

STS Term Verification Checklist

SABADELL CONSUMER FINANCE AUTOS 1



PRIME COLLATERALISED SECURITIES (PCS) EU SAS

29th September 2023

Robert Leach: +44 203 866 5005

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

This STS Term Verification 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 informed by (a) the text of the STS Regulation itself, (b) the EBA guidelines and recommendations issued in accordance with Article 19(2) of the STS Regulation (the "EBA Guidelines") and (c) any relevant national competent authorities' interpretation of the STS criteria to the extent known to PCS.

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

29th September 2023

STS Disclaimer

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

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

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

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

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

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

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

To understand the meaning and limitations of any CRR 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	29 September 2023
The transaction to be verified (the "Transaction")	SABADELL CONSUMER FINANCE AUTOS 1
Issuer	SABADELL CONSUMER FINANCE AUTOS 1
Originator	Sabadell Consumer Finance S.A.U.
Lead Manager(s)	Banco de Sabadell, S.A. and Banco Santander, S. A.
Transaction Legal Counsel	J&A Garrigues, S.L.P.
Rating Agencies	Fitch, DBRS
Stock Exchange	AIAF
Closing Date	29 September 2023

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 grey introductory boxes with specific criteria for our verification listed underneath.

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

1

STS Criteria

1. The title to the underlying exposures shall be acquired by the SSPE by means of a true sale or assignment or transfer with the same legal effect in a manner that is enforceable against the seller or any other third party.

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

See Prospectus, *ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES*.

3. STRUCTURE AND CASH FLOW.

3.3.1 Formalisation of the assignment of the Receivables

a) Assignment of the Receivables

The assignment of the Receivables by the Seller to the Fund will be effected on the Date of Incorporation by means of the Sale and Purchase Agreement which will be executed simultaneously with the Deed of Incorporation and upon incorporation of the Fund.

The Receivables are not considered as transferable securities as defined in point (44) of Article 4(1) of Directive 2014/65/EU, derivative instruments or securitisation positions.

The assignment of the Receivables by Sabadell Consumer to the Fund in accordance with the terms of the Sale and Purchase Agreement on the Date of Incorporation will be effective to transfer the full, unencumbered benefit of and right, title and interest (present and future) of the Receivables to the Fund and will not require any further act, condition or thing to be done in connection therewith to enable the Fund to require payment of the receivables arising thereunder or enforce such right in court, other than the notification, on or prior the Date of Incorporation of the assignment of the Receivables to the Fund to all the Borrowers who have signed the relevant Loan Agreements.

b) Notification of the assignment

The assignment by the Seller of the Receivables will be notified to the Borrowers although the notification is not a requirement for the validity of the assignment of the Receivables.

3.3.2 Receivables assignment terms

The assignment of the Receivables will be full and unconditional and for the whole of the remaining period up to the maturity of each Receivable.

[...] The assignment of the Receivables cannot be the subject of claw-back other than by an action brought by the Seller's receivers, in accordance with the provisions of the Insolvency Law and after proving the existence of fraud in the transaction, as set forth in Article 16.4 of Law 5/2015. The Seller has its place of business office in Spain. Therefore, and unless proof in the contrary, it is presumed that the centre of main interests is Spain.

In the event that the Seller is declared insolvent, in accordance with the Insolvency Law, the Fund, represented by the Management Company, shall have the right of separation with respect to the Receivables, on the terms provided in Articles 239 and 240 of the Insolvency Law; consequently, the Fund shall be entitled to obtain from the insolvent Seller the resulting Receivables amounts from the date on which the insolvency is decreed, being those amounts considered Fund's property and must therefore be transferred to the Fund, represented by the Management Company.

This right of separation would not necessarily extend to the cash received and kept by the insolvent Seller on behalf of the Fund before that date, given the essential fungible nature of money.

Notwithstanding the above, both the Prospectus and the Deed of Incorporation provide for certain mechanism in order to mitigate the aforesaid effects in relation to cash due to its fungible nature as detailed in section 3.4.2.1 of the Additional Information.

Section 3.3.1 above provides that the Seller's assignment of the Receivables to the Fund shall be notified to the Borrowers although the Borrowers will continue to pay Sabadell Consumer as agreed in the Loan Agreements.

See Prospectus, *ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES*.

2. THE UNDERLYING ASSETS.

2.2.3 Legal nature of the assets.

The Receivables securitised by means of their assignment to the Fund are credit rights deriving from Loans granted by Sabadell Consumer to individuals and legal entities' who were resident or registered, as applicable, in Spain as of the date of formalisation of each Loan, for the financing of the acquisition of New Vehicles or Used Vehicles.

Some of the Loan Agreements from which the Receivables derive include personal guarantees. In addition, all of the Loan Agreements have a reservation of title clause, regardless of the fact that the Loan Agreements have been granted by means of a deed (póliza) granted before a public notary or in a private agreement; however, not all reservation of title clauses are registered in the Register of Instalment Sales of Movable Properties.

"True sale" is not a legal concept but a rating agency creation.

The essence of a "true sale" is that the property in the securitised assets has legally moved from the originator(s)/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(s)/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".

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.

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.

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.

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 may occur. 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".

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.

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.

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”:

PCS has reviewed the draft legal opinion provided by Garrigues.

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 point 1 above.

A legal opinion has been provided and sufficient comfort is reached that the transfer would not be subject to a “severe clawback” if Spanish insolvency proceedings are opened in respect of the Originator.

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	<p>STS Criteria</p> <p>3. Where the seller is not the original lender, the true sale or assignment or transfer with the same legal effect of the underlying exposures to the seller, whether that true sale or assignment or transfer with the same legal effect is direct or through one or more intermediate steps, shall meet the requirements set out in paragraphs 1 to 3.</p>	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>See Prospectus, <i>ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES.</i></p> <p>2. THE UNDERLYING ASSETS.</p> <p>2.2.8 Representations and warranties given to the issuer relating to the assets</p> <p>The Seller, as owner of the Loans will make the following representations and warranties to the Management Company, acting on behalf of the Fund, on the Date of Incorporation in the Deed of Incorporation and in the Sale and Purchase Agreement:</p> <p>(ii) In relation to the Loans and to the Receivables assigned to the Fund:</p> <p>(42) That the Loans have been originated by Sabadell Consumer.</p> <p>The Seller will make, on the Date of Incorporation, the representations and warranties regarding both the Loans and the Seller as described in this section in the Deed of Incorporation and in the Sale and Purchase Agreement.</p>	

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 point 1 above.

See Prospectus, *ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES*.

3. STRUCTURE AND CASH FLOW.

3.3.1 Formalisation of the assignment of the Receivables

a) Assignment of the Receivables

The assignment of the Receivables by the Seller to the Fund will be effected on the Date of Incorporation by means of the Sale and Purchase Agreement which will be executed simultaneously with the Deed of Incorporation and upon incorporation of the Fund.

The Receivables are not considered as transferable securities as defined in point (44) of Article 4(1) of Directive 2014/65/EU, derivative instruments or securitisation positions.

The assignment of the Receivables by Sabadell Consumer to the Fund in accordance with the terms of the Sale and Purchase Agreement on the Date of Incorporation will be effective to transfer the full, unencumbered benefit of and right, title and interest (present and future) of the Receivables to the Fund and will not require any further act, condition or thing to be done in connection therewith to enable the Fund to require payment of the receivables arising thereunder or enforce such right in court, other than the notification, on or prior the Date of Incorporation of the assignment of the Receivables to the Fund to all the Borrowers who have signed the relevant Loan Agreements.

b) Notification of the assignment

The assignment by the Seller of the Receivables will be notified to the Borrowers although the notification is not a requirement for the validity of the assignment of the Receivables.

Notwithstanding the foregoing, the Borrowers will continue to pay Sabadell Consumer as agreed in the Loan Agreements.

Likewise, upon the occurrence of an Insolvency Event of the Servicer or in case of indications thereof, or liquidation or the replacement of the Servicer, or if the Management Company considers it to be reasonably justified, the Management Company may request the Servicer to notify the Borrowers and the Insurance Companies of the assignment of the outstanding Receivables to the Fund (in the case of the Insurance Companies) and that the payments derived therefrom will only release the debt if payment is made into the Treasury Account opened in the name of the Fund. However, if the Servicer has not served the notice to the Borrowers within five (5) Business Days of receipt of the request by the

Management Company, or in the case that the Servicer is in insolvency proceedings, the Management Company itself, either directly or through a new designated servicer or agent, may notify the Borrowers and the Insurance Companies.

PCS understands that notification is not required to perfect the transfer of exposures.

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.

5

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, *ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES*.

3. STRUCTURE AND CASH FLOW.

3.3.1 Formalisation of the assignment of the Receivables

a) Assignment of the Receivables

[...] The assignment of the Receivables by Sabadell Consumer to the Fund in accordance with the terms of the Sale and Purchase Agreement on the Date of Incorporation will be effective to transfer the full, unencumbered benefit of and right, title and interest (present and future) of the Receivables to the Fund and will not require any further act, condition or thing to be done in connection therewith to enable the Fund to require payment of the receivables arising thereunder or enforce such right in court, other than the notification, on or prior the Date of Incorporation of the assignment of the Receivables to the Fund to all the Borrowers who have signed the relevant Loan Agreements.

See Prospectus, 2. *THE UNDERLYING ASSETS*.

2.2.8 Representations and warranties given to the issuer relating to the assets

The Seller, as owner of the Loans will make the following representations and warranties to the Management Company, acting on behalf of the Fund, on the Date of Incorporation in the Deed of Incorporation and in the Sale and Purchase Agreement:

(ii) In relation to the Loans and to the Receivables assigned to the Fund:

(4) That Sabadell Consumer is, without limitation, the owner of the Receivables, which are free of any liens and encumbrances and, to the best of its knowledge, there is no clause that could adversely affect the enforceability of their assignment to the Fund.

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.

6	STS Criteria	Verified?
	6. The underlying exposures transferred from, or assigned by, the seller to the SSPE shall meet pre-determined, clear and documented eligibility criteria....	YES
PCS Comments		
See Prospectus, <i>ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES</i> .		
2. THE UNDERLYING ASSETS.		
2.2.8 Representations and warranties given to the issuer relating to the assets		
The Seller, as owner of the Loans will make the following representations and warranties to the Management Company, acting on behalf of the Fund, on the Date of Incorporation in the Deed of Incorporation and in the Sale and Purchase Agreement:		
(ii) In relation to the Loans and to the Receivables assigned to the Fund: [...]		
The aforementioned representations shall be made (i) on the Date of Incorporation and (ii) on the date on which the replacement is communicated to the CNMV for the Receivables assigned to the Fund as replacements in accordance with the procedure set out in section 2.2.9 below.		
The Seller will make, on the Date of Incorporation, the representations and warranties regarding both the Loans and the Seller as described in this section in the Deed of Incorporation and in the Sale and Purchase Agreement.		
<i>The EBA Guidelines clarify that “clear” does not mean easily readable or comprehended by a non-expert. In the Regulation a criterion is “clear” when a court or tribunal could determine whether, presumably in all cases, the criterion is met for each asset. In the Regulation, “clear” is about certainty of determination.</i>		
<i>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.</i>		
7	STS Criteria	Verified?
	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.	YES
PCS Comments		
See Prospectus, <i>ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES</i> .		
2. THE UNDERLYING ASSETS.		
2.3 Assets actively managed backing the issue		
The Management Company will not actively manage the assets backing the issue.		

2.2.9 Substitution of the securitised assets.

If it is observed during the life of the Receivables that any of them failed on the Date of Incorporation to meet the representations and warranties contained in section 2.2.8 (ii) of this Additional Information, the Seller agrees, subject to the Management Company's consent, to proceed forthwith to remedy such failure, and provided that such remedy is not possible, to replace or redeem the affected Receivable by automatically terminating the assignment of the affected Receivable, subject to the following rules:

(i) The party becoming aware of the existence of a non-conforming Receivable, whether the Seller or the Management Company, will notify the other party of such circumstance. The Seller will have up to fifteen (15) Business Days from such notice to proceed to remedy such circumstance if capable of being remedied and subject to the Management Company's consent or to replace the non-conforming Receivable.

(ii) Replacement will be made for the Outstanding Balance of the Receivable plus accrued and unpaid interest and any other amount owed to the Fund until the date on which the relevant non-conforming Receivable is replaced.

In order to proceed with the replacement, the Seller will notify the Management Company of the characteristics of the Receivable proposed to be assigned satisfying the representations and warranties set forth in section 2.2.8(ii) of this Additional Information and having similar characteristics to those of the non-conforming Receivable (in terms of purpose, term, interest rate and outstanding balance). Once the Management Company has verified that the characteristics set forth in section 2.2.8(ii) of this Additional Information are satisfied and after having expressly communicated to the Seller that the Receivables to be assigned comply with the representations and warranties (where applicable by reference to the relevant assignment date), the Seller shall proceed to replace the affected non-conforming Receivable and will assign the new Receivable or Receivables.

