interest/principal shortfall risks.

3.4.2.1 Credit enhancements

In order (i) to strengthen the financial structure of the Fund, to increase the security or the regularity in the payments of the Notes, (ii) to cover any temporary mismatches of the schedule of flows of principal and interest on the Mortgage Loans and the Notes, or, (iii) in general, to transform the financial characteristics of the Mortgage Loans and the Notes, and to ensure the proper operation of the Fund and performance of its obligations in the terms and conditions set out in the applicable laws from time to time, the Management Company, on behalf of the Fund, will enter into the Transaction Documents described below in accordance with the Deed of Incorporation and all applicable legal provisions.

(a) Reserve Fund

The Reserve Fund mitigates the credit risk, interest rate risk and the liquidity or commingling risk of the Mortgage Loans.

The Reserve Fund will be initially funded on the Disbursement Date with part of the proceeds of the Subordinated Loan, as specified in section 3.4.2.2 below.

On the Disbursement Date, the Reserve Fund will be equal to 1.53% of the Outstanding Balance of the Receivables as of the Incorporation Date.

(b) Subordination and postponement of payment of principal and interest: between the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes.

The Receivables do not include derivatives and the Fund will not enter into derivative contracts, considering the following:

- (a) there is no currency risk as the assets and liabilities are both denominated in Euros, and
- (b) the interest rate arising from the transaction is appropriately mitigated by the presence of risk mitigation mechanisms, including, but not limited to, the following:
 - (i) The credit enhancements described herein.
 - (ii) The interest profile of the assets and liabilities.
 - (iii) From the Step-Up Date, the Interest Reference Rate applicable to the Floating Rate Loans will be capped at 6%, thus mitigating the risk of interest rate rising above that level.

3.4.2.2. Reserve Fund

Use of the Reserve Fund:

The amounts standing to the credit of the Reserve Fund will form part of the Available Funds and will be applied on each Payment Date until the Reserve Fund Termination Date to comply with the payment obligations of the Fund in accordance with the Pre-Enforcement Priority of Payments included in section 3.4.7.2 below. For these purposes, "Reserve Fund Termination Date" means the earlier of:

- (a) the Payment Date on which all amounts of interest and principal due and payable in respect of the Class A Notes and the Class B Notes have been repaid in full;

- (b) the Payment Date on which the Outstanding Balance of the Non-Defaulted Receivables is zero (0), but the Notes have not yet been redeemed in full;
- (c) the Early Liquidation Date; and
- (d) the Legal Maturity Date.

PCS notes that there is no Swap Agreement or other matching hedge. The interest rate risk is borne by available credit enhancement and the reserve fund which is determined as 1.53% of the outstanding performing assets and is replenished up to this percentage and forms part of the available funds until the Class A, Class B and Class C notes have been repaid in full or the termination date. PCS notes that the interest rate risk is described in the risk factors, including the mitigants. The main mitigant is the fact that the notes and more than 64% are linked to a floating rate, though a third of those (20.52%) are linked to 12M Euribor and therefore not perfectly hedged.

Clearly and explicitly, "appropriate" hedging does not require "perfect" hedging. This is confirmed by the EBA Guidelines which require the hedges to cover a "major share" of the risk from an "economic perspective". However, the definition of "appropriate" hedging or a "major share" of the risk will always contain an element of subjectivity and must be analysed on a case by case basis.

The fact that the Regulation was crafted by the legislators to recognise existing high quality European securitisations rather than raise the bar to a level not previously encountered, together with the common-sense approach of the EBA, leads to the conclusion that transactions considered adequately hedged by common investor and rating agency consensus should be held to meet this criterion.

This still requires an analysis of the matter. Since PCS is not a quantitative analysis provider or a credit rating agency, our verification is based on a second-hand analysis which focuses on:

- A statement in the Prospectus or other document setting out the boundary conditions of the hedging. This should state in effect how far the hedging stretches and under what scenario's it will break. For example, if interbank rates rise above X%. This will provide a common-sense feel for whether, at first glance, the hedging is reasonable.
- Risk Factors section of the Prospectus to check that no statements refer to the risks of "unhedged positions". This is based on the legal requirement to disclose any relevant information to investors. If the originator or its advisers believed that the hedging in a transaction was unusually light, this should be disclosed in the Risk Section.
- The "pre-sale" report from a recognised credit rating agency (if used) so as to identify any issues with hedging. Again, rating agencies as credit specialists should highlight in their analysis any substantial and unusual hedging risks.

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| 35 | <u>STS Criteria</u> 35. Currency risks arising from the securitisation shall be appropriately mitigated. | <u>Verified?</u> YES |
| | <u>PCS Comments</u> 3.4.2.1 Credit Enhancements See (a) as quoted in item 34, above. <i>There is no currency risk as the assets and liabilities are both denominated in Euros.</i> | |
| 36 | <u>STS Criteria</u> 36. Any measures taken to that effect shall be disclosed. | <u>Verified?</u> YES |
| | <u>PCS Comments</u> See item 35, above. | |

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.

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| 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 | <p>3.4.2.1 Credit Enhancements</p> <p>The Receivables do not include derivatives and the Fund will not enter into derivative contracts, considering the following:</p> <p>(a) there is no currency risk as the assets and liabilities are both denominated in Euros, and</p> <p>(b) the interest rate arising from the transaction is appropriately mitigated by the presence of risk mitigation mechanisms, including, but not limited to, the following:</p> <p>(i) The credit enhancements described herein.</p> <p>(ii) The interest profile of the assets and liabilities.</p> <p>(iii) From the Step-Up Date, the Interest Reference Rate applicable to the Floating Rate Loans will be capped at 6%, thus mitigating the risk of interest rate rising above that level.</p> <p>See also 3.4.5.1. "...and further provided that in no case shall such investment be made, in whole or in part, actually or potentially, in (a) tranches of other asset-backed securities; or (b) credit-linked notes, Swaps or other derivative instruments, or synthetic securities;"</p> <p><i>The Receivables do not include derivatives and the SSPE shall not enter into other derivatives since the interest rate is already mitigated, not even at a future point in time.</i></p> | |
| 38 | STS Criteria | 38. ...Shall ensure that the pool of underlying exposures does not include derivatives. | Verified? YES |
| | PCS Comments | <p>2.2.8. Representations and collateral given to the Issuer relating to the assets</p> <p>On the Incorporation Date, the Seller, as the owner of the Mortgage Loans, will make the following representations and warranties to the Management Company, acting on behalf of the Fund, in the Deed of Incorporation:</p> <p>2.2.8.2. In relation to the Mortgage Loans and the Receivables assigned to the Fund:</p> <p>(xx) None of the Receivables is a derivative, pursuant to article 21(2) of the EU Securitisation Regulation</p> | |
| 39 | STS Criteria | 39. Those derivatives shall be underwritten and documented according to common standards in international finance. | Verified? YES |
| | PCS Comments | <i>Not applicable. PCS notes that the Issuer does not enter into any swap or other agreement to mitigate interest rate risk.</i> | |

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.

