

STS Term Verification Checklist
Pony S.A.,
Compartment German Auto Loans 2023-1



PRIME COLLATERALISED SECURITIES (PCS) EU SAS

29th November 2023

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

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

PCS comments in this STS Term 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.

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

29th November 2023

STS Disclaimer

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

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

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

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

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

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

PRIME COLLATERALISED SECURITIES (PCS) STS Verification

Individual(s) undertaking the assessment	Robert Leach
Date of Verification	29 November 2023
The transaction to be verified (the "Transaction")	Pony S.A., Compartment German Auto Loans 2023-1
Issuer	Pony S.A., Compartment German Auto Loans 2023-1
Originator	Hyundai Capital Bank Europe GmbH
Lead Manager(s)	Santander Corporate & Investment Banking, Société Générale, Deutsche Bank AG
Transaction Legal Counsel	White & Case
Rating Agencies	Fitch, Moody's
Stock Exchange	Luxembourg Stock Exchange
Closing Date	29 November 2023

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

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

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

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

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

1

STS Criteria

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

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

See Prospectus, *OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS*.

Receivables Purchase Agreement

On the Closing Date, the Issuer will purchase Receivables from the Seller in accordance with the Receivables Purchase Agreement. During the Replenishment Period, the Seller may offer to sell to the Issuer Additional Receivables in accordance with the Receivables Purchase Agreement for an aggregate purchase price not exceeding the Replenishment Available Amount. The Issuer will be obligated to purchase and acquire Receivables for purposes of a Replenishment only to the extent that the obligation to pay the purchase price for the Receivables offered to the Issuer by the Seller for purchase on any Purchase Date can be satisfied by the Issuer by applying the Pre-Enforcement Available Principal Amount as of the Cut-Off Date immediately preceding the relevant Purchase Date in accordance with the Pre-Enforcement Principal Priority of Payments. The obligation of the Issuer to pay the purchase price for any Additional Receivables in accordance with the Receivables Purchase Agreement will be netted against the obligation of the Seller acting as Servicer under the Servicing Agreement to transfer Collections to the Issuer on the Payment Date falling on the Purchase Date on which the Issuer purchases the relevant Additional Receivables from the Seller. Generally, the aggregate Outstanding Principal Amount of the Additional Receivables purchased by the Issuer on any Purchase Date (other than the Closing Date) may together with the Aggregate Outstanding Portfolio Principal Amount of all Receivables purchased prior to such Purchase Date not exceed the amount of EUR 499,999,997.76.

[...] The offer by the Seller for the purchase of Receivables under the Receivables Purchase Agreement must contain certain relevant information for the purpose of identification of the Receivables. In each offer, the Seller must represent that certain representations and warranties with respect to the relevant Receivable were true and correct on the relevant Purchase Date. Upon acceptance, the Issuer will acquire or will be purported to acquire in respect of the relevant Loan Contracts unrestricted title to any and all outstanding Purchased Receivables arising under such Loan Contracts as from the Cut-Off Date immediately preceding the date of the offer, other than any Loan Instalments which have become due prior to or on such Cut-Off Date; together with all of the Seller's rights, title and interest in the Related Collateral in accordance with the Receivables Purchase Agreement. As a result, the Issuer will obtain the full economic ownership in the Purchased Receivables as from the relevant Cut-Off Date, including principal and interest, and is free to transfer or otherwise dispose over (verfügen) the Purchased Receivables, subject only to the contractual restrictions provided in the relevant Loan Contracts and the contractual agreements underlying the Related Collateral.

[...] The sale and assignment of the Receivables pursuant to the Receivables Purchase Agreement constitutes a sale without recourse (regressloser Verkauf wegen Bonitätsrisiken). This means that the Seller will not bear the risk of the inability of any Debtors to pay the relevant Purchased Receivables.

Pursuant to the Receivables Purchase Agreement, the delivery (Übergabe) necessary to effect the transfer of title in respect of the Financed Vehicles (including any subsequently inserted parts in the Financed Vehicles) and other moveable Related Collateral securing a Purchased Receivable (including any car certificate (Fahrzeugbrief), registration certificate part II (Zulassungsbescheinigung Teil II) or equivalent document) will be replaced by the Seller's assignment to the Issuer of all claims, present or future, to request transfer of possession (Herausgabeanspruch) thereof from the relevant third parties holding such possession. In addition, where the Seller holds direct possession of any of the Financed Vehicles and other moveable Related Collateral, the Issuer will be granted constructive possession (mittelbarer Besitz) by the Seller in respect thereof.

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

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

This is clearly stated in the wording of the Regulation (20.1). The expression "transfer to the same effect" indicates that, as long as the conditions in the preceding paragraph are met, the Regulation does not seek to limit the type of legal devices which can be used to effect such transfer of title.

The issue of "true sale" is separate from the issue of "clawback". "Clawback" refers to legal processes through which, in the insolvency of the seller of an asset, an insolvency officer is entitled to reverse the sale – even in cases where a "true sale" has taken place.

All European jurisdictions, to PCS' knowledge, have rules allowing for clawbacks. Clawbacks are usually rules to avoid a company heading towards insolvency from "defrauding" its existing creditors either by selling assets at very low prices (to friends and relations) or unfairly preferring certain creditors over others.

The Regulation (20.1) therefore does not require STS "true sales" to be clawback proof since this would mean that no European securitisation could ever be STS. It does require the sale not to be subject to "severe clawback". The Regulation does not define "severe clawback" but gives an example (20.2) where a clawback 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".

PCS further notes that the examples (20.2 and 20.3) refer to the insolvency law of a jurisdiction and therefore believes that clawback risk is to be assessed on a jurisdictional basis rather than on a transactional basis. Finally, PCS does not believe and nor is there any evidence that the legislators or regulatory authorities are seeking to craft a higher standard than that which has been used for decades by the market and was the basis for the legislative text.

Based on the above considerations, PCS believes that transfers from jurisdictions meeting the following criteria – absent any other indications – shall not fall within the definition of "severe clawback":

- 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.

The legal opinion from Whie & Case confirms that the assignment from the Seller to the Issuer constitutes a transfer of assets that meets the definition of "true sale" outlined above.

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

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

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

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

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

2

STS Criteria

2. The transfer of the title to the SSPE shall not be subject to severe clawback provisions in the event of the seller's insolvency.

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

See Prospectus, *THE SELLER*.

Incorporation and Ownership

The Seller, the Servicer and the Lender, Hyundai Capital Bank Europe GmbH ("Hyundai Capital Bank Europe GmbH" or "HCBE"), a limited liability company (Gesellschaft mit beschränkter Haftung), incorporated under the laws of Germany, registered with the commercial register (Handelsregister) of the local court (Amtsgericht) Frankfurt am Main under registration number HRB 102819 and having its registered office at Friedrich-Ebert-Anlage 35-37, 60327 Frankfurt am Main, Germany.

The insolvency laws of Germany do not contemplate severe claw-back provisions.

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

3

STS Criteria

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

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

See Prospectus, *ELIGIBILITY CRITERIA*.

The following criteria ("Eligibility Criteria") must have been met by the Receivables to be eligible for acquisition by the Purchaser pursuant to the Receivables Purchase Agreement on the Cut-Off Date prior to the first Purchase Date or, with respect to any Additional Receivable, on any subsequent Cut-Off Date prior to the respective Purchase Date during the Replenishment Period.

A Receivable (or any part of it or the pool of Receivables, as applicable) is an eligible receivable if it and any part thereof meet the following conditions:

The Receivable:

(1) was originated in the ordinary course of business of the Seller pursuant to underwriting and management standards in respect of the acceptance of automobile and other vehicle loans that are no less stringent than those that the Seller applied at the time of origination to similar receivables that are not securitised;

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 effect such perfection shall, at least include the following events:

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

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>
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PCS Comments

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.*

Although the transfer is not notified to the borrowers, the legal opinion issued in relation to this transaction confirms that such notification is not required to fully perfect the transfer of ownership in the loans to the Issuer. Accordingly, this transaction does not operate by way of an unperfected assignment and the issue of triggers does not arise.

Notification is not required to perfect the transfer of legal title.

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	<p>STS Criteria</p> <p>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.</p>	<p>Verified? YES</p>
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PCS Comments

See Prospectus, *ELIGIBILITY CRITERIA*.

The following criteria (“Eligibility Criteria”) must have been met by the Receivables to be eligible for acquisition by the Purchaser pursuant to the Receivables Purchase Agreement on the Cut-Off Date prior to the first Purchase Date or, with respect to any Additional Receivable, on any subsequent Cut-Off Date prior to the respective Purchase Date during the Replenishment Period.

A Receivable (or any part of it or the pool of Receivables, as applicable) is an eligible receivable if it and any part thereof meet the following conditions:

(14) is a Receivable (including any part thereof, the related Financed Vehicle and the other Related Collateral) to which the Seller is fully entitled, free of any rights of any third party, over which the Seller may freely dispose and in respect of which the Purchaser will, upon acceptance of the Offer for the purchase of such Receivable as contemplated in the Receivables Purchase Agreement, acquire the title unencumbered by any counterclaim, set-off right (other than set-off rights and counterclaims resulting from deposits held by the relevant Debtor with the Seller), other objection and Adverse Claims (other than those of the Debtor under the related Loan Contract); in particular, such Receivable (and the Related Collateral) has not been assigned to any third party for refinancing and has been documented in a set of documents which designates the Financed Vehicle, the acquisition costs thereof, the related Debtor, the Loan Instalments, the applicable interest rate, the initial due dates and the term of the Loan Contract;

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

6	STS Criteria	Verified?
	6. The underlying exposures transferred from, or assigned by, the seller to the SSPE shall meet pre-determined, clear and documented eligibility criteria....	YES

PCS Comments

See Prospectus, *ELIGIBILITY CRITERIA*.

The following criteria (“Eligibility Criteria”) must have been met by the Receivables to be eligible for acquisition by the Purchaser pursuant to the Receivables Purchase Agreement on the Cut-Off Date prior to the first Purchase Date or, with respect to any Additional Receivable, on any subsequent Cut-Off Date prior to the respective Purchase Date during the Replenishment Period.

A Receivable (or any part of it or the pool of Receivables, as applicable) is an eligible receivable if it and any part thereof meet the following conditions: [...]

The EBA Guidelines clarify that “clear” does not mean easily readable or comprehended by a non-expert. In the Regulation a criterion is “clear” when a court or tribunal could determine whether, presumably in all cases, the criterion is met for each asset. In the Regulation, “clear” is about certainty of determination.

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

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>THE MAIN PROVISIONS OF THE TRANSACTION SECURITY AGREEMENT</i>.</p> <p>11. REPRESENTATIONS OF THE ISSUER WITH RESPECT TO NOTE COLLATERAL, COVENANTS</p> <p>11.6 The Issuer hereby covenants with the Transaction Security Trustee not to engage in any active portfolio management of the Purchased Receivables on a discretionary basis within the meaning of Article 20(7) of the Securitisation Regulation.</p> <p>37. OTHER UNDERTAKINGS OF THE ISSUER</p> <p>37.1 The Issuer undertakes to:</p> <p>(u) not engage in any active portfolio management of the Purchased Receivables on a discretionary basis within the meaning of Article 20(7) of the Securitisation Regulation;</p> <p>Optional Redemption upon occurrence of a Clean-up Call Event</p> <p>Optional Redemption upon occurrence of a Tax Call Event</p> <p>Optional Redemption upon occurrence of a Regulatory Change Event</p> <p>See underlying transaction documents, Receivables Purchase Agreement.</p> <p>15. Breach of Eligibility Criteria</p> <p><i>The EBA Guidelines set out seven devices to repurchase securitised assets which are not to be considered indicative of “active portfolio management”. To the extent that a transaction only contains some or all of those seven devices and does not provide any other form of repurchase, then the STS criterion will be met. If the transaction should contain a repurchase device that is not included in the EBA’s list, then an analysis will need to be conducted as to whether this additional device offends against the principles set out in the EBA Guidelines (15.a and b) as defining “active portfolio management”.</i></p> <p><i>PCS has reviewed the repurchase devices set out in the transaction documents and each is an allowable repurchase device. PCS also notes that there is an explicit affirmative statement in the Prospectus to the effect that the Transaction does not allow for “active portfolio management”.</i></p>	
8	<p>STS Criteria</p> <p>8. Exposures transferred to the SSPE after the closing of the transaction shall meet the eligibility criteria applied to the initial underlying exposures.</p>	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>See Prospectus, <i>ELIGIBILITY CRITERIA</i>.</p> <p>The following criteria (“Eligibility Criteria”) must have been met by the Receivables to be eligible for acquisition by the Purchaser pursuant to the Receivables Purchase Agreement on the Cut-Off Date prior to the first Purchase Date or, with respect to any Additional Receivable, on any subsequent Cut-Off Date prior to the respective Purchase Date during the Replenishment Period.</p>	

A Receivable (or any part of it or the pool of Receivables, as applicable) is an eligible receivable if it and any part thereof meet the following conditions: [...]