The substitution of Receivables shall be made in a notarised certificate subject to the same formal requirements established for the assignment of the Receivables and shall be communicated by the Management Company to the CNMV and the Rating Agencies.

(iii) If any non-conforming Receivable is not replaced or capable of being replaced in accordance with the procedure set out in paragraph (ii) of this section, the Seller will proceed to automatically terminate the assignment of the affected non-conforming Receivable. The termination will take place by means of the cash repayment by the Seller to the Fund of an amount equal to the Outstanding Balance of the relevant Receivable, plus any accrued and unpaid interest, and any other amount that might correspond to the Fund until such date. Such amount will be paid by the Seller into the Treasury Account.

(iv) In the event of termination of assignment of non-conforming Receivables due to either replacement or repayment, the Seller will be vested with all rights attached to those non-conforming Receivables accruing from the relevant termination date.

(v) Upon replacement or repurchase of any affected Receivables, the Seller will be vested with all rights attached to those affected Receivables accruing from the relevant replacement or repurchase date.

The expenses derived from the actions to remedy the Seller's breach shall be borne by the Seller and cannot be charged to the Fund or the Management Company.

See Prospectus, *RISK FACTORS*.

1. RISKS SPECIFIC TO THE SECURITIES.

1.2 Related to the nature of the securities.

e) Early redemption of the Notes

The Seller will have the option at its own discretion (but not the obligation) to repurchase all outstanding Receivables and hence instruct the Management Company to carry out the Early Liquidation of the Issuer and the Early Amortisation of the entire issue of the Notes in whole (but not in part) described in section 4.4.3.2 of the Registration Document if any of the following events take place (the "Seller's Call Options"):

- a) If a Clean-up Call Event occurs (as defined in section 4.4.3.2 of the Registration Document).
- b) If a Regulatory Change Event occurs (as defined in section 4.4.3.2 of the Registration Document).
- c) If a Tax Change Event occurs (as defined in section 4.4.3.2 of the Registration Document).

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”.

PCS has reviewed the repurchase devices set out in the Prospectus and these are considered acceptable within the context of the EBA final guidelines.

8	STS Criteria	Verified?
	8. Exposures transferred to the SSPE after the closing of the transaction shall meet the eligibility criteria applied to the initial underlying exposures.	YES

PCS Comments

The transaction is not structured with a revolving period.

For substitution of assets on breach of warranties:

See Prospectus, ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES.

2. THE UNDERLYING ASSETS.

2.2.9 Substitution of the securitised assets.

[...] In order to proceed with the replacement, the Seller will notify the Management Company of the characteristics of the Receivable proposed to be assigned satisfying the representations and warranties set forth in section 2.2.8(ii) of this Additional Information and having similar characteristics to those of the non-conforming Receivable (in terms of purpose, term, interest rate and outstanding balance). Once the Management Company has verified that the characteristics set forth in section 2.2.8(ii) of this Additional Information are satisfied and after having expressly communicated to the Seller that the Receivables to be assigned comply with the representations and warranties (where applicable by reference to the relevant assignment date), the Seller shall proceed to replace the affected non-conforming Receivable and will assign the new Receivable or Receivables.

This criterion is a future event criterion. In other words, it cannot be either met or failed at the outset of the transaction. But if, at a later stage, it is not met, then the Originator will need to inform ESMA and the STS status of the securitisation will be lost. Therefore, as a technical matter, this criterion is not applicable at the closing of a transaction. However, PCS will nevertheless look to see if there is a covenant on the part of the originator to comply in the future with this requirement.

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.

9

STS Criteria

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.

Verified?
YES

PCS Comments

See Prospectus, *ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES*.

2. THE UNDERLYING ASSETS.

2.2.3 Legal nature of the assets.

The Receivables securitised by means of their assignment to the Fund are credit rights deriving from Loans granted by Sabadell Consumer to individuals and legal entities' who were resident or registered, as applicable, in Spain as of the date of formalisation of each Loan, for the financing of the acquisition of New Vehicles or Used Vehicles.

Some of the Loan Agreements from which the Receivables derive include personal guarantees. In addition, all of the Loan Agreements have a reservation of title clause, regardless of the fact that the Loan Agreements have been granted by means of a deed (póliza) granted before a public notary or in a private agreement; however, not all reservation of title clauses are registered in the Register of Instalment Sales of Movable Properties.

2.2.8 Representations and warranties given to the issuer relating to the assets

The Seller, as owner of the Loans will make the following representations and warranties to the Management Company, acting on behalf of the Fund, on the Date of Incorporation in the Deed of Incorporation and in the Sale and Purchase Agreement:

(ii) In relation to the Loans and to the Receivables assigned to the Fund:

(43) That the Loans are homogeneous in terms of asset type, cash flow, credit risk and prepayment characteristics and contain obligations that are contractually binding and enforceable, with full recourse to the Borrowers, and where applicable, guarantors, within the meaning of Article 20.8 of the EU Securitisation Regulation. Regarding the homogeneity factor to be met, all Borrowers, as of the date of formalisation of each Loan, were individuals or legal persons with residence or registration in Spain only.

(3) That, in connection with the origination or subrogation of each Loan, the Seller has faithfully applied the risk granting policy applicable from time to time. All the Receivables comply with the current Sabadell Consumer Policies contained in section 2.2.7 of this Additional Information.

(10) That all the Borrowers under the Loans are natural or legal persons who were resident or registered, as applicable, in Spain as of the date of formalisation of the relevant Loan Agreement.

(11) That the Loans have been granted for the purpose of financing the acquisition of New Vehicles and/or Used Vehicles.

(21) That as from the time of their origination, the Loans have been and are being administered by Sabadell Consumer in accordance with its usual established procedures.

(44) That all Loans are subject to similar approaches for underwriting standards and serviced in accordance with the Sabadell Consumer's procedures for monitoring, collecting and administering auto-loans.

	<p>The definition of “homogeneity” in the Regulation is also the subject of a Regulatory Technical Standard (“RTS”). Being set out in an RTS, rather than a guideline or recommendation issued by the EBA, the definition of “homogeneity” is legally binding on all regulatory authorities.</p> <p>Such RTS has been formally adopted by the European Commission on 28 May 2019. In interpreting the expression, PCS has based itself on the text of the Regulation, its knowledge of the intent of the legislators – including, crucially, the legislators belief that the STS Regulation was justified by the excellent performance of most “plain vanilla” European securitisations and the draft RTS adopted by the European Commission.</p> <p>Based on the above, it seems clear to PCS that the Regulation would not seek to exclude from the STS category securitisations that have performed extremely well and are universally considered “homogenous” by market participants. This does not exonerate any transaction from being analysed against this criterion but does set the background for such analysis.</p> <p>Turning, for guidance, to the RTS adopted by the European Commission, in principle, four elements require examination: (a) “similar underwriting standards”, (b) “similar servicing standards”, (c) “same asset class” and (d) “relevant risk factors”. Consumer loans are though considered sufficiently homogeneous and do not need to meet a specific homogeneity factor.</p> <p>Following the guiding principles of the EBA, we note that “similar underwriting standards” must mean something like the same type of underwriting approach, looking at the same types of data points to calculate the same type of credit risk. It cannot mean “exactly the same underwriting criteria”, since this would make it impossible for any securitisation ever to have a “homogenous” pool. In the Transaction, the loans were underwritten on a similar basis, they are being serviced by Sabadell Consumer Finance S.A.U. on the same platform, they are a single asset class – Auto Loans – and the loans are all originated in the same jurisdiction. PCS also takes comfort from the fact that transactions containing pools with similar characteristics have always been considered to be “homogenous” by a wide consensus of market participants.</p>	
10	<p>STS Criteria</p> <p>10. The underlying exposures shall contain obligations that are contractually binding and enforceable.</p> <p>PCS Comments</p> <p>See Prospectus, <i>ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES</i>.</p> <p>2. THE UNDERLYING ASSETS.</p> <p>2.2.8 Representations and warranties given to the issuer relating to the assets</p> <p>The Seller, as owner of the Loans will make the following representations and warranties to the Management Company, acting on behalf of the Fund, on the Date of Incorporation in the Deed of Incorporation and in the Sale and Purchase Agreement:</p> <p>(ii) In relation to the Loans and to the Receivables assigned to the Fund:</p> <p>(33) That each Loan constitutes a valid payment obligation that is binding upon the Borrower and is enforceable in accordance with its own terms.</p>	<p>Verified?</p> <p>YES</p>
11	<p>STS Criteria</p> <p>11. With full recourse to debtors and, where applicable, guarantors.</p> <p>PCS Comments</p> <p>See Prospectus, <i>ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES</i>.</p> <p>2. THE UNDERLYING ASSETS.</p>	<p>Verified?</p> <p>YES</p>

2.2.8 Representations and warranties given to the issuer relating to the assets

The Seller, as owner of the Loans will make the following representations and warranties to the Management Company, acting on behalf of the Fund, on the Date of Incorporation in the Deed of Incorporation and in the Sale and Purchase Agreement:

(ii) In relation to the Loans and to the Receivables assigned to the Fund:

(22) That on the date of assignment to the Fund, Sabadell Consumer is not aware of the existence of any kind of litigation in relation to the Loans that may impair their validity and enforceability or that may lead to the application of Article 1,535 of the Civil Code.

(43) That the Loans are homogeneous in terms of asset type, cash flow, credit risk and prepayment characteristics and contain obligations that are contractually binding and enforceable, with full recourse to the Borrowers, and where applicable, guarantors, within the meaning of Article 20.8 of the EU Securitisation Regulation. Regarding the homogeneity factor to be met, all Borrowers, as of the date of formalisation of each Loan, were individuals or legal persons with residence or registration in Spain only.

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.

12

STS Criteria

12. The underlying exposures shall have defined periodic payment streams, the instalments of which may differ in their amounts.

Verified?

YES

PCS Comments

See Prospectus, *ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES*.

2. THE UNDERLYING ASSETS.

2.2.8 Representations and warranties given to the issuer relating to the assets

The Seller, as owner of the Loans will make the following representations and warranties to the Management Company, acting on behalf of the Fund, on the Date of Incorporation in the Deed of Incorporation and in the Sale and Purchase Agreement:

(ii) In relation to the Loans and to the Receivables assigned to the Fund:

(28) That the instalments payable under the Loans are composed by principal and interest payments and such instalments are constant and payable on a monthly basis. None of the Loans is a balloon loan.

(30) That none of the Loans are free of principal and/or interest payments.

13	<p><u>STS Criteria</u></p> <p>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.</p>	<p><u>Verified?</u></p> <p>YES</p>
	<p><u>PCS Comments</u></p> <p>See criterion 12 above.</p> <p>See Prospectus, 3. STRUCTURE AND CASH FLOW.</p> <p>3.3.2 Receivables assignment terms</p> <p>The Receivables under each Loan comprise the Outstanding Balance of the Receivables due on the relevant assignment date and all ordinary and late payment interest on each Loan, as well as any rights derived from any collateral and any insurance policies (other than obligatory insurance policies for vehicles) related to the Loans, if applicable.</p> <p>Specifically, without limitation, the assignment of the Receivables shall include all ancillary rights in accordance with the provisions of article 1,528 of the Civil Code; thus, it will give the Fund the following rights as regards the Loans:</p> <ul style="list-style-type: none"> (i) to receive all amounts due to the repayment of principal under the Loans; (ii) to receive all amounts accrued due to the ordinary and late-payment interest on the Loans; (iii) to receive from Borrowers and, as the case may be, from guarantors, any other amounts, assets or rights received as payment for Loan principal, interest or expenses; (iv) to receive all possible Loan rights or compensations accruing for the Seller under the Loans, including those derived from any ancillary right attached to the Loans and, if applicable, under loan-related insurance policies, but not including prepayment, early cancellation or other fees if any such should be established for each Loan, which shall remain for the benefit of the Seller. <p>All of the aforementioned rights will accrue in favour of the Fund from the Date of Incorporation by virtue of the execution of the Sale and Purchase Agreement. The Fund will also be entitled to receive at the Date of Incorporation the interest accrued since the last installment of the Loans prior to the Date of Incorporation and, additionally, in case of assigning Receivables in arrears on the Date of Incorporation, the nominal value of the principal balance overdue and unpaid plus the interest overdue and unpaid.</p>	
<p>Article 20.8. The underlying exposures shall not include transferable securities, as defined in Article 4(1), point 44 of Directive 2014/65/EU of the European Parliament and of the Council other than corporate bonds, provided that they are not listed on a trading venue.</p>		
14	<p><u>STS Criteria</u></p> <p>14. The underlying exposures shall not include transferable securities, as defined in Article 4(1), point 44 of Directive 2014/65/EU of the European Parliament and of the Council other than corporate bonds, provided that they are not listed on a trading venue.</p>	<p><u>Verified?</u></p> <p>YES</p>
	<p><u>PCS Comments</u></p> <p>See Prospectus, <i>ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES</i>.</p> <p>3. STRUCTURE AND CASH FLOW.</p>	

3.3.1 Formalisation of the assignment of the Receivables
 a) Assignment of the Receivables
 [...] The Receivables are not considered as transferable securities as defined in point (44) of Article 4(1) of Directive 2014/65/EU, derivative instruments or securitisation positions.

