

STS Term Master Checklist

HILL FL 2022-1 B.V.



PRIME COLLATERALISED SECURITIES (PCS) EU SAS

18th May 2022

Analyst: Robert Leach – +44.203.866.5005

This is the STS Term Master Checklist for STS Term Verifications.

This STS Term Master Checklist must be read together with the PCS Procedures Manual and the PCS Term Evidentiary Standards Manual. This document is based upon the draft 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 Master Checklist are based on PCS' interpretation of the STS Regulation (the "Regulation") informed by (a) the text of the Regulation itself, (b) the EBA guidelines and recommendations issued in accordance with Article 19(2) of the 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.

18th May 2022

STS Disclaimer

Neither an STS Verification, nor a CRR 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 UK and PCS EU are authorised respectively by the UK Financial Conduct Authority and the French *Autorité des Marchés Financiers* as third parties verifying STS compliance pursuant to article 28 of the Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 (the "**STS Regulation**").

Neither CRR Assessments or LCR Assessments are endorsed or regulated by any regulatory and/or supervisory authority nor, other than as set out above, are the PCS Association or either of its subsidiaries, PCS UK and 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 STS or CRR 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 STS or CRR 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 STS Verification or CRR Assessment or 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 in the PCS website www.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 STS Verification or CRR Assessment or 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.

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To understand the meaning and limitations of any STS Verification 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) STS Verification

Individual(s) undertaking the assessment	Robert Leach
Date of Verification	18 May 2022
The transaction to be verified (the “Transaction”)	HILL FL 2022-1 B.V.
Issuer	HILL FL 2022-1 B.V.
Originator	Hiltermann Lease Groep Holding B.V.
Lead Manager(s)	Coöperatieve Rabobank U.A., ABN AMRO Amro Bank N.V.
Transaction Legal Counsel	Loyens & Loeff N.V.
Rating Agencies	Moody’s France SAS, Fitch Ratings Limited
Stock Exchange	Luxembourg Stock Exchange
Closing Date	18 May 2022

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. For the full legislative text please refer back to the blue boxes.

The checklist contains links to relevant EBA guidelines set out in the back of this document.

Article	Summary of article contents	Checklist Points	
Article 20 – Simplicity			
20(1)	True sale	1, 2	✓
20(2)	Severe clawback (part a)	2a	✓
20(3)	Severe clawback (part b)	2b	✓
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 - 50	✓
21(7)	Duties, responsibilities, and replacement of transaction parties	51 - 53	✓
21(8)	Expertise of the servicer	54, 55	✓
21(9)	Remedies and actions by servicer related to delinquency and default of debtor, priorities of payments, triggers for changes, obligation to report	56 - 61	✓
21(10)	Resolution of investor conflicts and fiduciary party responsibilities and duties	62, 63	✓
Articles 22 and 7 – Transparency			
22(1)	Historical asset data	64 - 66	✓
22(2)	AUP/asset verification	67, 68	✓
22(3)	Liability cashflow model	69, 70	✓
22(4)	Environmental performance of asset	71	✓
22(5)	Responsibility for article 7, information disclosure before pricing and 15 days after closing	72 - 75	✓
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	76 - 101	✓
7(2)	Transparency requirements: securitisation repository, designation of responsible entity,	102, 103	✓

1	Legislative text – Article 20 - Requirements relating to simplicity	GO TO TABLE OF CONTENTS
	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.	
	STS criteria	SEE RELATED EBA GUIDELINES
	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.	
	Verified?	Yes
	PCS Comment	
	<p>See Prospectus, 1 TRANSACTION OVERVIEW.</p> <p>1.7 Portfolio documentation</p> <p>Master Purchase Agreement:</p> <p>Pursuant to the Master Purchase Agreement, the Issuer will, from time to time, subject to the conformity with the Eligibility Criteria, purchase Leased Vehicles from the Seller by means of the execution of Purchase Contracts. It will purchase the Initial Leased Vehicles on the Closing Date and from time to time, subject to the terms of the Master Purchase Agreement, purchase any Additional Leased Vehicle on any Additional Purchase Date.</p> <p>Transfer of title (levering) of each Purchased Vehicle shall take place by the Seller transferring possession (bezit overdragen) over such Purchased Vehicle to the Issuer by the Seller executing a declaration, incorporated in the relevant Combined Transfer Deed, that it will hold the relevant Purchased Vehicle for the Issuer as from the relevant Purchase Date. In addition, notification will be given to the relevant Lessees whereby each Lessee will be informed, among other things, that the Lessee will have to adhere to any instructions which will as from the date of the relevant notification be sent to the Lessee by Hiltermann Lease, also acting on behalf of the Issuer. The details as to which Leased Vehicles leased by the relevant Lessee are subject to the purchase will be made available to the Lessee upon request. Until the occurrence of a Lease Agreement Early Termination Date, the Issuer's control of each Purchased Vehicle will be indirect (middellijk), that is through the relevant Lessee.</p> <p>Each Lease Agreement relating to a Purchased Vehicle will be transferred to the Issuer by means of a transfer of contract (contractsoverneming). In addition, all Lease Receivables resulting from such Lease Agreements, to the extent not validly transferred to the Issuer by means of the transfer of contract (contractsoverneming), will be transferred to the Issuer by means of an undisclosed assignment (stille cessie). The purchase price payable pursuant to a Purchase Contract in respect of a Purchased Vehicle together with the associated Lease Receivables will be an amount equal to the Discounted Balance in respect of the associated Lease Receivables as calculated in respect of the relevant Lease Agreement as per the relevant Cut-Off Date.</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/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/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> <p><i>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.</i></p> <p><i>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.</i></p>	

	<p><i>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”.</i></p> <p><i>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.</i></p> <p><i>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”:</i></p> <ul style="list-style-type: none"> <i>Clawback requires an unfair preference “defrauding” creditors;</i> <i>Clawback puts the burden of proof on the insolvency officer or creditors – in other words it cannot be automatic nor require the purchaser to prove their innocence.</i> <p><i>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”.</i></p> <p><i>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.</i></p>														
2	<table border="1"> <tr> <td data-bbox="208 643 1736 671">STS criteria</td><td data-bbox="1736 643 2114 671">SEE RELATED EBA GUIDELINES</td></tr> <tr> <td colspan="2" data-bbox="208 671 2114 746">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.</td></tr> <tr> <td data-bbox="208 746 1153 775">Verified?</td><td data-bbox="1153 746 2114 775">Yes</td></tr> <tr> <td colspan="2" data-bbox="208 775 2114 804">PCS Comment</td></tr> <tr> <td colspan="2" data-bbox="208 804 2114 895">The Dutch legal opinion confirms that Dutch insolvency law does not contain severe clawback provisions in relation to securitisations in the Netherlands.</td></tr> </table>	STS criteria	SEE RELATED EBA GUIDELINES	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.		Verified?	Yes	PCS Comment		The Dutch legal opinion confirms that Dutch insolvency law does not contain severe clawback provisions in relation to securitisations in the Netherlands.					
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2a	<table border="1"> <tr> <td data-bbox="208 943 1736 973">Legislative text – Article 20 - Requirements relating to simplicity</td><td data-bbox="1736 943 2114 973">GO TO TABLE OF CONTENTS</td></tr> <tr> <td colspan="2" data-bbox="208 973 2114 1114"> 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. </td></tr> <tr> <td data-bbox="208 1114 1736 1142">STS criteria</td><td data-bbox="1736 1114 2114 1142">SEE RELATED EBA GUIDELINES</td></tr> <tr> <td colspan="2" data-bbox="208 1142 2114 1171"></td></tr> <tr> <td data-bbox="208 1171 1153 1200">Verified?</td><td data-bbox="1153 1171 2114 1200">Yes</td></tr> <tr> <td colspan="2" data-bbox="208 1200 2114 1228">PCS Comment</td></tr> <tr> <td colspan="2" data-bbox="208 1228 2114 1364"> See Prospectus, 3 <i>PRINCIPAL PARTIES</i>. 3.5 Seller and Servicer 3.5.1.6 COMI Hiltermann Lease </td></tr> </table>	Legislative text – Article 20 - Requirements relating to simplicity	GO TO TABLE OF CONTENTS	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.		STS criteria	SEE RELATED EBA GUIDELINES			Verified?	Yes	PCS Comment		See Prospectus, 3 <i>PRINCIPAL PARTIES</i> . 3.5 Seller and Servicer 3.5.1.6 COMI Hiltermann Lease	
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	<p>Hiltermann Lease has represented to the Issuer and the Security Trustee in the Master Purchase Agreement that (i) its COMI is situated in the Netherlands and (ii) it is not subject to any one or more of the insolvency and winding-up proceedings listed in Annex A to the Insolvency Regulation in any EU Member State and has not been dissolved (ontbonden), granted a suspension of payments (surséance verleend) or declared bankrupt (failliet verklaard).</p> <p>The Seller has also covenanted in the Master Purchase Agreement that for so long as the Notes remain outstanding it will maintain its COMI in the Netherlands.</p> <p><i>The Dutch legal opinion confirms that Dutch insolvency law does not contain severe clawback provisions in relation to securitisations in the Netherlands.</i></p>
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2b	<p>Legislative text – Article 20 - Requirements relating to simplicity</p> <p>GO TO TABLE OF CONTENTS</p> <p>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.</p> <p>STS criteria</p> <p>SEE RELATED EBA GUIDELINES</p> <p>Verified? Yes</p> <p>PCS Comment</p> <p><i>The Dutch legal opinion confirms that Dutch insolvency law does not contain severe clawback provisions in relation to securitisations in the Netherlands.</i></p>
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3	<p>Legislative text – Article 20 - Requirements relating to simplicity</p> <p>GO TO TABLE OF CONTENTS</p> <p>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.</p> <p>STS criteria</p> <p>SEE RELATED EBA GUIDELINES</p> <p>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.</p> <p>Verified? Yes</p> <p>PCS Comment</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), to the extent applicable to it:</p> <p>(b) the associated Lease Agreement was newly originated by the Seller in the ordinary course of business of the Seller and in accordance with its Standard Underwriting Criteria;</p> <p>7.2 Representations and warranties</p>
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	<p>The Seller represents and warrants to the Issuer and the Security Trustee that on the relevant Purchase Date the representations and warranties set forth below are true and correct in any material respect and not misleading with respect to (i) the Leased Vehicles to be sold by the Seller to the Issuer on such Purchase Date or, as the case may be, relating to the Portfolio including such Leased Vehicles as of such Purchase Date, and (ii) the associated Lease Agreements and Lease Receivables:</p> <p>(a) it has the conditional right and title (voorwaardelijk eigendom) to the Leased Vehicles and full right and title to the associated Lease Agreements and Lease Receivables and the rights arising therefrom;</p>
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4	Legislative text – Article 20 - Requirements relating to simplicity	GO TO TABLE OF CONTENTS
	<p>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:</p> <p>(a) severe deterioration in the seller credit quality standing;</p> <p>(b) insolvency of the seller; and</p> <p>(c) unremedied breaches of contractual obligations by the seller, including the seller's default.</p>	
	STS criteria	SEE RELATED EBA GUIDELINES
	<p>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:</p> <p>(a) severe deterioration in the seller credit quality standing;</p> <p>(b) insolvency of the seller; and</p> <p>(c) unremedied breaches of contractual obligations by the seller, including the seller's default.</p>	
	Verified?	Yes
	PCS Comment	
	<p>See Prospectus, 7 <i>PORTFOLIO DOCUMENTATION</i>.</p> <p>7.1 Purchase, repurchase and sale</p> <p>Initial purchase</p> <p>Pursuant to the Master Purchase Agreement the Issuer will from time to time purchase Leased Vehicles from the Seller which meet the Eligibility Criteria and the Replenishment Criteria by means of a Purchase Contract (i.e. a purchase agreement within the meaning of section 7:1 of the Dutch Civil Code) to be entered into in respect of each relevant Leased Vehicle with the Seller. Under a purchase contract the parties agree that the purchase price for the relevant asset is payable by the Issuer on the relevant Purchase Date. Each Purchase Contract forms part of the relevant Combined Transfer Deed. In addition, in the relevant Combined Transfer Deed, the Seller (i) transfers its entire legal relationship with the Lessee under the associated Lease Agreements to the Issuer by way of a transfer of contract (contractsovernemng) within the meaning of section 6:159 Dutch Civil Code and (ii) to the extent such transfer of contract is not effective, assigns its rights and claims under or in connection with each of the associated Lease Agreements to the Issuer by means of a deed of assignment (cessie) within the meaning of section 3:94 of the Dutch Civil Code which deed will be registered with the Dutch tax authorities (Belastingdienst).</p> <p>Additional purchase</p> <p>As from the Closing Date and as long as the Revolving Period has not expired or terminated, the Seller may offer to the Issuer to enter into a Purchase Contract with respect to any additional Leased Vehicle by delivery of a duly executed and completed Combined Transfer Deed, which shall constitute an irrevocable offer by the Seller to sell to the Issuer on the first following Settlement Date additional Leased Vehicles by way of purchase (koop) within the meaning of section 7:1 of the Dutch Civil Code. The Issuer shall, subject to conformity with the Eligibility Criteria and Replenishment Criteria, provided that sufficient funds are or will be made available to the Issuer under the relevant Transaction Documents and subject to the other terms and conditions of the Master Purchase Agreement, be obliged to accept such offer by way of counter-execution of the relevant Combined Transfer Deed, which shall include a separate Purchase Contract in respect of each Additional Leased Vehicle, such agreement to be effective as from the relevant Purchase Date. Furthermore, the Combined Transfer Deed shall provide for a transfer by the Seller of the entire legal relationship</p>	

<p>with the Lessee under the associated Lease Agreements to the Issuer by way of a transfer of contract (contractsovernemings) within the meaning of section 6:159 Dutch Civil Code and, to the extent such transfer of contract is not effective, an assignment by the Seller of all Lease Receivables under or in connection with the associated Lease Agreement within the meaning of section 3:94 of the Dutch Civil Code which deed will be registered with the Dutch tax authorities (Belastingdienst) within 2 Business Days following the relevant Purchase Date.</p> <p>See Prospectus, 1 <i>TRANSACTION OVERVIEW</i>.</p> <p>1.7 Portfolio documentation</p> <p>Master Purchase Agreement:</p> <p>Pursuant to the Master Purchase Agreement, the Issuer will, from time to time, subject to the conformity with the Eligibility Criteria, purchase Leased Vehicles from the Seller by means of the execution of Purchase Contracts. It will purchase the Initial Leased Vehicles on the Closing Date and from time to time, subject to the terms of the Master Purchase Agreement, purchase any Additional Leased Vehicle on any Additional Purchase Date.</p> <p>Transfer of title (levering) of each Purchased Vehicle shall take place by the Seller transferring possession (bezit overdragen) over such Purchased Vehicle to the Issuer by the Seller executing a declaration, incorporated in the relevant Combined Transfer Deed, that it will hold the relevant Purchased Vehicle for the Issuer as from the relevant Purchase Date. In addition, notification of such transfer will be given to the relevant Lessees.</p>
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5	Legislative text – Article 20 - Requirements relating to simplicity	GO TO TABLE OF CONTENTS
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.		
STS criteria		SEE RELATED EBA GUIDELINES
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Verified?		Yes
PCS Comment		
<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), to the extent applicable to it:</p> <p>(v) subject to Adverse Claims under the BOVAG General Conditions and the FOCWA General Conditions, the Seller is the sole legal owner of the conditional title to the Leased Vehicle and of the associated Lease Receivables, free and clear of any Adverse Claim, and has power to transfer or encumber (is beschikkingsbevoegd) the Leased Vehicle and the associated Lease Receivables, save as permitted under the Asset Warranties or in accordance with any of the Transaction Documents;</p> <p>7.2 Representations and warranties</p> <p>The Seller represents and warrants to the Issuer and the Security Trustee that on the relevant Purchase Date the representations and warranties set forth below are true and correct in any material respect and not misleading with respect to (i) the Leased Vehicles to be sold by the Seller to the Issuer on such Purchase Date or, as the case may be, relating to the Portfolio including such Leased Vehicles as of such Purchase Date, and (ii) the associated Lease Agreements and Lease Receivables:</p> <p>(a) it has the conditional right and title (voorwaardelijk eigendom) to the Leased Vehicles and full right and title to the associated Lease Agreements and Lease Receivables and the rights arising therefrom;</p>		

<p>(b) no restrictions on the transfer of the Leased Assets are in effect unless expressly permitted under the Transaction Documents and the Leased Assets are capable of being transferred, subject to any general principles of law limiting the transfer capability of the Leased Assets, which are specifically referred to in paragraph 5 (Transfer of Leased Vehicles and associated Lease Agreements and assignment of Lease Receivables) of schedule 5 (Qualifications) of the legal opinion from Loyens & Loeff N.V. as delivered pursuant to clause 8.1 (Closing) of this Master Purchase Agreement;</p> <p>(c) it has the power (is beschikkingsbevoegd) to sell and transfer (i) the conditional title (voorwaardelijk eigendom) to the Leased Vehicles and (ii) the full right and title to the associated Lease Agreements and Lease Receivables;</p> <p>See Prospectus, 9 <i>GLOSSERY OF DEFINED TERMS</i>.</p> <p>9.2 Definitions</p> <p>Leased Assets means the Purchased Vehicles and the associated Lease Agreements and Lease Receivables, collectively.</p>
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6	Legislative text – Article 20 - Requirements relating to simplicity	GO TO TABLE OF CONTENTS
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.		
STS criteria		SEE RELATED EBA GUIDELINES
6. The underlying exposures transferred from, or assigned by, the seller to the SSPE shall meet pre-determined, clear and documented eligibility criteria....		
Verified?		Yes
PCS Comment <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), to the extent applicable to it: [...]</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><i>PCS has read the eligibility criteria in the transaction documents. As they are mandatory, they meet the “predetermined” requirement. As they are in the transaction documents, they meet the “documented” requirement. PCS has also concluded that they allow determination in each case and so meet the “clear” requirement.</i></p>		

7	STS criteria	SEE RELATED EBA GUIDELINES
	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.	
	Verified?	Yes
	PCS Comment	
	<p>See Prospectus, 7 <i>PORTFOLIO DOCUMENTATION</i>.</p> <p>7.1 Purchase, repurchase and sale</p> <p><i>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”.</i></p> <p><i>PCS has reviewed the repurchase devices set out in the Prospectus and these are acceptable within the context of the EBA final guidelines.</i></p>	
8	STS criteria	SEE RELATED EBA GUIDELINES
	8. Exposures transferred to the SSPE after the closing of the transaction shall meet the eligibility criteria applied to the initial underlying exposures.	
	Verified?	Yes
	PCS Comment	
	<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), to the extent applicable to it: [...]</p> <p>See Prospectus, 9 <i>GLOSSARY OF DEFINED TERMS</i>.</p> <p>9.2 Definitions</p> <p>Purchase Date means the Initial Purchase Date or any Additional Purchase Date.</p> <p><i>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.</i></p>	

9	Legislative text – Article 20 - Requirements relating to simplicity	GO TO TABLE OF CONTENTS
	<p>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.</p>	
	STS criteria	SEE RELATED EBA GUIDELINES
	<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
	PCS Comment	
	<p>See Prospectus, 6 <i>PORTFOLIO INFORMATION</i>.</p> <p>6.1.5 Pool Size and Characteristics</p> <p>In the view of the Issuer (as SSPE) and the Originator (as originator) the pool satisfies the homogeneous conditions of article 20(8) of the Securitisation Regulation and the regulatory technical standards as contained in article 1(a), (b), (c) and (d) of the RTS Homogeneity. The Lease Agreements (i) have been underwritten in accordance with standards that apply similar approaches for assessing the credit risk associated with the Lease Agreements and without prejudice to article 9(1) of the Securitisation Regulation, (ii) are serviced in accordance with similar procedures for monitoring, collecting and administering of Lease Receivables from the Lease Agreements, (iii) fall within the same asset category of auto loans and leases and (iv) are in accordance with the homogeneity factor set forth in article 2(4)(b) of the RTS Homogeneity (i.e. Lessees all have their residence in the Netherlands). The criteria set out in (i) up to and including (iv) are derived from article 20(8) Securitisation Regulation and the RTS Homogeneity. The RTS Homogeneity is in final draft adopted by the European Commission and entered into force on 26 November 2019.</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), to the extent applicable to it:</p> <p>(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;</p> <p>See Prospectus, 9 <i>GLOSSARY OF DEFINED TERMS</i>.</p> <p>9.2 Definitions</p> <p>RTS Homogeneity means the Commission Delegated Regulation (EU) of 28.5.2019 supplementing Regulation (EU) 2017/2402 of the European Parliament and of the Council with regard to regulatory technical standards on the homogeneity of the underlying exposures in securitisation.</p> <p><i>In the Transaction, the loans were underwritten on a similar basis, they are being serviced by Hiltermann Lease on the same platform, they are a single asset class – auto loans – and, based on the EBA's suggested approach, the assets are all originated in the Netherlands. PCS also takes comfort from the fact that transactions containing pools with similar characteristics have always been considered to be "homogenous" by a wide consensus of market participants.</i></p>	

10	STS criteria	SEE RELATED EBA GUIDELINES
	10. The underlying exposures shall contain obligations that are contractually binding and enforceable.	
	Verified?	Yes
	PCS Comment	
	<p>See Prospectus, 7 <i>PORTFOLIO DOCUMENTATION</i>.</p> <p>7.2 Representations and warranties</p> <p>The Seller represents and warrants to the Issuer and the Security Trustee that on the relevant Purchase Date the representations and warranties set forth below are true and correct in any material respect and not misleading with respect to (i) the Leased Vehicles to be sold by the Seller to the Issuer on such Purchase Date or, as the case may be, relating to the Portfolio including such Leased Vehicles as of such Purchase Date, and (ii) the associated Lease Agreements and Lease Receivables:</p> <p>(k) each associated Lease Agreement is in full force and effect and constitutes legal, valid, binding and enforceable obligations of the parties thereto and is enforceable against such parties in accordance with the terms of the associated Lease Agreement and there is sufficient written evidence of such Lease Agreement, where illegality, invalidity or unenforceability of a provision of such Lease Agreement is reasonably likely to have a Material Adverse Effect;</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), to the extent applicable to it:</p> <p>(l) the associated Lease Agreement is in full force and effect and constitutes the legal, valid, binding and enforceable obligations of all parties thereto and the Seller has full recourse to the relevant Lessee and any guarantor of the relevant Lessee, where illegality, invalidity or unenforceability of a provision of such Lease Agreement is reasonably likely to have a Material Adverse Effect;</p>	
11	STS criteria	SEE RELATED EBA GUIDELINES
	11. With full recourse to debtors and, where applicable, guarantors.	
	Verified?	Yes
	PCS Comment	
	See point 10 above.	