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

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

9

STS Criteria

9. The securitisation shall be backed by a pool of underlying exposures that are homogeneous in terms of asset type, taking into account the specific characteristics relating to the cash flows of the asset type including their contractual, credit risk and prepayment characteristics. A pool of underlying exposures shall only comprise one asset type.

Verified?
YES

PCS Comments

See Prospectus, *ELIGIBILITY CRITERIA*.

The following criteria (“Eligibility Criteria”) must have been met by the Receivables to be eligible for acquisition by the Purchaser pursuant to the Receivables Purchase Agreement on the Cut-Off Date prior to the first Purchase Date or, with respect to any Additional Receivable, on any subsequent Cut-Off Date prior to the respective Purchase Date during the Replenishment Period.

A Receivable (or any part of it or the pool of Receivables, as applicable) is an eligible receivable if it and any part thereof meet the following conditions:

(1) was originated in the ordinary course of business of the Seller pursuant to underwriting and management standards in respect of the acceptance of automobile and other vehicle loans that are no less stringent than those that the Seller applied at the time of origination to similar receivables that are not securitised;

(11) arises under the Loan Contract which relates to the acquisition by the Debtor of the relevant Financed Vehicle and related Insurance Agreement(s) associated with the purchase of a Financed Vehicle (if any) entered into by such Debtor in respect thereof and is secured by such Financed Vehicle and at the time of sale and assignment of the relevant Receivable and of the Related Collateral the Seller has no direct possession (unmittelbaren Besitz) but indirect possession (mittelbaren Besitz) to and a valid claim for return of (Herausgabeanspruch) such Financed Vehicle;

(20) is due from a Debtor who is either (i) a private non-financial corporate entity (juristische Person des Privatrechts/Personengesellschaft) or (ii) a commercial entrepreneur (Einzelkaufmann/Unternehmer) or (iii) a consumer (Verbraucher) resident in Germany;

See Prospectus, *INFORMATION TABLES REGARDING THE PORTFOLIO*.

See Prospectus, *DESCRIPTION OF THE PORTFOLIO*.

The Portfolio consists of the Purchased Receivables arising under the Loan Contracts and the Related Collateral, originated by the Seller pursuant to the Credit and Collection Policy. See “CREDIT AND COLLECTION POLICY” (page 266 et seqq.). The Purchased Receivables included in the Portfolio are derived from a portfolio of loans to private and commercial customers to finance the purchase of Financed Vehicles and were acquired by the Issuer pursuant to the Receivables Purchase Agreement. The Aggregate Outstanding Portfolio Principal Amount of the Portfolio on 31 October 2023 was EUR 499,999,997.76.

See Prospectus, *OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS*.

Servicing Agreement

The Servicer will administer the Portfolio in accordance with its respective standard procedures, set out in its credit and collection policies for the administration and enforcement of its own consumer loans and related collateral, subject to the provisions of the Servicing Agreement and the Receivable Purchase Agreement. In the administration and servicing of the Portfolio, the Servicer will exercise the due care and diligence of a prudent business man (Sorgfalt eines ordentlichen Kaufmannes) as if it was administering receivables on its own behalf. The Servicer will ensure that it has all required licences, approvals, authorisations and consents which are necessary or desirable for the performance of its duties under the Servicing Agreement.

See Prospectus, *THE SELLER*.

Hyundai Capital Bank Europe GmbH is a credit institution and as such is bound by the requirements of the CRR. The policies and procedures of Hyundai Capital Bank Europe GmbH in relation to the granting of credit, administration of credit-risk bearing portfolios and risk mitigation are in compliance with the requirements of the CRR. The policies and procedures of HCBE in this regard broadly include the following:

- systems in place to administer and monitor the various credit-risk bearing portfolios and exposures and the Portfolio will be serviced in line with the usual servicing procedures of Hyundai Capital Bank Europe acting as Servicer (See "OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS - Servicing Agreement");

See underlying transaction documents, Receivables Purchase Agreement.

The definition of "homogeneity" in the Regulation is the subject of a Regulatory Technical Standard ("RTS"). Being set out in an RTS, rather than a guideline or recommendation issued by the EBA, the definition of "homogeneity" is legally binding on all regulatory authorities.

In interpreting the expression, PCS has based itself on the text of the Regulation, its knowledge of the intent of the legislators – including, crucially, the legislators' belief that the STS Regulation was justified by the excellent performance of most "plain vanilla" European securitisations and the draft RTS adopted by the European Commission.

Based on the above, it seems clear to PCS that the Regulation would not seek to exclude from the STS category securitisations that have performed extremely well and are universally considered "homogenous" by market participants. This does not exonerate any transaction from being analysed against this criterion but does set the background for such analysis.

In the Transaction, the leases were underwritten on a similar basis, they are being serviced by the Seller according to similar servicing procedures, they are a single asset class – Auto Leases – and the lessees are all resident in Germany.

PCS takes comfort that transactions containing pools with similar characteristics have always been considered to be "homogenous" by a wide consensus of market participants.

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STS Criteria

10. The underlying exposures shall contain obligations that are contractually binding and enforceable.

Verified?

YES

PCS Comments

See Prospectus, *ELIGIBILITY CRITERIA*.

The following criteria ("Eligibility Criteria") must have been met by the Receivables to be eligible for acquisition by the Purchaser pursuant to the Receivables Purchase Agreement on the Cut-Off Date prior to the first Purchase Date or, with respect to any Additional Receivable, on any subsequent Cut-Off Date prior to the respective Purchase Date during the Replenishment Period.

A Receivable (or any part of it or the pool of Receivables, as applicable) is an eligible receivable if it and any part thereof meet the following conditions:

	(7) exists and constitutes legally valid, binding and enforceable obligations of the respective Debtor;	
11	STS Criteria	Verified?
	11. With full recourse to debtors and, where applicable, guarantors.	YES
	PCS Comments	
	See Prospectus, <i>OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS</i> .	
	Receivables Purchase Agreement	
	The offer by the Seller for the purchase of Receivables under the Receivables Purchase Agreement must contain certain relevant information for the purpose of identification of the Receivables. In each offer, the Seller must represent that certain representations and warranties with respect to the relevant Receivable were true and correct on the relevant Purchase Date. Upon acceptance, the Issuer will acquire or will be purported to acquire in respect of the relevant Loan Contracts unrestricted title to any and all outstanding Purchased Receivables arising under such Loan Contracts as from the Cut-Off Date immediately preceding the date of the offer, other than any Loan Instalments which have become due prior to or on such Cut-Off Date; together with all of the Seller's rights, title and interest in the Related Collateral in accordance with the Receivables Purchase Agreement. As a result, the Issuer will obtain the full economic ownership in the Purchased Receivables with full recourse to the respective debtors as from the relevant Cut-Off Date, including principal and interest, and is free to transfer or otherwise dispose over (verfügen) the Purchased Receivables, subject only to the contractual restrictions provided in the relevant Loan Contracts and the contractual agreements underlying the Related Collateral.	

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

12	STS Criteria	Verified?
	12. The underlying exposures shall have defined periodic payment streams, the instalments of which may differ in their amounts.	YES
	PCS Comments	
	See Prospectus, <i>ELIGIBILITY CRITERIA</i> .	
	The following criteria ("Eligibility Criteria") must have been met by the Receivables to be eligible for acquisition by the Purchaser pursuant to the Receivables Purchase Agreement on the Cut-Off Date prior to the first Purchase Date or, with respect to any Additional Receivable, on any subsequent Cut-Off Date prior to the respective Purchase Date during the Replenishment Period.	
	A Receivable (or any part of it or the pool of Receivables, as applicable) is an eligible receivable if it and any part thereof meet the following conditions:	
	The Receivable:	
	(6) is not a profit participating loan (partiarisches Darlehen) and has a fixed interest rate and is fully amortising through payment of constant monthly instalments or balloon instalments (except for the first instalment or the final instalment payable under the relevant loan contract which may differ from the monthly instalments payable for subsequent or previous months);	
	See Prospectus, <i>CREDIT AND COLLECTION POLICY</i> .	

	2. COLLECTION POLICY	
	2.1 Payment Characteristics of Vehicle Loans	
	The payment schedules of the vehicle loans offered by Hyundai to its customers require, (i) in the case of annuity loans, equal monthly instalments and (ii) in the case of Balloon Loans, instalments where the final payment amount due is higher than the amount payable by the relevant debtor in its previous loan instalments, comprised, in both cases of an interest and a principal component. The interest component is calculated by application of the interest rate in the applicable contract to the sum of loan amount and corresponding fees. Over the term of the loan, the composition of the equal instalments change with the interest portion is decreasing and the principal portion is increasing towards the end of the loan term.	
13	STS Criteria	Verified? YES
	13. Relating to rental, principal, or interest payments, or to any other right to receive income from assets supporting such payments. The underlying exposures may also generate proceeds from the sale of any financed or leased assets.	
	<p>PCS Comments</p> <p>See point 12 above.</p> <p>See Prospectus, <i>OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS</i>.</p> <p>Receivables Purchase Agreement</p> <p>Insurance and Related Collateral</p> <p>Any insurance claims in respect of any Related Collateral form part of the Related Collateral which has been assigned to the Issuer under the Transaction Security Agreement. If the Seller or the Servicer receives any proceeds from property insurances or claims from third parties which have damaged any Related Collateral as well as claims against the insurer of such third parties which form part of the Related Collateral, such proceeds will be used to repair such damaged Related Collateral. If the relevant damaged Related Collateral cannot be repaired, such proceeds will be applied in repayment of the relevant Loan Contract.</p>	

Article 20.8. The underlying exposures shall not include transferable securities, as defined in Article 4(1), point 44 of Directive 2014/65/EU of the European Parliament and of the Council other than corporate bonds, provided that they are not listed on a trading venue.

14	STS Criteria	Verified? YES
	14. The underlying exposures shall not include transferable securities, as defined in Article 4(1), point 44 of Directive 2014/65/EU of the European Parliament and of the Council other than corporate bonds, provided that they are not listed on a trading venue.	
	<p>PCS Comments</p> <p>See Prospectus, <i>ELIGIBILITY CRITERIA</i>.</p> <p>The following criteria ("Eligibility Criteria") must have been met by the Receivables to be eligible for acquisition by the Purchaser pursuant to the Receivables Purchase Agreement on the Cut-Off Date prior to the first Purchase Date or, with respect to any Additional Receivable, on any subsequent Cut-Off Date prior to the respective Purchase Date during the Replenishment Period.</p>	

A Receivable (or any part of it or the pool of Receivables, as applicable) is an eligible receivable if it and any part thereof meet the following conditions: [...]

