

# **STS Term Verification Checklist**

## **LT AUTORAHOITUS V DAC**



PRIME COLLATERALISED SECURITIES (PCS) EU SAS

15<sup>th</sup> February 2024

**Analyst: Robert Leach – +44 20 3866 5005**

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

This STS Term Verification Checklist must be read together with the PCS Procedures Manual and the PCS Term Evidentiary Standards Manual. This document is based upon the 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.

**15<sup>th</sup> February 2024**

## STS Disclaimer

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

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

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

By assessing the STS status and compliance with the CRR and LCR provisions of any securities or financing, neither the PCS Association nor PCS UK nor PCS EU express any views about the creditworthiness of these securities or financings or their suitability for any existing or potential investor or as to whether there will be a ready, liquid market for these securities or financings. Equally, by completing (either positively or negatively) any CRR, LCR or STS status assessment of certain instruments, no statement of any kind is made as to the value or price of these instruments or the appropriateness of the interest rate they carry (if any).

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

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

To understand the meaning and limitations of any checklist or assessment you must read the [General Disclaimer](#) that appears on the PCS Website.

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

## PRIME COLLATERALISED SECURITIES (PCS) STS Verification

Individual(s) undertaking the assessment	Robert Leach
Date of Verification	15 February 2024
<b>The transaction to be verified (the "Transaction")</b>	<b>LT AUTORAHOITUS V DAC</b>
Issuer	LT AUTORAHOITUS V DAC
Originator	LocalTapiola Finance Ltd
Lead Manager(s)	BNP Paribas, ING Bank N.V., Nordea Bank Abp
Transaction Legal Counsel	Waselius & Wist
Rating Agencies	Moody's, Fitch
Stock Exchange	Irish Stock Exchange (Euronext Dublin)
Closing Date	15 February 2024

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

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

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

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

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

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*.

## Auto Portfolio Purchase Agreement

On 17 April 2023, the Seller and the Purchaser entered into the Original Auto Portfolio Purchase Agreement pursuant to which the Purchaser has, on the relevant Purchase Dates, purchased the Portfolio from the Seller. The Auto Portfolio Purchase Agreement has been amended and restated pursuant to a deed of amendment and restatement entered into on or about 5 September 2023 whereby variable rate HP Contracts were included in the Portfolio. On the Note Issuance Date, the Seller the Purchaser, the Issuer and the Trustee have agreed to amend and restate the First Amended and Restated Auto Portfolio Purchase Agreement by entering into a second amendment and restatement auto portfolio purchase agreement, pursuant to which the Issuer and the Issuer Security Trustee have acceded to the Second Amended and Restated Auto Portfolio Purchase Agreement and the parties have agreed to certain features and mechanics related to the Portfolio, as described below. The Original Auto Portfolio Purchase Agreement, as amended and restated by the First Amended and Restated Auto Portfolio Purchase Agreement and the Second Amended and Restated Auto Portfolio Purchase Agreement is referred to herein as the "Amended Auto Portfolio Purchase Agreement").

The Amended Auto Portfolio Purchase Agreement requires that, as at the Purchase Cut-Off Date, the Portfolio and any part thereof will have to meet the eligibility criteria set out in "Eligibility Criteria" herein. Pursuant to the Amended Auto Portfolio Purchase Agreement, the Seller represents and warrants that, as at the Purchase Cut-Off Date, each Purchased HP Contract meets such eligibility criteria.

Upon payment of the Purchase Price for the relevant Purchased HP Contracts, the Purchaser has acquired unrestricted title to such Purchased HP Contract (including legal title to the related Financed Vehicles) as from the relevant Purchase Date of such Purchased HP Contract (other than any Instalments which have become due prior to or on such Purchase Cut-Off Date) in accordance with the Original Auto Portfolio Purchase Agreement. As a result, the Purchaser has obtained the full economic ownership in the Portfolio, including principal and interest, and is free to transfer or otherwise dispose of the Portfolio, subject only to the contractual restrictions applying to the Purchased HP Contracts and all applicable laws.

[...]

The sale and assignment was perfected (fi: "julkivarmistus") by notifying the Debtors of such sale and directing the Debtors to make payments to the Purchaser or to its order. Since the Financed Vehicles are in the possession of the Debtors, the transfer of the title to the Financed Vehicles was also perfected by notifying the Debtors of the sale (lat: "traditio longa manu"). Under the Original Auto Portfolio Purchase Agreement, the Seller agreed to deliver such notices (i) either electronically or by mailing them, as applicable to Debtors who are consumers and (ii) by mailing them to Debtors who are not consumers on or about the relevant Purchase Date and, within seven (7) days from the transfer of the Portfolio to the Purchaser, has given instructions (or engaged a third party services provider to give instructions) to the Finnish Transport and Communications Agency to register the Purchaser as the owner of each Financed Vehicle in the Vehicle Register.

See also Prospectus, *LEGAL MATTERS – FINLAND*.

Transfer of HP Contracts to the Purchaser

Under Finnish law and the terms and conditions of the Purchased HP Contracts, the Purchased HP Contracts may be freely transferred by way of ownership or security. A notification to each of the Debtors is, however, required in order to perfect the transfer of the Purchased HP Contracts and for such transfer to be effective against the Seller's creditors and other third parties, including bankruptcy creditors. After the delivery of the notice, the Debtors may no longer settle their debt by payment to the Seller and subsequently claim protection of payment against the Purchaser.

Pursuant to the Original Auto Portfolio Purchase Agreement, the Seller agreed to procure that, when completed in accordance with the Original Auto Portfolio Purchase Agreement, the sale and transfer of the Purchased HP Contracts obtained legal perfection by virtue of a notification to be mailed to each of the Debtors on or about the relevant Purchase Date. Further, the Finnish Transport and Communications Agency must be notified of the transfer of title to the Financed Vehicles. Such notifications have been mailed to Debtors and the holders of the Financed Vehicles on or about the relevant Purchase Date and to the Finnish Transport and Communications Agency on or prior to the date falling seven (7) calendar days after the relevant Purchase Date.

As security for the loans under the Purchased HP Contracts, the Seller has retained title to the Financed Vehicles until all payments under the relevant Purchased HP Contract have been made in full. The transfer of title to the Financed Vehicles to the Purchaser was perfected through notification to the holders of the vehicles. In addition, the Purchaser was registered as the owner of the Financed Vehicles in the Vehicle Register.

While legal title to each Financed Vehicle is vested with the Purchaser under the Purchased HP Contracts, the Purchaser is not, prior to the repossession of a Financed Vehicle, entitled to sell or otherwise dispose of the Financed Vehicle, whether voluntarily or involuntarily, or to pledge or create other encumbrances over the Financed Vehicles on a stand-alone basis separately from the claims against the Debtors under the Purchased HP Contracts. In the event of enforcement of claims of a creditor, including those of the Issuer, against the Purchaser or in the event of the insolvency of the Purchaser, only the Purchased HP Contracts together with the Financed Vehicles, but not the Financed Vehicles separately from the claims against the Debtors under the Purchased HP Contracts, may be realised to settle the Purchaser's obligations. Therefore, and for purposes of Article 20(13) of the EU Securitisation Regulation, this securitisation transaction is not predominantly dependent on the sale of the Financed Vehicles.

*"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.

In the case of the Transaction, full economic ownership of the assets is transferred, by sale and assignment, with legal perfection by virtue of a notification.

The Finish legal opinion from WASELIUS & WIST (together with the supporting opinions from William Fry (Irish law) and Mayer Brown (English law)) confirms that the sale of the Purchased HP Contracts (including title to the Financed Vehicles) constitutes a transfer of assets that meets the definition of “true sale” outlined above.

In the case of the seller, LOCALTAPIOLA FINANCE LTD, whose main business is in Finland, the COMI is Finland.

**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, *LEGAL MATTERS – FINLAND*.

Absence of severe claw-back provisions

Once the sale and transfer of the Purchased HP Contracts has been perfected by virtue of a notification to be mailed to each of the Debtors on or about the relevant Purchase Date, the sale of the Purchased HP Contracts is not subject to severe clawback provisions within the meaning of Article 20(2) of the EU Securitisation Regulation.

See also underlying transaction documents: Auto Portfolio Purchase Amendment and Restatement Agreement.