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| 40 | STS Criteria | Verified? YES |
| | <p>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.</p> <p>PCS Comments</p> <p>For Assets: see 2.2.2.1. Distribution of the Mortgage Loans according to the interest type</p> <p>The Preliminary Portfolio is comprised of fixed, mixed and variable interest rate Mortgage Loans which are revised annually or semi-annually, and with no distinguishing feature or peculiarity other than the CPI limitation option described in above section.</p> <p>See table in 2.2.2.1 showing the distribution and showing the variable rates as 12M Euribor.</p> <p>The reference interest rate for Floating Mortgage Loans and Mixed Mortgage Loans (after switching from a fixed-rate to a variable interest rate) representing a 55.74% of the Outstanding Balance of the Receivables is 12-month EURIBOR. The reference interest rate for Floating Mortgage Loans representing a 44.26% of the Outstanding Balance of the Receivables is IRPH</p> <p>For Liabilities: see Cover Page - Euribor 3M + a margin for the Classes A, B,C and D Notes.</p> <p>3.4.4.1. Subordinated Loan Agreement, Interest</p> <p>The Subordinated Loan will accrue a nominal annual interest, calculated each quarter for each Interest Accrual Period, which will be 6.00% per annum until (and including) the maturity date set at the Legal Maturity Date.</p> <p>See 2.2.2.1</p> <p>The weighted average nominal interest rate during the fixed-rate period is. 2.29%.</p> <p>64.79% of the Outstanding Balance of the Receivables corresponds to Floating Mortgage Loans, with a weighted average nominal interest rate of 3.18%.</p> <p>PCS notes that the referenced interest payments on the assets are market standard.</p> <p>PCS also notes that there is a capped reference rate and a step-up interest rate which applies to the notes after the occurrence of the step-up date.</p> | |

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.

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| 41 | <p><u>STS Criteria</u></p> <p>41. Where an enforcement or an acceleration notice has been delivered:</p> <p>(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;</p> | <p><u>Verified?</u></p> <p>YES</p> |
| | <p><u>PCS Comments</u></p> <p>3.4.7. Source and application of Funds, 3.4.7.4. <u>Liquidation Priority of Payments</u>, <u>Source</u></p> <p>The funds available to comply with the payment obligation of the Fund on the Legal Maturity Date or on the Early Liquidation (the "Available Funds for Liquidation") shall be as follows:</p> <p>(a) any Available Funds, as referred in section 3.4.7.2</p> <p>(b) any purchase price paid by the Seller in case of exercise of the Optional Redemption; and</p> <p>(c) any amounts obtained by the Fund from the sale of the MTCs and any other remaining assets.</p> <p><i>Application</i></p> <p>The Available Funds for Liquidation will be applied on the Legal Maturity Date or on the Early Liquidation date in the following priority of payment order (the "Liquidation Priority of Payments") described below and in the Deed of Incorporation...</p> <p><i>There is no cash trapping. The Available Fund definition in 3.4.7.2 includes any amount allocated to the Reserve Fund and all other funds available, which are included in the application of the liquidation priority of payments.</i></p> | |
| 42 | <p><u>STS Criteria</u></p> <p>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;</p> | <p><u>Verified?</u></p> <p>YES</p> |
| | <p><u>PCS Comments</u></p> | |

See 3.4.2.3 Subordination of the Notes

The Class B Notes, the Class C Notes and the Class D Notes are subordinated to the Class A Notes and the Class B Notes. Therefore, the payment of interest and the redemption of principal of the Class B Notes, the Class C Notes and the Class D Notes are subordinated to those of the Class A Notes.

The Class C Notes and the Class D Notes are subordinated to the Class A Notes and Class B Notes. Therefore, the payment of interest and the redemption of principal of the Class C Notes and the Class D Notes are subordinated to those of the Class A Notes and the Class B Notes.

The Class D Notes are subordinated to the Class A Notes, the Class B Notes and the Class C Notes. Therefore, the payment of interest and the redemption of principal of the Class D Notes are subordinated to those of the Class A Notes, the Class B Notes and the Class C Notes.

In addition, on the Early Liquidation Date or the Legal Maturity Date, the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes will be redeemed sequentially in accordance with the Liquidation Priority of Payments set forth in section 3.4.7.4 of the Additional Information so that (i) the Class B Notes will not be further redeemed for so long as the Class A Notes have not been redeemed in full; and (ii) subsequently, the Class C Notes will not be further redeemed for so long as the Class B Notes have not been redeemed in full and (iii) finally, the Class D Notes will not be further redeemed for so long as the Class C Notes have not been redeemed in full.

3.4.7. Source and application of Funds

3.4.7.4. Liquidation Priority of Payments

Source

The funds available to comply with the payment obligations of the Fund on the Legal Maturity Date or on the Early Liquidation date (the “Available Funds for Liquidation”) shall be as follows:

- (a) any Available Funds, as referred in section 3.4.7.2,
- (b) any purchase price paid by the Seller in case of exercise of the Optional Redemption; and
- (c) any amounts obtained by the Fund from the sale of the MTCs and any other remaining assets.

Application

The Available Funds for Liquidation will be applied on the Legal Maturity Date or on the Early Liquidation date in the following priority of payment order (the “**Liquidation Priority of Payments**”) described below and in the Deed of Incorporation

Payments are made on a sequential basis: the Class A notes are repaid first followed by the Class B and Class C notes.

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

**Verified?
YES**

PCS Comments

See 3.4.2.3 Subordination of the Notes

The Class B Notes, the Class C Notes and the Class D Notes are subordinated to the Class A Notes. Therefore, the payment of interest and the redemption of principal of the Class B Notes, the Class C and the Class D Notes are subordinated to those of the Class A Notes.

The Class C Notes and the Class D Notes are subordinated to the Class A Notes and the Class B Notes. Therefore, the payment of interest and the redemption of principal of the Class C Notes and the Class D Notes are subordinated to those of the Class A Notes and the Class B Notes.

The Class D Notes are subordinated to the Class A Notes, the Class B Notes and the Class C Notes. Therefore, the payment of interest and the redemption of principal of the Class D Notes are subordinated to those of the Class A Notes, the Class B Notes and the Class C Notes.

In addition, on the Early Liquidation Date or the Legal Maturity Date, the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes will be redeemed sequentially in accordance with the Liquidation Priority of Payments set forth in section 3.4.7.4 of the Additional Information so that (i) the Class B Notes will not be further redeemed for so long as the Class A Notes have not been redeemed in full; (ii) subsequently, the Class C Notes will not be further redeemed for so long as the Class B Notes have not been redeemed in full, and (iii) finally, the Class D Notes will not be further redeemed for so long as the Class C Notes have not been redeemed in full.

3.4.7. Source and application of Funds

3.4.7.4. Liquidation Priority of Payments, Source

The funds available to comply with the payment obligations of the Fund on the Legal Maturity Date or on the Early Liquidation date (the “Available Funds for Liquidation”) shall be as follows ::

- (a) any Available Funds, as referred in section 3.4.7.2,
- (b) any purchase price paid by the Seller in case of exercise of the Optional Redemption; and
- (c) any amounts obtained by the Fund from the sale of the MTCs and any other remaining assets

Application: The Available Funds for Liquidation will be applied on the Legal Maturity Date or on the Early Liquidation date in the following priority of payment order (the “Liquidation Priority of Payments”) described below and in the Deed of Incorporation:

There is no reversal of repayment with regard to seniority. The Class A notes rank senior to the class B and other notes accordingly, and are repaid sequentially, in case of a Turbo Amortisation event or enforcement event. In the pre-enforcement waterfall the repayment is also sequential.

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STS Criteria

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

Verified?
YES

PCS Comments

4.4.3. Early Liquidation of the Fund

The Management Company is authorised to carry out the early liquidation of the Fund (the “Early Liquidation”) and hence the early redemption of the Notes (the “Early Redemption”) at any time in the following instances:

- (a) Voluntarily:

The Seller will have the option but not the obligation to request the Management Company to carry out the Early Liquidation and hence the Early Redemption:

(1) upon the occurrence of a Clean-Up Call Event (provided that on the Clean-Up Call Date, the sale of the Receivables pending repayment, together with the balance then existing in the Cash Flow Account, allows for the full repayment of any outstanding amounts under the Class A Notes, the Class B notes and the Class C Notes following the Liquidation Priority of Payments described in section 3.4.7.4 of the Additional Information and in the Deed of Incorporation), or

(2) on any Payment Date commencing on the Step-up Date in the event that the Seller exercises the Optional Redemption, pursuant to section 4.9.4 of the Securities Note (provided that the conditions set forth in section 4.9.4 of the Securities Note are met) in which case no consent of the Noteholders would be required.

