

# **STS Term Verification Checklist**

## **Koromo UK 1 PLC**



PRIME COLLATERALISED SECURITIES (PCS) UK LIMITED

26<sup>th</sup> September 2024

**Analyst: Robert Leach – +44 203 866 5005**

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

This STS Term Checklist must be read together with the PCS Procedures Manual and the PCS Term Evidentiary Standards Manual. This document is based upon the materials received by PCS as at the date of this document. Any references in this document are to the Prospectus unless otherwise stated.

PCS comments in this STS Term Verification Checklist are based on PCS' interpretation of the STS Regulation (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.

PCS comments in this STS Term Verification Checklist are based on PCS' interpretation of the STS Regulation EU 2017/2402 of the European Union as amended and incorporated into United Kingdom law by the Withdrawal Act 2019 and the Securitisation (Amendment) (EU Exit) Regulations 2019 (the "Regulation") informed by (a) the text of the Regulation itself, (b) following the joint guidance of the Bank of England and the PRA of April, 2019, the EBA guidelines and recommendations issued in accordance with Article 19(2) of the Regulation (the "EBA Guidelines") to the extent that they remain relevant following Brexit and where published prior to 1st January 2020 and (c) any relevant interpretation of the STS criteria by the Financial Conduct Authority 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.

**26<sup>th</sup> September 2024**

## 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) or any post-Brexit successor legislation in the United Kingdom.

PCS EU and PCS UK are authorised respectively by the French Autorité des Marchés Financiers and by the United Kingdom Financial Conduct Authority as third parties verifying STS compliance pursuant to article 28 of Regulation (EU) 2017/2402 (the “**STS Regulation**”) and The Securitisation (Amendment) (EU Exit) Regulations 2019.

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

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In the provision of any of its assessments, PCS has based its decision on information provided directly and indirectly by the originator or sponsor of the relevant securitisation. Specifically, it has relied on statements made in the relevant prospectus or deal sheet, documentation and/or in certificates provided by, or on behalf of, the originator or sponsor in accordance with PCS’ published procedures for the relevant PCS verification or assessment. You should make yourself familiar with these procedures to understand fully how any PCS service is completed. These can be found at <https://pcsmarket.org/> (the “**PCS Website**”). Neither the PCS Association nor PCS UK nor PCS EU undertake their own direct verification of the underlying facts stated in the prospectus, deal sheet, documentation or certificates for the relevant instruments and the completion of any of its assessments or checklists 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 checklist or assessment you must read the [General Disclaimer](#) that appears on the PCS Website.

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

## PRIME COLLATERALISED SECURITIES (PCS) STS Verification

Individual(s) undertaking the assessment	Robert Leach
Date of Verification	26 September 2024
<b>The transaction to be verified (the "Transaction")</b>	<b>Koromo UK 1 PLC</b>
Issuer	Koromo UK 1 PLC
Originator	Toyota Financial Services (UK) plc
Lead Manager(s)	BofA Securities, MUFG Securities EMEA plc
Transaction Legal Counsel	Hogan Lovells International LLP
Rating Agencies	Fitch, S&P
Stock Exchange	Irish Stock Exchange
Closing Date	26 September 2024

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

**A summary of the checklist points by article is set out in the table of contents on the next page together with a reference to the respective article contents. To examine a specific article from the list below, please click on the article description to be taken directly to the relevant section of the checklist.**

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

Article	Summary of Article Contents	PCS Verified	
<b>Article 20 – Simplicity</b>			
20(1)	<a href="#">True sale</a>	1	✓
20(2-3)	<a href="#">Severe clawback</a>	2	✓
20(4)	<a href="#">True sale with intermediate steps</a>	3	✓
20(5)	<a href="#">Assignment perfection</a>	4	✓
20(6)	<a href="#">Encumbrances to enforceability of true sale</a>	5	✓
20(7)	<a href="#">Eligibility criteria, active portfolio management, and exposure transferred after closing</a>	6 - 8	✓
20(8)	<a href="#">Homogeneity, enforceability, full recourse, periodic payment streams, no transferable securities</a>	9 - 14	✓
20(9)	<a href="#">No securitisation positions</a>	15	✓
20(10)	<a href="#">Origination, underwriting standards, unverified residential loans, assessment of creditworthiness, originator expertise</a>	16 - 21	✓
20(11)	<a href="#">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</a>	22 - 30	✓
20(12)	<a href="#">At least one payment made</a>	31	✓
20(13)	<a href="#">No predominant dependence on the sale of asset</a>	32	✓
<b>Article 21 – Standardisation</b>			
21(1)	<a href="#">Risk retention</a>	33	✓
21(2)	<a href="#">Appropriate mitigation of interest-rate and currency risks and disclosure, no further derivatives and hedging derivatives according to common standards</a>	34 - 39	✓
21(3)	<a href="#">Referenced interest payments</a>	40	✓
21(4)	<a href="#">Requirements in the event of enforcement or delivery of acceleration notice: no cash trap, sequential amortisation, no reversal, no automatic liquidation</a>	41 - 44	✓
21(5)	<a href="#">Non-sequential priority of payments</a>	45	✓
21(6)	<a href="#">Early amortisation provisions/triggers for termination of revolving period</a>	46 - 49	✓
21(7)	<a href="#">Duties, responsibilities, and replacement of transaction parties</a>	50 - 52	✓
21(8)	<a href="#">Expertise of the servicer</a>	53 - 54	✓
21(9)	<a href="#">Remedies and actions by servicer related to delinquency and default of debtor, priorities of payments, triggers for changes, obligation to report</a>	55 - 59	✓
21(10)	<a href="#">Resolution of investor conflicts and fiduciary party responsibilities and duties</a>	60 - 61	✓
<b>Articles 22 and 7 – Transparency</b>			
22(1)	<a href="#">Historical asset data</a>	62 - 64	✓
22(2)	<a href="#">AUP/asset verification</a>	65 - 66	✓
22(3)	<a href="#">Liability cashflow model</a>	67 - 68	✓
22(4)	<a href="#">Environmental performance of asset</a>	69	✓
22(5)	<a href="#">Responsibility for article 7, information disclosure before pricing and 15 days after closing</a>	70 - 73	✓
7(1)	<a href="#">Transparency requirements: underlying loan data, documentation, priority of payments, transaction summary, STS notification, investor report, inside information, significant event report, simultaneous, without delay</a>	74 - 83	✓
7(2)	<a href="#">Transparency requirements: securitisation repository, designation of responsible entity</a>	84 - 85	✓

**Article 20.1.** The title to the underlying exposures shall be acquired by the SSPE by means of a true sale or assignment or transfer with the same legal effect in a manner that is enforceable against the seller or any other third party. The transfer of the title to the SSPE shall not be subject to severe clawback provisions in the event of the seller's insolvency.

<b>1</b>	<p><b><u>STS Criteria</u></b></p> <p>1. The title to the underlying exposures shall be acquired by the SSPE by means of a true sale or assignment or transfer with the same legal effect in a manner that is enforceable against the seller or any other third party.</p>	<b><u>Verified?</u></b> <b>YES</b>
	<p><b><u>PCS Comments</u></b></p> <p>See Prospectus, <i>OVERVIEW OF THE PRINCIPAL TRANSACTION DOCUMENTS</i>.</p> <p><b>1. RECEIVABLES SALE AND PURCHASE AGREEMENT</b></p> <p>On the Closing Date, the Seller, the Issuer, the Servicer and the Security Trustee will enter into the Receivables Sale and Purchase Agreement.</p> <p>Pursuant to the Receivables Sale and Purchase Agreement, the Seller will sell on the Closing Date, and on any Additional Purchase Date, to the Issuer and the Issuer will purchase from the Seller all right, title and interest of the Seller in the Receivables and their related Ancillary Rights comprised in the Portfolio. Such sale is made by way of absolute assignment and, accordingly, the Seller with full title guarantee will assign to the Issuer all of its rights, title, interest and benefit in and to each Receivable included in the Portfolio, including to the fullest extent possible under applicable law, all Ancillary Rights related to such Receivable but excluding the Excluded Amounts.</p> <p>Assignment by the Seller to the Issuer of the benefit of the Receivables included in the Portfolio and the Ancillary Rights will take effect in equity only because no notice of the assignment will be given to Obligors. The assignment will be perfected following the occurrence of a Perfection Event.</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>	

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”:

- Clawback requires an unfair preference “defrauding” creditors;
- 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.

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

The second step would be to determine whether the relevant COMI contains severe claw back provisions in its insolvency legislation. Although the determination of a COMI can be a technically fraught analysis of international conflicts of law, PCS notes that in the vast majority of securitisations there is no real issue as the COMI is self-evident.

In the case of the Transaction, title to the assets is transferred by means of an equitable or beneficial assignment.

The legal opinions from Hogan Lovells, Shepherd & Wedderburn collectively confirm that an equitable assignment of the beneficial interest meets the definition of “true sale” outlined above.

In the case of Toyota Financial Services (UK) plc, a finance company situated in the United Kingdom, the COMI is considered the United Kingdom. United Kingdom insolvency law provides for clawback in the cases of preferences and transactions at an undervalue and require the insolvency officer to prove that case. Therefore, and as confirmed by the Opinions, the transfer is not, in our opinion, subject to “severe clawback”.

**Article 20.1** [...] The transfer of the title to the SSPE shall not be subject to severe clawback provisions in the event of the seller's insolvency.

**Article 20.2** For the purpose of paragraph 1, any of the following shall constitute severe clawback provisions:

- (a) provisions which allow the liquidator of the seller to invalidate the sale of the underlying exposures solely on the basis that it was concluded within a certain period before the declaration of the seller's insolvency;
- (b) provisions where the SSPE can only prevent the invalidation referred to in point (a) if it can prove that it was not aware of the insolvency of the seller at the time of sale..

**Article 20.3.** For the purpose of paragraph 1, clawback provisions in national insolvency laws that allow the liquidator or a court to invalidate the sale of underlying exposures in case of fraudulent transfers, unfair prejudice to creditors or of transfers intended to improperly favour particular creditors over others, shall not constitute severe clawback provisions.

2

**STS Criteria**

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 Comments**

See Prospectus, OVERVIEW OF THE PRINCIPAL TRANSACTION DOCUMENTS.

1. RECEIVABLES SALE AND PURCHASE AGREEMENT

In addition to the Seller Receivables Warranties, the Seller will on the Closing Date and on any Additional Purchase Date make various corporate representations in respect of itself, including that its "centre of main interests" for the purposes of the EU Insolvency Regulation and the UK Insolvency Regulation is in England and it does not have any "establishment" (as defined in the EU Insolvency Regulation and the UK Insolvency Regulation ) other than in the United Kingdom.

See underlying transaction documents, Receivables Sale and Purchase Agreement.

11. UNDERTAKINGS

11.1 Seller Covenants and Undertakings

SCHEDULE 2

Warranties

Part A - Seller Warranties

8. The Seller's "centre of main interests" (as such term is defined in the Insolvency Regulation) for the purpose of the Insolvency Regulation is located in England and it has no "establishment" (as such term is defined in the UK Insolvency Regulation) in any other jurisdiction other than England;

*COMI is in the UK. The UK does not have severe clawback provisions. See comment under checklist point 1.*

**Article 20.4.** Where the seller is not the original lender, the true sale or assignment or transfer with the same legal effect of the underlying exposures to the seller, whether that true sale or assignment or transfer with the same legal effect is direct or through one or more intermediate steps, shall meet the requirements set out in paragraphs 1 to 3.

3

**STS Criteria**

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.

**Verified?  
YES**

**PCS Comments**

See Prospectus, *DESCRIPTION OF THE PORTFOLIO*.

3. ELIGIBILITY CRITERIA

The Seller will represent and warrant to the Issuer and the Security Trustee that each Initial Receivable to be transferred to the Issuer on the Closing Date complied with the Eligibility Criteria and the Concentration Criteria as at the Initial Cut-Off Date and that each Additional Receivable to be transferred to the Issuer on the relevant Additional Purchase Date complies with the Eligibility Criteria and such Receivables, together with all other Purchased Receivables, meet the Concentration Limits as at the relevant Additional Cut-Off Date.

"Eligibility Criteria" means, in respect of any Receivable (including, to the extent expressly specified below, its Ancillary Rights) or, as the case may be, the related Underlying Agreement from which it is derived, that:

(q) was originated and serviced in the ordinary course of the Seller's business and in accordance with the Credit and Collection Procedures;

1. THE RECEIVABLES

The Purchased Receivables assigned to the Issuer pursuant to the Receivables Sale and Purchase Agreement have not been subject to a prior transfer.]



**Article 20.5.** Where the transfer of the underlying exposures is performed by means of an assignment and perfected at a later stage than at the closing of the transaction, the triggers to affect such perfection shall, at least include the following events:

- (a) severe deterioration in the seller credit quality standing;
- (b) insolvency of the seller; and
- (c) unremedied breaches of contractual obligations by the seller, including the seller's default.

4

**STS Criteria**

4. Where the transfer of the underlying exposures is performed by means of an assignment and perfected at a later stage than at the closing of the transaction, the triggers to effect such perfection shall, at least include the following events:

- (a) severe deterioration in the seller credit quality standing;
- (b) insolvency of the seller; and
- (c) unremedied breaches of contractual obligations by the seller, including the seller's default.

**Verified?**  
**YES**

**PCS Comments**

See Prospectus, *PORTFOLIO AND SERVICING*.

Perfection Events

Transfer of the legal title to the relevant Purchased Receivables will be completed on the occurrence of certain Perfection Events, which include the occurrence of an Insolvency Event in respect of the Seller.

See "Perfection Event" in the section entitled "Triggers Tables – Non-rating Triggers Table".

Prior to the completion of the transfer of legal title to the relevant Purchased Receivables, the Issuer will hold only the equitable title to those Purchased Receivables and will therefore be subject to certain risks as set out in the section "RISK FACTORS – Risks relating to the Notes and the structure – Equitable assignment".

See Prospectus, *GLOSSARY OF TERMS*.

"Perfection Event" means the occurrence of any of the following events:

- (a) the Seller being required to perfect the Issuer's legal title to the Purchased Receivables (or procure the perfection of the Issuer's legal title to the Purchased Receivables) by an order of a court of competent jurisdiction or by any regulatory authority with which the Seller is required to comply or any organisation with whose instructions it is customary for the Seller to comply;
- (b) it becoming necessary by law to perfect the Issuer's legal title to the Purchased Receivables (or procure the perfection of the Issuer's legal title to the Purchased Receivables);
- (c) unless otherwise agreed by the Security Trustee, the occurrence of a Servicer Termination Event;
- (d) all or any part, whose aggregate value exceeds 10 (ten) per cent., of the value of any property, business, undertakings, assets or revenues of TFSUK having been attached as a result of any distress, execution or diligence being levied or any encumbrance taking possession or similar attachment and such attachment has not been lifted within 30 days;
- (e) TFSUK fails to repurchase a Non-Compliant Receivable having become obliged to do so pursuant to the Receivables Sale and Purchase Agreement; and
- (f) the occurrence of an Insolvency Event in respect of the Seller.

See Prospectus, *RISK FACTORS*.

### 3. RISKS RELATING TO THE NOTES AND THE STRUCTURE

#### Equitable Assignment

Assignment by TFSUK to the Issuer of the benefit of the Receivables (and the Ancillary Rights) derived from Underlying Agreements governed by the laws of England and Wales will take effect in equity only because no notice of the assignment will be given to Obligor. The giving of notice to the Obligor of the assignment (whether directly or indirectly) to the Issuer would have the following consequences:

(a) notice to the Obligor would "perfect" the assignment so that the Issuer would take priority over any interest of a later encumbrancer or assignee of TFSUK's rights who has no notice of the assignment to the Issuer;

(b) notice to an Obligor would mean that the Obligor should no longer make payment to TFSUK as creditor under the Underlying Agreement but should make payment instead to the Issuer. If the Obligor were to ignore a notice of assignment and pay TFSUK for its own account, the Obligor might still be liable to the Issuer for the amount of such payment. However, for so long as TFSUK remains the Servicer under the Servicing Agreement, TFSUK also is the agent of the Issuer for the purposes of the collection of the Purchased Receivables and will, accordingly, be accountable to the Issuer for any amount paid to TFSUK in respect of the Purchased Receivables;

(c) notice to the Obligor would prevent TFSUK and the Obligor amending the relevant Underlying Agreement without the involvement of the Issuer. However, TFSUK as Servicer will undertake for the benefit of the Issuer that TFSUK will not waive any breach under, or make any changes or variations to, the Underlying Agreements unless (i) in compliance with the Credit and Collection Procedures or (ii) the Seller and the Issuer have confirmed that the Purchased Receivables to which such Underlying Agreements relate will be repurchased by the Seller; and

(d) lack of notice to the Obligor means that the Issuer will have to join TFSUK as a party to any legal action which the Issuer may want to take against any Obligor. TFSUK as Seller will, however, undertake for the benefit of the Issuer that TFSUK will lend its name to, and take such other steps as may be required by the Issuer or the Security Trustee in relation to any action in respect of the Purchased Receivables and TFSUK grants the Issuer a power of attorney in this regard (the "Seller Power of Attorney").

Until notice is given to the Obligor, equitable set-off rights (such as for misrepresentation or breach of contract as referred to in "LEGAL AND REGULATORY CONSIDERATIONS - Liability for misrepresentations and breach of contract" below) may accrue in favour of an Obligor in respect of his obligation to make payments under the relevant Underlying Agreement. These may, therefore, result in the Issuer receiving less cash than anticipated from the Purchased Receivables. The assignment of any Receivables to the Issuer will be subject both to any prior equities which have arisen in favour of the Obligor and to any equities which may arise in the Obligor's favour after the assignment until such time (if ever) as he receives actual notice of the assignment. However, where the set-off by an Obligor is connected with an Underlying Agreement (as would be the case for claims in respect of Vehicle defects, including in respect of section 75 of the CCA), the Obligor may exercise a right of set-off (or an analogous right in Scotland), irrespective of any notice given to it of the assignment to the Issuer. The exercise of any such equitable set-off rights may adversely affect the Issuer's ability to make payments in full when due on the Notes.

Perfection Events have been put in place in the transaction to mitigate the risk deriving from the equitable assignment but there can be no certainty as to the timing and effectiveness of such Perfection Events or any action taken by the Security Trustee or any other party in relation thereto.

*Criterion 4 requires two steps:*

- *To determine whether the transfer of the assets is by means of an unperfected assignment; and*
- *If it is, whether the transaction contains the requisite triggers.*

*In the absence of any definition of "an assignment perfected at a later stage" in the Regulation or the EBA Guidelines and without additional views from the UK Financial Conduct Authority it is not possible to determine with finality whether an English equitable assignment is "unperfected" within the meaning of the Regulation – as distinguished from the meaning of the English rules of equity.*

PCS believes there are good reasons why the Regulation’s term of “an assignment perfected at a later stage” does not encompass an English equitable assignment.

However, this is not a question that is required to be answered in the case of the Transaction since, even if equitable assignments are unperfected assignments as defined in the Regulation, the requirements of the criterion are met by the Transaction.

PCS has measured the trigger events against the EBA Guidelines.

20.5(a)

No absolute definition of “severe deterioration” can be given, but clearly the Regulation is seeking to avoid requiring a “hair trigger” deterioration. In other words, an originator could provide a “hair trigger” deterioration if it wanted to. Therefore, the rule does not require an originator or investor to weigh carefully the severity of the trigger so long as it meets the requirements of the EBA Guidelines to be related to the seller’s credit standing, be observable and related to financial health.

The trigger provided in the Transaction meets these requirements.

20.5(b)

The insolvency trigger is in the Transaction.

20.5(c)

The Regulation refers to “unremedied breaches of contractual obligations by the seller, including the seller’s default”.

PCS notes that neither the Regulation nor the EBA Guidelines specify which contractual obligations are targeted. One can assume that this cannot possibly mean any seller contractual obligation since most financial institutions have millions of contractual obligations under tens of thousands of contracts. It is not conceivable that, in order to protect a securitisation, a transfer could be required resulting from a trivial breach of a totally unrelated contractual provision (e.g. to keep the walls painted on a leased property unconnected to the transaction).

PCS also notes that the Regulation clearly does not say “any breaches of contractual obligations”. Therefore, the Regulation must be aiming at an undefined sub-set of contractual obligations. In the absence of any indication in the Regulation or EBA Guidelines as to what this sub-set may be, PCS concludes, until clarification may be provided, that it is up to the originator to define which sub-set of obligations should trigger a possible perfection.

PCS does believe though that the Regulation must be interpreted in a purposive manner – as evidenced by the EBA Guidelines. Therefore, the sub-set of obligations selected by the originator cannot be capricious but should have some connection with the risks that would be run by investors if the seller should encounter a problem prior to perfection of the title.

The unremedied breach trigger is in the Transaction.

**Article 20.6.** The seller shall provide representations and warranties that, to the best of its knowledge, the underlying exposures included in the securitisation are not encumbered or otherwise in a condition that can be foreseen to adversely affect the enforceability of the true sale or assignment or transfer with the same legal effect.

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**STS Criteria**

5. The seller shall provide representations and warranties that, to the best of its knowledge, the underlying exposures included in the securitisation are not encumbered or otherwise in a condition that can be foreseen to adversely affect the enforceability of the true sale or assignment or transfer with the same legal effect.

**Verified?  
YES**

**PCS Comments**

See Prospectus, DESCRIPTION OF THE PORTFOLIO.

3. ELIGIBILITY CRITERIA

The Seller will represent and warrant to the Issuer and the Security Trustee that each Initial Receivable to be transferred to the Issuer on the Closing Date complied with the Eligibility Criteria and the Concentration Criteria as at the Initial Cut-Off Date and that each Additional Receivable to be transferred to the Issuer on the relevant Additional Purchase Date complies with the Eligibility Criteria and such Receivables, together with all other Purchased Receivables, meet the Concentration Limits as at the relevant Additional Cut-Off Date.

