

# **LCR ASSESSMENT**

# **GINKGO PERSONAL LOANS 2023**



PRIME COLLATERALISED SECURITIES (PCS) EU SAS

23<sup>rd</sup> September 2023

**Analyst: Fazel Ahmed – +44 (0) 203 866 5004**

This is an LCR Assessment.

This LCR Assessment covers the LCR rules and guidelines as at the date of this document.

This LCR Assessment 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.

It is important that the reader of this checklist reviews and understands the disclaimer referred to on the following page.

**23<sup>rd</sup> October 2023**

## STS Disclaimer

Neither an STS Verification, nor an LCR Assessment, nor an LCR Assessment is a recommendation to buy, sell or hold securities. None are investment advice whether generally or as defined under Markets in Financial Instruments Directive (2004/39/EC) and none are a credit rating whether generally or as defined under the Credit Rating Agency Regulation (1060/2009/EC).

PCS EU and PCS UK are authorised respectively by the French Autorité des Marchés Financiers and by the United Kingdom Financial Conduct Authority as third parties verifying STS compliance pursuant to article 28 of Regulation (EU) 2017/2402 (the “**STS Regulation**”).

Currently, none of the activities involved in providing an LCR Assessment are endorsed or regulated by any regulatory and/or supervisory authority nor are the PCS Association or PCS EU regulated by any regulator and/or supervisory authority including the Belgian Financial Services and Markets Authority, the United Kingdom Financial Conduct Authority, the French Autorité des Marchés Financiers or the European Securities and Markets Authority.

By assessing the LCR status of any securities or financing, neither the PCS Association nor PCS UK nor PCS EU express any views about the creditworthiness of these securities or financings or their suitability for any existing or potential investor or as to whether there will be a ready, liquid market for these securities or financings.

Equally, by completing (either positively or negatively) any LCR status assessment of certain instruments, no statement of any kind is made as to the value or price of these instruments or the appropriateness of the interest rate they carry (if any).

In the provision of any LCR Assessment, PCS has based its decision on information provided directly and indirectly by the originator or sponsor of the relevant securitisation. Specifically, it has relied on statements made in the relevant prospectus or deal sheet, documentation and/or in certificates provided by, or on behalf of, the originator or sponsor in accordance with PCS’ published procedures for the relevant PCS verification or assessment. You should make yourself familiar with these procedures to understand fully how any PCS service is completed. These can be found at <https://pcsmarket.org/> (the “PCS Website”). Neither the PCS Association nor PCS UK nor PCS EU undertake their own direct verification of the underlying facts stated in the prospectus, deal sheet, documentation or certificates for the relevant instruments and the completion of any LCR Assessment is not a confirmation or implication that the information provided to it by or on behalf of the originator or sponsor is accurate or complete.

The PCS entities take reasonable measures to ensure the quality and accuracy of the information on [www.pcsmarket.org](http://www.pcsmarket.org). However, neither the PCS Association nor PCS UK nor PCS EU can be held liable in any way for the inaccuracy or incompleteness of any information that is available on or through the PCS Website. In addition, neither the PCS Association nor PCS UK nor PCS EU can in any way be held liable or responsible for the content of any website linked to the PCS Website.

To understand the meaning and limitations of any LCR Assessment you must read the [General Disclaimer](#) that appears on the PCS Website.

When entering any of the “Transaction” sections of the PCS Website, you will be asked to declare that you are allowed to do so under the legislation of your country. The circulation and distribution of information regarding securitisation instruments (including securities) that is available on the PCS Website may be restricted in certain jurisdictions. Persons receiving any information or documents with respect to or in connection with instruments (including securities) available on the PCS Website are required to inform themselves of and to observe all applicable restrictions.

## PRIME COLLATERALISED SECURITIES (PCS) LCR Assessment

Individual(s) undertaking the assessment	Fazel Ahmed
Date of Verification	23 October 2023
<b>The transaction to be verified (the "Transaction")</b>	<b>GINKGO PERSONAL LOANS 2023</b>
Issuer	<b>GINKGO PERSONAL LOANS 2023</b>
Originator/Seller	CA Consumer Finance
Lead Manager(s)	Crédit Agricole Corporate and Investment Bank
Transaction Legal Counsel	White & Case
Rating Agencies	Fitch and S&P
Stock Exchange	Euronext Paris
Closing Date	23 October 2023

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

Within the checklist, the relevant legislative text is set out in grey introductory boxes with specific criteria for our verification listed underneath.