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

15	STS Criteria	Verified? YES
	<p>15. The underlying exposures shall not include any securitisation position.</p> <p>PCS Comments</p> <p>See Prospectus, <i>ELIGIBILITY CRITERIA</i>.</p> <p>The following criteria (“Eligibility Criteria”) must have been met by the Receivables to be eligible for acquisition by the Purchaser pursuant to the Receivables Purchase Agreement on the Cut-Off Date prior to the first Purchase Date or, with respect to any Additional Receivable, on any subsequent Cut-Off Date prior to the respective Purchase Date during the Replenishment Period.</p> <p>A Receivable (or any part of it or the pool of Receivables, as applicable) is an eligible receivable if it and any part thereof meet the following conditions: [...]</p>	

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

16	STS Criteria	Verified? YES
	<p>16. The underlying exposures shall be originated in the ordinary course of the originator’s or original lender’s business.</p> <p>PCS Comments</p> <p>See Prospectus, <i>ELIGIBILITY CRITERIA</i>.</p> <p>The following criteria (“Eligibility Criteria”) must have been met by the Receivables to be eligible for acquisition by the Purchaser pursuant to the Receivables Purchase Agreement on the Cut-Off Date prior to the first Purchase Date or, with respect to any Additional Receivable, on any subsequent Cut-Off Date prior to the respective Purchase Date during the Replenishment Period.</p> <p>A Receivable (or any part of it or the pool of Receivables, as applicable) is an eligible receivable if it and any part thereof meet the following conditions:</p> <p>The Receivable:</p> <p>(1) was originated in the ordinary course of business of the Seller pursuant to underwriting and management standards in respect of the acceptance of automobile and other vehicle loans that are no less stringent than those that the Seller applied at the time of origination to similar receivables that are not securitised;</p>	

17	<p>STS Criteria</p> <p>17. Pursuant to underwriting standards that are no less stringent than those that the originator or original lender applied at the time of origination to similar exposures that are not securitised.</p>	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>See Prospectus, <i>ELIGIBILITY CRITERIA</i>.</p> <p>The following criteria (“Eligibility Criteria”) must have been met by the Receivables to be eligible for acquisition by the Purchaser pursuant to the Receivables Purchase Agreement on the Cut-Off Date prior to the first Purchase Date or, with respect to any Additional Receivable, on any subsequent Cut-Off Date prior to the respective Purchase Date during the Replenishment Period.</p> <p>A Receivable (or any part of it or the pool of Receivables, as applicable) is an eligible receivable if it and any part thereof meet the following conditions:</p> <p>The Receivable:</p> <p>(1) was originated in the ordinary course of business of the Seller pursuant to underwriting and management standards in respect of the acceptance of automobile and other vehicle loans that are no less stringent than those that the Seller applied at the time of origination to similar receivables that are not securitised;</p>	

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

18	<p>STS Criteria</p> <p>18. The underwriting standards pursuant to which the underlying exposures are originated and any material changes from prior underwriting standards shall be fully disclosed to potential investors without undue delay.</p>	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>See underlying transaction documents, Servicing Agreement.</p> <p>3.5 The Servicer may amend its Credit and Collection Policy subject to the notification of each Rating Agency with the written consent of the Purchaser, the Seller (if different from the Servicer) and, where such amendment is, in the reasonable opinion of the Servicer, expected to result in a loss (Schaden) for the holders of the then outstanding Classes, the Transaction Security Trustee in accordance with Clause 6.1(o) (Covenants, Representations and Warranties of the Servicer and the Purchaser). Where applicable, the Servicer shall as soon as reasonably possible notify any materially prejudicial changes to the Credit and Collection Policy to the Noteholders as part of the Investor Report.</p> <p>6. Covenants, Representations and Warranties of the Servicer and the Purchaser</p> <p>6.1 Until the termination of this Agreement and the Receivables Purchase Agreement and until no more payments are to be made by the Seller or the Servicer to the Purchaser, the following obligations shall apply:</p> <p>(o) The Servicer will not materially amend the Credit and Collection Policy unless</p> <p style="padding-left: 20px;">(i) each Rating Agency has been notified in writing of such amendment, and</p>	

(ii) the Purchaser, the Seller (if different from the Servicer) and, where such amendment would in the reasonable opinion of the Servicer be expected to result in a loss (Schaden) for the holders of then outstanding Classes of Notes, the Transaction Security Trustee have consented to such amendment in writing (such consent not to be unreasonably withheld).

6.2 The Servicer hereby represents and warrants to the Purchaser in the form of an independent guarantee (selbstständiges Garantieverprechen) that:

(g) Amendments to the Credit and Collection Policy

There has not been nor will there be any material amendment to the Credit and Collection Policy unless (i) each Rating Agency has been notified in writing of such amendment, and (ii) the Purchaser, the Seller (if different from the Servicer) and, where such amendment is, in the reasonable opinion of the Servicer, expected to result in a loss (Schaden) for the holders of then outstanding Classes, the Transaction Security Trustee have consented to such amendment in writing (such consent not to be unreasonably withheld).

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

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

19	STS Criteria	Verified? YES
	<p>19. In the case of securitisations where the underlying exposures are residential loans, the pool of loans shall not include any loan that was marketed and underwritten on the premise that the loan applicant or, where applicable intermediaries, were made aware that the information provided might not be verified by the lender.</p> <p>PCS Comments</p> <p><i>Not applicable. The transaction does not include residential loans.</i></p>	

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

20	STS Criteria	Verified? YES
	<p>20. The assessment of the borrower's creditworthiness shall meet the requirements set out in Article 8 of Directive 2008/48/EC or paragraphs 1 to 4, point (a) of paragraph 5, and paragraph 6 of Article 18 of Directive 2014/17/EU or, where applicable, equivalent requirements in third countries.</p> <p>PCS Comments</p> <p>See Prospectus, <i>ELIGIBILITY CRITERIA</i>.</p>	

The following criteria (“Eligibility Criteria”) must have been met by the Receivables to be eligible for acquisition by the Purchaser pursuant to the Receivables Purchase Agreement on the Cut-Off Date prior to the first Purchase Date or, with respect to any Additional Receivable, on any subsequent Cut-Off Date prior to the respective Purchase Date during the Replenishment Period.

A Receivable (or any part of it or the pool of Receivables, as applicable) is an eligible receivable if it and any part thereof meet the following conditions:

The Receivable:

(10) is a Receivable in relation to which, to the best of the Seller’s knowledge and taking into account case law and prevailing market standards/practice existing as of the relevant Purchase Date, the Seller has fully complied with any applicable consumer legislation with respect to such Receivable as of the date when it was originated, in particular (i) those sections of the German Civil Code (Bürgerliches Gesetzbuch) and the Introductory Act to the German Civil Code (Einführungsgesetz zum Bürgerlichen Gesetzbuch) (collectively, the “Distance Marketing Provisions”), which relate to distance marketing of consumer financial services (Fernabsatzverträgen bei Finanzdienstleistungen) and (ii) those Sections of the German Civil Code (Bürgerliches Gesetzbuch) which relate to consumer loan contracts (Verbraucherdarlehensverträge), except that (i) the withdrawal instruction (Widerrufsinfomationen) may not comply with the template wording provided by the German legislator or otherwise with applicable law or (ii) the Loan Contract may not contain all mandatory information (Pflichtangaben) as required by applicable law;

See underlying transaction documents, Receivables Purchase Agreement.

11. Representations and Warranties

11.1 The Seller hereby represents and warrants to the Purchaser in the form of an independent guarantee (selbstständiges Garantieverprechen) that:

(r) Asset Representations and Warranties

(iii) assessment of the credit worthiness of the Debtor meets the requirements set out in article 8 of Directive 2008/48/EC;

The criterion requires consumer loans or mortgages to have been underwritten in accordance with one of two European Directives. European Directives, in contrast to Regulations, do not have direct effect but must be implemented into national law country by country.

PCS assumes, although the Regulation and the EBA Guidelines are silent on this point, that the requirement for mortgages and consumer loans to have been underwritten in compliance with the Directives only applies to assets underwritten after these Directives were transcribed into national law.

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

21	<u>STS Criteria</u>	<u>Verified?</u>
	21. The originator or original lender shall have expertise in originating exposures of a similar nature to those securitised.	YES
<u>PCS Comments</u>		
See underlying transaction documents, Receivables Purchase Agreement.		
11. Representations and Warranties		
11.1 The Seller hereby represents and warrants to the Purchaser in the form of an independent guarantee (selbstständiges Garantieverprechen) that:		

(r) Asset Representations and Warranties

(v) the members of the management body and the senior staff of the Seller have (i) adequate knowledge and skills in originating and underwriting Receivables similar to the Purchased Receivables, (ii) been appropriately involved within the governance structure of the functions of originating and underwriting of the Purchased Receivables, and (iii) professional experience in the origination of loan receivables of at least five years gained through years of practice and continuing education.

An originator is deemed, according to the EBA Guidelines, to have the required "expertise" when management and senior staff have relevant professional experience in the origination of exposures similar to those securitised, of at least five years.

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	<u>STS Criteria</u>	<u>Verified?</u>
	22. The underlying exposures shall be transferred to the SSPE after selection without undue delay...	YES
<u>PCS Comments</u>		
See Prospectus, <i>ELIGIBILITY CRITERIA</i> .		
The following criteria ("Eligibility Criteria") must have been met by the Receivables to be eligible for acquisition by the Purchaser pursuant to the Receivables Purchase Agreement on the Cut-Off Date prior to the first Purchase Date or, with respect to any Additional Receivable, on any subsequent Cut-Off Date prior to the respective Purchase Date during the Replenishment Period.		
A Receivable (or any part of it or the pool of Receivables, as applicable) is an eligible receivable if it and any part thereof meet the following conditions: [...]		
See Prospectus, <i>SCHEDULE 1 DEFINITIONS</i> .		
"Closing Date" shall mean 29 November 2023;		
"Cut-Off Date" shall mean the last day of each calendar month. The first Cut-Off Date will be 31 October 2023;		
<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.</i>		
23	<u>STS Criteria</u>	<u>Verified?</u>
	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...	YES
<u>PCS Comments</u>		
See Prospectus, <i>ELIGIBILITY CRITERIA</i> .		
The following criteria ("Eligibility Criteria") must have been met by the Receivables to be eligible for acquisition by the Purchaser pursuant to the Receivables Purchase Agreement on the Cut-Off Date prior to the first Purchase Date or, with respect to any Additional Receivable, on any subsequent Cut-Off Date prior to the respective Purchase Date during the Replenishment Period.		
A Receivable (or any part of it or the pool of Receivables, as applicable) is an eligible receivable if it and any part thereof meet the following conditions:		

The Receivable:

(25) is not, as at the Cut-Off Date prior to the respective Purchase Date, an exposure in default within the meaning of Article 178(1) of the CRR or an exposure to a credit-impaired debtor or guarantor, who, to the best of the Originator’s knowledge: [...]

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

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

- (i) a restructured underlying exposure has not presented new arrears since the date of the restructuring which must have taken place at least one year prior to the date of transfer or assignment of the underlying exposures to the SSPE; and
- (ii) the information provided by the originator, sponsor and SSPE in accordance with points (a) and (e)(i) of the first subparagraph of Article 7(1) explicitly sets out the proportion of restructured underlying exposures, the time and details of the restructuring as well as their performance since the date of the restructuring;

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

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

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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, *ELIGIBILITY CRITERIA*.

The following criteria (“Eligibility Criteria”) must have been met by the Receivables to be eligible for acquisition by the Purchaser pursuant to the Receivables Purchase Agreement on the Cut-Off Date prior to the first Purchase Date or, with respect to any Additional Receivable, on any subsequent Cut-Off Date prior to the respective Purchase Date during the Replenishment Period.

A Receivable (or any part of it or the pool of Receivables, as applicable) is an eligible receivable if it and any part thereof meet the following conditions:

The Receivable:

(25) is not, as at the Cut-Off Date prior to the respective Purchase Date, an exposure in default within the meaning of Article 178(1) of the CRR or an exposure to a credit-impaired debtor or guarantor, who, to the best of the Originator’s knowledge:

(a) has been declared insolvent or had a court grant his creditors a final non-appealable right of enforcement or material damages as a result of a missed payment within three years prior to the date of origination or has undergone a debt-restructuring process with regard to his non-performing exposures within three years prior to the respective Purchase Date;

	<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</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> <p>(21) to the best of the Seller's knowledge is due from a Debtor who is not insolvent or bankrupt (zahlungsunfähig, including imminent inability to pay its debts (drohende Zahlungsunfähigkeit)) or over-indebted (überschuldet) and against whom no proceedings for the commencement of insolvency proceedings are pending in any jurisdiction;</p> <p>(22) to the best of the Seller's knowledge is due from a Debtor who has not entered into (or has not commenced procedures with a view to) a voluntary arrangement with its creditors pursuant to the German Company Stabilisation and Restructuring Act (Unternehmensstabilisierungs- und -restrukturierungsgesetz);</p> <p>(23) to the best of the Seller's knowledge is due from a Debtor who has not has commenced procedures with a view to a voluntary arrangement with its creditors pursuant to the German Company Stabilisation and Restructuring Act (Unternehmensstabilisierungs- und -restrukturierungsgesetz) by way of notification of a restructuring scheme pursuant to section 31 (Anzeige eines Restrukturierungsvorhabens) of the German Company Stabilisation and Restructuring Act (Unternehmensstabilisierungs- und -restrukturierungsgesetz) or presentation of a plan proposal (Vorlage eines Planangebots) pursuant to section 17 of the German Company Stabilisation and Restructuring Act (Unternehmensstabilisierungs- und -restrukturierungsgesetz);</p>	
25	<p>STS Criteria</p> <p>25.(a) has been declared insolvent or had a court grant his creditors a final non-appealable right of enforcement or material damages as a result of a missed payment within three years prior to the date of origination.</p>	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>See point 24 above.</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 respective Purchase Date;</p>	
26	<p>STS Criteria</p> <p>26. Or has undergone a debt-restructuring process with regard to his non-performing exposures within three years prior to the date of transfer or assignment of the underlying exposures to the SSPE, except if:</p>	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>See point 24 above.</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 respective Purchase Date;</p>	

27	<p>STS Criteria</p> <p>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</p>	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>See point 24 above.</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 respective Purchase Date;</p>	
28	<p>STS Criteria</p> <p>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;</p>	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>See point 24 above.</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 respective Purchase Date;</p>	
29	<p>STS Criteria</p> <p>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;</p>	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>See point 24 above.</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</p>	
30	<p>STS Criteria</p> <p>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.</p>	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>See point 24 above.</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.