Eligibility Criteria" means, in respect of any Receivable (including, to the extent expressly specified below, its Ancillary Rights) or, as the case may be, the related Underlying Agreement from which it is derived, that:

(r) has been validly sold and assigned by the Seller to the Issuer pursuant to (and in accordance with) the Receivables Sale and Purchase Agreement with the result that the Issuer is its beneficial owner and has good and marketable title thereto free and clear of any security interests;

(s) with respect to:

(i) the sale and transfer by the Seller to the Issuer pursuant to the Receivables Sale and Purchase Agreement; and

(ii) the grant of a charge, security interest, or pledge, in respect of such Purchased Receivable to the Security Trustee, on behalf of the Secured Creditors, pursuant to, and in accordance with, the Deed of Charge, in each case, does not violate, conflict with or contravene any applicable Law or any contractual or other restriction, limitation or encumbrance (including any re-striction or limitation under the related Underlying Agreement) and does not require the consent of or notice to the applicable Obligor or any other Person other than such consents as have been obtained and notices that have been given;

4. SELLER RECEIVABLES WARRANTIES

The Seller represents and warrants to the Issuer and the Security Trustee in respect of each Purchased Receivable to be transferred to the Issuer and the related Underlying Agreement, and with reference to the facts and circumstances subsisting (unless stated to the contrary in the Receivables Sale and Purchase Agreement) as at the relevant Cut-Off Date as follows:

(c) Legal and beneficial ownership: Immediately prior to the applicable Cut-Off Date, the Seller is the sole legal and beneficial owner of each Receivable and the Ancillary Rights thereto;

(d) Enforceability: The Seller can dispose of the Purchased Receivables free from rights of third parties and, to the best of the Seller's knowledge, the Purchased Receivables are not in a condition that can be foreseen to adversely affect the enforceability of the assignment;

**Article 20.7.** The underlying exposures transferred from, or assigned by, the seller to the SSPE shall meet pre-determined, clear and documented eligibility criteria which do not allow for active portfolio management of those exposures on a discretionary basis. For the purpose of this paragraph, substitution of exposures that are in breach of representations and warranties shall not be considered active portfolio management. Exposures transferred to the SSPE after the closing of the transaction shall meet the eligibility criteria applied to the initial underlying exposures.

<b>6</b>	<b><u>STS Criteria</u></b>	<b><u>Verified?</u></b>
	6. The underlying exposures transferred from, or assigned by, the seller to the SSPE shall meet pre-determined, clear and documented eligibility criteria...	<b>YES</b>
<b><u>PCS Comments</u></b>		
See Prospectus, <i>DESCRIPTION OF THE PORTFOLIO</i> .		
3. ELIGIBILITY CRITERIA		

The Seller will represent and warrant to the Issuer and the Security Trustee that each Initial Receivable to be transferred to the Issuer on the Closing Date complied with the Eligibility Criteria and the Concentration Criteria as at the Initial Cut-Off Date and that each Additional Receivable to be transferred to the Issuer on the relevant Additional Purchase Date complies with the Eligibility Criteria and such Receivables, together with all other Purchased Receivables, meet the Concentration Limits as at the relevant Additional Cut-Off Date.

"Eligibility Criteria" means, in respect of any Receivable (including, to the extent expressly specified below, its Ancillary Rights) or, as the case may be, the related Underlying Agreement from which it is derived, that: [...]

4. SELLER RECEIVABLES WARRANTIES

The Seller represents and warrants to the Issuer and the Security Trustee in respect of each Purchased Receivable to be transferred to the Issuer and the related Underlying Agreement, and with reference to the facts and circumstances subsisting (unless stated to the contrary in the Receivables Sale and Purchase Agreement) as at the relevant Cut-Off Date as follows:

(a) Compliance with Eligibility Criteria: Each Receivable and each related Underlying Agreement complies in all respects with the Eligibility Criteria;

*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.*

*PCS has read the eligibility criteria in the Prospectus. As they are mandatory, they meet the "predetermined" requirement. As they are in the Prospectus, they meet the "documented" requirement. PCS has also concluded that they allow determination in each case and so meet the "clear" requirement.*

<b>7</b>	<b>STS Criteria</b>	<b>Verified? YES</b>
	<p>7. Which do not allow for active portfolio management of those exposures on a discretionary basis. For the purpose of this paragraph, substitution of exposures that are in breach of representations and warranties shall not be considered active portfolio management.</p> <p><b>PCS Comments</b></p> <p>See Prospectus, <i>PORTFOLIO AND SERVICING</i>.</p> <p>Repurchase of the Purchased Receivables</p> <p>To the extent that a Seller Receivables Warranty given by the Seller in respect of a Purchased Receivable proves to have been incorrect on the date on which such Seller Receivables Warranty was made where such breach materially and adversely affects the interests of the Issuer in any Purchased Receivable and, if applicable, the relevant breach cannot be remedied, or if the relevant Purchased Receivable never existed or has ceased to exist such that it is not outstanding as at the Repurchase Date (each such affected Receivable being a "Non-Compliant Receivable"):</p> <p>(a) the Seller will be required to repurchase such Receivable on the first Settlement Date following such breach by depositing or causing the Servicer to deposit, into the Transaction Account, an amount equal to the Repurchase Price for such Receivable; or</p> <p>(b) in the case of a Purchased Receivable which never existed, or has ceased to exist, such that it is not outstanding as at the Repurchase Date, the Seller will not be required to repurchase such Purchased Receivable and will instead be required to pay to the Issuer an amount, calculated by the Servicer, equal to the Repurchase Price for such Receivable (the "Receivables Indemnity Amount").</p> <p>Clean-Up Call</p> <p>The Seller is entitled to repurchase all of the Purchased Receivables on any Interest Payment Date (a) following the Determination Date on which the Aggregate Outstanding Receivables Balance of all Purchased Receivables is equal to or less than 10% of the Aggregate Outstanding Receivables Balance of all Purchased Receivables as at the Initial Cut-Off Date or (b)</p>	

on which the Class A Notes (including any interest accrued but unpaid thereon) are redeemed in full. The price payable for such Purchased Receivables shall be equal to the Final Repurchase Price.

Tax Redemption Receivables Call Option

The Seller is entitled to repurchase all of the Purchased Receivables on any date fixed by the Issuer for redemption of the Notes pursuant to Condition 5(b) (Optional redemption for taxation reasons). The price payable for such Purchased Receivables shall be equal to the Tax Redemption Repurchase Price.

See Prospectus, *GLOSSARY OF TERMS*.

"Receivables Indemnity Amount" means, in respect of a Receivable, an amount equal to the Repurchase Price for such Receivable.

"Repurchase Price" means in respect of any Receivable, an amount equal to the Discounted Receivables Balance of such Purchased Receivable as of the Determination Date immediately preceding the date of such repurchase.

"Tax Redemption Repurchase Price" means in respect of a Tax Redemption Receivable, an amount equal to the Repurchase Price for such Receivable.

See Prospectus, *OVERVIEW OF THE PRINCIPAL TRANSACTION DOCUMENTS*.

2. SERVICING AGREEMENT

General Administration Obligations in relation to the Portfolio

Based on the Seller's, the Servicer's and the Issuer's understanding of the spirit of Article 20(7) of the UK Securitisation Regulation and the EBA STS Guidelines applicable to Non-ABCP Securitisations (insofar as they remain relevant in the UK in accordance with the FCA's guidance with respect to its approach to non-legislative material published by the EU), the Seller, the Servicer and the Issuer agree not to undertake active portfolio management of the Purchased Receivables included in the Portfolio on a discretionary basis.

*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".*

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**STS Criteria**

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 Comments**

See Prospectus, *DESCRIPTION OF THE PORTFOLIO*.

3. ELIGIBILITY CRITERIA

The Seller will represent and warrant to the Issuer and the Security Trustee that each Initial Receivable to be transferred to the Issuer on the Closing Date complied with the Eligibility Criteria and the Concentration Criteria as at the Initial Cut-Off Date and that each Additional Receivable to be transferred to the Issuer on the relevant Additional Purchase Date complies with the Eligibility Criteria and such Receivables, together with all other Purchased Receivables, meet the Concentration Limits as at the relevant Additional Cut-Off Date.

4. SELLER RECEIVABLES WARRANTIES

The Seller represents and warrants to the Issuer and the Security Trustee in respect of each Purchased Receivable to be transferred to the Issuer and the related Underlying Agreement, and with reference to the facts and circumstances subsisting (unless stated to the contrary in the Receivables Sale and Purchase Agreement) as at the relevant Cut-Off Date as follows:

(a) Compliance with Eligibility Criteria: Each Receivable and each related Underlying Agreement complies in all respects with the Eligibility Criteria;

*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 the FCA 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.*

**Article 20.8.** The securitisation shall be backed by a pool of underlying exposures that are homogeneous in terms of asset type, taking into account the specific characteristics relating to the cash flows of the asset type including their contractual, credit risk and prepayment characteristics. A pool of underlying exposures shall only comprise one asset type. The underlying exposures shall contain obligations that are contractually binding and enforceable, with full recourse to debtors and, where applicable, guarantors.

<b>9</b>	<p><b>STS Criteria</b></p> <p>9. The securitisation shall be backed by a pool of underlying exposures that are homogeneous in terms of asset type, taking into account the specific characteristics relating to the cash flows of the asset type including their contractual, credit risk and prepayment characteristics. A pool of underlying exposures shall only comprise one asset type.</p>	<p><b>Verified?</b> <b>YES</b></p>
	<p><b>PCS Comments</b></p> <p>See Prospectus, <i>DESCRIPTION OF THE PORTFOLIO</i>.</p> <p><b>4. SELLER RECEIVABLES WARRANTIES</b></p> <p>The Seller represents and warrants to the Issuer and the Security Trustee in respect of each Purchased Receivable to be transferred to the Issuer and the related Underlying Agreement, and with reference to the facts and circumstances subsisting (unless stated to the contrary in the Receivables Sale and Purchase Agreement) as at the relevant Cut-Off Date as follows:</p> <p>(q) Homogeneity: for the purposes of Article 20(8) of the UK Securitisation Regulation and Articles 1(a) to (d) of the Commission Delegated Regulation (EU) 2019/1851 ("HRTS") as it forms part of domestic law of the United Kingdom by virtue of the EUWA and as amended by the Technical Standards (Securitisation Regulation) (EU Exit) Instrument (No 2) 2020 (FCA 2020/54) (the "UK HRTS"), the Purchased Receivables: (i) have been underwritten according to similar underwriting standards, (ii) are serviced according to similar servicing procedures, (iii) fall within the same category of auto loans and leases and (iv) in accordance with the homogeneity factors set forth in Article 20(8) of the UK Securitisation Regulation and Article 3(5)(b) of the UK HRTS, the Obligor are all resident or incorporated in one jurisdiction, being the United Kingdom.</p> <p><i>In the Transaction, the loans were underwritten on a similar basis, they are being serviced by Toyota Financial Services (UK) plc 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 UK. PCS also takes great 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>	
<b>10</b>	<p><b>STS Criteria</b></p> <p>10. The underlying exposures shall contain obligations that are contractually binding and enforceable.</p>	<p><b>Verified?</b> <b>YES</b></p>
	<p><b>PCS Comments</b></p> <p>See Prospectus, <i>PORTFOLIO AND SERVICING</i>.</p>	

Eligible Receivables

For a receivable to be an Eligible Receivable, a number of criteria apply, including that such Purchased Receivable constitutes the legal, valid and binding obligations of the related Obligor, enforceable against such Obligor except as such enforcement against such Obligor may be limited by any applicable insolvency law or by general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law), in each case, under all Applicable Laws.

See Prospectus, *DESCRIPTION OF THE PORTFOLIO*.

3. ELIGIBILITY CRITERIA

The Seller will represent and warrant to the Issuer and the Security Trustee that each Initial Receivable to be transferred to the Issuer on the Closing Date complied with the Eligibility Criteria and the Concentration Criteria as at the Initial Cut-Off Date and that each Additional Receivable to be transferred to the Issuer on the relevant Additional Purchase Date complies with the Eligibility Criteria and such Receivables, together with all other Purchased Receivables, meet the Concentration Limits as at the relevant Additional Cut-Off Date.

"Eligibility Criteria" means, in respect of any Receivable (including, to the extent expressly specified below, its Ancillary Rights) or, as the case may be, the related Underlying Agreement from which it is derived, that: [...]

(c) the Underlying Agreement under which the relevant Receivable arises is in full force and effect and constitutes the legal, valid and binding obligations of the related Obligor, enforceable against such Obligor except as such enforcement with full recourse against such Obligor may be limited by any applicable Insolvency Law or by general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law), in each case, under all Applicable Laws;

<b>11</b>	<b>STS Criteria</b> 11. With full recourse to debtors and, where applicable, guarantors.	<b>Verified?</b> <b>YES</b>
	<b>PCS Comments</b> See point 10 above.	

**Article 20.8.** The underlying exposures shall have defined periodic payment streams, the instalments of which may differ in their amounts, relating to rental, principal, or interest payments, or to any other right to receive income from assets supporting such payments. The underlying exposures may also generate proceeds from the sale of any financed or leased assets.

<b>12</b>	<b>STS Criteria</b> 12. The underlying exposures shall have defined periodic payment streams, the instalments of which may differ in their amounts.	<b>Verified?</b> <b>YES</b>
	<b>PCS Comments</b> See Prospectus.  Underlying Agreements  The pool of Underlying Agreements comprises hire purchase agreements and personal contract purchase agreements. These hire purchase agreements and personal contract purchase agreements provide for equal monthly payments over the term of the contract or monthly payments and a final bullet payment or, in respect of the personal contract purchase agreements an additional larger optional "balloon" payment at the end of the term.  See Prospectus, <i>DESCRIPTION OF THE PORTFOLIO</i> .	



1. THE RECEIVABLES

HP Agreements

Mainly directed at retail Obligors, HP Agreements are available for both new and used vehicles. HP Agreements contain standard rental terms where an initial payment is made and then the balance is amortised in substantially equal monthly instalments. At the end of the term of the HP Agreement, after all sums due under the agreement, including where required, plus an additional "option to purchase" fee are paid, the Obligor owns the Vehicle.

PCP Agreements

PCP Agreements are used for the financing of new and used vehicles in the retail market. PCP Agreements are similar to HP Agreements but with an optional larger balloon payment at the end of the term of the PCP Agreement should the Obligor wish to take title to the Vehicle. Under PCP Agreements, the Obligor can either settle the contract by paying the balloon payment (and thereby purchase the vehicle) or, subject to the Vehicle being within the agreed mileage (or if not, the Obligor paying an Excess Mileage charge for all mileage exceeding the agreed mileage) and, where applicable, the Obligor reimbursing TFSUK in respect of any costs incurred by TFSUK to refurbish the Vehicle to a condition acceptable to TFSUK, and the Obligor being up to date with regular monthly repayments (or clearing any arrears of monthly payments and other fees and charges which have fallen due during the term of the agreement), return the vehicle to TFSUK in full effecting the final settlement of the PCP Agreement.

Where the Obligor chooses not to return the vehicle, title in the vehicle passes to the Obligor when the Obligor, where required, pays the additional optional balloon payment to TFSUK. Where the Obligor chooses to return the vehicle, TFSUK then acts as the Obligor's agent in selling the vehicle and the sale proceeds of the vehicle are applied to settle the final rental amount. Any surplus on sale in excess of such final rental amount is retained by TFSUK as commission for acting as the Obligor's agent and is not passed back to the Obligor. The sale proceeds of the vehicle, including any surplus on sale in excess of the final rental amount, are transferred to the Issuer as Collections. Any shortfall between the sale proceeds and the final rental amount is not recovered from the Obligor.

During the last six months of 2023, in respect of maturing PCP Agreements, fewer than 0.15 per cent. of the Obligors returned the vehicle for sale to TFSUK.

3. ELIGIBILITY CRITERIA

The Seller will represent and warrant to the Issuer and the Security Trustee that each Initial Receivable to be transferred to the Issuer on the Closing Date complied with the Eligibility Criteria and the Concentration Criteria as at the Initial Cut-Off Date and that each Additional Receivable to be transferred to the Issuer on the relevant Additional Purchase Date complies with the Eligibility Criteria and such Receivables, together with all other Purchased Receivables, meet the Concentration Limits as at the relevant Additional Cut-Off Date.

"Eligibility Criteria" means, in respect of any Receivable (including, to the extent expressly specified below, its Ancillary Rights) or, as the case may be, the related Underlying Agreement from which it is derived, that: [...]

(o) provides for fixed interest rate (which, for the avoidance of doubt, can be equal to zero but cannot be negative) and is fully amortising, through payments of constant monthly instalments (save in respect of the AccessFlex Contracts or a payment holiday thereunder) and at most one balloon payment;

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**STS Criteria**

13. Relating to rental, principal, or interest payments, or to any other right to receive income from assets supporting such payments. The underlying exposures may also generate proceeds from the sale of any financed or leased assets.

**Verified?**  
**YES**

**PCS Comments**

See Prospectus, *DESCRIPTION OF THE PORTFOLIO*.

1. THE RECEIVABLES

The Underlying Agreements are a traditional method of financing a vehicle whereby the Obligor pays for the use of a vehicle over an agreed period of time for agreed regular payments and take the form of hire purchase agreements ("HP Agreements") or personal contract plan purchase agreements ("PCP Agreements") between the Obligors and TFSUK. In some cases the obligor may pay a deposit in respect of the Vehicle but this is not necessarily a requirement. Although the Obligor is the registered keeper of the vehicle during the hire period, TFSUK retains ownership (title) to the Vehicles. The Underlying Agreements contain provisions entitling, but not obliging, the Obligor to purchase the vehicle at the end of the period contemplated in the Underlying Agreements, upon payment of certain administrative fees or larger final monthly payments (and subject to an "all monies" clause), following payment of which the Obligor gains title to the Vehicle. Interest is calculated on the amount financed after the deposit has been paid.

#### HP Agreements

Mainly directed at retail Obligors, HP Agreements are available for both new and used vehicles. HP Agreements contain standard rental terms where an initial payment is made and then the balance is amortised in substantially equal monthly instalments. At the end of the term of the HP Agreement, after all sums due under the agreement, including where required, plus an additional "option to purchase" fee are paid, the Obligor owns the Vehicle.

#### PCP Agreements

PCP Agreements are used for the financing of new and used vehicles in the retail market. PCP Agreements are similar to HP Agreements but with an additional larger "balloon" final rental payment at the end of the term of the PCP Agreement should the Obligor wish to take title to the Vehicle. Under PCP Agreements, the Obligor can either settle the contract by paying the balloon payment (and thereby purchase the vehicle) or, subject to the Vehicle being within the agreed mileage (or if not, the Obligor paying an Excess Mileage charge for all mileage exceeding the agreed mileage) and, where applicable, the Obligor reimbursing TFSUK in respect of any costs incurred by TFSUK to refurbish the Vehicle to a condition acceptable to TFSUK, and the Obligor being up to date with regular monthly repayments (or clearing any arrears of monthly payments and other fees and charges which have fallen due during the term of the agreement), return the vehicle to TFSUK in full effecting the final settlement of the PCP Agreement.

Where the Obligor chooses not to return the vehicle, title in the vehicle passes to the Obligor when the Obligor, where required, pays the additional "option to purchase" fee to TFSUK (which fee does not form part of the Receivables). Where the Obligor chooses to return the vehicle, TFSUK then acts as the Obligor's agent in selling the vehicle and the sale proceeds of the vehicle are applied to settle the final rental amount. Any surplus on sale in excess of such final rental amount is retained by TFSUK as commission for acting as the Obligor's agent and is not passed back to the Obligor. The sale proceeds of the vehicle, including any surplus on sale in excess of the final rental amount, are transferred to the Issuer as Collections. Any shortfall between the sale proceeds and the final rental amount is not recovered from the Obligor.

During the last six months of 2023, in respect of maturing PCP Agreements, 0.15% of the Obligors returned the vehicle for sale to TFSUK.

See Prospectus, *PORTFOLIO AND SERVICING*.

#### Sale of Receivables

The Ancillary Rights include the right to receive the proceeds of sale of the Vehicle that is the subject of the relevant Underlying Agreement, including where the sale of such Vehicle arises due to the return or repossession of the Vehicle following a default by the Obligor under the relevant Underlying Agreement or exercise by the relevant Obligor of a Voluntary Termination.

See Prospectus, *GLOSSARY OF TERMS*.

"Ancillary Rights" means, in relation to each Purchased Receivable, the ancillary rights associated with each Receivable other than ownership of the related Vehicle and other than any Excluded Amounts and shall include the following as the context requires:

- (a) the right to demand, sue for, recover, receive and give receipts for all amounts due (whether or not from the relevant Obligor) under, relating to or in connection with the related Underlying Agreement;
- (b) the benefit of all covenants and undertakings from the relevant Obligor and from any guarantor under, relating to or in connection with the related Underlying Agreement;

- (c) the benefit of all causes of action against the relevant Obligor and any guarantor under, relating to or in connection with the related Underlying Agreement;
- (d) the right to receive the Vehicle Sale Proceeds;
- (e) the benefit of the Seller in any motor vehicle insurance policy for the Vehicle to which such Receivable is related and any proceeds thereunder paid to the Seller; and
- (f) the benefit of any other rights, title, interests, powers or benefits of the Seller in relation to the related Underlying Agreement (other than title to the Vehicle), including any claims against a Dealer in respect of a Vehicle,

**Article 20.8.** The underlying exposures shall not include transferable securities, as defined in Article 4(1), (24) of Article 2(1) of Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012 of the European Parliament and of the Council other than corporate bonds, provided that they are not listed on a trading venue.