10. REPRESENTATIONS AND WARRANTIES

10.1 Seller's general representations and warranties



The Seller represents and warrants to the Issuer and the Purchaser that, at the date of this Agreement and at the Note Issuance Date and (in the case of paragraph (k) (Accuracy of information) below) on each date on which any information is furnished by the Seller to the Issuer or the Purchaser (and in each case, by reference to the facts and circumstances then subsisting):

(n) Centre of main interests

It has its "centre of main interests" (as that term is used in Article 3(1) of the Recast EUIR) in Finland;

*The legal opinion confirms that the transfer of the title to the Purchased HP Contracts will not be subject to severe clawback provisions in the event of the Seller's insolvency, as required in Article 20(1) of Regulation (EU) 2017/2402.*

**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*.

As of the Purchase Cut-Off Date, the following criteria (the "Eligibility Criteria") must have been satisfied by an HP Contract in order for it to be eligible for ownership by the Purchaser pursuant to the Amended Auto Portfolio Purchase Agreement.

1. The HP Contract:

(a) was originated in the ordinary course of business of the Seller in accordance with the Credit and Collection Policy with full recourse to the relevant Debtor;

See also Prospectus, *OTHER FEATURES OF THE PORTFOLIO*.

Under the Amended Auto Portfolio Purchase Agreement, the Seller has represented and warranted as follows.

7. The HP Contracts comprised in the Portfolio are originated in the ordinary course of the Seller's business pursuant to underwriting standards that are no less stringent than those applied by the Seller at the time of origination to similar exposures that are not or will not, as the case may be, securitised pursuant to Article 20(10), first paragraph, of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria.

**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

**STS Criteria**

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

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

**Verified?**  
**YES**

**PCS Comments**

See Prospectus, *LEGAL MATTERS – FINLAND*.

Pursuant to the Original Auto Portfolio Purchase Agreement, the Seller agreed to procure that, when completed in accordance with the Original Auto Portfolio Purchase Agreement, the sale and transfer of the Purchased HP Contracts obtained legal perfection by virtue of a notification to be mailed to each of the Debtors on or about the relevant Purchase Date. Further, the Finnish Transport and Communications Agency must be notified of the transfer of title to the Financed Vehicles. Such notifications have been mailed to Debtors and the holders of the Financed Vehicles on or about the relevant Purchase Date and to the Finnish Transport and Communications Agency on or prior to the date falling seven (7) calendar days after the relevant Purchase Date.

See also underlying transaction documents: Auto Portfolio Purchase Amendment and Restatement Agreement.

2.3 The Seller hereby confirms that it has:

(a) on or about each Purchase Date, sent notices of transfer to each of the Debtors under each of the relevant Purchased HP Contract and each holder of a relevant Financed Vehicle:

- (i) electronically, if the relevant Debtor has signed the HP Contract electronically, or
- (ii) by mail, if the relevant Debtor is not a consumer or has not signed the HP Contract electronically; and

(b) on or prior to the date falling seven (7) days after each Purchase Date, given instructions (or engaged a third party services provider to give instructions) to the Finnish Transport and Communications Agency to register the Purchaser as the owner of each relevant Financed Vehicle in the Vehicle Register

in accordance with the Original Auto Portfolio Purchase Agreement and the First Amended and Restated Auto Portfolio Purchase Agreement (as applicable).

*Not applicable; perfection achieved at transfer via notification.*

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

5

**STS Criteria**

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

**Verified?  
YES**

**PCS Comments**

See Prospectus, *ELIGIBILITY CRITERIA*.

As of the Purchase Cut-Off Date, the following criteria (the "Eligibility Criteria") must have been satisfied by an HP Contract in order for it to be eligible for ownership by the Purchaser pursuant to the Amended Auto Portfolio Purchase Agreement.

12. Until the sale of such HP Contract by the Seller to the Purchaser on the relevant Purchase Date, such HP Contract was owned by the Seller free of any Adverse Claims, the Seller was entitled to dispose of such HP Contract free of any rights of any third party (other than any rights to consent where the required consent has been obtained) and such HP Contract had not been transferred to any third party.

13. Upon payment of the relevant purchase price for the HP Contract, and the notification of the relevant Debtor, as contemplated in the Original Auto Portfolio Purchase Agreement, the HP Contract has been validly transferred to the Purchaser and the Purchaser has acquired such HP Contract title unencumbered by any counterclaim, set-off right, other objection or Adverse Claim (other than any rights and claims of the Debtor pursuant to statutory law or the HP Contract).

See also underlying transaction documents: Auto Portfolio Purchase Amendment and Restatement Agreement.

10. REPRESENTATIONS AND WARRANTIES

10.2 Seller's representations and warranties on the Purchased HP Contracts

The Seller represents and warrants to the Issuer and the Purchaser that, at the date of this Agreement and at the Note Issuance Date (by reference to the facts and circumstances then subsisting):

(g) Purchased HP Contracts unencumbered: Each Purchased HP Contract is unencumbered, free of any third-party rights and is not otherwise in a condition which would adversely affect the enforceability of the transfer of such Purchased HP Contract to the Purchaser;

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

<b>6</b>	<b>STS Criteria</b>	<b>Verified?</b>
	6. The underlying exposures transferred from, or assigned by, the seller to the SSPE shall meet pre-determined, clear and documented eligibility criteria....	<b>YES</b>
<b>PCS Comments</b>		
See Prospectus, <i>ELIGIBILITY CRITERIA</i> .		
As of the Purchase Cut-Off Date, the following criteria (the "Eligibility Criteria") must have been satisfied by an HP Contract in order for it to be eligible for ownership by the Purchaser pursuant to the Amended Auto Portfolio Purchase Agreement. [...]		
<i>The EBA Guidelines clarify that "clear" does not mean easily readable or comprehended by a non-expert. In the Regulation a criterion is "clear" when a court or tribunal could determine whether, presumably in all cases, the criterion is met for each asset. In the Regulation, "clear" is about certainty of determination.</i>		
<i>PCS has read the eligibility criteria in the Prospectus. As they are mandatory, they meet the "predetermined" requirement. As they are in the Prospectus, they meet the "documented" requirement. PCS has also concluded that they allow determination in each case and so meet the "clear" requirement.</i>		
<b>7</b>	<b>STS Criteria</b>	<b>Verified?</b>
	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.	<b>YES</b>
<b>PCS Comments</b>		
See Prospectus, <i>OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS</i> .		
Auto Portfolio Purchase Agreement		
Portfolio Management		
The Seller's rights and obligations to sell the Purchased HP Contracts to the Issuer and/or repurchase the Purchased HP Contracts from the Issuer pursuant to the Amended Auto Portfolio Purchase Agreement are not intended to constitute active portfolio management for purposes of Article 20(7) of the EU Securitisation Regulation.		
See Prospectus, <i>NOTE CONDITIONS</i> .		
5. REDEMPTION		
5.3 Optional redemption following exercise of clean-up call option		
5.4 Optional redemption for taxation reasons		
5.5 Optional redemption for regulatory reasons		
See also underlying transaction documents: Auto Portfolio Purchase Amendment and Restatement Agreement.		

	<p>15. REPURCHASES</p> <p>15.1 Optional repurchase following exercise of clean-up call option</p> <p>15.2 Optional redemption for taxation reasons</p> <p>15.3 Mandatory repurchase</p> <p><i>The EBA Guidelines set out seven devices to repurchase securitised assets which are not to be considered indicative of “active portfolio management”. To the extent that a transaction only contains some or all of those seven devices and does not provide any other form of repurchase, then the STS criterion will be met. If the transaction should contain a repurchase device that is not included in the EBA’s list, then an analysis will need to be conducted as to whether this additional device offends against the principles set out in the EBA Guidelines (15.a and b) as defining “active portfolio management”.</i></p> <p><i>PCS has reviewed the repurchase devices set out in the Prospectus and each is one of the seven allowable repurchase devices.</i></p>	
<b>8</b>	<p><b>STS Criteria</b></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><b>Verified?</b> <b>YES</b></p>
	<p><b>PCS Comments</b></p> <p><i>Not applicable.</i></p>	

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

<b>9</b>	<p><b>STS Criteria</b></p> <p>9. The securitisation shall be backed by a pool of underlying exposures that are homogeneous in terms of asset type, taking into account the specific characteristics relating to the cash flows of the asset type including their contractual, credit risk and prepayment characteristics. A pool of underlying exposures shall only comprise one asset type.</p>	<p><b>Verified?</b> <b>YES</b></p>
	<p><b>PCS Comments</b></p> <p>See Prospectus, <i>OTHER FEATURES OF THE PORTFOLIO</i>.</p> <p>Under the Amended Auto Portfolio Purchase Agreement, the Seller has represented and warranted as follows.</p> <p>2. As at the Purchase Cut-off Date, the HP Contracts comprised in the Portfolio are homogenous 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, pursuant to Article 20(8), first paragraph, of the EU Securitisation Regulation and the applicable EU Homogeneity RTS, given that all HP Contracts:</p> <ul style="list-style-type: none"> <li>(a) have been originated by the Seller based on similar underwriting standards which apply similar approaches to the assessment of credit risk associated with the underlying exposures;</li> <li>(b) have been serviced by the Seller according to similar servicing procedures;</li> </ul>	