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

15	STS Criteria 15. The underlying exposures shall not include any securitisation position.	Verified? YES
	<p>PCS Comments</p> <p>See Prospectus, <i>ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES</i>.</p> <p>3. STRUCTURE AND CASH FLOW.</p> <p>3.3.1 Formalisation of the assignment of the Receivables a) Assignment of the Receivables [...] The Receivables are not considered as transferable securities as defined in point (44) of Article 4(1) of Directive 2014/65/EU, derivative instruments or securitisation positions.</p> <p>See also 2.2.13/2.2.14</p> <p>The Receivables do not include transferable securities, as defined in point (44) of Article 4(1) of MiFID II nor any securitisation position.</p>	

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.

16	STS Criteria 16. The underlying exposures shall be originated in the ordinary course of the originator's or original lender's business.	Verified? YES
	<p>PCS Comments</p> <p>See Prospectus, <i>ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES</i>.</p> <p>2. THE UNDERLYING ASSETS.</p> <p>2.2.8 Representations and warranties given to the issuer relating to the assets</p>	

	<p>The Seller, as owner of the Loans will make the following representations and warranties to the Management Company, acting on behalf of the Fund, on the Date of Incorporation in the Deed of Incorporation and in the Sale and Purchase Agreement:</p> <p>(ii) In relation to the Loans and to the Receivables assigned to the Fund:</p> <p>(1) That the granting of the Loans and all aspects relating thereto are ordinary actions in the course of its business and are and will be at arm's length basis.</p> <p>(2) That the Loans exist and are valid and enforceable in accordance with the applicable legislation and that all applicable legal provisions have been observed in their origination, in particular and where applicable, Law 16/2011, Consumer Protection Law and any other supplementary laws, and Law 7/1998.</p> <p>(3) That, in connection with the origination or subrogation of each Loan, the Seller has faithfully applied the risk granting policy applicable from time to time. All the Receivables comply with the current Sabadell Consumer Policies contained in section 2.2.7 of this Additional Information.</p> <p>(42) That the Loans have been originated by Sabadell Consumer.</p> <p>(44) That all Loans are subject to similar approaches for underwriting standards and serviced in accordance with the Sabadell Consumer's procedures for monitoring, collecting and administering auto-loans.</p> <p>2.2.7 The method of origination or creation of assets, and for loans and credit agreements, the principal lending criteria and an indication of any loans which do not meet these criteria and any rights or obligations to make further advances.</p> <p>The Loans from which the Receivables in the Preliminary Portfolio arise have been granted by Sabadell Consumer following its usual credit risk analysis and assessment procedures for granting loans and credits without mortgage security to individuals and legal entities for financing retail transactions and motor vehicles. A summary of the procedures currently in place at Sabadell Consumer is described below and does not materially differ from the policy under which the selected loans were granted. For avoidance of doubt, the differences would affect to purely formal matters, as the origination channel but not to risk policies, servicing or recovery process.</p>	
<p>17</p>	<p>STS Criteria</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>PCS Comments</p> <p>See point 16 above.</p> <p>See Prospectus, <i>ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES</i>.</p> <p>2. THE UNDERLYING ASSETS.</p> <p>2.2.2.1 Assignment</p> <p>The Receivables will be randomly selected from the Preliminary Portfolio and shall meet the representations and warranties set forth in section 2.2.8(ii) of the Additional Information.</p>	<p>Verified? YES</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.

18	STS Criteria	Verified? YES
	<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>PCS Comments</p> <p>See Prospectus, <i>ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES</i>.</p> <p>2. THE UNDERLYING ASSETS.</p> <p>2.2.7 The method of origination or creation of assets, and for loans and credit agreements, the principal lending criteria and an indication of any loans which do not meet these criteria and any rights or obligations to make further advances.</p> <p>The Originator will undertake in the Deed of Incorporation to disclose to the Management Company without undue delay any material changes in its lending policies.</p> <p><i>The EBA Guidelines make clear that the part of the criterion referring to changes from prior underwriting is a future event criterion. It applies changes in underwriting criteria that occur post-closing. In other words, it cannot be either met or failed at the outset of the transaction. But if, at a later stage, it is not met, then the Originator will need to inform ESMA and the STS status of the securitisation will be lost.</i></p> <p><i>Therefore, as a technical matter, this criterion is not applicable at the closing of a transaction. However, PCS will nevertheless look to see if there is a covenant on the part of the originator to comply in the future with this requirement whilst noting at the same time that the absence of any such covenant – although possibly unsettling for some investors – would not invalidate the STS status of the transaction at closing.</i></p>	

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	Verified? YES
	<p>19. In the case of securitisations where the underlying exposures are residential loans, the pool of loans shall not include any loan that was marketed and underwritten on the premise that the loan applicant or, where applicable intermediaries, were made aware that the information provided might not be verified by the lender.</p> <p>PCS Comments</p> <p><i>No applicable as the underlying exposures are auto loans.</i></p>	

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	Verified? YES
	<p>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.</p> <p>PCS Comments</p> <p>See Prospectus, <i>ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES</i>.</p> <p>2. THE UNDERLYING ASSETS.</p> <p>2.2.8 Representations and warranties given to the issuer relating to the assets</p> <p>The Seller, as owner of the Loans will make the following representations and warranties to the Management Company, acting on behalf of the Fund, on the Date of Incorporation in the Deed of Incorporation and in the Sale and Purchase Agreement:</p> <p>(ii) In relation to the Loans and to the Receivables assigned to the Fund:</p> <p>(45) That the assessment of the Borrower's creditworthiness of the Loans meets the requirements as set out in Article 8 of Directive 2008/48/EC.</p> <p>(53) That Sabadell Consumer has applied, and will apply, to the Loans the same sound and well-defined criteria for credit-granting and the same clearly established processes for approving and, where relevant, amending and refinancing receivables which it applies to non-securitised receivables, including ensuring that the Loans have been originated in compliance with any applicable Spanish consumer protections laws and regulations (including relating to consumer forbearance). In addition, that Sabadell Consumer has and will have 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 underlying obligor's creditworthiness taking appropriate account of factors relevant to verifying the prospect of the obligor meeting their obligations in relation to the Receivables.</p> <p><i>The criterion requires consumer loans or mortgages to have been underwritten in accordance with one of two European Directives. European Directives, in contrast to Regulations, do not have direct effect but must be implemented into national law country by country.</i></p> <p><i>PCS assumes, although the Regulation and the EBA Guidelines are silent on this point, that the requirement for mortgages and consumer loans to have been underwritten in compliance with the Directives only applies to assets underwritten after these Directives were transcribed into national law.</i></p>	

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

21	STS Criteria	Verified? YES
	<p>21. The originator or original lender shall have expertise in originating exposures of a similar nature to those securitised.</p> <p>PCS Comments</p> <p>See Prospectus, <i>ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES</i>.</p>	

3. STRUCTURE AND CASH FLOW

3.5 Name, address and significant business activities of the Seller.

Sabadell Consumer has the relevant expertise in originating and servicing consumer loans (including auto loans) for over fifteen (15) years.

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...

22

STS Criteria

22. The underlying exposures shall be transferred to the SSPE after selection without undue delay...

Verified?

YES

PCS Comments

See Prospectus, *ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES.*

2. THE UNDERLYING ASSETS

2.2.2.1 Assignment

The total Outstanding Balance of the Receivables to be assigned by Sabadell Consumer to the Fund on the Date of Incorporation will be equal to the Receivables Amount (SIX HUNDRED AND FIFTY MILLION EUROS (€650,000,000)) or an amount slightly lower but as close as possible to that amount. The assignment of the Receivables to the Fund will have effect from the Date of Incorporation and will be documented by means of the Sale and Purchase Agreement (which will include a list of the Receivables assigned to the Fund, directly of by reference to the list included in the Deed of Incorporation).

The Receivables will be randomly selected from the Preliminary Portfolio and shall meet the representations and warranties set forth in section 2.2.8(ii) of the Additional Information.

The preliminary loan portfolio from which the Receivables shall be selected (the “Preliminary Portfolio”) comprises ninety-four thousand eight hundred and one (94,801) Loans, with a total Outstanding Balance as of 30 June 2023 of eight hundred and thirty-one billion four hundred and sixty-three thousand three hundred and ninety-four euros and ninety-five cents EUROS (€831,463,394.95). These are Loans with no grace period for the repayment of principal or interest, with constant instalments and concession periods ranging from twenty four (24) months to one hundred and twenty (120) months, and with an average financed amount of fourteen thousand, five hundred and sixty-four euros and thirty-one cent (€14,564.31). The principal amount accrued and unpaid of the Preliminary Portfolio is equal to two hundred and sixty-six thousand nine hundred and eighty-one euros and ninety-one cents (€266,981.91).

See Prospectus, *REGISTRATION DOCUMENT FOR ASSET-BACKED SECURITIES.*

4.4 Date of incorporation and existence of the Issuer, except where the period is indefinite.

4.4.1 Date of incorporation.

It is expected that the execution of the public deed (escritura pública) of incorporation of the Fund and issue of the Notes (the “Deed of Incorporation”) and, thus the date of incorporation of the Fund will be 22 September 2023 (the “Date of Incorporation”). The Deed of Incorporation will be drafted in Spanish.

23	STS Criteria	Verified? YES
	<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>PCS Comments</p> <p>See Prospectus, <i>ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES</i>.</p> <p>2. THE UNDERLYING ASSETS.</p> <p>2.2.8 Representations and warranties given to the issuer relating to the assets</p> <p>The Seller, as owner of the Loans will make the following representations and warranties to the Management Company, acting on behalf of the Fund, on the Date of Incorporation in the Deed of Incorporation and in the Sale and Purchase Agreement:</p> <p>(ii) In relation to the Loans and to the Receivables assigned to the Fund:</p> <p>(46) That the Loans are not in default within the meaning of Article 178(1) of CRR and the EBA guidelines published on 2 April 2020, as amended on 25 June 2020 and 2 December 2020, as well as any other regulations or guidelines that may replace or develop them in the future.</p>	

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	Verified? YES
	<p>24. Or exposures to a credit-impaired debtor or guarantor, who, to the best of the originator's or original lender's knowledge:</p> <p>PCS Comments</p> <p>See Prospectus, <i>ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES</i>.</p> <p>2. THE UNDERLYING ASSETS.</p>	

2.2.8 Representations and warranties given to the issuer relating to the assets

The Seller, as owner of the Loans will make the following representations and warranties to the Management Company, acting on behalf of the Fund, on the Date of Incorporation in the Deed of Incorporation and in the Sale and Purchase Agreement:

(ii) In relation to the Loans and to the Receivables assigned to the Fund:

(47) That, on the date of assignment to the Fund, no Borrower (nor guarantor) has experienced a deterioration of its credit quality, and to the best of its knowledge, no Borrower (nor guarantor):

(A) has been declared insolvent or had a court grant his/her/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 his/her/its nonperforming exposures within three years prior to the date of transfer or assignment of the underlying exposures to the Fund;

(B) was, at the time of origination, where applicable, on a public credit registry of persons with adverse credit history; 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 Seller which are not securitised.

The note below applies to points from 24 to 29.

Although the text of the STS Regulation is quite vague, the EBA guidelines on defining “credit impaired” debtors are very helpful.

For PCS, the key points of the EBA guidelines on this issue are:

a. *First that the three listed conditions of credit impaired status (set out in article 20.11 (a) to (c) of the Regulation) amount to a full definition of what it means to be “credit impaired”. So that it is not necessary to reflect at what the term “credit impaired” could mean above and beyond those three items.*

b. *Secondly, in relation to entries in a credit registry, the EBA is very clear that the criterion should not be interpreted as excluding debtors with any entry on a credit registry. Providing further guidance, the example given in the EBA Guidelines of a credit registry entry that would not be indicative of a “credit impaired” debtor is the example of a failure to pay that can “reasonably be ignored” for the purposes of credit assessment.*

Therefore, the criterion, to be met, does not require the elimination from the pool of all debtors with any negative entry in a credit registry but only those whose entries it would not be reasonable to ignore for the purposes of credit assessments.