<b>14</b>	<b>STS Criteria</b>	<b>Verified?</b> <b>YES</b>
<p>14. The underlying exposures shall not include transferable securities, as defined in Article 4(1), (24) of Article 2(1) of Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012 of the European Parliament and of the Council other than corporate bonds, provided that they are not listed on a trading venue.</p>		
<p><b>PCS Comments</b></p> <p>See Prospectus, <i>DESCRIPTION OF THE PORTFOLIO</i>.</p> <p><b>4. SELLER RECEIVABLES WARRANTIES</b></p> <p>The Seller represents and warrants to the Issuer and the Security Trustee in respect of each Purchased Receivable to be transferred to the Issuer and the related Underlying Agreement, and with reference to the facts and circumstances subsisting (unless stated to the contrary in the Receivables Sale and Purchase Agreement) as at the relevant Cut-Off Date as follows:</p> <p>(m) No resecuritisation: the Purchased Receivables comprised in the portfolio will not include: (i) any transferable securities for purposes of Article 20(8) of the UK Securitisation Regulation or EU Securitisation Regulation; (ii) any securitisation positions for purposes of Article 20(9) of the UK Securitisation Regulation or EU Securitisation Regulation; or (iii) any derivatives for purposes of article 21(2) of the UK Securitisation Regulation or EU Securitisation Regulation, in each case on the basis that the Purchased Receivables have been entered into substantially on the terms of similar standard documentation for HP Agreements and PCP Agreements;</p>		

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

<b>15</b>	<b>STS Criteria</b>	<b>Verified?</b> <b>YES</b>
<p>15. The underlying exposures shall not include any securitisation position.</p>		
<p><b>PCS Comments</b></p> <p>See Prospectus, <i>DESCRIPTION OF THE PORTFOLIO</i>.</p>		

4. SELLER RECEIVABLES WARRANTIES

The Seller represents and warrants to the Issuer and the Security Trustee in respect of each Purchased Receivable to be transferred to the Issuer and the related Underlying Agreement, and with reference to the facts and circumstances subsisting (unless stated to the contrary in the Receivables Sale and Purchase Agreement) as at the relevant Cut-Off Date as follows:

(m) No resecuritisation: the Purchased Receivables comprised in the portfolio will not include: (i) any transferable securities for purposes of Article 20(8) of the UK Securitisation Regulation or EU Securitisation Regulation; (ii) any securitisation positions for purposes of Article 20(9) of the UK Securitisation Regulation or EU Securitisation Regulation; or (iii) any derivatives for purposes of article 21(2) of the UK Securitisation Regulation or EU Securitisation Regulation, in each case on the basis that the Purchased Receivables have been entered into substantially on the terms of similar standard documentation for HP Agreements and PCP Agreements;

**Article 20.10.** The underlying exposures shall be originated in the ordinary course of the originator's or original lender's business pursuant to underwriting standards that are no less stringent than those that the originator or original lender applied at the time of origination to similar exposures that are not securitised.

<b>16</b>	<p><b>STS Criteria</b></p> <p>16. The underlying exposures shall be originated in the ordinary course of the originator's or original lender's business.</p>	<p><b>Verified?</b> <b>YES</b></p>
	<p><b>PCS Comments</b></p> <p>See Prospectus, <i>DESCRIPTION OF THE PORTFOLIO</i>.</p> <p>3. ELIGIBILITY CRITERIA</p> <p>The Seller will represent and warrant to the Issuer and the Security Trustee that each Initial Receivable to be transferred to the Issuer on the Closing Date complied with the Eligibility Criteria and the Concentration Criteria as at the Initial Cut-Off Date and that each Additional Receivable to be transferred to the Issuer on the relevant Additional Purchase Date complies with the Eligibility Criteria and such Receivables, together with all other Purchased Receivables, meet the Concentration Limits as at the relevant Additional Cut-Off Date.</p> <p>"Eligibility Criteria" means, in respect of any Receivable (including, to the extent expressly specified below, its Ancillary Rights) or, as the case may be, the related Underlying Agreement from which it is derived, that: [...]</p> <p>(q) was originated and serviced in the ordinary course of the Seller's business and in accordance with the Credit and Collection Procedures;</p> <p>See Prospectus, <i>DESCRIPTION OF THE PORTFOLIO</i>.</p> <p>4. SELLER RECEIVABLES WARRANTIES</p> <p>The Seller represents and warrants to the Issuer and the Security Trustee in respect of each Purchased Receivable to be transferred to the Issuer and the related Underlying Agreement, and with reference to the facts and circumstances subsisting (unless stated to the contrary in the Receivables Sale and Purchase Agreement) as at the relevant Cut-Off Date as follows:</p> <p>(n) Underwriting standards: for the purposes of Article 20(10) of the UK Securitisation Regulation, the Purchased Receivables are originated in the ordinary course of the business of TFSUK pursuant to underwriting standards which are no less stringent than those which also apply to Underlying Agreements which will not be securitised. In particular, TFSUK represents and warrants that it has in place (i) effective systems to apply its standard criteria for granting the Purchased Receivables and (ii) processes for approving and, where relevant, amending, renewing and re-financing the Purchased Receivables, in order to ensure that granting of the Purchased Receivables is based on a thorough assessment of each Obligor's creditworthiness taking appropriate account of factors relevant to verifying the prospect of the Obligor meeting its obligations under the relevant agreement. Furthermore, TFSUK represents and warrants that the assessment of each Obligor's creditworthiness shall meet the requirements of Article 8 of Directive 2008/48/EC (as it applies in the UK and</p>	

	<p>EU), in particular, the assessment: (i) will be performed on the basis of sufficient information, where appropriate obtained from the Obligor and, where necessary, on the basis of a consultation of the relevant database, and (ii) will be repeated before any significant increase in the total amount is granted after the conclusion of the financial contract, in combination with an update of the Obligor's financial information;</p>	
<p>17</p>	<p><b>STS Criteria</b></p> <p>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.</p>	<p><b>Verified?</b> <b>YES</b></p>
	<p><b>PCS Comments</b></p> <p>See Prospectus, <i>DESCRIPTION OF THE PORTFOLIO</i>.</p> <p>4. SELLER RECEIVABLES WARRANTIES</p> <p>The Seller represents and warrants to the Issuer and the Security Trustee in respect of each Purchased Receivable to be transferred to the Issuer and the related Underlying Agreement, and with reference to the facts and circumstances subsisting (unless stated to the contrary in the Receivables Sale and Purchase Agreement) as at the relevant Cut-Off Date as follows:</p> <p>(n) Underwriting standards: for the purposes of Article 20(10) of the UK Securitisation Regulation, the Purchased Receivables are originated in the ordinary course of the business of TFSUK pursuant to underwriting standards which are no less stringent than those which also apply to Underlying Agreements which will not be securitised. In particular, TFSUK represents and warrants that it has in place (i) effective systems to apply its standard criteria for granting the Purchased Receivables and (ii) processes for approving and, where relevant, amending, renewing and re-financing the Purchased Receivables, in order to ensure that granting of the Purchased Receivables is based on a thorough assessment of each Obligor's creditworthiness taking appropriate account of factors relevant to verifying the prospect of the Obligor meeting its obligations under the relevant agreement. Furthermore, TFSUK represents and warrants that the assessment of each Obligor's creditworthiness shall meet the requirements of Article 8 of Directive 2008/48/EC (as it applies in the UK and EU), in particular, the assessment: (i) will be performed on the basis of sufficient information, where appropriate obtained from the Obligor and, where necessary, on the basis of a consultation of the relevant database, and (ii) will be repeated before any significant increase in the total amount is granted after the conclusion of the financial contract, in combination with an update of the Obligor's financial information;</p>	

**Article 20.10.** The underwriting standards pursuant to which the underlying exposures are originated and any material changes from prior underwriting standards shall be fully disclosed to potential investors without undue delay.

<p>18</p>	<p><b>STS Criteria</b></p> <p>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.</p>	<p><b>Verified?</b> <b>YES</b></p>
	<p><b>PCS Comments</b></p> <p>See Prospectus, <i>DESCRIPTION OF THE PORTFOLIO</i>.</p> <p>4. SELLER RECEIVABLES WARRANTIES</p> <p>The Seller represents and warrants to the Issuer and the Security Trustee in respect of each Purchased Receivable to be transferred to the Issuer and the related Underlying Agreement, and with reference to the facts and circumstances subsisting (unless stated to the contrary in the Receivables Sale and Purchase Agreement) as at the relevant Cut-Off Date as follows:</p>	

(p) Changes to underwriting standards: if, during the Revolving Period, the Seller makes any material changes to its underwriting standards it will promptly provide the Issuer, the Rating Agencies and the Security Trustee with details of such changes together with an explanation of the purpose of such changes. The Issuer will notify such changes to investors in accordance with Condition 15 (Notices) without undue delay;

See Prospectus, *DESCRIPTION OF THE PORTFOLIO*.

5. CHANGES TO UNDERWRITING STANDARDS

TFSUK as Seller agrees that if it makes any material changes to its underwriting standards during the Revolving Period it will promptly provide the Issuer, the Rating Agencies and the Security Trustee with details of such changes together with an explanation of the purpose of such changes. The Issuer will notify such changes to investors in accordance with the Conditions without undue delay.

*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 the FCA and the STS status of the securitisation will be lost.*

*Therefore, as a technical matter, this criterion is not applicable at the closing of a transaction. However, PCS will nevertheless look to see if there is a covenant on the part of the originator to comply in the future with this requirement whilst noting at the same time that the absence of any such covenant – although possibly unsettling for some investors – would not invalidate the STS status of the transaction at closing.*

**Article 20.10.** In the case of securitisations where the underlying exposures are residential loans, the pool of loans shall not include any loan that was marketed and underwritten on the premise that the loan applicant or, where applicable intermediaries, were made aware that the information provided might not be verified by the lender.

**19** STS Criteria

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.

**Verified?**  
**YES**

PCS Comments

*Not applicable, the underlying exposures are auto loans and leases.*

**Article 20.10.** The assessment of the borrower's creditworthiness shall meet the requirements set out in Article 8 of Directive 2008/48/EC or paragraphs 1 to 4, point (a) of paragraph 5, and paragraph 6 of Article 18 of Directive 2014/17/EU or, where applicable, equivalent requirements in third countries.

**20** STS Criteria

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 Comments

See Prospectus, *DESCRIPTION OF THE PORTFOLIO*.

4. SELLER RECEIVABLES WARRANTIES

The Seller represents and warrants to the Issuer and the Security Trustee in respect of each Purchased Receivable to be transferred to the Issuer and the related Underlying Agreement, and with reference to the facts and circumstances subsisting (unless stated to the contrary in the Receivables Sale and Purchase Agreement) as at the relevant Cut-Off Date as follows:

(n) Underwriting standards: for the purposes of Article 20(10) of the UK Securitisation Regulation, the Purchased Receivables are originated in the ordinary course of the business of TFSUK pursuant to underwriting standards which are no less stringent than those which also apply to Underlying Agreements which will not be securitised. In particular, TFSUK represents and warrants that it has in place (i) effective systems to apply its standard criteria for granting the Purchased Receivables and (ii) processes for approving and, where relevant, amending, renewing and re-financing the Purchased Receivables, in order to ensure that granting of the Purchased Receivables is based on a thorough assessment of each Obligor's creditworthiness taking appropriate account of factors relevant to verifying the prospect of the Obligor meeting its obligations under the relevant agreement. Furthermore, TFSUK represents and warrants that the assessment of each Obligor's creditworthiness shall meet the requirements of Article 8 of Directive 2008/48/EC (as it applies in the UK and EU), in particular, the assessment: (i) will be performed on the basis of sufficient information, where appropriate obtained from the Obligor and, where necessary, on the basis of a consultation of the relevant database, and (ii) will be repeated before any significant increase in the total amount is granted after the conclusion of the financial contract, in combination with an update of the Obligor's financial information;

See Prospectus, *RISK RETENTION AND SECURITISATION REGULATION REPORTING*.

The Seller has applied to the Receivables which will be transferred by it to the Issuer the same sound and well-defined criteria for credit-granting in accordance with Article 9(1) of each of the Securitisation Regulations which it applies to non-securitised Receivables. In particular, the Seller has:

- (a) applied the same clearly established processes for approving and, where relevant, amending, renewing and refinancing the Receivables; and
- (b) effective systems in place to apply those criteria and processes in order to ensure that credit granting is based on a thorough assessment of the Obligor's creditworthiness, taking appropriate account of factors relevant to verifying the prospect of the Obligor meeting their obligations under the related Underlying Agreement.

*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.*

*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.*

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

<b>21</b>	<b>STS Criteria</b>	<b>Verified?</b> <b>YES</b>
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**PCS Comments**

See Prospectus, *THE SELLER, THE SERVICER, THE SUBORDINATED LENDER, THE CASH MANAGER AND THE INTEREST DETERMINATION AGENT*.

TFSUK's activities

TFSUK has been originating, underwriting and servicing automotive loans since 2003. TFSUK has been authorised to provide regulated consumer credit activities since 14 January 2005.

*An entity originating assets similar to those securitised for at least five years is deemed, according to the EBA Guidelines to have "expertise".*

**Article 20.11.** The underlying exposures shall be transferred to the SSPE after selection without undue delay and shall not include, at the time of selection, exposures in default within the meaning of Article 178(1) of Regulation (EU) No 575/2013...

<b>22</b>	<b>STS Criteria</b>	<b>Verified?</b> <b>YES</b>
	<p>22. The underlying exposures shall be transferred to the SSPE after selection without undue delay...</p> <p><b>PCS Comments</b></p> <p>See Prospectus, <i>GLOSSARY OF TERMS</i>.</p> <p>"Additional Cut-Off Date" means the last day of a Calculation Period elapsing prior to an Additional Purchase Date.</p> <p>"Closing Date" means 26 September 2024.</p> <p>"Cut-Off Date" means the Initial Cut-Off Date and any Additional Cut-Off Date.</p> <p>"Initial Cut-Off Date" means 31 August 2024.</p> <p>See Prospectus, <i>PORTFOLIO CHARACTERISTICS AND HISTORICAL DATA</i>.</p> <p>The statistical and other information contained in this section has been compiled by reference to a portfolio with an aggregated Discounted Receivables Balance of £657,895,227.08 as at the Initial Cut-Off Date (on the basis of information provided by the Seller) (the "Portfolio").</p> <p>[...]</p> <p>The Aggregate Outstanding Receivables Balance of the Portfolio as at the Initial Cut-Off Date will be equal to the Aggregate Outstanding Note Principal Amount of the Class A Notes and the Class B Notes on the Closing Date.</p> <p>Except as otherwise indicated, these tables have been prepared using the outstanding current balance as at the Initial Cut-Off Date.</p> <p>As at the Initial Cut-Off Date, the Portfolio had the following characteristics.</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>	
<b>23</b>	<b>STS Criteria</b>	<b>Verified?</b> <b>YES</b>
	<p>23. And shall not include, at the time of selection, exposures in default within the meaning of Article 178(1) of Regulation (EU) No 575/2013...</p> <p><b>PCS Comments</b></p> <p>See Prospectus, <i>DESCRIPTION OF THE PORTFOLIO</i>.</p> <p>3. ELIGIBILITY CRITERIA</p>	



The Seller will represent and warrant to the Issuer and the Security Trustee that each Initial Receivable to be transferred to the Issuer on the Closing Date complied with the Eligibility Criteria and the Concentration Criteria as at the Initial Cut-Off Date and that each Additional Receivable to be transferred to the Issuer on the relevant Additional Purchase Date complies with the Eligibility Criteria and such Receivables, together with all other Purchased Receivables, meet the Concentration Limits as at the relevant Additional Cut-Off Date.

"Eligibility Criteria" means, in respect of any Receivable (including, to the extent expressly specified below, its Ancillary Rights) or, as the case may be, the related Underlying Agreement from which it is derived, that: [...]

(l) it is a Current Receivable;

(cc) is not a Delinquent Receivable or a Defaulted Receivable or a Redelivery Purchased Receivable or a Rescheduled Receivable as at the relevant Cut-Off Date;

See Prospectus, *GLOSSARY OF TERMS*.

"Current Receivable" means as at the Cut-Off Date, a Receivable which is not overdue.

"Defaulted Receivable" means any Purchased Receivable:

(a) in respect of which a Regular Payment or any other payment is unpaid past its due date for more than 3 Monthly Payments from the date specified for payment under the related Underlying Agreement; or

(b) which has been identified by the Servicer or the Seller as uncollectable in accordance with the Credit and Collection Procedures.

**Article 20.11.** The underlying exposures shall be transferred to the SSPE after selection without undue delay and shall not include, at the time of selection, exposures in default within the meaning of Article 178(1) of Regulation (EU) No 575/2013 or exposures to a credit-impaired debtor or guarantor, who, to the best of the originator's or original lender's knowledge:

(a) has been declared insolvent or had a court grant his creditors a final non-appealable right of enforcement or material damages as a result of a missed payment within three years prior to the date of origination or has undergone a debt-restructuring process with regard to his non-performing exposures within three years prior to the date of transfer or assignment of the underlying exposures to the SSPE, except if:

(i) a restructured underlying exposure has not presented new arrears since the date of the restructuring which must have taken place at least one year prior to the date of transfer or assignment of the underlying exposures to the SSPE; and

(ii) the information provided by the originator, sponsor and SSPE in accordance with points (a) and (e)(i) of the first subparagraph of Article 7(1) explicitly sets out the proportion of restructured underlying exposures, the time and details of the restructuring as well as their performance since the date of the restructuring;

(b) was, at the time of origination, where applicable, on a public credit registry of persons with adverse credit history or, where there is no such public credit registry, another credit registry that is available to the originator or original lender; or

(c) has a credit assessment or a credit score indicating that the risk of contractually agreed payments not being made is significantly higher than for comparable exposures held by the originator which are not securitised.

**24** STS Criteria

24. Or exposures to a credit-impaired debtor or guarantor, who, to the best of the originator's or original lender's knowledge:

**Verified?  
YES**

PCS Comments

See Prospectus, *DESCRIPTION OF THE PORTFOLIO*.

	<p>3. ELIGIBILITY CRITERIA</p> <p>The Seller will represent and warrant to the Issuer and the Security Trustee that each Initial Receivable to be transferred to the Issuer on the Closing Date complied with the Eligibility Criteria and the Concentration Criteria as at the Initial Cut-Off Date and that each Additional Receivable to be transferred to the Issuer on the relevant Additional Purchase Date complies with the Eligibility Criteria and such Receivables, together with all other Purchased Receivables, meet the Concentration Limits as at the relevant Additional Cut-Off Date.</p> <p>"Eligibility Criteria" means, in respect of any Receivable (including, to the extent expressly specified below, its Ancillary Rights) or, as the case may be, the related Underlying Agreement from which it is derived, that: [...]</p> <p>(m) according to the Seller's records and to the best of its knowledge as at the relevant Cut-Off date, is due from a Obligor who:</p> <p>(i) has neither been declared insolvent nor had a court grant its 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 its non-performing exposures within three years prior to the date of transfer or assignment of the relevant Receivables to the Issuer; or</p> <p>(ii) has neither a credit assessment nor a credit score indicating that the risk of contractually agreed payments not being made is significantly higher than for comparable exposures held by the Seller which are not securitised;</p> <p>(n) the Obligor was, at the time of origination, not 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 Seller;</p>	
25	<p><b>STS Criteria</b></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>	<p><b>Verified?</b> <b>YES</b></p>
	<p><b>PCS Comments</b></p> <p>See point 24 above.</p> <p>(l) according to the Seller's records and to the best of its knowledge as at the relevant Cut-Off date, is due from a Obligor who:</p> <p>(i) has neither been declared insolvent nor had a court grant its 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>	
26	<p><b>STS Criteria</b></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>	<p><b>Verified?</b> <b>YES</b></p>
	<p><b>PCS Comments</b></p> <p>See point 24 above.</p> <p>(l) according to the Seller's records and to the best of its knowledge as at the relevant Cut-Off date, is due from a Obligor who:</p> <p>(i) [...] or has undergone a debt- restructuring process with regard to its non-performing exposures within three years prior to the date of transfer or assignment of the relevant Receivables to the Issuer; or</p>	

27	<b>STS Criteria</b> 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	<b>Verified?</b> <b>YES</b>
	<b>PCS Comments</b> <i>See point 25 above.</i> <i>No restructured borrowers are included in the pool.</i>	
28	<b>STS Criteria</b> 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;	<b>Verified?</b> <b>YES</b>
	<b>PCS Comments</b> <i>See point 25 above.</i> <i>No restructured borrowers are included in the pool.</i>	
29	<b>STS Criteria</b> 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;	<b>Verified?</b> <b>YES</b>
	<b>PCS Comments</b> <i>See point 24 above.</i> (m) the Obligor was, at the time of origination, not 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 Seller;	
30	<b>STS Criteria</b> 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.	<b>Verified?</b> <b>YES</b>
	<b>PCS Comments</b> <i>See point 23 above.</i> (l) according to the Seller's records and to the best of its knowledge as at the relevant Cut-Off date, is due from a Obligor who:  (ii) has neither a credit assessment nor 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;	

**Article 20.12.** The debtors shall at the time of transfer of the exposures, have made at least one payment, except in the case of revolving securitisations backed by exposures payable in a single instalment or having a maturity of less than one year, including without limitation monthly payments on revolving credits.

<b>31</b>	<p><b><u>STS Criteria</u></b></p> <p>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.</p>	<p><b><u>Verified?</u></b> <b>YES</b></p>
	<p><b><u>PCS Comments</u></b></p> <p>See Prospectus, <i>DESCRIPTION OF THE PORTFOLIO</i>.</p> <p>3. ELIGIBILITY CRITERIA</p> <p>The Seller will represent and warrant to the Issuer and the Security Trustee that each Initial Receivable to be transferred to the Issuer on the Closing Date complied with the Eligibility Criteria and the Concentration Criteria as at the Initial Cut-Off Date and that each Additional Receivable to be transferred to the Issuer on the relevant Additional Purchase Date complies with the Eligibility Criteria and such Receivables, together with all other Purchased Receivables, meet the Concentration Limits as at the relevant Additional Cut-Off Date.</p> <p>"Eligibility Criteria" means, in respect of any Receivable (including, to the extent expressly specified below, its Ancillary Rights) or, as the case may be, the related Underlying Agreement from which it is derived, that: [...]</p> <p>(v) has had at least one scheduled Monthly Payment made in respect of it by the Obligor as at the relevant Cut-Off Date;</p>	

**Article 20.13.** The repayment of the holders of the securitisation positions shall not have been structured to depend predominantly on the sale of assets securing the underlying exposures. This shall not prevent such assets from being subsequently rolled-over or refinanced.

The repayment of the holders of the securitisation positions whose underlying exposures are secured by assets the value of which is guaranteed or fully mitigated by a repurchase obligation by the seller of the assets securing the underlying exposures or by another third party shall not be considered to depend on the sale of assets securing those underlying exposures.