	<p>(c) fall within the same asset category (under the EU Securitisation Regulation and the applicable EU Homogeneity RTS) of "auto loans"; and (d) reflect at least the homogeneity factor of the "jurisdiction of the obligors", being all Debtors resident in Finland as at the Purchase Cut-Off Date.</p> <p>See also underlying transaction documents: Auto Portfolio Purchase Amendment and Restatement Agreement.</p> <p>10. REPRESENTATIONS AND WARRANTIES</p> <p>(j) Homogeneity</p> <p>SCHEDULE 2</p> <p>ELIGIBILITY CRITERIA</p> <p><i>PCS also takes comfort that transactions containing pools with similar characteristics have always been considered to be "homogenous" by a wide consensus of market participants.</i></p>	
10	<p><b>STS Criteria</b></p> <p>10. The underlying exposures shall contain obligations that are contractually binding and enforceable.</p>	<p><b>Verified?</b> <b>YES</b></p>
	<p><b>PCS Comments</b></p> <p>See Prospectus, <i>ELIGIBILITY CRITERIA</i>.</p> <p>As of the Purchase Cut-Off Date, the following criteria (the "Eligibility Criteria") must have been satisfied by an HP Contract in order for it to be eligible for ownership by the Purchaser pursuant to the Amended Auto Portfolio Purchase Agreement.</p> <p>3. The HP Contract is valid, binding and enforceable in accordance with its terms and is not capable of being cancelled by the relevant Debtor, otherwise than where the Debtor fully discharges all amounts due thereunder.</p> <p>See also underlying transaction documents: Auto Portfolio Purchase Amendment and Restatement Agreement.</p> <p>10. REPRESENTATIONS AND WARRANTIES</p> <p>10.2 Seller's representations and warranties on the Purchased HP Contracts</p> <p>The Seller represents and warrants to the Issuer and the Purchaser that, at the date of this Agreement and at the Note Issuance Date (by reference to the facts and circumstances then subsisting):</p> <p>(c) Existence of Purchased HP Contracts</p> <p>The Purchased HP Contracts have been entered into in proper form to create an enforceable hire purchase contract (fi. osamaksusopimus) under Finnish law, are legally valid, binding and enforceable against the Debtors and effective in relation to third parties and fully transferable to the Purchaser and its assignees or successors;</p> <p>SCHEDULE 2</p> <p>ELIGIBILITY CRITERIA</p> <p>As of the Purchase Cut-Off Date, the following criteria (the "Eligibility Criteria") must have been satisfied by an HP Contract in order for it to be eligible for ownership by the Purchaser pursuant to the Amended Auto Portfolio Purchase Agreement.</p>	

	3. The HP Contract is valid, binding and enforceable in accordance with its terms and is not capable of being cancelled by the relevant Debtor, otherwise than where the Debtor fully discharges all amounts due thereunder.	
11	<p><b>STS Criteria</b></p> <p>11. With full recourse to debtors and, where applicable, guarantors.</p>	<p><b>Verified?</b> <b>YES</b></p>
	<p><b>PCS Comments</b></p> <p>See Prospectus, <i>ELIGIBILITY CRITERIA</i>.</p> <p>As of the Purchase Cut-Off Date, the following criteria (the "Eligibility Criteria") must have been satisfied by an HP Contract in order for it to be eligible for ownership by the Purchaser pursuant to the Amended Auto Portfolio Purchase Agreement.</p> <p>1. The HP Contract:</p> <p style="padding-left: 40px;">(a) was originated in the ordinary course of business of the Seller in accordance with the Credit and Collection Policy with full recourse to the relevant Debtor;</p> <p>See Prospectus, <i>OTHER FEATURES OF THE PORTFOLIO</i>.</p> <p>Under the Amended Auto Portfolio Purchase Agreement, the Seller has represented and warranted as follows.</p> <p>3. The HP Contracts comprised in the Portfolio contain, obligations that are contractually binding and enforceable, with full recourse to Debtors and, where applicable, Debtors which are guarantors, pursuant to Article 20(8), first paragraph, of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria.</p>	

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

12	<p><b>STS Criteria</b></p> <p>12. The underlying exposures shall have defined periodic payment streams, the instalments of which may differ in their amounts.</p>	<p><b>Verified?</b> <b>YES</b></p>
	<p><b>PCS Comments</b></p> <p>See Prospectus, <i>OTHER FEATURES OF THE PORTFOLIO</i>.</p> <p>Under the Amended Auto Portfolio Purchase Agreement, the Seller has represented and warranted as follows.</p> <p>4. The HP Contracts comprised in the Portfolio have, defined periodic payment streams consisting of Instalments payable on a monthly basis under the relevant amortisation plan, pursuant to Article 20(8), second paragraph, of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria.</p> <p>See also Prospectus, <i>CREDIT STRUCTURE</i>.</p> <p>Purchased HP Contract interest rates</p> <p>The Purchased HP Contracts include (a) level payment contracts under which Instalments are calculated on the basis of (approximately) equal monthly periods during the life of each loan and (b) Balloon HP Contracts under which the final Instalment is substantially greater than monthly Instalments in the current payment plan. Each Instalment is comprised of a portion allocable to interest and a portion allocable to principal under the relevant HP Contract.</p>	

13	<p><b>STS Criteria</b></p> <p>13. Relating to rental, principal, or interest payments, or to any other right to receive income from assets supporting such payments. The underlying exposures may also generate proceeds from the sale of any financed or leased assets.</p>	<p><b>Verified?</b> YES</p>
	<p><b>PCS Comments</b></p> <p>See Prospectus, <i>ELIGIBILITY CRITERIA</i>.</p> <p>As of the Purchase Cut-Off Date, the following criteria (the "Eligibility Criteria") must have been satisfied by an HP Contract in order for it to be eligible for ownership by the Purchaser pursuant to the Amended Auto Portfolio Purchase Agreement.</p> <p>2. The credit under the HP Contract:</p> <p>(a) is denominated and payable in Euro;</p> <p>(b) bears interest calculated at a fixed rate and payable monthly;</p> <p>(c) bears interest at a rate which is not negative; and</p> <p>(d) is fully amortising by payment of constant monthly Instalments (except for the first Instalment and the last Instalment, which may differ from the monthly Instalments payable for subsequent or previous months, respectively).</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	<p><b>STS Criteria</b></p> <p>14. The underlying exposures shall not include transferable securities, as defined in Article 4(1), point 44 of Directive 2014/65/EU of the European Parliament and of the Council other than corporate bonds, provided that they are not listed on a trading venue.</p>	<p><b>Verified?</b> YES</p>
	<p><b>PCS Comments</b></p> <p>See Prospectus, <i>OTHER FEATURES OF THE PORTFOLIO</i>.</p> <p>Under the Amended Auto Portfolio Purchase Agreement, the Seller has represented and warranted as follows.</p> <p>5. The Portfolio does not include any transferable securities, as defined in point (44) of Article 4(1) of Directive 2014/65/EU, pursuant to Article 20(8), last paragraph, of the EU Securitisation Regulation.</p>	



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

15

**STS Criteria**

15. The underlying exposures shall not include any securitisation position.

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

See Prospectus, *OTHER FEATURES OF THE PORTFOLIO*.

Under the Amended Auto Portfolio Purchase Agreement, the Seller has represented and warranted as follows.

6. The Portfolio does not include any securitisation position, pursuant to Article 20(9) of the EU Securitisation Regulation.

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

16

**STS Criteria**

16. The underlying exposures shall be originated in the ordinary course of the originator's or original lender's business.

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

See Prospectus, *ELIGIBILITY CRITERIA*.

As of the Purchase Cut-Off Date, the following criteria (the "Eligibility Criteria") must have been satisfied by an HP Contract in order for it to be eligible for ownership by the Purchaser pursuant to the Amended Auto Portfolio Purchase Agreement.

1. The HP Contract:

(a) was originated in the ordinary course of business of the Seller in accordance with the Credit and Collection Policy with full recourse to the relevant Debtor;

See Prospectus, *OTHER FEATURES OF THE PORTFOLIO*.

Under the Amended Auto Portfolio Purchase Agreement, the Seller has represented and warranted as follows.

