

STS Term Verification Checklist
SILVER ARROW S.A.,
Compartment Silver Arrow UK 2024-1



PRIME COLLATERALISED SECURITIES (PCS) UK LIMITED

26th April 2024

Analyst: Robert Leach – +44 203 866 5005

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

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

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

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

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

26th April 2024

STS Disclaimer

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

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

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

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

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 checklist or assessment you must read the [General Disclaimer](#) that appears on the PCS Website.

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

PRIME COLLATERALISED SECURITIES (PCS) STS Verification

Individual(s) undertaking the assessment	Robert Leach
Date of Verification	26 April 2024
The transaction to be verified (the "Transaction")	SILVER ARROW S.A., in respect of its Compartment Silver Arrow UK 2024-1
Issuer	SILVER ARROW S.A.
Originator	Mercedes-Benz Financial Services UK Limited
Lead Manager(s)	BNP Paribas, RBC Europe Limited
Transaction Legal Counsel	Hogan Lovells International LLP
Rating Agencies	Fitch, Moody's
Stock Exchange	Luxembourg Stock Exchange
Closing Date	26 April 2024

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

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

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

Article	Summary of Article Contents	PCS Verified	
Article 20 – Simplicity			
20(1)	True sale	1	✓
20(2-3)	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	<p>STS Criteria</p> <p>1. The title to the underlying exposures shall be acquired by the SSPE by means of a true sale or assignment or transfer with the same legal effect in a manner that is enforceable against the seller or any other third party.</p>	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>See Prospectus, <i>OVERVIEW OF THE PRINCIPAL TRANSACTION SA UK 2024-1 DOCUMENTS</i>.</p> <p>1. RECEIVABLES PURCHASE AGREEMENT</p> <p>On the Issue Date, MBFS will sell to the Issuer and the Issuer will purchase from MBFS all right, title and interest of MBFS in the Portfolio. Such sale is made by way of absolute assignment and, accordingly, MBFS with full title guarantee and (in respect of any Receivable governed by Northern Irish law) as beneficial owner will assign to (or hold in trust for) the Issuer all of its rights, title and interest in and to each Receivable included in the Portfolio, including to the fullest extent possible under applicable law, all Ancillary Rights related to such Receivable but excluding the Excluded Amounts.</p> <p>Assignment by the Seller to the Issuer of the benefit of the Receivables included in the Portfolio will take effect in equity only because no notice of the assignment will be given to Obligors. The assignment will be perfected following the occurrence of certain Obligor Notification Events.</p> <p><i>"True sale" is not a legal concept but a rating agency creation.</i></p> <p><i>The essence of a "true sale" is that the property in the securitised assets has legally moved from the originator/seller to the SSPE in such a way that the SSPE's ownership will be recognised as a matter of law, including and especially in the case of the insolvency of the originator/seller. In a "true sale" the insolvency officer and creditors of the insolvent originator/seller are not able to satisfy the claims of the originator/seller's creditor out of the proceeds of the securitised assets. Following a "true sale" there is no legal device by which the assets can automatically revert to the originator/seller's ownership. Such automatic reversion is associated with security interests and anathema to a "true sale".</i></p> <p><i>This is clearly stated in the wording of the Regulation (20.1). The expression "transfer to the same effect" indicates that, as long as the conditions in the preceding paragraph are met, the Regulation does not seek to limit the type of legal devices which can be used to effect such transfer of title.</i></p> <p><i>The issue of "true sale" is separate from the issue of "clawback". "Clawback" refers to legal processes through which, in the insolvency of the seller of an asset, an insolvency officer is entitled to reverse the sale – even in cases where a "true sale" has taken place.</i></p> <p><i>All European jurisdictions, to PCS' knowledge, have rules allowing for clawbacks. Clawbacks are usually rules to avoid a company heading towards insolvency from "defrauding" its existing creditors either by selling assets at very low prices (to friends and relations) or unfairly preferring certain creditors over others.</i></p> <p><i>The Regulation (20.1) therefore does not require STS "true sales" to be clawback proof since this would mean that no European securitisation could ever be STS. It does require the sale not to be subject to "severe clawback". The Regulation does not define "severe clawback" but gives an example (20.2) where a clawback happens for no reasons. The Regulation (20.3) also explicitly excludes from the definition of "severe clawback" the traditional European basis for such devices which all come under the general category of "preferences".</i></p> <p><i>PCS further notes that the examples (20.2 and 20.3) refer to the insolvency law of a jurisdiction and therefore believes that clawback risk is to be assessed on a jurisdictional basis rather than on a transactional basis. Finally, PCS does not believe and nor is there any evidence that the legislators or regulatory authorities are seeking to craft a higher standard than that which has been used for decades by the market and was the basis for the legislative text.</i></p> <p><i>Based on the above considerations, PCS believes that transfers from jurisdictions meeting the following criteria – absent any other indications – shall not fall within the definition of "severe clawback":</i></p>	

- *Clawback requires an unfair preference “defrauding” creditors;*
- *Clawback puts the burden of proof on the insolvency officer or creditors – in other words it cannot be automatic nor require the purchaser to prove their innocence.*

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

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

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

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

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

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

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

(a) provisions which allow the liquidator of the seller to invalidate the sale of the underlying exposures solely on the basis that it was concluded within a certain period before the declaration of the seller’s insolvency;

(b) provisions where the SSPE can only prevent the invalidation referred to in point (a) if it can prove that it was not aware of the insolvency of the seller at the time of sale..

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

2	STS Criteria	Verified? YES
	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.	
PCS Comments		
See underlying transaction documents: Incorporated Terms Memorandum. SCHEDULE 3 SELLER’S REPRESENTATIONS AND WARRANTIES PART A CORPORATE REPRESENTATIONS AND WARRANTIES OF THE SELLER 2. CENTRE OF MAIN INTERESTS		

The Seller has its "centre of main interests", for the purposes of the UK Insolvency Regulation, the EU Insolvency Regulation and the UNCITRAL Implementing Regulations in England and it does not have any "establishment" (as defined in the UK Insolvency Regulation, the EU Insolvency Regulation and the UNCITRAL Implementing Regulations) other than in the United Kingdom.

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

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

3	<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>
----------	--	--

PCS Comments

See Prospectus, *DESCRIPTION OF THE PORTFOLIO*.

3. ELIGIBILITY CRITERIA

(b) such Receivable has been originated by the Seller pursuant to a Financing Contract in the ordinary course of the Seller's business in compliance with the Credit and Collection Policy;

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	<p>STS Criteria</p> <p>4. Where the transfer of the underlying exposures is performed by means of an assignment and perfected at a later stage than at the closing of the transaction, the triggers to effect such perfection shall, at least include the following events:</p> <ul style="list-style-type: none"> (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. 	<p>Verified? YES</p>
----------	--	--

PCS Comments

See Prospectus, *PORTFOLIO AND SERVICING*.

Obligor Notification Events

Transfer of the legal title to the relevant Purchased Receivables will be completed on the occurrence of a Servicer Termination Event or Severe Deterioration Event.

See Prospectus, *MASTER DEFINITIONS SCHEDULE*.

"Obligor Notification Event" means a Servicer Termination Event or a Severe Deterioration Event has occurred.

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

- (a) the Seller or the Servicer is Insolvent;
- (b) the Seller or the Servicer fails to make any payment or deposit required by the terms of the relevant Transaction SA UK 2024-1 Document within five (5) Business Days of the date such payment or deposit is required to be made;
- (c) the Seller or the Servicer fails to perform any of its material obligations under the Receivables Purchase Agreement and/or the Servicing Agreement (other than a payment or deposit required), and such breach, if capable of remedy, is not remedied within twenty (20) Business Days of written notice from the Issuer or the Security Trustee; or
- (d) any representation or warranty in the Receivables Purchase Agreement or in the Servicing Agreement or in any report provided by the Seller or the Servicer is materially false or incorrect, and such inaccuracy, if capable of remedy, is not remedied within twenty (20) Business Days of written notice from the Issuer or the Security Trustee and has a Material Adverse Effect in relation to the Issuer.

"Severe Deterioration Event" means all or any part of the property, business, undertakings, assets or revenues of the Seller having an aggregate value in excess of £60,000,000 having been attached as a result of any distress, execution or diligence being levied or any encumbrancer taking possession or similar attachment and such attachment having not been lifted within 30 days.

See Prospectus, TRIGGERS TABLES.

NON-RATING TRIGGERS TABLE

Severe Deterioration Event

Where all or any part of the property, business, undertakings, assets or revenues of the Seller having an aggregate value in excess of £60,000,000 having been attached as a result of any distress, execution or diligence being levied or any encumbrancer taking possession or similar attachment and such attachment having not been lifted within 30 days.

Criterion 4 requires two steps:

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

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

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

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

PCS has measured the trigger events against the EBA Guidelines.

20.5(a)

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

The trigger provided in the Transaction meets these requirements.

20.5(b)

The insolvency trigger is in the Transaction.

20.5(c)

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

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

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

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

The unremedied breach trigger is in the Transaction.

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

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, *DESCRIPTION OF THE PORTFOLIO*.

3. ELIGIBILITY CRITERIA

(e) such Receivable can be validly transferred by way of sale and assignment, such transfer is not subject to any legal or contractual restriction which prevents the valid transfer thereof to the Issuer;

(f) such Receivable is owned by the Seller free of third party rights, including any set-off rights, any defence, retention or revocation rights of the relevant Obligor;

See underlying transaction documents: Incorporated Terms Memorandum.

APPENDIX 3

SELLER STS WARRANTIES

As of the Purchase Date the Seller represents and warrants the following:

- to the best of its knowledge, the Purchased Receivables 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.

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 6. The underlying exposures transferred from, or assigned by, the seller to the SSPE shall meet pre-determined, clear and documented eligibility criteria....	Verified? YES
	<p>PCS Comments</p> <p>See Prospectus, <i>PORTFOLIO AND SERVICING</i>.</p> <p>Representations and Warranties</p> <p>As of the Purchase Date the Seller represents and warrants to the Issuer certain Seller Receivables Warranties including, among other things, that all Receivables (including, where relevant their Ancillary Rights) comply with the Eligibility Criteria on the Cut-off Date.</p> <p>See Prospectus, <i>DESCRIPTION OF THE PORTFOLIO</i>.</p> <p>3. ELIGIBILITY CRITERIA</p> <p>"Eligibility Criteria" means, in respect of any Receivable (including, where relevant its Ancillary Rights) that is the subject of an Offer: [...]</p> <p><i>The EBA Guidelines clarify that "clear" does not mean easily readable or comprehended by a non-expert. In the Regulation a criterion is "clear" when a court or tribunal could determine whether, presumably in all cases, the criterion is met for each asset. In the Regulation, "clear" is about certainty of determination.</i></p> <p><i>PCS has read the eligibility criteria in the 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></p>	

7	<p>STS Criteria</p> <p>7. Which do not allow for active portfolio management of those exposures on a discretionary basis. For the purpose of this paragraph, substitution of exposures that are in breach of representations and warranties shall not be considered active portfolio management.</p>	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>See Prospectus, <i>PORTFOLIO AND SERVICING</i>.</p> <p>Repurchase of the Purchased Receivables</p> <p>Repurchase for breach</p> <p>If it is determined that any Receivable (including, where relevant its Ancillary Rights) did not comply with the Eligibility Criteria as of the Cut-Off Date or the Seller has otherwise breached the Seller Receivables Warranties as of the Purchase Date the Seller will be required to repurchase all such affected Purchased Receivables no later than the next Payment Date following such determination by depositing or causing the Servicer to deposit, in the Issuer Account, in same day funds, an amount equal to the Repurchase Price for any such Purchased Receivable. The Repurchase Price shall be equal to the sum of the Outstanding Receivables Amounts of the affected Purchased Receivables. Upon receipt thereof, such Purchased Receivable (unless it is extinguished) will be automatically re-assigned by the Issuer to the Seller on the immediately following Payment Date on a non-recourse or guarantee basis on the part of the Issuer. The costs of such assignment will be borne solely by the Seller.</p> <p>Other Repurchase</p> <p>The Seller may re-purchase all of the Purchased Receivables in accordance with Condition 5(d) (Clean-Up call) if the Seller exercises the Clean-Up Call. The price payable for such Purchased Receivables shall be equal to the Repurchase Price.</p> <p>Consideration for repurchase:</p> <p>Consideration payable by the Seller in respect of the repurchase of the Purchased Receivables shall be equal to the Repurchase Price.</p> <p>See underlying transaction documents: Incorporated Terms Memorandum.</p> <p>PART D - STS COVENANTS OF THE SELLER</p> <p>The Seller hereby covenants:</p> <p>1. NO DISCRETIONARY ACTIVE PORTFOLIO MANAGEMENT</p> <p>Not to repurchase any of the Purchased Receivables, other than as provided for in Clause 15 (Repurchase for Breach) of the Receivables Purchase Agreement.</p> <p><i>The EBA Guidelines set out seven devices to repurchase securitised assets which are not to be considered indicative of "active portfolio management". To the extent that a transaction only contains some or all of those seven devices and does not provide any other form of repurchase, then the STS criterion will be met. If the transaction should contain a repurchase device that is not included in the EBA's list, then an analysis will need to be conducted as to whether this additional device offends against the principles set out in the EBA Guidelines (15.a and b) as defining "active portfolio management".</i></p>	

8	<u>STS Criteria</u>	<u>Verified?</u>
	8. Exposures transferred to the SSPE after the closing of the transaction shall meet the eligibility criteria applied to the initial underlying exposures.	YES
<u>PCS Comments</u>		
Not applicable – not a revolving transaction.		