<b>32</b>	<p><b><u>STS Criteria</u></b></p> <p>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.</p>	<p><b><u>Verified?</u></b> <b>YES</b></p>
	<p><b><u>PCS Comments</u></b></p> <p>See Prospectus, <i>OVERVIEW OF THE PRINCIPAL TRANSACTION DOCUMENTS</i>.</p> <p>11. THE REDELIVERY REPURCHASE AGREEMENT</p> <p>The Issuer will enter into a Redelivery Repurchase Agreement with TFSUK. Subject to an Insolvency Event not having occurred in respect of TFSUK if, on any day during a Calculation Period, an Underlying Agreement related to a Purchased Receivable becomes a Redelivery Underlying Agreement (such Purchased Receivable being a "Redelivery Purchased Receivable"), then on the Interest Payment Date falling after the end of such Calculation Period (or, at the option of TFSUK, on the second Payment Date falling after the end of such Calculation Period) (such date being the "Redelivery Repurchase Date"), TFSUK shall repurchase the Redelivery Purchased Receivable from the Issuer for a price equal to the Redelivery Repurchase Price; or (ii) a Purchased Receivable becomes a Rescheduled Receivable, then on the Interest Payment Date falling after the end of such Calculation Period (or, at the option of TFSUK, on the second Payment Date falling after the end of such Calculation Period) (such date being the "Rescheduled Receivable Repurchase Date"), TFSUK shall repurchase the Rescheduled Receivable from the Issuer for a price equal to the Rescheduled Receivable Repurchase Price.</p>	

The Seller is not obliged to repurchase any Redelivery Purchased Receivable or any Rescheduled Receivable if, on the Redelivery Repurchase Date or the Rescheduled Receivable Purchase Date (as the case may be), such Purchased Receivable is a Delinquent Receivable or a Defaulted Receivable or (for the avoidance of doubt) as a result of the early settlement of any Purchased Receivable during the relevant Calculation Period.

See Prospectus, *GLOSSARY OF TERMS*.

"Redelivery PCP Agreement" means a PCP Agreement under which the Obligor opts to make full and final settlement of a PCP Agreement by redelivery to the Seller of the Vehicle financed by such PCP Agreement.

"Redelivery Repurchase Price" means an amount equal to the Repurchase Price.

"Redelivery Underlying Agreement" means a Redelivery PCP Agreement or a Redelivery VT Underlying Agreement, as applicable.

"Redelivery VT Underlying Agreement" means a Regulated Underlying Agreement which is subject to Voluntary Termination.

"Repurchase Price" means in respect of any Receivable, an amount equal to the Discounted Receivables Balance of such Purchased Receivable as of the Determination Date immediately preceding the date of such repurchase.

*The transaction is not structured to depend predominantly on the sale of assets as those receivables that permit the obligor to return the underlying vehicle in lieu of full repayment are repurchased are repurchased by the Seller under the Redelivery Repurchase Agreement.*

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

<b>33</b>	<b>STS Criteria</b>	<b>Verified?</b> <b>YES</b>
	<p>33.The originator, sponsor or original lender shall satisfy the risk retention requirement in accordance with Article 6.</p> <p><b>PCS Comments</b></p> <p>See Prospectus.</p> <p>UK and EU Retention Undertaking</p> <p>On the Closing Date and while any of the Notes remain outstanding, TFSUK will, as an originator for the purposes of the UK Securitisation Regulation, retain a material net economic interest of not less than 5% in the securitisation as required by Article 6(1) of the UK Securitisation Regulation the "UK Retention Requirement"). In addition, although the EU Securitisation Regulation is not applicable to it, TFSUK, as originator, will retain (on a contractual basis), a material net economic interest of not less than 5% in the securitisation in accordance with Article 6(1) of the EU Securitisation Regulation (not taking into account any relevant national measures) as if it were applicable to it (the "EU Retention Requirement" and, together with the UK Retention Requirement, the "Retention Requirement" and the retention thereunder the "Retention"). Investors should note that the obligation of the Seller to comply with the EU Retention Requirements is strictly contractual and the Seller has elected to comply with such requirements in its discretion.</p> <p>As at the Closing Date, the Retention will in accordance with Article 6(3)(d) of the UK Securitisation Regulation and the EU Securitisation Regulation, be complied with through the holding of the Class B Notes and the Subordinated Loan. Any change to the manner in which such interest is held will be notified to Noteholders. See the section entitled "RISK RETENTION AND SECURITISATION REGULATION REPORTING" for more information.</p> <p>See Prospectus, <i>RISK RETENTION AND SECURITISATION REGULATION REPORTING</i>.</p> <p>Retention statement</p> <p>The Seller, as originator, will retain a material net economic interest of not less than 5 per cent. in the securitisation as required by Article 6(1) of the UK Securitisation Regulation (the "UK Retention Requirements"). In addition, although the EU Securitisation Regulation is not applicable to it, the Seller, as originator, will retain (on a contractual basis), a material net economic interest of not less than 5% in the securitisation in accordance with Article 6(1) of the EU Securitisation Regulation (not taking into account any relevant national measures), as if it were applicable to it (the "EU Retention Requirements" and, together with the UK Retention Requirements, the "Retention Requirements"). As at the Closing Date and while any of the Notes remain outstanding, such interest will be comprised its interest in the Class B Notes and the Subordinated Loan in accordance with Article 6(3)(d) of the UK Securitisation Regulation and Article 6(3)(d) of the EU Securitisation Regulation. Prospective investors should note that the obligation of the Seller to comply with the EU Retention Requirements is strictly contractual and the Seller has elected to comply with such requirements in its discretion.</p>	

**Article 21.2.** The interest rate and currency risks arising from the securitisation shall be appropriately mitigated and any measures taken to that effect shall be disclosed.

<b>34</b>	<b><u>STS Criteria</u></b>	<b><u>Verified?</u></b> <b>YES</b>
	<p>34. The interest rate...risks arising from the securitisation shall be appropriately mitigated.</p> <p><b><u>PCS Comments</u></b></p> <p>See Prospectus, <i>RISK FACTORS</i>.</p> <p>5. COUNTERPARTY RISKS</p> <p>Interest Rate Risk/Risk of Swap Provider Insolvency</p> <p>Class A Noteholders may be subject to interest rate risk</p> <p>Payments in respect of the Purchased Receivables made to the Seller by an Obligor under an Underlying Agreement comprise monthly amounts calculated with respect to a fixed interest rate which may be different to Compounded Daily SONIA, which is the rate of interest (plus a margin) payable on the Class A Notes.</p> <p>The Issuer has entered into the Swap Agreement. The purpose of the Swap Agreement is to mitigate the interest rate risk of the Issuer arising in connection with the issuance of the Class A Notes. The Swap Agreement consists of a 2002 ISDA Master Agreement, the associated schedule, an interest rate swap confirmation and a credit support annex thereunder.</p> <p>See Prospectus, <i>CREDIT STRUCTURE AND CASHFLOWS</i>.</p> <p>Overview of key Swap Agreement terms</p> <p>The interest rate swap has the following key commercial terms:</p> <p>(a) Swap Notional Amount:</p> <p>On the Closing Date, the notional amount of the Swap Transaction documented under the Swap Agreement will be equal to the outstanding notional amount of the Class A Notes as at the Closing Date. At the commencement of each relevant swap calculation period in respect of the Swap Transaction following the Revolving Period, the notional amount will reduce in accordance with the redemption of the Class A Notes.</p> <p>(b) Payments by the Issuer and the Swap Provider:</p> <p>A payment amount (which can be zero) to be paid on each swap payment date corresponding to a swap calculation period for which Swap SONIA is not negative, and which will be calculated under the Swap Agreement as follows: (a) if the Issuer Swap Amount exceeds the Swap Provider Swap Amount, the Issuer will pay such excess to the Swap Provider (or such excess will be paid to the Swap Provider on the Issuer's behalf); (b) if the Swap Provider Swap Amount exceeds the Issuer Swap Amount, the Swap Provider will pay such excess to the Issuer; and (c) if the Swap Provider Swap Amount is equal to the Issuer Swap Amount, neither party will make a payment to the other.</p> <p>A payment amount to be paid on each swap payment date corresponding to a swap calculation period for which Swap SONIA is negative, which will be payable by the Issuer to the Swap Provider (or payable to the Swap Provider on the Issuer's behalf), and calculated under the Swap Agreement as the sum of: (a) the applicable Issuer Swap Amount, and (b) the absolute value of the applicable Swap Provider Swap Amount. The Swap Provider will not be required to make any payment to the Issuer under the terms of the Swap Transaction on each such swap payment date.</p> <p>(c) Frequency of Swap Provider payment:</p>	

Each Interest Payment Date.

See Prospectus, *OVERVIEW OF THE PRINCIPAL TRANSACTION DOCUMENTS*.

#### 7. SWAP AGREEMENT

The Issuer has entered into the Swap Agreement. The purpose of the Swap Agreement is to mitigate the interest rate risk of the Issuer arising in connection with the issuance of the Class A Notes. The Swap Agreement consists of a 2002 ISDA Master Agreement, the schedule thereto, an interest rate swap confirmation and a credit support annex thereunder. [...]

See Prospectus, *CREDIT STRUCTURE AND CASHFLOWS*.

Overview of key Swap Agreement terms

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

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

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

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

*In the case of the Transaction, payments from the underlying receivables include fixed rate payments, while the Class A notes are floating rate. An interest rate swap is used in the Transaction to mitigate fixed-to-floating interest rate risk for the Class A notes.*

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#### **STS Criteria**

35. Currency risks arising from the securitisation shall be appropriately mitigated.

**Verified?****YES**

#### **PCS Comments**

*Liabilities:*

See Prospectus, *CONDITIONS OF THE NOTES*.

1. Form, denomination and title

(a) The Notes are issued in the following form:

(i) the Class A Notes are issued in registered global form in the denomination of £100,000 and integral multiples of £1,000 in excess of £100,000, up to and including £199,000; and



(ii) the Class B Notes are issued in registered global form in the denomination of £100,000 and integral multiples of £1,000 in excess of £100,000, up to and including £199,000.

Assets:

### 3. ELIGIBILITY CRITERIA

The Seller will represent and warrant to the Issuer and the Security Trustee that each Initial Receivable to be transferred to the Issuer on the Closing Date complied with the Initial Eligibility Criteria and the Replenishment Criteria as at the Initial Cut-Off Date and that each Additional Receivable to be transferred to the Issuer on the relevant Additional Purchase Date complies with the Initial Eligibility Criteria and the Replenishment Criteria as at the relevant Additional Cut-Off Date.

"Eligibility Criteria" means, in respect of any Receivable (including, to the extent expressly specified below, its Ancillary Rights) or, as the case may be, the related Underlying Agreement from which it is derived, that: [...]

(k) which is denominated and payable in Pounds Sterling;

*Notes and underlying assets both denominated in Sterling.*

### 36 STS Criteria

36. Any measures taken to that effect shall be disclosed.

**Verified?**

**YES**

### PCS Comments

*See point 34 above.*

**Article 21.2.** Except for the purpose of hedging currency risk or interest rate risk, the SSPE shall not enter into derivative contracts and shall ensure that the pool of underlying exposures does not include derivatives.

Those derivatives shall be underwritten and documented according to common standards in international finance.

### 37 STS Criteria

37. Except for the purpose of hedging currency risk or interest rate risk, the SSPE shall not enter into derivative contracts and...

**Verified?**

**YES**

### PCS Comments

*See Prospectus, Trust Deed.*

### 12. ISSUER COVENANTS

So long as any of the Notes remain outstanding, the Issuer covenants with the Note Trustee that it shall:

(x) not, save with the prior written consent of the Security Trustee or unless otherwise permitted under any of the Transaction Documents, the Issuer covenants to the Security Trustee that it will, so long as any of the Secured Obligations remain outstanding:

(ii) incur any financial indebtedness with respect to borrowed money or give any guarantee or indemnity in respect of any financial indebtedness or of any other obligation of any person or enter into any hedging or derivative contract except under the Notes or pursuant to the Transaction Documents.

38	<p><b>STS Criteria</b></p> <p>38. ...Shall ensure that the pool of underlying exposures does not include derivatives.</p>	<p><b>Verified?</b> <b>YES</b></p>
	<p><b>PCS Comments</b></p> <p>See Prospectus, <i>DESCRIPTION OF THE PORTFOLIO</i>.</p> <p>4. SELLER RECEIVABLES WARRANTIES</p> <p>The Seller represents and warrants to the Issuer and the Security Trustee in respect of each Purchased Receivable to be transferred to the Issuer and the related Underlying Agreement, and with reference to the facts and circumstances subsisting (unless stated to the contrary in the Receivables Sale and Purchase Agreement) as at the relevant Cut-Off Date as follows:</p> <p>(m) No resecuritisation: the Purchased Receivables comprised in the portfolio will not include: (i) any transferable securities for purposes of Article 20(8) of the UK Securitisation Regulation or EU Securitisation Regulation; (ii) any securitisation positions for purposes of Article 20(9) of the UK Securitisation Regulation or EU Securitisation Regulation; or (iii) any derivatives for purposes of article 21(2) of the UK Securitisation Regulation or EU Securitisation Regulation, in each case on the basis that the Purchased Receivables have been entered into substantially on the terms of similar standard documentation for HP Agreements and PCP Agreements;</p>	
39	<p><b>STS Criteria</b></p> <p>39. Those derivatives shall be underwritten and documented according to common standards in international finance.</p>	<p><b>Verified?</b> <b>YES</b></p>
	<p><b>PCS Comments</b></p> <p>See Prospectus, GLOSSARY OF TERMS.</p> <p>"ISDA Master Agreement" means the 2002 ISDA Master Agreement (including the schedule and the Credit Support Annex thereto) dated on or about the Closing Date and made between the Issuer and the Swap Provider.</p> <p>"Swap Agreement" means the 2002 ISDA Master Agreement, the schedule thereto, an interest rate swap confirmation and a related credit support annex thereunder dated and executed on or about the Closing Date between the Issuer and the Swap Provider.</p> <p>See also underlying transaction swap documents.</p>	

**Article 21.3.** Any referenced interest payments under the securitisation assets and liabilities shall be based on generally used market interest rates, or generally used sectoral rates reflective of the cost of funds, and shall not reference complex formulae or derivatives.

<b>40</b>	<b>STC Criteria</b>	<b>Verified?</b> <b>YES</b>
	<p>40. Any referenced interest payments under the securitisation assets and liabilities shall be based on generally used market interest rates, or generally used sectoral rates reflective of the cost of funds and shall not reference complex formulae or derivatives.</p> <p><b>PCS Comments</b></p> <p><i>Liabilities</i></p> <p>See Prospectus, <i>CONDITIONS OF THE NOTES</i>.</p> <p>4. Interest</p> <p>(c) Interest Rate</p> <p>The Interest Rate for each Interest Period will be with respect to:</p> <p>(i) each Class A Note, Compounded Daily SONIA for the relevant Interest Period plus 0.60 per cent. per annum, provided that if Compounded Daily SONIA plus the Relevant Margin for the Class A Notes is less than zero, the Interest Rate will be deemed to be zero (the "Class A Interest Rate"); and</p> <p>(ii) each Class B Note, 5.00 per cent. per annum (the "Class B Interest Rate").</p> <p><i>Assets</i></p> <p>3. ELIGIBILITY CRITERIA</p> <p>The Seller will represent and warrant to the Issuer and the Security Trustee that each Initial Receivable to be transferred to the Issuer on the Closing Date complied with the Initial Eligibility Criteria and the Replenishment Criteria as at the Initial Cut-Off Date and that each Additional Receivable to be transferred to the Issuer on the relevant Additional Purchase Date complies with the Initial Eligibility Criteria and the Replenishment Criteria as at the relevant Additional Cut-Off Date.</p> <p>"Eligibility Criteria" means, in respect of any Receivable (including, to the extent expressly specified below, its Ancillary Rights) or, as the case may be, the related Underlying Agreement from which it is derived, that: [...]</p> <p>(o) provides for fixed interest rate (which, for the avoidance of doubt, can be equal to zero but cannot be negative) and is fully amortising, through payments of constant monthly instalments (save in respect of the AccessFlex Contracts or a payment holiday thereunder) and at most one balloon payment;</p> <p>See Prospectus, <i>RISK FACTORS</i>.</p> <p>5. COUNTERPARTY RISKS</p> <p>Interest Rate Risk/Risk of Swap Provider Insolvency</p> <p>Class A Noteholders may be subject to interest rate risk</p> <p>Payments in respect of the Purchased Receivables made to the Seller by an Obligor under an Underlying Agreement comprise monthly amounts calculated with respect to a fixed interest rate which may be different to Compounded Daily SONIA, which is the rate of interest (plus a margin) payable on the Class A Notes.</p>	

The underlying exposures have a fixed interest rate, while the notes have either a SONIA-based floating interest rate or a fixed rate of interest.

**Article 21.4.** Where an enforcement or an acceleration notice has been delivered:

- (a) no amount of cash shall be trapped in the SSPE beyond what is necessary to ensure the operational functioning of the SSPE or the orderly repayment of investors in accordance with the contractual terms of the securitisation, unless exceptional circumstances require that amount is trapped in order to be used, in the best interests of investors, for expenses in order to avoid the deterioration in the credit quality of the underlying exposures;
- (b) Principal receipts from the underlying exposures shall be passed to investors via sequential amortisation of the securitisation positions, as determined by the seniority of the securitisation position;
- (c) Repayment of the securitisation positions shall not be reversed with regard to their seniority; and
- (d) No provisions shall require automatic liquidation of the underlying exposures at market value.

41

**STS Criteria**

41. Where an enforcement or an acceleration notice has been delivered:

- (a) no amount of cash shall be trapped in the SSPE beyond what is necessary to ensure the operational functioning of the SSPE or the orderly repayment of investors in accordance with the contractual terms of the securitisation, unless exceptional circumstances require that amount is trapped in order to be used, in the best interests of investors, for expenses in order to avoid the deterioration in the credit quality of the underlying exposures;

**Verified?**  
**YES**

**PCS Comments**

See Prospectus, *CONDITIONS OF THE NOTES*.

## 2. Status and Security

(f) Post-Acceleration Priority of Payments

See GLOSSARY OF TERMS.

“Available Receipts”

See Prospectus, *OVERVIEW OF THE PRINCIPAL TRANSACTION DOCUMENTS*.

## 2. SERVICING AGREEMENT

Cash Collection Arrangements

[...]

Upon the service of a Note Acceleration Notice, the amounts standing to the credit of the Commingling Reserve Ledger not used to cover any Servicer Shortfall shall form part of the amounts to be applied in accordance with the Post-Enforcement Priority of Payments.

On each Interest Payment Date, amounts representing Collections for the relevant Calculation Period together with other items comprising the Available Receipts shall be applied by the Cash Manager in accordance with the applicable Priority of Payments.

*No cash is trapped in the Post-Acceleration Priority of Payments.*

42	<b>STS Criteria</b> 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;	<b>Verified?</b> <b>YES</b>
	<b>PCS Comments</b> See Prospectus, <i>CONDITIONS OF THE NOTES</i> . 2. Status and Security (f) Post-Acceleration Priority of Payments See also underlying transaction documents, Deed of Charge 7. PAYMENTS OUT OF THE ISSUER ACCOUNTS UPON ACCELERATION <i>Principal is paid sequentially under post-enforcement order of priority.</i>	
43	<b>STS Criteria</b> 43. (c) Repayment of the securitisation positions shall not be reversed with regard to their seniority; and	<b>Verified?</b> <b>YES</b>
	<b>PCS Comments</b> See Prospectus, <i>CONDITIONS OF THE NOTES</i> . 2. Status and Security (f) Post-Acceleration Priority of Payments See also underlying transaction documents, Deed of Charge 7. PAYMENTS OUT OF THE ISSUER ACCOUNTS UPON ACCELERATION <i>There is no reversal of seniority under the post-enforcement order of priority.</i>	
44	<b>STS Criteria</b> 44. (d) No provisions shall require automatic liquidation of the underlying exposures at market value.	<b>Verified?</b> <b>YES</b>
	<b>PCS Comments</b> See Prospectus, <i>CONDITIONS OF THE NOTES</i> . (e) Enforcement of the Security Following the occurrence of an Event of Default and the service of a Note Acceleration Notice in accordance with Condition 10 (Events of Default) below the Security will become enforceable and the Note Trustee may at its discretion direct the Security Trustee to take action to enforce the Security, and will direct the Security Trustee to take such action to	

enforce the Security as directed in writing by the holders of at least 25% in Aggregate Outstanding Note Principal Amount of the Most Senior Class of Notes or if so directed by an Extraordinary Resolution of the Most Senior Class of Notes, subject in each case to the Note Trustee having been indemnified and/or secured and/or pre-funded to its satisfaction.

The Note Trustee may at any time, at its discretion (and will do so if it has been directed in writing to do so by the holders of at least 25% in Aggregate Outstanding Note Principal Amount of the Most Senior Class of Notes or if so directed by an Extraordinary Resolution of the Most Senior Class of Notes at the relevant date), subject in each case to the Note Trustee having been indemnified and/or secured and/or pre-funded to its satisfaction, and without notice and in such manner as it deems appropriate:

- (i) take such proceedings and/or other steps as it may deem appropriate against or with respect to the Issuer or any other person to enforce its obligations under the Trust Deed, the Transaction Documents or these Conditions and/or take any other proceedings (including lodging an appeal in any proceedings) with respect to or concerning the Issuer; and/or
- (ii) exercise any of its rights under, or in connection with, the Trust Deed or any other Transaction Document; and/or
- (iii) give any directions to the Security Trustee under or in connection with any Transaction Document.

To the extent that the Note Trustee acts in accordance with such directions of the Most Senior Class of Notes, as described above, it will have no obligation to take the interests of any other party into account or to follow any direction given by any other party.