7. The HP Contracts comprised in the Portfolio are originated in the ordinary course of the Seller's business pursuant to underwriting standards that are no less stringent than those applied by the Seller at the time of origination to similar exposures that are not or will not, as the case may be, securitised pursuant to Article 20(10), first paragraph, of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria.

<b>17</b>	<b>STS Criteria</b>	<b>Verified?</b> <b>YES</b>
	<p>17. Pursuant to underwriting standards that are no less stringent than those that the originator or original lender applied at the time of origination to similar exposures that are not securitised.</p> <p><b>PCS Comments</b></p> <p>See Prospectus, <i>ELIGIBILITY CRITERIA</i>.</p> <p>As of the Purchase Cut-Off Date, the following criteria (the "Eligibility Criteria") must have been satisfied by an HP Contract in order for it to be eligible for ownership by the Purchaser pursuant to the Amended Auto Portfolio Purchase Agreement.</p> <p>1. The HP Contract:</p> <p>(a) was originated in the ordinary course of business of the Seller in accordance with the Credit and Collection Policy with full recourse to the relevant Debtor;</p> <p>(b) was originated pursuant to underwriting standards that are no less stringent than those that the Seller applied at the time of origination to similar contracts that are not securitised;</p> <p>See Prospectus, <i>OTHER FEATURES OF THE PORTFOLIO</i>.</p> <p>Under the Amended Auto Portfolio Purchase Agreement, the Seller has represented and warranted as follows.</p> <p>7. The HP Contracts comprised in the Portfolio are originated in the ordinary course of the Seller's business pursuant to underwriting standards that are no less stringent than those applied by the Seller at the time of origination to similar exposures that are not or will not, as the case may be, securitised pursuant to Article 20(10), first paragraph, of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria.</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.

<b>18</b>	<b>STS Criteria</b>	<b>Verified?</b> <b>YES</b>
	<p>18. The underwriting standards pursuant to which the underlying exposures are originated and any material changes from prior underwriting standards shall be fully disclosed to potential investors without undue delay.</p> <p><b>PCS Comments</b></p> <p>See Prospectus, <i>CREDIT AND COLLECTION POLICY</i>.</p> <p>Modifications to the Credit and Collection Policy</p> <p>Other than as described in this Prospectus, there have been no material changes to the Credit and Collection Policy since the first HP contract date of origination. However, the Originator reserves the right in its absolute discretion to update its Credit and Collection Policy from time to time including without limitation in response to changes in its operating or regulatory environment, the economic situation in Finland or its portfolio development. In the Master Framework Agreement, the Seller has agreed to disclose to potential investors, without undue delay, any material change from prior underwriting standards or other change to the Credit and Collection Policy, together with an explanation of such</p>	

change and an assessment of the possible consequences on the HP Contracts, pursuant to Article 20(10) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria.

*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.

<b>19</b>	<b>STS Criteria</b>	<b>Verified? YES</b>
	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.	

**PCS Comments**

*Not applicable.*

**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.

<b>20</b>	<b>STS Criteria</b>	<b>Verified? YES</b>
	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.	

**PCS Comments**

See Prospectus, *OTHER FEATURES OF THE PORTFOLIO*.

Under the Amended Auto Portfolio Purchase Agreement, the Seller has represented and warranted as follows.

8. The Seller has assessed the Debtors' creditworthiness in compliance with the requirements set out in Article 8 of Directive 2008/48/EC, pursuant to Article 20(10), third paragraph, of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria.

See also Prospectus, *CREDIT AND COLLECTION POLICY*.

*PCS also confirmed via additional due diligence that the assessment of creditworthiness meets the requirements.*

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

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

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

<b>21</b>	<b>STS Criteria</b> 21. The originator or original lender shall have expertise in originating exposures of a similar nature to those securitised.	<b>Verified?</b> <b>YES</b>
	<p><b>PCS Comments</b></p> <p>See Prospectus, <i>OTHER FEATURES OF THE PORTFOLIO</i>.</p> <p>Under the Amended Auto Portfolio Purchase Agreement, the Seller has represented and warranted as follows.</p> <p>9. The members of the management body and senior staff of the Seller have relevant professional expertise in originating exposures of a similar nature to those securitised for at least five years and so the Seller has the relevant expertise pursuant to Article 20(10), last paragraph, of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria.</p> <p>See Prospectus, <i>THE SELLER AND THE SERVICER</i>.</p> <p>See also underlying transaction documents: Auto Portfolio Purchase Amendment and Restatement Agreement.</p> <p>10.2 Seller's representations and warranties on the Purchased HP Contracts</p> <p>(z) Seller experience and expertise</p> <p><i>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.</i></p>	

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

<b>22</b>	<b>STS Criteria</b> 22. The underlying exposures shall be transferred to the SSPE after selection without undue delay...	<b>Verified?</b> <b>YES</b>
	<p><b>PCS Comments</b></p> <p>See Prospectus, <i>OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS</i>.</p> <p>Auto Portfolio Purchase Agreement</p>	

The Amended Auto Portfolio Purchase Agreement requires that, as at the Purchase Cut-Off Date, the Portfolio and any part thereof will have to meet the eligibility criteria set out in "Eligibility Criteria" herein. Pursuant to the Amended Auto Portfolio Purchase Agreement, the Seller represents and warrants that, as at the Purchase Cut-Off Date, each Purchased HP Contract meets such eligibility criteria.

See Prospectus, *CERTAIN DEFINITIONS*.

"Closing Date" means 15 February 2024.

"Cut-Off Date" shall mean the last day of each calendar month, beginning 2 January 2024, and the Cut-Off Date with respect to any Payment Date is the Cut-Off Date immediately preceding such Payment Date.

"Purchase Cut-Off Date" shall mean 2 January 2024.

See underlying transaction documents: Auto Portfolio Purchase Agreement.

SCHEDULE 2

ELIGIBILITY CRITERIA

As of the Purchase Cut-Off Date, the following criteria (the "Eligibility Criteria") must have been satisfied by an HP Contract in order for it to be eligible for ownership by the Purchaser pursuant to the Amended Auto Portfolio Purchase Agreement.

*PCS has assumed that any period of three-and-a-half months or less between pool cut date and closing will meet the requirements of the criterion. This is in line with market standards.*

23

**STS Criteria**

23. And shall not include, at the time of selection, exposures in default within the meaning of Article 178(1) of Regulation (EU) No 575/2013...

**Verified?**

**YES**

**PCS Comments**

See Prospectus, *OTHER FEATURES OF THE PORTFOLIO*.

Under the Amended Auto Portfolio Purchase Agreement, the Seller has represented and warranted as follows.

10. As at the Note Issuance Date, the Portfolio does not, include HP Contracts qualified as exposures in default within the meaning of Article 178, paragraph 1, of Regulation (EU) no. 575/2013 or as exposures to a credit-impaired Debtor, who, to the best of the Seller's knowledge: [...]

See also underlying transaction documents: Auto Portfolio Purchase Amendment and Restatement Agreement.

10. REPRESENTATIONS AND WARRANTIES

10.2 Seller's representations and warranties on the Purchased HP Contracts

(q) No default

(i) Neither the Seller nor (as far as the Seller is aware) any agent appointed by the Seller in relation to the servicing of the Purchased HP Contracts has received written notice of, or has become aware of, a material default, breach or violation under any Purchased HP Contract (including a default within the meaning of Article 178(1) of the EU CRR which has not been remedied or any event which, with the giving of notice and/or the making of any determination and/or the expiration of any applicable grace period, would constitute such a default, breach or violation (except for a default, breach or violation consisting of a Purchased HP Contract being no more than one

Instalment in arrears), provided that any default, breach or violation shall be material only if it affects the amount or Collectability of the relevant Purchased HP Contract or it would be such as would cause the relevant Purchased HP Contract not to comply with the Eligibility Criteria;

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

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

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

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

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

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

**24** STS Criteria

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

Verified?

**YES**

PCS Comments

See Prospectus, *OTHER FEATURES OF THE PORTFOLIO*.

Under the Amended Auto Portfolio Purchase Agreement, the Seller has represented and warranted as follows.

10. As at the Note Issuance Date, the Portfolio does not, include HP Contracts qualified as exposures in default within the meaning of Article 178, paragraph 1, of Regulation (EU) no. 575/2013 or as exposures to a credit-impaired Debtor, who, to the best of the Seller'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 3 (three) years prior to the date of origination or has undergone a debt-restructuring process with regard to his non-performing exposures; or

(b) was, at the time of origination, where applicable, on a public credit registry of persons with adverse credit history; or

(c) has a credit assessment or a credit score indicating that the risk of contractually agreed payments not being made is significantly higher than the ones of comparable exposures held by the Seller which have not been assigned under the Securitisation,

in each case pursuant to Article 20(11) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria.