(b) Mandatorily:

(1) if, as stated in Article 33 of Law 5/2015, four (4) months have elapsed since the occurrence of an event giving rise to the mandatory replacement of the Management Company due to a declaration of insolvency thereof;

(2) in the event of revocation of the authorisation of the Management Company, without a new management company having been found that is prepared to take over management of the Fund and that is appointed pursuant to section 3.7.2.3 of the Additional Information;

(3) on the Payment Date preceding at least six (6) months in advance of the Legal Maturity Date of the Fund, or if such date is not a Business Day, the Business Day immediately thereafter;

(4) if the Meeting of Creditors approves the Early Liquidation of the Fund with the relevant majority; or

(5) when it is or will become unlawful for the Fund to perform or comply with any of its obligations under or in respect of the Notes.

4.4.3.2. Procedure for the Early Liquidation of the Fund

The Early Liquidation of the Fund is made;

(a) in the case described in paragraph (a) (2) above will be effected in accordance with the provisions of section 4.9.4 of the Securities Note. ; or

(b) in the remaining cases (i.e., events described in paragraphs (a) (1) or (b) (1), (2), (3), (4) or (5) above,) the Management Company shall sell the Receivables and any remaining assets of the Fund in accordance with the provisions below. The Seller shall have a pre-emptive right to acquire such Receivables at a price equal to the Outstanding Balance of the Non-Defaulted Receivables plus any accrued interests (for these purposes the Defaulted Receivables will be given a zero (0) value). Therefore, the Seller will have priority over third parties to acquire the Receivables. Upon the relevant event, the Seller will have a period of five (5) Business Days to communicate to the Management Company its decision to repurchase or not the Receivables at the price mentioned above. In addition, the transfer of the Receivables to the Seller must be completed within fifteen (15) Business Days from the date on which the Seller communicates its decision to repurchase the Receivables. Under no circumstances will the Seller's pre-emptive right entail an undertaking or otherwise impose an obligation on the Seller to repurchase the Receivables.

In case that the Seller decides not to exercise its pre-emptive right, the Management Company shall request legally binding bids from at least three (3) third-party entities at its sole discretion (among those active in the purchase and sale of similar assets). In order to assess the value of the Receivables, the Management Company shall be entitled to obtain any appraisal report it deems necessary from third-party entities.

The Management Company shall accept the highest binding bid received from the third-party entities, which will determine the value of the Receivables. The Seller shall be entitled, during a period of fifteen (15) Business Days to match the highest bid made by the third-party and repurchase the Receivables even if it has not initially exercised its pre-emptive right.

In relation to any other remaining assets of the Fund, the Management Company will request the Servicer to sell them for a price equal to or higher than the market price. In this regard, the Management Company may obtain the valuation reports it deems necessary from one or several entities specialized in the valuation or marketing of similar assets to those whose sale is sought. The Servicer will sell the relevant assets based on the procedure that allows to obtain the higher price.

The Management Company shall be entitled to sell the Receivables even if the holders of any of the Classes of Notes suffer a loss (except in case of the Clean-Up Call Event and the Optional Redemption where the Available Funds for liquidation must be sufficient to repay in full the Class A Notes and the Class B Notes and the Class C Notes).

For the above purposes, the payment obligations under the Notes on the date in which the redemption of the Notes takes place (the “**Early Liquidation Date**”) shall mean the Outstanding Principal Balance of the Notes on that date plus the unpaid accrued interest to that date, (which for all legal effects will be deemed past due and payable on the Early Liquidation Date).

The above procedure does not entitle the automatic liquidation of the underlying receivables for the purposes of Article 21.4 of the EU Securitisation Regulation. Notice of the liquidation of the Fund will be provided to the CNMV by publishing the appropriate privileged information (*información privilegiada*) or other relevant information (*otra información relevante*), as applicable, and to the Noteholders in the manner established in section 4 of the Additional Information, at least thirty (30) Business Days in advance of the date on which the Early Redemption is to take place.

PCS notes that no provisions allow for automatic liquidation at market value.

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

See Turbo Amortisation Event

For these purposes, “Turbo Amortisation Event” (“*Evento de Amortización Acelerada de los Bonos*”) means:

(a) the Determination Date preceding any Payment Date, including the Determination Date preceding the First Payment Date, on which the Cumulative Default Ratio is equal to or higher than the following percentages:

- (1) Until the Determination Date (inclusive) immediately preceding the Payment Date falling 1 year after the Incorporation Date: 1.00%;
- (2) Until the Determination Date (inclusive) immediately preceding the Payment Date falling 2 years after the Incorporation Date: 2.00%;
- (3) Until the Determination Date (inclusive) immediately preceding the Payment Date falling 3 years after the Incorporation Date: 3.00%;
- (4) Until the Determination Date (inclusive) immediately preceding the Payment Date falling 4 years after the Incorporation Date: 4.00%;
- (5) Until Determination Date (inclusive) immediately preceding the Payment Date falling 5 years after the Incorporation Date: 5.00%;

(b) Any Payment Date occurring after the Step-up Date.

“**Cumulative Default Ratio**” means on any Determination Date, the cumulative balance of the Defaulted Receivables since the Incorporation Date divided by the Outstanding Balance of the Receivables on the Incorporation Date.

The definition of Class A Target Amortisation Amount is:

“Class A Target Amortisation Amount” (“Importe Objetivo de Amortización de los Bonos de la Clase A”) means an amount equal to the positive difference on that Payment Date between (i) the Outstanding Principal Balance of the Class A Notes, Class B Notes and Class C Notes and (ii) the aggregate of the Outstanding Balance of the Non-Defaulted Receivables on the last date of the Determination Period immediately prior to the Payment Date.

“Class B Target Amortisation Amount” (“Importe Objetivo de Amortización de los Bonos de la Clase B”) means, once the Class A Notes have been redeemed in full, an amount equal to the positive difference on that Payment Date between (i) the Outstanding Principal Balance of the Class B Notes and Class C Notes and (ii) the aggregate of the Outstanding Balance of the Non-Defaulted Receivables on the last date of the Determination Period immediately prior to the Payment Date.

“Class C Target Amortisation Amount” (“Importe Objetivo de Amortización de los Bonos de la Clase C”) means once the Class A Notes and the Class B Notes have been redeemed in full and as long as the Class C Notes have not been redeemed in full, an amount equal to the positive difference on that Payment Date between (i) the Outstanding Principal Balance of the Class C Notes and the Class D Notes and (ii) the aggregate of the Outstanding Balance of the Non-Defaulted Receivables on the last date of the Determination Period immediately prior to the corresponding Payment Date.

4.9.3.4. Redemption rules for the Class D Notes

On each Payment Date, prior to the occurrence of a Turbo Amortisation Event, the Available Funds for the repayment of the Outstanding Principal Balance of the Class D Notes shall equal the Class D Target Amortisation Amount.

Notwithstanding the above, if a Turbo Amortisation Event occurs, the Available Funds for the repayment of the Outstanding Principal Balance of Class D Notes from the following Payment Date and until the Legal Maturity Date shall equal the amount of the Available Funds after the payment of items (1) to (10) (inclusive) of the Pre-Enforcement Priority of Payments.

For these purposes:

“Class D Target Amortisation Amount” means, once the Class A Notes, the Class B Notes and the Class C Notes have been redeemed in full, an amount equal to the positive difference on that Payment Date between (i) the Outstanding Principal Balance of the Class CD Notes and (ii) the aggregate of the Outstanding Balance of the Non-Defaulted Receivables on the last date of the Determination Period immediately prior to the corresponding Payment Date.