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>ELIGIBILITY CRITERIA</i>.</p> <p>The following criteria (“Eligibility Criteria”) must have been met by the Receivables to be eligible for acquisition by the Purchaser pursuant to the Receivables Purchase Agreement on the Cut-Off Date prior to the first Purchase Date or, with respect to any Additional Receivable, on any subsequent Cut-Off Date prior to the respective Purchase Date during the Replenishment Period.</p> <p>A Receivable (or any part of it or the pool of Receivables, as applicable) is an eligible receivable if it and any part thereof meet the following conditions:</p> <p>(18) is a Receivable in relation to which at least one (1) due Loan Instalment has been fully paid for the Receivable prior to the Cut-Off Date relating to the respective Purchase Date;</p>	

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

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

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>ELIGIBILITY CRITERIA</i>.</p> <p>The following criteria (“Eligibility Criteria”) must have been met by the Receivables to be eligible for acquisition by the Purchaser pursuant to the Receivables Purchase Agreement on the Cut-Off Date prior to the first Purchase Date or, with respect to any Additional Receivable, on any subsequent Cut-Off Date prior to the respective Purchase Date during the Replenishment Period.</p> <p>A Receivable (or any part of it or the pool of Receivables, as applicable) is an eligible receivable if it and any part thereof meet the following conditions:</p>	

The Receivable:

(6) is not a profit participating loan (partiarisches Darlehen) and has a fixed interest rate and is fully amortising through payment of constant monthly instalments or balloon instalments (except for the first instalment or the final instalment payable under the relevant loan contract which may differ from the monthly instalments payable for subsequent or previous months);

The transaction is not structured with residual value risk. The loans are fully-amortising and there is no option for obligors to hand back vehicle in lieu of repayment in full.

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

33	STC 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>RISK FACTORS</i>.</p> <p>11 EU Risk Retention, Transparency Requirements and Due Diligence Requirements under the Securitisation Regulation and Simple, Transparent and Standardised Securitisations</p> <p>The Seller, as “originator” for the purposes of Article 6(1) of the Securitisation Regulation, has undertaken that, for so long as any Note remains outstanding, it (i) will retain on an ongoing basis a material net economic interest in the securitisation of not less than 5 per cent. of the nominal value of the securitised exposures (where such non-securitised exposures would otherwise have been securitised in the securitisation), provided that the level of retention may reduce over time in compliance with Article 10 (2) of Commission Delegated Regulation (EU) 2023/2175 or any successor delegated regulation, (ii) at all relevant times comply with the requirements of Article 7(1)(e)(iii) of the Securitisation Regulation by confirming for the purposes of the investor reports the risk retention of the Seller as contemplated by Article 6(1) of the Securitisation Regulation, (iii) not change the manner in which it retains such material net economic interest, except to the extent permitted by the Securitisation Regulation or any applicable regulatory technical standards and (iv) not sell, hedge or otherwise enter into any credit risk mitigation, short position or any other credit risk hedge with respect to its retained material net economic interest, except to the extent permitted by the Securitisation Regulation or any applicable regulatory technical standards.</p> <p>With respect to the commitment of the Seller to retain a material net economic interest with respect to this Transaction, following the issuance of the Notes as contemplated by Article 6(3)(c) of the Securitisation Regulation, the Seller will retain, in its capacity as originator within the meaning of the Securitisation Regulation, on an ongoing basis for the life of the Transaction, such net economic interest through an interest in randomly selected exposures of not less than 5 per cent. of the securitised exposures.</p> <p>See Prospectus, <i>THE EU RISK RETENTION AND EU TRANSPARENCY REQUIREMENTS</i>.</p> <p>EU Risk Retention Requirements</p> <p>The Seller will retain for the life of the Transaction a material net economic interest of not less than 5 per cent. in the Transaction as required by paragraph (c) of Article 6(3) of the Securitisation Regulation, provided that the level of retention may reduce over time in compliance with Article 10(2) of Commission Delegated Regulation (EU) 2023/2175 or any successor delegated regulation. On the Closing Date, such interest will, in accordance with paragraph (c) of Article 6(3) of the Securitisation Regulation, be comprised as follows: The Seller will retain, in its capacity as originator within the meaning of the Securitisation Regulation, on an ongoing basis for the life of the transaction, such net economic interest through an interest in randomly selected exposures. The Seller undertakes not to sell such material net economic interest (within the meaning of the Securitisation Regulation) or make it subject to any credit risk mitigation, short position or any other hedge except to the extent permitted under or pursuant to the Securitisation Regulation (which does not take into account any implementing rules of the Securitisation Regulation in a relevant jurisdiction) or any applicable regulatory technical standards. The Seller did not select receivables to be transferred to the Issuer with the aim of rendering losses on the transferred receivables, measured over the life of the Transaction, higher than the losses over the same period on comparable assets held on the balance sheet of the Seller.</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 34. The interest rate...risks arising from the securitisation shall be appropriately mitigated.	Verified? YES
PCS Comments See Prospectus, <i>RISK FACTORS</i> . II. RISKS RELATING TO THE NATURE OF THE NOTES 3 Interest Rate Risk Payments made to the Seller by any Debtor under a Loan Contract comprise monthly amounts calculated with respect to a fixed interest rate. However, payments of interest on the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes are calculated with respect to EURIBOR plus a margin. To ensure that the Issuer will not be exposed to any material interest rate discrepancy, the Issuer and the Interest Rate Swap Counterparty have entered into a Swap Agreement under which the Issuer will make payments by reference to a fixed rate and the Interest Rate Swap Counterparty will make payments by reference to EURIBOR under the Swap Agreement, in each case calculated with respect to the notional amount as determined under the Swap Agreement. See Prospectus, <i>OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS</i> . Swap Agreement Pursuant to the Swap Agreement, the Issuer has hedged its interest rate exposure resulting from fixed rate interest revenue under the Purchased Receivables and floating rate interest obligations under the Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes and the Class F Notes. Under the Swap Agreement, on each Payment Date the Issuer will pay the fixed swap rate applied to the notional amount of Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes and the Class F Notes on the first day of the Interest Period immediately preceding the relevant Payment Date (taking into account any amount of principal repaid by the Issuer under such Notes on such day) and the Swap Counterparty will pay a floating rate equal to EURIBOR in respect of the Interest Period immediately preceding such Payment Date, applied to the same notional amount.		
35	STS Criteria 35. Currency risks arising from the securitisation shall be appropriately mitigated.	Verified? YES
PCS Comments Assets: See Prospectus, <i>ELIGIBILITY CRITERIA</i> . The following criteria ("Eligibility Criteria") must have been met by the Receivables to be eligible for acquisition by the Purchaser pursuant to the Receivables Purchase Agreement on the Cut-Off Date prior to the first Purchase Date or, with respect to any Additional Receivable, on any subsequent Cut-Off Date prior to the respective Purchase Date during the Replenishment Period. A Receivable (or any part of it or the pool of Receivables, as applicable) is an eligible receivable if it and any part thereof meet the following conditions:		

	<p>The Receivable: (2) is denominated and payable in euro;</p> <p><i>Liabilities:</i> See Prospectus, <i>OUTLINE OF THE TRANSACTION</i>.</p> <p>Form and Denomination [...] The Notes will be transferred in book-entry form only. The Notes will be issued in denominations of EUR 100,000. See also Prospectus, <i>TERMS AND CONDITIONS OF THE NOTES</i>.</p> <p>1. Form and Denomination <i>Assets and liabilities are both denominated in Euros.</i></p>	
36	<p><u>STS Criteria</u> 36. Any measures taken to that effect shall be disclosed.</p>	<p><u>Verified?</u> YES</p>
	<p><u>PCS Comments</u> See point 34 above.</p> <p><i>Clearly and explicitly, "appropriate" hedging does not require "perfect" hedging. This is confirmed by the EBA Guidelines which require the hedges to cover a "major share" of the risk from an "economic perspective". However, the definition of "appropriate" hedging or a "major share" of the risk will always contain an element of subjectivity and must be analysed on a case-by-case basis.</i></p> <p><i>The fact that the Regulation was crafted by the legislators to recognise existing high-quality European securitisations rather than raise the bar to a level not previously encountered, together with the common-sense approach of the EBA, leads to the conclusion that transactions considered adequately hedged by common investor and rating agency consensus should be held to meet this criterion.</i></p> <p><i>This still requires an analysis of the matter. Since PCS is not a quantitative analysis provider or a credit rating agency, our verification is based on a second-hand analysis which focuses on:</i></p> <ul style="list-style-type: none"> • <i>A statement in the Prospectus or other document setting out the boundary conditions of the hedging. This should state in effect how far the hedging stretches and under what scenario's it will break. For example, if interbank rates rise above X%. This will provide a common-sense feel for whether, at first glance, the hedging is reasonable.</i> • <i>Risk Factors section of the prospectus to check that no statements refer to the risks of "unhedged positions". This is based on the legal requirement to disclose any relevant information to investors. If the originator or its advisers believed that the hedging in a transaction was unusually light, this should be disclosed in the Risk Section.</i> • <i>The "pre-sale" report from a recognised credit rating agency (if used) so as to identify any issues with hedging. Again, rating agencies as credit specialists should highlight in their analysis any substantial and unusual hedging risks.</i> 	

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

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

37	STS Criteria	37. Except for the purpose of hedging currency risk or interest rate risk, the SSPE shall not enter into derivative contracts and...	Verified? YES
	PCS Comments	<p>See Prospectus, <i>THE MAIN PROVISIONS OF THE TRANSACTION SECURITY AGREEMENT</i>.</p> <p>38. ACTIONS OF THE ISSUER REQUIRING CONSENT</p> <p>38.1 So long as any part of the Notes remains outstanding, the Issuer shall not be entitled, without the prior written approval of the Transaction Security Trustee (such approval shall not be given unless the requirements of Clause 14 (Consent of the Transaction Security Trustee) are fulfilled) or unless required by applicable law (and notified the other Rating Agencies), to:</p> <p>(f) incur further indebtedness (other than as contemplated in 1.1(a)(i) (Actions of the Issuer requiring Consent) above and not enter into any derivatives agreement or derivatives transactions other than as expressly provided under the Swap Agreement where the transactions under the Swap Agreement are limited to interest rate derivatives whose written terms directly relate to all Class A Notes to Class F Notes and the reduction of interest rate risks related to all Class A Notes to Class F Notes and the Portfolio;</p>	
38	STS Criteria	38. ...Shall ensure that the pool of underlying exposures does not include derivatives.	Verified? YES
	PCS Comments	<p>See Prospectus, <i>ELIGIBILITY CRITERIA</i>.</p> <p>The following criteria ("Eligibility Criteria") must have been met by the Receivables to be eligible for acquisition by the Purchaser pursuant to the Receivables Purchase Agreement on the Cut-Off Date prior to the first Purchase Date or, with respect to any Additional Receivable, on any subsequent Cut-Off Date prior to the respective Purchase Date during the Replenishment Period.</p> <p>A Receivable (or any part of it or the pool of Receivables, as applicable) is an eligible receivable if it and any part thereof meet the following conditions: [...]</p>	
39	STS Criteria	39. Those derivatives shall be underwritten and documented according to common standards in international finance.	Verified? YES
	PCS Comments	<p>See Prospectus, <i>SCHEDULE 1 DEFINITIONS</i>.</p> <p>"Swap Agreement" shall mean the interest rate swap agreement on the basis of the ISDA Master Agreement (2002), (including any schedule thereto and any related Credit Support Annex) entered into on 27 November 2023 and the confirmation thereunder dated 5 October 2023 and as amended and restated from time to time, the Issuer and the Interest Rate Swap Counterparty have entered into;</p>	

See also underlying swaps documents.

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.

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STS Criteria

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

Verified?
YES

PCS Comments**Assets:**

See Prospectus, *ELIGIBILITY CRITERIA*.

The following criteria ("Eligibility Criteria") must have been met by the Receivables to be eligible for acquisition by the Purchaser pursuant to the Receivables Purchase Agreement on the Cut-Off Date prior to the first Purchase Date or, with respect to any Additional Receivable, on any subsequent Cut-Off Date prior to the respective Purchase Date during the Replenishment Period.

A Receivable (or any part of it or the pool of Receivables, as applicable) is an eligible receivable if it and any part thereof meet the following conditions:

The Receivable:

(6) is not a profit participating loan (partiarisches Darlehen) and has a fixed interest rate and is fully amortising through payment of constant monthly instalments or balloon instalments (except for the first instalment or the final instalment payable under the relevant loan contract which may differ from the monthly instalments payable for subsequent or previous months);

Liabilities:

See Prospectus, *TERMS AND CONDITIONS OF THE NOTES*.