25	<b>STS Criteria</b> 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.	<b>Verified?</b> <b>YES</b>
	<b>PCS Comments</b> <i>See point 24 above.</i>  (a) has been declared insolvent or had a court grant his creditors a final non-appealable right of enforcement or material damages as a result of a missed payment within 3 (three) years prior to the date of origination or has undergone a debt-restructuring process with regard to his non-performing exposures; or	
26	<b>STS Criteria</b> 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:	<b>Verified?</b> <b>YES</b>
	<b>PCS Comments</b> <i>See point 24 above.</i>  (a) has been declared insolvent or had a court grant his creditors a final non-appealable right of enforcement or material damages as a result of a missed payment within 3 (three) years prior to the date of origination or has undergone a debt-restructuring process with regard to his non-performing exposures; or	
27	<b>STS Criteria</b> 27. (i) a restructured underlying exposure has not presented new arrears since the date of the restructuring which must have taken place at least one year prior to the date of transfer or assignment of the underlying exposures to the SSPE; and	<b>Verified?</b> <b>YES</b>
	<b>PCS Comments</b> <i>See point 24 above. No restructured exposures.</i>	
28	<b>STS Criteria</b> 28. (ii) the information provided by the originator, sponsor and SSPE in accordance with points (a) and (e)(i) of the first subparagraph of Article 7(1) explicitly sets out the proportion of restructured underlying exposures, the time and details of the restructuring as well as their performance since the date of the restructuring;	<b>Verified?</b> <b>YES</b>
	<b>PCS Comments</b> <i>See point 24 above. No restructured exposures.</i>	

29	<p><b>STS Criteria</b></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><b>Verified?</b> YES</p>
	<p><b>PCS Comments</b></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;</p>	
30	<p><b>STS Criteria</b></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><b>Verified?</b> YES</p>
	<p><b>PCS Comments</b></p> <p>See point 24 above.</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 the ones of comparable exposures held by the Seller which have not been assigned under the Securitisation,</p>	

**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	<p><b>STS Criteria</b></p> <p>31. The debtors shall at the time of transfer of the exposures, have made at least one payment, except in the case of revolving securitisations backed by exposures payable in a single instalment or having a maturity of less than one year, including without limitation monthly payments on revolving credits.</p>	<p><b>Verified?</b> YES</p>
	<p><b>PCS Comments</b></p> <p>See Prospectus, <i>ELIGIBILITY CRITERIA</i>.</p> <p>As of the Purchase Cut-Off Date, the following criteria (the "Eligibility Criteria") must have been satisfied by an HP Contract in order for it to be eligible for ownership by the Purchaser pursuant to the Amended Auto Portfolio Purchase Agreement.</p> <p>17. At least one due Instalment has been fully paid under the HP Contract prior to the relevant Purchase Cut-Off Date.</p>	



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

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

<b>32</b>	<p><b>STS Criteria</b></p> <p>32. The repayment of the holders of the securitisation positions shall not have been structured to depend predominantly on the sale of assets securing the underlying exposures.</p>	<p><b>Verified?</b> <b>YES</b></p>
	<p><b>PCS Comments</b></p> <p>See Prospectus, <i>DESCRIPTION OF THE PORTFOLIO</i>.</p> <p>The HP Contracts do not include an option for a Debtor to return the Financed Vehicle to the Seller in lieu of repayment of the HP Contract in full.</p> <p>See Prospectus, <i>LEGAL MATTERS – FINLAND</i>.</p> <p>While legal title to each Financed Vehicle is vested with the Purchaser under the Purchased HP Contracts, the Purchaser is not, prior to the repossession of a Financed Vehicle, entitled to sell or otherwise dispose of the Financed Vehicle, whether voluntarily or involuntarily, or to pledge or create other encumbrances over the Financed Vehicles on a stand-alone basis separately from the claims against the Debtors under the Purchased HP Contracts. In the event of enforcement of claims of a creditor, including those of the Issuer, against the Purchaser or in the event of the insolvency of the Purchaser, only the Purchased HP Contracts together with the Financed Vehicles, but not the Financed Vehicles separately from the claims against the Debtors under the Purchased HP Contracts, may be realised to settle the Purchaser's obligations. Therefore, and for purposes of Article 20(13) of the EU Securitisation Regulation, this securitisation transaction is not predominantly dependent on the sale of the Financed Vehicles.</p> <p><i>The transaction is not structured with residual value risk – no option for obligors to hand back vehicle in lieu of repayment in full.</i></p>	

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

33

**STS Criteria**

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

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

See Prospectus, *SECURITISATION REGULATIONS*.

EU Securitisation Regulation

Retention statement

The Seller, as originator for the purposes of the EU Securitisation Regulation, will agree in favour of the Note Trustee on behalf of the Noteholders (pursuant to the Master Framework Agreement), the Sole Lead Manager and the Arranger (pursuant to the Subscription Agreement), for as long as the Notes remain outstanding:

(a) to retain, on an ongoing basis, a material net economic interest of not less than five per cent. in the Securitisation, which will take the form of a first loss tranche in accordance with Article 6(3)(d) of the EU Securitisation Regulation (as supplemented by the EU RTS) comprising the Class C Notes having a Note Principal Amount of not less than five (5) per cent. of the Aggregate Outstanding Asset Principal Amount (the "Retained Interest");

(b) not to surrender all or any part of its rights, benefits or obligations arising from the Retained Interest;

(c) not to allow the Retained Interest to become subject to any form of credit risk mitigation or hedging;

(d) not to change the manner in which the net economic interest is held, unless expressly permitted by the EU Securitisation Rules and to procure that any such change will be notified to the Servicer to be disclosed in the Investor Report;

(e) to provide ongoing confirmation of its continued compliance with its obligations in paragraphs (a), (b) and (c) above in, or concurrently with the delivery of, each Investor Report to Noteholders;

(f) to promptly notify the Note Trustee, the Sole Lead Manager and the Arranger in writing (which may be by way of email) if for any reason: (I) it ceases to hold the Retained Interest in accordance with paragraph (a) above or (II) it fails to comply with the covenant set out in paragraphs (b), (c) or (d) above in any material respect;

(g) to comply with the disclosure obligations imposed on originators under Article 7 of the EU Securitisation Regulation and the EU Disclosure RTS, subject always to any requirement of law,

in each case, in accordance with the provisions of the EU Securitisation Regulation.

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

<b>34</b>	<b>ST5 Criteria</b>	<b>Verified?</b> <b>YES</b>
	<p>34. The interest rate...risks arising from the securitisation shall be appropriately mitigated.</p>	
	<p><b>PCS Comments</b></p> <p>See Prospectus, <i>RISK FACTORS</i>.</p> <p>RISKS RELATING TO THE STRUCTURE</p> <p>Interest Rate Risk</p> <p>Payments made to the Seller by any Debtor under a HP Contract comprise monthly amounts calculated with respect to a fixed interest rate or a variable interest rate. However, payments of interest on the Notes are calculated with respect to EURIBOR plus the applicable margin (subject to a floor of zero) as set out in the Note Conditions.</p> <p>To ensure that the Issuer will not be exposed to any material interest rate discrepancy, the Issuer and the Swap Counterparty have entered into the Swap Transaction in respect of the fixed rate HP Contracts (excluding any Defaulted HP Contracts) (the "Swap Transaction"). Under the Swap Transaction, on each Payment Date (a) the Issuer will make payments to the Swap Counterparty based on a fixed rate of 3.216 per cent. per annum, applied to the Swap Notional Amount and (b) the Swap Counterparty will pay to the Issuer a floating amount equal to the sum of (x) EURIBOR, as determined by the calculation agent under the Swap Transaction and (y) a margin equal to 0.58 per cent. per annum (subject to a floor of zero), applied to the Swap Notional Amount.</p> <p>See also Prospectus, <i>OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS</i>.</p> <p>The Swap Agreement</p> <p>The interest rate payable by the Issuer with respect to the Class A Notes is calculated as the sum of EURIBOR and the applicable margin (subject to a floor of zero) as set out in the Note Conditions. The interest rate payable by the Issuer with respect to the Class B Notes is calculated as the sum of EURIBOR and the applicable margin (subject to a floor of zero) as set out in the Note Conditions. The interest rate payable by the Issuer with respect to the Class C Notes is calculated as the sum of EURIBOR and the applicable margin (subject to a floor of zero) as set out in the Note Conditions. The HP Contracts bear interest at fixed rates or variable rates. In respect of HP Contracts bearing interest at fixed rates, the Issuer has hedged this interest rate basis exposure by entering into the Swap Agreement with the Swap Counterparty, in order to appropriately mitigate the interest rate risk pursuant to Article 21(2) of the EU Securitisation Regulation.</p> <p>On or about the Closing Date, the Issuer and the Swap Counterparty will enter into the Swap Agreement, evidencing the Swap Transaction.</p> <p>The Swap Agreement will contain provisions requiring certain remedial action to be taken if a Swap Counterparty Downgrade Event occurs in respect of the Swap Counterparty (or, as relevant, its guarantor), such provision being in accordance with the rating methodology of the Rating Agencies at the time of entry into the Swap Agreement. Such provisions may include a requirement that the Swap Counterparty must post collateral; or transfer the Swap Agreement to another entity (or, as relevant its guarantor) meeting the applicable Rating Requirement; or procure that a guarantor meeting the applicable Rating Requirement guarantees its obligations under the Swap Agreement or take other actions as may be agreed with the Rating Agencies.</p> <p>Under the Swap Agreement, on each Payment Date, the Issuer will make payments to the Swap Counterparty, in respect of the Swap Transaction, a fixed rate of 3.216 per cent. per annum, applied to the Swap Notional Amount. The Swap Counterparty will pay, in respect of the Swap Transaction, a floating rate equal to the sum of (a) EURIBOR, as determined by the calculation agent under the Swap Transaction and (b) a margin equal to 0.58 per cent. per annum (subject to a floor of zero), applied to the Swap Notional Amount.</p>	