11. Enforcement and non-petition

(b) The Note Trustee and the Security Trustee, as the case may be, in accordance with this Condition 11 (Enforcement and non-petition), will (i) except as otherwise directed by the Most Senior Class of Notes acting by way of an Extraordinary Resolution at the relevant date, or (ii) in relation to the Security Trustee only in relation to amendments and waivers, except as otherwise directed by the Note Trustee, have absolute and uncontrolled discretion as to the exercise and non-exercise of all rights, powers, authorities or discretions conferred upon them by or under the Trust Deed, the Deed of Charge or any Transaction Document to which they are a party or conferred upon them by operation of law.

See also underlying transaction documents, Trust Deed.

8. ENFORCEMENT BY THE SECURITY TRUSTEE

**Article 21.5.** Transactions which feature non-sequential priority of payments shall include triggers relating to the performance of the underlying exposures resulting in the priority of payments reverting to sequential payments in order of seniority. Such performance-related triggers shall include at least the deterioration in the credit quality of the underlying exposures below a pre-determined threshold.

<b>45</b>	<b>STS Criteria</b>	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.	<b>Verified?</b> <b>YES</b>
	<b>PCS Comments</b>	See Prospectus, <i>CONDITIONS OF THE NOTES</i> . 2. Status and Security (d) Pre-Acceleration Priority of Payments (f) Post-Acceleration Priority of Payments	

See also underlying transaction documents:

Deed of Charge

6. PAYMENTS OUT OF THE ISSUER ACCOUNTS PRIOR TO ACCELERATION

7. PAYMENTS OUT OF THE ISSUER ACCOUNTS UPON ACCELERATION

Cash Management Agreement

SCHEDULE 2

Cash Management and Maintenance of Ledgers

3. PRIORITY OF PAYMENTS FOR THE APPLICATION OF AVAILABLE RECEIPTS PRIOR TO THE SERVICE OF A NOTE ACCELERATION NOTICE

**Article 21.6.** The transaction documentation shall include appropriate early amortisation provisions or triggers for termination of the revolving period where the securitisation is a revolving securitisation, including at least the following:

- (a) a deterioration in the credit quality of the underlying exposures to or below a pre-determined threshold;
- (b) the occurrence of an insolvency-related event with regard to the originator or the servicer;
- (c) the value of the underlying exposures held by the SSPE falls below a pre-determined threshold (early amortisation event);
- (d) a failure to generate sufficient new underlying exposures that meet the pre-determined credit quality (trigger for termination of the revolving period).

**46** **STS Criteria**

46. The transaction documentation shall include appropriate early amortisation provisions or triggers for termination of the revolving period where the securitisation is a revolving securitisation, including at least the following:

- (a) a deterioration in the credit quality of the underlying exposures to or below a pre-determined threshold;

**Verified?**  
**YES**

**PCS Comments**

See Prospectus,

Payments in respect of the Notes

[...] Amortisation of the Notes will commence on the expiry of the Revolving Period, subject to availability of Available Receipts in accordance with the Pre-Acceleration Priority of Payments.

See Prospectus, PORTFOLIO AND SERVICING

Sale of Receivables

The Portfolio will consist of the Receivables and their related Ancillary Rights which will be sold by the Seller to the Issuer on the Closing Date (the "Initial Receivables") and, subsequently, on each Interest Payment Date during the Revolving Period (an "Additional Purchase Date" and such Receivables the "Additional Receivables").

[...] The Receivables Purchase Agreement provides that the Issuer will, during the Revolving Period, on any Additional Purchase Date purchase from TFSUK any Additional Receivables if and to the extent offered by TFSUK subject to the fulfilment of certain conditions. Such conditions include, inter alia, the requirement that the Additional Receivables meet the

Eligibility Criteria and such Receivables, together with all the other Purchased Receivables, meet the Concentration Limits set forth in the Receivables Sale and Purchase Agreement. Where the Additional Receivables include Scottish Receivables, pending perfection under Scots law of such sale by duly intimated assignation, TFSUK will hold the benefit of the Scottish Receivables and the other Scottish Trust Property in trust for the benefit of the Issuer on the terms of a Scottish Trust.

See Prospectus, *GLOSSARY OF TERMS*.

"Early Amortisation Event" shall mean any of the following:

- (a) the Cumulative Net Loss Ratio exceeds 2.00 per cent. on any Interest Payment Date;
- (b) the occurrence of a Servicer Termination Event;
- (c) the Delinquent Receivables Ratio exceeds 1.50 percent.;
- (d) the Excess Collection Amounts standing to the credit of the Replenishment Ledger on two consecutive Interest Payment Dates exceeds 10 per cent. of the Aggregate Discounted Receivables Balance as at the Closing Date;
- (e) on any Determination Date, the sum of the Aggregate Discounted Receivables Balance and the Excess Collection Amounts standing to the credit of the Replenishment Ledger is less than the sum of the Aggregate Outstanding Note Principal Amount of the Class A Notes and the Class B Notes;
- (f) the occurrence of an Insolvency Event with respect to TFSUK; or
- (g) the amount standing to the credit of the Reserve Fund is less than the Reserve Fund Required Amount on any Interest Payment Date.

"Revolving Period" means the period from (and including) the Closing Date and ending on (and including) the earlier of (i) the Interest Payment Date falling in March 2025 and (ii) the occurrence of an Early Amortisation Event.

"Servicer Termination Event" means the occurrence of any of the following events:

- (a) an Insolvency Event occurs in respect of the Servicer;

See above, *Early Amortisation Event (a), (c)*.

<b>47</b>	<b><u>STS Criteria</u></b>	<b><u>Verified?</u></b>
	47. (b) the occurrence of an insolvency-related event with regard to the originator or the servicer;	<b>YES</b>
	<b><u>PCS Comments</u></b>	
	See point 46 above, <i>Early Amortisation Event (b), (f)</i> .	
<b>48</b>	<b><u>STS Criteria</u></b>	<b><u>Verified?</u></b>
	48. (c) the value of the underlying exposures held by the SSPE falls below a pre-determined threshold (early amortisation event);	<b>YES</b>
	<b><u>PCS Comments</u></b>	
	See point 46 above, <i>Early Amortisation Event (d)</i> .	



49	<b>STS Criteria</b>	Verified? YES
	49. (d) a failure to generate sufficient new underlying exposures that meet the pre-determined credit quality (trigger for termination of the revolving period).	
	<b>PCS Comments</b>	
	See point 46 above, Early Amortisation Event (d).	

**Article 21.7.** The transaction documentation shall clearly specify:

- (a) the contractual obligations, duties and responsibilities of the servicer and the trustee, if any, and other ancillary service providers;
- (b) the processes and responsibilities necessary to ensure that a default by or an insolvency of the servicer does not result in a termination of servicing, such as a contractual provision which enables the replacement of the servicer in such cases; and
- (c) provisions that ensure the replacement of derivative counterparties, liquidity providers and the account bank in the case of their default, insolvency, and other specified events, where applicable.

50	<b>STS Criteria</b>	Verified? YES
	50. The transaction documentation shall clearly specify: (a) the contractual obligations, duties and responsibilities of the servicer and the trustee, if any, and other ancillary service providers;	
	<b>PCS Comments</b>	
	See Prospectus, <i>OVERVIEW OF THE PRINCIPAL TRANSACTION DOCUMENTS</i> .	
	2. SERVICING AGREEMENT	
	3. CASH MANAGEMENT AGREEMENT	
	4. AGENCY AGREEMENT	
	5. CORPORATE SERVICES AGREEMENT	
	6. BANK ACCOUNT AGREEMENT	
	7. SWAP AGREEMENT	
	8. DEED OF CHARGE	
	9. TRUST DEED	
	See Prospectus, <i>RISK FACTORS</i> .	
	3. RISKS RELATING TO THE NOTES AND THE STRUCTURE	
	The Note Trustee and Security Trustee are not obliged to act in certain circumstances/limited enforcement rights	
	See also underlying transaction documents.	

<b>51</b>	<p><b><u>STS Criteria</u></b></p> <p>51. (b) the processes and responsibilities necessary to ensure that a default by or an insolvency of the servicer does not result in a termination of servicing, such as a contractual provision which enables the replacement of the servicer in such cases; and</p>	<p><b><u>Verified?</u></b> <b>YES</b></p>
	<p><b><u>PCS Comments</u></b></p> <p>See Prospectus, <i>OVERVIEW OF THE PRINCIPAL TRANSACTION DOCUMENTS</i>.</p> <p>2. SERVICING AGREEMENT</p> <p>Termination of appointment of the Servicer</p> <p>Upon the occurrence of any Servicer Termination Event, the Issuer (prior to the delivery of a Note Acceleration Notice) with the written consent of the Security Trustee, or the Security Trustee itself (after the delivery of an Note Acceleration Notice) may at once or at any time thereafter while such default continues by notice in writing to the Servicer (with a copy to the Back-Up Facilitator) terminate its appointment as Servicer under the Servicing Agreement with effect from a date not earlier than the date of the notice specified in the Servicer Termination Notice. Upon receipt by the Servicer of a Servicer Termination Notice or upon the occurrence of any Insolvency Event in respect of the Servicer, the Issuer shall promptly arrange for the appointment of a successor Servicer by the Issuer and the Seller, the Servicer's rights and obligations under the Servicing Agreement will terminate upon the appointment of such Successor Servicer.</p> <p>The Issuer may, promptly after the delivery to the Servicer of a Servicer Termination Notice, give notice in writing to the Back-Up Facilitator and request it to identify and select a Successor Servicer. Upon being so notified, the Back-Up Facilitator shall consult with the Issuer (prior to the service of a Note Acceleration Notice) or (after the service of a Note Acceleration Notice) the Security Trustee, regarding the successor servicer and shall use reasonable endeavours to identify and select a Successor Servicer within 30 calendar days of being so notified and provide details of its selection (the "Proposed Replacement") to the Issuer and the Security Trustee. If the Back-Up Facilitator nominates a replacement that complies with the requirements set out below, that nominee shall be selected as the Proposed Replacement. Promptly upon being notified of the identity of the Proposed Replacement, the Issuer shall appoint the Proposed Replacement as Successor Servicer in accordance with the terms of the Servicing Agreement.</p> <p>During the continuance of its appointment hereunder, the Back-Up Facilitator shall, upon and subject to the terms and conditions of the Servicing Agreement, have the full power, authority and right to do or cause to be done any and all things necessary, convenient or incidental to the selection of a Successor Servicer or the exercise of such right, powers and discretions or compliance with such obligations and duties.</p> <p>Upon service of a notice of termination of the Servicer under the Servicing Agreement pursuant to the Servicing Agreement in circumstances where the Back-Up Facilitator is unable to nominate a replacement that complies with the requirements set out below, the Issuer shall use its best efforts to identify and thereafter appoint an alternative replacement servicer who satisfies the conditions set out below.</p> <p>[...] The outgoing Servicer and the Issuer will execute such documents and take such actions as the Issuer may reasonably require for the purpose of transferring to the replacement Servicer the rights and obligations of the outgoing Servicer or by any replacement Servicer of the specific obligations of a replacement Servicer under the Servicing Agreement and releasing the outgoing Servicer from its future obligations under the Servicing Agreement. Upon termination of the Servicing Agreement with respect to the Servicer or the appointment of a replacement Servicer, the Servicer will transfer to the replacement Servicer all Purchased Receivable Records.</p> <p>See underlying transaction document, Servicing Agreement.</p> <p>13. RESIGNATION AND TERMINATION</p> <p>18. BACK-UP SERVICER FACILITATOR</p>	

<b>52</b>	<p><b><u>STS Criteria</u></b></p> <p>52. (c) provisions that ensure the replacement of derivative counterparties, liquidity providers and the account bank in the case of their default, insolvency, and other specified events, where applicable.</p>	<p><b><u>Verified?</u></b></p> <p><b>YES</b></p>
	<p><b><u>PCS Comments</u></b></p> <p><i>Derivative counterparty</i></p> <p>See Prospectus, <i>OVERVIEW OF THE PRINCIPAL TRANSACTION DOCUMENTS</i>.</p> <p>8. DEED OF CHARGE</p> <p>The Issuer has undertaken that it will at all times maintain hedging arrangements on terms substantially similar to those in the Swap Agreement.</p> <p>See Prospectus, <i>CONDITIONS OF THE NOTES</i>.</p> <p>3. Covenants</p> <p>(a) So long as any of the Notes remains outstanding, the Issuer shall:</p> <p style="padding-left: 20px;">(iii) at all times procure that hedging arrangements on terms substantially similar to those in the Swap Agreement are maintained by it;</p> <p>See underlying transaction documents, Cash Management Agreement.</p> <p>5. NOTIFICATION AND PORTFOLIO RECONCILIATION IN RESPECT OF, PAYMENTS UNDER AND TERMINATION OF THE SWAP AGREEMENT</p> <p><i>Account Bank</i></p> <p>See Prospectus, <i>TRIGGERS TABLES</i>.</p> <p>RATING TRIGGERS TABLE</p> <p>The consequence of breach is that, within 30 calendar days of the breach, one of the following will occur:</p> <p>(a) the Transaction Account may be closed by, or on behalf of, the Issuer and all amounts standing to the credit thereof shall be transferred by, or on behalf of, the Issuer within 30 calendar days to accounts held with a financial institution (i) having at least the Required Ratings, (ii) which is a bank as defined in Section 991 of the Income Tax Act 2007, and (iii) being an authorised institution under FSMA, or</p> <p>(b) a Rating Agency Confirmation has or will be obtained by (or on behalf of) the Issuer or the Account Bank will take such other actions as may be reasonably requested by the parties to the Bank Account Agreement (other than the Security Trustee) at the cost of the Issuer to ensure that the rating of the Class A Notes immediately prior to the Account Bank ceasing to have the Required Ratings is not adversely affected by the Account Bank ceasing to have the Required Ratings.</p> <p>If the Account Bank fails to comply with the above, the Account Bank's appointment will be terminated by the Issuer (with prior written notice to the Security Trustee) (such termination being effective on a replacement account bank being appointed by the Issuer).</p> <p>See Prospectus, <i>OVERVIEW OF THE PRINCIPAL TRANSACTION DOCUMENTS</i>.</p> <p>6. BANK ACCOUNT AGREEMENT</p>	

On the Closing Date, pursuant to the Bank Account Agreement, the Account Bank will be appointed by the Issuer to hold the Issuer Accounts for the Issuer. During the life of the Transaction, the Account Bank shall maintain at least the Required Ratings.

Account Bank rating requirements

If the Account Bank fails to comply with the above, the Account Bank's appointment will be terminated by the Issuer (with prior written notice to the Security Trustee) (such termination being effective on a replacement account bank being appointed by the Issuer). If the Issuer should fail to appoint such successor account bank within 30 calendar days after receipt of the termination notice given by the Issuer, then the existing Account Bank may select a leading bank of international repute having at least the Required Ratings, which is a bank as defined in Section 991 of the Income Tax Act 2007 and being an authorised institution under FSMA, to act as Account Bank and the Issuer shall appoint that bank as the successor Account Bank. The Account Bank shall continue to provide services under the Bank Account Agreement in any case until a successor Account Bank meeting the above conditions is validly appointed by the Issuer.

See underlying transaction documents: Bank Account Agreement.

18. TERMINATION

**Article 21.8.** The servicer shall have expertise in servicing exposures of a similar nature to those securitised and shall have well documented and adequate policies, procedures and risk management controls relating to the servicing of exposures.

<b>53</b>	<b>STS Criteria</b>	<b>Verified?</b>
	53. The servicer shall have expertise in servicing exposures of a similar nature to those securitised	<b>YES</b>
<b>PCS Comments</b>		
See Prospectus, <i>THE SELLER, THE SERVICER, THE SUBORDINATED LENDER, THE CASH MANAGER AND THE INTEREST DETERMINATION AGENT.</i>		
TFSUK's activities		
TFSUK has been originating, underwriting and servicing automotive loans since 2003. TFSUK has been authorised to provide regulated consumer credit activities since 14 January 2005.		
<i>The EBA Guidelines provide that an entity that has serviced similar assets for at least five years will be deemed to meet the expertise criterion.</i>		
<b>54</b>	<b>STS Criteria</b>	<b>Verified?</b>
	54. And shall have well documented and adequate policies, procedures and risk management controls relating to the servicing of exposures.	<b>YES</b>
<b>PCS Comments</b>		
See Prospectus,		
UK Simple, Transparent and Standardised (STS) Securitisation		
The Seller has internal policies and procedures in relation to the granting of credit, administration of credit-risk bearing portfolios and risk mitigation. The policies and procedures of the Seller in this regard broadly include the following:		

- systems in place to administer and monitor the various credit-risk bearing portfolios and exposures, as to which we note that the Portfolio will be serviced in line with the usual servicing procedures of the Seller – please see further the section of the Prospectus headed "OVERVIEW OF THE PRINCIPAL TRANSACTION DOCUMENTS – Servicing Agreement";
- policies and procedures in relation to risk mitigation techniques, as to which please see further the sections of the Prospectus headed "CREDIT AND COLLECTION PROCEDURES" and "OVERVIEW OF THE PRINCIPAL TRANSACTION DOCUMENTS – Servicing Agreement".

See Prospectus, *CREDIT AND COLLECTION PROCEDURES*.

*Additional due diligence was conducted in connection with verifying these criteria.*

**Article 21.9.** The transaction documentation shall set out in clear and consistent terms definitions, remedies and actions relating to delinquency and default of debtors, debt restructuring, debt forgiveness, forbearance, payment holidays, losses, charge offs, recoveries and other asset performance remedies

<b>55</b>	<b>STS Criteria</b>	<b>Verified?</b> <b>YES</b>
	55. The transaction documentation shall set out in clear and consistent terms, remedies and actions relating to delinquency and default of debtors debt restructuring, debt forgiveness, forbearance, payment holidays, losses, charge offs, recoveries and other asset performance remedies.	

**PCS Comments**

See Prospectus, *CREDIT AND COLLECTION PROCEDURES*.

See Prospectus, *GLOSSARY OF TERMS*.

"Charged-Off Receivables."

"Defaulted Receivables"

"Delinquent Receivables"

**Article 21.9.** The transaction documentation shall clearly specify the priorities of payment, events which trigger changes in such priorities of payment as well as the obligation to report such events. Any change in the priorities of payments which will materially adversely affect the repayment of the securitisation position shall be reported to investors without undue delay.

<b>56</b>	<b>STS Criteria</b>	<b>Verified?</b> <b>YES</b>
	56. The transaction documentation shall clearly specify the priorities of payment,	

**PCS Comments**

See Prospectus, *CONDITIONS OF THE NOTES*.

2. Status and Security

(d) Pre-Acceleration Priority of Payments

(f) Post-Acceleration Priority of Payments

See also underlying transaction documents:

Deed of Charge

6. PAYMENTS OUT OF THE ISSUER ACCOUNTS PRIOR TO ACCELERATION

7. PAYMENTS OUT OF THE ISSUER ACCOUNTS UPON ACCELERATION

Cash Management Agreement

SCHEDULE 2

Cash Management and Maintenance of Ledgers

3. PRIORITY OF PAYMENTS FOR THE APPLICATION OF AVAILABLE RECEIPTS PRIOR TO THE SERVICE OF A NOTE ACCELERATION NOTICE

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**STS Criteria**

57. The transaction documentation shall clearly specify the events which trigger changes in such priorities of payment.

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

See Prospectus, *CONDITIONS OF THE NOTES*.

2. Status and Security

(d) Pre-Acceleration Priority of Payments

(e) Enforcement of the Security

(f) Post-Acceleration Priority of Payments

10. Events of Default

If any of the following events (each an "Event of Default") occurs, the Note Trustee at its absolute discretion may, and, if so directed in writing by the holders of at least 25% in aggregate Outstanding Note Principal Amount of the Most Senior Class of Notes or if so directed by an Extraordinary Resolution of the Most Senior Class of Notes (subject, in each case, to the Note Trustee being indemnified and/or secured and/or prefunded to its satisfaction), will give a Note Acceleration Notice to the Issuer, the Security Trustee, the Account Bank, the Cash Manager and the Paying Agent declaring the Notes due and payable and each Note will accordingly become immediately due and payable, without further action or formality, at its Outstanding Note Principal Amount together with accrued interest:

(a) an Insolvency Event occurs in respect of the Issuer;

(b) a default occurs in the payment of interest on any Interest Payment Date in respect of the Most Senior Class of Notes (and such default is not remedied within five Business Days of its occurrence);

(c) the Issuer defaults in the payment of principal on the Most Senior Class of Notes when due, and such default continues for a period of 7 Business Days;

(d) the Issuer defaults in the payment of principal on any Class of Notes on the Legal Maturity Date;

(e) the Issuer fails to perform or observe any of its other material obligations under these Conditions or the Transaction Documents and such failure continues for a period of 30 calendar days following written notice from the Note Trustee or any other Secured Creditors on the Issuer requiring the same to be remedied (except in any case where the Note Trustee considers the failure to be incapable of remedy, when no continuation or notice as is hereinafter mentioned will be required); or

(f) the Deed of Charge (or any security interest purported to be created thereunder) shall, for any reason, cease to be in full force and effect or be declared to be null and void, or the validity or enforceability thereof shall be contested by the Issuer or the Issuer shall deny that it has any or further liability or obligation under the Deed of Charge (or with respect thereto).

For the avoidance of doubt, a failure to pay any interest due in respect of any Class of Notes which is not, on the relevant date, the Most Senior Class of Notes shall not constitute an Event of Default other than on the Final Redemption Date.

Upon any Note Acceleration Notice being given by the Note Trustee in accordance with the terms of this Condition 10 (Events of Default), notice to that effect will be given by the Note Trustee to all Noteholders in accordance with Condition 15 (Notices).

See Prospectus, *GLOSSARY OF TERMS*.

"Early Amortisation Event"

"Event of Default"

"Note Acceleration Notice"

"Revolving Period"

See also underlying transaction documents, Trust Deed.