6.3 Interest Rate

(a) The interest rate payable on the Note for each Interest Period (each, an "Interest Rate") shall be

- (i) in the case of the Class A Notes, EURIBOR + 0.64% per annum and, for the avoidance of doubt, if such rate is below zero, the Interest Rate shall be zero,
- (ii) in the case of the Class B Notes, EURIBOR + 1.20% per annum and, for the avoidance of doubt, if such rate is below zero, the Interest Rate shall be zero,
- (iii) in the case of the Class C Notes, EURIBOR + 2.15% per annum and, for the avoidance of doubt, if such rate is below zero, the Interest Rate shall be zero,
- (iv) in the case of the Class D Notes, EURIBOR + 3.10% per annum and, for the avoidance of doubt, if such rate is below zero, the Interest Rate shall be zero,
- (v) in the case of the Class E Notes, EURIBOR + 5.40% per annum and, for the avoidance of doubt, if such rate is below zero, the Interest Rate shall be zero, and
- (vi) in the case of the Class F Notes, EURIBOR + 7.19% per annum and, for the avoidance of doubt, if such rate is below zero, the Interest Rate shall be zero.

See Prospectus, *RISK FACTORS*.

3 Interest Rate Risk

Payments made to the Seller by any Debtor under a Loan Contract comprise monthly amounts calculated with respect to a fixed interest rate. However, payments of interest on the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes are calculated with respect to EURIBOR plus a margin. To ensure that the Issuer will not be exposed to any material interest rate discrepancy, the Issuer and the Interest Rate Swap Counterparty have entered into a Swap Agreement under which the Issuer will make payments by reference to a fixed rate and the Interest Rate Swap Counterparty will make payments by reference to EURIBOR under the Swap Agreement, in each case calculated with respect to the notional amount as determined under the Swap Agreement.

The underlying receivables are fixed rate. The reference rate for the Class A to F Notes is EURIBOR.

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.

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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, *THE MAIN PROVISIONS OF THE TRANSACTION SECURITY AGREEMENT*.

22. POST-ENFORCEMENT PRIORITY OF PAYMENTS

See also Prospectus, *OUTLINE OF THE TRANSACTION*.

Post-Enforcement Available Distribution Amount

Means, with respect to any Payment Date following the occurrence of an Issuer Event of Default, an amount equal to the sum of:

- (a) the Pre-Enforcement Available Interest Amount;
- (b) the Pre-Enforcement Available Principal Amount;

	<p>(c) the enforcement proceeds credited on the Transaction Account (to the extent not included in (a) or (b), but, for the avoidance of doubt, the amounts standing to the credit of the Replacement Servicer Fee Reserve Account in excess of the Required Replacement Servicer Fee Reserve Amount will be released directly to the RSF Reserve Depositor outside the Post-Enforcement Priority of Payments); and</p> <p>(d) any other credit balance credited on the Transaction Account (to the extent not included in (a) or (b) or (c)).</p> <p>See also: Pre-Enforcement Available Principal Amount Pre-Enforcement Available Interest Amount</p>	
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>PCS Comments</p> <p>See Prospectus, <i>THE MAIN PROVISIONS OF THE TRANSACTION SECURITY AGREEMENT</i>. 22. POST-ENFORCEMENT PRIORITY OF PAYMENTS</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>THE MAIN PROVISIONS OF THE TRANSACTION SECURITY AGREEMENT</i>. 22. POST-ENFORCEMENT PRIORITY OF PAYMENTS <i>The transaction waterfall does not contemplate reversal of repayment with regard to seniority.</i></p>	
44	<p>STS Criteria</p> <p>44. (d) No provisions shall require automatic liquidation of the underlying exposures at market value.</p>	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>See Prospectus, <i>TERMS AND CONDITIONS OF THE NOTES</i>. 3.3 Enforcement of Payment Obligations See Prospectus, <i>THE MAIN PROVISIONS OF THE TRANSACTION SECURITY AGREEMENT</i>. 18. ENFORCEMENT OF NOTE COLLATERAL</p>	

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.

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STS Criteria

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

Verified?
YES

PCS Comments

See Prospectus, *OUTLINE OF THE TRANSACTION*.

Pre-Enforcement Principal Priority of Payments

Pro Rata Payment Trigger Event

Shall mean an event which occurs on a Payment Date if the credit enhancement of the Class A Notes calculated as the difference of 1 minus the Aggregate Outstanding Note Principal Amount of the Class A Notes as of the previous Payment Date divided by the Aggregate Outstanding Portfolio Principal Amount as of the Cut-Off Date relating to the previous Payment Date is equal to or more than 11 per cent. and provided that no Sequential Payment Trigger Event has occurred before such Payment Date.

Sequential Payment Trigger Event

Shall mean an event which shall occur on the earlier of:

- (a) the Payment Date on which the Cumulative Net Loss Ratio is greater than the Cumulative Net Loss Trigger; or
- (b) the Payment Date on which the Principal Deficiency Ledger has a debit balance in an amount equal to or higher than EUR 3,750,000 (for the avoidance of doubt, after the application of the Pre-Enforcement Interest Priority of Payments); or
- (c) the Payment Date on which the Aggregate Outstanding Portfolio Principal Amount is lower than 10 per cent. of the Aggregate Outstanding Portfolio Principal Amount of the Purchased Receivables on the first Cut-Off Date; or
- (d) the Tax Call Redemption Date; or
- (e) the Regulatory Change Event Redemption Date; or
- (f) the Payment Date following a Termination Event or a Servicer Termination Event.

See Prospectus, *SCHEDULE 1 DEFINITIONS*.

“Cumulative Net Loss Ratio” shall mean, in respect of each Collection Period, the ratio (expressed as a percentage) of (A) the sum of (i) the aggregate Outstanding Principal Amounts of all Purchased Receivables which have become Defaulted Receivables during such Collection Period (net of Recoveries) relating to such Collection Period and (ii) the aggregate Outstanding Principal Amounts (at the respective time of default) of all Purchased Receivables which became Defaulted Receivables prior to such Collection Period (net of Recoveries) divided by (B) the sum of (x) the Aggregate Outstanding Portfolio Principal Amount as at the first Cut-Off Date and (y) the Aggregate Outstanding Portfolio Principal Amount of all Additional Receivables purchased during the Replenishment Period in each case on the Cut-Off Dates prior to the respective Purchase Dates of such Additional Receivables;

"Cumulative Net Loss Trigger" shall mean:

- (a) from the first Payment Date in December 2023 until (and including) the Payment Date in November 2024: 1.0%;
- (b) from the Payment Date in December 2024 until (and including) the Payment Date in November 2025: 1.5%;
- (c) from the Payment Date in December 2025 onwards: 2.0%.

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).

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STS Criteria

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

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

Verified?
YES

PCS Comments

See Prospectus, *OUTLINE OF THE TRANSACTION*.

Early Amortisation Event

The occurrence of any of the following events during the Replenishment Period shall constitute an "Early Amortisation Event":

- (a) the Cumulative Net Loss Ratio exceeds 1.0% as of any Cut-Off Date prior to or on the Cut-Off Date 31 October 2024;
- (b) a Purchase Shortfall Event;
- (c) a Termination Event or a Servicer Termination Event;
- (d) a debit balance on the OC Principal Deficiency Sub-Ledger equal to or higher than EUR 1,250,000 would be remaining on two consecutive Payment Dates (for the avoidance of doubt after crediting the OC Principal Deficiency Sub-Ledger on such Payment Dates as per item thirteenth of the Pre-Enforcement Interest Priority of Payments);
- (e) an event of default or a termination event, as defined in the Swap Agreement.

See Prospectus, *SCHEDULE 1 DEFINITIONS*.

"Cumulative Net Loss Ratio" shall mean, in respect of each Collection Period, the ratio (expressed as a percentage) of (A) the sum of (i) the aggregate Outstanding Principal Amount of all Purchased Receivables which have become Defaulted Receivables during such Collection Period (net of Recoveries) relating to such Collection Period and (ii) the Outstanding Principal Amount (at the time of default) of all Purchased Receivables which became Defaulted Receivables prior to such Collection Period (net of Recoveries) divided by (B) the

	<p>sum of (x) the Aggregate Outstanding Portfolio Principal Amount as at the first Cut-Off Date and (y) the Aggregate Outstanding Portfolio Principal Amount of all Additional Receivables purchased during the Replenishment Period in each case on the Cut-Off Dates prior to the respective Purchase Dates of such Additional Receivables;</p> <p>"Replenishment Period" shall mean the period commencing on the Closing Date and ending on (i) the Payment Date falling in November 2024 (inclusive) or, if earlier, (ii) the date on which an Early Amortisation Event occurs (exclusive);</p> <p>See <i>Revolving Termination Events (a) above for trigger relating to the deterioration in credit quality.</i></p>	
47	<p>STS Criteria</p> <p>47. (b) the occurrence of an insolvency-related event with regard to the originator or the servicer;</p>	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>See 46 above, <i>Revolving Termination Events (c).</i></p> <p>See Prospectus, <i>SCHEDULE 1 DEFINITIONS.</i></p> <p>"Servicer Termination Event" shall mean the occurrence of any of the following events:</p> <p>(d) the Servicer is over indebted (überschuldet), unable to pay its debts when they fall due (zahlungsunfähig) or such status is imminent (drohende Zahlungsunfähigkeit) or intends to commence insolvency (including preliminary insolvency proceedings) or reorganisation proceedings or is subject to insolvency (including preliminary insolvency proceedings), dissolution proceedings or any measure taken by the BaFin pursuant to Sections 45, 46 and 46b of the German Banking Act (Gesetz über das Kreditwesen), to the extent applicable, and the Servicer fails to remedy such status within twenty (20) Business Days;</p> <p>"Termination Event" shall mean the occurrence of any of the following events:</p> <p>(d) the Seller is over-indebted (überschuldet), unable to pay its debts when they fall due (zahlungsunfähig) or such status is imminent (drohende Zahlungsunfähigkeit) or intends to commence insolvency (including preliminary insolvency proceedings) or reorganisation proceedings or is subject to insolvency (including preliminary insolvency proceedings), reorganisation or dissolution proceedings and the Seller fails to remedy such status within five (5) Business Days,</p> <p><i>This event includes insolvency of the originator and the servicer.</i></p>	
48	<p>STS Criteria</p> <p>48. (c) the value of the underlying exposures held by the SSPE falls below a pre-determined threshold (early amortisation event);</p>	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>See point 46 above, <i>Revolving Termination Events (d).</i></p>	

49	STS Criteria	Verified? YES
	49. (d) a failure to generate sufficient new underlying exposures that meet the pre-determined credit quality (trigger for termination of the revolving period).	
	PCS Comments	
	See point 46 above, <i>Revolving Termination Events (b)</i> .	
	See Prospectus, <i>SCHEDULE 1 DEFINITIONS</i> .	
	"Purchase Shortfall Event" shall mean an event that shall have occurred if, on three (3) consecutive Cut-Off Dates, the amount standing to the credit of the Purchase Shortfall Account is higher than 10% of the Aggregate Outstanding Note Principal Amount of all Classes of Notes on the Closing Date;	

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	STS Criteria	Verified? YES
	50. The transaction documentation shall clearly specify: (a) the contractual obligations, duties and responsibilities of the servicer and the trustee, if any, and other ancillary service providers;	
	PCS Comments	
	See Prospectus, <i>OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS</i> .	
	Servicing Agreement	
	Data Trust Agreement	
	Agency Agreement	
	Corporate Administration Agreement	
	Swap Agreement	
	See Prospectus, <i>THE ACCOUNTS AND THE ACCOUNTS AGREEMENT</i> .	
	See also underlying transaction documents, Agency Agreement, Accounts Agreement, Data Trust Agreement, Servicing Agreement.	