PCS notes that the Transaction amortises sequentially, so there is no switch from pro rata to sequential. The Turbo Amortisation Event which is triggered by the Cumulative Default Rate or by the Step-Up Date occurring, leads to an accelerated sequential amortisation since the most senior class principal repayment benefits from all available funds, including the reserve fund.

The EBA Guidelines provide three examples of triggers that meet the requirement of “deterioration of the credit quality of the underlying exposures below a pre-determined threshold”. Where a trigger is one of the EBA examples, then the criterion is met. If not, then an analysis must be conducted to determine whether the trigger does meet the definition of the Regulation.

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).

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| 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 There is no revolving period. | |
| 47 | STS Criteria 47. (b) the occurrence of an insolvency-related event with regard to the originator or the servicer; | Verified? YES |
| | PCS Comments There is no revolving period. | |
| 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 There is no revolving period. | |
| 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 There is no revolving period. | |

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| 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 | Verified? YES |
| | 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; | |
| 51 | PCS Comments | Verified? YES |
| | For Servicer - 3.7.1. Servicer Management Company - 3.7.2. Management Company Paying Agent - 3.4.8.2. Payment Agency Agreement | |
| 52 | STS Criteria | Verified? YES |
| | 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 | |
| 52 | PCS Comments | Verified? YES |
| | 3.7. Management, administration and representation of the Fund and of the Noteholders 3.7.1. Servicer 3.7.1.1. Term and replacement of the Servicer | |
| 52 | STS Criteria | Verified? YES |
| | 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. | |
| 52 | PCS Comments | Verified? YES |
| | 3.4.8.2. Payment Agency Agreement The Management Company, for and on behalf of the Fund, appoints BNP Spain as Paying Agent to carry out the payment of principal and interest under the Notes. <u>Survival</u> | |

Neither the resignation of the Paying Agent nor the replacement of the Paying Agent by the Management Company will have any effect until the appointment of the substitute paying agent takes place.

3.4.5.1. Fund Accounts, Termination by Management Company

Termination by the Management Company

Likewise, the Management Company is entitled to substitute at its sole discretion the Fund Accounts Provider, if it notifies the Fund Accounts Provider in writing at least two (2) months in advance of the envisaged termination date and provided that:

(a) another entity with similar financial characteristics and selected by the Management Company replaces the Paying Agent as regards the duties undertaken by virtue of Reinvestment Agreement;

There is the definition of the

“Fund Account Provider Downgrade Event” (“Supuesto de Descenso de Calificación del Proveedor de Cuentas del Fondo”) means the failure by the Fund Account Provider (or the replacing entity in which the Cash Flow Account is opened) to maintain the following ratings:

(a) Fitch: the long-term Deposit Rating if available otherwise a long-term IDR of A or a short-term senior Deposit Rating if available otherwise a short-term IDR of F1 assigned by Fitch; or

(b) DBRS: a rating of at least A by DBRS.

3.4.5.3.

Upon a Fund Account Provider Downgrade Event, the Management Company shall, after notifying the Rating Agencies, adopt one of the options described below to allow an appropriate level of guarantee to be maintained with respect to the commitments relating to the Cash Flow Account, in order for the ratings assigned to the Rated Notes by the Rating Agencies are not adversely affected:

3.7.2. Management Company

3.7.2.3. Resignation and replacement of the Management Company

Resignation, Forced replacement

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

3.5. Name, address and significant business activities of the Seller

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| | (c) As Seller and as Servicer has the relevant expertise as an entity in the origination and servicing of mortgage loans market for over 30 years and as servicer of mortgage receivables securitisations for over 25 years. <i>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.</i> | |
| 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 2.2.7. The method of origination or creation of assets, and for loans and credit agreements, the principal lending criteria and an indication of any loans which do not meet these criteria and any rights or obligations to make further advances UCI is a financial credit entity, authorised and supervised by the Bank of Spain. UCI is an entity which is subject to prudential, capital and liquidity regulation in Spain and it has all regulatory authorisation and permissions which are relevant to the provision of servicing in relation to the loans comprising the Mortgage Loan portfolio and other loans originated by UCI which are not sold to the Issuer. The Servicer has significantly more than 30 years of experience in servicing of loans similar to those included in the Mortgage Loan portfolio. The Servicer's risk management policies, procedures and controls relating to the servicing of the Mortgage Loan portfolio have been assessed by the risk management department of Banco Santander, S.A., and validated by UCI's Executive Auditing Committee, which includes members from both Banco Santander, S.A. and BNP Paribas, S.A. Additionally, UCI reports results on a periodic basis to Banco Santander S.A.'s risk management department and to the Executive Auditing Committee. <i>The EBA Guidelines specify that a servicer should be considered to meet this criterion if it is a prudentially regulated financial institution. This requirement is met by the Servicer.</i> | |
| 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 2.2.7.2. Collection and claims policy and 2.2.7.3. Code of Good Practice. | |
| 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 |

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| | <p>PCS Comments</p> <p>4.6. The relative seniority of the securities in the issuer's capital structure in the event of insolvency, including, where applicable, information on the level of subordination of the securities and the potential impact on the investment in the event of a resolution under BRRD</p> <p>4.6.1. <i>Order of priority of securities and extent of subordination</i></p> <p>In accordance with the Pre-Enforcement Priority of Payments described in section 3.4.7.2 of the Additional Information and in the Deed of Incorporation: Summary of the priority of the payment of interest on the Notes in the priority of payments of the Fund</p> <p>4.6.2. Summary of the priority of the payment of interest on the Notes in the priority of payments of the Fund 4.6.3. Summary of the priority of the payments of principal on the Notes in the priority of payments of the Fund</p> <p>4.9.3. Redemption of the Notes</p> <p>4.9.3.1. Redemption Rules for the Class A Notes</p> <p>See also 3.4.7.2 where the Servicer fee moves from 14th to 1st in Pre-Enforcement Priority of payments based on a replacement of the Servicer.</p> <p>The Liquidation Priority of Payments is set out in section 3.4.7.4.</p> | |
| 57 | <p>STS Criteria</p> <p>57. The transaction documentation shall clearly specify the events which trigger changes in such priorities of payment.</p> | <p>Verified? YES</p> |
| | <p>PCS Comments</p> <p>See Definitions for the "Class B Interest Deferral Trigger Event", "Turbo Amortisation Event" and "Early Liquidation of the Fund", as defined in 4.4.3.</p> <p>See also Term and replacement of the Servicer.</p> | |
| 58 | <p>STS Criteria</p> <p>58. The transaction documentation shall clearly specify the obligation to report such events.</p> | <p>Verified? YES</p> |
| | <p>PCS Comments</p> <p>See 4.1.2. Information referred to EU Securitisation Regulation</p> <p>(c) publish without delay any significant event including any significant events described in article 7(1)(g) of the EU Securitisation Regulation; and</p> <p>[...]</p> <p>The Seller shall be responsible for compliance with article 7, in accordance with article 22.5 of the EU Securitisation Regulation and has been designated the "Reporting Entity" for the purposes of article 7.2 of the EU Securitisation Regulation.</p> <p>See also 4.4.3. Early Liquidation of the Fund</p> <p>The above procedure does not entitle the automatic liquidation of the underlying receivables for the purposes of Article 21.4 of the EU Securitisation Regulation. Notice of the liquidation of the Fund will be provided to the CNMV by publishing the appropriate privileged information (<i>información privilegiada</i>) or other material event (<i>información relevante</i>), as</p> | |

applicable, and to the Noteholders in the manner established in section 4 of the Additional Information, at least thirty (30) Business Days in advance of the date on which the Early Redemption is to take place.