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	<u>STS Criteria</u>	<u>Verified?</u>
	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.	YES
<u>PCS Comments</u>		
See Prospectus, <i>DESCRIPTION OF THE PORTFOLIO</i> .		
4. SELLER RECEIVABLES WARRANTIES		
(e) the Purchased Receivables (i) comply with Article 1 of Commission Delegated Regulation (EU) 2019/1851 of 28 May 2019 (as amended by Commission Delegated Regulation (EU) 2024/584 of 7 November 2023) supplementing Regulation (EU) 2017/2402 of the European Parliament and of the Council with regard to regulatory technical standards on the homogeneity of the underlying exposures in securitisation (the "Homogeneity RTS") and (ii) with particular reference to paragraph (d) of Article 1 of the Homogeneity RTS, are homogeneous with reference to the homogeneity factor available for auto loans under Article 2(4)(b) of the Homogeneity RTS as all the Obligor(s) have residence in the United Kingdom;		
See also underlying transaction documents, Receivables Purchase Agreement.		
<i>In the Transaction, the loans were underwritten on a similar basis, they are being serviced by Mercedes-Benz Financial Services UK Limited on the same platform, they are a single asset class – auto loans – and, based on the Guidelines' suggested approach, the assets are all originated in the UK. PCS also takes great comfort from the fact that transactions containing pools with similar characteristics have always been considered to be "homogenous" by a wide consensus of market participants.</i>		
10	<u>STS Criteria</u>	<u>Verified?</u>
	10. The underlying exposures shall contain obligations that are contractually binding and enforceable.	YES
<u>PCS Comments</u>		
See Prospectus, <i>DESCRIPTION OF THE PORTFOLIO</i> .		
3. ELIGIBILITY CRITERIA		
(k) such Receivable and related Financing Contract constitutes the legal, valid and binding obligations of the Obligor(s), enforceable against the Obligor(s) in accordance with its terms;		

11	<p><u>STS Criteria</u></p> <p>11. With full recourse to debtors and, where applicable, guarantors.</p>	<p><u>Verified?</u></p> <p>YES</p>
	<p><u>PCS Comments</u></p> <p>See Prospectus, <i>DESCRIPTION OF THE PORTFOLIO</i>.</p> <p>1. THE RECEIVABLES</p> <p>The Purchased Receivables comprise full recourse claims against Obligors in respect of payments due under Financing Contracts (excluding Excluded Amounts) for the provision of credit for the purchase of motor vehicles (and therefore do not include any transferable securities or securitisation positions).</p> <p>See Prospectus, <i>MASTER DEFINITIONS SCHEDULE</i>.</p> <p>1. DEFINITIONS</p> <p>"Obligor(s)" means, in respect of a Receivable, a Person or Persons (including consumers and businesses) obliged directly or indirectly to make payments in respect of such Receivable, including any person who has guaranteed the obligations in respect of such Receivable.</p> <p>See underlying transaction documents: Incorporated Terms Memorandum.</p> <p>APPENDIX 3</p> <p>Seller STS Warranties</p> <p>As of the Purchase Date, the Seller represents and warrants the following:</p> <p>3. the Purchased Receivables contain obligations that are contractually binding and enforceable, with full recourse to the Obligors and, where applicable, the relevant guarantors under and relating to the Financing Contract to which such Receivable relates.</p>	

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	<p><u>STS Criteria</u></p> <p>12. The underlying exposures shall have defined periodic payment streams, the instalments of which may differ in their amounts.</p>	<p><u>Verified?</u></p> <p>YES</p>
	<p><u>PCS Comments</u></p> <p>See Prospectus, <i>DESCRIPTION OF THE PORTFOLIO</i>.</p> <p>1. THE RECEIVABLES</p> <p>The Financing Contracts are governed by English law and take the form of hire purchase agreements ("HP Contracts") and personal contract plan agreements ("PCP Contracts" or "PCP") between MBFS and Obligors.</p> <p>HP Contracts</p>	

HP Contracts are available for both new and used vehicles. HP Contracts are a traditional method of financing a vehicle where the Obligor pays a deposit, and pays for the use of a Vehicle over an agreed period of time and for agreed regular payments. At the end of the term of the HP Contract, the Obligor pays certain administrative fees (including an option price) and gains ownership (title) of the Vehicle. With HP Contracts, the payments are calculated on the basis of the amount financed after the deposit has been paid.

PCP Contracts

MBFS's primary retail product is a PCP Contract marketed as 'Agility' which is a flexible method of financing a vehicle over a fixed term. PCP Contracts are available for both new and used vehicles.

PCP Contracts are similar to HP Contracts but with an additional larger "balloon" optional final payment at the end of the term of the PCP Contract. At the end of the term of the PCP Contract

the Obligor has the option to:

- (a) return the Vehicle;
- (b) part-exchange the Vehicle for a new one; or
- (c) purchase the Vehicle by paying the optional final payment.

The optional final payment is equal to a 'guaranteed future value' ("GFV") agreed when the contract was arranged. The GFV is established with reference to the vehicle specification (model and equipment), the term and mileage.

Payments are calculated on the basis of the amount financed after the deposit has been paid.

If the Obligor does not purchase the Vehicle, the sale proceeds of the Vehicle are transferred to the Issuer as Vehicle Sale Proceeds.

See Prospectus, *DESCRIPTION OF THE RECEIVABLES*.

3. ELIGIBILITY CRITERIA

- (l) such PCP Contract or HP Contract to which the Receivable relates is amortised on a monthly basis and gives rise to monthly instalment payments, and such Receivable may also be a Balloon Receivable;

13

STS Criteria

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

**Verified?
YES**

PCS Comments

See Prospectus, *DESCRIPTION OF THE RECEIVABLES*.

3. ELIGIBILITY CRITERIA

"Eligibility Criteria" means, in respect of any Receivable (including, where relevant its Ancillary Rights) that is the subject of an Offer:

- (l) such PCP Contract or HP Contract to which the Receivable relates is amortised on a monthly basis and gives rise to monthly instalment payments, and such Receivable includes also a Balloon Receivable;

(m) such Receivable is calculated using an interest rate above or equal to 0.5 per cent. and the interest rate applicable to the Receivable is fixed;

See Prospectus, *MASTER DEFINITIONS SCHEDULE*.

1. DEFINITIONS

"Ancillary Rights" means, in relation to a Receivable all rights of the Seller associated with such Receivable including:

(a) all rights to receive and obtain payment under the Financing Contract for such Receivable including the right to demand, sue for, recover, receive and give receipts for all amounts due and to become due whether or not from Obligors or guarantors under or relating to the Financing Contract to which such Receivable relates and all guarantees (if any);

(b) the benefit of:

(i) all covenants and undertakings from Obligors and from guarantors relating to the Financing Contract to which such Receivable arises and under all guarantees;

(ii) all causes and rights of actions against Obligors and guarantors under and relating to the Financing Contract to which such Receivable relates and under and relating to all guarantees (if any);

(iii) any other rights, title, interest, powers and benefits of the Seller into, under, pursuant to or in relation to such Financing Contract other than, save as otherwise provided in (d), rights specifically relating to the Vehicle itself (with such rights specifically relating to the Vehicle including, without limitation, the right of ownership);

(c) the right to any Insurance Proceeds received by the Seller or its agents pursuant to any Insurance Claims arising in respect of the Financing Contract to which such Receivable and the benefit of any other rights the Seller may have under any insurance policy in respect of the Vehicle to which such Receivable relates; and

(d) the benefit of any rights, title, interest, powers and benefits of the Seller in and to Vehicle Sale Proceeds,

including, in each case, all monies derived therefrom.

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

14 **STS Criteria**

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

Verified?
YES

PCS Comments

See Prospectus, *DESCRIPTION OF THE PORTFOLIO*.

1. THE RECEIVABLES

The Purchased Receivables comprise full recourse claims against Obligors in respect of payments due under Financing Contracts (excluding Excluded Amounts) for the provision of credit for the purchase of motor vehicles (and therefore do not include any transferable securities 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
	PCS Comments See point 14 above.	

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
	PCS Comments See Prospectus, <i>DESCRIPTION OF THE PORTFOLIO</i> . 3. ELIGIBILITY CRITERIA (b) such Receivable has been originated by the Seller pursuant to a Financing Contract in the ordinary course of the Seller's business in compliance with the Credit and Collection Policy;	
17	STS Criteria 17. Pursuant to underwriting standards that are no less stringent than those that the originator or original lender applied at the time of origination to similar exposures that are not securitised.	Verified? YES
	PCS Comments See Prospectus, <i>DESCRIPTION OF THE PORTFOLIO</i> . 3. ELIGIBILITY CRITERIA (a) such Receivable has been randomly selected; (b) such Receivable has been originated by the Seller pursuant to a Financing Contract in the ordinary course of the Seller's business in compliance with the Credit and Collection Policy; See underlying transaction documents, Incorporated Terms Memorandum. APPENDIX 3 Seller STS Warranties	

As of the Purchase Date, the Seller represents and warrants the following:

5. all the Purchased Receivables have been originated in the ordinary course of the Originator's business pursuant to underwriting standards, being the Credit and Collection Policy, that are no less stringent than those that the Originator applied at the time of origination to similar exposures that are not securitised.