Absent any further clarification from the EBA or a national competent authority regarding what it is reasonable to ignore, a judgement would still be necessary in cases where the originator does include in the pool some debtors with some negative entries in a credit registry.

In making this judgement, PCS takes comfort from the intent of the legislators – including, crucially, the legislators’ belief that the STS Regulation was justified by the excellent performance of most “plain vanilla” European securitisation. It is clear to PCS that the “credit impaired” prohibition is driven by the desire of legislators to exclude from the STS category deals generally coming under the definition of “sub-prime”. Therefore, it is unreasonable to refuse STS status to a transaction considered by universal consensus to be a “prime/plain vanilla” transaction with no “sub-prime” aspects. Indeed, this approach seems to be the rationale behind the EBA Guidelines on this matter.

c. *Thirdly, the EBA Guidelines on guaranteed obligations make it clear that the criterion is met so long as either the debtor or the guarantor are not “credit impaired”.*

25	STS Criteria 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.	Verified? YES
	PCS Comments <i>See point 24 above.</i>	
26	STS Criteria 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:	Verified? YES
	PCS Comments <i>See point 24 above.</i>	
27	STS Criteria 27. (i) a restructured underlying exposure has not presented new arrears since the date of the restructuring which must have taken place at least one year prior to the date of transfer or assignment of the underlying exposures to the SSPE; and	Verified? YES
	PCS Comments <i>Not applicable. See point 24 above.</i>	
28	STS Criteria 28. (ii) the information provided by the originator, sponsor and SSPE in accordance with points (a) and (e)(i) of the first subparagraph of Article 7(1) explicitly sets out the proportion of restructured underlying exposures, the time and details of the restructuring as well as their performance since the date of the restructuring;	Verified? YES
	PCS Comments <i>Not applicable. See point 24 above.</i>	
29	STS Criteria 29. (b) was, at the time of origination, where applicable, on a public credit registry of persons with adverse credit history or, where there is no such public credit registry, another credit registry that is available to the originator or original lender;	Verified? YES
	PCS Comments <i>See point 24 above.</i>	

30	STS Criteria 30. (c) has a credit assessment or a credit score indicating that the risk of contractually agreed payments not being made is significantly higher than for comparable exposures held by the originator which are not securitised.	Verified? YES
	PCS Comments See point 24 above.	

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.

31	STS Criteria 31. The debtors shall at the time of transfer of the exposures, have made at least one payment, except in the case of revolving securitisations backed by exposures payable in a single instalment or having a maturity of less than one year, including without limitation monthly payments on revolving credits.	Verified? YES
	PCS Comments See Prospectus, <i>ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES</i> . 2. THE UNDERLYING ASSETS. 2.2.8 Representations and warranties given to the issuer relating to the assets The Seller, as owner of the Loans will make the following representations and warranties to the Management Company, acting on behalf of the Fund, on the Date of Incorporation in the Deed of Incorporation and in the Sale and Purchase Agreement: (ii) In relation to the Loans and to the Receivables assigned to the Fund: (17) That on the date of assignment to the Fund, the Borrowers have paid at least ten (10) instalments under each of the Loans, and all of the Loans have a minimum seasoning of thirteen (13) months.	

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.

32	<p>STS Criteria</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>Verified? YES</p>
	<p>PCS Comments</p> <p>See Prospectus, <i>ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES.</i></p> <p>2. THE UNDERLYING ASSETS.</p> <p>2.2.8 Representations and warranties given to the issuer relating to the assets</p> <p>The Seller, as owner of the Loans will make the following representations and warranties to the Management Company, acting on behalf of the Fund, on the Date of Incorporation in the Deed of Incorporation and in the Sale and Purchase Agreement:</p> <p>(ii) In relation to the Loans and to the Receivables assigned to the Fund:</p> <p>(28) That the instalments payable under the Loans are composed by principal and interest payments and such instalments are constant and payable on a monthly basis. None of the Loans is a balloon loan.</p> <p><i>The underlying exposures are amortising auto loans that do not depend on the sale of assets securing those underlying exposures.</i></p>	

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

33	<p>STS Criteria</p> <p>33.The originator, sponsor or original lender shall satisfy the risk retention requirement in accordance with Article 6.</p>	<p>Verified?</p> <p>YES</p>
	<p>PCS Comments</p> <p>See Prospectus, <i>REGISTRATION DOCUMENT FOR ASSET-BACKED SECURITIES</i>.</p> <p>4.6.2 Risk retention</p> <p>Sabadell Consumer, as Originator, will undertake in the Deed of Incorporation to retain, on an ongoing basis, a material net economic interest of at least five per cent (5%) in the securitisation transaction described in this Prospectus in accordance with Article 6(3)(c) of the EU Securitisation Regulation (“the retention of randomly selected exposures, equivalent to not less than 5% of the nominal value of the securitised exposures, where such non-securitised exposures would otherwise have been securitised in the securitisation, provided that the number of potentially securitised exposures is not less than 100 at origination”) and Article 7 of the Delegated Regulation (EU) 625/2014 of 13 March 2014 supplementing CRR by way of regulatory technical standards specifying the requirements for investors, sponsors, original lenders and originator institutions relating to exposures to transferred credit risk, applicable until the new regulatory technical standards to be adopted by the Commission apply, pursuant to Article 43(7) of the EU Securitisation Regulation.</p> <p>See Prospectus, <i>SECURITIES NOTE FOR WHOLESALE NON-EQUITY SECURITIES</i>.</p> <p>3. ESSENTIAL INFORMATION</p> <p>3.1 Interest of natural and legal persons involved in the issue</p> <p>Sabadell Consumer, in its capacity as Originator, under the EU Securitisation Regulation:</p> <p>(i) will retain, on an on-going basis, a material net economic interest of not less than five per cent. (5%) of the securitised exposures in the Securitisation, in accordance with option (c) of Article 6(3) of the EU Securitisation Regulation as described in section 3.4.3.1 of the Additional Information;</p> <p>(ii) will not change the manner in which the net economic interest is held, unless expressly permitted by Article 6(3) of the EU Securitisation Regulation and the applicable legislation;</p> <p>(iii) will procure that any change to the manner in which such retained interest is held in accordance with paragraph (ii) above will be notified to the Management Company and disclosed in the investor report to be prepared in accordance with section 4.2.1(iv) of the Additional Information;</p> <p>See Prospectus, <i>ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES</i>.</p> <p>3.4.3.1. EU Retention Requirement</p> <p>Sabadell Consumer, as Originator, will undertake in the Deed of Incorporation to retain, on an ongoing basis, a material net economic interest of at least five per cent (5%) in the securitisation transaction described in this Prospectus in accordance with Article 6(3)(c) of the EU Securitisation Regulation (“the retention of randomly selected exposures, equivalent to not less than 5% of the nominal value of the securitised exposures, where such non-securitised exposures would otherwise have been securitised in the securitisation, provided that the number of potentially securitised exposures is not less than 100 at origination”) and Article 7 of the Delegated Regulation (EU) 625/2014 of 13 March 2014 supplementing CRR by way of regulatory technical standards specifying the requirements for investors, sponsors, original lenders and originator institutions relating to exposures to transferred credit risk, applicable until the new regulatory technical standards to be adopted by the Commission apply, pursuant to Article 43(7) of the EU Securitisation Regulation.</p>	

In addition, the Seller has undertaken that the material net economic interest held by it shall not be split amongst different types of retainers and shall not be subject to any credit-risk mitigation or hedging, in accordance with Article 6(1) of the EU Securitisation Regulation.

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.

34	STC Criteria	Verified? YES
	34. The interest rate...risks arising from the securitisation shall be appropriately mitigated.	
	PCS Comments	
	See Prospectus, <i>ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES</i> .	
	3. STRUCTURE AND CASH FLOW	
	3.4 Explanation of the flow of funds	
	3.4.8.1. Interest Rate Swap Agreement	
	a) General	
	On the Date of Incorporation, the Management Company, on behalf of the Fund, shall enter into an International Swaps and Derivatives Association 1992 Master Agreement (Multicurrency – Cross Border), together with the relevant Schedule, the CSA and the confirmation evidencing the Interest Rate Swap Transaction thereunder with the Swap Counterparty (the “Interest Rate Swap Agreement”), in order to hedge the potential interest rate exposure of the Fund in relation to its floating rate interest obligations under the Notes and the fixed nature of the interest rate payable under the Receivables. The Interest Rate Swap Agreement incorporates the 2021 ISDA Definitions.	
	The Interest Rate Swap Counterparty will be obliged to make payments under the Interest Rate Swap Agreement without any withholding or deduction of taxes unless required by law. To the extent the Interest Rate Swap Counterparty is required to deduct or withhold, the Interest Rate Swap Counterparty will, among others things and subject to certain conditions set out in the Interest Rate Swap Agreement, gross up such that the Fund receives such additional amount as is necessary to ensure that the net amount actually received by the Fund equals the full amount the Fund would have received had no such deduction or withholding been required.	
	The Interest Rate Swap Transaction will remain in full force and effect until the earlier to occur of an Early Amortisation Date in respect of the Notes and the Legal Maturity Date; and (ii) the date on which the Notional Amount is reduced to zero, unless it is terminated early by one of the parties thereto in accordance with the terms of the Interest Rate Swap.	
	b) Notional amount	
	c) Payments under the Interest Rate Swap Transaction	
	e) Collateral	
	f) Early Termination	
	g) Rating Downgrade Provision for the Swap Counterparty	
	See Prospectus, <i>RISK FACTORS</i> .	

	<p>1. RISKS SPECIFIC TO THE SECURITIES.</p> <p>1.1 Related to the underlying assets</p> <p>f) Interest rate risk and hedging instrument</p> <p>See Prospectus, <i>DEFINITIONS</i>.</p> <p>“Early Amortisation Date” means the date on which the early redemption of the Notes takes place pursuant to section 4.4.3.1 and 4.4.3.2 of this Registration Document, which does not need to be a Payment Date.</p> <p><i>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.</i></p> <p><i>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.</i></p> <p><i>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:</i></p> <ul style="list-style-type: none"> • <i>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.</i> • <i>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.</i> • <i>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.</i> 	
35	<p>STS Criteria</p> <p>35. Currency risks arising from the securitisation shall be appropriately mitigated.</p>	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>See Prospectus, <i>ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES</i>.</p> <p>3. STRUCTURE AND CASH FLOW</p> <p>3.4.2.1. Credit enhancements</p> <p>Additionally, there is no currency risk given that both the Receivables and the Notes are denominated in the same currency (euros).</p> <p>Assets:</p> <p>See Prospectus, <i>ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES</i>.</p>	

	<p>2. THE UNDERLYING ASSETS.</p> <p>2.2.8 Representations and warranties given to the issuer relating to the assets</p> <p>The Seller, as owner of the Loans will make the following representations and warranties to the Management Company, acting on behalf of the Fund, on the Date of Incorporation in the Deed of Incorporation and in the Sale and Purchase Agreement:</p> <p>(ii) In relation to the Loans and to the Receivables assigned to the Fund:</p> <p>(15) That all of the Loans are exclusively denominated and payable in euros.</p> <p><i>Liabilities:</i></p> <p>See Prospectus, <i>SECURITIES NOTE FOR WHOLESALING NON-EQUITY SECURITIES</i>.</p> <p>4.5 Currency of the issue</p> <p>The Notes will be denominated in EUROS.</p> <p><i>There is no currency risk as the assets and liabilities are denominated in EUR.</i></p>	
36	<p>STS Criteria</p> <p>36. Any measures taken to that effect shall be disclosed.</p>	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>See point 34 above.</p>	

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	<p>STS Criteria</p> <p>37. Except for the purpose of hedging currency risk or interest rate risk, the SSPE shall not enter into derivative contracts and...</p>	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>See Prospectus, <i>ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES</i>.</p> <p>3. STRUCTURE AND CASH FLOW</p> <p>3.4.2.1. Credit enhancements</p> <p>(ii) Interest Rate Swap Transaction</p>	

	<p>The Interest Rate Swap Transaction mitigates part of the interest rate risk arising from the floating nature of the interest rate applicable to the Notes. The main terms and conditions of the Interest Rate Swap Transaction and the Interest Rate Swap Agreement are described in section 3.4.8.1 of this Additional Information.</p> <p>The Fund has not entered into and will not enter into any kind of hedging instrument save as expressly permitted by Article 21 (2) of the EU Securitisation Regulation.</p>	
38	<p>STS Criteria</p> <p>38. ...Shall ensure that the pool of underlying exposures does not include derivatives.</p>	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>See Prospectus, <i>ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES</i>.</p> <p>3. STRUCTURE AND CASH FLOW.</p> <p>3.3.1 Formalisation of the assignment of the Receivables</p> <p>a) Assignment of the Receivables</p> <p>[...] The Receivables are not considered as transferable securities as defined in point (44) of Article 4(1) of Directive 2014/65/EU, derivative instruments or securitisation positions.</p> <p>3.4.2.1. Credit enhancements</p> <p>(ii) Interest Rate Swap Transaction</p> <p>The Interest Rate Swap Transaction mitigates part of the interest rate risk arising from the floating nature of the interest rate applicable to the Notes. The main terms and conditions of the Interest Rate Swap Transaction and the Interest Rate Swap Agreement are described in section 3.4.8.1 of this Additional Information.</p> <p>The Receivables do not include derivatives.</p>	
39	<p>STS Criteria</p> <p>39. Those derivatives shall be underwritten and documented according to common standards in international finance.</p>	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>See Prospectus, <i>ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES</i>.</p> <p>3. STRUCTURE AND CASH FLOW</p> <p>3.4 Explanation of the flow of funds</p> <p>3.4.8.1. Interest Rate Swap Agreement</p> <p>a) General</p> <p>On the Date of Incorporation, the Management Company, on behalf of the Fund, shall enter into an International Swaps and Derivatives Association 1992 Master Agreement (Multicurrency – Cross Border), together with the relevant Schedule, the CSA and the confirmation evidencing the Interest Rate Swap Transaction thereunder with the Swap Counterparty (the “Interest Rate Swap Agreement”), in order to hedge the potential interest rate exposure of the Fund in relation to its floating rate interest obligations under the Notes and the fixed nature of the interest rate payable under the Receivables. The Interest Rate Swap Agreement incorporates the 2021 ISDA Definitions.</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.