4.2.3. Extraordinary notices

Pursuant to Article 36 of Law 5/2015, the Management Company must give immediate notice to the CNMV and to its creditors of any material event specifically relevant to the situation or development of the Fund. Material facts specifically relevant to the Fund will be those that could have a significant impact on the Notes issued or on the Receivables.

In particular, material facts will include any relevant modification to the assets or liabilities of the Fund, any amendment to the Deed of Incorporation, and, if applicable, the resolution on the setting-up of the Fund or any eventual decision regarding the Early Liquidation of the Fund and Early Redemption of the Notes for any of the causes established in this Prospectus. In the case of the latter, the Management Company will also submit to the CNMV the certificate executed before a public notary evidencing the winding-up of the Fund and subsequent liquidation procedure described in section 4.4.3 of the Registration Document.

Notice of any change to the Deed of Incorporation must be provided by the Management Company to the Rating Agencies and will be published by the Management Company in the regular public information on the Fund, and must also be published on the website of the Management Company.

This section also includes, *inter alia*, changes in the ratings of the Rated Notes (prior to or after the Disbursement Date) and the steps to be taken if triggers are activated due to a downgrade in the rating of the counterparty to the financial agreements or due to any other cause.

PCS notes that the priorities of payments change in case one of the above triggers occur and this is reported immediately.

59 **STS Criteria**

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.

Verified?
YES

PCS Comments

See point 58 above and 4.2.3. Extraordinary notices

Pursuant to Article 36 of Law 5/2015, the Management Company must give immediate notice to the CNMV and to its creditors of any material event specifically relevant to the situation or development of the Fund. Material facts specifically relevant to the Fund will be those that could have a significant impact on the Notes issued or on the Receivables.

In particular, material facts will include any relevant modification to the assets or liabilities of the Fund, any amendment to the Deed of Incorporation, and, if applicable, the resolution on the setting-up of the Fund or any eventual decision regarding the Early Liquidation of the Fund and Early Liquidation of the Notes for any of the causes established in this Prospectus. In the case of the latter, the Management will also submit to the CNMV the certificate executed before a public notary evidencing the winding-up of the Fund and subsequent liquidation procedure described in section 4.4.3 of the Registration Document.

Notice of any change to the Deed of Incorporation must be provided by the Management Company to the Rating Agencies and will be published by the Management Company in the regular public information on the Fund, and must also be published on the website of the Management Company.

This section also includes, *inter alia*, changes in the ratings of the Rated Notes (prior to or after the Disbursement Date) and the steps to be taken if triggers are activated due to a downgrade in the rating of the counterparty to the financial agreements or due to any other cause.

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**

4.11. Representation of the security holders

Pursuant to Article 26 of Law 5/2015, the Management Company will act with utmost diligence and transparency in defence of the best interests of the Noteholders and the other creditors of the Fund.

Additionally, the Meeting of Creditors will be established upon and by virtue of the Deed of Incorporation and will remain in force and in effect until repayment of the Notes in full or cancellation of the Fund. The provisions relating to the Meeting of Creditors are contained in the Rules

The terms and conditions of the rules for the Meeting of Creditors (the "Rules" or the "Rules for the Meeting of Creditors") are the following:

PCS has reviewed the underlying documents and RULES FOR THE MEETINGS OF CREDITORS (as described in 4.11. in the Prospectus) to ascertain that all the five requirements below are indeed present, chapters quoted below.

(a) *the method for calling meetings; as for method:* Article 4 and 5: "Meetings convened by Noteholders and Other Creditors" and "Convening of Meeting"

(b) *the maximum timeframe for setting up a meeting:* Article 6 – "Notice"

(c) *the required quorum:* Article 7, "Quorums at Initial Meeting and Adjourned Meetings"

(d) *the minimum threshold of votes to validate such a decision, with clear differentiation between the minimum thresholds for each type of decision: extraordinary:* Article 8, "Required Majority"

(e) *where applicable, a location for the meetings which should be in the EU:* Article 13, "Domicile"

Although the wording of the Regulation as to what constitutes the "facilitation of timely resolution of conflicts" is very vague, the EBA Guidelines have helpfully set out the five minimum requirements that the documents should contain to meet this criterion. The documentation covers the following:

(a) the method for calling meetings; as for method; (b) the maximum timeframe for setting up a meeting; (c) the required quorum; (d) the minimum threshold of votes to validate such a decision, with clear differentiation between the minimum thresholds for each type of decision; (e) where applicable, a location for the meetings which should be in the EU.

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.

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| 61 | <u>STS Criteria</u> | <u>Verified?</u> |
| | 61. and the responsibilities of the trustee and other entities with fiduciary duties to investors shall be clearly identified. | YES |
| <u>PCS Comments</u> | | |
| 4.11. Representation of the security holders | | |
| Pursuant to Article 26 of Law 5/2015, the Management Company will act with utmost diligence and transparency in defence of the best interests of the Noteholders and the other creditors of the Fund. Additionally, the Meeting of Creditors will be established upon and by virtue of the Deed of Incorporation and will remain in force and in effect until repayment of the Notes in full or cancellation of the Fund. The provisions relating to the Meeting of Creditors are contained in the Rules. | | |

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.

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| 62 | STS Criteria | Verified? YES |
| | <p>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,</p> <p>PCS Comments</p> <p>4. ISSUANCE REPORTING</p> <p>4.2.2. Information referred to EU Securitisation Regulation, Article 22 of the EU Securitisation Regulation</p> <p>Furthermore, in accordance with article 22 of the EU Securitisation Regulation, the Seller, as originator, (or any agent on its behalf) will make available (or has made available in https://uci.com/ and/or the EU Securitisation Repository) to potential investors, before pricing, the following information:</p> <p>(a) delinquency and default data, for substantially similar exposures to those being securitised, and the sources of those data and the basis for claiming similarity, for a period no shorter than 5 years;</p> <p>See ADDITIONAL INFORMATION 2.2.7.4 Payments in arrears</p> <p>Below is shown the accumulated gross ratio of a Portfolio of Equivalent Loans to the Mortgage Loans in the Preliminary Portfolio that present 12 (plus twelve) months payment arrears, as a percentage of the total outstanding balance of the mortgage loans in the Portfolio of Equivalent Loans originated in each year from 2005 to 2022. For mortgage loans originated from 2021 onwards, the accumulated ratio of +12 (plus twelve) months in arrears is zero, due to the fact that as of the date of this Prospectus there are no unpaid amounts with an age equal to or longer than 12 (twelve) months.</p> <p>For these purposes, "Portfolio of Equivalent Loans" means a Seller's portfolio of mortgage loans substantially similar to the Mortgage Loans in the Preliminary Portfolio that comply with, among others, the following criteria (i) the mortgage loans are granted for the acquisition of finished residences in Spain; (ii) the mortgage loans were originated between the first quarter of 2005 and the third quarter of 2022; (iii) each mortgage loan has an original loan to value which is less or equal than 100 per cent; and (iv) all borrowers were residents in Spain at the time of execution of the relevant mortgage loan agreement.</p> <p>PCS notes that this data is in accordance with the static loss data requirements, using 12 months as a definition for gross loss.</p> <p>In case of payment default under a Mortgage Loan by the relevant Borrowers, in accordance with the provisions in section 3.7.1 of the Additional Information the Servicer shall take such action as may be determined by the Servicer to be necessary or desirable including, if necessary and without limitation, by means of court proceedings (which may involve judicial expenses and lengthy procedures) against any Borrower in relation to a Defaulted Receivable. The table below shows the accumulated recoveries as a percentage of the total outstanding balance of the mortgage loans in the Portfolio of Equivalent Loans that, on each year, presented +3 (plus three) months payment arrears, up to 2019.</p> <p>PCS notes that cumulative losses and the respective recoveries are shown as a percentage of the outstanding mortgage loans, i.e. "dynamic loss data". Also 3month arrears are shown as a percentage of outstandings.</p> <p>The following table shows the cumulative dynamic NPL Loans ratio calculated by dividing the cumulative balance of outstanding principal of NPL Loans (delinquency Loans +90d plus subjective doubtful) by the aggregate outstanding principal balance of the Portfolio of Equivalent Loans in the respective quarter:</p> | |

PCS notes that the “dynamic default data”, representing 2012 until 2022 is shown in a table of the prospectus. PCS also notes that the historical cumulative loss data in the prospectus represents a period of more than five years and complies with the requirement. The Originator has confirmed to PCS that detailed dynamic delinquency data has been provided to investors and uploaded into EDW, the Quant Pack, which PCS has also been provided with.