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>OVERVIEW OF THE PRINCIPAL TRANSACTION SA UK 2024-1 DOCUMENTS</i>.</p> <p>2. SERVICING AGREEMENT</p> <p>Information and Regular Reporting</p> <p>Pursuant to the terms of the Servicing Agreement, the Servicer shall (on behalf of the Reporting Entity), subject to the applicable data protection rules in England, Wales, Scotland or Northern Ireland (including the Data Protection Laws) and banking secrecy rules and the Data Trust Agreement, prepare and deliver to the Issuer, the Noteholders, (upon request) any potential investors in the Notes and the relevant competent authorities (as determined under the EU Securitisation Regulation and the UK Securitisation Regulation in accordance with the Securitisation Regulation (EU) Disclosure Requirements and the Securitisation Regulation (UK) Disclosure Requirements and together, the "Relevant Recipients"):</p> <p>(g) disclose without delay any material changes from the Servicer's prior underwriting policies and servicing collection procedures to the extent required under Article 20(10) of the UK Securitisation Regulation and the Transaction SA UK 2024-1 Documents. ,</p> <p><i>Although somewhat confusingly drafted, the EBA Guidelines make clear that the part of the criterion referring to changes from prior underwriting is a future event criterion. It applies changes in underwriting criteria that occur post-closing. In other words, it cannot be either met or failed at the outset of the transaction. But if, at a later stage, it is not met, then the Originator will need to inform ESMA and the STS status of the securitisation will be lost.</i></p> <p><i>Therefore, as a technical matter, this criterion is not applicable at the closing of a transaction. However, PCS will nevertheless look to see if there is a covenant on the part of the originator to comply in the future with this requirement whilst noting at the same time that the absence of any such covenant – although possibly unsettling for some investors – would not invalidate the STS status of the transaction at closing.</i></p>	

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>	
PCS Comments		
<p><i>Not applicable, the underlying exposures are auto loans and leases.</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>	
PCS Comments		
<p>See Prospectus, <i>DESCRIPTION OF THE PORTFOLIO</i>.</p> <p>5. SELLER STS WARRANTIES</p> <p>As of the Purchase Date, the Seller represents and warrants the following:</p> <p>(a) it has assessed the Obligor's creditworthiness in accordance with the requirements set out in the provisions of article 8 of Directive 2008/48/EC;</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>THE SELLER, THE SERVICER AND THE SUBORDINATED LENDER</i>.</p> <p>BUSINESS AND ORGANISATION OF MBFS</p> <p>Description of MBFS</p> <p>MBFS is a finance company incorporated in England and Wales under company number 02472364, authorised and regulated by the Financial Conduct Authority. MBFS is part of Mercedes-Benz Group AG, the ultimate parent organisation responsible for all Mercedes-Benz products and services worldwide (see corporate structure chart below). MBFS has been supporting Mercedes-Benz UK Group sales in the United Kingdom for over 25 years. Since August 2022 the Mercedes-Benz brands in the United Kingdom encompass Mercedes-Benz (cars and vans) (The Mercedes-Benz Truck division separated officially as of August 2022 forming a new independent company "Daimler Truck Financial Services UK" & the smart Brand is now a joint venture with Chinese multinational Geely and is run as a separate organisation).</p> <p>Sales partners for automotive financial services are the Mercedes-Benz automobile dealerships.</p> <p>MBFS has originated and serviced auto-loans for more than seven years. The Servicer has expertise in servicing – and has well-documented and adequate policies, procedures and risk-management controls relating to the servicing of – the securitised portfolio and the wider MBFS portfolio.</p> <p><i>An entity originating assets similar to those securitised for at least five years is deemed, according to the EBA Guidelines to have "expertise".</i></p>	

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	Verified? YES
	<p>22. The underlying exposures shall be transferred to the SSPE after selection without undue delay...</p> <p>PCS Comments</p> <p>See Prospectus, <i>MASTER DEFINITIONS SCHEDULE</i>.</p> <p>1. DEFINITIONS</p> <p>"Cut-Off Date" means 29 February 2024.</p> <p><i>PCS has assumed that any period of three-and-a-half months or less between pool cut date and closing will meet the requirements of the criterion. This is in line with market standards.</i></p>	

23	STS Criteria	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...	Verified?
			YES
	PCS Comments		
	See Prospectus, <i>DESCRIPTION OF THE PORTFOLIO</i> .		
	5. SELLER STS WARRANTIES		
	As of the Purchase Date, the Seller represents and warrants the following:		
	(b) none of the Purchased Receivables was as at the Cut-off Date an exposure in default within the meaning of Article 178(1) of Regulation (EU) No 575/2013 or an exposure to a credit-impaired debtor or guarantor, who, to the best of the Originator's knowledge: [...]		
	See underlying transaction documents: Incorporated Terms Memorandum.		
<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:</p> <p>(a) has been declared insolvent or had a court grant his creditors a final non-appealable right of enforcement or material damages as a result of a missed payment within three years prior to the date of origination or has undergone a debt-restructuring process with regard to his non-performing exposures within three years prior to the date of transfer or assignment of the underlying exposures to the SSPE, except if:</p> <p>(i) a restructured underlying exposure has not presented new arrears since the date of the restructuring which must have taken place at least one year prior to the date of transfer or assignment of the underlying exposures to the SSPE; and</p> <p>(ii) the information provided by the originator, sponsor and SSPE in accordance with points (a) and (e)(i) of the first subparagraph of Article 7(1) explicitly sets out the proportion of restructured underlying exposures, the time and details of the restructuring as well as their performance since the date of the restructuring;</p> <p>(b) was, at the time of origination, where applicable, on a public credit registry of persons with adverse credit history or, where there is no such public credit registry, another credit registry that is available to the originator or original lender; or</p> <p>(c) has a credit assessment or a credit score indicating that the risk of contractually agreed payments not being made is significantly higher than for comparable exposures held by the originator which are not securitised.</p>			
24	STS Criteria	24. Or exposures to a credit-impaired debtor or guarantor, who, to the best of the originator's or original lender's knowledge:	Verified?
			YES
	PCS Comments		
	See Prospectus, <i>DESCRIPTION OF THE PORTFOLIO</i> .		
	5. SELLER STS WARRANTIES		
	As of the Purchase Date, the Seller represents and warrants the following:		

(b) none of the Purchased Receivables was as at the Cut-off Date an exposure in default within the meaning of Article 178(1) of Regulation (EU) No 575/2013 or an exposure to a credit-impaired debtor or guarantor, who, to the best of the Originator's knowledge:

- (i) 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 Purchas Date, except if:
 - (A) 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 Issue Date; and
 - (B) the information provided by the Originator, the Arranger and the Issuer in accordance with points (a) and (e)(i) of the first subparagraph of Article 7(1) of the UK Securitisation Regulation and the EU Securitisation Regulation 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.
- (ii) was, at the time of origination, where applicable, on a public credit registry of persons with adverse credit history or another credit registry that is available to the Originator; or
- (iii) 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.;

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 See point 24 above. See Prospectus, <i>DESCRIPTION OF THE PORTFOLIO</i> . 3. ELIGIBILITY CRITERIA "Eligibility Criteria" means, in respect of any Receivable (including, where relevant its Ancillary Rights) that is the subject of an Offer: (c) the Obligor in respect of such Receivable: (i) is not Insolvent; See underlying transaction documents: Incorporated Terms Memorandum.	
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 See point 24 above.	

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 See point 24 above.	
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 See point 24 above. See Prospectus, <i>DESCRIPTION OF THE PORTFOLIO</i> . 4. SELLER RECEIVABLES WARRANTIES As of the Purchase Date, the Seller represents and warrants the following: (i) the information provided by the Originator (or the Servicer on its behalf) in accordance with Article 7(1)(a) and (e) of the UK Securitisation Regulation 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;	
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 See point 24 above.	
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	Verified? YES
	<p>31. The debtors shall at the time of transfer of the exposures, have made at least one payment, except in the case of revolving securitisations backed by exposures payable in a single instalment or having a maturity of less than one year, including without limitation monthly payments on revolving credits.</p> <p>PCS Comments</p> <p>See Prospectus, <i>DESCRIPTION OF THE PORTFOLIO</i>.</p> <p>3. ELIGIBILITY CRITERIA</p> <p>"Eligibility Criteria" means, in respect of any Receivable (including, where relevant its Ancillary Rights) that is the subject of an Offer:</p> <p>(c) the Obligor in respect of such Receivable:</p> <p style="padding-left: 20px;">(vii) has made at least one scheduled monthly payment in respect of the Receivable;</p>	

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

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

32	STS Criteria	Verified? YES
	<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>PCS Comments</p> <p>See Prospectus, <i>OVERVIEW OF THE PRINCIPAL TRANSACTION SA UK 2024-1 DOCUMENTS</i>.</p> <p>1. RECEIVABLES PURCHASE AGREEMENT</p> <p>Rebate Payment in respect of Redelivery PCP Receivables and Voluntarily Terminated Receivables</p> <p>Following the Redelivery PCP/VT Payment Date, the Seller will determine the amount of any related PCP/VT Deficit Amount and pay to the Issuer, by way of rebate of the Purchase Price relating to the relevant Purchased Receivable, an amount equal to the PCP/VT Deficit Amount in respect of such Purchased Receivable.</p> <p>For the avoidance of doubt, the Seller is not obliged to make such a payment in respect of any Financing Contract subject to Early Settlement.</p> <p>See Prospectus, <i>MASTER DEFINITIONS SCHEDULE</i>.</p> <p>1. DEFINITIONS</p>	

"Early Settlement" means where (i) the Obligor of a Purchased Receivable requests that it is allowed, on payment of the requested early settlement amount calculated in accordance with the Credit and Collection Policy, to terminate the Financing Contract and (ii) the requested early settlement amount is paid in accordance with the Credit and Collection Policy with the result that no further liability exists from the Obligor under the Financing Contract that is the subject of the early settlement request.

"PCP/VT Deficit Amount" means:

- (a) in relation to a Redelivery PCP Receivable, an amount equal to that Redelivery PCP Receivable less the net Vehicle Sale Proceeds paid to the Issuer pursuant to sub-clause 6.2 (Vehicle Sale Proceeds) of the Receivables Purchase Agreement and any End of Contract Fees recovered from Obligors; and
- (b) in relation to a Voluntarily Terminated Receivable, an amount equal to that Voluntarily Terminated Receivable less the net Vehicle Sale Proceeds paid to the Issuer pursuant to sub-clause 6.2 (Vehicle Sale Proceeds) of the Receivables Purchase Agreement.

"Redelivery PCP Contract" means a PCP Contract under which the Obligor opts to make full and final settlement of a PCP Contract by redelivery to the Seller of the Vehicle in lieu of making a final payment and acquiring legal title to the Vehicle in accordance with the related PCP Contract.

"Redelivery PCP Receivable" means any Purchased Receivable arising under a Redelivery PCP Contract in respect of which the Vehicle at the time that the PCP Contract becomes a Redelivery PCP Contract (i) has not been previously repossessed by the Seller or (ii) is not excessively damaged, recorded as stolen or with an outstanding insurance interest recorded against such Vehicle;

"Voluntarily Terminated Receivable" means a Purchased Receivable in relation to which a Voluntary Termination has been exercised.

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

33	STS Criteria	Verified? YES
	<p>33.The originator, sponsor or original lender shall satisfy the risk retention requirement in accordance with Article 6.</p> <p>PCS Comments</p> <p>See Prospectus, <i>EU AND UK RISK RETENTION AND SECURITISATION REGULATION REPORTING</i>.</p> <p>Compliance with the Retention Requirement</p> <p>The Originator confirms that it has covenanted with the Issuer and the Note Trustee under the Receivables Purchase Agreement that the Originator will, for the life of the Transaction UK 2024-1, retain a material net economic interest of not less than 5% in the Transaction UK 2024-1 in accordance with Article 6(3)(d) of the UK Securitisation Regulation and the EU Securitisation Regulation and will not enter into any credit risk mitigation, short position or any other credit hedge or sale with respect to the Retained Interest, provided that the level of retention may reduce over time in compliance with (i) in the case of the EU Securitisation Regulation, Article 10(2) of the Commission Delegated Regulation specifying the risk retention requirements pursuant to Article 6 of the EU Securitisation Regulation, and (ii) in the case of the UK Securitisation Regulation, the Commission Delegated Regulation as amended by Annex R of The Technical Standards (Capital Requirements) (EU Exit) (No. 3) Instrument 2019 each as interpreted and applied on the Issue Date. As of the Issue Date, such interest will, in accordance with Article 6(3)(d) of the UK Securitisation Regulation and Article 6(3)(d) of the EU Securitisation Regulation, be retained through the holding of the Class B Notes and the Subordinated Loan.</p> <p>MBFS undertakes that it will not reduce, hedge or otherwise mitigate its credit exposure to the material net economic interest retained for the purposes of Article 6(1) of the UK Securitisation Regulation and Article 6(1) of the EU Securitisation Regulation:</p> <p>(a) with respect to the UK Securitisation Regulation, until such time as UK regulatory technical standards are published jointly by the FCA and PRA, Article 12 of the Commission Delegated Regulation specifying the risk retention requirements pursuant to the UK Securitisation Regulation (the "Commission Delegated Regulation") (BTS 625/2014 as amended by Annex R of The Technical Standards (Capital Requirements) (EU Exit) (No. 3) Instrument 2019) and, pursuant to Article 43(7) of the UK Securitisation Regulation, until regulatory technical standards are adopted jointly by the FCA and PRA, provided that the level of retention may reduce over time in compliance with Article 10 (2) of the Commission Delegated Regulation.</p> <p>See also underlying transaction documents, Receivables Purchase Agreement.</p>	

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

34	STS Criteria	Verified? YES
	<p>34. The interest rate...risks arising from the securitisation shall be appropriately mitigated.</p> <p>PCS Comments</p> <p>See Prospectus, <i>RISK FACTORS</i>.</p> <p>Interest Rate Risk/Risk of Swap Counterparty Insolvency</p>	

Payments in respect of the Purchased Receivables made to the Seller by an Obligor under a Financing Contract comprise monthly amounts calculated with respect to a fixed interest rate which may be different to Compounded Daily SONIA, which is the rate of interest (plus a margin) payable on the Class A Notes.