40

STS Criteria

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

Verified?**YES****PCS Comments***Assets:*

See Prospectus, *ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES*.

2. THE UNDERLYING ASSETS.

2.2.8 Representations and warranties given to the issuer relating to the assets

The Seller, as owner of the Loans will make the following representations and warranties to the Management Company, acting on behalf of the Fund, on the Date of Incorporation in the Deed of Incorporation and in the Sale and Purchase Agreement:

(ii) In relation to the Loans and to the Receivables assigned to the Fund:

(23) That each of the Loans accrue interest at a fixed interest rate, which is not lower than 3.00% annual.

Liabilities:

See Prospectus, *SECURITIES NOTE FOR WHOLESALE NON-EQUITY SECURITIES*.

4.8.2 Interest rate

The interest rate applicable to the Notes (the "Interest Rate") for each Interest Accrual Period (as defined below) will be:

(i) in respect of the Class A Notes, a floating rate equal to the Reference Rate plus a margin between 0.65% and 0.75%, both inclusive, subject to a floor at zero (0) (the "Class A Interest Rate");

(ii) in respect of the Class B Notes, a floating rate equal to the Reference Rate plus a margin between 1.75% and 1.85%, both inclusive, subject to a floor at zero (0) (the "Class B Interest Rate");

(iii) in respect of the Class C Notes, a floating rate equal to the Reference Rate plus a margin between 2.90% and 3.10%, both inclusive, subject to a floor at zero (0) (the "Class C Interest Rate");

(iv) in respect of the Class D Notes, a floating rate equal to the Reference Rate plus a margin between 5.25% and 5.45%, both inclusive, subject to a floor at zero (0) (the "Class D Interest Rate");

(v) in respect of the Class E Notes, a floating rate equal to the Reference Rate plus a margin between 8.00% and 12.00%, both inclusive, subject to a floor at zero (0) (the "Class E Interest Rate");

(vi) in respect of the Class F Notes, a floating rate equal to the Reference Rate plus a margin between 6.50% and 7.50%, both inclusive, subject to a floor at zero (0) (the "Class F Interest Rate").

On each Reference Rate Determination Date (as defined below), the Management Company shall determine the Interest Rate applicable to the Notes for the relevant Interest Accrual Period (based on the information provided by the EURIBOR Provider).

4.8.3 Reference Rate

The reference rate ("Reference Rate") for the purpose of calculating the Interest Rate applicable to the Notes will be determined in accordance with the following provisions or, following a Base Rate Modification Event, in accordance with section 4.8.4 below:

a) The EURIBOR for one month Euro deposits which appears on Bloomberg Page EUR001M index in the menu BTMMEU at or about 11.00 CET (the "Screen Rate") on the Reference Rate Determination Date.[...]

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, *ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES*.

3. STRUCTURE AND CASH FLOW.

3.4.7.3. Post-Enforcement Priority of Payments

a) Source:

b) Application:

42	STS Criteria 42. (b) Principal receipts from the underlying exposures shall be passed to investors via sequential amortisation of the securitisation positions, as determined by the seniority of the securitisation position;	Verified? YES
	PCS Comments See Prospectus, <i>ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES</i> . 3. STRUCTURE AND CASH FLOW. 3.4.7.3. Post-Enforcement Priority of Payments b) Application: <i>Payments are made on a sequential basis.</i>	
43	STS Criteria 43. (c) Repayment of the securitisation positions shall not be reversed with regard to their seniority; and	Verified? YES
	PCS Comments See Prospectus, <i>ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES</i> . 3. STRUCTURE AND CASH FLOW. 3.4.7.3. Post-Enforcement Priority of Payments b) Application: <i>There is no reversal of repayment with regards to seniority.</i>	
44	STS Criteria 44. (d) No provisions shall require automatic liquidation of the underlying exposures at market value.	Verified? YES
	PCS Comments See Prospectus, <i>REGISTRATION DOCUMENT FOR ASSET-BACKED SECURITIES</i> . 4.4.3 Early Liquidation of the Fund 4.4.3.3. Common provisions The above procedure does not entitle the automatic liquidation of the underlying receivables for the purposes of Article 21.4 of the EU Securitisation Regulation.	

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.

45

STS Criteria

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.

Verified?
YES

PCS Comments

Pre-enforcement the transaction contains non-sequentially payment features and reverts to sequential payment based on the occurrence of a Subordination Event. Triggers related to the deterioration in the credit quality of the underlying exposures below a pre-determined threshold are included.

See Prospectus, *SECURITIES NOTE FOR WHOLESALE NON-EQUITY SECURITIES*.

4. INFORMATION CONCERNING THE SECURITIES TO BE ADMITTED TO TRADING

4.9 Redemption of the Notes

4.9.2 Date and forms of redemption

a) Redemption of the Notes

During the Pro-Rata Redemption Period

During the Pro-Rata Redemption Period, the ordinary redemption of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes will be pari passu and pro-rata without preference or priority amongst themselves holding the ninth (9th) place in the Pre-Enforcement Priority of Payments as set forth in section 3.4.7.2 of the Additional Information. [...]

The occurrence of any of the following events in respect of any Determination Date prior to the Legal Maturity Date shall constitute a subordination event (each a "Subordination Event"):

- (i) The Gross Default Ratio is greater than the reference value (the "Reference Value"), which shall mean for the purposes of this calculation the result of adding (i) 0.30% and (ii) the product of multiplying 0.15% by the number of Determination Dates elapsed since the Date of Incorporation, including the Determination Date preceding the relevant Payment Date subject to a cap of 5.00%.
- (ii) The Gross Default Ratio has increased by more than 0.45% since the immediately prior Determination Date.
- (iii) The Outstanding Balance of the Receivables is less than 10.00% of the Outstanding Balance of the Receivables at the Date of Incorporation of the Fund.
- (iv) The Outstanding Balance of the Receivables comprised in the Portfolio arising from Loans granted to the same Borrower, as at the immediately preceding Determination Date, is equal to, or greater than 2% of the Outstanding Balance of the Portfolio; or
- (v) On each Payment Date (except for the First Payment Date), after giving effect to the Pre-Enforcement Priority of Payments, the Principal Deficiency Amount is greater than 0.10% of the aggregate Outstanding Balance of the Receivables as at the Date of Incorporation.

(vi) if a Swap Counterparty Downgrade Event occurs in respect of the Swap Counterparty (or its guarantor, as applicable) and none of the remedies provided for in the Interest Rate Swap Agreement are put in place within the timeframe required thereunder.

For the avoidance of doubt, once the redemption of the Notes becomes sequential it cannot be switched to pro-rata.

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	<u>STS Criteria</u> 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;	<u>Verified?</u> YES
	<u>PCS Comments</u> <i>Not applicable – no revolving period in the transaction.</i>	

PCS Comments*Not applicable – no revolving period in the transaction.*

47	<u>STS Criteria</u> 47. (b) the occurrence of an insolvency-related event with regard to the originator or the servicer;	<u>Verified?</u> YES
	<u>PCS Comments</u> <i>See point 46 above.</i>	

PCS Comments*See point 46 above.*

48	<u>STS Criteria</u> 48. (c) the value of the underlying exposures held by the SSPE falls below a pre-determined threshold (early amortisation event);	<u>Verified?</u> YES
	<u>PCS Comments</u> <i>See point 46 above.</i>	

PCS Comments*See point 46 above.*

49	STS Criteria 49. (d) a failure to generate sufficient new underlying exposures that meet the pre-determined credit quality (trigger for termination of the revolving period).	Verified? YES
	PCS Comments See point 46 above.	
<p>Article 21.7. The transaction documentation shall clearly specify:</p> <p>(a) the contractual obligations, duties and responsibilities of the servicer and the trustee, if any, and other ancillary service providers;</p> <p>(b) the processes and responsibilities necessary to ensure that a default by or an insolvency of the servicer does not result in a termination of servicing, such as a contractual provision which enables the replacement of the servicer in such cases; and</p> <p>(c) provisions that ensure the replacement of derivative counterparties, liquidity providers and the account bank in the case of their default, insolvency, and other specified events, where applicable.</p>		
50	STS Criteria 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;	Verified? YES
	PCS Comments See Prospectus, <i>ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES</i> . 3.7 Management, administration and representation of the Fund and of the Noteholders 3.7.1 Servicer 3.7.2 Management Company 3.7 Management, administration and representation of the Fund and of the Noteholders	
51	STS Criteria 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	Verified? YES
	PCS Comments See Prospectus, <i>ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES</i> . 3.7 Management, administration and representation of the Fund and of the Noteholders 3.7.1 Servicer	

	<p>3.7.1.1. Term and replacement of the Servicer</p> <p>In the case of an Event of Replacement of the Servicer, the Management Company, with prior notice to the Rating Agencies, may take one of the following actions (at its discretion):</p> <p>In the case of (i) the occurrence of any breach of the obligations of the Servicer under the Deed of Incorporation, in the reasonable opinion of the Management Company, and in particular, the obligation of the Servicer to transfer to the Fund the amounts received by the Borrowers within two (2) Business Days as from receipt (except if the breach is due to a force majeure); or in the case of an Insolvency Event occurs in respect of the Servicer (any of them an “Event of Replacement of the Servicer”), the Management Company, with prior notice to the Rating Agencies, may take one of the following actions (at its discretion):</p> <p>(i) replace the Servicer with another entity that has at least five years of experience or is a prudentially regulated institution which holds the relevant regulatory authorisations or permissions and which, in the opinion of the Management Company, has the suitable legal and technical capacity to perform the services and, provided that the rating of the Rated Notes is not adversely affected by the replacement of the Servicer;</p> <p>(ii) require the Servicer to subcontract, delegate or have the performance of such obligations guaranteed by another entity that, in the opinion of the Management Company, has the suitable legal and technical capacity, provided that the rating of the Rated Notes is not adversely affected.</p> <p>In case an Insolvency Event occurs in respect of the Servicer, the only possible action to be adopted by the Management Company will be the replacement of the Servicer in accordance with paragraph (i) above. [...]</p> <p>If the Servicer has to be replaced in accordance with the previous paragraphs, a new back-up servicer on which to delegate the management obligations of the Management Company pursuant to article 26.1 b) of Law 5/2015 has to be nominated. The Management Company (in this regard, the “Back-Up Servicer Facilitator”) shall use its best efforts to nominate a new back-up loan servicer (the “Back-up Servicer”) within not more than sixty (60) days.</p>	
52	<p><u>STS Criteria</u></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><u>Verified?</u> YES</p>
	<p><u>PCS Comments</u></p> <p>See Prospectus, <i>RISK FACTORS</i>.</p> <p>f) Interest rate risk and hedging instrument</p> <p>In the event of early termination of the Interest Rate Swap Transaction, including any termination upon failure by the Swap Counterparty to perform its obligations, the Fund will use its best endeavours to, but cannot guarantee that it will be able to, find a replacement Swap Counterparty. In such circumstances, there is no assurance that the Fund will be able to meet its payment obligations under the Notes in full or even in part.</p> <p>See Prospectus, <i>ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES</i>.</p> <p>3.4.8.1. Interest Rate Swap Agreement</p> <p>g) Early Termination</p> <p>The Interest Rate Swap Transaction may be early terminated in accordance with its terms, irrespective of whether or not the Notes have been paid in full prior to such termination, upon the occurrence of certain events envisaged therein (which may include without limitation):</p> <p>(i) certain events of bankruptcy, insolvency, receivership or reorganisation of the Swap Counterparty or the Early Liquidation of the Fund;</p>	

- (ii) failure on the part of the Fund or the Swap Counterparty to make any payment when due under the Interest Rate Swap Agreement;
- (iii) changes in law resulting in illegality;
- (iv) amendment of any material terms of the Deed of Incorporation without the prior written approval of the Swap Counterparty if such amendments affect the amount, timing and priority of any payments due from the Swap Counterparty to the Fund;
- (v) occurrence of a Swap Counterparty Downgrade Event that is not remedied within the required timeframe pursuant to the Interest Rate Swap Agreement;
- (vi) if at any time the reference rate in respect of the Notes is changed (including where it is fixed in the scenario contemplated by paragraph (viii) of section 4.8.4 (Fall-back provisions) of the Securities Note) and, as a result, it is different to the relevant reference rate applicable to the Interest Rate Swap Transaction, and
- (vii) any other event as specified in the Interest Rate Swap Agreement.
- h) Rating Downgrade Provision for the Swap Counterparty

Regarding account banks:

See Prospectus, *ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES*.