35	<b>STS Criteria</b> 35. Currency risks arising from the securitisation shall be appropriately mitigated.	<b>Verified?</b> <b>YES</b>
	<b>PCS Comments</b> See Prospectus, <i>NOTE CONDITIONS</i> . 1. FORM, DENOMINATION AND TITLE 1.2 Denomination The Notes will be issued in the denomination of EUR 100,000. See Prospectus, <i>ELIGIBILITY CRITERIA</i> As of the Purchase Cut-Off Date, the following criteria (the "Eligibility Criteria") must have been satisfied by an HP Contract in order for it to be eligible for ownership by the Purchaser pursuant to the Amended Auto Portfolio Purchase Agreement. 2. The credit under the HP Contract: (a) is denominated and payable in Euro; <i>Notes and underlying exposure are denominated in Euros.</i>	
36	<b>STS Criteria</b> 36. Any measures taken to that effect shall be disclosed.	<b>Verified?</b> <b>YES</b>
	<b>PCS Comments</b> See Prospectus, <i>RISK FACTORS</i> . RISKS RELATING TO THE STRUCTURE Interest Rate Risk See also Prospectus, <i>OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS</i> . The Swap Agreement See also Prospectus, <i>TRANSACTION OVERVIEW</i> . MISCELLANEOUS Swap Agreement The Issuer will, on or about the Closing Date, enter into an interest rate swap transaction in relation to the fixed rate HP Contracts (excluding any Defaulted HP Contracts) with the Swap Counterparty (the "Swap Transaction") under which:	

(a) the Issuer will pay to the Swap Counterparty on each Payment Date the Issuer Swap Interest, being a fixed rate of 3.216 per cent. per annum, applied to the Swap Notional Amount; and

(b) the Swap Counterparty will pay to the Issuer on each Payment Date a floating rate equal to EURIBOR as determined by the calculation agent under the Swap Transaction in respect of the Interest Period immediately preceding such Payment Date plus a margin equal to 0.58 per cent. per annum (subject to a floor of zero), applied to the Swap Notional Amount.

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

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

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

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

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

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

<b>37</b>	<p><b>STS Criteria</b></p> <p>37. Except for the purpose of hedging currency risk or interest rate risk, the SSPE shall not enter into derivative contracts and...</p>	<p><b>Verified?</b> <b>YES</b></p>
	<p><b>PCS Comments</b></p> <p>See Prospectus, <i>NOTE CONDITIONS</i>.</p> <p>3. GENERAL COVENANTS OF THE ISSUER</p> <p>As long as any Notes are Outstanding, the Issuer shall not be entitled, without the prior consent of the Note Trustee, to engage in or undertake any of the activities or transactions specified in Clause 6 (General covenants) of the Issuer Security Trust Deed, and in particular the Issuer agrees not to:</p> <p>(g) Derivatives</p>	

	enter into derivative contracts, other than the Swap Agreement and save as expressly permitted by Article 21(2) of the EU Securitisation Regulation	
38	<b>STS Criteria</b>	<b>Verified?</b>
	38. ...Shall ensure that the pool of underlying exposures does not include derivatives.	<b>YES</b>
	<b>PCS Comments</b>	
	See Prospectus, <i>OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS</i> .	
	Auto Portfolio Purchase Agreement	
	Seller Asset Warranty Breach	
	Under the Amended Auto Portfolio Purchase Agreement, the Seller has made, inter alia, the following representations and warranties (each an "Asset Seller Asset Warranty" and together the "Seller Asset Warranties") to the Purchaser with respect to the Purchased HP Contracts on the Note Issuance Date:	
	(l) No derivatives: None of the Purchased HP Contracts is a derivative contract.	
39	<b>STS Criteria</b>	<b>Verified?</b>
	39. Those derivatives shall be underwritten and documented according to common standards in international finance.	<b>YES</b>
	<b>PCS Comments</b>	
	See Prospectus, <i>OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS</i> .	
	The Swap Agreement	
	On or about the Signing Date, the Issuer and the Swap Counterparty will enter into the Swap Agreement, comprising a 2002 ISDA Master Agreement together with a schedule and credit support annex thereto and a confirmation evidencing the Swap Transaction.	
	See Prospectus, <i>NOTE CONDITIONS</i> .	
	20. CERTAIN DEFINITIONS	
	"Swap Agreement" shall mean a 2002 ISDA Master Agreement, the Schedule and Credit Support Annex thereto and any related confirmation entered into on or about the Closing Date between the Issuer and the Swap Counterparty and which may be novated, amended or supplemented from time to time or, unless the context indicates otherwise, any replacement Master Agreement, Schedule, Credit Support Annex and confirmation entered into between the Issuer and a replacement Swap Counterparty from time to time.	

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

40

**STS Criteria**

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

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

See Prospectus.

Interest on the Class A Notes will accrue on the Class A Principal Amount at a per annum rate of EURIBOR plus 0.58 per cent. Interest on the Class B Notes will accrue on the Class B Principal Amount at a per annum rate of EURIBOR plus 0.90 per cent. Interest on the Class C Notes will accrue on the Class C Principal Amount at a per annum rate of EURIBOR plus 2.00 per cent. Interest in respect of all Notes will be payable in EUR and by reference to successive interest accrual periods (each, an "Interest Period") monthly in arrear on the 18<sup>th</sup> day of each calendar month or, if such day is not a Business Day, on the next succeeding Business Day (each, a "Payment Date").

See Prospectus, *ELIGIBILITY CRITERIA*.

As of the Purchase Cut-Off Date, the following criteria (the "Eligibility Criteria") must have been satisfied by an HP Contract in order for it to be eligible for ownership by the Purchaser pursuant to the Amended Auto Portfolio Purchase Agreement.

2. The credit under the HP Contract:

bears interest calculated at a fixed rate (with respect to HP Contracts that are subject to a fixed rate) or variable rate (with respect to HP Contracts that are linked to a reference rate) and payable monthly;

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

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

41

**STS Criteria**

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

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

**Verified?**  
**YES**

**PCS Comments**

See Prospectus, *TRANSACTION OVERVIEW*.

PRIORITIES OF PAYMENTS

Purchaser Post-Enforcement Available Distribution Amount

Purchaser Post-Enforcement Priority of Payments

Issuer Post-Enforcement Available Distribution Amount

Issuer Post-Enforcement Priority of Payments

THE NOTES

Issuer Event of Default

- (ii) following application of amounts on each Payment Date, no amount of cash shall be trapped in the Issuer beyond what is necessary to ensure the operational functioning of the Issuer or the orderly payments of the amounts due under the Notes in accordance with the Issuer Post-Enforcement Priority of Payments and pursuant to the terms of the Transaction Documents, as required by Article 21(4) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria.

42

**STS Criteria**

42. (b) Principal receipts from the underlying exposures shall be passed to investors via sequential amortisation of the securitisation positions, as determined by the seniority of the securitisation position;

**Verified?**  
**YES**

**PCS Comments**

See Prospectus, *TRANSACTION OVERVIEW*.



