

CRR ASSESSMENT

HARMONY FRENCH HOME LOANS FCT 2020-2



PRIME COLLATERALISED SECURITIES (PCS) EU SAS

22 October 2020

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22 October2020



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Prime Collateralised Securities (PCS) CRR Assessment

Individual(s) undertaking the assessment	Fazel Ahmed
Date of Assessment /Version	22 October2020
The transaction to be assessed (the “Transaction”)	HARMONY FRENCH HOME LOANS FCT 2020-2
Issuer	HARMONY FRENCH HOME LOANS FCT 2020-2
Originator	Crédit Immobilier de France Développement
Lead Manager(s)	BNP PARIBAS and Crédit Agricole Corporate and Investment Bank
Transaction Legal Counsel	White & Case LLP
Rating Agencies	Fitch and Moody’s
Stock Exchange	Euronext Paris
Expected Closing Date	22 October 2020

Legislative text	CRR criteria	Identifying document and checking page reference	Checking comments	Criteria fulfilled Yes / No
<p>Article 243</p> <p>2. Positions in a securitisation, other than an ABCP programme or ABCP transaction, that qualify as positions in an STS securitisation, shall be eligible for the treatment set out in Articles 260, 262 and 264 where the following requirements are met:</p>				
<p>(a) at the time of inclusion in the securitisation, the aggregate exposure value of all exposures to a single obligor in the pool does not exceed 2 % of the exposure values of the aggregate outstanding exposure values of the pool of underlying exposures. For the purposes of this calculation, loans or leases to a group of connected clients shall be considered as exposures to a single obligor.</p>	<p>1. (a) at the time of inclusion in the securitisation, the aggregate exposure value of all exposures to a single obligor in the pool does not exceed 2 % of the exposure values of the aggregate outstanding exposure values of the pool of underlying exposures. For the purposes of this calculation, loans or leases to a group of connected clients shall be</p>	<p>See section STATISTICAL INFORMATION RELATING TO THE PORTFOLIO OF HOME LOAN RECEIVABLES</p> <p>See table</p> <p>30. Breakdown by top 20 Borrowers</p> <p>Largest Borrower has Principal Outstanding Balance of Eur 570,979.10 representing 0.09% of the Principal Outstanding Balance.</p>		<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p>

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	considered as exposures to a single obligor.			
<p>In the case of securitised residual leasing values, the first subparagraph of this point shall not apply where those values are not exposed to refinancing or resell risk due to a legally enforceable commitment to repurchase or refinance the exposure at a pre-determined amount by a third party eligible under Article 201(1);</p>	<p>In the case of securitised residual leasing values, the first subparagraph of this point shall not apply where those values are not exposed to refinancing or resell risk due to a legally enforceable commitment to repurchase or refinance the exposure at a pre-determined amount by a third party eligible under Article 201(1);</p>	<p>Not applicable.</p>		<p>Yes <input type="checkbox"/></p> <p>No <input type="checkbox"/></p> <p>N/A <input checked="" type="checkbox"/></p>
<p>(b) at the time of their inclusion in the securitisation, the underlying exposures meet the conditions for being assigned, under the Standardised Approach and taking into account any eligible credit risk mitigation, a risk weight equal to or smaller than:</p> <p>(i) 40 % on an exposure value-weighted average</p>	<p>2. (b) at the time of their inclusion in the securitisation, the underlying exposures meet the conditions for being assigned, under the Standardised Approach and taking into account any eligible credit risk mitigation, a risk weight equal to or smaller than:</p> <p>(i) 40 % on an exposure value-weighted average</p>	<p>2 (b) (i) applies.</p> <p>See section, Seller's Receivables Warranties- <i>Receivables Warranties</i></p> <p>(p) on the Initial Cut-Off Date, the RWA Limit is equal to or below than 40 per cent.</p>		<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p>