51	<p>STS Criteria</p> <p>51. (b) the processes and responsibilities necessary to ensure that a default by or an insolvency of the servicer does not result in a termination of servicing, such as a contractual provision which enables the replacement of the servicer in such cases; and</p>	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>See Prospectus, <i>OUTLINE OF THE TRANSACTION</i>.</p> <p>Back-Up Servicing of the Portfolio</p> <p>The Bank of New York Mellon, London Branch has agreed that it will act as Back-Up Servicer Facilitator and shall, using its reasonable efforts, identify a Replacement Servicer and procure that such Replacement Servicer agrees to act as a replacement servicer in this transaction.</p> <p>See Prospectus, <i>OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS</i>.</p> <p>Servicing Agreement</p> <p>Termination of the Servicing Agreement</p> <p>The outgoing Servicer and the Issuer will execute such documents and take such actions as the Issuer may require for the purpose of transferring to the Replacement Servicer the rights and obligations of the outgoing Servicer, assumption by any Replacement Servicer of the specific obligations of Replacement Servicers under the Servicing Agreement and releasing the outgoing Servicer from its future obligations under the Servicing Agreement. Upon termination of the Servicing Agreement with respect to the Servicer and the appointment of a Replacement Servicer, the Servicer will transfer to such Replacement Servicer all Records and any and all related material, documentation and information. Any Replacement Servicer will have all required licences, authorisation and registrations, in particular, any licences or registrations required under the German Act on Legal Services (Rechtsdienstleistungsgesetz).</p> <p>Any termination of the appointment of the Servicer or of a Replacement Servicer as well as the appointment of any new servicer will be notified by the Issuer to the Rating Agencies, the Transaction Security Trustee and the Corporate Administrator and by the Principal Paying Agent, acting on behalf of the Issuer, to the Noteholders in accordance with the Terms and Conditions.</p> <p>See Prospectus, <i>RISK FACTORS</i>.</p> <p>V. COMMERCIAL RISKS</p> <p>1 Replacement of the Servicer</p> <p>See also underlying transaction documents, Servicing Agreement.</p> <p>9. Notification of Debtors; Termination</p>	
52	<p>STS Criteria</p> <p>52. (c) provisions that ensure the replacement of derivative counterparties, liquidity providers and the account bank in the case of their default, insolvency, and other specified events, where applicable.</p>	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>See Prospectus, <i>RISK FACTORS</i>.</p>	

II. RISKS RELATING TO THE NATURE OF THE NOTES

3 Interest Rate Risk

In the event that the Swap Agreement is terminated by either party or the Interest Rate Swap Counterparty becomes insolvent, the Issuer may not be able to enter into a swap agreement with a replacement swap counterparty immediately or at a later date. If a replacement Interest Rate Swap Counterparty cannot be contracted, the amount available to pay principal of and interest on the Notes will be reduced if the floating rate on the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes exceeds the fixed rate the Issuer would have been required to pay the Interest Rate Swap Counterparty under the terminated Swap Agreement. Under these circumstances the Collections of the Purchased Receivables may be insufficient to make the required payments on the Notes and the Noteholders may experience delays and/or reductions in the interest and principal payments on the Notes.

See Prospectus, *THE MAIN PROVISIONS OF THE TRANSACTION SECURITY AGREEMENT*.

37. OTHER UNDERTAKINGS OF THE ISSUER

37.1 The Issuer undertakes to:

(x) in case the Swap Agreement is terminated or the Interest Rate Swap Counterparty becomes insolvent, the Issuer will endeavour, but may not be able to, enter into replacement interest rate swap agreements with an eligible replacement interest rate swap counterparty;

See underlying transaction documents, Transaction Security Agreement.

37. Other Undertakings of the Issuer

37.1 The Issuer undertakes to:

(x) in case the Swap Agreement is terminated or the Interest Rate Swap Counterparty becomes insolvent, the Issuer will endeavour, but may not be able to, enter into replacement interest rate swap agreements with an eligible replacement interest rate swap counterparty;

See Prospectus, *CREDIT STRUCTURE*.

Cash Collection Arrangements

If at any time (i) the Account Bank Required Rating is not met, or (ii) the Account Bank is no longer rated by any of the Rating Agencies, the Issuer will be required, in the case of limb (a) of the definition of Account Bank Event within sixty (60) calendar days, in the case of limb (b) of the definition of Account Bank Event within thirty (30) calendar days after such event as described in limb (a) or (b) of the definition of Account Bank Event, as the case may be, to transfer any amounts credited to any Account, at no cost to the Issuer, to an alternative bank with at least the Account Bank Required Rating.

See also underlying transaction documents, Accounts Agreement.

11. Accounts Termination

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

53	<p>STS Criteria</p> <p>53. The servicer shall have expertise in servicing exposures of a similar nature to those securitised</p>	<p>Verified? YES</p>
<p>PCS Comments</p> <p>See underlying transaction documents, Servicing Agreement.</p> <p>6. Covenants, Representations and Warranties of the Servicer and the Purchaser</p> <p>6.2 The Servicer hereby represents and warrants to the Purchaser in the form of an independent guarantee (selbstständiges Garantieverprechen) that:</p> <p>(h) Experience of Servicer no less than Five Years</p> <p>The business of the Servicer has included the servicing of exposures of a similar nature as the Purchased Receivables for at least five years prior to the Closing Date and the Servicer has well-documented policies, procedures and risk-management controls relating to the servicing of the Purchased Receivables.</p> <p><i>The EBA Guidelines provide that an entity that has serviced similar assets for at least five years will be deemed to meet the expertise criterion.</i></p> <p><i>An entity is deemed, according to the EBA Guidelines, to have the required "expertise" in servicing exposures of a similar nature to those securitised when management and senior staff have relevant professional experience in the servicing of exposures of a similar nature to those securitised, of at least five years.</i></p>		
54	<p>STS Criteria</p> <p>54. And shall have well documented and adequate policies, procedures and risk management controls relating to the servicing of exposures.</p>	<p>Verified? YES</p>
<p>PCS Comments</p> <p>See Prospectus, <i>THE SELLER</i>.</p> <p>Hyundai Capital Bank Europe holds a full banking license since 2016 and conducts banking business subject to the supervision of the German Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht – BaFin) in co-operation with the German central bank (Deutsche Bundesbank) and in accordance with the German Banking Act. Since the start of the joint venture in March 2019, the Seller has been monitored by the European Central Bank according to the uniform European Single Supervisory Mechanism (SSM).</p> <p><i>The Seller, Hyundai Capital Bank Europe GmbH, is also the servicer. The Servicer is a prudentially regulated entity. Additional due diligence was also conducted in connection with verifying these criteria.</i></p>		

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

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

PCS Comments

See Prospectus, *CREDIT AND COLLECTION POLICY*.

2. COLLECTION POLICY

See underlying transaction documents, Receivables Purchase Agreement.

Schedule 4, Credit and Collection Policy

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

PCS Comments

See Prospectus, *OUTLINE OF THE TRANSACTION*.

Pre-Enforcement Interest Priority of Payments

Pre-Enforcement Principal Priority of Payments

Post-Enforcement Priority of Payments

See Prospectus, *TERMS AND CONDITIONS OF THE NOTES*.

22. POST-ENFORCEMENT PRIORITY OF PAYMENTS

See also underlying transaction documents, Transaction Security Agreement.

22. Post-Enforcement Priority of Payments

See also underlying transaction documents, Receivables Purchase Agreement.

Schedule 5,

Pre-Enforcement Priority of Payments

	Part 1, Pre-Enforcement Interest Priority of Payments Part 2, Pre-Enforcement Principal Priority of Payments	
57	STS Criteria 57. The transaction documentation shall clearly specify the events which trigger changes in such priorities of payment.	Verified? YES
	PCS Comments See Prospectus, <i>OUTLINE OF THE TRANSACTION</i> . Issuer Event of Default Early Amortisation Event Pro Rata Payment Trigger Event Sequential Payment Trigger Event See Prospectus, <i>TERMS AND CONDITIONS OF THE NOTES</i> . 3.5 Issuer Event of Default	
58	STS Criteria 58. The transaction documentation shall clearly specify the obligation to report such events.	Verified? YES
	PCS Comments See Prospectus, <i>THE MAIN PROVISIONS OF THE TRANSACTION SECURITY AGREEMENT</i> . 18. ENFORCEMENT OF NOTE COLLATERAL 18.1 Issuer Event of Default The Note Collateral shall be subject to enforcement upon the occurrence of an Issuer Event of Default, however, for the enforcement of any pledge the maturity of such pledge (Pfandreife) shall be met in addition to the occurrence of an Issuer Event of Default. The Transaction Security Trustee shall promptly, upon obtaining actual knowledge of an Issuer Event of Default, give notice thereof to the Noteholders pursuant to Clause 18.3 (Notification) and the Rating Agencies pursuant to Clause 1.4 (Notices). 18.3 Notification Within fifteen (15) calendar days of the Transaction Security Trustee's obtaining knowledge of the occurrence of an Issuer Event of Default, the Transaction Security Trustee shall give notice to the Noteholders and the other Beneficiaries pursuant to Clause 13 (Receipt and Custody of Documents; Notices) and Clause 1.4 (Notices), specifying the manner in which it intends to enforce the Note Collateral (in particular, whether it intends to sell the Note Collateral) and apply the proceeds from such enforcement to satisfy the obligations of the Issuer, subject to the Post-Enforcement Priority of Payments (as such term is defined in Clause 22 (Post-Enforcement Priority of Payments)). See also underlying transaction documents, Transaction Security Agreement. 18. Enforcement of Note Collateral	

See underlying transaction documents, Servicing Agreement.

5.2 Monthly Report

(a) The Servicer shall prepare a Monthly Report for each Collection Period in the form and with the contents set out in Part 1 of Schedule 1 (Sample Monthly Report) hereto together with a certification that no Notification Event or Servicer Termination Event has occurred. In particular, but without limitation, the Servicer shall, as part of the Monthly Report, calculate as of each Cut-Off Date and the immediately following Payment Date the Available Distribution Amount. The Servicer shall deliver such Monthly Report to the Purchaser, the Calculation Agent, the Cash Administrator and the Principal Paying Agent and to the Transaction Security Trustee no later than the relevant Reporting Date, with information as to the relevant Available Distribution Amount and other such data (such as whether an Early Amortisation Event, a Pro Rata Payment Trigger Event or a Sequential Payment Trigger Event have occurred) which the Calculation Agent requires to perform its duties under the Agency Agreement, in particular to make the calculations which are required to be made under the Terms and Conditions of the Notes (including, without limitation, the relevant Available Distribution Amount, Class A Notes Interest, Class B Notes Interest, Class C Notes Interest, Class D Notes Interest, Class E Notes Interest, Class F Notes Interest, Class A Notes Principal, Class B Notes Principal, Class C Notes Principal, Class D Notes Principal, Class E Notes Principal and Class F Notes Principal) with respect to the relevant Payment Date.

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STS Criteria

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

Verified?
YES

PCS Comments

See point 58 above.

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

60

STS Criteria

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

Verified?
YES

PCS Comments

See Prospectus, *RISK FACTORS*.

II. RISKS RELATING TO THE NATURE OF THE NOTES

7 Risks relating to the German Act on Debt Securities (Schuldverschreibungsgesetz)

With respect to each Class of Notes, a Noteholder is subject to the risk to be outvoted and to lose rights towards the Issuer against his will in the case that the Noteholders of the relevant Class of Notes agree pursuant to the Terms and Conditions to amendments of the Terms and Conditions by majority vote according to the Gesetz über Schuldverschreibungen aus Gesamtemissionen (Schuldverschreibungsgesetz - SchVG) (German Act on Debt Securities). In the case of an appointment of a Noteholder's representative for all Noteholders of a Class of Notes a particular Noteholder may lose, in whole or in part, the possibility to enforce and claim his rights against the Issuer regardless of other Noteholders of such Class of Notes.

See Prospectus,

12. Resolution of Noteholders and Modifications

See Prospectus, *OVERVIEW OF RULES REGARDING RESOLUTION OF NOTEHOLDERS.*

Rules on Noteholders' Meetings under the German Act on Debt Securities

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 EU.

The notes are governed by German law and the transaction documentation refers to the German Debenture Act which provides provisions that set out how conflicts between investors are to be resolved.

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

61

STS Criteria

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

Verified?

YES

PCS Comments

See Prospectus, *THE MAIN PROVISIONS OF THE TRANSACTION SECURITY AGREEMENT.*

See underlying transaction documents, Transaction Security Agreement.

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

62

STS Criteria

62. The originator and the sponsor shall make available data on static and dynamic historical default and loss performance, such as delinquency and default data, for substantially similar exposures to those being securitised,

Verified?
YES

PCS Comments

See Prospectus, *THE EU RISK RETENTION AND EU TRANSPARENCY REQUIREMENTS*.

EU Transparency Requirements

Reporting under the Securitisation Regulation

In order to comply with the transparency requirements provided for by Article 7 and Article 22 of the Securitisation Regulation, the Servicer on behalf of the Issuer:

(a) has made available via the Repository to any potential investor in the Notes before pricing of the Notes data on static and dynamic historical default and loss performance relating to more than five years period ending in Q2 2023 in respect of loan receivables substantially similar to the Receivables;

See Prospectus, *HISTORICAL DATA*.

The historical performance data set out hereafter relate to the portfolio of auto loan receivables granted by the Seller to retail (includes private and commercial) borrowers, with and without a final balloon instalment, relating to used or new vehicles. 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. The tables below were prepared on the basis of the internal records of the Seller. There can be no assurance that the future experience and performance of the Purchased Receivables will be similar to the historical performance set out in the tables below. [...]