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| 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 62 above. | |
| 64 | STS Criteria 64. Those data shall cover a period no shorter than five years. | Verified? YES |
| | PCS Comments 4. ISSUANCE REPORTING, 4.1.2. Information referred to EU Securitisation Regulation Furthermore, in accordance with article 22 of the EU Securitisation Regulation, the Seller, as originator, (or any agent on its behalf) will make available (or has made available in https://uci.com/ and/or the EU Securitisation Repository) to potential investors, before pricing, the following information: (a) delinquency and default data, for substantially similar exposures to those being securitised, and the sources of those data and the basis for claiming similarity, for a period no shorter than 5 years; See also 2.2.7.4 Payments in arrears | |

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.

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| 65 | STS Criteria 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, | Verified? YES |
| | PCS Comments 2.2.2. General characteristics of the Borrowers, the Receivables and the economic environment, as well as any global statistical data referred to the securitised assets Review of the selected assets securitised through the Fund upon being established For the purposes of compliance with Article 22(2) of the EU Securitisation Regulation, the Seller has caused the sample of loans selected from the Preliminary Portfolio (and certain eligibility criteria to be checked against the Preliminary Portfolio) to be externally verified by an appropriate and independent third party. Such verification was completed to a confidence level of at least 99% (ninety-nine per cent.). The Preliminary Portfolio has been subject to an agreed upon procedures review (to review, amongst other things, conformity with the Mortgage Loans representations and warranties (where applicable)) of the Preliminary Portfolio conducted by MAZARS AUDITORES, S.L.P. and completed on or about 7 | |

March 2023. No significant adverse findings arose from such review. This independent third party has also performed agreed upon procedures in order to verify that the stratification tables disclosed in respect of the underlying exposures are accurate.

See section, 3. ESSENTIAL INFORMATION

3.1.9. MAZARS AUDITORES, S.L.P. participates as:

(a) independent company for the verification of:

(i) a series of attributes of a sample of Mortgage Loans selected from the Preliminary Portfolio, for the purposes of complying with article 22(2) of the EU Securitisation Regulation; and

(ii) in addition, has verified the accuracy of the data disclosed in the stratification tables included in section 2.2.2.1 of the Additional Information, and the CPR tables included in section 4.10 of the Securities Note (altogether with (a) the “Special Securitisation Reports on the Preliminary Portfolio”).

(b) External Verifier for the verification of the relevant annual allocation reporting described in section 1.6.7 of the Additional Information.

See ADDITIONAL INFORMATION 7. Statement of the capacity in which the advisors have acted

7.1. MAZARS AUDITORES, S.L.P. has issued the Special Securitisation Report on the Preliminary Portfolio for the purposes of (a) complying with the provisions of article 22 of the EU Securitisation Regulation. In addition, and (b) verification of the accuracy of the data disclosed in the stratification tables included in section 2.2.2.1 of the Additional Information, and the CPR tables included in section 4.10 of this Securities Note.

See also DEFINITIONS

“Special Securitisation Reports on the Preliminary Portfolio” (“Informes de Especial de Titulización sobre la Cartera Preliminar”) means the report issued by MAZARS AUDITORES, S.L.P for the purposes of (a) complying with article 22 of the EU Securitisation Regulation on certain features and attributes of a sample of the 461 selected loans, and (b) verification of (i) the accuracy of the data disclosed in the stratification tables included in section 2.2.2.1 of the Additional Information, and (ii) the CPR tables included in section 4.10 of the Securities Note.

PCS has been provided with the Audit Report by Mazars and confirms it meets the criteria of the Regulation.

66

STS Criteria

66. Including verification that the data disclosed in respect of the underlying exposures is accurate.

Verified?**YES****PCS Comments**

See criterion 65 above.

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.

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| 67 | STS Criteria | Verified? YES |
| | <p>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.</p> <p>PCS Comments</p> <p>4.2.2 <u>Article 22 of the EU Securitisation Regulation</u></p> <p>Furthermore, in accordance with article 22 of the EU Securitisation Regulation, the Seller, as originator, (or any agent on its behalf) will make available (or has made available in https://uci.com/ and/or the EU Securitisation Repository) to potential investors, before pricing, the following information:</p> <p>(b) a liability cash flow model, elaborated and published by INTEX and/or Bloomberg, which precisely represents the contractual relationship of the Receivables and the payments flowing between the Originator, the Fund and the Noteholders, (and shall, after pricing, make that model available to Noteholders on an ongoing basis and to potential investors upon request);</p> <p>3. ESSENTIAL INFORMATION</p> <p>3.1. Interest of the natural and legal persons involved in the issue</p> <p>3.1.12. Sustainability (“Sustainability” or “Second Party Opinion Provider”)</p> <p>On behalf of the Seller, Sustainability acts as Second Party Opinion Provider in connection with the issuance of the Green Compliance Opinion (as defined in section 1.6 of the Additional Information) confirming the alignment of the Seller’s Green Financing Framework with the ICMA Green Bond Principles.</p> <p>3.1.13. INTEX SOLUTIONS, Inc. (“INTEX”)</p> <p>On behalf of the Seller, shall provide a cash flow model in compliance with article 22.3 of the EU Securitisation Regulation.</p> <p>3.1.14. Bloomberg Finance LP (“Bloomberg”)</p> <p>On behalf of the Seller, shall provide a cash flow model in compliance with article 22.3 of the EU Securitisation Regulation.</p> <p>3.2. Description of the entities participating in the issue and description of the functions to be performed by them in addition to information on the direct and indirect ownership or control between those entities</p> <p>3.2.9. Both INTEX Solutions Inc. and Bloomberg Finance LP</p> <p>Shall provide, on behalf of the Seller, a cash flow model in compliance with article 22.3 of the EU Securitisation Regulation.</p> <p>4.1.1. For so long as the Notes remain outstanding, at least two (2) Business Days in advance of each Payment Date, the Management Company will inform the Noteholders of the following:</p> <p>(h) A cash flow model setting out the transaction cash flows assuming zero losses.</p> | |

The liability cash flow model has been shown to PCS in the context of PCS' due diligence.

PCS is not a modelling firm nor has any modelling expertise. The criterion requires an accurate liability model to be circulated to prospective investors pre-pricing must be made publicly available on-going. 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.

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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**

See criterion 67 above

Although technically covering the period between pricing and close, this is primarily a future event criterion. In other words, it cannot be either met or failed at the outset of the transaction. But if, at a later stage, it is not met, then the Originator 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 whilst noting, at the same time, that the absence of any such covenant – although possibly unsettling for some investors - would not invalidate the STS status of the transaction at closing.

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.