8. ENFORCEMENT

SCHEDULE 2

Terms and Conditions of the Notes

<b>58</b>	<b>STC Criteria</b>	<b>Verified?</b> <b>YES</b>
<p>58. The transaction documentation shall clearly specify the obligation to report such events.</p>		
<p><b>PCS Comments</b></p> <p>See Prospectus, <i>OVERVIEW OF THE CONDITIONS OF THE NOTES</i>.</p> <p>Enforcement</p> <p>Upon any Note Acceleration Notice being given by the Note Trustee in accordance with the terms of Condition 10 (Events of Default) notice to that effect will be given by the Note Trustee to all Noteholders in accordance with Condition 15 (Notices).</p> <p>See Prospectus, <i>OVERVIEW OF THE PRINCIPAL TRANSACTION DOCUMENTS</i>.</p> <p>2. SERVICING AGREEMENT</p> <p>The Servicer shall also:</p> <p>(a) promptly notify all Obligors following the occurrence of a Perfection Event;</p> <p>(b) notify the Issuer, the Noteholders and the Security Trustee on becoming aware of the occurrence of any Perfection Event or Servicer Termination Event and that notice to Obligors has been made pursuant to (a) above.</p> <p>Reporting</p> <p>The Servicer will prepare (or procure the preparation of):</p> <p>(b) any UK SR Inside Information and Significant Event Report as required by and in accordance with Article 7(1)(f) and/or Article 7(1)(g) (as applicable) of the UK Securitisation Regulation and the UK Article 7 Technical Standards and any EU SR Inside Information and Significant Event Report as required by and in accordance with Article 7(1)(f) and/or Article 7(1)(g) (as applicable) of the EU Securitisation Regulation and the EU Article 7 Technical Standards.</p> <p>See Prospectus, <i>RISK RETENTION AND SECURITISATION REGULATION REPORTING</i>.</p> <p>Reporting under the Securitisation Regulations</p> <p>The Issuer (in its capacity as reporting entity for the purposes of Article 7(2) of the UK Securitisation Regulation) will procure preparation of the following, provided that the Issuer, as designated entity, has agreed to comply with the relevant provisions of the EU Securitisation Regulation strictly on a contractual basis pursuant to the terms of the relevant Transaction Documents:</p> <p>(c) any UK SR Inside Information and Significant Event Report as required by and in accordance with Article 7(1)(f) and/or Article 7(1)(g) (as applicable) of the UK Securitisation Regulation and the UK Article 7 Technical Standards and any EU SR Inside Information and Significant Event Report as required by and in accordance with (not taking into account any national measures) Article 7(1)(f) and/or Article 7(1)(g) (as applicable) of the EU Securitisation Regulation and the EU Article 7 Technical Standards ;</p> <p>The Issuer will procure that the Servicer will make the information set out in paragraph (a) above available no later than 5 p.m. on each Interest Payment Date, the information set out in paragraph (c) above available without delay, the information set out in paragraph (d) above available within 15 Business Days of Closing Date and the information set out in paragraph (e) above available before pricing and on or around the Closing Date in each case, to (i) the Issuer, the Seller and the Swap Provider; and (ii) the Noteholders, the competent authorities</p>		



and, upon request, to potential noteholders which obligation shall be satisfied by the Servicer emailing such information to EuroABS for EuroABS to publish such information on a securitisation repository of the EuroABS Portal.

See Prospectus, *RIGHTS OF NOTEHOLDERS AND RELATIONSHIP WITH OTHER SECURED CREDITORS*.

Securitisation Regulation Reporting

(c) preparation of an inside information or significant event information report as required by and in accordance with Article 7(1)(f) and/or Article 7(1)(g) (as applicable) of the UK Securitisation Regulation and the UK Article 7 Technical Standards (the "UK SR Inside Information and Significant Event Report") and an inside information or significant event information report as required by and in accordance with Article 7(1)(f) and/or Article 7(1)(g) (as applicable) of the EU Securitisation Regulation and the EU Article 7 Technical Standards (the "EU SR Inside Information and Significant Event Report" and together with the UK SR Inside Information and Significant Event Report, the "SR Inside Information and Significant Event Reports");

See underlying transaction documents, Trust Deed.

12. ISSUER COVENANTS

So long as any of the Notes remain outstanding, the Issuer covenants with the Note Trustee that it shall:

(f) forthwith give notice in writing:

(ii) to the Noteholders of the occurrence of any Event of Default in accordance with Condition 15 (Notices);

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**STS Criteria**

59. Any change in the priorities of payments which will materially adversely affect the repayment of the securitisation position shall be reported to investors without undue delay.

**Verified?**  
**YES**

**PCS Comments**

See underlying transaction document, Trust Deed.

12. ISSUER COVENANTS

So long as any of the Notes remain outstanding, the Issuer covenants with the Note Trustee that it shall:

(f) forthwith give notice in writing:

(i) to the Note Trustee of the occurrence of any Event of Default or any Potential Event of Default; and

(ii) to the Noteholders of the occurrence of any Event of Default in accordance with Condition 15 (Notices);

**Article 21.10.** The transaction documentation shall include clear provisions that facilitate the timely resolution of conflicts between different classes of investors, voting rights shall be clearly defined and allocated to bondholders and the responsibilities of the trustee and other entities with fiduciary duties to investors shall be clearly identified.

<b>60</b>	<p><b><u>STS Criteria</u></b></p> <p>60. The transaction documentation shall include clear provisions that facilitate the timely resolution of conflicts between different classes of investors, voting rights shall be clearly defined and allocated to bondholders</p>	<p><b><u>Verified?</u></b> <b>YES</b></p>
	<p><b><u>PCS Comments</u></b></p> <p>See Prospectus, <i>RIGHTS OF NOTEHOLDERS AND RELATIONSHIP WITH OTHER SECURED CREDITORS</i>.</p> <p>Prior to an Event of Default</p> <p>Following an Event of Default</p> <p>Noteholders Meeting provisions</p> <p>Notice period:</p> <p>Initial meeting</p> <p>At least 21 clear days (but not more than 90 clear days) for the initial meeting</p> <p>Adjourned meeting</p> <p>At least 10 clear days for the adjourned meeting (and no more than 42 clear days in the case of an initial adjournment of a meeting at which an Extraordinary Resolution is to be proposed).</p> <p>Quorum:</p> <p>Required majority for an Ordinary Resolution and an Extraordinary Resolution:</p> <p>Required majority for passing a Written Resolution:</p> <p>Place</p> <p>All meetings of Noteholders and shall be held in the UK or by way of conference call, including by use of video conference platform, as applicable.</p> <p>See underlying transaction documents, Trust Deed.</p> <p>SCHEDULE 3</p> <p>Provisions for Meetings of the Noteholders</p> <p><i>Although the wording of the Regulation as to what constitutes the “facilitation of timely resolution of conflicts” is very vague, the EBA Guidelines have helpfully set out the five minimum requirements that the documents should contain to meet this criterion.</i></p> <p><i>Although the wording of the Regulation as to what constitutes the “facilitation of timely resolution of conflicts” is very vague, the EBA Guidelines have helpfully set out the five minimum requirements that the documents should contain to meet this criterion. The documentation covers the following:</i></p>	

(a) the method for calling meetings; as for method; Prospectus, RIGHTS OF NOTEHOLDERS AND RELATIONSHIP WITH OTHER SECURED CREDITORS; Prior to an Event of Default/Following an Event of Default;

(b) the maximum timeframe for setting up a meeting; Prospectus, RIGHTS OF NOTEHOLDERS AND RELATIONSHIP WITH OTHER SECURED CREDITORS; Noteholders Meeting provisions; Notice period.;

(c) the required quorum; Prospectus, RIGHTS OF NOTEHOLDERS AND RELATIONSHIP WITH OTHER SECURED CREDITORS; Quorum.;

(d) the minimum threshold of votes to validate such a decision, with clear differentiation between the minimum thresholds for each type of decision; Prospectus, RIGHTS OF NOTEHOLDERS AND RELATIONSHIP WITH OTHER SECURED CREDITORS; Required majority for an Ordinary Resolution and an Extraordinary Resolution./Required majority for passing a Written Resolution.;

and (e) where applicable, a location for the meetings which should be in the UK: Prospectus, RIGHTS OF NOTEHOLDERS AND RELATIONSHIP WITH OTHER SECURED CREDITORS; Place.

**Article 21.10.** The transaction documentation shall include clear provisions that facilitate the timely resolution of conflicts between different classes of investors, voting rights shall be clearly defined and allocated to bondholders and the responsibilities of the trustee and other entities with fiduciary duties to investors shall be clearly identified.

<b>61</b>	<b>STS Criteria</b>	<b>Verified?</b>
	61. and the responsibilities of the trustee and other entities with fiduciary duties to investors shall be clearly identified.	<b>YES</b>

**PCS Comments**

See Prospectus, OVERVIEW OF THE PRINCIPAL TRANSACTION DOCUMENTS.

8. DEED OF CHARGE

9. TRUST DEED

See also underlying transaction documents, Trust Deed, Deed of Charge.

**Article 22.1.** The originator and the sponsor shall make available data on static and dynamic historical default and loss performance, such as delinquency and default data, for substantially similar exposures to those being securitised, and the sources of those data and the basis for claiming similarity, to potential investors before pricing. Those data shall cover a period no shorter than five years.

<b>62</b>	<p><b>STS Criteria</b></p> <p>62. The originator and the sponsor shall make available data on static and dynamic historical default and loss performance, such as delinquency and default data, for substantially similar exposures to those being securitised,</p>	<p><b>Verified?</b> <b>YES</b></p>
	<p><b>PCS Comments</b></p> <p>See Prospectus, <i>RISK RETENTION AND SECURITISATION REGULATION REPORTING</i>.</p> <p>Compliance with Article 22 of the UK Securitisation Regulation</p> <p>In order to comply with the transparency requirements provided for by Article 22 of the UK Securitisation Regulation, the Seller:</p> <p>(a) has made available to any potential investor in the Notes data on static historical default performance relating to the 10 year period starting on 1 January 2014 and ending on 31 March 2024 (barring in respect of "Prepayment Rate (Monthly)", in respect of which data is available for the five year period starting on 1 April 2019 and ending on 30 June 2024 (see section "<i>PORTFOLIO CHARACTERISTICS AND HISTORICAL DATA</i>") in respect of receivables substantially similar to the Purchased Receivables;</p> <p>See Prospectus, <i>PORTFOLIO CHARACTERISTICS AND HISTORICAL DATA</i>.</p> <p>Historical performance data</p> <p>The historical performance data set out hereafter relate to the portfolio of auto Receivables originated by the Seller.</p> <p>Barring in respect of the "Prepayment Rate (Monthly)" data, in respect of which the data relates to the period commencing from April 2019 to the period ending in June 2024, each of the graphs below relate to the period commencing from Q1 2014 to the period ending in Q1 2024.</p> <p>[...]</p> <p>In each of the tables below, "Q1" refers to the period from 1 January to 31 March, "Q2" refers to the period from 1 April to 30 June, "Q3" refers to the period from 1 July to 30 September and "Q4" refers to the period from 1 October to 31 December.</p> <p>The tables below were prepared on the basis of the internal records of the Seller.</p> <p>There can be no assurance that the future experience and performance of the Purchased Receivables will be similar to the historical performance set out in the tables below.</p> <p>[...]</p>	
<b>63</b>	<p><b>STS Criteria</b></p> <p>63. and the sources of those data and the basis for claiming similarity, to potential investors before pricing.</p>	<p><b>Verified?</b> <b>YES</b></p>
	<p><b>PCS Comments</b></p> <p>See comment 62 above.</p>	

64	<b>STS Criteria</b> 64. Those data shall cover a period no shorter than five years.	<b>Verified?</b> <b>YES</b>
	<b>PCS Comments</b> See comment 62 above.	

**Article 22.2.** A sample of the underlying exposures shall be subject to external verification prior to issuance of the securities resulting from the securitisation by an appropriate and independent party, including verification that the data disclosed in respect of the underlying exposures is accurate.

65	<b>STS Criteria</b> 65. A sample of the underlying exposures shall be subject to external verification prior to issuance of the securities resulting from the securitisation by an appropriate and independent party,	<b>Verified?</b> <b>YES</b>
	<b>PCS Comments</b> See Prospectus, <i>DESCRIPTION OF THE PORTFOLIO</i> .  4. SELLER RECEIVABLES WARRANTIES  The Seller represents and warrants to the Issuer and the Security Trustee in respect of each Purchased Receivable to be transferred to the Issuer and the related Underlying Agreement, and with reference to the facts and circumstances subsisting (unless stated to the contrary in the Receivables Sale and Purchase Agreement) as at the relevant Cut-Off Date as follows:  (r) Agreed upon procedure: prior to the Closing Date, a representative sample of the Underlying Agreements has been submitted to the external verification of an appropriate and independent party which (i) had the experience and the capability to carry out the verification and (ii) was not a credit rating agency, a third party verifying compliance with the UK STS Criteria, or an affiliate of the Seller. Such external verification included the verification of the compliance of the Purchased Receivables certain verifiable Eligibility Criteria and the verification, by performing agreed upon procedures, the data disclosed in respect of the Purchased Receivables are accurate;  See Prospectus, <i>RISK RETENTION AND SECURITISATION REGULATION REPORTING</i> .  Compliance with Article 22 of the UK Securitisation Regulation  In order to comply with the transparency requirements provided for by Article 22 of the UK Securitisation Regulation, the Seller:  (h) confirms that the Portfolio has been subject to an agreed upon procedures review on a sample of loans selected from the Portfolio conducted by an independent third-party on a 95% confidence level and completed on or about 23 September 2024 with respect to the Portfolio in existence as of the Initial Cut-Off Date and performed agreed upon procedures on certain Eligibility Criteria (see also the section " <i>PORTFOLIO CHARACTERISTICS AND HISTORICAL DATA</i> "). This independent third party has also performed agreed upon procedures on the data included in the stratification tables in the section " <i>PORTFOLIO CHARACTERISTICS AND HISTORICAL DATA</i> " in order to verify that the stratification tables disclosed in respect of the underlying exposures are accurate. The Servicer confirms no significant adverse findings have been found. Based on the review by the independent party, the Servicer confirms that to the best of its knowledge such information is accurate and in accordance with the facts and does not omit anything likely to affect its import;  <i>PCS has reviewed information provided in connection with the auditor's report on "agreed upon procedures" (AUP) commonly known as a "pool audit". PCS can confirm that this was done by an appropriate and independent third party.</i>	

66	<b>STS Criteria</b> 66. Including verification that the data disclosed in respect of the underlying exposures is accurate.	<b>Verified?</b> <b>YES</b>
	<b>PCS Comments</b> See comment 65 above.	

**Article 22.3.** The originator or the sponsor shall, before the pricing of the securitisation, make available to potential investors a liability cash flow model which precisely represents the contractual relationship between the underlying exposures and the payments flowing between the originator, sponsor, investors, other third parties and the SSPE, and shall, after pricing, make that model available to investors on an ongoing basis and to potential investors upon request.

67	<b>STS Criteria</b> 67. The originator or the sponsor shall, before the pricing of the securitisation, make available to potential investors a liability cash flow model which precisely represents the contractual relationship between the underlying exposures and the payments flowing between the originator, sponsor, investors, other third parties and the SSPE.	<b>Verified?</b> <b>YES</b>
	<b>PCS Comments</b> See Prospectus, <i>DESCRIPTION OF THE PORTFOLIO</i> .  4. SELLER RECEIVABLES WARRANTIES  The Seller represents and warrants to the Issuer and the Security Trustee in respect of each Purchased Receivable to be transferred to the Issuer and the related Underlying Agreement, and with reference to the facts and circumstances subsisting (unless stated to the contrary in the Receivables Sale and Purchase Agreement) as at the relevant Cut-Off Date as follows:  (s) Liability Cash Flow Model: the Seller will make available on an ongoing basis to the Noteholders - via the EuroABS Portal – and, upon request, to potential investors in the Notes, an accurate model representing precisely the contractual relationship between the Purchased Receivables and the payments flowing between the Originator, the Noteholders, the Issuer and any other party to the Transaction Documents which contained an amount of information sufficient to allow such potential investor to price the Notes;  See Prospectus, <i>RISK RETENTION AND SECURITISATION REGULATION REPORTING</i> .  Compliance with Article 22 of the UK Securitisation Regulation  In order to comply with the transparency requirements provided for by Article 22 of the UK Securitisation Regulation, the Seller:  (a) has made available to any potential investor in the Notes data on static historical default performance relating to the 10 year period starting on 1 January 2014 and ending on 31 March 2024 (barring in respect of "Prepayment Rate (Monthly)", in respect of which data is available for the five year period starting on 1 April 2019 and ending on 30 June 2024 (see section " <i>PORTFOLIO CHARACTERISTICS AND HISTORICAL DATA</i> ") in respect of receivables substantially similar to the Purchased Receivables;  (b) has made available – via the EuroABS Portal – to any potential investor in the Notes, before pricing of the Notes, an accurate model representing precisely the contractual relationship between the Purchased Receivables and the payments flowing between the Originator, the Noteholders, the Issuer and any other party to the Transaction Documents which contained an amount of information sufficient to allow such potential investor to price the Notes (the "Liability Cash Flow Model");	

	(c) has undertaken to make available the Liability Cash Flow Model on an ongoing basis to the Noteholders – via the EuroABS Portal – and, upon request, to potential investors in the Notes; <i>PCS has received evidence of the liability cash flow model to be made available as part verifying this point.</i>	
<b>68</b>	<b><u>STS Criteria</u></b> 68. And shall, after pricing, make that model available to investors on an ongoing basis and to potential investors upon request.	<b><u>Verified?</u></b> <b>YES</b>
	<b><u>PCS Comments</u></b> <i>See comment 67 above.</i>  <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 the FCA 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>	

**Article 22.4.** In case of a securitisation where the underlying exposures are residential loans or car loans or leases, the originator and sponsor shall publish the available information related to the environmental performance of the assets financed by such residential loans or car loans or leases, as part of the information disclosed pursuant to point (a) of the first subparagraph of Article 7(1).

<b>69</b>	<b><u>STS Criteria</u></b> 69. In case of a securitisation where the underlying exposures are residential loans or car loans or leases, the originator and sponsor shall publish the available information related to the environmental performance of the assets financed by such residential loans or car loans or leases, as part of the information disclosed pursuant to point (a) of the first subparagraph of Article 7(1).	<b><u>Verified?</u></b> <b>YES</b>
	<b><u>PCS Comments</u></b> <i>See Prospectus, DESCRIPTION OF THE PORTFOLIO.</i>  <b>4. SELLER RECEIVABLES WARRANTIES</b>  The Seller represents and warrants to the Issuer and the Security Trustee in respect of each Purchased Receivable to be transferred to the Issuer and the related Underlying Agreement, and with reference to the facts and circumstances subsisting (unless stated to the contrary in the Receivables Sale and Purchase Agreement) as at the relevant Cut-Off Date as follows:  (u) Environmental performance: where available to the Seller, it will include the environmental performance of the Vehicles in the Monthly Report;  <i>See Prospectus, RISK RETENTION AND SECURITISATION REGULATION REPORTING.</i>  Compliance with Article 22 of the UK Securitisation Regulation  In order to comply with the transparency requirements provided for by Article 22 of the UK Securitisation Regulation, the Seller:  (d) where available to the Originator, has undertaken to include the environmental performance of the Vehicles in the Monthly Report;	

**Article 22.5.** The originator and the sponsor shall be responsible for compliance with Article 7 of this Regulation. The information required by point (a) of the first subparagraph of Article 7(1) shall be made available to potential investors before pricing upon request. The information required by points (b) to (d) of the first subparagraph of Article 7(1) shall be made available before pricing at least in draft or initial form.

<b>70</b>	<b>STS Criteria</b>	<b>Verified?</b> <b>YES</b>
	70. The originator and the sponsor shall be responsible for compliance with Article 7 of this Regulation.	
	<b>PCS Comments</b>	
	See Prospectus, <i>RISK RETENTION AND SECURITISATION REGULATION REPORTING</i> .	
	The Seller, as originator, is responsible for compliance with Article 7 of the UK Securitisation Regulation in accordance with Article 22(5) of the UK Securitisation Regulation and Article 7 of the EU Securitisation Regulation in accordance with Article 22(5) of the EU Securitisation Regulation.	
	See Prospectus, <i>RIGHTS OF NOTEHOLDERS AND RELATIONSHIP WITH OTHER SECURED CREDITORS</i> .	
	Securitisation Regulation Reporting	
	The Issuer has been designated as the entity responsible for fulfilling the information requirements under Article 7 of the UK Securitisation Regulation pursuant to Article 7(2) of the UK Securitisation Regulation and shall procure that such requirements are complied with on its behalf. The Issuer (in its capacity as reporting entity for the purposes of Article 7(2) of the UK Securitisation Regulation) will procure the following, provided that the Issuer, as designated entity, has agreed to comply with the relevant provisions of the EU Securitisation Regulation strictly on a contractual basis pursuant to the terms of the relevant Transaction Documents:	

**Article 22.5.** The originator and the sponsor shall be responsible for compliance with Article 7 of this Regulation. The information required by point (a) of the first subparagraph of Article 7(1) shall be made available to potential investors before pricing upon request. The information required by points (b) to (d) of the first subparagraph of Article 7(1) shall be made available before pricing at least in draft or initial form.

<b>71</b>	<b>STS Criteria</b>	<b>Verified?</b> <b>YES</b>
	71. The information required by point (a) the first subparagraph of Article 7(1) shall be made available to potential investors before pricing upon request.	
	<b>PCS Comments</b>	
	See Prospectus, <i>RISK RETENTION AND SECURITISATION REGULATION REPORTING</i> .	
	Article 22(5) of the UK Securitisation Regulation	
	Pursuant to Article 22(5) of the UK Securitisation Regulation, the Issuer undertakes that:	
	(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;	
	Compliance with Article 22 of the UK Securitisation Regulation	
	In order to comply with the transparency requirements provided for by Article 22 of the UK Securitisation Regulation, the Seller:	
	(e) has made available before pricing of the Notes, the UK Monthly Servicer Date Tape and the EU Monthly Servicer Date Tape;	



The information set out in paragraph (e), (f), (g) and (i) above has been or will be made available (as the case may be) on the EuroABS Portal.

See Prospectus, RISK RETENTION AND SECURITISATION REGULATION REPORTING.

#### Reporting under the Securitisation Regulations

The Issuer, as the SSPE, has been designated as the entity responsible for fulfilling the information requirements under Article 7 of the UK Securitisation Regulation pursuant to Article 7(2) of the UK Securitisation Regulation and will either fulfil such requirements itself or shall procure that such requirements are complied with on its behalf.