Further historical data which sets out certain information in relation to a pool of German auto loan contracts originated by Santander Consumer Bank AG as of June 2023, from years 2015 to 2023 has been made available on the European Data Warehouse for the purpose of this transaction. The historical data present the historical performance of receivables that have been originated, underwritten and serviced in accordance with the policies of Santander Consumer Bank AG (for the purposes of this section, the "Similar Auto Loan Contracts") and can be considered substantially similar exposures to the securitised portfolio of German auto loan receivables.

The performance of the Similar Auto Loan Contracts has been sourced from information provided by Santander Consumer Bank AG on its own German auto loan portfolio. The historical data of the Similar Auto Loan Contracts presents at least 5 years of performance data of substantially similar exposures to the Purchased Receivables included in the Portfolio. Portfolio material similarity is based on the following criteria:

- The Loan Contracts under which the Purchased Receivables arise were originated and granted to Debtors located in Germany and so were the Similar Auto Loan Contracts;
- The German auto loan market is a highly regulated market with standard origination, servicing and collection processes.

63	STS Criteria 63. and the sources of those data and the basis for claiming similarity, to potential investors before pricing.	Verified? YES
	PCS Comments See point 62 above.	
64	STS Criteria 64. Those data shall cover a period no shorter than five years.	Verified? YES
	PCS Comments See point 62 above.	

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

65	STS Criteria 65. A sample of the underlying exposures shall be subject to external verification prior to issuance of the securities resulting from the securitisation by an appropriate and independent party,	Verified? TBC
	PCS Comments See Prospectus, <i>INFORMATION TABLES REGARDING THE PORTFOLIO</i> . The following tables set forth the Portfolio as at 31 October 2023 with an Aggregate Outstanding Portfolio Principal Amount of EUR 499,999,997.76. Percentages are subject to rounding. Article 22(2) of the Securitisation Regulation requires that: "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." On 12 December 2018, the European Banking Authority issued Final Guidelines on the STS criteria for non-ABCP securitisation stating that, "for the purposes of article 22(2) of the Securitisation Regulation, confirmation that this verification has occurred and that no significant adverse findings have been found should be disclosed". The external verification included the review of certain Eligibility Criteria. Accordingly, an independent third party has performed agreed upon procedures and has reported the factual findings to the parties to the engagement letter. The Seller has reviewed the reports of such independent third party and has not identified any significant adverse findings following such verification exercise. The third party undertaking the review only accepts a duty of care to the parties to the engagement letters governing the performance of the agreed upon procedures and to the fullest extent permitted by law shall have no responsibility to anyone else in respect of the work it has performed or the reports it has produced save where terms are expressly agreed. <i>PCS has reviewed the draft report on "agreed upon procedures" (AUP) commonly known as a "pool audit". PCS can confirm that this was done by an appropriate and independent third party.</i>	

66	STS Criteria 66. Including verification that the data disclosed in respect of the underlying exposures is accurate.	Verified? YES
	PCS Comments See point 65 above.	
<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 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.	Verified? YES
	PCS Comments See Prospectus, <i>THE EU RISK RETENTION AND EU TRANSPARENCY REQUIREMENTS</i> . EU Transparency Requirements Reporting under the Securitisation Regulation In order to comply with the transparency requirements provided for by Article 7 and Article 22 of the Securitisation Regulation, the Servicer on behalf of the Issuer: (b) has made available – via https://www.intex.com – to any potential investor in the Notes before pricing of the Notes an accurate liability cash flow model representing precisely the contractual relationship between the Receivables and the payments flowing between the Seller, the Noteholders, the Issuer and any other party to the Transaction which contained an amount of information sufficient to allow such potential investor to price the Notes;	
68	STS Criteria 68. And shall, after pricing, make that model available to investors on an ongoing basis and to potential investors upon request.	Verified? YES
	PCS Comments See underlying transaction documents, Receivables Purchase Agreement. 12. Covenants 12.1 Until the termination of this Agreement and the Servicing Agreement and until no more payments are to be made by the Seller or the Servicer to the Purchaser, the following obligations shall apply: (a) Financial Reporting	

The Seller shall maintain an accounting system which is prepared and managed in accordance with generally accepted German accounting principles.

The Seller shall in particular procure the following:

(iii) Cash Flow Models

From the Closing Date until the Legal Maturity Date, the Seller, acting in its capacity as Servicer (on behalf of the Issuer) will make available to the Noteholders cash flow models directly or indirectly through Intex Solutions, Inc. or another provider of cash flow models.

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, *THE EU RISK RETENTION AND EU TRANSPARENCY REQUIREMENTS*.

EU Transparency Requirements

Reporting under the Securitisation Regulation

In particular, for the purpose of compliance with Article 22(4) of the Securitisation Regulation, the Servicer used its best efforts to make available to the reporting entity information related to the environmental performance of the assets financed under the Loan Contracts. It will use its best efforts to have such available information reported to investors, on an ongoing basis, in order to comply with the requirements of Article 22(4) of the Securitisation Regulation.

See underlying transaction documents: Servicing Agreement.

6. Covenants, Representations and Warranties of the Servicer and the Purchaser

6.1 Until the termination of this Agreement and the Receivables Purchase Agreement and until no more payments are to be made by the Seller or the Servicer to the Purchaser, the following obligations shall apply:

(k) The Servicer shall in particular procure the following:

(v) For the purpose of compliance with Article 22(4) of the Securitisation Regulation, the Servicer confirms that, so far as it is aware, information on environmental performance of the Financed Vehicles relating to the Purchased Receivables is, as at the date hereof, not available to be reported pursuant to Article 22(4) of the Securitisation Regulation. The Servicer undertakes once information on environmental performance of the Financed Vehicles relating to the Purchased Receivables is available and able to be reported, it will make such information.

This environmental impact criterion only applies to mortgages and car loan securitisations. The EBA Guidelines though make it clear that an originator is only required to disclose information that is in its possession and captured in its internal data base or IT systems. PCS notes the statement made in the transaction summary by the originator that it does not possess such information in its internal data base or IT systems.

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

70. The originator and the sponsor shall be responsible for compliance with Article 7 of this Regulation.

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

See Prospectus, *THE EU RISK RETENTION AND EU TRANSPARENCY REQUIREMENTS*.

EU Transparency Requirements

Pursuant to Article 7(1) of the Securitisation Regulation, the “originator”, “sponsor” and “securitisation special purpose entity” of a “securitisation” (each as defined in the Securitisation Regulation) shall make available to the Noteholders, to the competent authorities referred to in Article 29 of the Securitisation Regulation and, upon request, to potential investors certain information in relation to a securitisation transaction.

Designation

For the purposes of Article 7(2) of the Securitisation Regulation (and without prejudice to the responsibility of the originator pursuant to Article 22(5) of the Securitisation Regulation), the Issuer has been designated as the entity responsible for compliance with the Securitisation Regulation Disclosure Requirements and will either fulfil such requirements itself or shall procure that such requirements are complied with on its behalf by the Servicer.”

See Prospectus, *COMPLIANCE WITH STS REQUIREMENTS*

The Seller, in its capacity as Originator, will make available to the investors the STS Notification in accordance with the Securitisation Regulation Disclosure Requirements.

The Seller, in its capacity as Originator, will notify the European Securities and Markets Authority that the Securitisation meets the STS Requirements in accordance with Article 27 of the Securitisation Regulation and such notification will be available under:

https://registers.esma.europa.eu/publication/searchRegister?core=esma_registers_stsre.

See Prospectus.

Securitisation Regulation – Regulatory Disclosure

After the Closing Date, the Seller in its capacity as Servicer will prepare monthly reports wherein relevant information with regard to the Purchased Receivables will be disclosed publicly together with an overview of the retention of the material net economic interest by the Seller for the purposes of which the Seller will provide the Issuer with all information required in accordance with the disclosure requirements set out in Article 7 of the Securitisation Regulation and Commission Delegated Regulation (EU) 2020/1224 (the "Securitisation Regulation Disclosure Requirements").

See Prospectus, *SCHEDULE 1 DEFINITIONS*.

"Securitisation Regulation Disclosure Requirements" means the disclosure requirements set out in Article 7 of the Securitisation Regulation and Commission Delegated Regulation (EU) 2020/1224;

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

71	<p>STS Criteria</p> <p>71. The information required by point (a) the first subparagraph of Article 7(1) shall be made available to potential investors before pricing upon request.</p>	Verified? YES
	<p>PCS Comments</p> <p>See Prospectus, <i>THE EU RISK RETENTION AND EU TRANSPARENCY REQUIREMENTS</i>.</p> <p>EU Transparency Requirements</p> <p>Reporting under the Securitisation Regulation</p> <p>In order to comply with the transparency requirements provided for by Article 7 and Article 22 of the Securitisation Regulation, the Servicer on behalf of the Issuer:</p> <p>(a) has made available via the Repository to any potential investor in the Notes before pricing of the Notes data on static and dynamic historical default and loss performance relating to more than five years period ending in Q2 2023 in respect of loan receivables substantially similar to the Receivables;</p> <p>(b) has made available – via https://www.intex.com – to any potential investor in the Notes before pricing of the Notes an accurate liability cash flow model representing precisely the contractual relationship between the Receivables and the payments flowing between the Seller, the Noteholders, the Issuer and any other party to the Transaction which contained an amount of information sufficient to allow such potential investor to price the Notes;</p> <p>(c) has made available via the Repository to any potential investor in the Notes before pricing of the Notes information on the underlying exposures;</p> <p>(d) has made available via the Repository to any potential investor in the Notes before pricing of the Notes the Transaction Documents (other than the Subscription Agreement) and this Prospectus in a draft form;</p> <p>(e) has made available via the Repository to any potential investor in the Notes before pricing of the Notes a draft of the STS notification referred to in Article 27 of the Securitisation Regulation; and</p> <p>(f) will make available via the Repository in final versions of this Prospectus, the Transaction Documents (other than the Subscription Agreement) and the STS notification referred to in Article 27 of the Securitisation Regulation within 15 days from the Closing Date.</p>	

72	<p>STS Criteria</p> <p>72. The information required by points (b) to (d) of the first subparagraph of Article 7(1) shall be made available before pricing at least in draft or initial form.</p>	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>See Prospectus, <i>THE EU RISK RETENTION AND EU TRANSPARENCY REQUIREMENTS</i>.</p> <p>EU Transparency Requirements</p> <p>Reporting under the Securitisation Regulation</p> <p>In order to comply with the transparency requirements provided for by Article 7 and Article 22 of the Securitisation Regulation, the Servicer on behalf of the Issuer:</p> <p>(d) has made available via the Repository to any potential investor in the Notes before pricing of the Notes the Transaction Documents (other than the Subscription Agreement) and this Prospectus in a draft form;</p> <p>(e) has made available via the Repository to any potential investor in the Notes before pricing of the Notes a draft of the STS notification referred to in Article 27 of the Securitisation Regulation;</p>	

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

73	<p>STS Criteria</p> <p>73. The final documentation shall be made available to investors at the latest 15 days after closing of the transaction.</p>	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>See Prospectus, <i>THE EU RISK RETENTION AND EU TRANSPARENCY REQUIREMENTS</i>.</p> <p>EU Transparency Requirements</p> <p>Reporting under the Securitisation Regulation</p> <p>In order to comply with the transparency requirements provided for by Article 7 and Article 22 of the Securitisation Regulation, the Servicer on behalf of the Issuer:</p> <p>(f) will make available via the Repository in final versions of this Prospectus, the Transaction Documents (other than the Subscription Agreement) and the STS notification referred to in Article 27 of the Securitisation Regulation within 15 days from the Closing Date.</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>	

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

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

74

STS Criteria

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

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

Verified?
YES

PCS Comments

See Prospectus, *THE EU RISK RETENTION AND EU TRANSPARENCY REQUIREMENTS*.

EU Transparency Requirements

Pursuant to Article 7(1) of the Securitisation Regulation, the “originator”, “sponsor” and “securitisation special purpose entity” of a “securitisation” (each as defined in the Securitisation Regulation) shall make available to the Noteholders, to the competent authorities referred to in Article 29 of the Securitisation Regulation and, upon request, to potential investors certain information in relation to a securitisation transaction. Pursuant to Article 7 (2) of the Securitisation Regulation, the originator, sponsor and securitisation special purpose entity of a securitisation (each as defined in the Securitisation Regulation) 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 of Article 7 of the Securitisation Regulation.

Designation

For the purposes of Article 7(2) of the Securitisation Regulation, the Issuer has been designated as the entity responsible for compliance with the Securitisation Regulation Disclosure Requirements and will either fulfil such requirements itself or shall procure that such requirements are complied with on its behalf by the Servicer.