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<p>basis for the portfolio where the exposures are loans secured by residential mortgages or fully guaranteed residential loans, as referred to in <i>point</i> (e) of Article 129(1);</p> <p>(ii) 50 % on an individual exposure basis where the exposure is a loan secured by a commercial mortgage;</p>	<p>basis for the portfolio where the exposures are loans secured by residential mortgages or fully guaranteed residential loans, as referred to in <i>point</i> (e) of Article 129(1);</p> <p>(ii) 50 % on an individual exposure basis where the exposure is a loan secured by a commercial mortgage;</p>	<p>See section, GLOSSARY OF TERMS</p> <p>“RWA Limit” means the limit to the risk weight assigned at the Initial Cut-Off Date under the “Standardised Approach” under the assumption of constant regulations to the aggregate Purchased Home Loan Receivables weighted by the exposure value</p>		
<p>ii) 75 % on an individual exposure basis where the exposure is a retail exposure;</p> <p>(iv) for any other exposures, 100 % on an individual exposure basis;</p>	<p>(iii) 75 % on an individual exposure basis where the exposure is a retail exposure;</p> <p>(iv) for any other exposures, 100 % on an individual exposure basis;</p>			
<p>(c) where points (b)(i) and (b)(ii) apply, the loans secured by lower ranking security rights on a given asset shall only be included in the securitisation where all</p>	<p>3. (c) where points (b)(i) and (b)(ii) apply, the loans secured by lower ranking security rights on a given asset shall only be included in the securitisation where all</p>	<p>See section, GLOSSARY OF TERMS:</p> <p>“Eligibility Criteria” means the following eligibility criteria:</p>		<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p>

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<p>loans secured by prior ranking security rights on that asset are also included in the securitisation;</p>	<p>loans secured by prior ranking security rights on that asset are also included in the securitisation;</p>	<p>(2) <i>Eligibility Criteria in respect each Home Loan Receivable:</i></p> <p>(i) Each Home Loan Receivable is fully secured by a Home Loan Eligible Security i.e. the amount of the Home Loan Eligible Security covers the outstanding amount (<i>capital restant dû</i>) as determined on the Initial Cut-Off Date of each Home Loan Receivable;</p> <p>“Home Loan Eligible Security” means:</p> <p>(a) a first ranking, valid, effective and duly registered mortgage (<i>hypothèque conventionnelle</i>) or a first ranking, valid, effective and duly published legal privilege (<i>privilège de prêteur de deniers de premier rang</i>) over the underlying property or any junior and consecutive ranking mortgage or legal</p>		

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		<p>privilege (<i>privilège de prêteur de deniers</i>) to the extent that the loans secured by the same mortgage or privilege but ranking senior to it, including the most senior, are also transferred to the Issuer; or</p> <p>(b) a valid, effective and enforceable home loan guarantee (<i>cautionnement</i>) issued by any of the Loan Guarantors; or</p> <p>(c) a combination of (a) and (b).</p>		
<p>(d) where point (b)(i) of this paragraph applies, no loan in the pool of underlying exposures shall have a loan-to-value ratio higher than 100 %, at the time of inclusion in the securitisation, measured in accordance with point (d)(i) of Article 129(1) and Article 229(1).</p>	<p>4. (d) where point (b)(i) of this paragraph applies, no loan in the pool of underlying exposures shall have a loan-to-value ratio higher than 100 %, at the time of inclusion in the securitisation, measured in accordance with point (d)(i) of Article 129(1) and Article 229(1).</p>	<p>See section, STATISTICAL INFORMATION RELATING TO THE PORTFOLIO OF HOME LOAN RECEIVABLES</p> <p>See table. 6. Breakdown by Current Loan-to-value</p> <p>See table. 9. Breakdown by Indexed CLTV</p>	<p>It is the investors responsibility to confirm with the National Competent Authority in its relevant jurisdiction which method of calculation is acceptable.</p>	<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p>

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		No Loans have a Current LTV or Indexed CLTV greater than 100%.		