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

Pursuant to the Swap Agreement entered into by the Issuer and the Swap Counterparty (which shall be an Eligible Swap Counterparty) in relation to the Class A Notes, the Issuer will pay to the Swap Counterparty on each Payment Date an amount equal to the product of (i) the Swap Notional Amount and (ii) the Swap Fixed Rate and (iii) the Day Count Fraction.

In return, the Swap Counterparty will pay to the Issuer on each Payment Date an amount equal to the product of (i) the Swap Notional Amount and (ii) a rate equal to the Applicable Benchmark Rate and (iii) the Day Count Fraction.

See Prospectus, *OVERVIEW OF THE PRINCIPAL TRANSACTION SA UK 2024-1 DOCUMENTS*.

10. SWAP AGREEMENT

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

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

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

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

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

35

STS Criteria

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

Verified?**YES**

PCS Comments

Liabilities:

See Prospectus, *CONDITIONS OF THE NOTES*.

1. Form, denomination and title

- (a) The Class A Notes are issued in registered global form in the denomination of £125,000 and integral multiples of £1,000 in excess of £125,000, up to and including £249,000.
- (b) The Class B Notes are issued in registered global form in the denomination of £125,000 and integral multiples of £1,000 in excess of £125,000, up to and including £249,000.

Assets:

See Prospectus, *DESCRIPTION OF THE PORTFOLIO*.

3. ELIGIBILITY CRITERIA

"Eligibility Criteria" means, in respect of any Receivable (including, where relevant its Ancillary Rights) that is the subject of an Offer:

- (i) such Receivable is denominated and payable in Sterling;

Notes and underlying assets both denominated in Sterling.

36

STS Criteria

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

Verified?
YES

PCS Comments

See Prospectus, *RISK FACTORS*.

Interest Rate Risk/Risk of Swap Counterparty Insolvency

Payments in respect of the Purchased Receivables made to the Seller by an Obligor under a Financing Contract comprise monthly amounts calculated with respect to a fixed interest rate which may be different to the Applicable Benchmark Rate which is the rate of interest (plus a margin) payable on the Class A Notes.

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

Pursuant to the Swap Agreement entered into by the Issuer and the Swap Counterparty (which shall be an Eligible Swap Counterparty) in relation to the Class A Notes, the Issuer will pay to the Swap Counterparty on each Payment Date an amount equal to the product of (i) the Swap Notional Amount and (ii) the Swap Fixed Rate and (iii) the Day Count Fraction.

In return, the Swap Counterparty will pay to the Issuer on each Payment Date an amount equal to the product of (i) the Swap Notional Amount and (ii) a rate equal to the Applicable Benchmark Rate and (iii) the Day Count Fraction.

See Prospectus, *OVERVIEW OF THE PRINCIPAL TRANSACTION SA UK 2024-1 DOCUMENTS*.

10. SWAP AGREEMENT

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

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

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

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

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

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

37	STS Criteria 37. Except for the purpose of hedging currency risk or interest rate risk, the SSPE shall not enter into derivative contracts and...	Verified? YES
	<p>PCS Comments</p> <p>See Prospectus, <i>CONDITIONS OF THE NOTES</i>.</p> <p>3. Covenants</p> <p>So long as any of the Notes remains outstanding, the Issuer will not without the prior consent of the Note Trustee, unless otherwise provided by these Conditions or the Transaction SA UK 2024-1 Documents:</p> <p>(o) enter into any derivatives, or any hedging contracts having the same economic effect as a derivative.</p>	
38	STS Criteria 38. ...Shall ensure that the pool of underlying exposures does not include derivatives.	Verified? YES
	<p>PCS Comments</p> <p>See Prospectus, <i>DESCRIPTION OF THE PORTFOLIO</i>.</p> <p>3. ELIGIBILITY CRITERIA</p> <p>5. SELLER STS WARRANTIES</p> <p>As of the Purchase Date, the Seller represents and warrants the following:</p> <p>(c) the Portfolio does not include derivatives.</p>	

39	STS Criteria	Verified? YES
<p>39. Those derivatives shall be underwritten and documented according to common standards in international finance.</p>		
<p>PCS Comments</p> <p>See Prospectus, <i>MASTER DEFINITIONS SCHEDULE</i>.</p> <p>1. DEFINITIONS</p> <p>"Credit Support Annex" means the credit support annex to the ISDA Master Agreement executed in accordance with the provisions of the Swap Agreement.</p> <p>"ISDA Master Agreement" means the ISDA 2002 Master Agreement (including the schedule and the credit support annex thereto) dated on or about the Signing Date and made between the Issuer and the Swap Counterparty.</p> <p>"Swap Agreement" means the swap agreement, dated and executed on or about the Signing Date between the Issuer and the Swap Counterparty pursuant to the ISDA Master Agreement, a rating compliant schedule, a related Credit Support Annex and a confirmation.</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	Verified? YES
<p>40. Any referenced interest payments under the securitisation assets and liabilities shall be based on generally used market interest rates, or generally used sectoral rates reflective of the cost of funds and shall not reference complex formulae or derivatives.</p>		
<p>PCS Comments</p> <p><i>Liabilities:</i></p> <p>See Prospectus, <i>CONDITIONS OF THE NOTES</i>.</p> <p>4. Interest</p> <p>(c) Interest Rate</p> <p>The Interest Rate for each Interest Period will be with respect to:</p> <p style="padding-left: 20px;">(i) each Class A Note:</p> <p style="padding-left: 40px;">(A) Compounded Daily SONIA (the "Applicable Benchmark Rate"), plus</p> <p style="padding-left: 40px;">(B) the Relevant Margin,</p> <p>provided that if the Applicable Benchmark Rate plus the Relevant Margin for the Class A Notes is less than zero, the Interest Rate will be deemed to be zero (the "Class A Interest Rate"), and</p> <p style="padding-left: 20px;">(ii) each Class B Note, 1.30% per annum (the "Class B Interest Rate").</p>		

Assets:

See Prospectus, *DESCRIPTION OF THE PORTFOLIO*.

3. ELIGIBILITY CRITERIA

"Eligibility Criteria" means, in respect of any Receivable (including, where relevant its Ancillary Rights) that is the subject of an Offer:

(m) such Receivable is calculated using an interest rate above or equal to 0.5 per cent. and the interest rate applicable to the Receivable is fixed;

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, *CREDIT STRUCTURE AND CASHFLOW*.

Post-Enforcement Priority of Payments

See Prospectus, *CONDITIONS OF THE NOTES*.

2. Status and Security

(f) Post-Enforcement Priority of Payments

See Prospectus, *OVERVIEW OF THE PRINCIPAL TRANSACTION SA UK 2024-1 DOCUMENTS*.

12. DEED OF CHARGE

Enforcement of the Security

[...] The provisions of the Deed of Charge require an application of realisation proceeds (if any) obtained by the Security Trustee thereunder in a manner which satisfies the requirements of Article 21(4) of the Securitisation Regulation.

	See Prospectus, <i>MASTER DEFINITIONS SCHEDULE</i> . 1. DEFINITIONS "Available Distribution Amount"	
42	<p>STS Criteria</p> <p>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;</p>	<p>Verified? YES</p>
	<p>See Prospectus, <i>CREDIT STRUCTURE AND CASHFLOW</i>. Summary of Priority of Payments Post-Enforcement Priority of Payments See Prospectus, <i>CONDITIONS OF THE NOTES</i>.</p> <p>2. Status and Security (f) Post-Enforcement Priority of Payments <i>Principal is paid sequentially under post-enforcement order of priority.</i></p>	
43	<p>STS Criteria</p> <p>43. (c) Repayment of the securitisation positions shall not be reversed with regard to their seniority; and</p>	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>See Prospectus, <i>CREDIT STRUCTURE AND CASHFLOW</i>. Summary of Priority of Payments Post-Enforcement Priority of Payments See Prospectus, <i>CONDITIONS OF THE NOTES</i>.</p> <p>2. Status and Security (f) Post-Enforcement Priority of Payments</p>	

44	STS Criteria	Verified? YES
	44. (d) No provisions shall require automatic liquidation of the underlying exposures at market value.	
	PCS Comments	
	See Prospectus, <i>OVERVIEW OF THE PRINCIPAL TRANSACTION SA UK 2024-1 DOCUMENTS</i> .	
	12. DEED OF CHARGE	
	Enforcement of the Security	
	For the purposes of Article 21(4)(d) of the Securitisation Regulation, no provision of the Deed of Charge requires automatic liquidation upon default. The provisions of the Deed of Charge require an application of realisation proceeds (if any) obtained by the Security Trustee thereunder in a manner which satisfies the requirements of Article 21(4) of the UK Securitisation Regulation and 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	Verified? YES
	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.	
	PCS Comments	
	<i>Not applicable. The transaction does not feature non-sequential priority of payments..</i>	

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

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

46	STS Criteria 46. The transaction documentation shall include appropriate early amortisation provisions or triggers for termination of the revolving period where the securitisation is a revolving securitisation, including at least the following: (a) a deterioration in the credit quality of the underlying exposures to or below a pre-determined threshold;	Verified? YES
	PCS Comments <i>Not applicable. The transaction is not a revolving securitisation.</i>	
47	STS Criteria 47. (b) the occurrence of an insolvency-related event with regard to the originator or the servicer;	Verified? YES
	PCS Comments <i>Not applicable. The transaction is not a revolving securitisation.</i>	
48	STS Criteria 48. (c) the value of the underlying exposures held by the SSPE falls below a pre-determined threshold (early amortisation event);	Verified? YES
	PCS Comments <i>Not applicable. The transaction is not a revolving securitisation.</i>	
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 <i>Not applicable. The transaction is not a revolving securitisation.</i>	

Article 21.7. The transaction documentation shall clearly specify:

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

50	<p><u>STS Criteria</u></p> <p>50. The transaction documentation shall clearly specify:</p> <ul style="list-style-type: none"> (a) the contractual obligations, duties and responsibilities of the servicer and the trustee, if any, and other ancillary service providers; 	<u>Verified?</u> YES
	<p><u>PCS Comments</u></p> <p>See Prospectus, <i>THE SELLER, THE SERVICER AND THE SUBORDINATED LENDER</i>.</p> <p>See Prospectus, <i>THE NOTE TRUSTEE, SECURITY TRUSTEE AND DATA TRUSTEE</i>.</p> <p>See Prospectus, <i>THE CORPORATE SERVICES PROVIDER</i>.</p> <p>See Prospectus, <i>THE ACCOUNT BANK, INTEREST DETERMINATION AGENT, CUSTODIAN AND PAYING AGENT</i>.</p> <p>See Prospectus, <i>THE CALCULATION AGENT</i>.</p> <p>See Prospectus, <i>OVERVIEW OF THE PRINCIPAL TRANSACTION SA UK 2024-1 DOCUMENTS</i>.</p> <ul style="list-style-type: none"> 2. SERVICING AGREEMENT 4. DATA TRUST AGREEMENT 5. CALCULATION AGENCY AGREEMENT 6. AGENCY AGREEMENT 7. CORPORATE SERVICES AGREEMENT 8. BANK ACCOUNT AGREEMENT 9. CUSTODY AGREEMENT 10. SWAP AGREEMENT 11. DEED OF CHARGE 14. TRUST DEED <p>See also underlying transaction documents: Servicing Agreement, Trust Deed, Deed of Charge, Bank Account Agreement, Agency Agreement, Custody Agreement, Data Trust Agreement.</p>	