The Issuer (in its capacity as reporting entity for the purposes of Article 7(2) of the UK Securitisation Regulation) will procure preparation of the following, provided that the Issuer, as designated entity, has agreed to comply with the relevant provisions of the EU Securitisation Regulation strictly on a contractual basis pursuant to the terms of the relevant Transaction Documents:

(a) the UK Monthly Servicer Data Tape as required by and in accordance with Article 7(1)(a) of the UK Securitisation Regulation and the UK Article 7 Technical Standards and the EU Monthly Servicer Data Tape, as required by and in accordance with (in each case, not taking into account, any relevant national measures) Article 7(1)(a) of the EU Securitisation Regulation and the EU Article 7 Technical Standards;

(b) the UK SR Monthly Investor Report as required by and in accordance with Article 7(1)(e) of the UK Securitisation Regulation and the EU SR Monthly Investor Report as required by and in accordance with (not taking into account any national measures) Article 7(1)(e) of the EU Securitisation Regulation (which will be made available to Noteholders simultaneously with the UK Monthly Servicer Data Tape and the EU Monthly Servicer Data Tape);

(c) any UK SR Inside Information and Significant Event Report as required by and in accordance with Article 7(1)(f) and/or Article 7(1)(g) (as applicable) of the UK Securitisation Regulation and the UK Article 7 Technical Standards and any EU SR Inside Information and Significant Event Report as required by and in accordance with (not taking into account any national measures) Article 7(1)(f) and/or Article 7(1)(g) (as applicable) of the EU Securitisation Regulation and the EU Article 7 Technical Standards ;

(d) copies of the relevant Transaction Documents and this Prospectus as required by and in accordance with Article 7(1)(b) of the UK Securitisation Regulation and Article 7(1)(b) of the EU Securitisation Regulation; and

(e) before pricing of the Notes in initial form and on or around the Closing Date in final form, for the purposes of compliance with Article 7(1)(d) of the UK Securitisation Regulation, it will make available the UK STS Notification referred to in Article 27 of the UK Securitisation Regulation on a securitisation repository of the EuroABS Portal.

The Issuer will procure that the Servicer will make the information set out in paragraph (a) above available no later than 5 p.m. on each Interest Payment Date, the information set out in paragraph (c) above available without delay, the information set out in paragraph (d) above available within 15 Business Days of Closing Date and the information set out in paragraph (e) above available before pricing and on or around the Closing Date in each case, to (i) the Issuer, the Seller and the Swap Provider; and (ii) the Noteholders, the competent authorities and, upon request, to potential noteholders which obligation shall be satisfied by the Servicer emailing such information to EuroABS for EuroABS to publish such information on a securitisation repository of the EuroABS Portal.

The Issuer will procure that the Cash Manager shall make the Monthly SR Investor Reports available to the Noteholders, the competent authorities and, upon request, to potential noteholders by procuring publication of such information on the EuroABS Portal on each Interest Payment Date and the Monthly SR Investor Reports will be made available to Noteholders simultaneously with the UK Monthly Servicer Data Tape and the EU Monthly

Servicer Data Tape..

<b>72</b>	<p><b><u>STS Criteria</u></b></p> <p>72. The information required by points (b) to (d) of the first subparagraph of Article 7(1) shall be made available before pricing at least in draft or initial form.</p>	<p><b><u>Verified?</u></b></p> <p><b>YES</b></p>
	<p><b><u>PCS Comments</u></b></p> <p>See Prospectus, <i>RISK RETENTION AND SECURITISATION REGULATION REPORTING</i>.</p> <p>Article 22(5) of the UK Securitisation Regulation</p> <p>Pursuant to Article 22(5) of the UK Securitisation Regulation, the Issuer undertakes that:</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;</p> <p>(c) this Prospectus serves as a transaction summary or overview of the main features of the Transaction in accordance with Article 7(1)(c) of the UK Securitisation Regulation;</p> <p>Compliance with Article 22 of the UK Securitisation Regulation</p> <p>In order to comply with the transparency requirements provided for by Article 22 of the UK Securitisation Regulation, the Seller:</p> <p>(f) has made available before pricing of the Notes, the Transaction Documents (other than the Prospectus in a draft form);</p> <p>(g) has made available before pricing of the Notes, a draft of the UK STS Notification;</p> <p>The information set out in paragraph (e), (f), (g) and (i) above has been or will be made available (as the case may be) on the EuroABS Portal.</p> <p>See Prospectus, <i>RISK RETENTION AND SECURITISATION REGULATION REPORTING</i>.</p> <p>Reporting under the Securitisation Regulations</p> <p>The Issuer, as the SSPE, has been designated as the entity responsible for fulfilling the information requirements under Article 7 of the UK Securitisation Regulation pursuant to Article 7(2) of the UK Securitisation Regulation and will either fulfil such requirements itself or shall procure that such requirements are complied with on its behalf.</p> <p>The Issuer (in its capacity as reporting entity for the purposes of Article 7(2) of the UK Securitisation Regulation) will procure preparation of the following, provided that the Issuer, as designated entity, has agreed to comply with the relevant provisions of the EU Securitisation Regulation strictly on a contractual basis pursuant to the terms of the relevant Transaction Documents:</p> <p>(d) copies of the relevant Transaction Documents and this Prospectus as required by and in accordance with Article 7(1)(b) of the UK Securitisation Regulation and Article 7(1)(b) of the EU Securitisation Regulation; and</p> <p>(e) before pricing of the Notes in initial form and on or around the Closing Date in final form, for the purposes of compliance with Article 7(1)(d) of the UK Securitisation Regulation, it will make available the UK STS Notification referred to in Article 27 of the UK Securitisation Regulation on a securitisation repository of the EuroABS Portal.</p> <p>The Issuer will procure that the Servicer will make the information set out in paragraph (a) above available no later than 5 p.m. on each Interest Payment Date, the information set out in paragraph (c) above available without delay, the information set out in paragraph (d) above available within 15 Business Days of Closing Date and the information set out in paragraph (e) above available before pricing and on or around the Closing Date in each case, to (i) the Issuer, the Seller and the Swap Provider; and (ii) the Noteholders, the competent authorities</p>	

and, upon request, to potential noteholders which obligation shall be satisfied by the Servicer emailing such information to EuroABS for EuroABS to publish such information on a securitisation repository of the EuroABS Portal.

The Issuer will procure that the Cash Manager shall make the Monthly SR Investor Reports available to the Noteholders, the competent authorities and, upon request, to potential noteholders by procuring publication of such information on the EuroABS Portal on each Interest Payment Date and the Monthly SR Investor Reports will be made available to Noteholders simultaneously with the UK Monthly Servicer Data Tape and the EU Monthly Servicer Data Tape.

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

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**STS Criteria**

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

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

See Prospectus, *RISK RETENTION AND SECURITISATION REGULATION REPORTING*.

Article 22(5) of the UK Securitisation Regulation

Pursuant to Article 22(5) of the UK Securitisation Regulation, the Issuer undertakes that:

- (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
- (d) the final documentation shall be made available to investors at the latest no later than fifteen (15) days after closing of the Transaction.

Compliance with Article 22 of the UK Securitisation Regulation

In order to comply with the transparency requirements provided for by Article 22 of the UK Securitisation Regulation, the Seller:

- (f) has made available before pricing of the Notes, the Transaction Documents (other than the Prospectus in a draft form);
- (i) will make available the Prospectus, the Transaction Documents and the UK STS Notification in final versions, within fifteen (15) days from the Closing Date.

The information set out in paragraph (e), (f), (g) and (i) above has been or will be made available (as the case may be) on the EuroABS Portal.

See Prospectus, RISK RETENTION AND SECURITISATION REGULATION REPORTING.

#### Reporting under the Securitisation Regulations

The Issuer, as the SSPE, has been designated as the entity responsible for fulfilling the information requirements under Article 7 of the UK Securitisation Regulation pursuant to Article 7(2) of the UK Securitisation Regulation and will either fulfil such requirements itself or shall procure that such requirements are complied with on its behalf.

The Issuer (in its capacity as reporting entity for the purposes of Article 7(2) of the UK Securitisation Regulation) will procure preparation of the following, provided that the Issuer, as designated entity, has agreed to comply with the relevant provisions of the EU Securitisation Regulation strictly on a contractual basis pursuant to the terms of the relevant Transaction Documents:

(d) copies of the relevant Transaction Documents and this Prospectus as required by and in accordance with Article 7(1)(b) of the UK Securitisation Regulation and Article 7(1)(b) of the EU Securitisation Regulation;

The Issuer will procure that the Servicer will make the information set out in paragraph (a) above available no later than 5 p.m. on each Interest Payment Date, the information set out in paragraph (c) above available without delay, the information set out in paragraph (d) above available within 15 Business Days of Closing Date and the information set out in paragraph (e) above available before pricing and on or around the Closing Date in each case, to (i) the Issuer, the Seller and the Swap Provider; and (ii) the Noteholders, the competent authorities and, upon request, to potential noteholders which obligation shall be satisfied by the Servicer emailing such information to EuroABS for EuroABS to publish such information on a securitisation repository of the EuroABS Portal.

The Issuer will procure that the Cash Manager shall make the Monthly SR Investor Reports available to the Noteholders, the competent authorities and, upon request, to potential noteholders by procuring publication of such information on the EuroABS Portal on each Interest Payment Date and the Monthly SR Investor Reports will be made available to Noteholders simultaneously with the UK Monthly Servicer Data Tape and the EU Monthly Servicer Data Tape.

*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 the FCA and the STS status of the securitisation will be lost.*

*Therefore, as a technical matter, this criterion is not applicable at the closing of a transaction. However, PCS will nevertheless look to see if there is a covenant on the part of the originator to comply in the future with this requirement whilst noting at the same time that the absence of any such covenant – although possibly unsettling for some investors – would not invalidate the STS status of the transaction at closing.*

**Article 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 authority referred to in Article 29 and, upon request, to potential investors:

(a) information on the underlying exposures on a quarterly basis, or, in the case of ABCP, information on the underlying receivables or credit claims on a monthly basis;

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74. 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 authority referred to in Article 29 and, upon request, to potential investors:

(a) information on the underlying exposures on a quarterly basis,

**Verified?**  
**YES**

#### **PCS Comments**

See Prospectus, *RISK RETENTION AND SECURITISATION REGULATION REPORTING*.

Reporting under the Securitisation Regulations

The Issuer (in its capacity as reporting entity for the purposes of Article 7(2) of the UK Securitisation Regulation) will procure preparation of the following, provided that the Issuer, as designated entity, has agreed to comply with the relevant provisions of the EU Securitisation Regulation strictly on a contractual basis pursuant to the terms of the relevant Transaction Documents:

(a) the UK Monthly Servicer Data Tape as required by and in accordance with Article 7(1)(a) of the UK Securitisation Regulation and the UK Article 7 Technical Standards and the EU Monthly Servicer Data Tape, as required by and in accordance with (in each case, not taking into account, any relevant national measures) Article 7(1)(a) of the EU Securitisation Regulation and the EU Article 7 Technical Standards;

See Prospectus, *OVERVIEW OF THE PRINCIPAL TRANSACTION DOCUMENTS*.

2. Servicing Agreement

Reporting

The Servicer will prepare (or procure the preparation of):

(a) the UK Monthly Servicer Data Tape as required by and in accordance with Article 7(1)(a) of the UK Securitisation Regulation and the UK Article 7 Technical Standards and the EU Monthly Servicer Data Tape as required by and in accordance with Article 7(1)(a) of the EU Securitisation Regulation and the EU Article 7 Technical Standards; and

The Servicer will make the information set out in paragraph (a) above available no later than 5 p.m. on each Interest Payment Date and the information set out in paragraph (b) above available without delay, in each case, to:

(a) the Issuer, the Cash Manager, the Seller and the Swap Provider; and

(b) the Noteholders, the competent authorities and, upon request, to potential noteholders.

*Please see notes in comment 73 above regarding future event criteria.*

**Article 7.1.** The originator, sponsor and SSPE of a securitisation shall, in accordance with paragraph 2 of this Article, make at least the following information available to holders of a securitisation position, to the competent authority referred to in Article 29 and, upon request, to potential investors:

- (b) all underlying documentation that is essential for the understanding of the transaction, including but not limited to, where applicable, the following documents:
  - (i) the final offering document or the prospectus together with the closing transaction documents, excluding legal opinions;
  - (ii) for traditional securitisation the asset sale agreement, assignment, novation or transfer agreement and any relevant declaration of trust;
  - (iii) the derivatives and guarantees agreements as well as any relevant documents on collateralisation arrangements where the exposures being securitised remain exposures of the originator;
  - (iv) the servicing, back-up servicing, administration and cash management agreements;
  - (v) the trust deed, security deed, agency agreement, account bank agreement, guaranteed investment contract, incorporated terms or master trust framework or master definitions agreement or such legal documentation with equivalent legal value;
  - (vi) any relevant inter-creditor agreements, derivatives documentation, subordinated loan agreements, start-up loan agreements and liquidity facility agreements;

<b>75</b>	<p><b><u>STS Criteria</u></b></p> <p>75. (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"> <li>(i) the final offering document or the prospectus together with the closing transaction documents, excluding legal opinions</li> <li>(ii) for traditional securitisation the asset sale agreement, assignment, novation or transfer agreement and any relevant declaration of trust;</li> <li>(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;</li> <li>(iv) the servicing, back-up servicing, administration and cash management agreements;</li> <li>(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;</li> <li>(vi) any relevant inter-creditor agreements, derivatives documentation, subordinated loan agreements, start-up loan agreements and liquidity facility agreements;</li> </ul>	<p><b><u>Verified?</u></b> <b>YES</b></p>
	<p><b><u>PCS Comments</u></b></p> <p>See Prospectus, RISK RETENTION AND SECURITISATION REGULATION REPORTING.</p> <p>Reporting under the Securitisation Regulations</p> <p>The Issuer, as the SSPE, has been designated as the entity responsible for fulfilling the information requirements under Article 7 of the UK Securitisation Regulation pursuant to Article 7(2) of the UK Securitisation Regulation and will either fulfil such requirements itself or shall procure that such requirements are complied with on its behalf.</p> <p>The Issuer (in its capacity as reporting entity for the purposes of Article 7(2) of the UK Securitisation Regulation) will procure preparation of the following, provided that the Issuer, as designated entity, has agreed to comply with the relevant provisions of the EU Securitisation Regulation strictly on a contractual basis pursuant to the terms of the relevant Transaction Documents:</p> <p>(d) copies of the relevant Transaction Documents and this Prospectus as required by and in accordance with Article 7(1)(b) of the UK Securitisation Regulation and Article 7(1)(b) of the EU Securitisation Regulation;</p> <p>The Issuer will procure that the Servicer will make the information set out in paragraph (a) above available no later than 5 p.m. on each Interest Payment Date, the information set out in paragraph (c) above available without delay, the information set out in paragraph (d) above available within 15 Business Days of Closing Date and the information set out in paragraph</p>	

(e) above available before pricing and on or around the Closing Date in each case, to (i) the Issuer, the Seller and the Swap Provider; and (ii) the Noteholders, the competent authorities and, upon request, to potential noteholders which obligation shall be satisfied by the Servicer emailing such information to EuroABS for EuroABS to publish such information on a securitisation repository of the EuroABS Portal.

The Issuer will procure that the Cash Manager shall make the Monthly SR Investor Reports available to the Noteholders, the competent authorities and, upon request, to potential noteholders by procuring publication of such information on the EuroABS Portal on each Interest Payment Date and the Monthly SR Investor Reports will be made available to Noteholders simultaneously with the UK Monthly Servicer Data Tape and the EU Monthly Servicer Data Tape.

See Prospectus, *GLOSSARY OF TERMS*.

"Transaction Documents" means the Trust Deed, the Deed of Charge (and any document entered into pursuant thereto, including any Assignment in Security and the Issuer Power of Attorney), the Agency Agreement, the Bank Account Agreement, the Cash Management Agreement, the Receivables Sale and Purchase Agreement, Redelivery Repurchase Agreement, the Seller Power of Attorney, the Servicing Agreement, the Subordinated Loan Agreement, the Global Notes representing the Notes, the Master Definitions Schedule, the Swap Agreement, the Corporate Services Agreement, each Scottish Declaration of Trust, the Collection Account Declaration of Trust and the Issuer ICSDs Agreement and any other agreement entered into between the Transaction Parties from time to time which is designated as a "Transaction Document" by the parties thereto.

Please see notes in comment 73 above regarding future event criteria.

**Article 7.1.** That underlying documentation shall include a detailed description of the priority of payments of the securitisation;

<b>76</b>	<b><u>STS Criteria</u></b> 76. That underlying documentation shall include a detailed description of the priority of payments of the securitisation;	<b><u>Verified?</u></b> <b>YES</b>
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**PCS Comments**

See Prospectus, *CONDITIONS OF THE NOTES*.

2. Status and Security

(d) Pre-Acceleration Priority of Payments

(f) Post-Acceleration Priority of Payments

See also underlying transaction documents:

Deed of Charge

6. PAYMENTS OUT OF THE ISSUER ACCOUNTS PRIOR TO ACCELERATION

7. PAYMENTS OUT OF THE ISSUER ACCOUNTS UPON ACCELERATION

Cash Management Agreement

SCHEDULE 2

Cash Management and Maintenance of Ledgers

3. PRIORITY OF PAYMENTS FOR THE APPLICATION OF AVAILABLE RECEIPTS PRIOR TO THE SERVICE OF A NOTE ACCELERATION NOTICE

**Article 7.1.** The originator, sponsor and SSPE of a securitisation shall, in accordance with paragraph 2 of this Article, make at least the following information available to holders of a securitisation position, to the competent authorities referred to in Article 29 and, upon request, to potential investors:

(c) where section 85 of the 2000 Act (prohibition of dealing etc in transferable securities without approved prospectus) and rules made by the FCA for the purposes of Part 6 of the 2000 Act (official listing)<sup>1</sup> do not require a prospectus to be drawn up, a transaction summary or overview of the main features of the securitisation, including, where applicable:

- (i) details regarding the structure of the deal, including the structure diagrams containing an overview of the transaction, the cash flows and the ownership structure;
- (ii) details regarding the exposure characteristics, cash flows, loss waterfall, credit enhancement and liquidity support features;
- (iii) details regarding the voting rights of the holders of a securitisation position and their relationship to other secured creditors;
- (iv) a list of all triggers and events referred to in the documents provided in accordance with point (b) that could have a material impact on the performance of the securitisation position;

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77. (c) section 85 of the 2000 Act (prohibition of dealing etc in transferable securities without approved prospectus) and rules made by the FCA for the purposes of Part 6 of the 2000 Act (official listing) do not require a prospectus to be drawn up, a transaction summary or overview of the main features of the securitisation, including, where applicable:

- (i) details regarding the structure of the deal, including the structure diagrams containing an overview of the transaction, the cash flows and the ownership structure;
- (ii) details regarding the exposure characteristics, cash flows, loss waterfall, credit enhancement and liquidity support features;
- (iii) details regarding the voting rights of the holders of a securitisation position and their relationship to other secured creditors;
- (iv) a list of all triggers and events referred to in the documents provided in accordance with point (b) that could have a material impact on the performance of the securitisation position;

**Verified?**  
**YES**

#### **PCS Comments**

See Prospectus, *RISK RETENTION AND SECURITISATION REGULATION REPORTING*.

Article 22(5) of the UK Securitisation Regulation

Pursuant to Article 22(5) of the UK Securitisation Regulation, the Issuer undertakes that:

(c) this Prospectus serves as a transaction summary or overview of the main features of the Transaction in accordance with Article 7(1)(c) of the UK Securitisation Regulation; and

Compliance with Article 22 of the UK Securitisation Regulation

In order to comply with the transparency requirements provided for by Article 22 of the UK Securitisation Regulation, the Seller:

(i) will make available the Prospectus, the Transaction Documents and the UK STS Notification in final versions, within fifteen (15) days from the Closing Date.

<sup>1</sup> These are "prospectus rules"; see section 73A of the Financial Services and Markets Act 2000 (Part 6 Rules), inserted by S.I. 2005/381



The information set out in paragraph (e), (f), (g) and (i) above has been or will be made available (as the case may be) on the EuroABS Portal.

*The Prospectus serves as the transaction summary in this transaction.*

**Article 7.1.** The originator, sponsor and SSPE of a securitisation shall, in accordance with paragraph 2 of this Article, make at least the following information available to holders of a securitisation position, to the competent authorities referred to in Article 29 and, upon request, to potential investors:

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

<b>78</b>	<b>STS Criteria</b>	<b>Verified? YES</b>
	<p>78. (d) in the case of STS securitisations, the STS notification referred to in Article 27;</p> <p><b>PCS Comments</b></p> <p>See Prospectus, RISK RETENTION AND SECURITISATION REGULATION REPORTING.</p> <p>Reporting under the Securitisation Regulations</p> <p>The Issuer, as the SSPE, has been designated as the entity responsible for fulfilling the information requirements under Article 7 of the UK Securitisation Regulation pursuant to Article 7(2) of the UK Securitisation Regulation and will either fulfil such requirements itself or shall procure that such requirements are complied with on its behalf.</p> <p>The Issuer (in its capacity as reporting entity for the purposes of Article 7(2) of the UK Securitisation Regulation) will procure preparation of the following, provided that the Issuer, as designated entity, has agreed to comply with the relevant provisions of the EU Securitisation Regulation strictly on a contractual basis pursuant to the terms of the relevant Transaction Documents:</p> <p>(e) a private securitisation notification will be made to the FCA; and</p> <p>(f) the UK STS Notification will be made.</p> <p>The Issuer will procure that the Servicer will make the information set out in paragraph (a) above available no later than 5 p.m. on each Interest Payment Date, the information set out in paragraph (c) above available without delay, the information set out in paragraph (d) above available within 15 Business Days of Closing Date and the information set out in paragraph (e) above available before pricing and on or around the Closing Date in each case, to (i) the Issuer, the Seller and the Swap Provider; and (ii) the Noteholders, the competent authorities and, upon request, to potential noteholders which obligation shall be satisfied by the Servicer emailing such information to EuroABS for EuroABS to publish such information on a securitisation repository of the EuroABS Portal.</p> <p>The Issuer will procure that the Cash Manager shall make the Monthly SR Investor Reports available to the Noteholders, the competent authorities and, upon request, to potential noteholders by procuring publication of such information on the EuroABS Portal on each Interest Payment Date and the Monthly SR Investor Reports will be made available to Noteholders simultaneously with the UK Monthly Servicer Data Tape and the EU Monthly Servicer Data Tape.</p> <p>See Prospectus.</p> <p>UK Simple, Transparent and Standardised (STS) Securitisation</p> <p>As at the Closing Date, pursuant to Article 27(1) of the UK Securitisation Regulation, the Seller intends to notify the FCA that the Transaction will meet the requirements of Articles 20 to 22 of the UK Securitisation Regulation (the "UK STS Notification"). The purpose of the UK STS Notification is to set out how in the opinion of the Seller each requirement of Articles</p>	

19 to 22 of the Securitisation Regulation has been complied with. The FCA is obliged to maintain on its website a list of all securitisations which the originators and sponsors have notified as meeting the STS requirements in accordance with Article 27(5) of the UK Securitisation Regulation. For this purpose, the FCA has set up a register on an interim basis under <http://data.fca.org.uk/#/sts/stssecuritisations>.