12	Legislative text – Article 20 - Requirements relating to simplicity	GO TO TABLE OF CONTENTS
	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.	
	STS criteria	SEE RELATED EBA GUIDELINES
	12. The underlying exposures shall have defined periodic payment streams, the instalments of which may differ in their amounts.	
	Verified?	Yes
	PCS Comment	
	<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), to the extent applicable to it:</p> <p>(dd) the payment frequency under the associated Lease Agreement is monthly;</p> <p>(hh) the associated Lease Agreement (other than any Lease Agreement in respect of which balloon payments may be due) provides for fixed equal Lease Instalments, except for the last Lease Instalment;</p>	
13	STS criteria	SEE RELATED EBA GUIDELINES
	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 Comment	
	<p>See point 12 above.</p> <p>See Prospectus, 6 <i>PORTFOLIO INFORMATION</i>.</p> <p>6.1.3 Lease instalment</p> <p>The monthly lease instalment includes the following items:</p> <p>(a) lease principal component;</p> <p>(b) lease interest component; and</p> <p>(c) where applicable, the final lease instalment (slottermijn).</p> <p>See Prospectus, 4 <i>NOTES</i></p> <p>4.7 Security</p> <p>4.7.2 Pledge Agreements</p> <p>Issuer Vehicles Pledge Agreement</p>	

	<p>On the Signing Date, the Issuer and the Security Trustee will enter into the Issuer Vehicles Pledge Agreement pursuant to which the Issuer will create, or create in advance (bij voorbaat), as the case may be, a first priority non-possessory right of pledge (bezitloos pandrecht, eerste in rang) over the Purchased Vehicles (conditionally) owned by it.</p> <p>The right of pledge to be created pursuant to the Issuer Vehicles Pledge Agreement will be granted in favour of the Security Trustee for the benefit of the Secured Creditors to secure and provide for the payment of the Secured Obligations.</p> <p>Upon the occurrence of a default of the Issuer with respect to the Secured Obligations, the Security Trustee is entitled to foreclose on the Purchased Vehicles or part thereof over which a right of pledge is created pursuant to the Issuer Vehicles Pledge Agreement and to apply all monies received or recovered by the Security Trustee towards satisfaction of the Secured Obligations subject to and in accordance with the provisions of the Trust Deed.</p> <p>Lease Receivables Pledge Agreement</p> <p>On the Signing Date, the Issuer and the Security Trustee will enter into the Lease Receivables Pledge Agreement pursuant to which the Issuer will create, or create in advance (bij voorbaat), as the case may be, an undisclosed first priority right of pledge (stil pandrecht, eerste in rang) over all of the Issuer's rights (vorderingen) within the meaning of section 3:239 of the Dutch Civil Code under or in connection with the Lease Agreements relating to the Purchased Vehicles.</p> <p>The right of pledge to be created pursuant to the Lease Receivables Pledge Agreement will be granted in favour of the Security Trustee for the benefit of the Secured Creditors to secure and provide for the payment of the Secured Obligations.</p> <p>See Prospectus, 9 <i>GLOSSARY OF DEFINED TERMS</i>.</p> <p>9.2 Definitions</p> <p>Lease Receivables means any present or future rights and claims (vorderingen op naam) under the relevant Lease Agreement, including any Lease Instalment, any related fees and expenses due and payable by the Lessee under the terms of the Lease Agreement and any accessory rights (afhankelijke rechten), ancillary rights (nevenrechten), connected rights (kwalitatieve rechten) and any other rights relating thereto.</p>														
14	<table border="1"> <tr> <td data-bbox="210 847 1736 890">Legislative text – Article 20 - Requirements relating to simplicity</td><td data-bbox="1736 847 2119 890">GO TO TABLE OF CONTENTS</td></tr> <tr> <td colspan="2" data-bbox="210 890 2119 954">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.</td></tr> <tr> <td data-bbox="210 954 1736 997">STS criteria</td><td data-bbox="1736 954 2119 997">SEE RELATED EBA GUIDELINES</td></tr> <tr> <td colspan="2" data-bbox="210 997 2119 1061">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.</td></tr> <tr> <td data-bbox="210 1061 1153 1098">Verified?</td><td data-bbox="1153 1061 2119 1098">Yes</td></tr> <tr> <td colspan="2" data-bbox="210 1098 2119 1125">PCS Comment</td></tr> <tr> <td colspan="2" data-bbox="210 1125 2119 1348"> <p>See Prospectus, 7 <i>PORTFOLIO DOCUMENTATION</i>.</p> <p>7.2 Representations and warranties</p> <p>The Seller represents and warrants to the Issuer and the Security Trustee that on the relevant Purchase Date the representations and warranties set forth below are true and correct in any material respect and not misleading with respect to (i) the Leased Vehicles to be sold by the Seller to the Issuer on such Purchase Date or, as the case may be, relating to the Portfolio including such Leased Vehicles as of such Purchase Date, and (ii) the associated Lease Agreements and Lease Receivables:</p> <p>(r) none of the Leased Assets include transferable securities as defined in point (44) of article 4(1) of Directive 2014/65/EU;</p> </td></tr> </table>	Legislative text – Article 20 - Requirements relating to simplicity	GO TO TABLE OF CONTENTS	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.		STS criteria	SEE RELATED EBA GUIDELINES	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 Comment		<p>See Prospectus, 7 <i>PORTFOLIO DOCUMENTATION</i>.</p> <p>7.2 Representations and warranties</p> <p>The Seller represents and warrants to the Issuer and the Security Trustee that on the relevant Purchase Date the representations and warranties set forth below are true and correct in any material respect and not misleading with respect to (i) the Leased Vehicles to be sold by the Seller to the Issuer on such Purchase Date or, as the case may be, relating to the Portfolio including such Leased Vehicles as of such Purchase Date, and (ii) the associated Lease Agreements and Lease Receivables:</p> <p>(r) none of the Leased Assets include transferable securities as defined in point (44) of article 4(1) of Directive 2014/65/EU;</p>	
Legislative text – Article 20 - Requirements relating to simplicity	GO TO TABLE OF CONTENTS														
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STS criteria	SEE RELATED EBA GUIDELINES														
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Verified?	Yes														
PCS Comment															
<p>See Prospectus, 7 <i>PORTFOLIO DOCUMENTATION</i>.</p> <p>7.2 Representations and warranties</p> <p>The Seller represents and warrants to the Issuer and the Security Trustee that on the relevant Purchase Date the representations and warranties set forth below are true and correct in any material respect and not misleading with respect to (i) the Leased Vehicles to be sold by the Seller to the Issuer on such Purchase Date or, as the case may be, relating to the Portfolio including such Leased Vehicles as of such Purchase Date, and (ii) the associated Lease Agreements and Lease Receivables:</p> <p>(r) none of the Leased Assets include transferable securities as defined in point (44) of article 4(1) of Directive 2014/65/EU;</p>															

15	Legislative text – Article 20 - Requirements relating to simplicity		GO TO TABLE OF CONTENTS
	20.9. The underlying exposures shall not include any securitisation position.		
	STS criteria		SEE RELATED EBA GUIDELINES
	15. The underlying exposures shall not include any securitisation position.		
	Verified?		Yes
	PCS Comment		
See Prospectus, 7 <i>PORTFOLIO DOCUMENTATION</i> .			
7.2 Representations and warranties			
The Seller represents and warrants to the Issuer and the Security Trustee that on the relevant Purchase Date the representations and warranties set forth below are true and correct in any material respect and not misleading with respect to (i) the Leased Vehicles to be sold by the Seller to the Issuer on such Purchase Date or, as the case may be, relating to the Portfolio including such Leased Vehicles as of such Purchase Date, and (ii) the associated Lease Agreements and Lease Receivables:			
(q) none of the Leased Assets includes any securitisation position;			

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	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.		
	STS criteria		SEE RELATED EBA GUIDELINES
	16. The underlying exposures shall be originated in the ordinary course of the originator's or original lender's business.		
	Verified?	Yes	
	PCS Comment		
	See Prospectus, 7 <i>PORTFOLIO DOCUMENTATION</i> .		

7.3

Eligibility Criteria

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), to the extent applicable to it:

(b)

the associated Lease Agreement was newly originated by the Seller in the ordinary course of business of the Seller and in accordance with its Standard Underwriting Criteria;

17	STS criteria		SEE RELATED EBA GUIDELINES
	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.		
	Verified?	Yes	
	PCS Comment		
	See Prospectus, 6 <i>PORTFOLIO INFORMATION</i> .		
	6.1 Description of Leased Assets and stratification tables		
	6.1.5 Pool Size and Characteristics		
	The Lease Agreements have been randomly selected according to the Seller's underwriting criteria from a larger pool of lease agreements that meet the Eligibility Criteria. All the Lease Agreements have been originated in accordance with the ordinary course of Hiltermann Lease's business.		
	See Prospectus, 7 <i>PORTFOLIO DOCUMENTATION</i> .		
	7.3 Eligibility Criteria		
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), to the extent applicable to it:			
(b) the associated Lease Agreement was newly originated by the Seller in the ordinary course of business of the Seller and in accordance with its Standard Underwriting Criteria;			
7.2 Representations and warranties			
The Seller represents and warrants to the Issuer and the Security Trustee that on the relevant Purchase Date the representations and warranties set forth below are true and correct in any material respect and not misleading with respect to (i) the Leased Vehicles to be sold by the Seller to the Issuer on such Purchase Date or, as the case may be, relating to the Portfolio including such Leased Vehicles as of such Purchase Date, and (ii) the associated Lease Agreements and Lease Receivables:			
(m) the associated Lease Agreement has been entered into in accordance with all applicable legal requirements and materially met the Standard Underwriting Criteria prevailing at that time, which did not materially differ from the underwriting criteria and procedures of a prudent lessor of vehicles in the Netherlands at such time;			

18	Legislative text – Article 20 - Requirements relating to simplicity		GO TO TABLE OF CONTENTS
	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.		
	STS criteria		SEE RELATED EBA GUIDELINES
	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.		
	Verified?	Yes	
PCS Comment			
See transaction documents, Trust Deed.			
27 UNDERTAKINGS OF THE ISSUER			

<p>Until all amounts payable by the Issuer under the Notes and the Transaction Documents have been paid in full, the Issuer shall:</p> <p>(ee) disclose any material changes to the Seller's underwriting standards within the meaning of article 20(10) of the Securitisation Regulation pursuant to which the Leased Assets are originated without undue delay upon having received such information from the Seller;</p> <p>See transaction documents, Servicing Agreement.</p> <p>10.2 Other amendments</p> <p>10.2.1 The Servicer shall be entitled to make and shall allow that any sub-contractor or delegate makes any other amendment, modification, variation or supplement to any Lease Agreement or the Credit and Collection Procedures provided that:</p> <p>(a) it gives 30 Business Days' notice to the Issuer, the Rating Agencies, the Security Trustee and the Issuer Administrator stating that the relevant amendment, modification, variation or supplement (i) is not a Permitted Variation and (ii) will be implemented if the Issuer and the Security Trustee do not object within 30 Business Days to the Issuer and the Security Trustee, and none of them objects to such amendment, variation, modification or supplement within such notice period; or</p> <p>(b) it shall procure that the Seller shall repurchase the relevant Purchased Vehicle associated Lease Agreement and Lease Receivables resulting from such Lease Agreement subject to and in accordance with the Master Purchase Agreement prior to such amendment, modification, variation or supplement.</p> <p>10.2.2 Without prejudice to Clause 10.2.1, the Servicer further undertakes to disclose to the Issuer, the Security Trustee and the Rating Agencies without undue delay any material amendment, modification, variation or supplement to the Credit and Collection Procedures pursuant to this Clause 10.2 which either relates to the similarity of the underwriting standards further specified in the Commission Delegated Regulation 2019/1851 or which materially affects the overall credit risk or expected average performance of the Portfolio.</p> <p><i>Although somewhat confusingly drafted, 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.</i></p> <p><i>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.</i></p>
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<p>19</p>	<p>Legislative text – Article 20 - Requirements relating to simplicity</p>	<p>GO TO TABLE OF CONTENTS</p>
	<p>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.</p>	
	<p>STS criteria</p>	<p>SEE RELATED EBA GUIDELINES</p>
	<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>Verified?</p>	<p>Yes</p>
	<p>PCS Comment</p>	
	<p><i>Not applicable.</i></p>	

20	Legislative text – Article 20 - Requirements relating to simplicity	GO TO TABLE OF CONTENTS
	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.	
	STS criteria	SEE RELATED EBA GUIDELINES
	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.	
	Verified?	Yes
	PCS Comment	
	See Master Purchase Agreement	
	9.3 Further representations and warranties	
	(c) the assessment of each Lessee's creditworthiness (to the extent article 9 of the Securitisation Regulation applies in respect of the relevant Lease Agreement) was carried out taking into account the following principles (i) such assessment has been performed on the basis of sufficient information, where appropriate obtained from the Lessee and, where necessary, on the basis of a consultation of the relevant database, (ii) will be repeated before any significant increase in the total amount of exposure is made after the conclusion of the lease, in Project Bugatti – master purchase agreement – draft dated 31 January 3 March 2022 for discussion purposes only combination with an update of the Lessee's financial information, (iii) a thorough assessment of the Lessee's creditworthiness was made before concluding the relevant Lease Agreement, taking appropriate account of factors relevant to verifying the prospect of the Lessee meeting his or her obligations under the relevant Lease Agreement, (iv) the procedures and information on which the assessment is based are documented and maintained and (v) the Seller is not able to cancel or alter the relevant Lease Agreement once concluded to the detriment of the Lessee on the grounds that the assessment of creditworthiness was incorrectly conducted.	
	<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>	
	<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>	

21	Legislative text – Article 20 - Requirements relating to simplicity	GO TO TABLE OF CONTENTS
	20.10. The originator or original lender shall have expertise in originating exposures of a similar nature to those securitised.	
	STS criteria	SEE RELATED EBA GUIDELINES
	21. The originator or original lender shall have expertise in originating exposures of a similar nature to those securitised.	
	Verified?	Yes
	PCS Comment	
	See Prospectus, 3 <i>PRINCIPAL PARTIES</i> .	
	3.5 Seller and Servicer	
	3.5.1 Business and organisation of Hiltermann Lease	
	3.5.1.1 Description of the Seller	

	<p>Hiltermann Lease was founded in 2004 and originated from several leasing acquisitions (Strix Lease Service, Business Car Autolease and Auto Lease Company) and is an independent leasing company for vehicles, focusing on SMEs and self-employed specialists in the Netherlands. Hiltermann focuses on three business segments: operational lease, private lease and financial lease. Hiltermann Lease has originated and serviced leases, being exposures similar to the purchased Leased Vehicles and the associated Lease Receivables, for more than 5 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>
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22	Legislative text – Article 20 - Requirements relating to simplicity	GO TO TABLE OF CONTENTS
	<p>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:</p>	
	STS criteria	
	<p>22. The underlying exposures shall be transferred to the SSPE after selection without undue delay...</p>	
	Verified?	Yes
	PCS Comment	
	<p>See Prospectus, 9 <i>GLOSSERY OF DEFINED TERMS</i>.</p> <p>9.2 Definitions</p> <p>Cut-Off Date means in respect of (i) the Initial Portfolio and each Initial Leased Vehicle, the Initial Cut-Off Date, (ii) any Additional Portfolio and each Additional Leased Vehicle, the relevant Additional Cut-Off Date and (iii) the calculation of any relevant item forming part of the Available Distribution Amounts and any related item to be calculated for that purpose, the last day of the Collection Period immediately preceding the date on which such termination or calculation takes place.</p> <p>Initial Cut-Off Date means □ 2022.</p> <p>Additional Cut-Off Date means the end of last day of the Collection Period immediately preceding the relevant Additional Purchase Date.</p> <p><i>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>	
23	STS criteria	SEE RELATED EBA GUIDELINES
	<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>	
	Verified?	Yes
	PCS Comment	
	<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), to the extent applicable to it:</p> <p>(f) the Lessee does not have an adverse credit history or is classified as defaulted by the Seller or the Servicer in accordance with its credit and underwriting policies;</p> <p>(m) the Lessee is not in arrears in relation to the associated Lease Agreement;</p>	

	<p>(n) the associated Lease Agreement is not subject to a dispute, material breach, default or violation of any obligation;</p> <p>(s) the associated Lease Agreement is not a Defaulted Lease Agreement;</p> <p>(kk) the Lessee under the associated Lease Agreement is not:</p> <p>(i) a Lessee who the Seller considers as unlikely to pay its obligations to the Seller and/or a Lessee who is past due more than 90 days on any material credit obligation to the Seller;</p>
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24	<p>Legislative text – Article 20 - Requirements relating to simplicity</p> <p>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:</p> <p>(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:</p> <p>(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</p> <p>(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;</p> <p>(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</p> <p>(c) has a credit assessment or a credit score indicating that the risk of contractually agreed payments not be made is significantly higher than for comparable exposures held by the originator which are not securitised.</p>	GO TO TABLE OF CONTENTS
<p>STS criteria</p>		SEE RELATED EBA GUIDELINES
<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>Verified?</p>		<p>Yes</p>
<p>PCS Comment</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), to the extent applicable to it:</p> <p>(f) the Lessee does not have an adverse credit history or is classified as defaulted by the Seller or the Servicer in accordance with its credit and underwriting policies;</p> <p>(o) the associated Lease Agreement is not subject to write-offs, payment deferrals, modifications or forgiveness and no payment holidays, reductions or grace periods apply or have applied, other than Lease Agreements in respect of which payment holidays applied due to the COVID-19 pandemic but in respect of which the last 3 Lease Instalments have been paid in full by the respective Lessee and no arrears are outstanding;</p> <p>(s) the associated Lease Agreement is not a Defaulted Lease Agreement;</p> <p>(kk) the Lessee under the associated Lease Agreement is not:</p>		

	<p>(i) a Lessee who the Seller considers as unlikely to pay its obligations to the Seller and/or a Lessee who is past due more than 90 days on any material credit obligation to the Seller; or</p> <p>(ii) a credit-impaired Lessee or guarantor who, on the basis of information obtained (A) from the relevant Lessee, (B) in the course of the Seller's servicing of the Lease Receivables or the Seller's risk management procedures, or (C) from a third party:</p> <p>(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 3 years prior to the date of origination or has undergone a debt-restructuring process with regard to his non-performing exposures within 3 years prior to the date of transfer of the Lease Receivables to the Issuer;</p> <p>(B) was, at the time of origination, where applicable, on the Bureau for Credit Registration (Bureau Krediet Registratie) or another public credit registry of persons with adverse credit history; or</p> <p>(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 receivables held by the Seller which are not securitised.</p>								
25	<p>STS criteria</p> <p>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.</p> <table border="1"> <tr> <td>Verified?</td><td>Yes</td></tr> <tr> <td colspan="2">PCS Comment</td></tr> <tr> <td colspan="2">See point 24 above.</td></tr> <tr> <td colspan="2">(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 3 years prior to the date of origination or has undergone a debt-restructuring process with regard to his non-performing exposures within 3 years prior to the date of transfer of the Lease Receivables to the Issuer;</td></tr> </table>	Verified?	Yes	PCS Comment		See point 24 above.		(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 3 years prior to the date of origination or has undergone a debt-restructuring process with regard to his non-performing exposures within 3 years prior to the date of transfer of the Lease Receivables to the Issuer;	
Verified?	Yes								
PCS Comment									
See point 24 above.									
(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 3 years prior to the date of origination or has undergone a debt-restructuring process with regard to his non-performing exposures within 3 years prior to the date of transfer of the Lease Receivables to the Issuer;									
26	<p>STS criteria SEE RELATED EBA GUIDELINES</p> <p>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:</p> <table border="1"> <tr> <td>Verified?</td><td>Yes</td></tr> <tr> <td colspan="2">PCS Comment</td></tr> <tr> <td colspan="2">See point 24 above.</td></tr> <tr> <td colspan="2">(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 3 years prior to the date of origination or has undergone a debt-restructuring process with regard to his non-performing exposures within 3 years prior to the date of transfer of the Lease Receivables to the Issuer;</td></tr> </table>	Verified?	Yes	PCS Comment		See point 24 above.		(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 3 years prior to the date of origination or has undergone a debt-restructuring process with regard to his non-performing exposures within 3 years prior to the date of transfer of the Lease Receivables to the Issuer;	
Verified?	Yes								
PCS Comment									
See point 24 above.									
(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 3 years prior to the date of origination or has undergone a debt-restructuring process with regard to his non-performing exposures within 3 years prior to the date of transfer of the Lease Receivables to the Issuer;									

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 Comment <i>See point 24 above.</i> (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 3 years prior to the date of origination or has undergone a debt-restructuring process with regard to his non-performing exposures within 3 years prior to the date of transfer of the Lease Receivables to the Issuer;	
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 Comment <i>See point 24 above.</i> (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 3 years prior to the date of origination or has undergone a debt-restructuring process with regard to his non-performing exposures within 3 years prior to the date of transfer of the Lease Receivables to the Issuer; <i>No restructured borrowers included in the portfolio.</i>	
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 Comment <i>See point 24 above.</i> (B) was, at the time of origination, where applicable, on the Bureau for Credit Registration (Bureau Krediet Registratie) or another public credit registry of persons with adverse credit history;	
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 Comment <i>See point 24 above.</i> (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 receivables held by the Seller which are not securitised.	

31	Legislative text – Article 20 - Requirements relating to simplicity	GO TO TABLE OF CONTENTS
	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.	
	STS criteria	SEE RELATED EBA GUIDELINES
	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.	
	Verified?	Yes
	PCS Comment	
	<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), to the extent applicable to it:</p> <p>(i) the Lessee under the associated Lease Agreement has satisfied at least 1 Lease Instalment under that Lease Agreement;</p>	

32	Legislative text – Article 20 - Requirements relating to simplicity	GO TO TABLE OF CONTENTS
	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.	
	STS criteria	SEE RELATED EBA GUIDELINES
	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.	
	Verified?	Yes
	PCS Comment	
	<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), to the extent applicable to it:</p> <p>(gg) the associated Lease Agreement contains a provision pursuant to which, upon a termination prior to its Lease Maturity Date, a Lease Agreement Early Termination Amount is due and payable by the relevant Lessee which is at least equal to the Present Value of the future Lease Instalments (other than the Lease Agreement Early Termination Amount) under the Lease Agreement;</p> <p>See Prospectus, 6 <i>PORTFOLIO INFORMATION</i>.</p> <p>6.1.2 Contract types</p>	

<p>The Lease Agreements do not include an option for a lessee to return the Leased Vehicle to the Seller in lieu of repayment of the Lease Agreement in full.</p> <p>6.1.4 Leasing components</p> <p>The financial leasing products Hiltermann Lease offers consist of several components mentioned below.</p> <p>Lease principal component</p> <p>For depreciation, the annuity-based depreciation methodology is used. The use of this methodology ensures that the monthly interest and principal instalment remain constant.</p> <p>Lease interest component</p> <p>The interest rates included in Hiltermann Lease's leasing quotations are based upon the Hiltermann Lease Cost of Fund (COF) methodology. On top of the COF a margin is calculated to lessees.</p> <p>Final Lease Instalment</p> <p>The final lease instalment (slottermijn) as set out in and to be paid by the relevant Lessee to the Issuer pursuant to a Lease Agreement (other than the Lease Interest Component, the Lease Principal Component and any administration fee forming part thereof).</p> <p>See Prospectus, 9 <i>GLOSSARY OF DEFINED TERMS</i>.</p> <p>Lease Instalment means the sum of (a) the Lease Principal Component, (b) the Lease Interest Component, (c) where applicable, the Final Lease Instalment and (d) where applicable, the Lease Agreement Early Termination Amount due under a Lease Agreement.</p>

33	Legislative text – Article 21 - Requirements relating to standardisation	GO TO TABLE OF CONTENTS
21.1. The originator, sponsor or original lender shall satisfy the risk retention requirement in accordance with Article 6.		
STS criteria		SEE RELATED EBA GUIDELINES
33.The originator, sponsor or original lender shall satisfy the risk retention requirement in accordance with Article 6.		
Verified?		Yes
<p>PCS Comment</p> <p>See Prospectus, 4 <i>NOTES</i>.</p> <p>4.4 Regulatory and industry compliance</p> <p>4.4.2 Compliance with article 6 of the Securitisation Regulation</p> <p>Retention statement</p> <p>The Originator confirms that it has covenanted with the Issuer and the Security Trustee under the Master Purchase Agreement and with the Lead Managers under the Subscription Agreement that the Originator will, for the life of the Transaction, retain a material net economic interest of not less than 5 per cent. in the Transaction in accordance with article 6(3)(a) of the Securitisation Regulation (which does not take into account any corresponding national measures) and will not enter into any credit risk mitigation, short position or any other credit hedge or sale with respect to such material net economic interest, provided that the level of retention may reduce over time in compliance with article 10(2) of the Draft RTS Risk Retention specifying the risk retention requirements pursuant to article 6 of the Securitisation Regulation. As of the Closing Date, such interest will, in accordance with article 6(3)(a) of the Securitisation Regulation, be retained through the holding of not less than 5 per cent. of the nominal value of each Class of Notes.</p>		

<p>See Prospectus, 2 <i>RISK FACTORS</i>.</p> <p>2.5 Risk factors relating to legal, regulatory and macro-economic risks with respect to the Notes</p> <p>2.5.1 Legal, regulatory and macro-economic risks relating to the Notes</p> <p>Securitisation Regulation</p> <p>With respect to the commitment of the Originator to retain a material net economic interest during the life of the Transaction, as contemplated by article 6(3)(a) of the Securitisation Regulation, the Originator will retain such net economic interest through the holding of an interest in not less than 5 per cent. of the nominal value of each of the tranches sold or transferred to investors. Such interest will be equivalent to no less than 5 per cent. of the nominal value of the securitised exposures on an ongoing basis, provided that the level of retention may reduce over time in compliance with article 10(2) of the Draft RTS Risk Retention specifying the risk retention requirements pursuant to article 6 of the Securitisation Regulation.</p> <p>See Prospectus, 3 <i>PRINCIPAL PARTIES</i>.</p> <p>3.6 Originator</p> <p>All shares in Hiltermann Lease are held indirectly (through Hiltermann Lease Groep) by Hiltermann Lease Groep Holding which entity will be the Originator. The interests of Hiltermann Lease and Hiltermann Lease Groep Holding are explicitly aligned in that any gains and losses incurred in the business of Hiltermann will have immediate reflection on those of Hiltermann Lease Groep Holding which depends for 95% of sales and revenues on Hiltermann Lease's performance. There is a personal union of the boards of managing directors of both companies, both legally and factually, resulting in the management of the companies being entrusted to the same individuals. Policies and procedures (including underwriting and the risk profile of Hiltermann Lease's counterparties with respect to lending) are established at the group level meaning that there is one group policy, and not an own separate policy that Hiltermann Lease could establish in isolation from Hiltermann Lease Groep Holding. Hiltermann Lease Groep Holding is actually and actively involved in establishing policies in that its (indirect) subsidiaries may propose draft policies and procedures (for the purpose hereof including acceptance/ underwriting criteria, management decisions, business plans, risk criteria, etc) but these need to be approved by Hiltermann Lease Groep Holding before becoming actually applicable policies and Hiltermann Lease Groep Holding may -and sometimes does- suggest amendments to policies in place or proposed draft policies.</p>
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34	Legislative text – Article 21 - Requirements relating to standardisation		GO TO TABLE OF CONTENTS
	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.		
	STS criteria		SEE RELATED EBA GUIDELINES
	34. The interest rate...risks arising from the securitisation shall be appropriately mitigated.		
	Verified?	Yes	
	PCS Comment		
	<p>See Prospectus, 1 <i>TRANSACTION OVERVIEW</i>.</p> <p>1.5 Credit structure</p> <p>Swap Agreement:</p> <p>On or about the Signing Date, the Issuer and the Swap Counterparty will enter into the Swap Agreement pursuant to which the Issuer will mitigate the risks of a mismatch between the floating rate of interest payable by the Issuer in respect of the Floating Rate Notes and the fixed rate income being the Lease Interest Components included in the Lease Instalments to be received by the Issuer in respect of the Portfolio. Pursuant to the Swap Agreement the Issuer will make payments to the Swap Counterparty by reference to a certain fixed interest rate and the Swap Counterparty will make payments to the Issuer by reference to a rate based on Euribor.</p> <p>See Prospectus, 2 <i>RISK FACTORS</i>.</p>		

	<p>2.4 Risk factors relating to the structure</p> <p>2.4.1 Risks related to the Swap Agreement</p> <p>Risks relating to the payments of the Swap Counterparty</p> <p>On the Signing Date, the Issuer will enter into the Swap Agreement with the Swap Counterparty. The Swap Agreement will mitigate the risks of a mismatch between the floating rate of interest payable by the Issuer on the Floating Rate Notes and fixed rate income, being the Lease Interest Components included in the Lease Instalments, to be received by the Issuer in respect of the Portfolio. In order to mitigate such mismatch, the Issuer will make payments to the Swap Counterparty by reference to a certain fixed interest rate and the Swap Counterparty will make payments to the Issuer by reference to a rate based on Euribor. For a more detailed description of the Swap Agreement, see section 5.5.3 (Swap Agreement).</p> <p>See Prospectus, 5 <i>CREDIT STRUCTURE</i>.</p> <p>5.3 Hedging</p> <p>On or about the Signing Date, the Issuer will enter into the Swap Agreement with the Swap Counterparty. The Swap Agreement purports to mitigate the risk of a mismatch between the floating interest rate payable by the Issuer on the Floating Rate Notes and the fixed rate income being the Lease Interest Components included in the Lease Instalments to be received by the Issuer in respect of the Portfolio. Pursuant to the Swap Agreement the Issuer will make payments to the Swap Counterparty by reference to a certain fixed interest rate and the Swap Counterparty will make payments to the Issuer by reference to a rate based on Euribor.</p>
35	<p>STS criteria SEE RELATED EBA GUIDELINES</p>
	<p>35. Currency risks arising from the securitisation shall be appropriately mitigated.</p>
	<p>Verified? Yes</p>
	<p>PCS Comment</p>
	<p><i>Assets:</i></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), to the extent applicable to it:</p> <p>(aa) the amounts due and payable under the associated Lease Agreement are denominated in Euro;</p> <p><i>Liabilities:</i></p> <p>See Prospectus, 1 <i>TRANSACTION OVERVIEW</i>.</p> <p>1.4 The Notes</p> <p>Form and denomination:</p> <p>The Notes will be issued in bearer form in the denomination of €100,000 each.</p> <p><i>Not applicable. The underlying assets and the Notes are denominated in Euros.</i></p>

36	STS criteria	SEE RELATED EBA GUIDELINES
	36. Any measures taken to that effect shall be disclosed.	
	Verified?	Yes
	PCS Comment	
	See point 34 above.	