Reporting under the Securitisation Regulation

The Issuer (or the Servicer on its behalf) will make the information required under the Securitisation Regulation Disclosure Requirements available to the Repository.

Under the Receivables Purchase Agreement and the Servicing Agreement, the Servicer agreed to prepare the information required pursuant to Article 7(2) of the Securitisation Regulation for the Issuer. In particular, after the Closing Date, the Servicer will prepare monthly investor reports wherein relevant information with regard to the Purchased Receivables will be disclosed publicly together with an overview of the retention of the material net economic interest by the Seller for the purposes of which the Seller will provide the Issuer with all information required in accordance with Article 7 of the Securitisation Regulation (based on the template prescribed by Commission Implementing Regulation (EU) 2020/1225 of 29 October 2019 laying down implementing technical standards with regard to the format and standardised templates for making available the information and details of a securitisation by the originator, sponsor and SSPE).

[...] As outlined under section “Investor compliance with due diligence requirements under the UK Securitisation Regulation” the Issuer in its capacity as designated reporting entity under Article 7 of the Securitisation Regulation will make use of the standardised templates developed by ESMA in respect of the Securitisation Regulation Disclosure Requirements for the purposes of this Transaction and will not make use of the standardised templates adopted by the FCA.

See Prospectus.

Securitisation Regulation – Regulatory Disclosure

After the Closing Date, the Seller in its capacity as Servicer will prepare monthly reports wherein relevant information with regard to the Purchased Receivables will be disclosed publicly together with an overview of the retention of the material net economic interest by the Seller for the purposes of which the Seller will provide the Issuer with all information required in accordance with the disclosure requirements set out in Article 7 of the Securitisation Regulation and Commission Delegated Regulation (EU) 2020/1224 (the "Securitisation Regulation Disclosure Requirements").

See Prospectus, *SCHEDULE 1 DEFINITIONS*.

"Securitisation Regulation Disclosure Requirements" means the disclosure requirements set out in Article 7 of the Securitisation Regulation and Commission Delegated Regulation (EU) 2020/1224;

See underlying transaction documents, Servicing Agreement.

5.3 Investor Report

(c) Without prejudice to Clause 5.3(a) above, the Servicer shall prepare the information necessary to enable the Purchaser to comply with its reporting obligations and provide related reports to the Purchaser (at the latest) when due under the Securitisation Regulation Disclosure Requirements (i.e., for the avoidance of doubt and without limitation, the information requested by Article 7(1)(a) (information on underlying exposures), Article 7(1)(e) (information on materially relevant data on credit quality and performance of underlying exposures, events which trigger changes in the applicable Priority of Payments or the replacement of counterparties and cash flows, and information on the risk retained), simultaneously and the information requested by Article 7(1)(f) (information on insider dealing and market manipulation) and Article 7(1)(g) (information on significant events) without undue delay).

The criteria from 73 onwards include future event criteria, as to which we refer you to PCS' comment under Criterion 73 above.

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

(b) all underlying documentation that is essential for the understanding of the transaction, including but not limited to, where applicable, the following documents:

- (i) the final offering document or the prospectus together with the closing transaction documents, excluding legal opinions;
- (ii) for traditional securitisation the asset sale agreement, assignment, novation or transfer agreement and any relevant declaration of trust;
- (iii) the derivatives and guarantees agreements as well as any relevant documents on collateralisation arrangements where the exposures being securitised remain exposures of the originator;
- (iv) the servicing, back-up servicing, administration and cash management agreements;
- (v) the trust deed, security deed, agency agreement, account bank agreement, guaranteed investment contract, incorporated terms or master trust framework or master definitions agreement or such legal documentation with equivalent legal value;
- (vi) any relevant inter-creditor agreements, derivatives documentation, subordinated loan agreements, start-up loan agreements and liquidity facility agreements;

75	STC Criteria	Verified? YES
	<p>75. (b) all underlying documentation that is essential for the understanding of the transaction, including but not limited to, where applicable, the following documents:</p> <ul style="list-style-type: none"> (i) the final offering document or the prospectus together with the closing transaction documents, excluding legal opinions (ii) for traditional securitisation the asset sale agreement, assignment, novation or transfer agreement and any relevant declaration of trust; (iii) the derivatives and guarantees agreements as well as any relevant documents on collateralisation arrangements where the exposures being securitised remain exposures of the originator; (iv) the servicing, back-up servicing, administration and cash management agreements; (v) the trust deed, security deed, agency agreement, account bank agreement, guaranteed investment contract, incorporated terms or master trust framework or master definitions agreement or such legal documentation with equivalent legal value; (vi) any relevant inter-creditor agreements, derivatives documentation, subordinated loan agreements, start-up loan agreements and liquidity facility agreements; 	

PCS Comments

See Prospectus, *THE EU RISK RETENTION AND EU TRANSPARENCY REQUIREMENTS*.

EU Transparency Requirements

Reporting under the Securitisation Regulation

In order to comply with the transparency requirements provided for by Article 7 and Article 22 of the Securitisation Regulation, the Servicer on behalf of the Issuer:

(f) will make available via the Repository in final versions of this Prospectus, the Transaction Documents (other than the Subscription Agreement) and the STS notification referred to in Article 27 of the Securitisation Regulation within 15 days from the Closing Date.

See Prospectus, *SCHEDULE 1 DEFINITIONS*.

“Transaction Documents” shall mean the Receivables Purchase Agreement, the Servicing Agreement, the Incorporated Terms Memorandum, the Corporate Administration Agreement, the Accounts Agreement, any Transaction Security Document, the Notes, the Data Trust Agreement, the Agency Agreement, the Seller Loan Agreement, the English Security Deed, the Swap Agreement and any amendment agreement, termination agreement or replacement agreement relating to any such agreement;

The criteria from 73 onwards include future event criteria, as to which we refer you to PCS’ comment under point 73 above.

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

76

STS Criteria

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

Verified?

YES

PCS Comments

See Prospectus, *TERMS AND CONDITIONS OF THE NOTES*.

6. Payments of Interest

6.5 Pre-Enforcement Interest Priority of Payments

7. Replenishment and Redemption

7.7 Pre-Enforcement Principal Priority of Payments

22. POST-ENFORCEMENT PRIORITY OF PAYMENTS

The criteria from 73 onwards include future event criteria, as to which we refer you to PCS’ comment under Criterion 73 above.

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

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

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

77

STS Criteria

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

- (i) details regarding the structure of the deal, including the structure diagrams containing an overview of the transaction, the cash flows and the ownership structure;
- (ii) details regarding the exposure characteristics, cash flows, loss waterfall, credit enhancement and liquidity support features;
- (iii) details regarding the voting rights of the holders of a securitisation position and their relationship to other secured creditors;
- (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

Not applicable.

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

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

78

STS Criteria

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

Verified?
YES

PCS Comments

See Prospectus, *THE EU RISK RETENTION AND EU TRANSPARENCY REQUIREMENTS*.

EU Transparency Requirements

Reporting under the Securitisation Regulation

In order to comply with the transparency requirements provided for by Article 7 and Article 22 of the Securitisation Regulation, the Servicer on behalf of the Issuer:

(f) will make available via the Repository in final versions of this Prospectus, the Transaction Documents (other than the Subscription Agreement) and the STS notification referred to in Article 27 of the Securitisation Regulation within 15 days from the Closing Date.

See Prospectus.

Securitisation Regulation – Regulatory Disclosure

Pursuant to Article 27(1) of the Securitisation Regulation, the Seller intends to notify the European Securities Markets Authority (“ESMA”) that the Transaction will meet the requirements of Articles 20 to 22 of the Securitisation Regulation (the “STS Notification”). The purpose of the STS Notification is to set out how in the opinion of the Seller each requirement of Articles 19 to 22 of the Securitisation Regulation has been complied with. Where the transaction is classified STS, the STS Notification would then be available for download on the website of ESMA. The STS Notification will be made in accordance with the requirements of Commission Delegated Regulation (EU) 2020/1226. ESMA is obliged to maintain on its website a list of all securitisations which the originators and sponsors have notified as meeting the STS Requirements in accordance with Article 27(5) of the Securitisation Regulation. For this purpose, ESMA has set up a register under https://registers.esma.europa.eu/publication/searchRegister?core=esma_registers_stsre.

The criteria from 73 onwards include future event criteria, as to which we refer you to PCS’ comment under Criterion 73 above.

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

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

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

79 STS Criteria

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

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

Verified?
YES

PCS Comments

See point 74 above.

The criteria from 73 onwards include future event criteria, as to which we refer you to PCS’ comment under Criterion 73 above.

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

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

80	STS Criteria	Verified? YES
	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;	

PCS Comments

See point 74 above.

The criteria from 73 onwards include future event criteria, as to which we refer you to PCS' comment under Criterion 73 above.

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

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

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

81	STS Criteria	Verified? YES
	81. (g) where point (f) does not apply, any significant event such as: (i) a material breach of the obligations laid down in the documents provided in accordance with point (b), including any remedy, waiver or consent subsequently provided in relation to such a breach; (ii) a change in the structural features that can materially impact the performance of the securitisation (iii) a change in the risk characteristics of the securitisation or of the underlying exposures that can materially impact the performance of the securitisation; (iv) in the case of STS securitisations, where the securitisation ceases to meet the STS requirements or where competent authorities have taken remedial or administrative actions; (v) any material amendment to transaction documents.	

PCS Comments

See point 74 above.

The criteria from 73 onwards include future event criteria, as to which we refer you to PCS' comment under Criterion 73 above.

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

82	STS Criteria	82. The information described in points (a) and (e) of the first subparagraph shall be made available simultaneously each quarter at the latest one month after the due date for the payment of interest [...ABCP provisions]	Verified? YES
	PCS Comments		
See point 74 above.			
The criteria from 73 onwards include future event criteria, as to which we refer you to PCS' comment under Criterion 73 above.			

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

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

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

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

83	STS Criteria	83. Without prejudice to Regulation (EU) No 596/2014, the information described in points (f) and (g) of the first subparagraph shall be made available without delay	Verified? YES
	PCS Comments		
See point 74 above.			
The criteria from 73 onwards include future event criteria, as to which we refer you to PCS' comment under Criterion 73 above.			

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

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

Or

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

84

STS Criteria

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

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

Or

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

Verified?
YES

PCS Comments

See Prospectus, *RISK FACTORS*.

11 EU Risk Retention, Transparency Requirements and Due Diligence Requirements under the Securitisation Regulation and Simple, Transparent and Standardised Securitisations Pursuant to the obligations set forth in Article 7(2) of the Securitisation Regulation, Hyundai Capital Bank Europe GmbH and the Issuer have designated the Issuer as reporting entity. The Issuer will provide all relevant information to the holders of the Notes, to the competent authorities referred to in Article 29 of the Securitisation Regulation and, upon request, to potential investors in accordance with the Securitisation Regulation Disclosure Requirements.

See Prospectus, *THE EU RISK RETENTION AND EU TRANSPARENCY REQUIREMENTS*.

Designation

For the purposes of Article 7(2) of the Securitisation Regulation, the Issuer has been designated as the entity responsible for compliance with the Securitisation Regulation Disclosure Requirements and will either fulfil such requirements itself or shall procure that such requirements are complied with on its behalf by the Servicer.

Reporting under the Securitisation Regulation

The Issuer (or the Servicer on its behalf) will make the information required under the Securitisation Regulation Disclosure Requirements available to the Repository.

The criteria from 73 onwards include future event criteria, as to which we refer you to PCS' comment under Criterion 73 above.

85	<p><u>STS Criteria</u></p> <p>85. The entity responsible for reporting the information, and the securitisation repository where the information is made available shall be indicated in the documentation regarding the securitisation.</p>	<p><u>Verified?</u> YES</p>
	<p><u>PCS Comments</u></p> <p><i>See point 84 above.</i></p> <p>See Prospectus, <i>RISK FACTORS</i>.</p> <p>11 EU Risk Retention, Transparency Requirements and Due Diligence Requirements under the Securitisation Regulation and Simple, Transparent and Standardised Securitisations</p> <p>Pursuant to the obligations set forth in Article 7(2) of the Securitisation Regulation, Hyundai Capital Bank Europe GmbH and the Issuer have designated the Issuer as reporting entity. The Issuer will provide all relevant information to the holders of the Notes, to the competent authorities referred to in Article 29 of the Securitisation Regulation and, upon request, to potential investors in accordance with the Securitisation Regulation Disclosure Requirements.</p> <p><i>The criteria from 73 onwards include future event criteria, as to which we refer you to PCS' comment under Criterion 73 above.</i></p>	