3. STRUCTURE AND CASH FLOW

Fund Accounts

On the Date of Incorporation, the Management Company, acting for and on behalf of the Fund, will enter into a treasury account agreement (the "Treasury Account Agreement") and a Swap collateral account agreement (the "Swap Collateral Account Agreement" and, jointly with the Treasury Agreement, the "Accounts Agreements") with SGSE (the "Fund Accounts Provider") in order to carry out the opening, maintenance and operation of the following bank accounts (the "Fund Accounts"): [...]

- c) Termination of the Accounts Agreements
- d) Rating Agencies Criteria for the Fund Accounts Provider

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.

53	STS Criteria	Verified? YES
	<p>53. The servicer shall have expertise in servicing exposures of a similar nature to those securitised</p>	
	PCS Comments	
	<p>See Prospectus, <i>ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES</i>.</p> <p>3. STRUCTURE AND CASH FLOW.</p> <p>3.2 Description of the entities participating in the issue and description of the functions to be performed by them in addition to information on the direct and indirect ownership or control between those entities</p>	

	<ul style="list-style-type: none"> ▪ Sabadell Consumer Finance, S.A.U. participates as: <ul style="list-style-type: none"> (v) Seller and Originator of the Receivables to be acquired by the Fund; and (vi) Servicer of the Receivables in accordance with section 3.7.1 of the Additional Information; <p>3.5 Name, address and significant business activities of the Seller.</p> <p>Sabadell Consumer has the relevant expertise in originating and servicing consumer loans (including auto loans) for over fifteen (15) years.</p> <p>See Prospectus, <i>ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES</i>.</p> <p>3.7 Management, administration and representation of the Fund and of the Noteholders</p> <p>3.7.1 Servicer</p> <p>The Management Company shall be responsible for the servicing and management of the Loans in accordance with article 26.1 b) of Law 5/2015. Notwithstanding, it shall be entitled to subdelegate such duties to third parties in accordance with article 30.4 of Law 5/2015, which shall not affect its responsibility. In this respect, the Management Company will appoint Sabadell Consumer, as Seller of the Receivables, in the Deed of Incorporation to perform the servicing and management of the Loans. The relationship between the Fund and Sabadell Consumer as Servicer of the Receivables will be governed by the provisions of the Deed of Incorporation.</p> <p>Sabadell will accept the mandate received from the Management Company to act as servicer of the Loans (the "Servicer") and will undertake as follows: [...]</p> <p><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></p>	
54	<p><u>STS Criteria</u></p> <p>54. And shall have well documented and adequate policies, procedures and risk management controls relating to the servicing of exposures.</p>	<p><u>Verified?</u> YES</p>
	<p><u>PCS Comments</u></p> <p><i>Due diligence was conducted in connection with verifying this point.</i></p>	

<p>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</p>		
55	<p><u>STS Criteria</u></p> <p>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.</p>	<p><u>Verified?</u> Yes</p>
	<p><u>PCS Comments</u></p> <p>See Prospectus, <i>ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES (Annex 19 to Delegated Regulation 2019/980)</i>.</p> <p>2.2.7.1 Procedures applied to Sabadell Consumer portfolio</p>	

- B) Recovery process
Amicable bad debt management
Amicable debt management procedure in case of payment default on Loans.
Court-ordered recovery
Powers of the holder of the Receivables in the case of breach by the Borrower or the Servicer of their obligations
- 3.7.1.7. Powers and actions in relation to Loan forbearance processes
- a) Renegotiating the interest rate
b) Extending the period of maturity and grace periods
c) Debt reductions

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.

56	STS Criteria 56. The transaction documentation shall clearly specify the priorities of payment,	Verified? YES
	PCS Comments See Prospectus, <i>ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES</i> .	

PCS Comments

See Prospectus, *ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES*.

3. STRUCTURE AND CASH FLOW.

3.4.7.2. Source and application of funds from the First Payment Date, inclusive, until the last Payment Date or the liquidation of the Fund, exclusive.

3.4.7.3. Post-Enforcement Priority of Payments

57	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, <i>RISK FACTORS</i> .	

PCS Comments

See Prospectus, *RISK FACTORS*.

1. RISKS SPECIFIC TO THE SECURITIES.

1.2 Related to the nature of the securities.

b) Subordination risk

In addition, during the period starting from (and including) the Payment Date immediately following the occurrence of a Subordination Event, and ending on (an including) the earlier of (i) the Legal Maturity Date; (ii) the Payment Date on which the Collateralised Notes will be redeemed in full; or (iii) the Early Amortisation Date (i.e. during the Sequential Redemption Period), the Collateralised Notes will be redeemed sequentially in accordance with the Pre-Enforcement Priority of Payments set forth in section 3.4.7 of the Additional Information.

See Prospectus, *REGISTRATION DOCUMENT FOR ASSET-BACKED SECURITIES*.

4.4.3 Early Liquidation of the Fund

4.4.3.1. Mandatory Early Liquidation Events

The Management Company shall proceed to the early liquidation of the Fund (the "Early Liquidation of the Fund") and, thus, the early redemption of the whole (but not part) of the Notes (the "Early Amortisation of the Notes") in any of the following mandatory events (the "Mandatory Early Liquidation Events"):

- (i) If, as stated in Article 33 of Law 5/2015, four (4) months have elapsed since the occurrence of an event giving rise to the mandatory replacement of the Management Company due to a declaration of insolvency thereof, without a new management company having been found that is prepared to take over the management of the Fund and that is designated in accordance with the provisions of section 3.7.2.3 of the Additional Information.
- (ii) In the event of revocation of the Management Company's authorisation to operate as a securitisation fund management company, without a new management company having been designated within four (4) months of the event causing the replacement in accordance with the provisions of section 3.7.2.3 of the Additional Information.
- (iii) Upon the lapse of twenty-four (24) months from the date of the last maturity of the Receivables, even if they still have overdue amounts.
- (iv) If the Meeting of Creditors approves the Early Liquidation of the Fund with the relevant majority in accordance with Article 23.2.b) of Law 5/2015 and the rules of the Meeting of Creditors (and, in particular, in accordance with Article 8.2 of such rules of the Meeting of Creditors) as established in section 4.11 of the Securities Note.

See Prospectus, *DEFINITIONS*.

"Early Amortisation of the Notes" ("Amortización Anticipada de los Bonos") means the ultimate redemption of the Notes on any date prior to the Legal Maturity Date in the event of Early Liquidation of the Fund in accordance with section 4.4.3 of the Registration Document.

See Prospectus, *SECURITIES NOTE FOR WHOLESALE NON-EQUITY SECURITIES*.

4. INFORMATION CONCERNING THE SECURITIES TO BE ADMITTED TO TRADING

4.9.2 Date and forms of redemption

a) Redemption of the Notes

The occurrence of any of the following events in respect of any Determination Date prior to the Legal Maturity Date shall constitute a subordination event (each a "Subordination Event"):

- (i) The Gross Default Ratio is greater than the reference value (the "Reference Value"), which shall mean for the purposes of this calculation the result of adding (i) 0.30% and (ii) the product of multiplying 0.15% by the number of Determination Dates elapsed since the Date of Incorporation, including the Determination Date preceding the relevant Payment Date subject to a cap of 5.00%.
- (ii) The Gross Default Ratio has increased by more than 0.45% since the immediately prior Determination Date.
- (iii) The Outstanding Balance of the Receivables is less than 10.00% of the Outstanding Balance of the Receivables at the Date of Incorporation of the Fund.

(iv) The Outstanding Balance of the Receivables comprised in the Portfolio arising from Loans granted to the same Borrower, as at the immediately preceding Determination Date, is equal to, or greater than 2% of the Outstanding Balance of the Portfolio; or

(v) On each Payment Date (except for the first Payment Date), after giving effect to the Pre-Enforcement Priority of Payments, the Principal Deficiency Amount is greater than 0.10% of the aggregate Outstanding Balance of the Receivables as at the Date of Incorporation.

(vi) if a Swap Counterparty Downgrade Event occurs in respect of the Swap Counterparty (or its guarantor, as applicable) and none of the remedies provided for in the Interest Rate Swap Agreement are put in place within the timeframe required thereunder.

For the avoidance of doubt, once the redemption of the Notes becomes sequential it cannot be switched to pro-rata.

See Prospectus, *DEFINITIONS*.

“Sequential Redemption Period” (“Periodo de Amortización Secuencial”) means the period starting from (and including) the Payment Date immediately following the occurrence of a Subordination Event and ending on (an including) the earlier of (i) the Legal Maturity Date; (ii) the Payment Date on which the Notes will be redeemed in full; or (iii) the Early Amortisation Date.

58

STS Criteria

58. The transaction documentation shall clearly specify the obligation to report such events.

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

See Prospectus, *REGISTRATION DOCUMENT FOR ASSET-BACKED SECURITIES*.

4.4.3.1. Mandatory Early Liquidation Events

The following requirements shall have to be satisfied to proceed to the Early Liquidation of the Fund:

- (i) That Noteholders and the Interest Rate Swap Counterparty to the Fund are given not less than fifteen (15) Business Days’ notice in advance of the Early Amortisation Date, as prescribed in section 4.2.2 of the Additional Information, of the Management Company’s resolution to proceed to the Early Liquidation of the Fund.
- (ii) That the Management Company previously advise the CNMV and the Rating Agencies of the notice indicated in the preceding paragraph.
- (iii) The notice of the Management Company’s resolution to proceed to Early Liquidation of the Fund shall contain a description of (i) the event or events triggering Early Liquidation of the Fund, (ii) the liquidation procedure, and (iii) the manner in which the Note payment obligations are to be honoured and settled in accordance with the Post-Enforcement Priority of Payments.

In order for the Management Company, on behalf of the Fund, to proceed with the Early Liquidation of the Fund and the Early Amortisation of the Notes, the Management Company shall, for and on behalf of the Fund:

- 1. Inform the Noteholders, the Rating Agencies and CNMV as set forth above, not less than fifteen (15) Business Days in advance of the relevant Early Amortization Date.

4.2.2 Extraordinary notices

Pursuant to article 36 of Law 5/2015, the Management Company must give immediate notice to the CNMV and to its creditors of any material event specifically relevant to the situation or development of the Fund. Material facts specifically relevant to the Fund will be those that could have a significant impact on the Notes issued or on the Receivables.

In particular, material facts will include any relevant modification to the assets or liabilities of the Fund, any amendment to the Deed of Incorporation (as described in 4.4.1 of the Registration Document), and, if applicable, the resolution on the setting-up of the Fund or any eventual decision regarding the Early Liquidation of the Fund and Early Amortisation of the Notes for any of the causes established in this Prospectus. In the case of the latter, the Management Company will also submit to the CNMV the certificate executed before a notary public evidencing the winding-up of the Fund and subsequent liquidation procedure described in 4.4.5 of the Registration Document.

4.2.3 Procedure

Notices to Noteholders which, pursuant to the above, must be provided by the Fund, through its Management Company, will be provided as follows:

(i) Ordinary notices

Ordinary periodical notices referred to in section 4.2.1 above shall be given by publication in AIAF daily bulletin or any other that may hereafter replace it or another of similar characteristics, or by publication as a relevant fact communication (comunicación de otra información relevante) or inside information communication (comunicación de información privilegiada) with the CNMV.

(ii) Extraordinary notices

Extraordinary notices referred to in section 4.2.2 above shall be given by publication on the CNMV as an other relevant information (otra información relevante) or an insider informatio (información privilegiada), as applicable.