37	Legislative text – Article 21 - Requirements relating to standardisation	GO TO TABLE OF CONTENTS
	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.	
	STS criteria	SEE RELATED EBA GUIDELINES
	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 Comment	
	See Prospectus, 4 <i>NOTES</i> . 4.1 Terms and conditions of the Notes 4.1.3 Covenants of the Issuer As long as any of the Notes remains outstanding, the Issuer shall carry out its business in accordance with proper and prudent Dutch business practice and in accordance with the requirements of Dutch law and accounting practice and shall not, except to the extent permitted by the Transaction Documents or with the prior written consent of the Security Trustee: (k) enter into derivative contracts.	

38	STS criteria	SEE RELATED EBA GUIDELINES
	38. ...Shall ensure that the pool of underlying exposures does not include derivatives.	
	Verified?	Yes
	PCS Comment	
	See Prospectus, 7 <i>PORTFOLIO DOCUMENTATION</i> . 7.3 Eligibility Criteria In addition to the above, it is noted that from the Eligibility Criteria it can be derived that: (c) no Lease Agreement constitutes a derivative within the meaning of the Securitisation Regulation.	

39	STS criteria	SEE RELATED EBA GUIDELINES
	39. Those derivatives shall be underwritten and documented according to common standards in international finance.	
	Verified?	Yes
	PCS Comment	
	<p>See Prospectus, 5 <i>CREDIT STRUCTURE</i>.</p> <p>5.5 Description of certain Transaction Documents</p> <p>5.5.3 Swap Agreement</p> <p>Credit Support</p> <p>On the Signing Date, the Issuer, the Swap Counterparty and the Security Trustee will enter into a credit support annex to the Swap Agreement on the basis of standard ISDA documentation (the Credit Support Annex), which provides for requirements relating to the providing of collateral by the Swap Counterparty if the Swap Counterparty (or its successor) ceases to have at least the Required Credit Ratings.</p> <p>See Prospectus, 9 <i>GLOSSARY OF DEFINED TERMS</i>.</p> <p>9.2 Definitions</p> <p>Swap Agreement means the interest rate swap agreement consisting of an ISDA master agreement, a schedule, a credit support annex and the confirmation to be entered into by and between the Issuer and the Swap Counterparty on or about the Signing Date.</p>	

40	Legislative text – Article 21 - Requirements relating to standardisation	GO TO TABLE OF CONTENTS
	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.	
	STS criteria	SEE RELATED EBA GUIDELINES
	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.	
	Verified?	Yes
	PCS Comment	
	<p><i>Assets:</i></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), to the extent applicable to it:</p> <p>(hh) the associated Lease Agreement (other than any Lease Agreement in respect of which balloon payments may be due) provides for fixed equal Lease Instalments, except for the last Lease Instalment;</p>	

<p><i>Liabilities:</i></p> <p>See Prospectus, 1 <i>TRANSACTION OVERVIEW</i>.</p> <p>1.4 The Notes</p> <p>Interest:</p> <p>Interest on the Floating Notes will accrue from (and include) the Closing Date at an annual rate equal to the higher of (i) zero per cent. and (ii) Euribor for one-month deposits in euro plus a margin per annum which will be \square per cent. for the Class A Notes, \square per cent. for the Class B Notes, \square per cent. for the Class C Notes and \square per cent. for the Class D Notes. The Interest Rate on the Notes shall at any time be at least zero per cent.</p> <p>Interest on the Class E Notes for each Interest Period will accrue from (and include) the Closing Date per annum at an annual rate equal \square per cent. for the Class E Notes.</p>

41 Legislative text – Article 21 - Requirements relating to standardisation	GO TO TABLE OF CONTENTS
<p>21.4. 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>(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>(c) Repayment of the securitisation positions shall not be reversed with regard to their seniority; and</p> <p>(d) No provisions shall require automatic liquidation of the underlying exposures at market value.</p>	
STS criteria	
<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>	
Verified?	Yes
<p>PCS Comment</p> <p>See Prospectus, 5 <i>CREDIT STRUCTURE</i>.</p> <p>5.2 Priority of payments</p> <p>5.2.4 Accelerated Amortisation Period Priority of Payments</p> <p>Following the service of a Notes Acceleration Notice by the Security Trustee, all funds available to the Issuer (including any amounts standing to the credit of the Issuer Accounts (other than the Swap Collateral Account) and all monies received or recovered by the Security Trustee, but excluding any Excess Swap Collateral) will be applied by the Security Trustee (or the Issuer Administrator on its behalf) to the Secured Creditors on any Business Day according to the following order of priority (in each case if and to the extent payments of a higher order of priority have been made in full) (the Accelerated Amortisation Period Priority of Payments):</p>	

42	STS criteria	SEE RELATED EBA GUIDELINES
	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;	
	Verified?	Yes
	PCS Comment	
	See Prospectus, 5 <i>CREDIT STRUCTURE</i> .	
	5.2 Priority of payments	
	5.2.4 Accelerated Amortisation Period Priority of Payments	
43	STS criteria	
	43. (c) Repayment of the securitisation positions shall not be reversed with regard to their seniority; and	
	Verified?	Yes
	PCS Comment	
	<i>Not applicable. Repayment of the securitisation positions are not reversed with regard to seniority.</i>	
	See Prospectus, 5 <i>CREDIT STRUCTURE</i> .	
	5.2 Priority of payments	
44	STS criteria	SEE RELATED EBA GUIDELINES
	44. (d) No provisions shall require automatic liquidation of the underlying exposures at market value.	
	Verified?	Yes
	PCS Comment	
	See Prospectus, 1 <i>TRANSACTION OVERVIEW</i> .	
	1.4 The Notes	
	Security for the Notes:	
	The Noteholders, the other Secured Creditors and the Security Trustee may not institute against, or join any person in instituting against, the Issuer any bankruptcy, winding-up, reorganisation, arrangement, insolvency or liquidation proceeding until the expiry of a period of at least 2 years after the last maturing Note is paid in full. The only remedy of the Security Trustee against the Issuer and only obligation of the Security Trustee towards the Secured Creditors after any of the Notes have become due and payable is to enforce the Security and to distribute the proceeds in accordance with the Trust Deed. See for a more detailed description section 4.7.1 (Trust Deed) and section 4.7.2 (Pledge Agreements) below.	
	See Prospectus, 4 <i>NOTES</i> .	
	4.1 Terms and conditions of the Notes	
	4.1.10.1 Enforcement	

	<p>At any time after the Notes of any Class become due and payable, the Security Trustee may, at its discretion and without further notice, take such steps and/or institute such proceedings as it may think fit to enforce the Security pursuant to the terms of the Trust Deed and the Pledge Agreements, including the making of a demand for payment thereunder, but it need not take any such proceedings unless (i) in the case of the giving of a Notes Acceleration Notice, it shall have been directed by an Extraordinary Resolution of the Most Senior Class Outstanding and (ii) it shall have been indemnified to its satisfaction.</p> <p>The Security Trustee will enforce the security created by the Issuer or the Seller in favour of the Security Trustee pursuant to the terms of the Trust Deed and the Pledge Agreements for the benefit of all Secured Creditors, including, but not limited to, the Noteholders, and will apply the net proceeds received or recovered towards satisfaction of the Parallel Debt. The Security Trustee shall distribute such net proceeds to the Secured Creditors in accordance with the Accelerated Amortisation Period Priority of Payments set forth in the Trust Deed.</p> <p>See transaction documents, Trust Deed.</p> <p>12 ENFORCEMENT AND PROCEEDINGS</p>
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45	<p>Legislative text – Article 21 - Requirements relating to standardisation</p> <p>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.</p> <p>STS criteria</p> <p>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.</p> <p>Verified?</p> <p>PCS Comment</p> <p><i>Pro Rata payments occur in the transaction until a Sequential Payment Trigger Event occurs.</i></p> <p>See Prospectus, See Prospectus, 9 GLOSSARY OF DEFINED TERMS.</p> <p>9.2 Definitions</p> <p>Sequential Payment Trigger Event means an event which shall occur on the earlier of:</p> <p>(a) the Settlement Date on which the Cumulative Net Loss Ratio is greater than:</p> <p>(i) 0.75 per cent on the Settlement Date falling in February 2023; and</p> <p>(ii) on each Settlement Date thereafter, the lesser of:</p> <p>(A) 0.75 per cent. plus 0.10 per cent. for each passed Settlement Date as of the Settlement Date falling in February 2023; and</p> <p>(B) 2 per cent; or</p> <p>(b) the Settlement Date on which the Aggregate Discounted Balance is lower than 20 per cent. of the Aggregate Discounted Balance on the Initial Cut-off Date.</p>	<p>GO TO TABLE OF CONTENTS</p> <p>SEE RELATED EBA GUIDELINES</p> <p>Yes</p>
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46	Legislative text – Article 21 - Requirements relating to standardisation	GO TO TABLE OF CONTENTS
	<p>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:</p> <ul style="list-style-type: none"> (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). 	
	STS criteria	SEE RELATED EBA GUIDELINES
	<p>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:</p>	
	Verified?	Yes
	PCS Comment	
	<p>See Prospectus, See Prospectus, 9 <i>GLOSSARY OF DEFINED TERMS.</i></p> <p>9.2 Definitions</p> <p>Revolving Period means the period commencing on (and including) the Closing Date and ending on the date on which a Revolving Period Termination Event occurs.</p> <p>Revolving Period Termination Event means the earlier of (i) (and including) the Settlement Date falling in February 2023 and (ii) the occurrence of any of the following events:</p> <ul style="list-style-type: none"> (a) a Seller Event of Default; (b) the Originator is Insolvent; (c) the Cumulative Net Loss Ratio exceeds 0.75 per cent. on any Settlement Date; (d) the average of 3 successive Delinquency Ratios in respect of the 3 immediately preceding Collection Periods as calculated on the Calculation Date immediately succeeding such 3rd collection period exceeds 2.0 per cent. on any Settlement Date; (e) the amount recorded to the credit of the Replenishment Ledger after the application of the Available Distribution Amounts in accordance with the Revolving Period Priority of Payments on any 2 consecutive Settlement Dates exceeds 10 per cent. of the Aggregate Discounted Balance on the Closing Date; (f) the Aggregate Discounted Balance plus the amount standing to the credit of the Replenishment Ledger is on any Settlement Date lower than the Principal Amount Outstanding of the Class A Notes, Class B Notes, Class C Notes and Class D Notes; (g) the General Reserve Account is not funded up to the Required General Reserve Amount at the relevant Settlement Date (after application of the Available Distribution Amounts in accordance with the Revolving Period Priority of Payments on such Settlement Date); (h) a Servicer Termination Event; (i) an Event of Default or Termination Event (each as defined in the Swap Agreement); (j) any regulatory and/or tax issues occur which prevent the Issuer from purchasing the Leased Vehicles together with the associated Lease Receivables or makes it more onerous to purchase any of the Leased Vehicles; or (k) the service of a Notes Acceleration Notice by the Security Trustee. 	

47	STS criteria	SEE RELATED EBA GUIDELINES
	47. (a) a deterioration in the credit quality of the underlying exposures to or below a pre-determined threshold;	
	Verified?	Yes
	PCS Comment See point 46 above. (c) and (d)	
48	STS criteria	SEE RELATED EBA GUIDELINES
	48. (b) the occurrence of an insolvency-related event with regard to the originator or the servicer;	
	Verified?	Yes
	PCS Comment See point 46 above. (b) and (h)	
49	STS criteria	SEE RELATED EBA GUIDELINES
	49. (c) the value of the underlying exposures held by the SSPE falls below a pre-determined threshold (early amortisation event);	
	Verified?	Yes
	PCS Comment See point 46 above. (e)	
50	STS criteria	SEE RELATED EBA GUIDELINES
	50. (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 Comment See point 46 above. (e)	

51	Legislative text – Article 21 - Requirements relating to standardisation	GO TO TABLE OF CONTENTS
	<p>21.7. The transaction documentation shall clearly specify:</p> <p>(a) the contractual obligations, duties and responsibilities of the servicer and the trustee, if any, and other ancillary service providers;</p> <p>(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</p> <p>(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.</p>	
	STS criteria	SEE RELATED EBA GUIDELINES
	<p>51. The transaction documentation shall clearly specify:</p> <p>(a) the contractual obligations, duties and responsibilities of the servicer and the trustee, if any, and other ancillary service providers;</p>	
	Verified?	Yes
	PCS Comment	
	<p>See Prospectus, 1 <i>TRANSACTION OVERVIEW</i>.</p> <p>1.7 Portfolio documentation</p> <p>Servicing Agreement:</p> <p>1.8 General</p> <p>Trust Deed:</p> <p>See Prospectus, 7 <i>PORTFOLIO DOCUMENTATION</i>.</p> <p>7.5 Servicing Agreement</p> <p>See Prospectus, 5 <i>CREDIT STRUCTURE</i>.</p> <p>5.4 Issuer Accounts</p> <p>5.4.1 Account Agreement</p> <p>5.5 Description of certain Transaction Documents</p> <p>5.5.1 Issuer Administration Agreement</p> <p>5.5.2 Data Trustee Agreements</p> <p>See also underlying transaction documents: Master definitions and common terms agreements, Master purchase agreement, Servicing Agreement, Issuer Administration Agreement, Trust Deed, Paying Agency Agreement, Account Agreement, Shareholder Management Agreement, Issuer Management Agreement, Seller Data Trustee Agreement, Security Trustee Data Trustee Agreement, Issuer Data Trustee Agreement.</p>	

52	STS criteria	SEE RELATED EBA GUIDELINES
	52. (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	
	Verified?	Yes
	PCS Comment	
	See Prospectus, 1 <i>TRANSACTION OVERVIEW</i> .	
	1.7 Portfolio documentation	
	Servicing Agreement:	
	<p>Pursuant to the Servicing Agreement, upon the occurrence of a Servicer Termination Event, the Back-Up Servicer Facilitator shall use its reasonable endeavours to identify potential Suitable Entities to arrange for the appointment by the Issuer of a substitute servicer. If a Suitable Entity has been selected, the Back-Up Servicer Facilitator will arrange for the appointment by the Issuer of such substitute servicer subject to the terms and conditions set out in the Servicing Agreement, provided that such appointment (i) shall be approved by the Security Trustee, (ii) shall be effective not later than the date of the termination of the appointment of the Servicer, (iii) shall be on substantially the same terms as the terms of the Servicing Agreement, providing for remuneration at such a rate that does not exceed the rate then commonly charged by providers of credit management and administration services for provision of such services on such terms and (iv) shall be notified to the Rating Agencies.</p>	
	<p>Following a Servicer Termination Event the Issuer and the Security Trustee acting jointly, or following the service of a Notes Acceleration Notice, the Security Trustee may terminate the appointment of the Servicer and appoint a new entity (acting as Servicer) to take over the services from Hiltermann Lease as Servicer under the Servicing Agreement subject to and in accordance with the Servicing Agreement. The Issuer, the new entity (acting as Servicer) and the Security Trustee will enter into a servicing agreement substantially on the terms of the Servicing Agreement.</p>	
	See Prospectus, 7 <i>PORTFOLIO DOCUMENTATION</i> .	
	7.5 Servicing Agreement	
	Back-Up Servicer Facilitator	
	Intertrust Administrative Services, acting in its capacity as Back-Up Servicer Facilitator.	
	<p>Pursuant to the Servicing Agreement, the Issuer will appoint a Back-Up Servicer Facilitator. Pursuant to the Servicing Agreement the Back-Up Servicer Facilitator shall use its best endeavours to identify and approach any potential Suitable Entity to arrange for the appointment by the Issuer of a substitute servicer. If a Suitable Entity has been selected, the Back-Up Servicer Facilitator will arrange for the appointment by the Issuer of such substitute servicer subject to the terms and conditions set out in the Servicing Agreement, provided that such appointment (i) shall be approved by the Security Trustee, (ii) shall be effective no later than the date of the termination of the appointment of the then current Servicer, (iii) shall be on substantially the same terms as the terms of the Servicing Agreement, providing for remuneration at such a rate that does not exceed the rate then commonly charged by providers of credit management and administration services for provision of such services on such terms and (iv) shall be notified to the Rating Agencies.</p>	
	Termination and replacement of the Servicer	
	<p>Upon the occurrence of a Servicer Termination Event, the Issuer and the Security Trustee, acting jointly, may at once or at any time thereafter while such Servicer Termination Event continues by notice in writing to the Servicer terminate the appointment of the Servicer under the Servicing Agreement and/or the Servicing Agreement, with effect from a date (not earlier than the date of the notice) specified in the notice provided, however, that the Servicer shall not be released from its obligations under the relevant provisions of the Servicing Agreement until a new servicer has been appointed and has taken over the services performed by the Servicer on terms substantially similar to the existing Servicing Agreement.</p>	

53	STS criteria	SEE RELATED EBA GUIDELINES
	53. (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.	
	Verified?	Yes
	PCS Comment	
	See Prospectus, 5 <i>CREDIT STRUCTURE</i> .	
	5.4 Issuer Accounts	
	5.4.1 Account Agreement	
	See transaction documents:	
	Trust Deed	
	22 SWAP AGREEMENT	
	23 ACCOUNT AGREEMENT	
	Issuer Administration Agreement	
	4 PAYMENTS AND ISSUER ACCOUNTS	
	4.7 Ratings assigned to the Account Bank	
	6 SWAP AGREEMENT	
	6.1 Rating Trigger Breach	
	6.2 Termination of Swap Agreement	
	Account Agreement	
	10 TERM AND TERMINATION	

54	Legislative text – Article 21 - Requirements relating to standardisation	GO TO TABLE OF CONTENTS
	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.	
	STS criteria	SEE RELATED EBA GUIDELINES
	54. The servicer shall have expertise in servicing exposures of a similar nature to those securitised	
	Verified?	Yes
	PCS Comment	
	<p>See Prospectus, 3 <i>PRINCIPAL PARTIES</i>.</p> <p>3.5 Seller and Servicer</p> <p>3.5.1 Business and organisation of Hiltermann Lease</p> <p>3.5.1.1 Description of the Seller</p> <p>Hiltermann Lease was founded in 2004 and originated from several leasing acquisitions (Strix Lease Service, Business Car Autolease and Auto Lease Company) and is an independent leasing company for vehicles, focusing on SMEs and self-employed specialists in the Netherlands. Hiltermann focuses on three business segments: operational lease, private lease and financial lease. Hiltermann Lease has originated and serviced leases, being exposures similar to the purchased Leased Vehicles and the associated Lease Receivables, for more than 5 years.</p>	
55	STS criteria	SEE RELATED EBA GUIDELINES
	55. And shall have well documented and adequate policies, procedures and risk management controls relating to the servicing of exposures.	
	Verified?	Yes
	PCS Comment	
	<p>See transaction documents, Servicing Agreement.</p> <p>3 APPOINTMENT</p> <p>3.5 Approvals and authorisations</p> <p>3.5.3 The Servicer confirms that it has well documented and adequate policies, procedures and risk management controls relating to the servicing of financial auto leases and it is of the opinion that it has the required expertise in servicing financial auto leases which are of a similar nature as the Lease Agreements within the meaning of article 21(8) of the Securitisation Regulation (taking the EBA STS Guidelines Non-ABCP Securitisations into account).</p> <p><i>Additional due diligence was conducted in connection with verifying these criteria.</i></p>	

56	Legislative text – Article 21 - Requirements relating to standardisation		GO TO TABLE OF CONTENTS
	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.		
	STS criteria		SEE RELATED EBA GUIDELINES
	56. The transaction documentation shall set out in clear and consistent terms definitions		
	Verified?	Yes	
	PCS Comment		
	See Prospectus, 6 <i>PORTFOLIO INFORMATION</i> .		
	6.2 Origination and servicing		
	6.2.2 Servicing and collection procedures		
	6.2.3 Collection and recovery process		
57	See transaction documents, Servicing Agreement.		
	3 APPOINTMENT		
	3.5 Approvals and authorisations		
	3.5.2 The Servicer:		
	(b) confirms that the Credit and Collection Procedures set out, in clear and consistent terms, definitions, remedies and actions relating to delinquency and default of Lessees, debt restructuring, debt forgiveness, forbearance, payment holidays, losses, charge-offs, recoveries and other asset-performance remedies as referred to in article 21(9) of the Securitisation Regulation.		
	Schedule 3		
	CREDIT AND COLLECTION PROCEDURES		
	STS criteria		SEE RELATED EBA GUIDELINES
	57. 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 Comment			
See point 56 above.			