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	<u>Verified?</u> YES
PCS Comments See Prospectus, <i>OVERVIEW OF THE PRINCIPAL TRANSACTION SA UK 2024-1 DOCUMENTS</i> . 2. SERVICING AGREEMENT Termination of appointment of the Servicer See underlying transaction documents: Servicing Agreement. 13. TERMINATION 14. SUCCESSOR SERVICER	
52 STS Criteria 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.	<u>Verified?</u> YES
PCS Comments See Prospectus, <i>OVERVIEW OF THE PRINCIPAL TRANSACTION SA UK 2024-1 DOCUMENTS</i> . 10. SWAP AGREEMENT [...] In the event that the Swap Agreement is terminated in accordance with its terms, including as a result of the Swap Counterparty being downgraded or becoming insolvent, the issuer will use best endeavours to replace it. The Issuer has agreed in the Incorporated Terms Memorandum that the Issuer shall, in the event that the Swap Agreement is terminated prior to its scheduled expiration pursuant to an "event of default" (where the Swap Counterparty is the "defaulting party") or a "termination event" under the Swap Agreement (other than such an event relating to a redemption in full of the Notes or an Enforcement Event under the Notes), as soon as practicable following the termination of the Swap Agreement, use its best efforts to enter into a replacement Swap Agreement with a replacement Swap Counterparty which is an Eligible Swap Counterparty. The replacement Swap Agreement will have an initial notional amount equal to the applicable notional amount of the terminated Swap Agreement as at termination and shall, for the avoidance of doubt, include a Credit Support Annex and collateral posting obligations upon the Swap Counterparty in the event of its downgrade. The notional amount of the respective replacement Swap Agreement will decrease by the amount of any principal repayments on the Class A Notes from time to time. See underlying transaction documents Incorporated Terms Memorandum. See underlying transaction documents: Bank Account Agreement 7. TERMINATION 7.1 Termination by the Account Bank 7.2 Termination by the Servicer	

7.3 Required Rating

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
	53. The servicer shall have expertise in servicing exposures of a similar nature to those securitised	
	PCS Comments	
	See Prospectus, <i>THE SELLER, THE SERVICER AND THE SUBORDINATED LENDER</i> .	
	BUSINESS AND ORGANISATION OF MBFS	
	Description of MBFS	
	MBFS is a finance company incorporated in England and Wales under company number 02472364, authorised and regulated by the Financial Conduct Authority. MBFS is part of Mercedes-Benz Group AG, the ultimate parent organisation responsible for all Mercedes-Benz products and services worldwide (see corporate structure chart below). MBFS has been supporting Mercedes-Benz UK Group sales in the United Kingdom for over 25 years. Since August 2022 the Mercedes-Benz brands in the United Kingdom encompass Mercedes-Benz (cars and vans) (The Mercedes-Benz Truck division separated officially as of August 2022 forming a new independent company "Daimler Truck Financial Services UK" & the smart Brand is now a joint venture with Chinese multinational Geeley and is run as a separate organisation).	
	Sales partners for automotive financial services are the Mercedes-Benz automobile dealerships.	
	MBFS has originated and serviced auto-loans for more than seven years. The Servicer has expertise in servicing – and has well-documented and adequate policies, procedures and risk-management controls relating to the servicing of – the securitised portfolio and the wider MBFS portfolio.	
	<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>	
54	STS Criteria	Verified? YES
	54. And shall have well documented and adequate policies, procedures and risk management controls relating to the servicing of exposures.	
	PCS Comments	
	See Prospectus, <i>THE SELLER, THE SERVICER AND THE SUBORDINATED LENDER</i> .	
	BUSINESS AND ORGANISATION OF MBFS	
	Description of the Seller and the Servicer	
	MBFS is a finance company incorporated in England and Wales under company number 02472364, authorised and regulated by the Financial Conduct Authority. MBFS is part of Mercedes-Benz Group AG, the ultimate parent organisation responsible for all Mercedes-Benz products and services worldwide (see corporate structure chart below). MBFS has been supporting Mercedes-Benz UK Group sales in the United Kingdom for over 25 years. Since August 2022 the Mercedes-Benz brands in the United Kingdom encompass Mercedes-Benz (cars and vans) (The Mercedes-Benz Truck division separated officially as of August 2022 forming a new independent company "Daimler Truck Financial Services UK" & the smart Brand is now a joint venture with Chinese multinational Geeley and is run as a separate organisation).	

Sales partners for automotive financial services are the Mercedes-Benz automobile dealerships.

MBFS has originated and serviced auto-loans for more than seven years. The Servicer has expertise in servicing – and has well-documented and adequate policies, procedures and risk-management controls relating to the servicing of – the securitised portfolio and the wider MBFS portfolio.

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

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

55	STS Criteria 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.	Verified? YES
	PCS Comments See Prospectus, <i>THE SELLER, THE SERVICER AND THE SUBORDINATED LENDER.</i> BUSINESS AND ORGANISATION OF MBFS Credit and Collection Policy See Prospectus, <i>MASTER DEFINITIONS SCHEDULE.</i> See underlying transaction documents: Servicing Agreement. 2. APPOINTMENT OF SERVICER SCHEDULE 2 PORTFOLIO ADMINISTRATION SERVICES	

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>CREDIT STRUCTURE AND CASHFLOW.</i> Pre-Enforcement Priority of Payments Post-Enforcement Priority of Payments	

	See Prospectus, <i>CONDITIONS OF THE NOTES</i> . 2. Status and Security (d) Pre-Enforcement Priority of Payments (f) Post-Enforcement Priority of Payments	
57	<p>STS Criteria</p> <p>57. The transaction documentation shall clearly specify the events which trigger changes in such priorities of payment.</p>	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>See Prospectus, <i>CONDITIONS OF THE NOTES</i>. 2. Status and Security (f) Post-Enforcement Priority of Payments 10. Events of Default</p> <p>Upon any Enforcement Notice being given by the Note Trustee in accordance with the terms of this Condition 10 (Events of Default), notice to that effect will be given by the Note Trustee to all Noteholders in accordance with Condition 15 (Notices).</p>	
58	<p>STS Criteria</p> <p>58. The transaction documentation shall clearly specify the obligation to report such events.</p>	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>See Prospectus, <i>EU AND UK RISK RETENTION AND SECURITISATION REGULATION REPORTING</i>. Compliance with Article 7 of the UK Securitisation Regulation and the EU Securitisation Regulation</p> <p>Pursuant to the terms of the Servicing Agreement, the Servicer shall (on behalf of the Reporting Entity), subject to the applicable data protection rules in England, Wales, Scotland or Northern Ireland (including the Data Protection Laws) and banking secrecy rules and the Data Trust Agreement, prepare and deliver to the Issuer, the Noteholders, (upon request) any potential investors in the Notes and the relevant competent authorities (as determined under the EU Securitisation Regulation and the UK Securitisation Regulation in accordance with the Securitisation Regulation (EU) Disclosure Requirements and the Securitisation Regulation (UK) Disclosure Requirements and together, the "Relevant Recipients"):</p> <p>(g) disclose, without undue delay, any events which trigger changes in the Priority of Payments and any change to the Priority of Payments which will materially and adversely affect the repayment of the Notes;</p> <p>See Prospectus, <i>OVERVIEW OF THE PRINCIPAL TRANSACTION SA UK 2024-1 DOCUMENTS</i>. 2. SERVICING AGREEMENT Information and Regular Reporting</p> <p>Pursuant to the terms of the Servicing Agreement, the Servicer shall (on behalf of the Reporting Entity), subject to the applicable data protection rules in England, Wales, Scotland or Northern Ireland (including the Data Protection Laws) and banking secrecy rules and the Data Trust Agreement, prepare and deliver to the Issuer, the Noteholders, (upon request) any</p>	

potential investors in the Notes and the relevant competent authorities (as determined under the EU Securitisation Regulation and the UK Securitisation Regulation in accordance with the Securitisation Regulation (EU) Disclosure Requirements and the Securitisation Regulation (UK) Disclosure Requirements and together, the "Relevant Recipients"):

(f) disclose without undue delay any events which trigger changes in the Priority of Payments and any change in the Priority of Payments which will materially adversely affect the repayment of the Notes to the extent required under Article 21(9) of the UK Securitisation Regulation;

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>	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>See point 58 above.</p>	

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	<p>STS Criteria</p> <p>60. The transaction documentation shall include clear provisions that facilitate the timely resolution of conflicts between different classes of investors, voting rights shall be clearly defined and allocated to bondholders</p>	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>See Prospectus, <i>RIGHTS OF NOTEHOLDERS AND RELATIONSHIP WITH OTHER SECURED PARTIES</i>.</p> <p>Noteholders Meeting provisions</p> <p>Notice Period:</p> <p>Initial meeting</p> <p>20 clear days (and no more than 90 clear days)</p> <p>Adjourned meeting</p> <p>10 clear days (and no more than 40 clear days)</p> <p>Place of meeting:</p> <p>United Kingdom or, if meetings are required to be held in Luxembourg, Luxembourg.</p> <p>Quorum:</p> <p>Initial meeting</p> <p>The quorum at any meeting for passing an Extraordinary Resolution will be one or more persons holding or representing 66 2/3% of the principal amount of the relevant Class for the time being outstanding, except that, inter alia, the details of the Security, certain terms concerning the amount, currency and postponement of the due dates for payment of the Notes,</p>	

modifying the Events of Default or Priority of Payments, the provisions concerning the quorum required at any meeting of the relevant Class of Noteholders and the provisions concerning the majority required to pass an Extraordinary Resolution (together, Special Quorum Resolutions) may be modified only by resolutions passed at a meeting the quorum at which will be one or more persons holding or representing at least 75% of the principal amount of the relevant Class for the time being outstanding 66 2/3% of votes cast for matters requiring Extraordinary Resolution

Adjourned meeting

The quorum at any adjourned meeting will be whatever the principal amount of the Notes of the relevant Class so held or represented, except that in the case of Special Quorum Resolutions, the required quorum will be one or more persons holding or representing at least one-third in principal amount of the relevant Class for the time being outstanding. The quorum at any adjourned meeting will be whatever the principal amount of the Notes of the relevant Class so held or represented, except that in the case of Special Quorum Resolutions, the required quorum will be one or more persons holding or representing at least one-third in principal amount of the relevant Class for the time being outstanding.

Required majority:

An Extraordinary Resolution which, in the sole opinion of the Note Trustee affects two or more classes of Noteholders and gives or may give rise to a conflict of interest between the holders of such classes of notes will be deemed to be passed only if it will be passed by at least 66 2/3% of holders of the more senior class outstanding so affected, provided that no resolution of Holders of the most senior Class outstanding which would have the effect of changing any due date for payment of principal and/or interest on such senior Notes, increasing the amount required to redeem each such senior Note, or the amount of interest payable on such senior Notes or changing the method of calculation therefore, releasing or substituting the Security or any part of the Security or altering this proviso will be effective unless sanctioned by an Extraordinary Resolution of Holders of all Classes of junior Notes.

See Prospectus, *CONDITIONS OF THE NOTES*.