Please see notes in comment 73 above regarding future event criteria.

**Article 7.1.** The originator, sponsor and SSPE of a securitisation shall, in accordance with paragraph 2 of this Article, make at least the following information available to holders of a securitisation position, to the competent authorities referred to in Article 29 and, upon request, to potential investors:

(e) quarterly investor reports, or, in the case of ABCP, monthly investor reports, containing the following:

- (i) all materially relevant data on the credit quality and performance of underlying exposures;
- (ii) information on events which trigger changes in the priority of payments or the replacement of any counterparties, and, in the case of a securitisation which is not an ABCP transaction, data on the cash flows generated by the underlying exposures and by the liabilities of the securitisation;
- (iii) information about the risk retained, including information on which of the modalities provided for in Article 6(3) has been applied, in accordance with Article 6.

**79 STS Criteria**

79. (e) quarterly investor reports, or, in the case of ABCP, monthly investor reports, containing the following:

- (i) all materially relevant data on the credit quality and performance of underlying exposures;
- (ii) information on events which trigger changes in the priority of payments or the replacement of any counterparties,
- (ii)...and, in the case of a securitisation which is not an ABCP transaction, data on the cash flows generated by the underlying exposures and by the liabilities of the securitisation;
- (iii) information about the risk retained, including information on which of the modalities provided for in Article 6(3) has been applied, in accordance with Article 6.

**Verified?  
YES**

**PCS Comments**

See Prospectus, RISK RETENTION AND SECURITISATION REGULATION REPORTING.

Reporting under the Securitisation Regulations

The Issuer, as the SSPE, has been designated as the entity responsible for fulfilling the information requirements under Article 7 of the UK Securitisation Regulation pursuant to Article 7(2) of the UK Securitisation Regulation and will either fulfil such requirements itself or shall procure that such requirements are complied with on its behalf.

The Issuer (in its capacity as reporting entity for the purposes of Article 7(2) of the UK Securitisation Regulation) will procure preparation of the following, provided that the Issuer, as designated entity, has agreed to comply with the relevant provisions of the EU Securitisation Regulation strictly on a contractual basis pursuant to the terms of the relevant Transaction Documents:

- (b) the UK SR Monthly Investor Report as required by and in accordance with Article 7(1)(e) of the UK Securitisation Regulation and the EU SR Monthly Investor Report as required by and in accordance with (not taking into account any national measures) Article 7(1)(e) of the EU Securitisation Regulation (which will be made available to Noteholders simultaneously with the UK Monthly Servicer Data Tape and the EU Monthly Servicer Data Tape);

The Issuer will procure that the Servicer will make the information set out in paragraph (a) above available no later than 5 p.m. on each Interest Payment Date, the information set out in paragraph (c) above available without delay, the information set out in paragraph (d) above available within 15 Business Days of Closing Date and the information set out in

paragraph (e) above available before pricing and on or around the Closing Date in each case, to (i) the Issuer, the Seller and the Swap Provider; and (ii) the Noteholders, the competent authorities and, upon request, to potential noteholders which obligation shall be satisfied by the Servicer emailing such information to EuroABS for EuroABS to publish such information on a securitisation repository of the EuroABS Portal.

The Issuer will procure that the Cash Manager shall make the Monthly SR Investor Reports available to the Noteholders, the competent authorities and, upon request, to potential noteholders by procuring publication of such information on the EuroABS Portal on each Interest Payment Date and the Monthly SR Investor Reports will be made available to Noteholders simultaneously with the UK Monthly Servicer Data Tape and the EU Monthly Servicer Data Tape.

See Prospectus, GLOSSARY OF TERMS.

"UK SR Monthly Investor Report" means the investor report in respect of the Calculation Period immediately preceding each Interest Payment Date as then required by and in accordance with Article 7(1)(e) of the UK Securitisation Regulation.

*Please see notes in comment 73 above regarding future event criteria.*

**Article 7.1.** The originator, sponsor and SSPE of a securitisation shall, in accordance with paragraph 2 of this Article, make at least the following information available to holders of a securitisation position, to the competent authorities referred to in Article 29 and, upon request, to potential investors:

(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;

**80** **STS Criteria**

80. (f) any inside information relating to the securitisation that the originator, sponsor or SSPE is obliged to make public in accordance with Article 17 of Regulation (EU) No 596/2014 of the European Parliament and of the Council on insider dealing and market manipulation;

**Verified?**  
**YES**

**PCS Comments**

See Prospectus, RISK RETENTION AND SECURITISATION REGULATION REPORTING.

Reporting under the Securitisation Regulations

The Issuer, as the SSPE, has been designated as the entity responsible for fulfilling the information requirements under Article 7 of the UK Securitisation Regulation pursuant to Article 7(2) of the UK Securitisation Regulation and will either fulfil such requirements itself or shall procure that such requirements are complied with on its behalf.

The Issuer (in its capacity as reporting entity for the purposes of Article 7(2) of the UK Securitisation Regulation) will procure preparation of the following, provided that the Issuer, as designated entity, has agreed to comply with the relevant provisions of the EU Securitisation Regulation strictly on a contractual basis pursuant to the terms of the relevant Transaction Documents:

(c) any UK SR Inside Information and Significant Event Report as required by and in accordance with Article 7(1)(f) and/or Article 7(1)(g) (as applicable) of the UK Securitisation Regulation and the UK Article 7 Technical Standards and any EU SR Inside Information and Significant Event Report as required by and in accordance with (not taking into account any national measures) Article 7(1)(f) and/or Article 7(1)(g) (as applicable) of the EU Securitisation Regulation and the EU Article 7 Technical Standards ;

The Issuer will procure that the Servicer will make the information set out in paragraph (a) above available no later than 5 p.m. on each Interest Payment Date, the information set out in paragraph (c) above available without delay, the information set out in paragraph (d) above available within 15 Business Days of Closing Date and the information set out in paragraph (e) above available before pricing and on or around the Closing Date in each case, to (i) the Issuer, the Seller and the Swap Provider; and (ii) the Noteholders, the competent authorities

and, upon request, to potential noteholders which obligation shall be satisfied by the Servicer emailing such information to EuroABS for EuroABS to publish such information on the a securitisation repository of EuroABS Portal.

The Issuer will procure that the Cash Manager shall make the Monthly SR Investor Reports available to the Noteholders, the competent authorities and, upon request, to potential noteholders by procuring publication of such information on the EuroABS Portal on each Interest Payment Date and the Monthly SR Investor Reports will be made available to Noteholders simultaneously with the UK Monthly Servicer Data Tape and the EU Monthly Servicer Data Tape.

*Please see notes in comment 73 above regarding future event criteria.*

**Article 7.1.** The originator, sponsor and SSPE of a securitisation shall, in accordance with paragraph 2 of this Article, make at least the following information available to holders of a securitisation position, to the competent authorities referred to in Article 29 and, upon request, to potential investors:

(g) where point (f) does not apply, any significant event such as:

- (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.

**81** **STS Criteria**

81. (g) where point (f) does not apply, any significant event such as:

- (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 the competent authority has taken remedial or administrative actions;
- (v) any material amendment to transaction documents.

**Verified?**  
**YES**

**PCS Comments**

See Prospectus, RISK RETENTION AND SECURITISATION REGULATION REPORTING.

Reporting under the Securitisation Regulations

The Issuer, as the SSPE, has been designated as the entity responsible for fulfilling the information requirements under Article 7 of the UK Securitisation Regulation pursuant to Article 7(2) of the UK Securitisation Regulation and will either fulfil such requirements itself or shall procure that such requirements are complied with on its behalf.

The Issuer (in its capacity as reporting entity for the purposes of Article 7(2) of the UK Securitisation Regulation) will procure preparation of the following, provided that the Issuer, as designated entity, has agreed to comply with the relevant provisions of the EU Securitisation Regulation strictly on a contractual basis pursuant to the terms of the relevant Transaction Documents:

(c) any UK SR Inside Information and Significant Event Report as required by and in accordance with Article 7(1)(f) and/or Article 7(1)(g) (as applicable) of the UK Securitisation Regulation and the UK Article 7 Technical Standards and any EU SR Inside Information and Significant Event Report as required by and in accordance with (not taking into account any national measures) Article 7(1)(f) and/or Article 7(1)(g) (as applicable) of the EU Securitisation Regulation and the EU Article 7 Technical Standards ;

The Issuer will procure that the Servicer will make the information set out in paragraph (a) above available no later than 5 p.m. on each Interest Payment Date, the information set out in paragraph (c) above available without delay, the information set out in paragraph (d) above available within 15 Business Days of Closing Date and the information set out in paragraph (e) above available before pricing and on or around the Closing Date in each case, to (i) the Issuer, the Seller and the Swap Provider; and (ii) the Noteholders, the competent authorities and, upon request, to potential noteholders which obligation shall be satisfied by the Servicer emailing such information to EuroABS for EuroABS to publish such information on a securitisation repository of the EuroABS Portal.

The Issuer will procure that the Cash Manager shall make the Monthly SR Investor Reports available to the Noteholders, the competent authorities and, upon request, to potential noteholders by procuring publication of such information on the EuroABS Portal on each Interest Payment Date and the Monthly SR Investor Reports will be made available to Noteholders simultaneously with the UK Monthly Servicer Data Tape and the EU Monthly

Servicer Data Tape.

*Please see notes in comment 73 above regarding future event criteria.*

**Article 7.1.** The information described in points (a) and (e) of the first subparagraph shall be made available simultaneously each quarter at the latest one month after the due date for the payment of interest [...ABCP provisions]

**82** **STS Criteria**

82. The information described in points (a) and (e) of the first subparagraph shall be made available simultaneously each quarter at the latest one month after the due date for the payment of interest [...ABCP provisions]

**Verified?**  
**YES**

**PCS Comments**

See Prospectus, RISK RETENTION AND SECURITISATION REGULATION REPORTING.

Reporting under the Securitisation Regulations

The Issuer, as the SSPE, has been designated as the entity responsible for fulfilling the information requirements under Article 7 of the UK Securitisation Regulation pursuant to Article 7(2) of the UK Securitisation Regulation and will either fulfil such requirements itself or shall procure that such requirements are complied with on its behalf.

The Issuer (in its capacity as reporting entity for the purposes of Article 7(2) of the UK Securitisation Regulation) will procure preparation of the following, provided that the Issuer, as designated entity, has agreed to comply with the relevant provisions of the EU Securitisation Regulation strictly on a contractual basis pursuant to the terms of the relevant Transaction Documents:

(a) the UK Monthly Servicer Data Tape as required by and in accordance with Article 7(1)(a) of the UK Securitisation Regulation and the UK Article 7 Technical Standards and the EU Monthly Servicer Data Tape, as required by and in accordance with (in each case, not taking into account, any relevant national measures) Article 7(1)(a) of the EU Securitisation Regulation and the EU Article 7 Technical Standards;

(b) the UK SR Monthly Investor Report as required by and in accordance with Article 7(1)(e) of the UK Securitisation Regulation and the EU SR Monthly Investor Report as required by and in accordance with (not taking into account any national measures) Article 7(1)(e) of the EU Securitisation Regulation (which will be made available to Noteholders simultaneously with the UK Monthly Servicer Data Tape and the EU Monthly Servicer Data Tape);

The Issuer will procure that the Servicer will make the information set out in paragraph (a) above available no later than 5 p.m. on each Interest Payment Date, the information set out in paragraph (c) above available without delay, the information set out in paragraph (d) above available within 15 Business Days of Closing Date and the information set out in paragraph (e) above available before pricing and on or around the Closing Date in each case, to (i) the Issuer, the Seller and the Swap Provider; and (ii) the Noteholders, the competent authorities and, upon request, to potential noteholders which obligation shall be satisfied by the Servicer emailing such information to EuroABS for EuroABS to publish such information on a securitisation repository of the EuroABS Portal.

The Issuer will procure that the Cash Manager shall make the Monthly SR Investor Reports available to the Noteholders, the competent authorities and, upon request, to potential noteholders by procuring publication of such information on a securitisation repository of the EuroABS Portal on each Interest Payment Date and the Monthly SR Investor Reports will be made available to Noteholders simultaneously with the UK Monthly Servicer Data Tape and the EU Monthly Servicer Data Tape.

*Please see notes in comment 73 above regarding future event criteria.*

**Article 7.1.** Without prejudice to Regulation (EU) No 596/2014, the information described in points (f) and (g) of the first subparagraph shall be made available without delay. When complying with this paragraph, the originator, sponsor and SSPE of a securitisation shall comply with national and United Kingdom law governing the protection of confidentiality of information and the processing of personal data in order to avoid potential breaches of such law as well as any confidentiality obligation relating to customer, original lender or debtor information, unless such confidential information is anonymised or aggregated. In particular, with regard to the information referred to in point (b) the originator, sponsor and SSPE may provide a summary of the concerned documentation. Competent authorities referred to in Article 29 shall be able to request the provision of such confidential information to them in order to fulfil their duties under this Regulation.

83

**STS Criteria**

83. Without prejudice to Regulation (EU) No 596/2014, the information described in points (f) and (g) of the first subparagraph shall be made available without delay

**Verified?**  
**YES**

**PCS Comments**

See Prospectus, RISK RETENTION AND SECURITISATION REGULATION REPORTING.

Reporting under the Securitisation Regulations

The Issuer, as the SSPE, has been designated as the entity responsible for fulfilling the information requirements under Article 7 of the UK Securitisation Regulation pursuant to Article 7(2) of the UK Securitisation Regulation and will either fulfil such requirements itself or shall procure that such requirements are complied with on its behalf.

The Issuer (in its capacity as reporting entity for the purposes of Article 7(2) of the UK Securitisation Regulation) will procure preparation of the following, provided that the Issuer, as designated entity, has agreed to comply with the relevant provisions of the EU Securitisation Regulation strictly on a contractual basis pursuant to the terms of the relevant Transaction Documents:

(c) any UK SR Inside Information and Significant Event Report as required by and in accordance with Article 7(1)(f) and/or Article 7(1)(g) (as applicable) of the UK Securitisation Regulation and the UK Article 7 Technical Standards and any EU SR Inside Information and Significant Event Report as required by and in accordance with (not taking into account any national measures) Article 7(1)(f) and/or Article 7(1)(g) (as applicable) of the EU Securitisation Regulation and the EU Article 7 Technical Standards ;

The Issuer will procure that the Servicer will make the information set out in paragraph (a) above available no later than 5 p.m. on each Interest Payment Date, the information set out in paragraph (c) above available without delay, the information set out in paragraph (d) above available within 15 Business Days of Closing Date and the information set out in paragraph (e) above available before pricing and on or around the Closing Date in each case, to (i) the Issuer, the Seller and the Swap Provider; and (ii) the Noteholders, the competent authorities and, upon request, to potential noteholders which obligation shall be satisfied by the Servicer emailing such information to EuroABS for EuroABS to publish such information on a securitisation repository of the EuroABS Portal.

The Issuer will procure that the Cash Manager shall make the Monthly SR Investor Reports available to the Noteholders, the competent authorities and, upon request, to potential noteholders by procuring publication of such information on the EuroABS Portal on each Interest Payment Date and the Monthly SR Investor Reports will be made available to Noteholders simultaneously with the UK Monthly Servicer Data Tape and the EU Monthly Servicer Data Tape.

See Prospectus, OVERVIEW OF THE PRINCIPAL TRANSACTION DOCUMENTS.

## 2. Servicing Agreement

### Reporting

The Servicer will prepare (or procure the preparation of):

(b) any UK SR Inside Information and Significant Event Report as required by and in accordance with Article 7(1)(f) and/or Article 7(1)(g) (as applicable) of the UK Securitisation Regulation and the UK Article 7 Technical Standards and any EU SR Inside Information and Significant Event Report as required by and in accordance with Article 7(1)(f) and/or Article 7(1)(g) (as applicable) of the EU Securitisation Regulation and the EU Article 7 Technical Standards.

The Servicer will make the information set out in paragraph (a) above available no later than 5 p.m. on each Interest Payment Date and the information set out in paragraph (b) above available without delay, in each case, to:

- (a) the Issuer, the Cash Manager, the Seller and the Swap Provider; and
- (b) the Noteholders, the competent authorities and, upon request, to potential noteholders.

*Please see notes in comment 73 above regarding future event criteria.*

**Article 7.2.** The originator, sponsor and SSPE of a securitisation shall designate amongst themselves one entity to fulfil the information requirements pursuant to points (a), (b), (d), (e), (f) and (g) of the first subparagraph of paragraph 1.

The entity designated in accordance with the first subparagraph shall make the information for a securitisation transaction available by means of a securitisation repository.

Or

The obligations referred to in the second and fourth subparagraphs shall not apply to securitisations where no prospectus has to be drawn up in compliance with Directive 2003/71/EC.

<b>84</b>	<p><b><u>STS Criteria</u></b></p> <p>84. The originator, sponsor and SSPE of a securitisation shall designate amongst themselves one entity to fulfil the information requirements pursuant to points (a), (b), (d), (e), (f) and (g) of the first subparagraph of paragraph 1.</p> <p>The entity designated in accordance with the first subparagraph shall make the information for a securitisation transaction available by means of a securitisation repository.</p> <p>Or</p> <p>The obligations referred to in the second and fourth subparagraphs shall not apply to securitisations where no prospectus has to be drawn up in compliance with Directive 2003/71/EC.</p>	<p><b><u>Verified?</u></b></p> <p><b>YES</b></p>
	<p><b><u>PCS Comments</u></b></p> <p>See Prospectus, <i>RISK RETENTION AND SECURITISATION REGULATION REPORTING</i>.</p> <p>Reporting entity</p> <p>The Issuer, as the SSPE, has been designated as the entity responsible for fulfilling the information requirements under Article 7 of the UK Securitisation Regulation pursuant to Article 7(2) of the UK Securitisation Regulation and will either fulfil such requirements itself or shall procure that such requirements are complied with on its behalf.</p> <p><i>Please see notes in comment 73 above regarding future event criteria.</i></p>	
<b>85</b>	<p><b><u>STS Criteria</u></b></p> <p>85. The entity responsible for reporting the information, and the securitisation repository where the information is made available shall be indicated in the documentation regarding the securitisation.</p>	<p><b><u>Verified?</u></b></p> <p><b>YES</b></p>
	<p><b><u>PCS Comments</u></b></p> <p>See Prospectus, <i>RISK RETENTION AND SECURITISATION REGULATION REPORTING</i>.</p> <p>Reporting under the Securitisation Regulations</p> <p>The Issuer, as the SSPE, has been designated as the entity responsible for fulfilling the information requirements under Article 7 of the UK Securitisation Regulation pursuant to Article 7(2) of the UK Securitisation Regulation and will either fulfil such requirements itself or shall procure that such requirements are complied with on its behalf.</p> <p>The Issuer (in its capacity as reporting entity for the purposes of Article 7(2) of the UK Securitisation Regulation) will procure preparation of the following, provided that the Issuer, as designated entity, has agreed to comply with the relevant provisions of the EU Securitisation Regulation strictly on a contractual basis pursuant to the terms of the relevant Transaction Documents: [...]</p>	



The Issuer will procure that the Servicer will make the information set out in paragraph (a) above available no later than 5 p.m. on each Interest Payment Date, the information set out in paragraph (c) above available without delay, the information set out in paragraph (d) above available within 15 Business Days of Closing Date and the information set out in paragraph (e) above available before pricing and on or around the Closing Date in each case, to (i) the Issuer, the Seller and the Swap Provider; and (ii) the Noteholders, the competent authorities and, upon request, to potential noteholders which obligation shall be satisfied by the Servicer emailing such information to EuroABS for EuroABS to publish such information on a securitisation repository of the EuroABS Portal.

The Issuer will procure that the Cash Manager shall make the Monthly SR Investor Reports available to the Noteholders, the competent authorities and, upon request, to potential noteholders by procuring publication of such information on the EuroABS Portal on each Interest Payment Date and the Monthly SR Investor Reports will be made available to Noteholders simultaneously with the UK Monthly Servicer Data Tape and the EU Monthly Servicer Data Tape.

See GLOSSARY OF TERMS.

"EuroABS Portal" means (as the case may be):

(a) the website of EuroABS at <https://www.euroabs.com/IH.aspx?d=22817>, being a website that conforms with the requirements set out in Article 7(2) of the UK Securitisation Regulation, and

(b) the website of EuroABS at <https://www.euroabs.com/IH.aspx?d=22817>, being a website that conforms with the requirements set out in Article 7(2) of the EU Securitisation Regulation,

or in each case such other website as may be notified by the TFSUK to the Issuer, the Security Trustee, each Rating Agency and the Noteholders from time to time.

or in each case such other website as may be notified by the TFSUK to the Issuer, the Security Trustee, each Rating Agency and the Noteholders from time to time.

*Note that for UK Securitisation Regulation, the transaction is private and thus the Securitisation Repository requirement is not applicable. Please see notes in comment 73 above regarding future event criteria.*