58	Legislative text – Article 21 - Requirements relating to standardisation	GO TO TABLE OF CONTENTS
	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.	
	STS criteria	
	58. The transaction documentation shall clearly specify the priorities of payment,	
	Verified?	Yes
	PCS Comment	
	<p>See Prospectus, 5 <i>CREDIT STRUCTURE</i>.</p> <p>5.2 Priority of payments</p> <p>5.2.1 Revolving Period Priority of Payments</p> <p>5.2.2 Sequential Amortisation Period Priority of Payments</p> <p>5.2.3 Pro Rata Amortisation Period Priority of Payments</p> <p>5.2.4 Accelerated Amortisation Period Priority of Payments</p>	
59	STS criteria	
	59. The transaction documentation shall clearly specify the events which trigger changes in such priorities of payment.	
	Verified?	Yes
	PCS Comment	
	<p>See Prospectus, 4 <i>NOTES</i>.</p> <p>4.1 Terms and conditions of the Notes</p> <p>4.1.9 Issuer Events of Default</p> <p>See Prospectus, 5 <i>CREDIT STRUCTURE</i>.</p> <p>5.2 Priority of payments</p> <p>5.2.1 Revolving Period Priority of Payments</p> <p>5.2.2 Sequential Amortisation Period Priority of Payments</p> <p>5.2.3 Pro Rata Amortisation Period Priority of Payments</p> <p>5.2.4 Accelerated Amortisation Period Priority of Payments</p> <p>See Prospectus, See Prospectus, 9 <i>GLOSSARY OF DEFINED TERMS</i>.</p> <p>9.2 Definitions</p>	

	Notes Acceleration Notice Pro Rata Payment Trigger Event Revolving Period Termination Event Sequential Payment Trigger Event						
60	<p>STS criteria</p> <p>60. The transaction documentation shall clearly specify the obligation to report such events.</p> <table border="1"> <tr> <td>Verified?</td><td>Yes</td></tr> <tr> <td colspan="2">PCS Comment</td></tr> <tr> <td colspan="2"> <p>See Prospectus, 4 <i>NOTES</i>.</p> <p>4.4 Regulatory and industry compliance</p> <p>4.4.3 Compliance with article 7 of the Securitisation Regulation</p> <p>Introduction</p> <p>Pursuant to article 7(1) of the Securitisation Regulation, the Originator and the Issuer shall make available to holders of a securitisation position in the Transaction, including the Noteholders, to the competent authorities referred to in article 29 of the Securitisation Regulation and, upon request, to potential investors the following information:</p> <p>(d) investor reports containing the following:</p> <p>(i) all materially relevant data on the credit quality and performance of the Purchased Vehicles and the associated Lease Receivables;</p> <p>(ii) information on events which trigger changes in the Priority of Payments or the replacement of any counterparties, and data on the cash flows generated by the Purchased Vehicles and the associated Lease Receivables and by the liabilities of the Transaction;</p> </td></tr> </table>	Verified?	Yes	PCS Comment		<p>See Prospectus, 4 <i>NOTES</i>.</p> <p>4.4 Regulatory and industry compliance</p> <p>4.4.3 Compliance with article 7 of the Securitisation Regulation</p> <p>Introduction</p> <p>Pursuant to article 7(1) of the Securitisation Regulation, the Originator and the Issuer shall make available to holders of a securitisation position in the Transaction, including the Noteholders, to the competent authorities referred to in article 29 of the Securitisation Regulation and, upon request, to potential investors the following information:</p> <p>(d) investor reports containing the following:</p> <p>(i) all materially relevant data on the credit quality and performance of the Purchased Vehicles and the associated Lease Receivables;</p> <p>(ii) information on events which trigger changes in the Priority of Payments or the replacement of any counterparties, and data on the cash flows generated by the Purchased Vehicles and the associated Lease Receivables and by the liabilities of the Transaction;</p>	
Verified?	Yes						
PCS Comment							
<p>See Prospectus, 4 <i>NOTES</i>.</p> <p>4.4 Regulatory and industry compliance</p> <p>4.4.3 Compliance with article 7 of the Securitisation Regulation</p> <p>Introduction</p> <p>Pursuant to article 7(1) of the Securitisation Regulation, the Originator and the Issuer shall make available to holders of a securitisation position in the Transaction, including the Noteholders, to the competent authorities referred to in article 29 of the Securitisation Regulation and, upon request, to potential investors the following information:</p> <p>(d) investor reports containing the following:</p> <p>(i) all materially relevant data on the credit quality and performance of the Purchased Vehicles and the associated Lease Receivables;</p> <p>(ii) information on events which trigger changes in the Priority of Payments or the replacement of any counterparties, and data on the cash flows generated by the Purchased Vehicles and the associated Lease Receivables and by the liabilities of the Transaction;</p>							
61	<p>STS criteria</p> <p>61. 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.</p> <table border="1"> <tr> <td>Verified?</td><td>Yes</td></tr> <tr> <td colspan="2">PCS Comment</td></tr> <tr> <td colspan="2"> <p><i>See point 60 above.</i></p> <p>See Prospectus, See Prospectus, 4 <i>NOTES</i>.</p> <p>4.4 Regulatory and industry compliance</p> <p>4.4.3 Compliance with article 7 of the Securitisation Regulation</p> <p>Compliance with the Transparency Requirements</p> <p>For such purpose, the Reporting Entity has undertaken in the Servicing Agreement that it (or any agent on its behalf) will in particular:</p> </td></tr> </table>	Verified?	Yes	PCS Comment		<p><i>See point 60 above.</i></p> <p>See Prospectus, See Prospectus, 4 <i>NOTES</i>.</p> <p>4.4 Regulatory and industry compliance</p> <p>4.4.3 Compliance with article 7 of the Securitisation Regulation</p> <p>Compliance with the Transparency Requirements</p> <p>For such purpose, the Reporting Entity has undertaken in the Servicing Agreement that it (or any agent on its behalf) will in particular:</p>	
Verified?	Yes						
PCS Comment							
<p><i>See point 60 above.</i></p> <p>See Prospectus, See Prospectus, 4 <i>NOTES</i>.</p> <p>4.4 Regulatory and industry compliance</p> <p>4.4.3 Compliance with article 7 of the Securitisation Regulation</p> <p>Compliance with the Transparency Requirements</p> <p>For such purpose, the Reporting Entity has undertaken in the Servicing Agreement that it (or any agent on its behalf) will in particular:</p>							

	(c) upon the occurrence of an event triggering the existence of any inside information as referred to in article 7(1)(f) of the Securitisation Regulation and to the extent applicable, any significant event as referred to in article 7(1)(g) of the Securitisation Regulation, publish without delay, subject to the timely receipt of all necessary information from the relevant parties, such inside information or significant event by means of the Inside Information Report;
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62	Legislative text – Article 21 - Requirements relating to standardisation	GO TO TABLE OF CONTENTS
	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.	
	STS criteria	SEE RELATED EBA GUIDELINES
	62. 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 Comment	
	<p>See Prospectus, 4 NOTES.</p> <p>4.1 Terms and conditions of the Notes</p> <p>4.1.11 Meetings of Noteholders; modification; consents; waiver; removal director</p> <p>See also underlying transaction documents:</p> <p>Trust Deed</p> <p>Schedule 1</p> <p>MEETINGS OF NOTEHOLDERS</p> <p><i>(a) the method for calling meetings; as for method: 4.1.11.1 Meetings of Noteholders; (b) the maximum timeframe for setting up a meeting: Trust Deed: Schedule 1, MEETINGS OF NOTEHOLDERS, CONVENING MEETING / NOTICES; (c) the required quorum: 4.1.11.3 Extraordinary Resolution; (d) the minimum threshold of votes to validate such a decision, with clear differentiation between the minimum thresholds for each type of decision: extraordinary: 4.1.11.3 Extraordinary Resolution (e) where applicable, a location for the meetings which should be in the EU: Trust Deed: Schedule 1, MEETINGS OF NOTEHOLDERS, CONVENING MEETING / NOTICES</i></p>	

63	Legislative text – Article 21 - Requirements relating to standardisation	GO TO TABLE OF CONTENTS
	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.	
	STS criteria	SEE RELATED EBA GUIDELINES
	63. and the responsibilities of the trustee and other entities with fiduciary duties to investors shall be clearly identified.	
	Verified?	Yes
	PCS Comment See Prospectus, 4 <i>NOTES</i> . 4.1 Terms and conditions of the Notes See transaction documents, Trust Deed.	
64	Legislative text – Article 22 - Requirements relating to transparency	GO TO TABLE OF CONTENTS
	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.	
	STS criteria	SEE RELATED EBA GUIDELINES
	64. 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,	
	Verified?	Yes
	PCS Comment See Prospectus, 6 <i>PORTFOLIO INFORMATION</i> . 6.3 Data on static and dynamic historical performance The historical performance data set out hereafter relate to the portfolio of financial lease receivables granted by the Seller.	
65	STS criteria	SEE RELATED EBA GUIDELINES
	65. and the sources of those data and the basis for claiming similarity, to potential investors before pricing.	
	Verified?	Yes
	PCS Comment See Prospectus, 6 <i>PORTFOLIO INFORMATION</i> . 6.3 Data on static and dynamic historical default and loss performance The historical performance data set out hereafter relate to the portfolio of financial lease receivables granted by the Seller.	

66	STS criteria		SEE RELATED EBA GUIDELINES
	66. Those data shall cover a period no shorter than five years.		
	Verified?	Yes	
	PCS Comment		
	See Prospectus, 6 <i>PORTFOLIO INFORMATION</i> . 6.3 Data on static and dynamic historical default and loss performance		

67	Legislative text – Article 22 - Requirements relating to transparency		GO TO TABLE OF CONTENTS
	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.		
	STS criteria		SEE RELATED EBA GUIDELINES
	67. 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 Comment		
	See Prospectus, 5 <i>CREDIT STRUCTURE</i> . EU Transparency Reporting For the purpose of compliance with the requirements stemming from Article 22(2) of the Securitisation Regulation, a sample of Receivables has been externally verified by an appropriate and independent party prior to the date of this Prospectus and certain Eligibility Criteria have been checked against the file with loan-by-loan information. The Seller confirms no significant adverse findings have been found. <i>PCS has reviewed the report on “agreed upon procedures” (AUP) commonly known as a “pool audit” as well as the report with respect to eligibility criteria. PCS can confirm that these were done by an appropriate and independent third party.</i>		

68	STS criteria		SEE RELATED EBA GUIDELINES
	68. Including verification that the data disclosed in respect of the underlying exposures is accurate.		
	Verified?	Yes	
	PCS Comment		
	See Prospectus, 8 <i>GENERAL</i> . 8.8 External verification The accuracy of the data included in the stratification tables in respect of the pool as selected on the Initial Cut-Off Date has been verified by an appropriate and independent party.		

69	Legislative text – Article 22 - Requirements relating to transparency	GO TO TABLE OF CONTENTS
	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.	
	STS criteria	SEE RELATED EBA GUIDELINES
	69. 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.	
	Verified?	Yes
	PCS Comment	
	<p>See transaction documents, Subscription Agreement.</p> <p>16 REPRESENTATIONS AND WARRANTIES OF THE ORIGINATOR</p> <p>16.1 As a condition of the appointment of the Lead Managers and the obligation of the Joint Lead Managers to subscribe and pay for, or procure subscription and payment for, the Notes (other than all of the Class E Notes and 5 per cent. of the nominal value of each of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes), the Originator hereby represents and warrants to the Lead Managers that as at the date of this Agreement and on the Closing Date:</p> <p>(d) it has provided to potential investors a liability cash flow model, as referred to in article 22(3) of the Securitisation Regulation which is published by Bloomberg and Intex respectively, prior to the pricing of the Notes.</p>	
70	STS criteria	SEE RELATED EBA GUIDELINES
	70. And shall, after pricing, make that model available to investors on an ongoing basis and to potential investors upon request.	
	Verified?	Yes
	PCS Comment	
	<p>See transaction documents, Servicing Agreement.</p> <p>8 INVESTOR REPORT AND REPORTING SERVICES</p> <p>8.2 Reporting Services</p> <p>8.2.6 The Reporting Entity undertakes that it shall:</p> <p>(a) make available on an ongoing basis, at least one of the liability cash flow models as referred to in article 22(3) of the Securitisation Regulation to the Noteholders and, upon request, to potential investors in accordance with article 22(3) of the Securitisation Regulation and if there are any significant changes to the cash flows, will update such liability cash flow model accordingly;</p> <p><i>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.</i></p>	

71	Legislative text – Article 22 - Requirements relating to transparency	GO TO TABLE OF CONTENTS
	<p>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</p> <p>22.6 By 10 July 2021, the ESAs shall develop, through the Joint Committee of the European Supervisory Authorities, draft regulatory technical standards in accordance with Articles 10 to 14 of Regulations (EU) No 1093/2010, (EU) No 1094/2010 and (EU) No 1095/2010 on the content, methodologies and presentation of information referred to in the second subparagraph of paragraph 4 of this Article, in respect of the sustainability indicators in relation to adverse impacts on the climate and other environmental, social and governance-related adverse impacts.</p>	
	STS criteria	SEE RELATED EBA GUIDELINES
	<p>71. 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
	PCS Comment	
	<p>See transaction documents, Servicing Agreement.</p> <p>8 INVESTOR REPORT AND REPORTING SERVICES</p> <p>8.2 Reporting Services</p> <p>8.2.6 The Reporting Entity undertakes that it shall:</p> <p>(b) publish on a monthly basis information on the environmental performance of the Purchased Vehicles in accordance with the requirements stemming from Article 22(4) of the Securitisation Regulation as part of the information disclosed pursuant to article 7(1)(a) of the Securitisation Regulation.</p>	

72	Legislative text – Article 22 - Requirements relating to transparency	GO TO TABLE OF CONTENTS
	<p>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.</p>	
	STS criteria	
	<p>72. The originator and the sponsor shall be responsible for compliance with Article 7 of this Regulation.</p>	
	Verified?	Yes
	PCS Comment	
	<p>See Prospectus, 4 NOTES.</p> <p>4.4 Regulatory and industry compliance</p> <p>4.4.3 Compliance with article 7 of the Securitisation Regulation.</p>	

	The Issuer and the Hiltermann Lease Groep Holding, as originator within the meaning of the Securitisation Regulation, have agreed that Hiltermann Lease Groep Holding, is the "reporting entity" under article 7(2) of the Securitisation Regulation to fulfil the information requirements of article 7(1) of the Securitisation Regulation (the Reporting Entity). The Reporting Entity, as originator, shall also be responsible for compliance with article 7 of the Securitisation Regulation, pursuant to article 22(5) of the Securitisation Regulation.
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73	Legislative text – Article 22 - Requirements relating to transparency	GO TO TABLE OF CONTENTS
	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.	
	STS criteria	
	73. The information required by point (a) the first subparagraph of Article 7(1) shall be made available to potential investors before pricing upon request.	
	Verified?	Yes
74	PCS Comment	
	See Prospectus, 4 NOTES.	
	4.4 Regulatory and industry compliance	
	4.4.3 Compliance with article 7 of the Securitisation Regulation	
	Introduction Pursuant to article 7(1) of the Securitisation Regulation, the Originator and the Issuer shall make available to holders of a securitisation position in the Transaction, including the Noteholders, to the competent authorities referred to in article 29 of the Securitisation Regulation and, upon request, to potential investors the following information: (a) information on the Purchased Vehicles and the associated Lease Receivables on a monthly basis; Article 22(5) of the Securitisation Regulation Pursuant to article 22(5) of the Securitisation Regulation, the Originator shall be responsible for compliance with article 7 of the Securitisation Regulation. In particular: (a) 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;	
74	STS criteria	
	74. 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.	
	Verified?	Yes
	PCS Comment	
	See Prospectus, 4 NOTES. 4.4 Regulatory and industry compliance 4.4.3 Compliance with article 7 of the Securitisation Regulation Introduction	

	<p>Pursuant to article 7(1) of the Securitisation Regulation, the Originator and the Issuer shall make available to holders of a securitisation position in the Transaction, including the Noteholders, to the competent authorities referred to in article 29 of the Securitisation Regulation and, upon request, to potential investors the following information:</p> <p>(b) all underlying documentation that is essential for the understanding of the Transaction;</p> <p>(c) the STS Notification;</p> <p>Article 22(5) of the Securitisation Regulation</p> <p>Pursuant to article 22(5) of the Securitisation Regulation, the Originator shall be responsible for compliance with article 7 of the Securitisation Regulation. In particular:</p> <p>(b) 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; and</p> <p>Compliance with the Transparency Requirements</p> <p>In addition, the Reporting Entity has made available the documents as required by and in accordance with article 7(1)(b) of the Securitisation Regulation prior to the pricing of the Notes.</p>
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75	<p>Legislative text – Article 22 - Requirements relating to transparency</p> <p>GO TO TABLE OF CONTENTS</p> <p>22.5. The final documentation shall be made available to investors at the latest 15 days after closing of the transaction.</p> <p>STS criteria</p> <p>75. The final documentation shall be made available to investors at the latest 15 days after closing of the transaction.</p> <p>Verified? Yes</p> <p>PCS Comment</p> <p>See Prospectus, 4 <i>NOTES</i>.</p> <p>4.4 Regulatory and industry compliance</p> <p>4.4.3 Compliance with article 7 of the Securitisation Regulation</p> <p>Article 22(5) of the Securitisation Regulation</p> <p>Pursuant to article 22(5) of the Securitisation Regulation, the Originator shall be responsible for compliance with article 7 of the Securitisation Regulation. In particular:</p> <p>(a) 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;</p> <p>(b) 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; and</p> <p>(c) the final documentation shall be made available to investors at the latest than fifteen (15) days after closing of the Transaction.</p> <p>See Prospectus, 8 <i>GENERAL</i>.</p> <p>8.4 Documents available</p> <p>Copies of the Transaction Documents, the Prospectus and the STS notification within the meaning of article 27 of the Securitisation Regulation shall be published on European DataWarehouse (https://editor.eurodw.eu/) ultimately within 15 days of the Closing Date.</p>
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	<p><i>This criterion speaks to 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 Originator will need to inform ESMA and the STS status of the securitisation will be lost.</i></p> <p><i>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.</i></p>
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76	Legislative text – Article 22 - Requirements relating to transparency	GO TO TABLE OF CONTENTS
	<p>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>(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;</p>	
	STS criteria	
	<p>76. 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>	
	Verified?	Yes
	PCS Comment	
	<p>See Prospectus, 4 <i>NOTES</i>.</p> <p>4.4 Regulatory and industry compliance</p> <p>4.4.3 Compliance with article 7 of the Securitisation Regulation</p> <p>Introduction</p> <p>Pursuant to article 7(1) of the Securitisation Regulation, the Originator and the Issuer shall make available to holders of a securitisation position in the Transaction, including the Noteholders, to the competent authorities referred to in article 29 of the Securitisation Regulation and, upon request, to potential investors the following information:</p> <p>(a) information on the Purchased Vehicles and the associated Lease Receivables on a monthly basis;</p> <p>Compliance with the Transparency Requirements</p> <p>For such purpose, the Reporting Entity has undertaken in the Servicing Agreement that it (or any agent on its behalf) will in particular:</p> <p>(a) prepare and publish, at least on a quarterly basis, the lease level data setting out the information required by article 7(1)(a) of the Securitisation Regulation and the applicable Regulatory Technical Standards simultaneously with the relevant monthly investor report;</p> <p><i>All the criteria from 76 onwards are future event criteria, as to which we refer you to PCS' comment under point 75 above.</i></p>	

77	Legislative text – Article 22 - Requirements relating to transparency	GO TO TABLE OF CONTENTS
	<p>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>(b) all underlying documentation that is essential for the understanding of the transaction, including but not limited to, where applicable, the following documents:</p> <ul style="list-style-type: none"> (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; 	
	STS criteria	
	<p>77. (b) all underlying documentation that is essential for the understanding of the transaction, including but not limited to, where applicable, the following documents:</p> <ul style="list-style-type: none"> (i) the final offering document or the prospectus together with the closing transaction documents, excluding legal opinions; 	
	Verified?	Yes
	PCS Comment	
	<p>See Prospectus, 4 <i>NOTES</i>.</p> <p>4.4 Regulatory and industry compliance</p> <p>4.4.3 Compliance with article 7 of the Securitisation Regulation</p> <p>Introduction</p> <p>Pursuant to article 7(1) of the Securitisation Regulation, the Originator and the Issuer shall make available to holders of a securitisation position in the Transaction, including the Noteholders, to the competent authorities referred to in article 29 of the Securitisation Regulation and, upon request, to potential investors the following information:</p> <p>(b) all underlying documentation that is essential for the understanding of the Transaction;</p> <p>Compliance with the Transparency Requirements</p> <p>The Reporting Entity has furthermore undertaken in the Servicing Agreement to prepare and deliver to the Relevant Recipients the information set forth in the Transparency Requirements in accordance with article 7 of the Securitisation Regulation and to the extent the STS Transparency Requirements remain in effect, article 22(5) of the Securitisation Regulation, provided that the Reporting Entity will only be required to do so to the extent that the Transparency Requirements remain in effect. Though, the Reporting Entity will not be in breach of such undertaking towards the Issuer under the Servicing Agreement if the Reporting Entity fails to so comply due to events, actions or circumstances beyond the Reporting Entity's control.</p> <p>For such purpose, the Reporting Entity has undertaken in the Servicing Agreement that it (or any agent on its behalf) will in particular:</p> <p>(d) make available copies of the relevant Transaction Documents, the STS Notification and the Prospectus in accordance with article 7(1)(b) and (d) and to the extent applicable article 22(5) of the Securitisation Regulation,</p> <p>provided that the Transparency Requirements remain in effect.</p> <p><i>All the criteria from 76 onwards are future event criteria, as to which we refer you to PCS' comment under point 75 above.</i></p>	

78	STS criteria
	78. (ii) for traditional securitisation the asset sale agreement, assignment, novation or transfer agreement and any relevant declaration of trust;
	Verified? Yes
	PCS Comment <i>See point 77 above.</i>
79	STS criteria
	79. (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;
	Verified? Yes
	PCS Comment <i>See point 77 above.</i>
80	STS criteria
	80. (iv) the servicing, back-up servicing, administration and cash management agreements;
	Verified? Yes
	PCS Comment <i>See point 77 above.</i>
81	STS criteria
	81. (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
	PCS Comment <i>See point 77 above.</i>

82	STS criteria	
	82. (vi) any relevant inter-creditor agreements, derivatives documentation, subordinated loan agreements, start-up loan agreements and liquidity facility agreements;	
	Verified?	Yes
	PCS Comment	
	See point 77 above.	

83	Legislative text – Article 22 - Requirements relating to transparency		GO TO TABLE OF CONTENTS
	7.1. That underlying documentation shall include a detailed description of the priority of payments of the securitisation;		
	STS criteria		
	83. That underlying documentation shall include a detailed description of the priority of payments of the securitisation;		
	Verified?		Yes
	PCS Comment		
	See Prospectus, 5 CREDIT STRUCTURE.		
	5.2 Priority of payments		
	5.2.1 Revolving Period Priority of Payments		
	5.2.2 Sequential Amortisation Period Priority of Payments		
5.2.3 Pro Rata Amortisation Period Priority of Payments			
5.2.4 Accelerated Amortisation Period Priority of Payments			
See transaction documents, Trust Deed.			
14 REVOLVING PERIOD PRIORITY OF PAYMENTS			
15 SEQUENTIAL AMORTISATION PERIOD PRIORITY OF PAYMENTS			
16 PRO RATA AMORTISATION PERIOD PRIORITY OF PAYMENTS			
17 PAYMENTS OUTSIDE PRIORITY OF PAYMENTS			
18 ACCELERATED AMORTISATION PERIOD PRIORITY OF PAYMENTS			
All the criteria from 76 onwards are future event criteria, as to which we refer you to PCS' comment under point 75 above.			

84	Legislative text – Article 22 - Requirements relating to transparency	GO TO TABLE OF CONTENTS
	<p>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>(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:</p> <ul style="list-style-type: none"> (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; 	
	STS criteria	
	<p>84. (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:</p> <p>(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;</p>	
	Verified?	Yes
	PCS Comment	
	<i>Not applicable.</i>	
	85 STS criteria	
	<p>85. (ii) details regarding the exposure characteristics, cash flows, loss waterfall, credit enhancement and liquidity support features;</p>	
	Verified?	Yes
	PCS Comment	
	<i>Not applicable.</i>	
	86 STS criteria	
	<p>86. (iii) details regarding the voting rights of the holders of a securitisation position and their relationship to other secured creditors;</p>	
	Verified?	Yes
	PCS Comment	
	<i>Not applicable.</i>	

87	STS criteria	
	87. (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 Comment	
	<i>Not applicable.</i>	

88	Legislative text – Article 22 - Requirements relating to transparency		GO TO TABLE OF CONTENTS
	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;		
	STS criteria		
	88. (d) in the case of STS securitisations, the STS notification referred to in Article 27;		
	Verified?	Yes	
	PCS Comment		
	See Prospectus, 4 NOTES. 4.4 Regulatory and industry compliance 4.4.3 Compliance with article 7 of the Securitisation Regulation Introduction Pursuant to article 7(1) of the Securitisation Regulation, the Originator and the Issuer shall make available to holders of a securitisation position in the Transaction, including the Noteholders, to the competent authorities referred to in article 29 of the Securitisation Regulation and, upon request, to potential investors the following information: (c) the STS Notification; <i>All the criteria from 76 onwards are future event criteria, as to which we refer you to PCS' comment under point 75 above.</i>		

89	Legislative text – Article 22 - Requirements relating to transparency	GO TO TABLE OF CONTENTS
	<p>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>(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, 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. 	
	STS criteria	
	<p>89. (e) quarterly investor reports, or, in the case of ABCP, monthly investor reports, containing the following:</p>	
	Verified?	Yes
	PCS Comment	
	<p>See Prospectus, See Prospectus, 4 <i>NOTES.</i></p> <p>4.4 Regulatory and industry compliance</p> <p>4.4.3 Compliance with article 7 of the Securitisation Regulation</p> <p>Compliance with the Transparency Requirements</p> <p>For such purpose, the Reporting Entity has undertaken in the Servicing Agreement that it (or any agent on its behalf) will in particular:</p> <p>(a) prepare and publish, at least on a quarterly basis, the lease level data setting out the information required by article 7(1)(a) of the Securitisation Regulation and the applicable Regulatory Technical Standards simultaneously with the relevant monthly investor report;</p> <p>(b) prepare and publish, on a monthly basis, a monthly investor report as required by and in accordance with article 7(1)(e) of the Securitisation Regulation and the applicable Regulatory Technical Standards;</p> <p>(c) upon the occurrence of an event triggering the existence of any inside information as referred to in article 7(1)(f) of the Securitisation Regulation and to the extent applicable, any significant event as referred to in article 7(1)(g) of the Securitisation Regulation, publish without delay, subject to the timely receipt of all necessary information from the relevant parties, such inside information or significant event by means of the Inside Information Report; and</p> <p>(d) make available copies of the relevant Transaction Documents, the STS Notification and the Prospectus in accordance with article 7(1)(b) and (d) and to the extent applicable article 22(5) of the Securitisation Regulation,</p> <p>provided that the Transparency Requirements remain in effect.</p> <p><i>All the criteria from 76 onwards are future event criteria, as to which we refer you to PCS' comment under point 75 above.</i></p>	

90	STS criteria
	90. (i) all materially relevant data on the credit quality and performance of underlying exposures;
	Verified? Yes
	PCS Comment <i>See point 89 above.</i>
91	STS criteria
	91. (ii) information on events which trigger changes in the priority of payments or the replacement of any counterparties,
	Verified? Yes
	PCS Comment <i>See point 89 above.</i>
92	STS criteria
	92. (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;
	Verified? Yes
	PCS Comment <i>See point 89 above.</i>
93	STS criteria
	93. (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.
	Verified? Yes
	PCS Comment <i>See point 89 above.</i>