These notices will be deemed to be provided on the date of publication thereof, and are appropriate for any day of the calendar, whether or not a Business Day (for purposes of this Prospectus).

Additionally, the Management Company may provide Noteholders with ordinary and extraordinary notices and other information of interest to them through its website (<https://www.tda-sgft.com/TdaWeb/jsp/fondos/Fondos.tda>).

See Prospectus, *DEFINITIONS*.

"Early Amortisation Notice" ("Notificación de Amortización Anticipada") means the material event (información relevante) published by the Management Company with the CNMV following the Seller's instruction to carry out the Early Liquidation of the Fund and the Early Amortisation of the Notes upon the occurrence of a Tax Change Event, a Clean-Up Call Option or a Regulatory Call Event.

59	<p>STS Criteria</p> <p>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.</p>	Verified? YES
-----------	--	--------------------------------

PCS Comments

See point 58 above.

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.

60	STS Criteria	Verified? YES
	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	

PCS Comments

See Prospectus, *RULES FOR THE MEETING OF CREDITORS*.

Articles 1 to 14

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.

(a) the method for calling meetings; as for method: Article 5, Convening of Meeting; (b) the maximum timeframe for setting up a meeting: Article 6, Notice; (c) the required quorum: Article 7, Quorums at Initial Meeting and Adjourned Meeting; (d) the minimum threshold of votes to validate such a decision, with clear differentiation between the minimum thresholds for each type of decision: Article 8, Required Majority, Article 9, Written Resolution; (e) where applicable, a location for the meetings which should be in the EU: Article 14, Domicile.

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.

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

PCS Comments

See Prospectus, *ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES*.

3.7 Management, administration and representation of the Fund and of the Noteholders

3.7.2 Management Company

See also underlying transaction documents separately.

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.

62

STS Criteria

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,

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

See Prospectus, *ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES*.

2. THE UNDERLYING ASSETS

Arrears and recovery information of the Sabadell Consumer loan portfolio.

The following tables show the historical performance of auto loans originated by Sabadell Consumer with similar characteristics to the Loans included in the Preliminary Portfolio (i.e., a portfolio that meets with most of the representations and warranties established in section 2.2.8 (ii) of the Additional Information.

Delinquency ratio

Static Cumulative Gross Defaults

Static Cumulative Recoveries

4.2 Obligations and deadlines contemplated for availability to the public and delivery to the CNMV and the Rating Agency of periodic information on the economic/financial status of the Fund

4.2.1 Ordinary periodic notices

(iv) Information referred to the EU Securitisation Regulation

Article 22 of the EU Securitisation Regulation

Furthermore, in accordance with Article 22 of the EU Securitisation Regulation, the Reporting Entity (directly or delegating to the Management Company or any agent on its behalf) will make available (or has made available in this Prospectus) to potential investors, before pricing, the following information:

(1) delinquency and default data, for substantially similar exposures to those being securitised, and the sources of those data and the basis for claiming similarity, for a period no shorter than five (5) years;

63	STS Criteria 63. and the sources of those data and the basis for claiming similarity, to potential investors before pricing.	Verified? YES
	PCS Comments See point 62 above.	
64	STS Criteria 64. Those data shall cover a period no shorter than five years.	Verified? YES
	PCS Comments See point 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	STS Criteria 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,	Verified? YES
	PCS Comments See Prospectus, <i>SECURITIES NOTE FOR WHOLESALE NON-EQUITY SECURITIES</i> . 3. ESSENTIAL INFORMATION Ernst & Young, S.L. ("EY") participates as: [...] (ii) independent company for the verification of a series of attributes of the assignable portfolio of Loans of the Fund, for the purposes of complying with the provisions of EU Securitisation Regulation ("Special Securitisation Report on the Preliminary Portfolio"); and in addition, has verified the accuracy of the data disclosed in the stratification tables included in section 2.2.2.2 of the Additional Information, and the CPR tables included in section 4.10 of the Securities Notes. 7. ADDITIONAL INFORMATION 7.1 Statement of the capacity in which the advisors have acted EY has issued the Special Securitisation Report on the Preliminary Portfolio for the purposes of complying with the provisions of Article 22 of the EU Securitisation Regulation, on the fulfilment of certain features and attributes included in the representations and warranties set forth in section 2.2.8 (ii) of the Additional Information of a sample of the Preliminary Portfolio. In addition, EY has verified the accuracy of the data disclosed in the stratification tables included in section 2.2.2.3 of the Additional Information, and the CPR tables included in section 4.10 of this Securities Notes.	

See Prospectus, *ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES*.

2.2.2.2. Review of the selected assets securitised through the Fund upon being established

EY has issued the Special Securitisation Report on the Preliminary Portfolio for the purposes of complying with the provisions of Article 22 of the EU Securitisation Regulation, on the fulfilment of certain features and attributes included in the representations and warranties set forth in section 2.2.8 (ii) of the Additional Information of a sample of the Preliminary Portfolio and on the fulfilment of certain features and attributes included in the representations and warranties set forth in section 2.2.8 (ii) of the Additional Information of all loans of the Preliminary Portfolio. In addition, EY has verified the accuracy of the data disclosed in the stratification tables included in section 2.2.2.2 of the Additional Information, and the CPR tables included in section 4.10 of this Securities Notes.

EY has reviewed a sample of 461 randomly selected loans out of the Preliminary Portfolio from which the Receivables shall be selected on the fulfilment of certain features and attributes included in the representations and warranties set forth in section 2.2.8 (ii) of the Additional Information. Additionally, EY has verified the data disclosed in the following stratification tables in respect of the Preliminary Portfolio.

The results, applying a confidence level of at least 99%, are set out in the Special Securitisation Report on the Preliminary Portfolio prepared by EY for the purposes of complying with Article 22.2 of the EU Securitisation Regulation. Sabadell Consumer, as Originator, confirms that no significant adverse findings have been detected.

See Prospectus, *DEFINITIONS*.

“Special Securitisation Report on the Preliminary Portfolio” (“Informe Especial de Titulización sobre la Cartera Preliminar”) means the report issued by EY for the purposes of Article 22 of the EU Securitisation Regulation on certain features and attributes included in the representations and warranties set forth in section 2.2.8 (ii) of the Additional Information of a sample of the 461 selected loans and on the fulfilment of certain features and attributes included in the representations and warranties set forth in section 2.2.8 (ii) of the Additional Information of all loans of the Preliminary Portfolio.

PCS has reviewed the draft 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.

66

STS Criteria

66. Including verification that the data disclosed in respect of the underlying exposures is accurate.

Verified?

YES

PCS Comments

See point 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	STS Criteria	Verified? YES
	<p>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.</p>	
PCS Comments		
<p>See Prospectus, <i>ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES</i>.</p> <p>4.2 Obligations and deadlines contemplated for availability to the public and delivery to the CNMV and the Rating Agency of periodic information on the economic/financial status of the Fund</p> <p>4.2.1 Ordinary periodic notices</p> <p>(iv) Information referred to the EU Securitisation Regulation</p> <p>Article 22 of the EU Securitisation Regulation</p> <p>Furthermore, in accordance with Article 22 of the EU Securitisation Regulation, the Reporting Entity (directly or delegating to the Management Company or any agent on its behalf) will make available (or has made available in this Prospectus) to potential investors, before pricing, the following information:</p> <p>(2) a liability cash flow model, elaborated and published by INTEX and/or Bloomberg, which precisely represents the contractual relationship of the Receivables and the payments flowing between the Originator, the Fund and the Noteholders (and shall, after pricing, make that model available to Noteholders on an ongoing basis and to potential investors upon request);</p>		
68	STS Criteria	Verified? YES
	<p>68. And shall, after pricing, make that model available to investors on an ongoing basis and to potential investors upon request.</p>	
PCS Comments		
<p>See point 67 above.</p> <p><i>Although technically covering the period between pricing and close, this is primarily a future event criterion. In other words, it cannot be either met or failed at the outset of the transaction. But if, at a later stage, it is not met, then the Originator will need to inform ESMA and the STS status of the securitisation will be lost. Therefore, as a technical matter, this criterion is not applicable at the closing of a transaction. However, PCS will nevertheless look to see if there is a covenant on the part of the originator to comply in the future with this requirement whilst noting, at the same time, that the absence of any such covenant – although possibly unsettling for some investors - would not invalidate the STS status of the transaction at closing.</i></p>		

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).

69	STS Criteria	Verified? YES
	<p>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).</p>	
PCS Comments		
See Prospectus, <i>ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES</i> .		
4.2 Obligations and deadlines contemplated for availability to the public and delivery to the CNMV and the Rating Agency of periodic information on the economic/financial status of the Fund		
4.2.1 Ordinary periodic notices		
(iv) Information referred to the EU Securitisation Regulation		
Article 22 of the EU Securitisation Regulation		
The Originator has confirmed that any additional information regarding the environmental performance of the vehicles financed by the Loans not included in section 2.2.2.2. xxix will be available to investors only for those Loans for which Sabadell Consumer has captured such information in its databases, as part of the information disclosed pursuant to point (a) of the first paragraph of Article 7(1) of the EU Securitisation Regulation.		

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.

70	STS Criteria	Verified? YES
	70. The originator and the sponsor shall be responsible for compliance with Article 7 of this Regulation.	
PCS Comments		
See Prospectus, <i>ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES</i> .		
4.2 Obligations and deadlines contemplated for availability to the public and delivery to the CNMV and the Rating Agency of periodic information on the economic/financial status of the Fund		
4.2.1 Ordinary periodic notices		
(iv) Information referred to the EU Securitisation Regulation		

Article 7, in accordance with Article 22.5 of the EU Securitisation Regulation

The Originator shall be responsible for compliance with Article 7, in accordance with Article 22.5 of the EU Securitisation Regulation and has been designated as the "Reporting Entity" for the purposes of Article 7.2 of the EU Securitisation Regulation.

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.

71	<p>STS Criteria</p> <p>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.</p>	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>See Prospectus, <i>ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES</i>.</p> <p>4.2 Obligations and deadlines contemplated for availability to the public and delivery to the CNMV and the Rating Agency of periodic information on the economic/financial status of the Fund</p> <p>4.2.1 Ordinary periodic notices</p> <p>(iv) Information referred to the EU Securitisation Regulation</p> <p>Article 22 of the EU Securitisation Regulation</p> <p>Furthermore, in accordance with Article 22 of the EU Securitisation Regulation, the Reporting Entity (directly or delegating to the Management Company or any agent on its behalf) will make available (or has made available in this Prospectus) to potential investors, before pricing, the following information:</p> <p>(3) the loan-by-loan information required by point (a) of the first subparagraph of Article 7(1) of the EU Securitisation Regulation;</p>	
72	<p>STS Criteria</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>Verified? YES</p>
	<p>PCS Comments</p> <p>See Prospectus, <i>ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES</i>.</p> <p>4.2 Obligations and deadlines contemplated for availability to the public and delivery to the CNMV and the Rating Agency of periodic information on the economic/financial status of the Fund</p> <p>4.2.1 Ordinary periodic notices</p> <p>(iv) Information referred to the EU Securitisation Regulation</p>	

Article 22 of the EU Securitisation Regulation

Furthermore, in accordance with Article 22 of the EU Securitisation Regulation, the Reporting Entity (directly or delegating to the Management Company or any agent on its behalf) will make available (or has made available in this Prospectus) to potential investors, before pricing, the following information:

(4) draft versions of the Transaction Documents, the STS Notification and this Prospectus;

The final STS Notification will be made available to Noteholders on or about the Date of Incorporation (and in any case within fifteen (15) calendar days from the Date of Incorporation).

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

73

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, *ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES*.

4.2 Obligations and deadlines contemplated for availability to the public and delivery to the CNMV and the Rating Agency of periodic information on the economic/financial status of the Fund

4.2.1 Ordinary periodic notices

(iv) Information referred to the EU Securitisation Regulation

Article 7, in accordance with Article 22.5 of the EU Securitisation Regulation

The Reporting Entity, directly or delegating to the Management Company or any other agent on its behalf, will:

(4) make available in accordance with the Article 7(1)(b) and Article 22.5 of the EU Securitisation Regulation, in any case within fifteen (15) calendar days of the Date of Incorporation, copies of the relevant Transaction Documents, the STS Notification and this Prospectus.

The Reporting Entity, directly or delegating to the Management Company or any other agent on its behalf, will publish or make otherwise available the reports and information referred to in paragraphs (1) to (4) (inclusive) above as required under Article 7 and Article 22 of the EU Securitisation Regulation. Such reports will be made available through the Securitisation Repository, a securitisation repository registered pursuant to Article 10 of the EU Securitisation Regulation.