12. Meetings of Noteholders, amendments, waiver, substitution and exchange

See also Trust Deed.

SCHEDULE 4

Provisions for meetings of Noteholders

Although the wording of the Regulation as to what constitutes the "facilitation of timely resolution of conflicts" is very vague, the EBA Guidelines have helpfully set out the five minimum requirements that the documents should contain to meet this criterion. The documentation covers the following: (a) the method for calling meetings; as for method; (b) the maximum timeframe for setting up a meeting; (c) the required quorum; (d) the minimum threshold of votes to validate such a decision, with clear differentiation between the minimum thresholds for each type of decision; (e) where applicable, a location for the meetings which should be in the UK:

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	<u>STS Criteria</u>	<u>Verified?</u> YES
-----------	----------------------------	---------------------------------------

61. and the responsibilities of the trustee and other entities with fiduciary duties to investors shall be clearly identified.

PCS Comments

See Prospectus, *OVERVIEW OF THE PRINCIPAL TRANSACTION SA UK 2024-1 DOCUMENTS*.

11. DEED OF CHARGE

14. TRUST DEED

See Prospectus, *THE NOTE TRUSTEE, SECURITY TRUSTEE AND DATA TRUSTEE*.

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

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

62	<p>STS Criteria</p> <p>62. The originator and the sponsor shall make available data on static and dynamic historical default and loss performance, such as delinquency and default data, for substantially similar exposures to those being securitised,</p>	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>See Prospectus, <i>PORTFOLIO CHARACTERISTICS AND HISTORICAL DATA</i>.</p> <p>Historical performance data</p> <p>The historical performance data set out hereafter relate to the portfolio of auto Receivables granted by the Seller to private, commercial and corporate borrowers, with and without a final balloon instalment, relating to used or new vehicles. Financing Contracts with employees have been excluded from the historical performance data.</p> <p>In each of the tables below, "Q1" refers to the period from 1 January to 31 March, "Q2" refers to the period from 1 April to 30 June, "Q3" refers to the period from 1 July to 30 September and "Q4" refers to the period from 1 October to 31 December.</p> <p>The tables below were prepared on the basis of the internal records of the Seller.</p> <p>See Prospectus, <i>EU AND UK RISK RETENTION AND SECURITISATION REGULATION REPORTING</i>.</p> <p>Compliance with Article 22 of the EU Securitisation Regulation and the the UK Securitisation Regulation</p> <p>In order to comply with the transparency requirements provided for by Article 22 of the EU Securitisation Regulation and the the UK Securitisation Regulation, the Originator:</p> <p>(a) has made available to any potential investor in the Notes data on static historical default performance relating to the five year period starting on 1 January 2019 and ending on 31 December 2023 in respect of receivables substantially similar to the Purchased Receivables;</p>	
63	<p>STS Criteria</p> <p>63. and the sources of those data and the basis for claiming similarity, to potential investors before pricing.</p>	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>See comment 62 above.</p>	
64	<p>STS Criteria</p> <p>64. Those data shall cover a period no shorter than five years.</p>	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>See comment 62 above.</p>	

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	<p>STS Criteria</p> <p>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,</p>	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>See Prospectus, <i>DESCRIPTION OF THE PORTFOLIO</i>.</p> <p>4. SELLER RECEIVABLES WARRANTIES</p> <p>As of the Purchase Date, the Seller represents and warrants the following:</p> <p>(g) prior to the Issue Date, a representative sample of the Purchased Receivables has been submitted to the external verification of an appropriate and independent party which (i) had the experience and the capability to carry out the verification and (ii) was not a credit rating agency, a third party verifying compliance with the UK STS Criteria, or an affiliate of the Originator. Such external verification included the verification of the compliance of the Purchased Receivables with certain verifiable Eligibility Criteria and the verification, by performing agreed upon procedures, that the data disclosed in respect of the Purchased Receivables are accurate;</p> <p>See underlying transaction documents, Incorporated Terms Memorandum.</p> <p><i>PCS has reviewed the report on "agreed upon procedures" (AUP) commonly known as a "pool audit". PCS can confirm that this was done by an appropriate and independent third party.</i></p>	
66	<p>STS Criteria</p> <p>66. Including verification that the data disclosed in respect of the underlying exposures is accurate.</p>	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>See comment 65 above.</p>	

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.

<p>67 STS Criteria</p> <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>	<p>Verified? YES</p>
<p>PCS Comments</p> <p>See Prospectus, <i>EU AND UK RISK RETENTION AND SECURITISATION REGULATION REPORTING</i>.</p> <p>Compliance with Article 22 of the EU Securitisation Regulation and the the UK Securitisation Regulation</p> <p>In order to comply with the transparency requirements provided for by Article 22 of the EU Securitisation Regulation and the the UK Securitisation Regulation, the Originator:</p> <p>(b) has made available – via the UK SR Website (or if applicable, the UK SR Repository) and the EU SR Repository – to any potential investor in the Notes, before pricing of the Notes, an accurate model representing precisely the contractual relationship between the Purchased Receivables and the payments flowing between the Originator, the Noteholders, the Issuer and any other party to the Transaction UK 2024-1 which contained an amount of information sufficient to allow such potential investor to price the Notes (the "Liability Cash Flow Model");</p> <p>See underlying transaction documents, Incorporated Terms Memorandum.</p> <p>APPENDIX 2</p> <p>Seller Receivables Warranties</p> <p>As of the Purchase Date, the Seller represents and warrants the following:</p> <p>(i) to make available on an ongoing basis to the Noteholders – via the UK SR Website (or if applicable, the UK SR Repository) and the EU SR Repository – and, upon request, to any potential investor in the Notes, an accurate model representing precisely the contractual relationship between the Purchased Receivables and the payments flowing between the Originator, the Noteholders, the Issuer and any other party to the Transaction UK 2024-1 which shall contain an amount of information sufficient to allow such potential investor to price the Notes;</p>	
<p>68 STS Criteria</p> <p>68. And shall, after pricing, make that model available to investors on an ongoing basis and to potential investors upon request.</p>	<p>Verified? YES</p>
<p>PCS Comments</p> <p>See Prospectus, <i>EU AND UK RISK RETENTION AND SECURITISATION REGULATION REPORTING</i>.</p> <p>Compliance with Article 22 of the EU Securitisation Regulation and the the UK Securitisation Regulation</p> <p>In order to comply with the transparency requirements provided for by Article 22 of the EU Securitisation Regulation and the the UK Securitisation Regulation, the Originator:</p>	

(c) has undertaken under the Incorporated Terms Memorandum to make available the Liability Cash Flow Model on an ongoing basis to the Noteholders – via the UK SR Website, (or if applicable, the UK SR Repository) and the EU SR Repository – and, upon request, to potential investors in the Notes;

See Prospectus, *GENERAL INFORMATION*.

7. Listing and admission to trading

Furthermore, the Issuer undertakes to make available to the Noteholders on a quarterly basis until the Legal Maturity Date the Loan Level Data and to make available the Liability Cash Flow Model either directly or indirectly through one or more entities who provide such cash flow models to investors generally.

See underlying transaction documents, Incorporated Terms Memorandum.

Part D - STS Covenants of the Seller

The Seller hereby covenants:

3. LIABILITY CASH FLOW MODEL

To make available on an ongoing basis to the Noteholders – via the UK SR Website (or if applicable, the UK SR Repository) and the EU SR Repository – and, upon request, to any potential investor in the Notes, an accurate model representing precisely the contractual relationship between the Purchased Receivables and the payments flowing between the Originator, the Noteholders, the Issuer and any other party to the Securitisation Transaction SA UK 2024-1 which shall contain an amount of information sufficient to allow such potential investor to price the Notes.

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.

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

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).

Verified?

YES

PCS Comments

See Prospectus, *DESCRIPTION OF THE PORTFOLIO*.

4. SELLER RECEIVABLES WARRANTIES

As of the Purchase Date, the Seller represents and warrants the following:

(j) where available to the Originator, to include the environmental performance of the Financed Vehicles in the Monthly Report;

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

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.	
	STS	
	In relation to such notification, the Originator has been designated as the first contact point for investors and competent authorities. The Originator has also taken responsibility for compliance with Article 7 of the UK Securitisation Regulation in accordance with Article 22(5) of the UK Securitisation Regulation.	
	See Prospectus, <i>EU AND UK RISK RETENTION AND SECURITISATION REGULATION REPORTING</i> .	
	Compliance with Article 7 of the UK Securitisation Regulation and the EU Securitisation Regulation	
	The Issuer and the Originator, as originator within the meaning of the EU Securitisation Regulation and the UK Securitisation Regulation, have agreed that the Originator is the "reporting entity" under Article 7(2) of the EU Securitisation Regulation and the UK Securitisation Regulation to fulfil the information requirements of Article 7(1) of the EU Securitisation Regulation and the UK Securitisation Regulation (the "Reporting Entity"). The Reporting Entity, as originator, shall also be responsible for compliance with Article 7 of the EU Securitisation Regulation and the UK 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	STS Criteria	Verified? YES
	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.	
	PCS Comments	
	See Prospectus, <i>EU AND UK RISK RETENTION AND SECURITISATION REGULATION REPORTING</i> .	
	Article 22(5) of the EU Securitisation Regulation and UK Securitisation Regulation	
	Pursuant to Article 22(5) of the EU Securitisation Regulation and the the UK Securitisation Regulation, the Originator shall be responsible for compliance with Article 7 of the EU Securitisation Regulation and the UK Securitisation Regulation. In particular, the Originator undertakes that:	
	(a) the information required by point (a) of the first subparagraph of Article 7(1) shall be made available to potential investors before pricing upon request;	

72	<p><u>STS Criteria</u></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><u>Verified?</u></p> <p>YES</p>
	<p><u>PCS Comments</u></p> <p>See Prospectus, <i>EU AND UK RISK RETENTION AND SECURITISATION REGULATION REPORTING</i>.</p> <p>Article 22(5) of the EU Securitisation Regulation and UK Securitisation Regulation</p> <p>Pursuant to Article 22(5) of the EU Securitisation Regulation and the the UK Securitisation Regulation, the Originator shall be responsible for compliance with Article 7 of the EU Securitisation Regulation and the UK Securitisation Regulation. In particular, the Originator undertakes that:</p> <p>(b) the information required by points (b) to (d) of the first subparagraph of Article 7(1) shall be made available before pricing at least in draft or initial form;</p> <p>(c) this Prospectus serves as a transaction summary or overview of the main features of the Transaction UK 2024-1 in accordance with Article 7(1)(c) of the EU Securitisation Regulation; and</p> <p>(d) the final documentation shall be made available to investors at the latest no later than fifteen (15) days after closing of the Transaction.</p> <p>Compliance with Article 22 of the EU Securitisation Regulation and the the UK Securitisation Regulation</p> <p>In order to comply with the transparency requirements provided for by Article 22 of the EU Securitisation Regulation and the the UK Securitisation Regulation, the Originator:</p> <p>(f) has made available before pricing of the Notes, the Transaction SA UK 2024-1 Documents (other than the Prospectus in a draft form);</p> <p>(g) has made available before pricing of the Notes, a draft of the UK STS Notification; and</p> <p>(h) will make available the Prospectus, the Transaction SA UK 2024-1 Documents and the UK STS Notification in final versions, within fifteen (15) days from the Issue Date.</p> <p>The information set out in paragraph (e), (f), (g) and (h) above has been or will be made available (as the case may be) on the UK SR Website and with the EU SR Repository.</p> <p>See Prospectus, <i>OVERVIEW OF THE PRINCIPAL TRANSACTION SA UK 2024-1 DOCUMENTS</i>.</p> <p>2. SERVICING AGREEMENT</p> <p>Information and Regular Reporting</p> <p>Pursuant to the terms of the Servicing Agreement, the Servicer shall (on behalf of the Reporting Entity), subject to the applicable data protection rules in England, Wales, Scotland or Northern Ireland (including the Data Protection Laws) and banking secrecy rules and the Data Trust Agreement, prepare and deliver to the Issuer, the Noteholders, (upon request) any potential investors in the Notes and the relevant competent authorities (as determined under the EU Securitisation Regulation and the UK Securitisation Regulation in accordance with the Securitisation Regulation (EU) Disclosure Requirements and the Securitisation Regulation (UK) Disclosure Requirements and together, the "Relevant Recipients"):</p> <p>(d) make available the documents as required by and in accordance with Article 7(1)(b) of the UK Securitisation Regulation and the EU Securitisation Regulation prior to the pricing date of the Notes (and in final form, if applicable, no later than fifteen (15) days after the Issue Date);</p> <p>See Prospectus, <i>EU AND UK RISK RETENTION AND SECURITISATION REGULATION REPORTING</i>.</p> <p>Compliance with Article 7 of the UK Securitisation Regulation and the EU Securitisation Regulation</p>	