94	Legislative text – Article 22 - Requirements relating to transparency	GO TO TABLE OF CONTENTS
	<p>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>	
	STS criteria	
	<p>94. (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
	PCS Comment	
	<p>See Prospectus, See Prospectus, 4 <i>NOTES.</i></p> <p>4.4 Regulatory and industry compliance</p> <p>4.4.3 Compliance with article 7 of the Securitisation Regulation</p> <p>Compliance with the Transparency Requirements</p> <p>For such purpose, the Reporting Entity has undertaken in the Servicing Agreement that it (or any agent on its behalf) will in particular:</p> <p>(c) upon the occurrence of an event triggering the existence of any inside information as referred to in article 7(1)(f) of the Securitisation Regulation and to the extent applicable, any significant event as referred to in article 7(1)(g) of the Securitisation Regulation, publish without delay, subject to the timely receipt of all necessary information from the relevant parties, such inside information or significant event by means of the Inside Information Report;</p> <p><i>All the criteria from 76 onwards are future event criteria, as to which we refer you to PCS' comment under point 75 above.</i></p>	

95	Legislative text – Article 22 - Requirements relating to transparency	GO TO TABLE OF CONTENTS
	<p>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> <ul style="list-style-type: none"> (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; (ii) a change in the structural features that can materially impact the performance of the securitisation; (iii) a change in the risk characteristics of the securitisation or of the underlying exposures that can materially impact the performance of the securitisation; (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; (v) any material amendment to transaction documents. 	
	STS criteria	
	<p>95. (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>	
	Verified?	Yes
	PCS Comment	
	<p>See Prospectus, See Prospectus, 4 <i>NOTES.</i></p> <p>4.4 Regulatory and industry compliance</p> <p>4.4.3 Compliance with article 7 of the Securitisation Regulation</p> <p>Compliance with the Transparency Requirements</p> <p>For such purpose, the Reporting Entity has undertaken in the Servicing Agreement that it (or any agent on its behalf) will in particular:</p> <p>(c) upon the occurrence of an event triggering the existence of any inside information as referred to in article 7(1)(f) of the Securitisation Regulation and to the extent applicable, any significant event as referred to in article 7(1)(g) of the Securitisation Regulation, publish without delay, subject to the timely receipt of all necessary information from the relevant parties, such inside information or significant event by means of the Inside Information Report;</p> <p><i>All the criteria from 76 onwards are future event criteria, as to which we refer you to PCS' comment under point 75 above.</i></p>	
96	STS criteria	
	<p>96. (ii) a change in the structural features that can materially impact the performance of the securitisation;</p>	
	Verified?	Yes
	PCS Comment	
	<p><i>See point 95 above.</i></p>	

97	STS criteria
	97. (iii) a change in the risk characteristics of the securitisation or of the underlying exposures that can materially impact the performance of the securitisation;
	Verified? Yes
	PCS Comment <i>See point 95 above.</i>
98	STS criteria
	98. (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;
	Verified? Yes
	PCS Comment <i>See point 95 above.</i>
99	STS criteria
	99. (v) any material amendment to transaction documents.
	Verified? Yes
	PCS Comment <i>See point 95 above.</i>

100	Legislative text – Article 22 - Requirements relating to transparency	GO TO TABLE OF CONTENTS
	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]	
	STS criteria	
	100. 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 Comment	
	See Prospectus, 5 CREDIT STRUCTURE. 5.5 Description of certain Transaction Documents	

<p>5.5.1 Issuer Administration Agreement</p> <p>Transparency Reporting</p> <p>The Seller is the Reporting Entity for the purposes of article 7 of the Securitisation Regulation and has undertaken in the Servicing Agreement to prepare and deliver to the Relevant Recipients:</p> <p>(a) the information set forth in the Transparency Requirements in accordance with article 7 of the Securitisation Regulation and to the extent the STS Transparency Requirements remain in effect, article 22(5) of the Securitisation Regulation; and</p> <p>(b) the information set forth in the STS Transparency Requirements in accordance with the Securitisation Regulation,</p> <p>provided that the Reporting Entity will only be required to comply with (i) above to the extent that the Transparency Requirements remain in effect and (ii) above to the extent that the STS Transparency Requirements remain in effect.</p> <p>For such purpose, the Reporting Entity has undertaken in the Servicing Agreement that it (or any agent on its behalf) will in particular:</p> <p>(a) prepare and publish, at least on a quarterly basis, the lease level data setting out the information required by article 7(1)(a) of the Securitisation Regulation and the applicable Regulatory Technical Standards simultaneously with the relevant monthly investor report;</p> <p>(b) prepare and publish, on a monthly basis, a monthly investor report as required by and in accordance with article 7(1)(e) of the Securitisation Regulation and the applicable Regulatory Technical Standards;</p> <p><i>All the criteria from 76 onwards are future event criteria, as to which we refer you to PCS' comment under point 75 above.</i></p>
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101	Legislative text – Article 22 - Requirements relating to transparency	GO TO TABLE OF CONTENTS
<p>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</p> <p>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.</p> <p>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.</p> <p>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.</p>		
STS criteria		
<p>101. 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>		
Verified?		Yes
PCS Comment		
<p>See Prospectus, See Prospectus, 4 <i>NOTES.</i></p> <p>4.4 Regulatory and industry compliance</p> <p>4.4.3 Compliance with article 7 of the Securitisation Regulation</p> <p>Compliance with the Transparency Requirements</p> <p>For such purpose, the Reporting Entity has undertaken in the Servicing Agreement that it (or any agent on its behalf) will in particular:</p>		

	<p>(c) upon the occurrence of an event triggering the existence of any inside information as referred to in article 7(1)(f) of the Securitisation Regulation and to the extent applicable, any significant event as referred to in article 7(1)(g) of the Securitisation Regulation, publish without delay, subject to the timely receipt of all necessary information from the relevant parties, such inside information or significant event by means of the Inside Information Report;</p> <p><i>All the criteria from 76 onwards are future event criteria, as to which we refer you to PCS' comment under point 75 above.</i></p>
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102	<p>Legislative text – Article 22 - Requirements relating to transparency</p> <p>GO TO TABLE OF CONTENTS</p> <p>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.</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>Or</p> <p>Where no securitisation repository is registered in accordance with Article 10, the entity designated to fulfil the requirements set out in paragraph 1 of this Article shall make the information available by means of a website that:</p> <ul style="list-style-type: none"> (a) includes a well-functioning data quality control system; (b) is subject to appropriate governance standards and to maintenance and operation of an adequate organisational structure that ensures the continuity and orderly functioning of the website; (c) is subject to appropriate systems, controls and procedures that identify all relevant sources of operational risk; (d) includes systems that ensure the protection and integrity of the information received and the prompt recording of the information; and (e) makes it possible to keep record of the information for at least five years after the maturity date of the securitisation. <p>STS criteria</p> <p>102. 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>Verified? Yes</p> <p>PCS Comment</p> <p>See Prospectus, 1 <i>TRANSACTION OVERVIEW</i>.</p> <p>Servicing Agreement</p> <p>Furthermore, under the Servicing Agreement, the Issuer (as SSPE) and the Originator (as originator) shall, in accordance with article 7(2) of the Securitisation Regulation, designate amongst themselves the Originator as the Reporting Entity to fulfil the information requirements pursuant to points (a), (b), (d), (e), (f) and (g) of the first subparagraph of article 7(1) of the Securitisation Regulation (see further section 5.5 (Description of certain Transaction Documents) below).</p> <p>See Prospectus, 3 <i>PRINCIPAL PARTIES</i>.</p> <p>3.6 Reporting Entity</p> <p>Under the Servicing Agreement, the Issuer (as SSPE) and the Originator shall, in accordance with article 7(2) of the Securitisation Regulation, designate amongst themselves the Hiltermann Lease Groep Holding as the Reporting Entity to fulfil the information requirements pursuant to points (a), (b), (d), (e), (f) and (g) of the first subparagraph of article 7(1) of the Securitisation Regulation (see further section 5.5.1 (Issuer Administration Agreement)).</p>
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<p>Compliance with the Transparency Requirements</p> <p>Pursuant to the Servicing Agreement, Hiltermann Lease Groep Holdig has been designated as the Reporting Entity and the Issuer has undertaken to deliver to the Reporting Entity a copy of the Transaction Documents, the Prospectus and any other document or report received in connection with the Securitisation, unless the Reporting Entity already has possession of the respective document. The Reporting Entity has nominated the Securitisation Repository to act on its behalf in carrying out the Transparency Requirements in accordance with article 7 of the Securitisation Regulation.</p> <p>The Reporting Entity has furthermore undertaken in the Servicing Agreement to prepare and deliver to the Relevant Recipients the information set forth in the Transparency Requirements in accordance with article 7 of the Securitisation Regulation and to the extent the STS Transparency Requirements remain in effect, article 22(5) of the Securitisation Regulation, provided that the Reporting Entity will only be required to do so to the extent that the Transparency Requirements remain in effect. Though, the Reporting Entity will not be in breach of such undertaking towards the Issuer under the Servicing Agreement if the Reporting Entity fails to so comply due to events, actions or circumstances beyond the Reporting Entity's control.</p> <p>For such purpose, the Reporting Entity has undertaken in the Servicing Agreement that it (or any agent on its behalf) will in particular:</p> <ul style="list-style-type: none"> (a) prepare and publish, at least on a quarterly basis, the lease level data setting out the information required by article 7(1)(a) of the Securitisation Regulation and the applicable Regulatory Technical Standards simultaneously with the relevant monthly investor report; (b) prepare and publish, on a monthly basis, a monthly investor report as required by and in accordance with article 7(1)(e) of the Securitisation Regulation and the applicable Regulatory Technical Standards; (c) upon the occurrence of an event triggering the existence of any inside information as referred to in article 7(1)(f) of the Securitisation Regulation and to the extent applicable, any significant event as referred to in article 7(1)(g) of the Securitisation Regulation, publish without delay, subject to the timely receipt of all necessary information from the relevant parties, such inside information or significant event by means of the Inside Information Report; and (d) make available copies of the relevant Transaction Documents, the STS Notification and the Prospectus in accordance with article 7(1)(b) and (d) and to the extent applicable article 22(5) of the Securitisation Regulation, <p>provided that the Transparency Requirements remain in effect.</p> <p>The Reporting Entity (or any agent on its behalf) will make all such information set forth under the first paragraph above available to the Relevant Recipients as is required to be made available pursuant to article 7(1) of the Securitisation Regulation and the applicable Regulatory Technical Standards by means of disclosure through the services of the Securitisation Repository.</p> <p>See Prospectus, 9 <i>GLOSSARY OF DEFINED TERMS</i>.</p> <p>Securitisation Repository means European DataWarehouse GmbH, a securitisation repository registered under article 10 of the Securitisation Regulation and appointed by the Reporting Entity for the securitisation transaction as described in this Prospectus;</p> <p><i>All the criteria from 76 onwards are future event criteria, as to which we refer you to PCS' comment under point 75 above.</i></p>

103	Legislative text – Article 22 - Requirements relating to transparency	GO TO TABLE OF CONTENTS
	<p>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), (c), (e), (f) and (g) of the first subparagraph of paragraph 1.</p> <p>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>	
	STS criteria	
	<p>103. 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>	
	Verified?	Yes
	PCS Comment	
	<p><i>See point 102 above.</i></p>	

Definitions:

“AUP”: the agreed upon procedures through which an external firm verifies certain aspects of the asset pool.

“COMI”: centre of main interest – broadly, the legal jurisdiction where the insolvency of the seller of assets will be primarily determined.

“Issuer Notification”: the notification provided by the originator or sponsor pursuant to article 27 of the STS Regulation.

“Jurisdiction List”: the list of jurisdictions where it has been determined that severe clawback provisions do not apply.

“Legal Opinion”: an opinion signed by a law firm qualified in the relevant jurisdiction and acting for the originator or the arranger where the law firm sets out the reasons why, in its opinion and subject to customary assumptions and qualifications, the assets are transferred in such a way as to meet the STS Criterion for “true sale” or the same type of opinion for prior sales together with an opinion on the enforceability of the underlying assets.

“Marketing Documents”: Documents prepared by or on behalf of the originator and used in the marketing of the transaction with potential investors.

“Model”: 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.

“Prospectus/Deal Sheet”: the prospectus, or for a deal where no prospectus needs to be drawn up, the deal sheet envisaged by article 7.1(c) of the STS Regulation.

“Prospectus Regulation”: Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC.

“Transaction Document”: a document entered into in relation to the transaction binding on one or more parties connected to the transaction.

EBA Final non-ABCP STS Guidelines:

1,	Article 20 - Requirements relating to simplicity	BACK TO CHECKLIST
2	EBA Final non-ABCP STS Guidelines – statements on background and rationale	
	<p>True sale, assignment or transfer with the same legal effect, representations and warranties (Article 20(1)-(6))</p> <p>16. The criterion specified in Article 20(1) aims to ensure that the underlying exposures are beyond the reach of, and are effectively ring-fenced and segregated from, the seller, its creditors and its liquidators, including in the event of the seller's insolvency, enabling an effective recourse to the ultimate claims for the underlying exposures.</p> <p>22. To facilitate consistent interpretation of this criterion, the following aspects should be clarified:</p> <p>(a) how to substantiate the confidence of third parties with respect to compliance with Article 20(1): it is understood that this should be achieved by providing a legal opinion. While the guidance does not explicitly require the provision of a legal opinion in all cases, the guidance expects a legal opinion to be provided as a general rule, and omission to be an exception;</p> <p>(b) the triggers to effect the perfection of the transfer if assignments are perfected at a later stage than at the closing of the transaction.</p>	
	EBA Final non-ABCP STS Guidelines	
	<p>4.1 True sale, assignment or transfer with the same legal effect, representations and warranties (Article 20(1)-(6))</p> <p>True sale, assignment or transfer with the same legal effect</p> <p>10. For the purposes of Article 20(1) of Regulation (EU) 2017/2402 and in order to substantiate the confidence of third parties, including third parties verifying simple, transparent and standardised (STS) compliance in accordance with Article 28 of that Regulation and competent authorities meeting the requirements specified therein, all of the following should be provided:</p> <p>(a) confirmation of the true sale or confirmation that, under the applicable national framework, the assignment or transfer segregate the underlying exposures from the seller, its creditors and its liquidators, including in the event of the seller's insolvency, with the same legal effect as that achieved by means of true sale;</p> <p>(b) confirmation of the enforceability of the true sale, assignment or transfer with the same legal effect referred to in point (a) against the seller or any other third party, under the applicable national legal framework;</p> <p>(c) assessment of clawback risks and re-characterisation risks</p> <p>11. The confirmation of the aspects referred to in paragraph 10 should be achieved by the provision of a legal opinion provided by qualified external legal counsel, except in the case of repeat issuances in standalone securitisation structures or master trusts that use the same legal mechanism for the transfer, including instances in which the legal framework is the same.</p> <p>12. The legal opinion referred to in paragraph 11 should be accessible and made available to any relevant third party verifying STS compliance in accordance with Article 28 of Regulation (EU) 2017/2402 and any relevant competent authority from among those referred to in Article 29 of that regulation.</p>	

2a	Article 20 - Requirements relating to simplicity	BACK TO CHECKLIST
	EBA Final non-ABCP STS Guidelines – statements on <i>background and rationale</i>	
	<p>True sale, assignment or transfer with the same legal effect, representations and warranties (Article 20(1)-(6))</p> <p>17. The criterion in Article 20(2) is designed to ensure the enforceability of the transfer of legal title in the event of the seller's insolvency. More specifically, if the underlying exposures sold to the SSPE could be reclaimed for the sole reason that their transfer was effected within a certain period before the seller's insolvency, or if the SSPE could prevent the reclaim only by proving that it was unaware of the seller's insolvency at the time of transfer, such clauses would expose investors to a high risk that the underlying exposures would not effectively back their contractual claims. For this reason, Article 20(2) specifies that such clauses constitute severe clawback provisions, which may not be contained in STS securitisation.</p>	
	EBA Final non-ABCP STS Guidelines	
	<p>4.1 True sale, assignment or transfer with the same legal effect, representations and warranties (Article 20(1)-(6))</p> <p><i>True sale, assignment or transfer with the same legal effect</i></p> <p>10. For the purposes of Article 20(1) of Regulation (EU) 2017/2402 and in order to substantiate the confidence of third parties, including third parties verifying simple, transparent and standardised (STS) compliance in accordance with Article 28 of that Regulation and competent authorities meeting the requirements specified therein, all of the following should be provided:</p> <p>(a) confirmation of the true sale or confirmation that, under the applicable national framework, the assignment or transfer segregate the underlying exposures from the seller, its creditors and its liquidators, including in the event of the seller's insolvency, with the same legal effect as that achieved by means of true sale;</p> <p>(b) confirmation of the enforceability of the true sale, assignment or transfer with the same legal effect referred to in point (a) against the seller or any other third party, under the applicable national legal framework;</p> <p>(c) assessment of clawback risks and re-characterisation risks.</p> <p>11. The confirmation of the aspects referred to in paragraph 10 should be achieved by the provision of a legal opinion provided by qualified external legal counsel, except in the case of repeat issuances in standalone securitisation structures or master trusts that use the same legal mechanism for the transfer, including instances in which the legal framework is the same.</p> <p>12. The legal opinion referred to in paragraph 11 should be accessible and made available to any relevant third party verifying STS compliance in accordance with Article 28 of Regulation (EU) 2017/2402 and any relevant competent authority from among those referred to in Article 29 of that regulation.</p>	

2b	Article 20 - Requirements relating to simplicity	BACK TO CHECKLIST
	EBA Final non-ABCP STS Guidelines – statements on <i>background and rationale</i>	
	True sale, assignment or transfer with the same legal effect, representations and warranties (Article 20(1)-(6)) 18. Whereas, pursuant to Article 20(2), contractual terms and conditions attached to the transfer of title that expose investors to a high risk that the securitised assets will be reclaimed in the event of the seller's insolvency should not be permissible in STS securitisations, such prohibition should not include the statutory provisions granting the right to a liquidator or a court to invalidate the transfer of title with the aim of preventing or combating fraud, as referred to in Article 20(3).	
	EBA Final non-ABCP STS Guidelines	
	4.1 True sale, assignment or transfer with the same legal effect, representations and warranties (Article 20(1)-(6)) True sale, assignment or transfer with the same legal effect	
	10. For the purposes of Article 20(1) of Regulation (EU) 2017/2402 and in order to substantiate the confidence of third parties, including third parties verifying simple, transparent and standardised (STS) compliance in accordance with Article 28 of that Regulation and competent authorities meeting the requirements specified therein, all of the following should be provided:	
	(a) confirmation of the true sale or confirmation that, under the applicable national framework, the assignment or transfer segregate the underlying exposures from the seller, its creditors and its liquidators, including in the event of the seller's insolvency, with the same legal effect as that achieved by means of true sale;	
	(b) confirmation of the enforceability of the true sale, assignment or transfer with the same legal effect referred to in point (a) against the seller or any other third party, under the applicable national legal framework;	
	(c) assessment of clawback risks and re-characterisation risks.	
	11. The confirmation of the aspects referred to in paragraph 10 should be achieved by the provision of a legal opinion provided by qualified external legal counsel, except in the case of repeat issuances in standalone securitisation structures or master trusts that use the same legal mechanism for the transfer, including instances in which the legal framework is the same.	
	12. The legal opinion referred to in paragraph 11 should be accessible and made available to any relevant third party verifying STS compliance in accordance with Article 28 of Regulation (EU) 2017/2402 and any relevant competent authority from among those referred to in Article 29 of that regulation.	

3	Article 20 - Requirements relating to simplicity	BACK TO CHECKLIST
	EBA Final non-ABCP STS Guidelines – statements on <i>background and rationale</i>	
	<p>19. Article 20(4) specifies that, where the transfer of title occurs not directly between the seller and the SSPE but through one or more intermediary steps involving further parties, the requirements relating to the true sale, assignment or other transfer with the same legal effect, apply at each step.</p>	
	EBA Final non-ABCP STS Guidelines	
	4.1 True sale, assignment or transfer with the same legal effect, representations and warranties (Article 20(1)-(6))	
	<i>True sale, assignment or transfer with the same legal effect</i>	
	<p>10. For the purposes of Article 20(1) of Regulation (EU) 2017/2402 and in order to substantiate the confidence of third parties, including third parties verifying simple, transparent and standardised (STS) compliance in accordance with Article 28 of that Regulation and competent authorities meeting the requirements specified therein, all of the following should be provided:</p>	
	<p>(a) confirmation of the true sale or confirmation that, under the applicable national framework, the assignment or transfer segregate the underlying exposures from the seller, its creditors and its liquidators, including in the event of the seller's insolvency, with the same legal effect as that achieved by means of true sale;</p>	
	<p>(b) confirmation of the enforceability of the true sale, assignment or transfer with the same legal effect referred to in point (a) against the seller or any other third party, under the applicable national legal framework;</p>	
	<p>(c) assessment of clawback risks and re-characterisation risks.</p>	
	<p>11. The confirmation of the aspects referred to in paragraph 10 should be achieved by the provision of a legal opinion provided by qualified external legal counsel, except in the case of repeat issuances in standalone securitisation structures or master trusts that use the same legal mechanism for the transfer, including instances in which the legal framework is the same.</p>	
	<p>12. The legal opinion referred to in paragraph 11 should be accessible and made available to any relevant third party verifying STS compliance in accordance with Article 28 of Regulation (EU) 2017/2402 and any relevant competent authority from among those referred to in Article 29 of that regulation.</p>	
4	Article 20 - Requirements relating to simplicity	BACK TO CHECKLIST
	EBA Final non-ABCP STS Guidelines – statements on <i>background and rationale</i>	
	True sale, assignment or transfer with the same legal effect, representations and warranties (Article 20(1)-(6))	
	<p>20. The objective of the criterion in Article 20(5) is to minimise legal risks related to unperfected transfers in the context of an assignment of the underlying exposures, by specifying a minimum set of events subsequent to closing that should trigger the perfection of the transfer of the underlying exposures.</p>	
	<p>22. To facilitate consistent interpretation of this criterion, the following aspects should be clarified:</p>	
	<p>(a) how to substantiate the confidence of third parties with respect to compliance with Article 20(1): it is understood that this should be achieved by providing a legal opinion. While the guidance does not explicitly require the provision of a legal opinion in all cases, the guidance expects a legal opinion to be provided as a general rule, and omission to be an exception;</p>	
	<p>(b) the triggers to effect the perfection of the transfer if assignments are perfected at a later stage than at the closing of the transaction.</p>	
	EBA Final non-ABCP STS Guidelines	
	4.1 True sale, assignment or transfer with the same legal effect, representations and warranties (Article 20(1)-(6))	
	<i>Severe deterioration in the seller credit quality standing</i>	
	<p>13. For the purposes of Article 20(5) of Regulation (EU) 2017/2402, the transaction documentation should identify, with regard to the trigger of 'severe deterioration in the seller credit quality standing', credit quality thresholds that are objectively observable and related to the financial health of the seller.</p>	
	<i>Insolvency of the seller</i>	
	<p>14. For the purposes of Article 20(5) of Regulation (EU) 2017/2402, the trigger of 'insolvency of the seller' should refer, at least, to events of legal insolvency as defined in national legal frameworks.</p>	

5	Article 20 - Requirements relating to simplicity	BACK TO CHECKLIST
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	21. The objective of the criterion in Article 20(6), which requires the seller to provide the representations and warranties confirming to the seller's best knowledge that the transferred exposures are neither encumbered nor otherwise in a condition that could potentially adversely affect the enforceability of the transfer of title, is to ensure that the underlying exposures are not only beyond the reach not only of the seller but equally of its creditors, and to allocate the commercial risk of the encumbrance of the underlying exposures to the seller.	
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6	Article 20 - Requirements relating to simplicity	BACK TO CHECKLIST
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	Eligibility criteria for the underlying exposures, active portfolio management (Article 20(7))	
	23. The objective of this criterion in Article 20(7) is to ensure that the selection and transfer of the underlying exposures in the securitisation is done in a manner which facilitates in a clear and consistent fashion the identification of which exposures are selected for/transferred into the securitisation, and to enable the investors to assess the credit risk of the asset pool prior to their investment decisions.	
	EBA Final non-ABCP STS Guidelines	
	4.2 Eligibility criteria for the underlying exposures, active portfolio management (Article 20(7))	
	<i>Clear eligibility criteria</i>	
	17. For the purposes of Article 20(7) of Regulation (EU) 2017/2402, the criteria should be understood to be 'clear' where compliance with them is possible to be determined by a court or tribunal, as a matter of law or fact or both.	