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| 69 | <p>STS Criteria</p> <p>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).</p> | Verified? YES |
| | <p>PCS Comments</p> <p>2.2.2.3. Environmental performance of the Mortgage Loans</p> <p>UCI collects information relating to the environmental performance of the Mortgage Loans in the Mortgage Loan portfolio at origination of each Mortgage Loan, loads such information into its reporting systems and monitors this information on an ongoing basis thereafter in accordance with Article 22(4) of the EU Securitisation Regulation. Such information will be made available by the Reporting Entity in the correct format to fulfil the reporting requirements of Article 7 of the EU Securitisation Regulation</p> <p>3.1.12. Sustainability (“Sustainability” or “Second Party Opinion Provider”)</p> <p>On behalf of the Seller, Sustainability acts as Second Party Opinion Provider in connection with the issuance of the Green Compliance Opinion (as defined in section 1.6 of the Additional Information) confirming the alignment of the Seller’s Green Financing Framework with the ICMA Green Bond Principles.</p> <p>3.7.1.5.</p> <p>In particular, the Servicer shall provide in a timely manner to the Seller, as Reporting Entity, any reports, data and other information in the correct format to fulfil the reporting requirements of article 7 of the EU Securitisation Regulation (including, inter alia, the information, if available related to the environmental performance of the Assets).</p> <p>PCS notes that environmental data needs to be made available if it is recorded by the Seller.</p> <p><i>On sustainability, the consultation paper (“Draft Regulatory Technical Standards with regard to the content, methodologies and presentation of disclosures of Article 22(4) and 26(4) of Regulation (EU)2017/2402) was published on 2 May 2022.</i></p> <p><i>As to the impacts on sustainability factors, PCS was informed that, for the time being, no specific publication is envisaged. <u>The Green Bond standard is achieved by allocation of proceeds into green projects. For the purpose of achieving this, the Seller prepares an annual allocation reporting and an impact report. Sustainability will act as Second Party opinion provider in connection with the issuance of the Green Compliance Opinion.</u></i></p> | |

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.

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| 70 | <u>STS Criteria</u> | <u>Verified?</u> |
| | 70. The originator and the sponsor shall be responsible for compliance with Article 7 of this Regulation. | YES |
| <u>PCS Comments</u> | | |
| 4.2.2.2. Article 7, in accordance with article 22.5 of the EU Securitisation Regulation | | |
| The Seller shall be responsible for compliance with article 7, in accordance with article 22.5 of the EU Securitisation Regulation and has been designated the "Reporting Entity" for the purposes of article 7.2 of the EU 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.

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| 71 | <u>STS Criteria</u> | <u>Verified?</u> |
| | 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. | YES |
| <u>PCS Comments</u> | | |
| 4.2.2.3. Article 22 of the EU Securitisation RegulationFurthermore, in accordance with article 22 of the EU Securitisation Regulation, the Seller, as originator, (or any agent on its behalf) will make available (or has made available in https://uci.com/ and/or the EU Securitisation Repository) to potential investors, before pricing, the following information: | | |
| (c) upon request, the loan-by-loan information (including, inter alia, the information, if available related to the environmental performance of the assets) required by point (a) of the first subparagraph of article 7(1) of the EU Securitisation Regulation; | | |
| 72 | <u>STS Criteria</u> | <u>Verified?</u> |
| | 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. | YES |
| <u>PCS Comments</u> | | |
| 4.2.2.3. Article 22 of the EU Securitisation RegulationFurthermore, in accordance with article 22 of the EU Securitisation Regulation, the Seller, as originator, (or any agent on its behalf) will make available (or has made available in https://uci.com/ and/or the EU Securitisation Repository) to potential investors, before pricing, the following information: | | |
| (d) draft versions of the Transaction Documents and the STS Notification; | | |
| "Transaction Documents" means the following documents: (i) Deed of Incorporation of the Fund; (ii) the Management, Placement and Subscription Agreement; (iii) the Subordinated Loan Agreement; (iv) the Reinvestment Agreement; (v) the Payment Agency Agreement; and (vi) any other documents executed from time to time after the Incorporation Date in connection with the Fund and designated as such by the relevant parties. | | |

Article 22.5. The final documentation shall be made available to investors at the latest 15 days after closing of the transaction.

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| 73 | STS Criteria | Verified? YES |
| | <p>73. The final documentation shall be made available to investors at the latest 15 days after closing of the transaction.</p> <p>PCS Comments</p> <p>4.2.2.2. Article 7, in accordance with article 22.5 of the EU Securitisation Regulation The Reporting Entity, directly or delegating to any other agent on its behalf, will:</p> <p>(d) make available in accordance with the article 7(1)(b) and article 22.5 of the EU Securitisation Regulation, in any case within fifteen (15) calendar days of the Incorporation Date, copies of the relevant Transaction Documents, and this Prospectus.</p> <p>“Transaction Documents” (“<i>Documentos de la Operación</i>”) means the Deed of Incorporation of the Fund; Subordinated Loan Agreement, the Reinvestment Agreement, the Management, Placement and Subscription Agreement; the; the Payment Agency Agreement; and any other documents executed from time to time after the Incorporation Date in connection with the Fund and designated as such by the relevant parties.</p> <p><i>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.</i></p> | |

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;

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| 74 | STS Criteria | Verified? YES |
| | <p>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:</p> <p>(a) information on the underlying exposures on a quarterly basis,</p> <p>PCS Comments</p> <p>4.2.2. Information referred to EU Securitisation Regulation, 4.2.2.1. General</p> <p>Pursuant to the obligations set forth in article 7(2) of the EU Securitisation Regulation, the originator and the securitisation special purpose entity (“SSPE”) of a securitisation shall designate amongst themselves one entity to submit the information set out in points (a), (b), (d), (e), (f) and (g) of article 7(1) to a registered securitisation repository of the EU Securitisation Regulation. The disclosure requirements of article 7 of the EU Securitisation Regulation apply in respect of the Notes.</p> <p>The EU Disclosure RTS set out the information and the details to be made available by the originator, sponsor and SSPE of a securitisation and the EU Disclosure ITS set out the format and standardised templates for making available the information and details of a securitisation.</p> | |

The Management Company has requested the waiver of submission of the reports on the assets of the Fund, pursuant to the second paragraph of Article 22.1.c) of Law 5/2015 and, therefore, no attribute report will be submitted to the CNMV in respect of the Receivables.

See also 4.2.2.2 Article 7, in accordance with article 22.5 of the EU Securitisation Regulation

The Reporting Entity, directly or delegating to any other agent on its behalf, will:

(a) following the Incorporation Date:

(1) publish a quarterly investor report in respect of each Interest Accrual Period, as required by and in accordance with article 7(1)(e) of the EU Securitisation Regulation the EU Disclosure RTS and the EU Disclosure ITS, no later than one (1) month after the relevant Payment Date;

PCS notes that the assets will not be reported to the CNMV, as per above.

All the criteria from 73 onwards are future event criteria, as to which we refer you to PCS' analysis in Note 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:

(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 framework or master definitions agreement or such legal documentation with equivalent legal value;

**Verified?
YES**

(vi) any relevant inter-creditor agreements, derivatives documentation, subordinated loan agreements, start-up loan agreements and liquidity facility agreements;

PCS Comments

4.2.2.2. Article 7, in accordance with article 22.5 of the EU Securitisation Regulation

(d) make available in accordance with the article 7(1)(b) and article 22.5 of the EU Securitisation Regulation, in any case within fifteen (15) calendar days of the Incorporation Date, copies of the relevant Transaction Documents and this Prospectus; and

(e) publish the Green Compliance Opinion and the Seller's Green Financing Framework.

"Transaction Documents" means the following documents: (i) Deed of Incorporation of the Fund; (ii) the Management, Placement and Subscription Agreement; (iii) the Subordinated Loan Agreement; (iv) the Reinvestment Agreement; (v) the Payment Agency Agreement; and (vi) any other documents executed from time to time after the Incorporation Date in connection with the Fund and designated as such by the relevant parties.