Legislative Text and LCR Criteria (1)		
1a	<p><b>LCR Criteria</b></p> <p>1. Exposures in the form of asset-backed securities as referred to in Article 12(1)(a) shall qualify as level 2B securitisations where the following conditions are satisfied:</p> <p>(a) the designation 'STS' or 'simple, transparent and standardised', or a designation that refers directly or indirectly to those terms, is permitted to be used for the securitisation in accordance with Regulation (EU) 2017/2402 of the European Parliament and of the Council and is being so used;</p>	<p><b>Meets Criteria?</b> YES</p>
	<p><b>PCS Comments</b></p> <p><i>PCS is advised that the transaction GINKGO PERSONAL LOANS 2023 is to be designated STS.</i></p>	
1b	<p><b>LCR Criteria</b></p> <p>1. Exposures in the form of asset-backed securities as referred to in Article 12(1)(a) shall qualify as level 2B securitisations where the following conditions are satisfied:</p> <p>(b) the criteria laid down in paragraph 2 and paragraphs 10 to 13 of this Article are met.</p>	<p><b>Meets Criteria?</b> YES</p>
	<p><b>PCS Comments</b></p> <p><i>PCS has ticked the questions below as "yes". See the disclaimer above for a fuller analysis of the limitations of PCS's LCR assessment</i></p>	
2a	<p><b>LCR Criteria</b></p> <p>2. The securitisation position and the exposures underlying the position shall meet all the following requirements:</p> <p>(a) the position has been assigned a credit assessment of credit quality step 1 by a nominated ECAI in accordance with Article 264 of Regulation (EU) No 575/2013 or the equivalent credit quality step in the event of a short-term credit assessment;</p>	<p><b>Meets Criteria?</b> YES</p>
	<p><b>PCS Comments</b></p> <p>See Prospectus, Ratings</p>	

<sup>1</sup> Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation, and amending Directives 2009/65/EC, 2009/138/EC and 2011/61/EU and Regulations (EC) No 1060/2009 and (EU) No 648/2012 (OJ L 347, 28.12.2017, p. 35).

	<p>Class A1 Notes It is a condition of the issue of the Class A1 Notes that the Class A1 Notes are assigned, on issue, a rating of AAAsf by Fitch and a rating of AAA(sf) by S&amp;P</p> <p>Class A2 Notes It is a condition of the issue of the Class A2 Notes that the Class A2 Notes are assigned, on issue, a rating of AAAsf by Fitch and a rating of AAA(sf) by S&amp;P.</p>	
2b	<p><b>LCR Criteria</b></p> <p>2. The securitisation position and the exposures underlying the position shall meet all the following requirements:</p> <p>(b) the position is in the most senior tranche or tranches of the securitisation and possesses the highest level of seniority at all times during the ongoing life of the transaction. For these purposes, a tranche shall be deemed to be the most senior where after the delivery of an enforcement notice and where applicable an acceleration notice, the tranche is not subordinated to other tranches of the same securitisation transaction or scheme in respect of receiving principal and interest payments, without taking into account amounts due under interest rate or currency derivative contracts, fees or other similar payments in accordance with Article 242(6) of Regulation (EU) No 575/2013;</p>	<p><b><u>Meets Criteria?</u></b> <b><u>YES#</u></b></p>
	<p><b>PCS Comment</b></p> <p>See Prospectus, SOURCES OF FUNDS TO PAY THE NOTES, CASHFLOWS, CALCULATIONS, DISTRIBUTIONS AND PRIORITY OF PAYMENTS.</p> <p>Priority of Payments during the Accelerated Redemption Period</p> <p>(4) payment on a pari passu and pro rata basis of the Class A1 Notes Redemption Amount and the Class A2 Notes Redemption Amount until the Class A1 Notes and the Class A2 Notes are redeemed in full</p> <p>FULL CAPITAL STRUCTURE OF THE NOTES</p> <p>Redemption rules during the Accelerated Redemption Period</p> <p>Payments of principal in respect of the Notes will be made in sequential order at all times in accordance with the Accelerated Priority of Payments and therefore the Class B Notes will not be redeemed for so long as the Class A1 Notes and the Class A2 Notes have not been redeemed in full, the Class C Notes will not be redeemed for so long as the Class B Notes have not been redeemed in full and the Class D Notes will not be redeemed for so long as the Class C Notes have not been redeemed in full</p> <p>OVERVIEW OF THE TERMS AND CONDITIONS OF THE NOTES</p> <p>TERMS AND CONDITIONS OF THE NOTES</p>	