7	Article 20 - Requirements relating to simplicity	BACK TO CHECKLIST
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	<p>Eligibility criteria for the underlying exposures, active portfolio management (Article 20(7))</p> <p>24. Consistently with this objective, the active portfolio management of the exposures in the securitisation should be prohibited, given that it adds a layer of complexity and increases the agency risk arising in the securitisation by making the securitisation's performance dependent on both the performance of the underlying exposures and the performance of the management of the transaction. The payments of STS securitisations should depend exclusively on the performance of the underlying exposures.</p>	
	EBA Final non-ABCP STS Guidelines	
	<p>4.2 Eligibility criteria for the underlying exposures, active portfolio management (Article 20(7))</p> <p>Active portfolio management</p> <p>15. For the purposes of Article 20(7) of Regulation (EU) 2017/2402, active portfolio management should be understood as portfolio management to which either of the following applies:</p> <p>(a) the portfolio management makes the performance of the securitisation dependent both on the performance of the underlying exposures and on the performance of the portfolio management of the securitisation, thereby preventing the investor from modelling the credit risk of the underlying exposures without considering the portfolio management strategy of the portfolio manager;</p> <p>(b) the portfolio management is performed for speculative purposes aiming to achieve better performance, increased yield, overall financial returns or other purely financial or economic benefit.</p> <p>16. The techniques of portfolio management that should not be considered active portfolio management include:</p> <p>(a) substitution or repurchase of underlying exposures due to the breach of representations or warranties;</p> <p>(b) substitution or repurchase of the underlying exposures that are subject to regulatory dispute or investigation to facilitate the resolution of the dispute or the end of the investigation;</p> <p>(c) replenishment of underlying exposures by adding underlying exposures as substitutes for amortised or defaulted exposures during the revolving period;</p> <p>(d) acquisition of new underlying exposures during the 'ramp up' period to line up the value of the underlying exposures with the value of the securitisation obligation(e) repurchase of underlying exposures in the context of the exercise of clean-up call options, in accordance with Article 244(3)(g) of Regulation (EU) 2017/2401;</p> <p>(f) repurchase of defaulted exposures to facilitate the recovery and liquidation process with respect to those exposures;</p> <p>(g) repurchase of underlying exposures under the repurchase obligation in accordance with Article 20(13) of Regulation (EU) 2017/2402.</p>	

8	Article 20 - Requirements relating to simplicity	BACK TO CHECKLIST
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	<p>Eligibility criteria for the underlying exposures, active portfolio management (Article 20(7))</p> <p>25. Revolving periods and other structural mechanisms resulting in the inclusion of exposures in the securitisation after the closing of the transaction may introduce the risk that exposures of lesser quality can be transferred into the pool. For this reason, it should be ensured that any exposure transferred into the securitisation after the closing meets the eligibility criteria, which are no less strict than those used to structure the initial pool of the securitisation.</p> <p>26. To facilitate consistent interpretation of this criterion, the following aspects should be clarified:</p> <p>(a) the purpose of the requirement on the portfolio management, and the provision of examples of techniques which should not be regarded as active portfolio management: this criterion should be considered without prejudice to the existing requirements with respect to the similarity of the underwriting standards in the Delegated Regulation further specifying which underlying exposures are deemed to be homogeneous in accordance with Articles 20(8) and 24(15) of Regulation (EU) 2017/2402, which requires that all the underlying exposures in a securitisation be underwritten according to similar underwriting standards;</p> <p>(b) interpretation of the term ‘clear’ eligibility criteria;</p> <p>(c) clarification with respect to the eligibility criteria that need to be met with respect to the exposures transferred to the SSPE after the closing.</p>	
	EBA Final non-ABCP STS Guidelines	
	<p>4.2 Eligibility criteria for the underlying exposures, active portfolio management (Article 20(7))</p> <p><i>Eligibility criteria to be met for exposures transferred to the SSPE after the closing of the transaction</i></p> <p>18. For the purposes of Article 20(7) of Regulation (EU) 2017/2402, ‘meeting the eligibility criteria applied to the initial underlying exposures’ should be understood to mean eligibility criteria that comply with either of the following:</p> <p>(a) with regard to normal securitisations, they are no less strict than the eligibility criteria applied to the initial underlying exposures at the closing of the transaction;</p> <p>(b) with regard to securitisations that issue multiple series of securities including master trusts, they are no less strict than the eligibility criteria applied to the initial underlying exposures at the most recent issuance, with the results that the eligibility criteria may vary from closing to closing, with the agreement of securitisation parties and in accordance with the transaction documentation.</p> <p>19. Eligibility criteria to be applied to the underlying exposures in accordance with paragraph 18 should be specified in the transaction documentation and should refer to eligibility criteria applied at exposure level.</p>	
9	Article 20 - Requirements relating to simplicity	BACK TO CHECKLIST
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	<p>Homogeneity, obligations of the underlying exposures, periodic payment streams, no transferable securities (Article 20(8))</p> <p>27. The criterion on the homogeneity as specified in the first subparagraph of Article 20(8) has been further clarified in the Delegated Regulation further specifying which underlying exposures are deemed to be homogeneous in accordance with Articles 20(8) and 24(15) of Regulation (EU) 2017/2402.</p>	
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10,	Article 20 - Requirements relating to simplicity	BACK TO CHECKLIST
11	EBA Final non-ABCP STS Guidelines – statements on <i>background and rationale</i>	
	<p>Homogeneity, obligations of the underlying exposures, periodic payment streams, no transferable securities (Article 20(8))</p> <p>28. The objective of the criterion specified in the third sentence in the first subparagraph and in the second subparagraph of Article 20(8) is to ensure that the underlying exposures contain valid and binding obligations of the debtor/guarantor, including rights to payments or to any other income from assets supporting such payments that result in a periodic and well-defined stream of payments to the investors.</p> <p>30. To facilitate consistent interpretation of this criterion, a clarification should be provided with respect to:</p> <p>(a) interpretation of the term 'contractually binding and enforceable obligations';</p>	
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	<p>4.3 Homogeneity, obligations of the underlying exposures, periodic payment streams, no transferable securities (Article 20(8))</p> <p><i>Contractually binding and enforceable obligations</i></p> <p>20. For the purposes of Article 20(8) of Regulation (EU) 2017/2402, 'obligations that are contractually binding and enforceable, with full recourse to debtors and, where applicable, guarantors' should be understood to refer to all obligations contained in the contractual specification of the underlying exposures that are relevant to investors because they affect any obligations by the debtor and, where applicable, the guarantor to make payments or provide security.</p>	

12,	Article 20 - Requirements relating to simplicity	BACK TO CHECKLIST
13	EBA Final non-ABCP STS Guidelines – statements on <i>background and rationale</i>	
	<p>Homogeneity, obligations of the underlying exposures, periodic payment streams, no transferable securities (Article 20(8))</p> <p>30 (b) a non-exhaustive list of examples of exposures types that should be considered to have defined periodic payment streams. The individual examples are without prejudice to applicable requirements, such as the requirement with respect to the defaulted exposures in accordance with Article 20(11) of Regulation (EU) 2017/2402 and the requirement with respect to the residual value in accordance with Article 20(13) of that regulation.</p>	
	EBA Final non-ABCP STS Guidelines	
	<p>4.3 Homogeneity, obligations of the underlying exposures, periodic payment streams, no transferable securities (Article 20(8))</p> <p><i>Exposures with periodic payment streams</i></p> <p>21. For the purposes of Article 20(8) of Regulation (EU) 2017/2402, exposures with defined periodic payment streams should include:</p> <p>(a) exposures payable in a single instalment in the case of revolving securitisation, as referred to in Article 20(12) of Regulation (EU) 2017/2402;</p> <p>(b) exposures related to credit card facilities;</p> <p>(c) exposures with instalments consisting of interest and where the principal is repaid at the maturity, including interest-only mortgages;</p> <p>(d) exposures with instalments consisting of interest and repayment of a portion of the principal, where either of the following conditions is met:</p> <p>(i) the remaining principal is repaid at the maturity;</p> <p>(ii) the repayment of the principal is dependent on the sale of assets securing the exposure, in accordance with Article 20(13) of Regulation (EU) 2017/2402 and paragraphs 47 to 49;</p> <p>(e) exposures with temporary payment holidays as contractually agreed between the debtor and the lender.</p>	

14	Article 20 - Requirements relating to simplicity	BACK TO CHECKLIST
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	Homogeneity, obligations of the underlying exposures, periodic payment streams, no transferable securities (Article 20(8))	
	29. The objective of the criterion specified in the third subparagraph is that the underlying exposures do not include transferable securities, as they may add to the complexity of the transaction and of the risk and due diligence analysis to be carried out by the investor.	
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15	Article 20 - Requirements relating to simplicity	BACK TO CHECKLIST
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	No resecuritisation (Article 20(9))	
	31. The objective of this criterion is to prohibit resecuritisation subject to derogations for certain cases or for resecuritisation as specified in Regulation (EU) 2017/2402. This is a lesson learnt from the financial crisis, when resecuritisations were structured into highly leveraged structures in which notes of lower credit quality could be re-packaged and credit enhanced, resulting in transactions whereby small changes in the credit performance of the underlying assets had severe impacts on the credit quality of the resecuritisation bonds. The modelling of the credit risk arising in these bonds proved very difficult, also due to high levels of correlations arising in the resulting structures.	
	32. The criterion is deemed sufficiently clear and does not require any further clarification.	
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16	Article 20 - Requirements relating to simplicity	BACK TO CHECKLIST
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	Underwriting standards (Article 20(10))	
	33. The objective of the criterion specified in the first subparagraph of Article 20(10) is to prevent cherry picking and to ensure that the exposures that are to be securitised do not belong to exposure types that are outside the ordinary business of the originator, i.e. types of exposures in which the originator or original lender may have less expertise and/or interest at stake. This criterion is focused on disclosure of changes to the underwriting standards and aims to help the investors assess the underwriting standards pursuant to which the exposures transferred into securitisation have been originated.	
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17	Article 20 - Requirements relating to simplicity	BACK TO CHECKLIST
	EBA Final non-ABCP STS Guidelines – statements on <i>background and rationale</i>	
	<p>Underwriting standards (Article 20(10))</p> <p>37. To facilitate consistent interpretation of this criterion, the following aspects should be further clarified:</p> <p>(a) the term ‘similar exposures’, with reference to requirements specified in the Delegated Regulation further specifying which underlying exposures are deemed to be homogeneous in accordance with Articles 20(8) and 24(15) of Regulation (EU) 2017/2402;</p> <p>(b) the term ‘no less stringent underwriting standards’: independently of the guidance provided in these guidelines, it is understood that, in the spirit of restricting the ‘originate-to-distribute’ model of underwriting, where similar exposures exist on the originator’s balance sheet, the underwriting standards that have been applied to the securitised exposures should also have been applied to similar exposures that have not been securitised, i.e. the underwriting standards should have been applied not solely to securitised exposures;</p>	
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	<p>4.4 Underwriting standards, originator’s expertise (Article 20(10))</p> <p><i>No less stringent underwriting standards</i></p> <p>23. For the purposes of Article 20(10) of Regulation (EU) 2017/2402, the underwriting standards applied to securitised exposures should be compared to the underwriting standards applied to similar exposures at the time of origination of the securitised exposures.</p> <p>24. Compliance with this requirement should not require either the originator or the original lender to hold similar exposures on its balance sheet at the time of the selection of the securitised exposures or at the exact time of their securitisation, nor should it require that similar exposures were actually originated at the time of origination of the securitised exposures.</p>	

18	Article 20 - Requirements relating to simplicity	BACK TO CHECKLIST
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	Underwriting standards (Article 20(10))	
	<p>37 (c) clarification of the requirement to disclose material changes from prior underwriting standards to potential investors without undue delay: the guidance clarifies that this requirement should be forward-looking only, referring to material changes to the underwriting standards after the closing of the securitisation. The guidance clarifies the interactions with the requirement for similarity of the underwriting standards set out in the Delegated Regulation further specifying which underlying exposures are deemed to be homogeneous in accordance with Articles 20(8) and 24(15) of Regulation (EU) 2017/2402, which requires that all the underlying exposures in securitisation be underwritten according to similar underwriting standards;</p>	
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	4.4 Underwriting standards, originator's expertise (Article 20(10))	
	<i>Disclosure of material changes from prior underwriting standards</i>	
	<p>25. For the purposes of Article 20(10) of Regulation (EU) 2017/2402, material changes to the underwriting standards that are required to be fully disclosed should be understood to be those material changes to the underwriting standards that are applied to the exposures that are transferred to, or assigned by, the SSPE after the closing of the securitisation in the context of portfolio management as referred to in paragraphs 15 and 16.</p>	
	<p>26. Changes to such underwriting standards should be deemed material where they refer to either of the following types of changes to the underwriting standards:</p>	
	<p>(a) changes which affect the requirement of the similarity of the underwriting standards further specified in the Delegated Regulation further specifying which underlying exposures are deemed to be homogeneous in accordance with Articles 20(8) and 24(15) of Regulation (EU) 2017/2402;</p>	
	<p>(b) changes which materially affect the overall credit risk or expected average performance of the portfolio of underlying exposures without resulting in substantially different approaches to the assessment of the credit risk associated with the underlying exposures.</p>	
	<p>27. The disclosure of all changes to underwriting standards should include an explanation of the purpose of such changes.</p>	
	<p>28. With regard to trade receivables that are not originated in the form of a loan, reference to underwriting standards in Article 20(10) should be understood to refer to credit standards applied by the seller to short-term credit generally of the type giving rise to the securitised exposures and proposed to its customers in relation to the sales of its products and services.</p>	

19	Article 20 - Requirements relating to simplicity	BACK TO CHECKLIST
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	Underwriting standards (Article 20(10))	
	34. The objective of the criterion specified in the second subparagraph of Article 20(10) is to prohibit the securitisation of self-certified mortgages for STS purposes, given the moral hazard that is inherent in granting such types of loans.	
	37 (d) the scope of the criterion with respect to the specific types of residential loans as referred to in the second subparagraph of Article 20(10) and to the nature of the information that should be captured by this criterion;	
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	4.4 Underwriting standards, originator's expertise (Article 20(10))	
	Residential loans	
	29. For the purposes of Article 20(10) of Regulation (EU) 2017/2402, the pool of underlying exposures should not include residential loans that were both marketed and underwritten on the premise that the loan applicant or intermediaries were made aware that the information provided might not be verified by the lender.	
	30. Residential loans that were underwritten but were not marketed on the premise that the loan applicant or intermediaries were made aware that the information provided might not be verified by the lender, or become aware after the loan was underwritten, are not captured by this requirement.	
	31. For the purposes of Article 20(10) of Regulation (EU) 2017/2402, the 'information' provided should be considered to be only relevant information. The relevance of the information should be based on whether the information is a relevant underwriting metric, such as information considered relevant for assessing the creditworthiness of a borrower, for assessing access to collateral and for reducing the risk of fraud.	
	32. Relevant information for general non-income-generating residential mortgages should normally be considered to constitute income, and relevant information for income-generating residential mortgages should normally be considered to constitute rental income. Information that is not useful as an underwriting metric, such as mobile phone numbers, should not be considered relevant information.	

20	Article 20 - Requirements relating to simplicity	BACK TO CHECKLIST
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	Underwriting standards (Article 20(10))	
	35. The objective of the criterion specified in the third subparagraph of Article 20(10) is to ensure that the assessment of the borrower's creditworthiness is based on robust processes. It is expected that the application of this article will be limited in practice, given that the STS is limited to originators based in the EU, and the criterion is understood to cover only exposures originated by the EU originators to borrowers in non-EU countries.	
	37. (e) clarification of the criterion with respect to the assessment of a borrower's creditworthiness based on equivalent requirements in third countries;	
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21	Article 20 - Requirements relating to simplicity	BACK TO CHECKLIST
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	<p>Underwriting standards (Article 20(10))</p> <p>36. The objective of the criterion specified in the fourth subparagraph of Article 20(10) is for the originator or original lender to have an established performance history of credit claims or receivables similar to those being securitised, and for an appropriately long period of time.</p> <p>37. (f) identification of criteria on which the expertise of the originator or the original lender should be determined:</p> <p>(i) when assessing if the originator or the original lender has the required expertise, some general principles should be set out against which the expertise should be assessed. The general principles have been designed to allow a robust qualitative assessment of the expertise. One of these principles is the regulatory authorisation: this is to allow for more flexibility in such qualitative assessments of the expertise if the originator or the original lender is a prudentially regulated institution which holds regulatory authorisations or permissions that are relevant with respect to origination of similar exposures. The regulatory authorisation in itself should, however, not be a guarantee that the originator or original lender has the required expertise;</p> <p>(ii) irrespective of such general principles, specific criteria should be developed, based on specifying a minimum period for an entity to perform the business of originating similar exposures, compliance with which would enable the entity to be considered to have a sufficient expertise. Such expertise should be assessed at the group level, so that possible restructuring at the entity level would not automatically lead to non-compliance with the expertise criterion. It is not the intention of such specific criteria to form an impediment to the entry of new participants to the market. Such entities should also be eligible for compliance with the expertise criterion, as long as their management body and senior staff with managerial responsibility for origination of similar exposures, have sufficient experience over a minimum specified period.</p> <p>38. It is expected that information on the assessment of the expertise is provided in sufficient detail in the STS notification.</p>	
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	<p>4.4 Underwriting standards, originator's expertise (Article 20(10))</p> <p>Similar exposures</p> <p>22. For the purposes of Article 20(10) of Regulation (EU) 2017/2402, exposures should be considered to be similar when one of the following conditions is met:</p> <p>(a) the exposures belong to one of the following asset categories referred to in the Delegated Regulation further specifying which underlying exposures are deemed to be homogeneous in accordance with Articles 20(8) and 24(15) of Regulation (EU) 2017/2402:</p> <ul style="list-style-type: none"> (i) residential loans secured with one or several mortgages on residential immovable property, or residential loans fully guaranteed by an eligible protection provider among those referred to in Article 201(1) of Regulation (EU) No 575/2013 qualifying for credit quality step 2 or above as set out in Part Three, Title II, Chapter 2 of that regulation; (ii) commercial loans secured with one or several mortgages on commercial immovable property or other commercial premises; (iii) credit facilities provided to individuals for personal, family or household consumption purposes; (iv) auto loans and leases; (v) credit card receivables; (vi) trade receivables; <p>(b) the exposures fall under the asset category of credit facilities provided to micro-, small-, medium-sized and other types of enterprises and corporates including loans and leases, as referred to in Article 2(d) of the Delegated Regulation further specifying which underlying exposures are deemed to be homogeneous in accordance with Articles 20(8) and 24(15) of Regulation (EU) 2017/2402, as underlying exposures of a certain type of obligor;</p> <p>(c) where they do not belong to any of the asset categories referred to in points (a) and (b) of this paragraph and as referred to in the Delegated Regulation further specifying which underlying exposures are deemed to be homogeneous for the purposes of Articles 20(8) and 24(15) of Regulation (EU) 2017/2402, the underlying exposures share similar characteristics with respect to the type of obligor, ranking of security rights, type of immovable property and/or jurisdiction.</p> <p><i>Criteria for determining the expertise of the originator or original lender</i></p> <p>34. For the purposes of determining whether an originator or original lender has expertise in originating exposures of a similar nature to those securitised in accordance with Article 20(10) of Regulation (EU) 2017/2402, both of the following should apply:</p>	

- (a) the members of the management body of the originator or original lender and the senior staff, other than the members of the management body, responsible for managing the originating of exposures of a similar nature to those securitised should have adequate knowledge and skills in the origination of exposures of a similar nature to those securitised;
- (b) any of the following principles on the quality of the expertise should be taken into account:
- (i) the role and duties of the members of the management body and the senior staff and the required capabilities should be adequate;
 - (ii) the experience of the members of the management body and the senior staff gained in previous positions, education and training should be sufficient;
 - (iii) the involvement of the members of the management body and the senior staff within the governance structure of the function of originating the exposures should be appropriate;
 - (iv) in the case of a prudentially regulated entity, the regulatory authorisations or permissions held by the entity should be deemed relevant to origination of exposures of a similar nature to those securitised.
35. An originator or original lender should be deemed to have the required expertise when either of the following applies:
- (a) the business of the entity, or of the consolidated group to which the entity belongs for accounting or prudential purposes, has included the originating of exposures similar to those securitised, for at least five years;
- (b) where the requirement referred to in point (a) is not met, the originator or original lender should be deemed to have the required expertise where they comply with both of the following:
- (i) at least two of the members of the management body have relevant professional experience in the origination of exposures similar to those securitised, at a personal level, of at least five years;
 - (ii) senior staff, other than members of the management body, who are responsible for managing the entity's originating of exposures similar to those securitised, have relevant professional experience in the origination of exposures of a similar nature to those securitised, at a personal level, of at least five years.
36. For the purposes of demonstrating the number of years of professional experience, the relevant expertise should be disclosed in sufficient detail and in accordance with the applicable confidentiality requirements to permit investors to carry out their obligations under Article 5(3)(c) of Regulation (EU) 2017/2402.

23	Article 20 - Requirements relating to simplicity	BACK TO CHECKLIST
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	<p>No exposures in default and to credit-impaired debtors/guarantors (Article 20(11))</p> <p>39. The objective of the criterion in Article 20(11) is to ensure that STS securitisations are not characterised by underlying exposures whose credit risk has already been affected by certain negative events such as disputes with credit-impaired debtors or guarantors, debt restructuring processes or default events as identified by the EU prudential regulation. Risk analysis and due diligence assessments by investors become more complex whenever the securitisation includes exposures subject to certain ongoing negative credit risk developments. For the same reasons, STS securitisations should not include underlying exposures to credit-impaired debtors or guarantors that have an adverse credit history. In addition, significant risk of default normally rises as rating grades or other scores are assigned that indicate highly speculative credit quality and high likelihood of default, i.e. the possibility that the debtor or guarantor is not able to meet its obligations becomes a real possibility. Such exposures to credit-impaired debtors or guarantors should therefore also not be eligible for STS purposes.</p> <p>40. To facilitate consistent interpretation of this criterion, the following aspects should be further clarified:</p> <p>(a) Interpretation of the term ‘exposures in default’: given the differences in interpretation of the term ‘default’, the interpretation of this criterion should refer to additional guidance on this term provided in the existing delegated regulations and guidelines developed by the EBA, while taking into account the limitation of scope of that additional guidance to certain types of institutions;</p>	
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	<p>4.5 No exposures in default and to credit-impaired debtors/guarantors (Article 20(11))</p> <p>Exposures in default</p> <p>37. For the purposes of the first subparagraph of Article 20(11) of Regulation (EU) 2017/2402, the exposures in default should be interpreted in the meaning of Article 178(1) of Regulation (EU) 575/2013, as further specified by the Delegated Regulation on the materiality threshold for credit obligations past due developed in accordance with Article 178 of that Regulation, and by the EBA Guidelines on the application of the definition of default developed in accordance with Article 178(7) of that regulation.</p> <p>38. Where an originator or original lender is not an institution and is therefore not subject to Regulation (EU) 575/2013, the originator or original lender should comply with the guidance provided in the previous paragraph to the extent that such application is not deemed to be unduly burdensome. In that case, the originator or original lender should apply the established processes and the information obtained from debtors on origination of the exposures, information obtained from the originator in the course of its servicing of the exposures or in the course of its risk management procedure or information notified to the originator by a third party.</p>	

24	Article 20 - Requirements relating to simplicity	BACK TO CHECKLIST
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	<p>No exposures in default and to credit-impaired debtors/guarantors (Article 20(11))</p> <p>39. The objective of the criterion in Article 20(11) is to ensure that STS securitisations are not characterised by underlying exposures whose credit risk has already been affected by certain negative events such as disputes with credit-impaired debtors or guarantors, debt-restructuring processes or default events as identified by the EU prudential regulation. Risk analysis and due diligence assessments by investors become more complex whenever the securitisation includes exposures subject to certain ongoing negative credit risk developments. For the same reasons, STS securitisations should not include underlying exposures to credit-impaired debtors or guarantors that have an adverse credit history. In addition, significant risk of default normally rises as rating grades or other scores are assigned that indicate highly speculative credit quality and high likelihood of default, i.e. the possibility that the debtor or guarantor is not able to meet its obligations becomes a real possibility. Such exposures to credit-impaired debtors or guarantors should therefore also not be eligible for STS purposes.</p> <p>40. To facilitate consistent interpretation of this criterion, the following aspects should be further clarified:</p> <p>(b) Interpretation of the term ‘exposures to a credit-impaired debtor or guarantor’: the interpretation should also take into account the interpretation provided in recital 26 of Regulation (EU) 2017/2402, according to which the circumstances specified in points (a) to (c) of Article 24(9) of that regulation are understood as specific situations of credit-impairedness to which exposures in the STS securitisation may not be exposed. Consequently, other possible circumstances of credit-impairedness that are not captured in points (a) to (c) should be outside the scope of this requirement. Moreover, taking into account the role of the guarantor as a risk bearer, it should be clarified that the requirement to exclude ‘exposures to a credit-impaired debtor or guarantor’ is not meant to exclude (i) exposures to a credit-impaired debtor when it has a guarantor that is not credit impaired; or (ii) exposures to a non-credit-impaired debtor when there is a credit-impaired guarantor;</p> <p>(c) Interpretation of the term ‘to the best knowledge of’: the interpretation should follow the wording of recital 26 of Regulation (EU) 2017/2402, according to which an originator or original lender is not required to take all legally possible steps to determine the debtor’s credit status but is only required to take those steps that the originator/original lender usually takes within its activities in terms of origination, servicing, risk management and use of information that is received from third parties. This should not require the originator or original lender to check publicly available information, or to check entries in at least one credit registry where an originator or original lender does not conduct such checks within its regular activities in terms of origination, servicing, risk management and use of information received from third parties, but rather relies, for example, on other information that may include credit assessments provided by third parties. Such clarification is important because corporates that are not subject to EU financial sector regulation and that are acting as sellers with respect to STS securitisation may not always check entries in credit registries and, in line with the best knowledge standard, should not be obliged to perform additional checks at origination of any exposure for the purposes of later fulfilling this criterion in terms of any credit-impaired debtors or guarantors;</p>	
	EBA Final non-ABCP STS Guidelines	
	<p>4.5 No exposures in default and to credit-impaired debtors/guarantors (Article 20(11))</p> <p><i>Exposures to a credit-impaired debtor or guarantor</i></p> <p>39. For the purposes of Article 20(11) of Regulation (EU) 2017/2402, the circumstances specified in points (a) to (c) of that paragraph should be understood as definitions of credit-impairedness. Other possible circumstances of credit-impairedness that are not captured in points (a) to (c) should be considered to be excluded from this requirement.</p> <p>40. The prohibition of the selection and transfer to SSPE of underlying exposures ‘to a credit-impaired debtor or guarantor’ as referred to in Article 20(11) of Regulation (EU) 2017/2402 should be understood as the requirement that, at the time of selection, there should be a recourse for the full securitised exposure amount to at least one non-credit-impaired party, irrespective of whether that party is a debtor or a guarantor. Therefore, the underlying exposures should not include either of the following:</p> <p>(a) exposures to a credit-impaired debtor, when there is no guarantor for the full securitised exposure amount;</p> <p>(b) exposures to a credit-impaired debtor who has a credit-impaired guarantor.</p> <p><i>To the best of the originator’s or original lender’s knowledge</i></p> <p>41. For the purposes of Article 20(11) of Regulation (EU) 2017/2402, the ‘best knowledge’ standard should be considered to be fulfilled on the basis of information obtained only from any of the following combinations of sources and circumstances:</p> <p>(a) debtors on origination of the exposures;</p> <p>(b) the originator in the course of its servicing of the exposures or in the course of its risk management procedures;</p> <p>(c) notifications to the originator by a third party;</p> <p>(d) publicly available information or information on any entries in one or more credit registries of persons with adverse credit history at the time of origination of an underlying exposure, only to the extent that this information had already been taken into account in the context of (a), (b) and (c), and in accordance with the applicable regulatory and supervisory requirements, including with respect</p>	

	to sound credit granting criteria as specified in Article 9 of Regulation (EU) 2017/2402. This is with the exception of trade receivables that are not originated in the form of a loan, with respect to which credit-granting criteria do not need to be met.
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	No exposures in default and to credit-impaired debtors/guarantors (Article 20(11))	
	<p>40. To facilitate consistent interpretation of this criterion, the following aspects should be further clarified:</p> <p>(d) Interpretation of the criterion with respect to the debtors and guarantors found on the credit registry: it is important to interpret this requirement in a narrow sense to ensure that the existence of a debtor or guarantor on the credit registry of persons with adverse credit history should not automatically exclude the exposure to that debtor/guarantor from compliance with this criterion. It is understood that this criterion should relate only to debtors and guarantors that are, at the time of origination of the exposure, considered entities with adverse credit history. Existence on a credit registry at the time of origination of the exposure for reasons that can be reasonably ignored for the purposes of the credit risk assessment (for example due to missed payments which have been resolved in the next two payment periods) should not be captured by this requirement. Therefore, this criterion should not automatically exclude from the STS framework exposures to all entities that are on the credit registries, taking into account that this would unintentionally exclude a significant number of entities given that different practices exist across EU jurisdictions with respect to entry requirements of such credit registries, and the fact that credit registries in some jurisdictions may contain both positive and negative information about the clients;</p>	
	EBA Final non-ABCP STS Guidelines	
	<p>4.5 No exposures in default and to credit-impaired debtors/guarantors (Article 20(11))</p> <p><i>Exposures to credit-impaired debtors or guarantors that have undergone a debt-restructuring process</i></p> <p>42. For the purposes of Article 20(11)(a) of Regulation (EU) 2017/2402, the requirement to exclude exposures to credit-impaired debtors or guarantors who have undergone a debt-restructuring process with regard to their non-performing exposures should be understood to refer to both the restructured exposures of the respective debtor or guarantor and those of its exposures that were not themselves subject to restructuring. For the purposes of this Article, restructured exposures which meet the conditions of points (i) and (ii) of that Article should not result in a debtor or guarantor becoming designated as credit-impaired.</p>	