"Green Compliance Opinion" ("*Opinión de Cumplimiento Verde*") means the independent opinion issued by Second Party Opinion Provider confirming that the Seller's Green Financing Framework is aligned with the Green Bond Principles.

"Green Financing Framework" ("*Marco de Financiación Verde*") means the document comprising the information relating to the guidelines for use of proceeds, process for evaluation and selection of the projects, management of proceeds, reporting and external review developed by the Seller for a variety of green finance instruments.

All the criteria from 74 onwards are future event criteria, as to which we refer you to PCS' comment under 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 sections 3.4.7.2, 3.4.7.3 and 3.4.734 of the Additional Information for the priority of payments citing the Deed of Incorporation.

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;

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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;
- (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;

Verified?
YES

PCS Comments

Not applicable.

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;

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STS Criteria

78. (d) in the case of STS securitisations, the STS notification referred to in Article 27;

Verified?
YES

PCS Comments

4.2.2.4. Others

The final STS Notification will be made available to Noteholders on or about the Incorporation Date or the Disbursement Date and the competent authorities referred to in Article 29 of the Securitisation Regulation and, upon request, to potential investors.

All the criteria from 74 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:

(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.

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| 79 | Verified? YES |
| <p><u>STS Criteria</u></p> <p>79. (e) quarterly investor reports, or, in the case of ABCP, monthly investor reports, containing the following:</p> <ul style="list-style-type: none"> (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. | |
| <p><u>PCS Comments</u></p> <p>4.2.2.2. Article 7, in accordance with article 22.5 of the EU Securitisation Regulation</p> <p>(a) following the Incorporation Date:</p> <ul style="list-style-type: none"> (1) publish a quarterly investor report in respect of each Interest Accrual Period, as required by and in accordance with article 7(1)(e) of the EU Securitisation Regulation the EU Disclosure RTS and the EU Disclosure ITS, no later than one (1) month after the relevant Payment Date; (2) publish on a quarterly basis certain loan-by-loan information in relation to the Receivables in respect of each Interest Accrual Period, as required by and in accordance with article 7(1)(a) of the EU Securitisation Regulation, the EU Disclosure RTS and the EU Disclosure ITS, no later than one (1) month after the relevant Payment Date, and simultaneously with the quarterly investor report; <p>The Reporting Entity (or any agent on its behalf) will make the information referred to above available to the Noteholders, relevant competent authorities referred to in article 29 of the EU Securitisation Regulation and, upon request, to potential investors in the Notes. In addition, the Reporting Entity undertakes to provide information to and to comply with written confirmation requests of the EU Securitisation Repository, a required Commission Delegated Regulation (EU) 2020/1229 including any relevant guidance and policy statements relating to the application thereof.</p> <p>The quarterly investor reports shall include, in accordance with article 7(1), subparagraph (e)(iii) of the EU Securitisation Regulation, information about the risk retention, including information on which of the modalities provided for in article 6(3) has been applied, in accordance with article 6 of the EU Securitisation Regulation.</p> <p><i>All the criteria from 74 onwards are future event criteria, as to which we refer you to PCS' comment under point 73 above.</i></p> | |

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| <p>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:</p> <p>(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;</p> | | |
| 80 | <p>STS Criteria</p> <p>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;</p> | Verified? YES |
| | <p>PCS Comments</p> <p>4.2.2.2. Article 7, in accordance with article 22.5 of the EU Securitisation Regulation</p> <p>(b) publish, in accordance with article 7(1)(f) of the EU Securitisation Regulation, without delay any inside information made 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;</p> <p><i>All the criteria from 74 onwards are future event criteria, as to which we refer you to PCS' comment under point 73 above.</i></p> | |

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| <p>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:</p> <p>(g) where point (f) does not apply, any significant event such as:</p> <p>(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;</p> <p>(ii) a change in the structural features that can materially impact the performance of the securitisation;</p> <p>(iii) a change in the risk characteristics of the securitisation or of the underlying exposures that can materially impact the performance of the securitisation;</p> <p>(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;</p> <p>(v) any material amendment to transaction documents.</p> | | |
| 81 | <p>STS Criteria</p> <p>81. (g) where point (f) does not apply, any significant event such as:</p> <p>(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;</p> <p>(ii) a change in the structural features that can materially impact the performance of the securitisation</p> <p>(iii) a change in the risk characteristics of the securitisation or of the underlying exposures that can materially impact the performance of the securitisation;</p> <p>(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;</p> <p>(v) any material amendment to transaction documents.</p> | Verified? YES |
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PCS Comments

4.2.2.2. Article 7, in accordance with article 22.5 of the EU Securitisation Regulation (c) publish without delay any significant event including any significant events described in article 7(1)(g) of the EU Securitisation Regulation; and

All the criteria from 74 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

4.2.2.2. Article 7, in accordance with article 22.5 of the EU Securitisation Regulation (a) following the Incorporation Date:

- (1) publish a quarterly investor report in respect of each Interest Accrual Period, as required by and in accordance with article 7(1)(e) of the EU Securitisation Regulation the EU Disclosure RTS and the EU Disclosure ITS, no later than one (1) month after the relevant Payment Date;
- (2) publish on a quarterly basis certain loan-by-loan information in relation to the Receivables in respect of each Interest Accrual Period, as required by and in accordance with article 7(1) (a) of the EU Securitisation Regulation, the EU Disclosure RTS and the EU Disclosure ITS, no later than one (1) month after the relevant Payment Date, and simultaneously with the quarterly investor report;

All the criteria from 74 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.

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| 83 | STS Criteria | Verified? YES |
| | <p>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</p> <p>PCS Comments</p> <p>4.2.2.2. Article 7, in accordance with article 22.5 of the EU Securitisation Regulation</p> <p>(b) publish, in accordance with article 7(1)(f) of the EU Securitisation Regulation, without delay any inside information made 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;</p> <p>(c) publish without delay any significant event including any significant events described in article 7(1)(g) of the EU Securitisation Regulation; and</p> <p><i>All the criteria from 74 onwards are future event criteria, as to which we refer you to PCS' comment under point 73 above.</i></p> | |

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.

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| 84 | STS Criteria | Verified? YES |
| | <p>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.</p> <p>The entity designated in accordance with the first subparagraph shall make the information for a securitisation transaction available by means of a securitisation repository.</p> <p>Or</p> <p>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.</p> <p>PCS Comments</p> | |

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| | <p>4.2.2.2. Article 7, in accordance with article 22.5 of the EU Securitisation Regulation The Reporting Entity, directly or delegating to any other agent on its behalf, will publish or make otherwise available the reports and information referred to above as required under article 7 and article 22 of the EU Securitisation Regulation by means of the EU Securitisation Repository.</p> <p><i>All the criteria from 74 onwards are future event criteria, as to which we refer you to PCS' comment under point 73 above.</i></p> | |
| 85 | <p>STS Criteria</p> <p>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.</p> | <p>Verified? YES</p> |
| | <p>PCS Comments</p> <p>4.2.2.2. Article 7, in accordance with article 22.5 of the EU Securitisation Regulation</p> <p>The Seller shall be responsible for compliance with article 7, in accordance with article 22.5 of the EU Securitisation Regulation and has been designated as the "Reporting Entity" for the purposes of article 7.2 of the EU Securitisation Regulation.</p> <p>"EU Securitisation Repository" ("Registro Europeo de Titulizaciones") means European Datawarehouse GmbH appointed by the Management Company, on behalf of the Fund, as ESMA-registered securitisation repository, or its substitute, successor or replacement that is registered with ESMA under the EU Securitisation Regulation.</p> <p><i>All the criteria from 74 onwards are future event criteria, as to which we refer you to PCS' comment under point 73 above.</i></p> | |