

CRR ASSESSMENT

HILL FL 2023-1 B.V.



PRIME COLLATERALISED SECURITIES (PCS) EU SAS

19th May 2023

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19th May 2023

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PRIME COLLATERALISED SECURITIES (PCS) CRR Assessment

Individual(s) undertaking the assessment	Robert Leach
Date of Verification	19 May 2023
The transaction to be verified (the "Transaction")	HILL FL 2023-1 B.V.
Issuer	HILL FL 2023-1 B.V.
Originator	Hiltermann Lease Groep Holding B.V.
Lead Manager(s)	BofA Securities Europe SA, Commerzbank AG, Royal RBC Capital Markets (Europe) GmbH
Transaction Legal Counsel	Simmons & Simmons LLP
Rating Agencies	Moody's, Fitch Ratings
Stock Exchange	Luxembourg Stock Exchange
Closing Date	19 May 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 light blue introductory boxes with specific criteria for our verification listed underneath.

Legislative Text

Article 243 (¹)

2. Positions in a securitisation, other than an ABCP programme or ABCP transaction, that qualify as positions in an STS securitisation, shall be eligible for the treatment set out in Articles 260, 262 and 264 where the following requirements are met:

1a

CRR Criteria

(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.

Meets Criteria?
YES

PCS Comments

See Prospectus, 7. *PORTFOLIO DOCUMENTATION*.

7.4 Replenishment Criteria

(A) none of the Lessees measured by their respective financial proportion to the Aggregate Discounted Balance accounts individually for more than 0.25 per cent. of the Aggregate Discounted Balance;

See Prospectus, 6. *PORTFOLIO INFORMATION*.

Portfolio Information – Breakdown by Lessee Group (Top 15)

Initial portfolio data indicates 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. PCS notes replenishment criterion limiting aggregate exposures to any lessee to 0.25 per cent.

¹ REGULATION (EU) 2017/2401 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 12 December 2017 amending Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms.

1b	<p>CRR Criteria</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>Meets Criteria? YES</p>
	<p>PCS Comments</p> <p><i>Not applicable.</i></p>	

2	<p>CRR Criteria</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 basis for the portfolio where the exposures are loans secured by residential mortgages or fully guaranteed residential loans, as referred to in point (e) of Article 129(1);</p> <p>(ii) 50 % on an individual exposure basis where the exposure is a loan secured by a commercial mortgage;</p> <p>(iii) 75 % on an individual exposure basis where the exposure is a retail exposure ⁽²⁾;</p> <p>for any other exposures, 100 % on an individual exposure basis;</p>	<p>Meets Criteria? YES</p>
	<p>PCS Comments</p> <p>See Prospectus, 7. <i>PORTFOLIO DOCUMENTATION</i>.</p> <p>7.3 Eligibility Criteria</p> <p>Pursuant to the Master Purchase Agreement, a Leased Asset meets the Eligibility Criteria referred to under item (d) and (e) of the Asset Warranties if it meets the following criteria (collectively and individually, "Eligibility Criteria") on the relevant Cut-Off Date immediately preceding the relevant Purchase Date, to the extent applicable to it:</p>	

² See article 123, "Retail exposures" of the Regulation (EU) No 575/2013; for Consumer loans see the amendments to article 123 in (59) REGULATION (EU) 2019/876 and REGULATION (EU) 2020/873, article 2 (1) (a).

See article 501 on "Adjustment of risk-weighted non-defaulted SME exposures for "SME Loans" of the Regulation (EU) No 575/2013, as amended in Regulation (EU) 2019/876 and Regulation 2020/873 in (19) and Article 2.1(b).

(FF) the Lessee of the Leased Vehicle is a legal entity or private individual conducting an enterprise (werkzaam in de uitoefening van een beroep of bedrijf) located in the Netherlands including as branch operation of a legal entity located in a Rome I Country;

PCS relied on additional due diligence confirming that the risk weight assigned to the underlying exposures under the Standardised Approach is 75% for retail exposures and 100% for corporate exposures.

3

CRR Criteria

(c) where points (b)(i) and (b)(ii) apply, the loans secured by lower ranking security rights on a given asset shall only be included in the securitisation where all loans secured by prior ranking security rights on that asset are also included in the securitisation;

Meets Criteria?

YES

PCS Comments

Not applicable.

4

CRR Criteria

(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).

Meets Criteria?

YES

PCS Comments

Not applicable.