29	Article 20 - Requirements relating to simplicity	BACK TO CHECKLIST
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	<p>No exposures in default and to credit-impaired debtors/guarantors (Article 20(11))</p> <p>40. To facilitate consistent interpretation of this criterion, the following aspects should be further clarified:</p> <p>(d) Interpretation of the criterion with respect to the debtors and guarantors found on the credit registry: it is important to interpret this requirement in a narrow sense to ensure that the existence of a debtor or guarantor on the credit registry of persons with adverse credit history should not automatically exclude the exposure to that debtor/guarantor from compliance with this criterion. It is understood that this criterion should relate only to debtors and guarantors that are, at the time of origination of the exposure, considered entities with adverse credit history. Existence on a credit registry at the time of origination of the exposure for reasons that can be reasonably ignored for the purposes of the credit risk assessment (for example due to missed payments which have been resolved in the next two payment periods) should not be captured by this requirement. Therefore, this criterion should not automatically exclude from the STS framework exposures to all entities that are on the credit registries, taking into account that this would unintentionally exclude a significant number of entities given that different practices exist across EU jurisdictions with respect to entry requirements of such credit registries, and the fact that credit registries in some jurisdictions may contain both positive and negative information about the clients;</p>	
	EBA Final non-ABCP STS Guidelines	
	<p>4.5 No exposures in default and to credit-impaired debtors/guarantors (Article 20(11))</p> <p><i>Credit registry</i></p> <p>43. The requirement referred to in Article 20(11)(b) of Regulation (EU) 2017/2402 should be limited to exposures to debtors or guarantors to which both of the following requirements apply at the time of origination of the underlying exposure:</p> <p>(a) the debtor or guarantor is explicitly flagged in a credit registry as an entity with adverse credit history due to negative status or negative information stored in the credit registry;</p> <p>(b) the debtor or guarantor is on the credit registry for reasons that are relevant to the purposes of the credit risk assessment.</p>	

30	Article 20 - Requirements relating to simplicity	BACK TO CHECKLIST
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	No exposures in default and to credit-impaired debtors/guarantors (Article 20(11))	
	40. To facilitate consistent interpretation of this criterion, the following aspects should be further clarified:	
	(e) Interpretation of the term 'significantly higher risk of contractually agreed payments not being made for comparable exposures': the term should be interpreted with a similar meaning to the requirement aiming to prevent adverse selection of assets referred to in Article 6(2) of Regulation (EU) 2017/2402, and further specified in the Article 16(2) of the Delegated Regulation specifying in greater detail the risk retention requirement in accordance with Article 6(7) of Regulation (EU) 2017/24027, given that in both cases the requirement (i) aims to prevent adverse selection of underlying exposures and (ii) relates to the comparison of the credit quality of exposures transferred to the SSPE and comparable exposures that remain on the originator's balance sheet. To facilitate the interpretation, a list is given of examples of how to achieve compliance with the requirement.	
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	4.5 No exposures in default and to credit-impaired debtors/guarantors (Article 20(11))	
	Risk of contractually agreed payments not being made being significantly higher than for comparable exposures	
	44. For the purposes of Article 20(11)(c) of Regulation (EU) 2017/2402, the exposures should not be considered to have a 'credit assessment of 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' when the following conditions apply:	
	(a) the most relevant factors determining the expected performance of the underlying exposures are similar;	
	(b) as a result of the similarity referred to in point (a) it could reasonably have been expected, on the basis of indications such as past performance or applicable models, that, over the life of the transaction or over a maximum of four years, where the life of the transaction is longer than four years, their performance would not be significantly different.	
	45. The requirement in the previous paragraph should be considered to have been met where either of the following applies:	
	(a) the underlying exposures do not include exposures that are classified as doubtful, impaired, non-performing or classified to the similar effect under the relevant accounting principles;	
	(b) the underlying exposures do not include exposures whose credit quality, based on credit ratings or other credit quality thresholds, significantly differs from the credit quality of comparable exposures that the originator originates in the course of its standard lending operations and credit risk strategy.	

31	Article 20 - Requirements relating to simplicity	BACK TO CHECKLIST
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	At least one payment made (Article 20(12))	
	41. STS securitisations should minimise the extent to which investors are required to analyse and assess fraud and operational risk. At least one payment should therefore be made by each underlying borrower at the time of transfer, since this reduces the likelihood of the loan being subject to fraud or operational issues, unless in the case of revolving securitisations in which the distribution of securitised exposures is subject to constant changes because the securitisation relates to exposures payable in a single instalment or with an initial legal maturity of an exposure of below one year.	
	42. To facilitate consistent interpretation of this criterion, its scope and the types of payments referred to therein should be further clarified.	
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	4.6 At least one payment made (Article 20(12))	
	Scope of the criterion	
	46. For the purposes of Article 20(12) of Regulation (EU) 2017/2402, further advances in terms of an exposure to a certain borrower should not be deemed to trigger a new 'at least one payment' requirement with respect to such an exposure.	
	At least one payment	
	47. For the purposes of Article 20(12) of Regulation (EU) 2017/2402, the payment referred to in the requirement according to which 'at least one payment' should have been made at the time of transfer should be a rental, principal or interest payment or any other kind of payment.	

32	Article 20 - Requirements relating to simplicity	BACK TO CHECKLIST
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	No predominant dependence on the sale of assets (Article 20(13))	
	<p>43. Dependence of the repayment of the holders of the securitisation positions on the sale of assets securing the underlying exposures increases the liquidity risks, market risks and maturity transformation risks to which the securitisation is exposed. It also makes the credit risk of the securitisation more difficult for investors to model and assess.</p>	
	<p>44. The objective of this criterion is to ensure that the repayment of the principal balance of exposures at the contract maturity – and therefore repayment of the holders of the securitisation positions – is not intended to be predominantly reliant on the sale of assets securing the underlying exposures, unless the value of the assets is guaranteed or fully mitigated by a repurchase obligation.</p>	
	<p>45. To facilitate consistent interpretation of this criterion, the following aspects should be further clarified:</p>	
	<p>(a) the term 'predominant dependence' on the sale of assets securing the underlying exposures should be further interpreted:</p>	
	<p>(i) when assessing whether the repayment of the holders of the securitisation positions is or is not predominantly dependent on the sale of assets, the following three aspects should be taken into account: (i) the principal balance at contract maturity of underlying exposures that depend on the sale of assets securing those underlying exposures to repay the balance; (ii) the distribution of maturities of such exposures across the life of the transaction, which aims to reduce the risk of correlated defaults due to idiosyncratic shocks; and (iii) the granularity of the pool of exposures, which aims to promote sufficient distribution in sale dates and other characteristics that may affect the sale of the underlying exposures.</p>	
	<p>(i) no types of securitisations should be excluded ex ante from the compliance with this criterion and from the STS securitisation as long as they meet all the requirements specified in the guidance. For example, this criterion does not aim to exclude leasing transactions and interest-only residential mortgages from STS securitisation, provided they comply with the guidance provided and all other applicable STS requirements. However, it is expected that commercial real estate transactions, or securitisations where the assets are commodities (e.g. oil, grain, gold), or bonds whose maturity dates fall after the maturity date of the securitisation, would not meet these requirements, as in all these cases it is expected that the repayment is predominantly reliant on the sale of the assets, that other possible ways to repay the securitisation positions are substantially limited, and that the granularity of the portfolio is low.</p>	
	<p>46. With respect to the exemption provided in the second subparagraph of Article 20(13) of Regulation (EU) 2017/2402, it should be ensured that the entity providing the guarantee or the repurchase obligation of the assets securing the underlying exposures is not an empty-shell or defaulted entity, so that it has sufficient loss absorbency to exercise the guarantee of the repurchase of the assets.</p>	
	EBA Final non-ABCP STS Guidelines	
	4.7 No Predominant dependence on the sale of assets	
	<i>Predominant dependence on the sale of assets</i>	
	<p>48. For the purposes of Article 20(13) of Regulation (EU) 2017/2402, transactions where all of the following conditions apply, at the time of origination of the securitisation in cases of amortising securitisation or during the revolving period in cases of revolving securitisation, should be considered not predominantly dependent on the sale of assets securing the underlying exposures, and therefore allowed:</p>	
	<p>(a) the contractually agreed outstanding principal balance, at contract maturity of the underlying exposures that depend on the sale of the assets securing those underlying exposures to repay the principal balance, corresponds to no more than 50% of the total initial exposure value of all securitisation positions of the securitisation;</p>	
	<p>(b) the maturities of the underlying exposures referred to in point (a) are not subject to material concentrations and are sufficiently distributed across the life of the transaction;</p>	
	<p>(c) the aggregate exposure value of all the underlying exposures referred to in point (a) to a single obligor does not exceed 2% of the aggregate exposure value of all underlying exposures in the securitisation.</p>	
	<p>49. Where there are no underlying exposures in the securitisation that depend on the sale of assets to repay their outstanding principal balance at contract maturity, the requirements in paragraph 48 should not apply.</p>	
	<i>Exemption provided in the second subparagraph of Article 20(13) of Regulation (EU) 2017/2402</i>	
	<p>50. The exemption referred to in the second subparagraph of Article 20(13) of Regulation (EU) 2017/2402 with regard to the repayment of holders of securitisation positions whose underlying exposures are secured by assets, the value of which is guaranteed or fully mitigated by a repurchase obligation of either the assets securing the underlying exposures or of the underlying exposures themselves by another third party or parties, the seller or the third parties should meet both of the following conditions:</p>	
	<p>(a) they are not insolvent;</p>	
	<p>(b) there is no reason to believe that the entity would not be able to meet its obligations under the guarantee or the repurchase obligation.</p>	

33	Article 21 - Requirements relating to standardisation	BACK TO CHECKLIST
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	Risk retention (Article 21(1))	
	47. The main objective of the risk retention criterion is to ensure an alignment between the originators'/sponsors'/original lenders' and investors' interests, and to avoid application of the originate-to-distribute model in securitisation.	
	48. The content of the criterion is deemed sufficiently clear that no further guidance in addition to that provided by the Delegated Regulation further specifying the risk retention requirement in accordance with Article 6(7) of Regulation (EU) 2017/2402 is considered necessary.	
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	Appropriate mitigation of interest-rate and currency risks (Article 21(2))	
	49. The objective of this criterion is to reduce any payment risk arising from different interest-rate and currency profiles of assets and liabilities. Mitigating or hedging interest-rate and currency risks arising in the transaction enhances the simplicity of the transaction, since it helps investors to model those risks and their impact on the credit risk of the securitisation investment.	
	50. It should be clarified that hedging (through derivative instruments) is only one possible way of addressing the risks mentioned. Whichever measure is applied for the risk mitigation, it should, however, be subject to specific conditions so that it can be considered to appropriately mitigate the risks mentioned.	
	51. One of these conditions aims to prohibit derivatives that do not serve the purpose of hedging interest-rate or currency risk from being included in the pool of underlying exposures or entered into by the SSPE, given that derivatives add to the complexity of the transaction and to the complexity of the risk and due diligence analysis to be carried out by the investor. Derivatives hedging interest-rate or currency risk enhance the simplicity of the transaction, since hedged transactions do not require investors to engage in the modelling of currency and interest-rate risks.	
	52. To facilitate consistent interpretation of this criterion, the following aspects should be clarified:	
	(a) conditions that the measures should comply with so that they can be considered to appropriately mitigate the interest-rate and currency risks;	
	(b) clarification with respect to the scope of derivatives that should and should not be captured by this criterion;	
	(c) clarification of the term 'common standards in international finance'.	
	EBA Final non-ABCP STS Guidelines	
	5.1 Appropriate mitigation of interest-rate and currency risks (Article 21(2))	
	Appropriate mitigation of interest-rate and currency risks	
	51. For the purposes of Article 21(2) of Regulation (EU) 2017/2402 in order for the interest-rate and currency risks arising from the securitisation to be considered 'appropriately mitigated', it should be sufficient that a hedge or mitigation is in place, on condition that it is not unusually limited with the effect that it covers a major share of the respective interest-rate or currency risks under relevant scenarios, understood from an economic perspective. Such a mitigation may also be in the form of derivatives or other mitigating measures including reserve funds, over collateralisation, excess spread or other measures.	
	52. Where the appropriate mitigation of interest-rate and currency risks is carried out through derivatives, all of the following requirements should apply:	
	(a) the derivatives should be used only for genuine hedging of asset and liability mismatches of interest rates and currencies, and should not be used for speculative purposes;	
	(b) the derivatives should be based on commonly accepted documentation, including International Swaps or Derivatives Association (ISDA) or similar established national documentation standards;	
	(c) the derivative documentation should provide, in the event of the loss of sufficient creditworthiness of the counterparty below a certain level, measured either on the basis of the credit rating or otherwise, that the counterparty is subject to collateralisation requirements or makes a reasonable effort for its replacement or guarantee by another counterparty.	

	53. Where the mitigation of interest-rate and currency risks referred to in Article 21(2) of Regulation (EU) 2017/2402 is carried out not through derivatives but by other risk-mitigating measures, those measures should be designed to be sufficiently robust. When such risk-mitigating measures are used to mitigate multiple risks at the same time, the disclosure required by Article 21(2) of Regulation (EU) 2017/2402 should include an explanation of how the measures hedge the interest-rate risks and currency risks on one hand, and other risks on the other hand.
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35	<p>Article 21 - Requirements relating to standardisation</p> <p>EBA Final non-ABCP STS Guidelines – statements on background and rationale</p> <p>Appropriate mitigation of interest-rate and currency risks (Article 21(2))</p> <p>49. The objective of this criterion is to reduce any payment risk arising from different interest-rate and currency profiles of assets and liabilities. Mitigating or hedging interest-rate and currency risks arising in the transaction enhances the simplicity of the transaction, since it helps investors to model those risks and their impact on the credit risk of the securitisation investment.</p> <p>50. It should be clarified that hedging (through derivative instruments) is only one possible way of addressing the risks mentioned. Whichever measure is applied for the risk mitigation, it should, however, be subject to specific conditions so that it can be considered to appropriately mitigate the risks mentioned.</p> <p>51. One of these conditions aims to prohibit derivatives that do not serve the purpose of hedging interest-rate or currency risk from being included in the pool of underlying exposures or entered into by the SSPE, given that derivatives add to the complexity of the transaction and to the complexity of the risk and due diligence analysis to be carried out by the investor. Derivatives hedging interest-rate or currency risk enhance the simplicity of the transaction, since hedged transactions do not require investors to engage in the modelling of currency and interest-rate risks.</p> <p>52. To facilitate consistent interpretation of this criterion, the following aspects should be clarified:</p> <p>(a) conditions that the measures should comply with so that they can be considered to appropriately mitigate the interest-rate and currency risks;</p> <p>(b) clarification with respect to the scope of derivatives that should and should not be captured by this criterion;</p> <p>(c) clarification of the term ‘common standards in international finance’.</p> <p>EBA Final non-ABCP STS Guidelines</p> <p>5.1 Appropriate mitigation of interest-rate and currency risks (Article 21(2))</p> <p>Appropriate mitigation of interest-rate and currency risks</p> <p>51. For the purposes of Article 21(2) of Regulation (EU) 2017/2402 in order for the interest-rate and currency risks arising from the securitisation to be considered ‘appropriately mitigated’, it should be sufficient that a hedge or mitigation is in place, on condition that it is not unusually limited with the effect that it covers a major share of the respective interest-rate or currency risks under relevant scenarios, understood from an economic perspective. Such a mitigation may also be in the form of derivatives or other mitigating measures including reserve funds, over collateralisation, excess spread or other measures.</p> <p>52. Where the appropriate mitigation of interest-rate and currency risks is carried out through derivatives, all of the following requirements should apply:</p> <p>(a) the derivatives should be used only for genuine hedging of asset and liability mismatches of interest rates and currencies, and should not be used for speculative purposes;</p> <p>(b) the derivatives should be based on commonly accepted documentation, including International Swaps or Derivatives Association (ISDA) or similar established national documentation standards;</p> <p>(c) the derivative documentation should provide, in the event of the loss of sufficient creditworthiness of the counterparty below a certain level, measured either on the basis of the credit rating or otherwise, that the counterparty is subject to collateralisation requirements or makes a reasonable effort for its replacement or guarantee by another counterparty.</p> <p>53. Where the mitigation of interest-rate and currency risks referred to in Article 21(2) of Regulation (EU) 2017/2402 is carried out not through derivatives but by other risk-mitigating measures, those measures should be designed to be sufficiently robust. When such risk-mitigating measures are used to mitigate multiple risks at the same time, the disclosure required by Article 21(2) of Regulation (EU) 2017/2402 should include an explanation of how the measures hedge the interest-rate risks and currency risks on one hand, and other risks on the other hand.</p> <p>54. The measures referred to in paragraphs 52 and 53, as well as the reasoning supporting the appropriateness of the mitigation of the interest-rate and currency risks through the life of the transaction, should be disclosed.</p>	BACK TO CHECKLIST
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36	Article 21 - Requirements relating to standardisation	BACK TO CHECKLIST
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	<p>Appropriate mitigation of interest-rate and currency risks (Article 21(2))</p> <p>49. The objective of this criterion is to reduce any payment risk arising from different interest-rate and currency profiles of assets and liabilities. Mitigating or hedging interest-rate and currency risks arising in the transaction enhances the simplicity of the transaction, since it helps investors to model those risks and their impact on the credit risk of the securitisation investment.</p> <p>50. It should be clarified that hedging (through derivative instruments) is only one possible way of addressing the risks mentioned. Whichever measure is applied for the risk mitigation, it should, however, be subject to specific conditions so that it can be considered to appropriately mitigate the risks mentioned.</p> <p>51. One of these conditions aims to prohibit derivatives that do not serve the purpose of hedging interest-rate or currency risk from being included in the pool of underlying exposures or entered into by the SSPE, given that derivatives add to the complexity of the transaction and to the complexity of the risk and due diligence analysis to be carried out by the investor. Derivatives hedging interest-rate or currency risk enhance the simplicity of the transaction, since hedged transactions do not require investors to engage in the modelling of currency and interest-rate risks.</p> <p>52. To facilitate consistent interpretation of this criterion, the following aspects should be clarified:</p> <p>(a) conditions that the measures should comply with so that they can be considered to appropriately mitigate the interest-rate and currency risks;</p> <p>(b) clarification with respect to the scope of derivatives that should and should not be captured by this criterion;</p> <p>(c) clarification of the term ‘common standards in international finance’.</p>	
	EBA Final non-ABCP STS Guidelines	
	<p>5.1 Appropriate mitigation of interest-rate and currency risks (Article 21(2))</p> <p>54. The measures referred to in paragraphs 52 and 53, as well as the reasoning supporting the appropriateness of the mitigation of the interest-rate and currency risks through the life of the transaction, should be disclosed.</p>	

37,	Article 21 - Requirements relating to standardisation	BACK TO CHECKLIST
38	EBA Final non-ABCP STS Guidelines – statements on <i>background and rationale</i>	
	<p>Appropriate mitigation of interest-rate and currency risks (Article 21(2))</p> <p>49. The objective of this criterion is to reduce any payment risk arising from different interest-rate and currency profiles of assets and liabilities. Mitigating or hedging interest-rate and currency risks arising in the transaction enhances the simplicity of the transaction, since it helps investors to model those risks and their impact on the credit risk of the securitisation investment.</p> <p>50. It should be clarified that hedging (through derivative instruments) is only one possible way of addressing the risks mentioned. Whichever measure is applied for the risk mitigation, it should, however, be subject to specific conditions so that it can be considered to appropriately mitigate the risks mentioned.</p> <p>51. One of these conditions aims to prohibit derivatives that do not serve the purpose of hedging interest-rate or currency risk from being included in the pool of underlying exposures or entered into by the SSPE, given that derivatives add to the complexity of the transaction and to the complexity of the risk and due diligence analysis to be carried out by the investor. Derivatives hedging interest-rate or currency risk enhance the simplicity of the transaction, since hedged transactions do not require investors to engage in the modelling of currency and interest-rate risks.</p> <p>52. To facilitate consistent interpretation of this criterion, the following aspects should be clarified:</p> <p>(a) conditions that the measures should comply with so that they can be considered to appropriately mitigate the interest-rate and currency risks;</p> <p>(b) clarification with respect to the scope of derivatives that should and should not be captured by this criterion;</p> <p>(c) clarification of the term ‘common standards in international finance’.</p>	
	EBA Final non-ABCP STS Guidelines	
	<p>5.1 Appropriate mitigation of interest-rate and currency risks (Article 21(2))</p> <p>Derivatives</p> <p>55. For the purpose of Article 21(2) of Regulation (EU) 2017/2402, exposures in the pool of underlying exposures that merely contain a derivative component exclusively serving the purpose of directly hedging the interest-rate or currency risk of the respective underlying exposure itself, which are not themselves derivatives, should not be understood to be prohibited.</p>	

39	Article 21 - Requirements relating to standardisation	BACK TO CHECKLIST
	EBA Final non-ABCP STS Guidelines – statements on <i>background and rationale</i>	
	<p>Appropriate mitigation of interest-rate and currency risks (Article 21(2))</p> <p>49. The objective of this criterion is to reduce any payment risk arising from different interest-rate and currency profiles of assets and liabilities. Mitigating or hedging interest-rate and currency risks arising in the transaction enhances the simplicity of the transaction, since it helps investors to model those risks and their impact on the credit risk of the securitisation investment.</p> <p>50. It should be clarified that hedging (through derivative instruments) is only one possible way of addressing the risks mentioned. Whichever measure is applied for the risk mitigation, it should, however, be subject to specific conditions so that it can be considered to appropriately mitigate the risks mentioned.</p> <p>51. One of these conditions aims to prohibit derivatives that do not serve the purpose of hedging interest-rate or currency risk from being included in the pool of underlying exposures or entered into by the SSPE, given that derivatives add to the complexity of the transaction and to the complexity of the risk and due diligence analysis to be carried out by the investor. Derivatives hedging interest-rate or currency risk enhance the simplicity of the transaction, since hedged transactions do not require investors to engage in the modelling of currency and interest-rate risks.</p> <p>52. To facilitate consistent interpretation of this criterion, the following aspects should be clarified:</p> <p>(a) conditions that the measures should comply with so that they can be considered to appropriately mitigate the interest-rate and currency risks;</p> <p>(b) clarification with respect to the scope of derivatives that should and should not be captured by this criterion;</p> <p>(c) clarification of the term 'common standards in international finance'.</p>	
	EBA Final non-ABCP STS Guidelines	
	<p>5.1 Appropriate mitigation of interest-rate and currency risks (Article 21(2))</p> <p>Common standards in international finance</p> <p>56. For the purposes of Article 21(2) of Regulation (EU) 2017/2402, common standards in international finance should include ISDA or similar established national documentation standards.</p>	

40	Article 21 - Requirements relating to standardisation	BACK TO CHECKLIST
	EBA Final non-ABCP STS Guidelines – statements on <i>background and rationale</i>	
	Referenced interest payments (Article 21(3))	
	53. The objective of this criterion is to prevent securitisations from making reference to interest rates that cannot be observed in the commonly accepted market practice. The credit risk and cash flow analysis that investors must be able to carry out should not involve atypical, complex or complicated rates or variables that cannot be modelled on the basis of market experience and practice.	
	54. To facilitate consistent interpretation of this criterion, the following aspects should be further clarified:	
	(a) the scope of the criterion (by specifying the common types and examples of interest rates captured by this criterion);	
	(b) the term 'complex formulae or derivatives'.	
	EBA Final non-ABCP STS Guidelines	
	5.2 Referenced interest payments (Article 21(3))	
	<i>Referenced rates</i>	
	57. For the purposes of Article 21(3) of Regulation (EU) 2017/2402, interest rates that should be considered to be an adequate reference basis for referenced interest payments should include all of the following:	
	(a) interbank rates including the Libor, Euribor and other recognised benchmarks;	
	(b) rates set by monetary policy authorities, including FED funds rates and central banks' discount rates;	
	(c) sectoral rates reflective of a lender's cost of funds, including standard variable rates and internal interest rates that directly reflect the market costs of funding of a bank or a subset of institutions, to the extent that sufficient data are provided to investors to allow them to assess the relation of the sectoral rates to other market rates.	
	<i>Complex formulae or derivatives</i>	
	58. For the purposes of Article 21(3) of Regulation (EU) 2017/2402, a formula should be considered to be complex when it meets the definition of an exotic instrument by the Global Association of Risk Professionals (GARP), which is a financial asset or instrument with features that make it more complex than simpler, plain vanilla, products. A complex formula or derivative should not be deemed to exist in the case of the mere use of interest-rate caps or floors.	