	<p>PRIORITIES OF PAYMENTS</p> <p>Purchaser Post-Enforcement Priority of Payments</p> <p>Issuer Post-Enforcement Priority of Payments</p>	
43	<p><b>STS Criteria</b></p> <p>43. (c) Repayment of the securitisation positions shall not be reversed with regard to their seniority; and</p>	<p><b>Verified?</b></p> <p><b>YES</b></p>
	<p><b>PCS Comments</b></p> <p>See Prospectus, <i>TRANSACTION OVERVIEW</i>.</p> <p>PRIORITIES OF PAYMENTS</p> <p>Purchaser Post-Enforcement Priority of Payments</p> <p>Issuer Post-Enforcement Priority of Payments</p> <p><i>The transaction waterfall does not contemplate reversal of repayment with regard to seniority.</i></p>	
44	<p><b>STS Criteria</b></p> <p>44. (d) No provisions shall require automatic liquidation of the underlying exposures at market value.</p>	<p><b>Verified?</b></p> <p><b>YES</b></p>
	<p><b>PCS Comments</b></p> <p>See Prospectus, <i>TRANSACTION OVERVIEW</i>.</p> <p>THE LOAN AGREEMENT</p> <p>Purchaser Secured Assets</p> <p>Following delivery by the Note Trustee of an Enforcement Notice, the Purchaser Security Trustee will, subject to the terms of the Purchaser Security Documents, enforce or arrange for the enforcement of the security over the Purchaser Secured Assets and any proceeds obtained from the enforcement of the security over the Purchaser Secured Assets pursuant to the Purchaser Security Documents (together with any other funds forming part of the Purchaser Post-Enforcement Available Distribution Amount) will be applied exclusively in accordance with the Purchaser Post-Enforcement Priority of Payments. No provisions of the Transaction Documents require the automatic liquidation of the Portfolio at market value pursuant to Article 21(4)(d) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria.</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.

<b>45</b>	<b><u>STS Criteria</u></b>	<b><u>Verified?</u> YES</b>
	45. Transactions which feature non-sequential priority of payments shall include triggers relating to the performance of the underlying exposures resulting in the priority of payments reverting to sequential payments in order of seniority. Such performance-related triggers shall include at least the deterioration in the credit quality of the underlying exposures below a pre-determined threshold.	

**PCS Comments**

*The transaction does not feature non-sequential priority of payments.*

**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).

<b>46</b>	<b><u>STS Criteria</u></b>	<b><u>Verified?</u> YES</b>
	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;	

**PCS Comments**

*The transaction is not a revolving securitisation.*

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

**PCS Comments**

*See point 46 above.*

48	<b>STS Criteria</b> 48. (c) the value of the underlying exposures held by the SSPE falls below a pre-determined threshold (early amortisation event);	<b>Verified?</b> <b>YES</b>
	<b>PCS Comments</b> See point 46 above.	
49	<b>STS Criteria</b> 49. (d) a failure to generate sufficient new underlying exposures that meet the pre-determined credit quality (trigger for termination of the revolving period).	<b>Verified?</b> <b>YES</b>
	<b>PCS Comments</b> See point 46 above.	

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

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

50	<b>STS Criteria</b> 50. The transaction documentation shall clearly specify: (a) the contractual obligations, duties and responsibilities of the servicer and the trustee, if any, and other ancillary service providers;	<b>Verified?</b> <b>YES</b>
	<b>PCS Comments</b> See Prospectus, <i>OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS</i> .  Servicing Agreement, Issuer Security Trust Deed, Issuer Finnish Security Agreement, Purchaser Security Trust Deed, Purchaser Finnish Security Agreement, Irish Security Deed, Agency Agreement, The Swap Agreement, Agency Agreement, Note Trust Deed, Corporate Administration Agreements, Transaction Account Bank Agreement, Collections Account Agreement  See also underlying transaction documents: Servicing Agreement, Issuer Security Trust Deed, Issuer Finnish Security Agreement, Purchaser Security Trust Deed, Purchaser Finnish Security Agreement, Agency Agreement, Note Trust Deed, Transaction Account Bank Agreement, Purchaser Irish Security Deed, Issuer Irish Security Deed, Collections Account Agreement.	

51	<p><b><u>STS Criteria</u></b></p> <p>51. (b) the processes and responsibilities necessary to ensure that a default by or an insolvency of the servicer does not result in a termination of servicing, such as a contractual provision which enables the replacement of the servicer in such cases; and</p>	<p><b><u>Verified?</u></b> <b>YES</b></p>
	<p><b><u>PCS Comments</u></b></p> <p>See Prospectus, <i>OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS</i>.</p> <p>Servicing Agreement</p> <p>Back-Up or replacement Servicer</p> <p>If a Servicer Termination Event occurs, the Purchaser and/or the Issuer (with the consent of the Note Trustee) may terminate the appointment of the Seller as Servicer and appoint a qualified person as replacement Servicer, provided that the termination will not become effective until the qualified successor servicer has been appointed.</p> <p>See also underlying transaction documents: Servicing Agreement.</p> <p>10. TERMINATION</p>	
52	<p><b><u>STS Criteria</u></b></p> <p>52. (c) provisions that ensure the replacement of derivative counterparties, liquidity providers and the account bank in the case of their default, insolvency, and other specified events, where applicable.</p>	<p><b><u>Verified?</u></b> <b>YES</b></p>
	<p><b><u>PCS Comments</u></b></p> <p>See Prospectus, <i>OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS</i>.</p> <p>The Swap Agreement</p> <p>Termination of the Swap Agreement</p> <p>In the event that the Swap Agreement is terminated prior to its scheduled termination date, and prior to the service by the Note Trustee of an Enforcement Notice or the redemption in full of the Class A Notes and the Class B Notes, the Issuer will use commercially reasonable efforts to enter into a replacement arrangement with another appropriately rated entity. Such replacement swap must be entered into on terms acceptable to the Rating Agencies, the Issuer and the Note Trustee.</p> <p>Transaction Account Bank Agreement</p> <p>The appointment of the Transaction Account Bank will automatically be terminated upon one of the following events occurring in respect of the Transaction Account Bank:</p> <p>[...] provided that no such termination shall take effect until a new transaction account bank has been appointed by the Issuer and the Purchaser (with (in the case of the Issuer Secured Accounts and the Purchaser Transaction Account) the Note Trustee's consent) with respect to the relevant arrangements.</p> <p>In addition, if at any time a Ratings Downgrade has occurred in respect of the Transaction Account Bank, then the Issuer and the Purchaser will (with the prior written consent of the Note Trustee) procure that, with the assistance of the Servicer or another member of the Originator Group, no earlier than thirty-three (33) calendar days but within sixty (60) calendar days from the date on which the Transaction Account Bank fails to meet the minimum rating requirement, (i) in relation to the Issuer, the Issuer Secured Accounts and all of the funds standing to the credit of the Issuer Secured Accounts and (ii) in relation to the Purchaser, the Purchaser Transaction Account and all funds standing to the credit of the Purchaser Transaction Account, are transferred to another bank that meets the applicable Required Ratings (which bank will be notified in writing by the Issuer to the Transaction</p>	

Account Bank) and which has been approved in writing by the Note Trustee in accordance with the provisions of the Transaction Account Bank Agreement. The appointment of the Transaction Account Bank will terminate on the date on which the appointment of the new transaction account bank becomes effective.

#### Collections Account Agreement

If at any time a Ratings Downgrade has occurred in relation to the Collections Account Bank, then the Servicer will (with the prior written consent of the Note Trustee) use reasonable endeavours to procure that, no earlier than thirty-three (33) calendar days but within sixty (60) calendar days, the Collections Account and all of the funds standing to the credit of the Collections Account are transferred to another bank which meets the Required Ratings (which bank will be notified in writing by the Servicer to the Collections Account Bank and approved in writing by the Note Trustee); the appointment of the Collections Account Bank will terminate on the date on which the appointment of the new Collections Account Bank becomes effective. Upon the transfer of the Collections Account to another bank, the Purchaser will procure that the new Collections Account Bank enters into an agreement substantially in the form of the Collections Account Agreement and accedes to the Purchaser Security Trust Deed.

See also underlying transaction documents: Transaction Account Bank Agreement.

#### 5. TERMINATION

See also underlying transaction documents: Collections Account Agreement.

#### 6. 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

#### STS Criteria

53. The servicer shall have expertise in servicing exposures of a similar nature to those securitised

Verified?