This criterion requires 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 Seller will need to inform ESMA and the STS status of the securitisation will be lost. Therefore, as a technical matter, this criterion is not applicable at the closing of a transaction. However, PCS will nevertheless look to see if there is a covenant on the part of the originator to comply in the future with this requirement.

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:

(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;

74

STS Criteria

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 authorities 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, *ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES*.

4.2 Obligations and deadlines contemplated for availability to the public and delivery to the CNMV and the Rating Agency of periodic information on the economic/financial status of the Fund

4.2.1 Ordinary periodic notices

(iv) Information referred to the EU Securitisation Regulation

Article 7, in accordance with Article 22.5 of the EU Securitisation Regulation

The Reporting Entity, directly or delegating to the Management Company or any other agent on its behalf, will:

(1) following the Date of Incorporation:

(ii) publish on a monthly basis certain loan-by-loan information in relation to the Receivables in respect of each Interest Accrual Period, as required by and in accordance with Article 7(1)(a) of the EU Securitisation Regulation, the EU Disclosure RTS and the EU Disclosure ITS, no later than one (1) month after the relevant Payment Date and simultaneously with the monthly investor report described in paragraph (i) immediately above;

The Reporting Entity, directly or delegating to the Management Company or any other agent on its behalf, will publish or make otherwise available the reports and information referred to in paragraphs (1) to (4) (inclusive) above as required under Article 7 and Article 22 of the EU Securitisation Regulation. Such reports will be made available through the Securitisation Repository, a securitisation repository registered pursuant to Article 10 of the EU Securitisation Regulation.

Certain criteria from 73 onwards are future event criteria, as to which we refer you to PCS' analysis in Note 73 above.

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:

- (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;

75	<p>STS Criteria</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"> (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; 	<p><u>Verified?</u> YES</p>
-----------	---	---

PCS Comments

See Prospectus, *ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES*.

4.2 Obligations and deadlines contemplated for availability to the public and delivery to the CNMV and the Rating Agency of periodic information on the economic/financial status of the Fund

4.2.1 Ordinary periodic notices

(iv) Information referred to the EU Securitisation Regulation

Article 7, in accordance with Article 22.5 of the EU Securitisation Regulation

The Reporting Entity, directly or delegating to the Management Company or any other agent on its behalf, will:

(4) make available in accordance with the Article 7(1)(b) and Article 22.5 of the EU Securitisation Regulation, in any case within fifteen (15) calendar days of the Date of Incorporation, copies of the relevant Transaction Documents, the STS Notification and this Prospectus.

The Reporting Entity, directly or delegating to the Management Company or any other agent on its behalf, will publish or make otherwise available the reports and information referred to in paragraphs (1) to (4) (inclusive) above as required under Article 7 and Article 22 of the EU Securitisation Regulation. Such reports will be made available through the Securitisation Repository, a securitisation repository registered pursuant to Article 10 of the EU Securitisation Regulation.

Certain criteria from 74 onwards are future event criteria, as to which we refer you to PCS' comment under point 73 above.

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

76 **STS Criteria**

76. That underlying documentation shall include a detailed description of the priority of payments of the securitisation;

Verified?

YES

PCS Comments

See point 75 above.

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 a prospectus has not been drawn up in compliance with Directive 2003/71/EC of the European Parliament and of the Council, a transaction summary or overview of the main features of the securitisation, including, where applicable:

- (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;

77 **STS Criteria**

77. (c) where a prospectus has not been drawn up in compliance with Directive 2003/71/EC of the European Parliament and of the Council, a transaction summary or overview of the main features of the securitisation, including, where applicable:

- (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;

Verified?

YES

(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;

PCS Comments

Not applicable.

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;

78

STS Criteria

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

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

See Prospectus, *ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES*.

4.2 Obligations and deadlines contemplated for availability to the public and delivery to the CNMV and the Rating Agency of periodic information on the economic/financial status of the Fund

4.2.1 Ordinary periodic notices

(iv) Information referred to the EU Securitisation Regulation

Article 7, in accordance with Article 22.5 of the EU Securitisation Regulation

The Reporting Entity, directly or delegating to the Management Company or any other agent on its behalf, will:

(4) make available in accordance with the Article 7(1)(b) and Article 22.5 of the EU Securitisation Regulation, in any case within fifteen (15) calendar days of the Date of Incorporation, copies of the relevant Transaction Documents, the STS Notification and this Prospectus.

The Reporting Entity, directly or delegating to the Management Company or any other agent on its behalf, will publish or make otherwise available the reports and information referred to in paragraphs (1) to (4) (inclusive) above as required under Article 7 and Article 22 of the EU Securitisation Regulation. Such reports will be made available through the Securitisation Repository, a securitisation repository registered pursuant to Article 10 of the EU Securitisation Regulation.

Certain criteria from 74 onwards are future event criteria, as to which we refer you to PCS' comment under point 73 above.

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, *ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES*.

4.2 Obligations and deadlines contemplated for availability to the public and delivery to the CNMV and the Rating Agency of periodic information on the economic/financial status of the Fund

4.2.1 Ordinary periodic notices

(iv) Information referred to the EU Securitisation Regulation

Article 7, in accordance with Article 22.5 of the EU Securitisation Regulation

The Reporting Entity, directly or delegating to the Management Company or any other agent on its behalf, will:

(1) following the Date of Incorporation:

(i) publish a monthly investor report in respect of each Interest Accrual Period, as required by and in accordance with Article 7(1)(e) of the EU Securitisation Regulation, the EU Disclosure RTS and the EU Disclosure ITS, no later than one (1) month after the relevant Payment Date;

Certain criteria from 74 onwards are future event criteria, as to which we refer you to PCS' comment under point 73 above.

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, *ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES*.

4.2 Obligations and deadlines contemplated for availability to the public and delivery to the CNMV and the Rating Agency of periodic information on the economic/financial status of the Fund

4.2.1 Ordinary periodic notices

(iv) Information referred to the EU Securitisation Regulation

Article 7, in accordance with Article 22.5 of the EU Securitisation Regulation

The Reporting Entity, directly or delegating to the Management Company or any other agent on its behalf, will:

(2) publish, in accordance with Article 7(1)(f) of the EU Securitisation Regulation, without delay any inside information made public in accordance with Article 17 of Regulation (EU) No 596/2014 of the European Parliament and of the Council on market abuse;

The Reporting Entity, directly or delegating to the Management Company or any other agent on its behalf, will publish or make otherwise available the reports and information referred to in paragraphs (1) to (4) (inclusive) above as required under Article 7 and Article 22 of the EU Securitisation Regulation. Such reports will be made available through the Securitisation Repository, a securitisation repository registered pursuant to Article 10 of the EU Securitisation Regulation.

See also point 79 above. Certain criteria from 74 onwards are future event criteria, as to which we refer you to PCS' comment under point 73 above.

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 competent authorities have taken remedial or administrative actions;
- (v) any material amendment to transaction documents.

Verified?
YES

PCS Comments

See Prospectus, *ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES*.

4.2 Obligations and deadlines contemplated for availability to the public and delivery to the CNMV and the Rating Agency of periodic information on the economic/financial status of the Fund

4.2.1 Ordinary periodic notices

(iv) Information referred to the EU Securitisation Regulation

Article 7, in accordance with Article 22.5 of the EU Securitisation Regulation

The Reporting Entity, directly or delegating to the Management Company or any other agent on its behalf, will:

(3) publish without delay any significant event including any significant events described in Article 7(1)(g) of the EU Securitisation Regulation; and

The Reporting Entity, directly or delegating to the Management Company or any other agent on its behalf, will publish or make otherwise available the reports and information referred to in paragraphs (1) to (4) (inclusive) above as required under Article 7 and Article 22 of the EU Securitisation Regulation. Such reports will be made available through the Securitisation Repository, a securitisation repository registered pursuant to Article 10 of the EU Securitisation Regulation.

See also point 79 above. Certain criteria from 74 onwards are future event criteria, as to which we refer you to PCS' comment under point 73 above.

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, *ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES*.

4.2 Obligations and deadlines contemplated for availability to the public and delivery to the CNMV and the Rating Agency of periodic information on the economic/financial status of the Fund

4.2.1 Ordinary periodic notices

(iv) Information referred to the EU Securitisation Regulation

Article 7, in accordance with Article 22.5 of the EU Securitisation Regulation

The Reporting Entity, directly or delegating to the Management Company or any other agent on its behalf, will:

(1) following the Date of Incorporation:

(i) publish a monthly investor report in respect of each Interest Accrual Period, as required by and in accordance with Article 7(1)(e) of the EU Securitisation Regulation, the EU Disclosure RTS and the EU Disclosure ITS, no later than one (1) month after the relevant Payment Date; and

(ii) publish on a monthly basis certain loan-by-loan information in relation to the Receivables in respect of each Interest Accrual Period, as required by and in accordance with Article 7(1)(a) of the EU Securitisation Regulation, the EU Disclosure RTS and the EU Disclosure ITS, no later than one (1) month after the relevant Payment Date and simultaneously with the monthly investor report described in paragraph (i) immediately above;

The Reporting Entity, directly or delegating to the Management Company or any other agent on its behalf, will publish or make otherwise available the reports and information referred to in paragraphs (1) to (4) (inclusive) above as required under Article 7 and Article 22 of the EU Securitisation Regulation. Such reports will be made available through the Securitisation Repository, a securitisation repository registered pursuant to Article 10 of the EU Securitisation Regulation.

Certain criteria from 74 onwards are future event criteria, as to which we refer you to PCS' comment under point 73 above.

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 Union law governing the protection of confidentiality of information and the processing of personal data in order to avoid potential breaches of such law as well as any confidentiality obligation relating to customer, original lender or debtor information, unless such confidential information is anonymised or aggregated.

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, *ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES*.

4.2 Obligations and deadlines contemplated for availability to the public and delivery to the CNMV and the Rating Agency of periodic information on the economic/financial status of the Fund

4.2.1 Ordinary periodic notices

(iv) Information referred to the EU Securitisation Regulation

Article 7, in accordance with Article 22.5 of the EU Securitisation Regulation

The Reporting Entity, directly or delegating to the Management Company or any other agent on its behalf, will:

(2) publish, in accordance with Article 7(1)(f) of the EU Securitisation Regulation, without delay any inside information made public in accordance with Article 17 of Regulation (EU) No 596/2014 of the European Parliament and of the Council on market abuse;

(3) publish without delay any significant event including any significant events described in Article 7(1)(g) of the EU Securitisation Regulation; and

The Reporting Entity, directly or delegating to the Management Company or any other agent on its behalf, will publish or make otherwise available the reports and information referred to in paragraphs (1) to (4) (inclusive) above as required under Article 7 and Article 22 of the EU Securitisation Regulation. Such reports will be made available through the Securitisation Repository, a securitisation repository registered pursuant to Article 10 of the EU Securitisation Regulation.

Certain criteria from 74 onwards are future event criteria, as to which we refer you to PCS' comment under point 73 above.

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.

84

STS Criteria

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.

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.

Verified?
YES

PCS Comments

See Prospectus, *REGISTRATION DOCUMENT FOR ASSET-BACKED SECURITIES*.

4.6.3 Transparency

Pursuant to the obligations set out in Article 7(2) of the EU Securitisation Regulation, the originator and the securitisation special purpose entity of a securitisation shall designate amongst themselves one entity to submit the information set out in points (a), (b), (d), (e), (f) and (g) of Article 7(1) to a registered securitisation repository of the EU Securitisation Regulation. The disclosure requirements of Article 7 of the EU Securitisation Regulation apply in respect of the Notes. Pursuant to Article 22.5 of the EU Securitisation Regulation, the Originator shall be responsible for compliance with Article 7 and has been designated as the "Reporting Entity" for the purposes of Article 7.2 of the EU Securitisation Regulation.

Certain criteria from 74 onwards are future event criteria, as to which we refer you to PCS' comment under point 73 above.

85

STS Criteria

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.

Verified?
YES

PCS Comments

See point 83 above.

See Prospectus, *REGISTRATION DOCUMENT FOR ASSET-BACKED SECURITIES*.

4.6.3 Transparency

Pursuant to the obligations set out in Article 7(2) of the EU Securitisation Regulation, the originator and the securitisation special purpose entity of a securitisation shall designate amongst themselves one entity to submit the information set out in points (a), (b), (d), (e), (f) and (g) of Article 7(1) to a registered securitisation repository of the EU Securitisation

Regulation. The disclosure requirements of Article 7 of the EU Securitisation Regulation apply in respect of the Notes. Pursuant to Article 22.5 of the EU Securitisation Regulation, the Originator shall be responsible for compliance with Article 7 and has been designated as the "Reporting Entity" for the purposes of Article 7.2 of the EU Securitisation Regulation.

Certain criteria from 74 onwards are future event criteria, as to which we refer you to PCS' comment under point 73 above.