41	Article 21 - Requirements relating to standardisation	BACK TO CHECKLIST
	EBA Final non-ABCP STS Guidelines – statements on <i>background and rationale</i>	
	<p>Requirements in case of enforcement or delivery of an acceleration notice (Article 21(4))</p> <p>55. The objective of this criterion is to prevent investors from being subjected to unexpected repayment profiles and to provide appropriate legal comfort regarding their enforceability, for instances where an enforcement or an acceleration notice has been delivered.</p> <p>56. STS securitisations should be such that the required investor's risk analysis and due diligence do not have to factor in complex structures of the payment priority that are difficult to model, nor should the investor be exposed to complex changes in such structures throughout the life of the transaction. Therefore, it should be ensured that junior noteholders do not have inappropriate payment preference over senior noteholders that are due and payable.</p> <p>57. In addition, taking into account that market risk on the underlying collateral constitutes an element of complexity in the risk and due diligence analysis to be carried out by investors, the objective is also to ensure that the performance of STS securitisations does not rely, due to contractual triggers, on the automatic liquidation at market price of the underlying collateral.</p> <p>58. To facilitate consistent interpretation of this criterion, the scope and operational functioning of conditions specified under letters (a), (b) and (d) of Article 21(4) should be specified further.</p>	
	EBA Final non-ABCP STS Guidelines	
	<p>5.3 Requirements in the event of enforcement or delivery of an acceleration notice (Article 21(4))</p> <p><i>Exceptional circumstances</i></p> <p>59. For the purposes of Article 21(4)(a) of Regulation (EU) 2017/2402, a list of 'exceptional circumstances' should, to the extent possible, be included in the transaction documentation.</p> <p>60. Given the nature of 'exceptional circumstances' and in order to allow some flexibility with respect to potential unusual circumstances requiring that cash be trapped in the SSPE in the best interests of investors, where a list of 'exceptional circumstances' is included in the transaction documentation in accordance with paragraph 59, such a list should be non-exhaustive.</p> <p><i>Amount trapped in the SSPE in the best interests of investors</i></p> <p>61. For the purposes of Article 21(4)(a) of Regulation (EU) 2017/2402, the amount of cash to be considered as trapped in the SSPE should be that agreed by the trustee or other representative of the investors who is legally required to act in the best interests of the investors, or by the investors in accordance with the voting provisions set out in the transaction documentation.</p> <p>62. For the purposes of Article 21(4)(a) of Regulation (EU) 2017/2402, it should be permissible to trap the cash in the SSPE in the form of a reserve fund for future use, as long as the use of the reserve fund is exclusively limited to the purposes set out in Article 21(4)(a) of Regulation (EU) 2017/2402 or to orderly repayment to the investors.</p>	

42	Article 21 - Requirements relating to standardisation	BACK TO CHECKLIST
	EBA Final non-ABCP STS Guidelines – statements on <i>background and rationale</i>	
	Requirements in case of enforcement or delivery of an acceleration notice (Article 21(4)) <p>55. The objective of this criterion is to prevent investors from being subjected to unexpected repayment profiles and to provide appropriate legal comfort regarding their enforceability, for instances where an enforcement or an acceleration notice has been delivered.</p> <p>56. STS securitisations should be such that the required investor's risk analysis and due diligence do not have to factor in complex structures of the payment priority that are difficult to model, nor should the investor be exposed to complex changes in such structures throughout the life of the transaction. Therefore, it should be ensured that junior noteholders do not have inappropriate payment preference over senior noteholders that are due and payable.</p> <p>57. In addition, taking into account that market risk on the underlying collateral constitutes an element of complexity in the risk and due diligence analysis to be carried out by investors, the objective is also to ensure that the performance of STS securitisations does not rely, due to contractual triggers, on the automatic liquidation at market price of the underlying collateral.</p> <p>58. To facilitate consistent interpretation of this criterion, the scope and operational functioning of conditions specified under letters (a), (b) and (d) of Article 21(4) should be specified further.</p>	
	EBA Final non-ABCP STS Guidelines 5.3 Requirements in the event of enforcement or delivery of an acceleration notice (Article 21(4)) Repayment <p>63. The requirements in Article 21(4)(b) of Regulation (EU) 2017/2402 should be understood as covering only the repayment of the principal, without covering the repayment of interest.</p> <p>64. For the purposes of Article 21(4)(b) of Regulation (EU) 2017/2402, non-sequential payments of principal in a situation where an enforcement or an acceleration notice has been delivered should be prohibited. Where there is no enforcement or acceleration event, principal receipts could be allowed for replenishment purposes pursuant to Article 20(12) of that Regulation.</p>	

44	Article 21 - Requirements relating to standardisation	BACK TO CHECKLIST
	EBA Final non-ABCP STS Guidelines – statements on <i>background and rationale</i>	
	EBA Final non-ABCP STS Guidelines 5.3 Requirements in the event of enforcement or delivery of an acceleration notice (Article 21(4)) Liquidation of the underlying exposures at market value <p>65. For the purposes of Article 21(4)(d) of Regulation (EU) 2017/2402, the investors' decision to liquidate the underlying exposures at market value should not be considered to constitute an automatic liquidation of the underlying exposures at market value.</p>	

45	Article 21 - Requirements relating to standardisation	BACK TO CHECKLIST
	EBA Final non-ABCP STS Guidelines – statements on <i>background and rationale</i>	
	Non-sequential priority of payments (Article 21(5))	
	59. The objective of this criterion is to ensure that non-sequential (pro rata) amortisation should be used only in conjunction with clearly specified contractual triggers that determine the switch of the amortisation scheme to a sequential priority, safeguarding the transaction from the possibility that credit enhancement is too quickly amortised as the credit quality of the transaction deteriorates, thereby exposing senior investors to a decreasing amount of credit enhancement.	
	60. To facilitate consistent interpretation of this criterion, a non-exhaustive list of examples of performance-related triggers that may be included is provided in the guidance.	
	EBA Final non-ABCP STS Guidelines	
	5.4 Non-sequential priority of payments (Article 21(5))	
	Performance-related triggers	
	66. For the purposes of Article 21(5) of Regulation (EU) 2017/2402, the triggers related to the deterioration in the credit quality of the underlying exposures may include the following:	
	(a) with regard to underlying exposures for which a regulatory expected loss (EL) can be determined in accordance with Regulation (EU) 575/2013 or other relevant EU regulation, cumulative losses that are higher than a certain percentage of the regulatory one-year EL on the underlying exposures and the weighted average life of the transaction;	
	(b) cumulative non-matured defaults that are higher than a certain percentage of the sum of the outstanding nominal amount of tranche held by the investors and the tranches that are subordinated to them;	
	(c) the weighted average credit quality in the portfolio decreasing below a given pre-specified level or the concentration of exposures in high credit risk (probability of default) buckets increasing above a pre-specified level.	

46, 47, 48, 49, 50	Article 21 - Requirements relating to standardisation	BACK TO CHECKLIST
	EBA Final non-ABCP STS Guidelines – statements on <i>background and rationale</i>	
	Early amortisation provisions/triggers for termination of the revolving period (Article 21(6))	
	<p>61. The objective of this criterion is to ensure that, in the presence of a revolving period mechanism, investors are sufficiently protected from the risk that principal amounts may not be fully repaid. In all such transactions, irrespective of the nature of the revolving mechanism, investors should be protected by a minimum set of early amortisation triggers or triggers for the termination of the revolving period that should be included in the transaction documentation.</p> <p>62. In order to facilitate the consistent interpretation of this criterion, interactions of this criterion with the criterion under Article 21(7)(b) with respect to the insolvency-related event with respect to the servicer should be further clarified.</p>	
	EBA Final non-ABCP STS Guidelines	

5.5 Early amortisation provisions/triggers for termination of the revolving period (Article 21(6))		
<i>Insolvency-related event with regard to the servicer</i>		
<p>67. For the purposes of Article 21(6)(b) of Regulation (EU) 2017/2402, an insolvency-related event with respect to the servicer should lead to both of the following:</p> <p>(a) it should enable the replacement of the servicer in order to ensure continuation of the servicing;</p> <p>(b) it should trigger the termination of the revolving period.</p>		

51, 52, 53	Article 21 - Requirements relating to standardisation	BACK TO CHECKLIST
	EBA Final non-ABCP STS Guidelines – statements on <i>background and rationale</i>	
	Transaction Documentation (Article 21(7))	
	<p>63. The objective of this criterion is to help provide full transparency to investors, assist investors in the conduct of their due diligence and prevent investors from being subject to unexpected disruptions in cash flow collections and servicing, as well as to provide investors with certainty about the replacement of counterparties involved in the securitisation transaction.</p> <p>64. This criterion is considered sufficiently clear and no further guidance is considered necessary.</p>	
	EBA Final non-ABCP STS Guidelines	

54	Article 21 - Requirements relating to standardisation	BACK TO CHECKLIST
	EBA Final non-ABCP STS Guidelines – statements on <i>background and rationale</i>	
	<p>Expertise of the Servicer (Article 21(8))</p> <p>65. The objective of this criterion is to ensure that all the conditions are in place for the proper functioning of the servicing function, taking into account the crucial importance of servicing in securitisation and the central nature of this function within any securitisation transaction.</p> <p>66. To facilitate consistent interpretation of this criterion, the following aspects should be further clarified:</p> <p>(a) criteria for determining the expertise of the servicer;</p> <p>(b) criteria for determining well-documented and adequate policies, procedures and risk management controls of the servicer.</p> <p>67. The criteria for the expertise of the servicer should correspond to those for the expertise of the originator or the original lender. Newly established entities should be allowed to perform the tasks of servicing, as long as the back-up servicer has the appropriate experience. It is expected that information on the assessment of the expertise is provided in sufficient detail in the STS notification.</p>	
	EBA Final non-ABCP STS Guidelines	
	<p>5.8 Expertise of the servicer (Article 21(8))</p> <p><i>Criteria for determining the expertise of the servicer</i></p> <p>68. For the purposes of determining whether a servicer has expertise in servicing exposures of a similar nature to those securitised in accordance with Article 21(8) of Regulation (EU) 2017/2402, both of the following should apply:</p> <p>(a) the members of the management body of the servicer and the senior staff, other than members of the management body, responsible for servicing exposures of a similar nature to those securitised should have adequate knowledge and skills in the servicing of exposures similar to those securitised;</p> <p>(b) any of the following principles on the quality of the expertise should be taken into account in the determination of the expertise:</p> <p>(i) the role and duties of the members of the management body and the senior staff and the required capabilities should be adequate;</p> <p>(ii) the experience of the members of the management body and the senior staff gained in previous positions, education and training should be sufficient;</p> <p>(iii) the involvement of the members of the management body and the senior staff within the governance structure of the function of servicing the exposures should be appropriate;</p> <p>(iv) in the case of a prudentially regulated entity, the regulatory authorisations or permissions held by the entity should be deemed relevant to the servicing of similar exposures to those securitised.</p> <p>69. A servicer should be deemed to have the required expertise where either of the following applies:</p> <p>(a) the business of the entity, or of the consolidated group, to which the entity belongs, for accounting or prudential purposes, has included the servicing of exposures of a similar nature to those securitised, for at least five years;</p> <p>(b) where the requirement referred to in point (a) is not met, the servicer should be deemed to have the required expertise where they comply with both of the following:</p> <p>(i) at least two of the members of its management body have relevant professional experience in the servicing of exposures of a similar nature to those securitised, at personal level, of at least five years;</p> <p>(ii) senior staff, other than members of the management body, who are responsible for managing the entity's servicing of exposures of a similar nature to those securitised, have relevant professional experience in the servicing of exposures of a similar nature to those securitised, at a personal level, of at least five years;</p> <p>(iii) the servicing function of the entity is backed by the back-up servicer compliant with point (a).</p> <p>70. For the purpose of demonstrating the number of years of professional experience, the relevant expertise should be disclosed in sufficient detail and in accordance with the applicable confidentiality requirements to permit investors to carry out their obligations under Article 5(3)(c) of Regulation (EU) 2017/2402.</p> <p><i>Exposures of similar nature</i></p> <p>71. For the purposes of Article 21(8) of Regulation (EU) 2017/2402, interpretation of the term 'exposures of similar nature' should follow the interpretation provided in paragraph 23 above.</p>	

55	Article 21 - Requirements relating to standardisation	BACK TO CHECKLIST
	EBA Final non-ABCP STS Guidelines – statements on <i>background and rationale</i>	
	<p>Expertise of the Servicer (Article 21(8))</p> <p>65. The objective of this criterion is to ensure that all the conditions are in place for the proper functioning of the servicing function, taking into account the crucial importance of servicing in securitisation and the central nature of this function within any securitisation transaction.</p> <p>66. To facilitate consistent interpretation of this criterion, the following aspects should be further clarified:</p> <p>(a) criteria for determining the expertise of the servicer;</p> <p>(b) criteria for determining well-documented and adequate policies, procedures and risk management controls of the servicer.</p> <p>67. The criteria for the expertise of the servicer should correspond to those for the expertise of the originator or the original lender. Newly established entities should be allowed to perform the tasks of servicing, as long as the back-up servicer has the appropriate experience. It is expected that information on the assessment of the expertise is provided in sufficient detail in the STS notification.</p>	
	EBA Final non-ABCP STS Guidelines	
	<p>Expertise of the Servicer (Article 21(8))</p> <p><i>Well-documented and adequate policies, procedures and risk management controls</i></p> <p>72. For the purposes of Article 21(8) of Regulation (EU) 2017/2402, the servicer should be considered to have well documented and adequate policies, procedures and risk management controls relating to servicing of exposures' where either of the following conditions is met:</p> <p>(a) The servicer is an entity that is subject to prudential and capital regulation and supervision in the Union and such regulatory authorisations or permissions are deemed relevant to the servicing;</p> <p>(b) The servicer is an entity that is not subject to prudential and capital regulation and supervision in the Union, and a proof of existence of well-documented and adequate policies and risk management controls is provided that also includes a proof of adherence to good market practices and reporting capabilities. The proof should be substantiated by an appropriate third-party review, such as by a credit rating agency or external auditor.</p>	

56,	Article 21 - Requirements relating to standardisation	BACK TO CHECKLIST
57	EBA Final non-ABCP STS Guidelines – statements on <i>background and rationale</i>	
	Remedies and actions related to delinquency and default of debtor (Article 21(9))	
	<p>68. Investors should be in a position to know, when they receive the transaction documentation, what procedures and remedies are planned in the event that adverse credit events affect the underlying exposures of the securitisation. Transparency of remedies and procedures, in this respect, allows investors to model the credit risk of the underlying exposures with less uncertainty. In addition, clear, timely and transparent information on the characteristics of the waterfall determining the payment priorities is necessary for the investor to correctly price the securitisation position.</p> <p>69. To facilitate consistent interpretation of this criterion, the terms ‘in clear and consistent terms’ and ‘clearly specify’ should be further clarified.</p>	
	EBA Final non-ABCP STS Guidelines	
	5.7 Remedies and actions related to delinquency and default of debtor (Article 21(9))	
	<i>Clear and consistent terms</i>	
	<p>For the purposes of Article 21(9) of Regulation (EU) 2017/2402, to ‘set out clear and consistent terms’ and to ‘clearly specify’ should be understood as requiring that the same precise terms are used throughout the transaction documentation in order to facilitate the work of investors.</p>	

62,	Article 21 - Requirements relating to standardisation	BACK TO CHECKLIST
63	EBA Final non-ABCP STS Guidelines – statements on <i>background and rationale</i>	
	Resolution of conflicts between different classes of investors	
	<p>70. The objective of this criterion is to help ensure clarity for securitisation noteholders of their rights and ability to control and enforce on the underlying credit claims or receivables. This should make the decision-making process more effective, for instance in circumstances where enforcement rights on the underlying assets are being exercised.</p> <p>71. To facilitate consistent interpretation of this criterion, the term ‘clear provisions that facilitate the timely resolution of conflicts between different classes of investors’ should be further interpreted.</p>	
	EBA Final non-ABCP STS Guidelines	
	5.8 Resolution of conflicts between different classes of investors (Article 20(10))	
	<i>Clear provisions facilitating the timely resolution of conflicts between different classes of investors</i>	
	<p>73. For the purposes of Article 21(10) of Regulation (EU) 2017/2402, provisions of the transaction documentation that ‘facilitate the timely resolution of conflicts between different classes of investors’, should include provisions with respect to all of the following:</p> <ul style="list-style-type: none"> (a) the method for calling meetings or arranging conference calls; (b) the maximum timeframe for setting up a meeting or conference call; (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 Union. <p>74. For the purposes of Article 21(10) of Regulation (EU) 2017/2402, where mandatory statutory provisions exist in the applicable jurisdiction that set out how conflicts between investors have to be resolved, the transaction documentation may refer to these provisions.</p>	

64,	Article 22 - Requirements relating to transparency	BACK TO CHECKLIST
65,	EBA Final non-ABCP STS Guidelines – statements on <i>background and rationale</i>	
66	<p>Data on historical default and loss performance (Article 22(1))</p> <p>72. The objective is to provide investors with sufficient information on an asset class to conduct appropriate due diligence and to provide access to a sufficiently rich data set to enable a more accurate calculation of expected loss in different stress scenarios. These data are necessary for investors to carry out proper risk analysis and due diligence, and they contribute to building confidence and reducing uncertainty regarding the market behaviour of the underlying asset class. New asset classes entering the securitisation market, for which a sufficient track record of performance has not yet been built up, may not be considered transparent in that they cannot ensure that investors have the appropriate tools and knowledge to carry out proper risk analysis.</p> <p>73. To facilitate consistent interpretation of this criterion, the following aspects should be further clarified:</p> <p>(a) its application to external data;</p> <p>(b) the term 'substantially similar exposures'.</p>	
	EBA Final non-ABCP STS Guidelines	
	<p>6.1 Data on historical default and loss performance (Article 22(1))</p> <p>Data</p> <p>75. For the purposes of Article 22(1) of Regulation (EU) 2017/2402, where the seller cannot provide data in line with the data requirements contained therein, external data that are publicly available or are provided by a third party, such as a rating agency or another market participant, may be used, provided that all of the other requirements of that article are met.</p> <p>Substantially similar exposures</p> <p>76. For the purposes of Article 22(1) of Regulation (EU) 2017/2402, the term 'substantially similar exposures' should be understood as referring to exposures for which both of the following conditions are met:</p> <p>(a) the most relevant factors determining the expected performance of the underlying exposures are similar;</p> <p>(b) as a result of the similarity referred to in point (a) it could reasonably have been expected, on the basis of indications such as past performance or applicable models, that, over the life of the transaction, or over a maximum of four years, where the life of the transaction is longer than four years, their performance would not be significantly different.</p> <p>77. The substantially similar exposures should not be limited to exposures held on the balance sheet of the originator.</p>	

67, 68	Article 22 - Requirements relating to transparency EBA Final non-ABCP STS Guidelines – statements on <i>background and rationale</i>	BACK TO CHECKLIST
	<p>Verification of a sample of the underlying exposures (Article 22(2))</p> <p>74. The objective of the criterion is to provide a level of assurance that the data on and reporting of the underlying credit claims or receivables is accurate and that the underlying exposures meet the eligibility criteria, by ensuring checks on the data to be disclosed to the investors by an external entity not affected by a potential conflict of interest within the transaction.</p> <p>75. To facilitate consistent interpretation of this criterion, the following aspects should be clarified:</p> <ul style="list-style-type: none"> (a) requirements on the sample of the underlying exposures subject to external verification; (b) requirements on the party executing the verification; (c) scope of the verification; (d) requirement on the confirmation of the verification. 	
	<p>EBA Final non-ABCP STS Guidelines</p> <p>6.2 Verification of a sample of the underlying exposures (Article 22(2))</p> <p><i>Sample of the underlying exposures subject to external verification</i></p> <p>78. For the purposes of Article 22(2) of Regulation (EU) 2017/2402, the underlying exposures that should be subject to verification prior to the issuance should be a representative sample of the provisional portfolio from which the securitised pool is extracted and which is in a reasonably final form before issuance.</p> <p><i>Party executing the verification</i></p> <p>79. For the purposes of Article 22(2) of Regulation (EU) 2017/2402, an appropriate and independent party should be deemed to be a party that meets both of the following conditions:</p> <ul style="list-style-type: none"> (a) it has the experience and capability to carry out the verification; (b) it is none of the following: <ul style="list-style-type: none"> (i) a credit rating agency; (ii) a third party verifying STS compliance in accordance with Article 28 of Regulation (EU) 2017/2402; (iii) an entity affiliated to the originator. <p><i>Scope of the verification</i></p> <p>80. For the purposes of Article 22(2) of Regulation (EU) 2017/2402, the verification to be carried out based on the representative sample, applying a confidence level of at least 95%, should include both of the following:</p> <ul style="list-style-type: none"> (a) verification of the compliance of the underlying exposures in the provisional portfolio with the eligibility criteria that are able to be tested prior to issuance; (b) verification of the fact that the data disclosed to investors in any formal offering document in respect of the underlying exposures is accurate. <p><i>Confirmation of the verification</i></p> <p>81. For the purposes of Article 22(2) of Regulation (EU) 2017/2402, confirmation that this verification has occurred and that no significant adverse findings have been found should be disclosed.</p>	

69, 70	Article 22 - Requirements relating to transparency EBA Final non-ABCP STS Guidelines – statements on <i>background and rationale</i>	BACK TO CHECKLIST
	Liability cashflow model (Article 22(3)) 76. The objective of this criterion is to assist investors in their ability to appropriately model the cash flow waterfall of the securitisation on the liability side of the SSPE. 77. To facilitate consistent interpretation of this criterion, the following aspects should be clarified: (a) interpretation of the term ‘precise’ representation of the contractual relationships; (b) implications when the model is provided by third parties.	
	EBA Final non-ABCP STS Guidelines	
	Liability cash flow model (Article 22(3)) Precise representation of the contractual relationship 82. For the purposes of Article 22(3) of Regulation (EU) 2017/2402, the representation of the contractual relationships between the underlying exposures and the payments flowing among the originator, sponsor, investors, other parties and the SSPE should be considered to have been done ‘precisely’ where it is done accurately and with an amount of detail sufficient to allow investors to model payment obligations of the SSPE and to price the securitisation accordingly. This may include algorithms that permit investors to model a range of different scenarios that will affect cash flows, such as different prepayment or default rates. Third parties 83. For the purposes of Article 22(3) of Regulation (EU) 2017/2402, where the liability cash flow model is developed by third parties, the originator or sponsor should remain responsible for making the information available to potential investors.	
71	Article 22 - Requirements relating to transparency	BACK TO CHECKLIST
	EBA Final non-ABCP STS Guidelines – statements on <i>background and rationale</i>	
	Environmental performance of assets (Article 22(4)) 78. It should be clarified that this is a requirement of disclosure about the energy efficiency of the assets when this information is available to the originator, sponsor or SSPE, rather than a requirement for a minimum energy efficiency of the assets. 79. To facilitate consistent interpretation of this criterion, the term ‘available information related to the environmental performance’ should be further clarified.	
	EBA Final non-ABCP STS Guidelines	
	Environmental performance of assets (Article 22(4)) Available information related to the environmental performance 84. This requirement should be applicable only if the information on the energy performance certificates for the assets financed by the underlying exposures is available to the originator, sponsor or the SSPE and captured in its internal database or IT systems. Where information is available only for a proportion of the underlying exposures, the requirement should apply only in respect of the proportion of the underlying exposures for which information is available.	