#### 4. STATUS, RANKING, PRIORITY AND RELATIONSHIP BETWEEN THE CLASSES OF NOTES AND THE UNITS

(a) Status and Ranking of the Notes

(b) Relationship between the Notes and the Units

(iii) During the Accelerated Redemption Period only: (a) in accordance with the Accelerated Priority of Payments: (i) payments of interest and principal on the Class A Notes will be made in priority to payments of interest and principal on the Class B Notes, the Class C Notes, the Class D Notes and the Units and no payment on the Class B Notes, the Class C Notes, the Class D Notes and the Units shall be made for so long as the Class A Notes have not been fully redeemed;

*PCS confirms that the senior tranche meets the required attributes, based on a review of the prospectus.*

3

#### **LCR Criteria**

(g) the securitisation position is backed by a pool of underlying exposures and those underlying exposures either all belong to only one of the following subcategories or else they consist of a combination of residential loans referred to in point (i) and residential loans referred to in point (ii):

(i) residential loans secured with a first-ranking mortgage granted to individuals for the acquisition of their main residence, provided that one of the two following conditions is met:

– the loans in the pool meet on average the loan-to-value requirement laid down in point (i) of Article 129(1)(d) of Regulation (EU) No 575/2013 ( );

– the national law of the Member State where the loans were originated provides for a loan-to-income limit on the amount that an obligor may borrow in a residential loan, and that Member State has notified this law to the Commission and EBA. The loan-to-income limit is calculated on the gross annual income of the obligor, taking into account the tax obligations and other commitments of the obligor and the risk of changes in the interest rates over the term of the loan. For each residential loan in the pool, the percentage of the obligor's gross income that may be spent to service the loan, including interest, principal and fee payments, does not exceed 45 %;

(ii) fully guaranteed residential loans referred to in Article 129(1)(e) of Regulation (EU) No 575/2013, provided that the loans meet the collateralisation requirements laid down in that paragraph and the average loan-to-value requirement laid down in point (i) of Article 129(1)(d) of Regulation (EU) No 575/2013

(iii) commercial loans, leases and credit facilities to undertakings established in a Member State to finance capital expenditures or business operations other than the acquisition or development of commercial real estate, provided that at least 80 % of the borrowers in the pool in terms of portfolio balance are small and medium- sized enterprises at the time of issuance of the securitisation, and none of the borrowers is an institution as defined in Article 4(1)(3) of Regulation (EU) No 575/2013; ( )

(iv) auto loans and leases to borrowers or lessees established or resident in a Member State. For these purposes, auto loans and leases shall include loans or leases for the financing of motor vehicles or trailers as defined in points (11) and (12) of Article 3 of Directive 2007/46/EC of the European Parliament and of the Council, agricultural or forestry tractors as referred to in Regulation (EU) No 167/2013 of the European Parliament and of the Council, two-wheel motorcycles or powered tricycles as referred to in Regulation (EU) No 168/2013 of the European Parliament and of the Council or tracked vehicles as referred to in point (c) of Article 2(2) of Directive 2007/46/EC. ( ) Such loans or leases may include ancillary insurance and service products or additional vehicle parts, and in the case of leases, the residual value