Pursuant to the terms of the Servicing Agreement, the Servicer shall (on behalf of the Reporting Entity), subject to the applicable data protection rules in England, Wales, Scotland or Northern Ireland (including the Data Protection Laws) and banking secrecy rules and the Data Trust Agreement, prepare and deliver to the Issuer, the Noteholders, (upon request) any potential investors in the Notes and the relevant competent authorities (as determined under the EU Securitisation Regulation and the UK Securitisation Regulation in accordance with the Securitisation Regulation (EU) Disclosure Requirements and the Securitisation Regulation (UK) Disclosure Requirements and together, the "Relevant Recipients"):

(d) before pricing of the Notes in initial form and on or around the Issue Date in final form, for the purposes of compliance with Article 7(1)(d) of the UK Securitisation Regulation, it will make available the UK STS Notification referred to in Article 27 of the UK Securitisation Regulation on the website of EuroABS at www.euroabs.com being the UK SR Website;

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	Verified?
	<p>73. The final documentation shall be made available to investors at the latest 15 days after closing of the transaction.</p> <p>PCS Comments</p> <p><i>See point 72 above.</i></p> <p><i>This criterion speaks to document disclosure within 15 days of closing and therefore is a future event criterion. In other words, it cannot be either met or failed at the outset of the transaction. But if it is not met within the specified 15-day period, then the Originator will need to inform ESMA and the STS status of the securitisation will be lost.</i></p> <p><i>Therefore, as a technical matter, this criterion is not applicable at the closing of a transaction. However, PCS will nevertheless look to see if there is a covenant on the part of the originator to comply in the future with this requirement whilst noting at the same time that the absence of any such covenant – although possibly unsettling for some investors – would not invalidate the STS status of the transaction at closing.</i></p>	
	YES	

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

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

74	STS Criteria	Verified?
	<p>74. The originator, sponsor and SSPE of a securitisation shall, in accordance with paragraph 2 of this Article, make at least the following information available to holders of a securitisation position, to the competent authority referred to in Article 29 and, upon request, to potential investors:</p> <p>(a) information on the underlying exposures on a quarterly basis,</p> <p>PCS Comments</p> <p>See Prospectus, <i>EU AND UK RISK RETENTION AND SECURITISATION REGULATION REPORTING</i>.</p> <p>Compliance with Article 7 of the UK Securitisation Regulation and the EU Securitisation Regulation</p>	
	YES	

Pursuant to the terms of the Servicing Agreement, the Servicer shall (on behalf of the Reporting Entity), subject to the applicable data protection rules in England, Wales, Scotland or Northern Ireland (including the Data Protection Laws) and banking secrecy rules and the Data Trust Agreement, prepare and deliver to the Issuer, the Noteholders, (upon request) any potential investors in the Notes and the relevant competent authorities (as determined under the EU Securitisation Regulation and the UK Securitisation Regulation in accordance with the Securitisation Regulation (EU) Disclosure Requirements and the Securitisation Regulation (UK) Disclosure Requirements and together, the "Relevant Recipients"):

(a) on a quarterly basis, the Loan Level Data in accordance with Article 7(1)(a) of the UK Securitisation Regulation and EU Securitisation Regulation;

See Prospectus, *OVERVIEW OF THE PRINCIPAL TRANSACTION SA UK 2024-1 DOCUMENTS*.

2. SERVICING AGREEMENT

Information and Regular Reporting

Pursuant to the terms of the Servicing Agreement, the Servicer shall (on behalf of the Reporting Entity), subject to the applicable data protection rules in England, Wales, Scotland or Northern Ireland (including the Data Protection Laws) and banking secrecy rules and the Data Trust Agreement, prepare and deliver to the Issuer, the Noteholders, (upon request) any potential investors in the Notes and the relevant competent authorities (as determined under the EU Securitisation Regulation and the UK Securitisation Regulation in accordance with the Securitisation Regulation (EU) Disclosure Requirements and the Securitisation Regulation (UK) Disclosure Requirements and together, the "Relevant Recipients"):

(a) on a quarterly basis, the Loan Level Data in accordance with Article 7(1)(a) of the UK Securitisation Regulation and EU Securitisation Regulation;

Certain criteria from 74 onwards are future event criteria. Please see notes in comment 73 above regarding future event criteria.

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

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

75 **STS Criteria**

75. (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;

Verified?
YES

PCS Comments

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

Compliance with Article 7 of the UK Securitisation Regulation and the EU Securitisation Regulation

Pursuant to the terms of the Servicing Agreement, the Servicer shall (on behalf of the Reporting Entity), subject to the applicable data protection rules in England, Wales, Scotland or Northern Ireland (including the Data Protection Laws) and banking secrecy rules and the Data Trust Agreement, prepare and deliver to the Issuer, the Noteholders, (upon request) any potential investors in the Notes and the relevant competent authorities (as determined under the EU Securitisation Regulation and the UK Securitisation Regulation in accordance with the Securitisation Regulation (EU) Disclosure Requirements and the Securitisation Regulation (UK) Disclosure Requirements and together, the "Relevant Recipients"):

- (e) make available the documents as required by and in accordance with Article 7(1)(b) of the UK Securitisation Regulation and the EU Securitisation Regulation prior to the pricing date of the Notes (and in final form, if applicable, no later than fifteen (15) days after the Issue Date);

See Prospectus, *OVERVIEW OF THE PRINCIPAL TRANSACTION SA UK 2024-1 DOCUMENTS*.

2. SERVICING AGREEMENT

Information and Regular Reporting

Pursuant to the terms of the Servicing Agreement, the Servicer shall (on behalf of the Reporting Entity), subject to the applicable data protection rules in England, Wales, Scotland or Northern Ireland (including the Data Protection Laws) and banking secrecy rules and the Data Trust Agreement, prepare and deliver to the Issuer, the Noteholders, (upon request) any potential investors in the Notes and the relevant competent authorities (as determined under the EU Securitisation Regulation and the UK Securitisation Regulation in accordance with the Securitisation Regulation (EU) Disclosure Requirements and the Securitisation Regulation (UK) Disclosure Requirements and together, the "Relevant Recipients"):

(d) make available the documents as required by and in accordance with Article 7(1)(b) of the UK Securitisation Regulation and the EU Securitisation Regulation prior to the pricing date of the Notes (and in final form, if applicable, no later than fifteen (15) days after the Issue Date);

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

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

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 underlying transaction documents.

Deed of Charge

10. NOTIFICATION TO OBLIGORS AND INSURERS, AND SAFEGUARD OF INFORMATION; ENFORCEMENT

10.2 Post-enforcement

Calculation Agency Agreement

SCHEDULE 3

Pre-Enforcement Priority of Payments

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

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

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

77 **STS Criteria**

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

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

Verified?
YES

PCS Comments

The Prospectus serves as the transaction summary in this transaction.

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

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

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, *EU AND UK RISK RETENTION AND SECURITISATION REGULATION REPORTING*.

Compliance with Article 7 of the UK Securitisation Regulation and the EU Securitisation Regulation

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

Pursuant to the terms of the Servicing Agreement, the Servicer shall (on behalf of the Reporting Entity), subject to the applicable data protection rules in England, Wales, Scotland or Northern Ireland (including the Data Protection Laws) and banking secrecy rules and the Data Trust Agreement, prepare and deliver to the Issuer, the Noteholders, (upon request) any potential investors in the Notes and the relevant competent authorities (as determined under the EU Securitisation Regulation and the UK Securitisation Regulation in accordance with the Securitisation Regulation (EU) Disclosure Requirements and the Securitisation Regulation (UK) Disclosure Requirements and together, the "Relevant Recipients"):

(d) before pricing of the Notes in initial form and on or around the Issue Date in final form, for the purposes of compliance with Article 7(1)(d) of the UK Securitisation Regulation, it will make available the UK STS Notification referred to in Article 27 of the UK Securitisation Regulation on the website of EuroABS at www.euroabs.com being the UK SR Website;

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

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

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

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

79 STS Criteria

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

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

**Verified?
YES**

PCS Comments

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

Compliance with Article 7 of the UK Securitisation Regulation and the EU Securitisation Regulation

Pursuant to the terms of the Servicing Agreement, the Servicer shall (on behalf of the Reporting Entity), subject to the applicable data protection rules in England, Wales, Scotland or Northern Ireland (including the Data Protection Laws) and banking secrecy rules and the Data Trust Agreement, prepare and deliver to the Issuer, the Noteholders, (upon request) any potential investors in the Notes and the relevant competent authorities (as determined under the EU Securitisation Regulation and the UK Securitisation Regulation in accordance with the Securitisation Regulation (EU) Disclosure Requirements and the Securitisation Regulation (UK) Disclosure Requirements and together, the "Relevant Recipients"):

(b) on each Reporting Date and simultaneously with the Loan Level Data referred to in (a) above, a Monthly Report in accordance with Article 7(1)(e) of the UK Securitisation Regulation and EU Securitisation Regulation in the form substantially as set out in Schedule 2 to the Calculation Agency Agreement and the Portfolio Information in encrypted form and in such format as set out in Schedule 1 to the Servicing Agreement;

See Prospectus, *MASTER DEFINITIONS SCHEDULE*.

1. DEFINITIONS

"Monthly Report" means the monthly report to be prepared by the Servicer and sent to the Issuer and the Calculation Agent not later than on the Reporting Date, which includes the information on the performance of the Portfolio in relation to the Collection Period immediately preceding the Reporting Date, the related information with regards to the payments to be made on the following Payment Date under the Notes, as well as the information required to be provided by paragraph (e) of Article 7(1) of the Securitisation Regulation and the applicable Regulatory Technical Standards, in accordance with the Servicing Agreement. Such Monthly Report is substantially in the form of the Monthly Investor Report as set out in Schedule 2 to the Calculation Agency Agreement.

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

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

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

80 STS Criteria

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

**Verified?
YES**

PCS Comments

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

Compliance with Article 7 of the UK Securitisation Regulation and the EU Securitisation Regulation

Pursuant to the terms of the Servicing Agreement, the Servicer shall (on behalf of the Reporting Entity), subject to the applicable data protection rules in England, Wales, Scotland or Northern Ireland (including the Data Protection Laws) and banking secrecy rules and the Data Trust Agreement, prepare and deliver to the Issuer, the Noteholders, (upon request) any potential investors in the Notes and the relevant competent authorities (as determined under the EU Securitisation Regulation and the UK Securitisation Regulation in accordance with the Securitisation Regulation (EU) Disclosure Requirements and the Securitisation Regulation (UK) Disclosure Requirements and together, the "Relevant Recipients"):

(f) on a monthly basis and without undue delay, upon the occurrence of any event triggering the existence of any information provided for by article 7(1) points (f) and (g) of the EU Securitisation Regulation and the UK Securitisation Regulation, prepare and deliver to the Relevant Recipients the EU Inside Information Report and the UK Inside Information Report, subject to the timely receipt of all necessary information from the other Parties in their possession, including information in respect of any significant event such as (i) a material breach of the obligations laid down in the Transaction SA UK 2024-1 Documents, (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 Transaction or the Purchased Receivables that can materially impact the performance of the securitisation, (iv) if competent authorities have taken remedial or administrative actions and (v) any material amendments to the Transaction SA UK 2024-1 Documents;

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

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

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

- (i) a material breach of the obligations laid down in the documents provided in accordance with point (b), including any remedy, waiver or consent subsequently provided in relation to such a breach;
- (ii) a change in the structural features that can materially impact the performance of the securitisation;
- (iii) a change in the risk characteristics of the securitisation or of the underlying exposures that can materially impact the performance of the securitisation;
- (iv) in the case of STS securitisations, where the securitisation ceases to meet the STS requirements or where competent authorities have taken remedial or administrative actions;
- (v) any material amendment to transaction documents.