**Meets Criteria?**

**YES**

	<p>of leased vehicles. All loans and leases in the pool shall be secured with a first-ranking charge or security over the vehicle or an appropriate guarantee in favour of the SSPE, such as a retention of title provision;</p> <p>(v) loans and credit facilities to individuals resident in a Member State for personal, family or household consumption purposes.</p>	
	<p><b>PCS Comments</b></p> <p>(g)(v) applies.</p> <p>See Prospectus, THE LOAN AGREEMENTS AND THE RECEIVABLES.</p> <p>Eligibility Criteria of the Receivables</p> <p>(xiv) To the best of the Seller's knowledge, as of the signing date of the relevant Loan Agreement, the Main Borrower:</p> <p>(a) is a natural person of full age (majeur);</p> <p>(b) is not an employee of the Seller;</p> <p>(c) is domiciled in the French metropolitan territory;</p> <p>(d) is deemed to have signed, to the best of the Seller's knowledge, the Loan Agreement in its capacity of consumer (consommateur) within the meaning of the French Consumer Code; and</p> <p>(e) has a regular income.</p> <p><i>PCS notes that the underlying exposures are loans and credit facilities to individuals resident in a Member State for personal, family or household consumption purposes.</i></p>	
4	<p><b>LCR Criteria</b></p> <p>10. The underlying exposures shall not have been originated by the credit institution holding the securitisation position in its liquidity buffer, its subsidiary, its parent undertaking, a subsidiary of its parent undertaking or any other undertaking closely linked with that credit institution.</p>	<p><b>Meets Criteria?</b></p> <p><b>YES</b></p>
	<p><b>PCS Comments</b></p> <p><i>The investor should confirm that it is not a group entity of the Originator to meet this point. We have ticked this point positive but ultimately it is the investors responsibility to confirm.</i></p>	
5	<p><b>LCR Criteria</b></p> <p>11. The issue size of the tranche shall be at least EUR 100 million (or the equivalent amount in domestic currency).</p>	<p><b>Meets Criteria?</b></p> <p><b>YES</b></p>
	<p><b>PCS Comments</b></p>	



	See Prospectus, Cover Page <i>The issue size of the senior tranches are greater than EUR 100 million (or the equivalent amount in domestic currency)</i>	
6	<b>LCR Criteria</b> 12. The remaining weighted average life of the tranche shall be 5 years or less, which shall be calculated using the lower of either the transaction's pricing prepayment assumption or a 20 % constant prepayment rate, for which the credit institution shall assume that the call is exercised on the first permitted call date.	<b>Meets Criteria?</b> <b>YES</b>
	<b>PCS Comments</b> See Prospectus, <i>WEIGHTED AVERAGE LIFE OF THE NOTES AND ASSUMPTIONS</i> . The weighted average life of Class A1 and Class A2 Notes assuming the Issuer exercises the Clean-Up Call Option is less than five years at assumed CPRs ranging from 0% to 25%	
7	<b>LCR Criteria</b> 13. The originator of the exposures underlying the securitisation shall be an institution as defined in Article 4(3) of Regulation (EU) No 575/2013 or an undertaking whose principal activity is to pursue one or more of the activities listed in points 2 to 12 and point 15 of Annex I to Directive 2013/36/EU.	<b>Meets Criteria?</b> <b>YES</b>
	<b>PCS Comments</b> See Prospectus, See section, THE SELLER CA Consumer Finance is a credit institution within the meaning of Article 4.1 (1) of the CRR.	
8	<b>LCR Criteria</b> Article 37 Transitional provision for securitisations backed by residential loans 1. By derogation from Article 13, securitisations issued before 1 October 2015, where the underlying exposures are residential loans as referred to in point (g)(i) of Article 13(2), shall qualify as Level 2B assets if they meet all the requirements set out in Article 13 other than the loan-to-value or loan-to-income requirements set out in that point (g)(i) of Article 13(2). 2. By derogation from Article 13, securitisations issued after 1 October 2015, where the underlying exposures are residential loans as referred to in point (g)(i) of Article 13(2) that do not meet the average loan-to-value or the loan-to-income requirements set out in that point, shall qualify as Level 2B assets until 1 October 2025, provided that the underlying exposures include residential loans that were not subject to a national law regulating loan-to-income limits at the time they were granted and such residential loans were granted at any time prior to 1 October 2015.	<b>Meets Criteria?</b> <b>YES</b>
	<b>PCS Comments</b> <i>Points 1 and 2 are not applicable.</i>	