81 **STS Criteria**

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

- (i) a material breach of the obligations laid down in the documents provided in accordance with point (b), including any remedy, waiver or consent subsequently provided in relation to such a breach;
- (ii) a change in the structural features that can materially impact the performance of the securitisation
- (iii) a change in the risk characteristics of the securitisation or of the underlying exposures that can materially impact the performance of the securitisation;
- (iv) in the case of STS securitisations, where the securitisation ceases to meet the STS requirements or where the competent authority has taken remedial or administrative actions;
- (v) any material amendment to transaction documents.

Verified?
YES

PCS Comments

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

Compliance with Article 7 of the UK Securitisation Regulation and the EU Securitisation Regulation

Pursuant to the terms of the Servicing Agreement, the Servicer shall (on behalf of the Reporting Entity), subject to the applicable data protection rules in England, Wales, Scotland or Northern Ireland (including the Data Protection Laws) and banking secrecy rules and the Data Trust Agreement, prepare and deliver to the Issuer, the Noteholders, (upon request) any potential investors in the Notes and the relevant competent authorities (as determined under the EU Securitisation Regulation and the UK Securitisation Regulation in accordance with the Securitisation Regulation (EU) Disclosure Requirements and the Securitisation Regulation (UK) Disclosure Requirements and together, the "Relevant Recipients"):

(f) on a monthly basis and without undue delay, upon the occurrence of any event triggering the existence of any information provided for by article 7(1) points (f) and (g) of the EU Securitisation Regulation and the UK Securitisation Regulation, prepare and deliver to the Relevant Recipients the EU Inside Information Report and the UK Inside Information Report, subject to the timely receipt of all necessary information from the other Parties in their possession, including information in respect of any significant event such as (i) a material breach of the obligations laid down in the Transaction SA UK 2024-1 Documents, (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 Transaction or the Purchased Receivables that can materially impact the performance of the securitisation, (iv) if competent authorities have taken remedial or administrative actions and (v) any material amendments to the Transaction SA UK 2024-1 Documents;

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

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

82

STS Criteria

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

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

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

Compliance with Article 7 of the UK Securitisation Regulation and the EU Securitisation Regulation

Pursuant to the terms of the Servicing Agreement, the Servicer shall (on behalf of the Reporting Entity), subject to the applicable data protection rules in England, Wales, Scotland or Northern Ireland (including the Data Protection Laws) and banking secrecy rules and the Data Trust Agreement, prepare and deliver to the Issuer, the Noteholders, (upon request) any potential investors in the Notes and the relevant competent authorities (as determined under the EU Securitisation Regulation and the UK Securitisation Regulation in accordance with the Securitisation Regulation (EU) Disclosure Requirements and the Securitisation Regulation (UK) Disclosure Requirements and together, the "Relevant Recipients"):

- (a) on a quarterly basis, the Loan Level Data in accordance with Article 7(1)(a) of the UK Securitisation Regulation and EU Securitisation Regulation;
- (b) on each Reporting Date and simultaneously with the Loan Level Data referred to in (a) above, a Monthly Report in accordance with Article 7(1)(e) of the UK Securitisation Regulation and EU Securitisation Regulation in the form substantially as set out in Schedule 2 to the Calculation Agency Agreement and the Portfolio Information in encrypted form and in such format as set out in Schedule 1 to the Servicing Agreement;

See Prospectus, *OVERVIEW OF THE PRINCIPAL TRANSACTION SA UK 2024-1 DOCUMENTS*.

2. SERVICING AGREEMENT

Information and Regular Reporting

Pursuant to the terms of the Servicing Agreement, the Servicer shall (on behalf of the Reporting Entity), subject to the applicable data protection rules in England, Wales, Scotland or Northern Ireland (including the Data Protection Laws) and banking secrecy rules and the Data Trust Agreement, prepare and deliver to the Issuer, the Noteholders, (upon request) any potential investors in the Notes and the relevant competent authorities (as determined under the EU Securitisation Regulation and the UK Securitisation Regulation in accordance with the Securitisation Regulation (EU) Disclosure Requirements and the Securitisation Regulation (UK) Disclosure Requirements and together, the "Relevant Recipients"):

- (a) on a quarterly basis, the Loan Level Data in accordance with Article 7(1)(a) of the UK Securitisation Regulation and EU Securitisation Regulation;
- (b) on each Reporting Date and simultaneously with the Loan Level Data referred to in (a) above, a Monthly Report in accordance with Article 7(1)(e) of the UK Securitisation Regulation and EU Securitisation Regulation in the form substantially as set out in Schedule 2 to the Calculation Agency Agreement and the Portfolio Information in encrypted form and in such format as set out in Schedule 1 to the Servicing Agreement;

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

Article 7.1. Without prejudice to Regulation (EU) No 596/2014, the information described in points (f) and (g) of the first subparagraph shall be made available without delay

When complying with this paragraph, the originator, sponsor and SSPE of a securitisation shall comply with national and United Kingdom law governing the protection of confidentiality of information and the processing of personal data in order to avoid potential breaches of such law as well as any confidentiality obligation relating to customer, original lender or debtor information, unless such confidential information is anonymised or aggregated.

In particular, with regard to the information referred to in point (b) the originator, sponsor and SSPE may provide a summary of the concerned documentation.

Competent authorities referred to in Article 29 shall be able to request the provision of such confidential information to them in order to fulfil their duties under this Regulation.

83	STS Criteria	Verified? YES
	<p>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</p> <p>PCS Comments</p> <p>See Prospectus, <i>EU AND UK RISK RETENTION AND SECURITISATION REGULATION REPORTING</i>.</p> <p>Compliance with Article 7 of the UK Securitisation Regulation and the EU Securitisation Regulation</p> <p>Pursuant to the terms of the Servicing Agreement, the Servicer shall (on behalf of the Reporting Entity), subject to the applicable data protection rules in England, Wales, Scotland or Northern Ireland (including the Data Protection Laws) and banking secrecy rules and the Data Trust Agreement, prepare and deliver to the Issuer, the Noteholders, (upon request) any potential investors in the Notes and the relevant competent authorities (as determined under the EU Securitisation Regulation and the UK Securitisation Regulation in accordance with the Securitisation Regulation (EU) Disclosure Requirements and the Securitisation Regulation (UK) Disclosure Requirements and together, the "Relevant Recipients"):</p> <p>(f) on a monthly basis and without undue delay, upon the occurrence of any event triggering the existence of any information provided for by article 7(1) points (f) and (g) of the EU Securitisation Regulation and the UK Securitisation Regulation, prepare and deliver to the Relevant Recipients the EU Inside Information Report and the UK Inside Information Report, subject to the timely receipt of all necessary information from the other Parties in their possession, including information in respect of any significant event such as (i) a material breach of the obligations laid down in the Transaction SA UK 2024-1 Documents, (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 Transaction or the Purchased Receivables that can materially impact the performance of the securitisation, (iv) if competent authorities have taken remedial or administrative actions and (v) any material amendments to the Transaction SA UK 2024-1 Documents;</p> <p>See underlying transaction documents, Receivables Purchase Agreement.</p> <p><i>Please see notes in comment 73 above regarding future event criteria.</i></p>	

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.

Transparency Requirements

The Originator has been designated as "reporting entity" pursuant to Article 7 of the UK Securitisation Regulation and the EU Securitisation Regulation (the "Reporting Entity").

Compliance with Article 7 of the UK Securitisation Regulation and the EU Securitisation Regulation

The Issuer and the Originator, as originator within the meaning of the EU Securitisation Regulation and the UK Securitisation Regulation, have agreed that the Originator is the "reporting entity" under Article 7(2) of the EU Securitisation Regulation and the UK Securitisation Regulation to fulfil the information requirements of Article 7(1) of the EU Securitisation Regulation and the UK Securitisation Regulation (the "Reporting Entity"). The Reporting Entity, as originator, shall also be responsible for compliance with Article 7 of the EU Securitisation Regulation and the UK Securitisation Regulation.

The Reporting Entity (or the Servicer on its behalf) will make all such information set forth under paragraphs (a) to (g) above available to the Relevant Recipients as is required to be made available pursuant to the Securitisation Regulation (EU) Disclosure Requirements and the Securitisation Regulation (UK) Disclosure Requirements .

Under the Servicing Agreement MBFS as Servicer undertakes to the Issuer that, pursuant to the UK Securitisation Regulation, it will (on behalf of the Reporting Entity) make the information that the Issuer is required to make available pursuant to and in compliance with the Securitisation Regulation (UK) Disclosure Requirements to the Noteholders, to the FCA and to potential Noteholders. The Servicer will make such information available on the UK website of EuroABS (being, as at the date of this Prospectus, <https://www.euroabs.com/IH.aspx?d=22616>) being a website which conforms with the requirements set out in Article 7(2) of the UK Securitisation Regulation (the "UK SR Website"). There is no requirement to report to a UK securitisation repository where the prospectus has not been approved by the FCA. However, to the extent a securitisation repository is registered in accordance with Article 10 of the UK Securitisation Regulation it will make the information available to such securitisation repository (the "UK SR Repository"). For the purposes of Article 7(2) of the UK Securitisation Regulation, the Seller and the Issuer designate MBFS, in its capacity as originator, to fulfil the information requirements of Article 7(1) of the UK Securitisation Regulation.

See Prospectus, *OVERVIEW OF THE PRINCIPAL TRANSACTION SA UK 2024-1 DOCUMENTS*.

2. SERVICING AGREEMENT

Information and Regular Reporting

The Reporting Entity (or the Servicer on its behalf) will, pursuant to the UK Securitisation Regulation, make the information that the Issuer is required to make available pursuant to and in compliance with the Securitisation Regulation (UK) Disclosure Requirements to the Noteholders, to the FCA and to potential Noteholders. The Servicer will make such information available on the UK SR Website. There is no requirement to report to a UK securitisation repository where the prospectus has not been approved by the FCA. However, to the extent a securitisation repository is registered in accordance with Article 10 of the UK Securitisation Regulation it will make the information available to such securitisation repository. For the purposes of Article 7(2) of the UK Securitisation Regulation, the Seller and the Issuer designate MBFS, in its capacity as originator, to fulfil the information requirements of Article 7(1) of the UK Securitisation Regulation.

See Prospectus, *GENERAL INFORMATION*.

10. UK Securitisation Repository

The Reporting Entity (or the Servicer on its behalf) will, pursuant to the UK Securitisation Regulation, make the information that the Issuer is required to make available pursuant to and in compliance with the Securitisation Regulation (UK) Disclosure Requirements to the Noteholders, to the FCA and to potential Noteholders. The Servicer will make such information available on the UK SR Website of EuroABS. There is no requirement to report to a UK securitisation repository where the prospectus has not been approved by the FCA. However to the extent a securitisation repository is registered in accordance with Article 10 of the UK Securitisation Regulation it will make the information available to such securitisation repository (the "UK SR Repository").

See Prospectus, *MASTER DEFINITIONS SCHEDULE*.

1. DEFINITIONS

"UK SR Website" means the UK website of EuroABS at <https://www.euroabs.com/IH.aspx?d=22616>, being a website which conforms with the requirements set out in Article 7(2) of the UK Securitisation Regulation.

See underlying transaction documents, Receivables Purchase Agreement.

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

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 85 above.

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