YES

#### PCS Comments

See Prospectus, *THE SELLER AND THE SERVICER*.

#### General

The members of the management body and senior staff of LocalTapiola have relevant professional experience (a) in originating contracts of a similar nature to the Purchased HP Contracts for at least five years and (b) servicing exposures of a similar nature to those securitized for at least five years. The management of LocalTapiola has (a) an aggregate of 150 years of auto and consumer finance experience; (b) proven track record in auto and consumer finance market; (c) experience of all national, Nordic and international finance institutions; (d) experience of both unsecured and secured lending and funding; and (f) experience of both corporate lending and fleet management.

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

#### Seller Asset Warranty Breach

Under the Amended Auto Portfolio Purchase Agreement, the Seller has made, inter alia, the following representations and warranties (each an "Asset Seller Asset Warranty" and together the "Seller Asset Warranties") to the Purchaser with respect to the Purchased HP Contracts on the Note Issuance Date:

(z) Seller experience and expertise:

	<p>(ii) The Seller (in its capacity as Servicer) has expertise in servicing exposures of a similar nature to those securitised for at least five years and has well- documented and adequate policies, procedures and risk management controls relating to the servicing of exposures, pursuant to Article 21(8) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria.</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><b>STS Criteria</b></p> <p>54. And shall have well documented and adequate policies, procedures and risk management controls relating to the servicing of exposures.</p>	<p><b>Verified?</b> <b>YES</b></p>
	<p><b>PCS Comments</b></p> <p>See Prospectus, <i>OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS</i>.</p> <p>Auto Portfolio Purchase Agreement</p> <p>Seller Asset Warranty Breach</p> <p>Under the Amended Auto Portfolio Purchase Agreement, the Seller has made, inter alia, the following representations and warranties (each an "Asset Seller Asset Warranty" and together the "Seller Asset Warranties") to the Purchaser with respect to the Purchased HP Contracts on the Note Issuance Date:</p> <p>(z) Seller experience and expertise:</p> <p>(ii) The Seller (in its capacity as Servicer) has expertise in servicing exposures of a similar nature to those securitised for at least five years and has well- documented and adequate policies, procedures and risk management controls relating to the servicing of exposures, pursuant to Article 21(8) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria.</p> <p>See underlying transaction documents: Auto Portfolio Purchase Amendment and Restatement Agreement.</p> <p>10.2 Seller's representations and warranties on the Purchased HP Contracts</p> <p>The Seller represents and warrants to the Issuer and the Purchaser that, at the date of this Agreement and at the Note Issuance Date (by reference to the facts and circumstances then subsisting):</p> <p>(z) Seller experience and expertise</p> <p>(ii) The Seller (in its capacity as Servicer) has expertise in servicing exposures of a similar nature to those securitised for at least five years and has well- documented and adequate policies, procedures and risk management controls relating to the servicing of exposures, pursuant to Article 21(8) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria;</p> <p><i>Additional due diligence was 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

<b>55</b>	<b>STS Criteria</b>	<b>Verified?</b> <b>YES</b>
	<p>55. The transaction documentation shall set out in clear and consistent terms, remedies and actions relating to delinquency and default of debtors debt restructuring, debt forgiveness, forbearance, payment holidays, losses, charge offs, recoveries and other asset performance remedies.</p> <p><b>PCS Comments</b></p> <p>See Prospectus, <i>CREDIT AND COLLECTION POLICY</i>.</p> <p>See also Prospectus, <i>LEGAL MATTERS – FINLAND</i>.</p> <p>See also Prospectus, <i>OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS</i>.</p> <p>Servicing Agreement</p> <p>See underlying transaction documents: Auto Portfolio Purchase Amendment and Restatement Agreement.</p> <p>SCHEDULE 4</p> <p>CREDIT AND COLLECTION POLICY</p> <p>See also underlying transaction documents: Servicing Agreement.</p> <p><i>See also additional due diligence materials made available to investors.</i></p>	

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

<b>56</b>	<b>STS Criteria</b>	<b>Verified?</b> <b>YES</b>
	<p>56. The transaction documentation shall clearly specify the priorities of payment,</p> <p><b>PCS Comments</b></p> <p>See Prospectus, <i>NOTE CONDITIONS</i>.</p> <p>2. STATUS, SECURITY AND PRIORITY</p> <p><i>See Prospectus, TRANSACTION OVERVIEW</i>.</p> <p>PRIORITIES OF PAYMENTS</p> <p>See also underlying transaction documents: Note Trust Deed, Purchaser Security Trust Deed, Issuer Security Trust Deed.</p>	

57	<p><b>STS Criteria</b></p> <p>57. The transaction documentation shall clearly specify the events which trigger changes in such priorities of payment.</p>	<p><b>Verified?</b></p> <p><b>YES</b></p>
	<p><b>PCS Comments</b></p> <p>See Prospectus, <i>TRANSACTION OVERVIEW</i>.</p> <p>Purchaser Events of Default</p> <p>Issuer Event of Default</p> <p>See Prospectus, <i>NOTE CONDITIONS</i>.</p> <p>12. EVENTS OF DEFAULT</p> <p>See also underlying transaction documents: Master Framework Agreement.</p> <p>1. DEFINITIONS</p> <p>"Issuer Event of Default"</p> <p>"Purchaser Event of Default"</p> <p>See also underlying transaction documents: Note Trust Deed.</p> <p>SCHEDULE 4</p> <p>NOTE CONDITIONS</p>	
58	<p><b>STS Criteria</b></p> <p>58. The transaction documentation shall clearly specify the obligation to report such events.</p>	<p><b>Verified?</b></p> <p><b>YES</b></p>
	<p><b>PCS Comments</b></p> <p>See underlying transaction documents: Agency Agreement.</p> <p>8.2 Securitisation Regulation Reporting</p> <p>(d) To the extent that the Cash Administrator is aware of, or has been provided with, the following information (and the Servicer has agreed to assist the Cash Administrator by providing such necessary information):</p> <ul style="list-style-type: none"> <li>(i) any inside information relating to the Issuer or the Purchaser which the Issuer or the Purchaser (as applicable) is obliged to disclose in accordance with Article 7(1)(f) of the EU Securitisation Regulation; or</li> <li>(ii) information of a significant event for the purposes of Article 7(1)(g) of the EU Securitisation Regulation,</li> </ul> <p>the Cash Administrator shall, as soon as reasonably practicable following receipt of the relevant information, prepare a report with such assistance from the Issuer and/or the Purchaser as is reasonably required setting out details of such information in the form of Annex 14 of the EU Disclosure RTS applicable to the Issuer, the Seller and the Purchased HP Contracts to fulfil the inside information reporting requirement under Article 7(1)(f) of the EU Securitisation Regulation or to the extent required, the significant event reporting</p>	



	<p>under Article 7(1)(g) of the EU Securitisation Regulation the "Inside Information and Significant Event Report"). For the avoidance of doubt, such reporting shall include information on events which trigger changes in the priority of payments. Such reports will be delivered to the Reporting Entity who will arrange for these reports to be uploaded to the website of European DataWarehouse (being, as at the date of this Agreement, <a href="http://www.eurodw.eu">www.eurodw.eu</a>).</p> <p>(e) The Cash Administrator shall provide each Investor Report and each Inside Information and Significant Event Report to the Reporting Entity, to be made publicly available on the website of the Cash Administrator (being, as at the date of this Agreement, <a href="https://pivot.usbank.com">https://pivot.usbank.com</a>) without undue delay.</p> <p>(f) The Reporting Entity shall:</p> <p style="padding-left: 40px;">(iii) make available each Inside Information and Significant Event Report to the Noteholders, relevant competent authorities and, upon request, potential investors in the Notes as soon as reasonably practicable and without undue delay,</p>	
59	<p><b><u>STS Criteria</u></b></p> <p>59. Any change in the priorities of payments which will materially adversely affect the repayment of the securitisation position shall be reported to investors without undue delay.</p> <p><b><u>PCS Comments</u></b></p> <p>See Prospectus, <i>SECURITISATION REGULATIONS</i>.</p> <p>EU Securitisation Regulation</p> <p>The Reporting Entity will agree in favour of the Note Trustee on behalf of the Noteholders (pursuant to the Master Framework Agreement), the Sole Lead Manager and the Arranger (pursuant to the Subscription Agreement) that it shall:</p> <p>(b) make available to the Noteholders, relevant competent authorities and, upon request, to potential investors in the Notes through the Reporting Medium:</p> <p style="padding-left: 40px;">(iv) any change in the Priorities of Payments which will materially adversely affect the repayment of the Notes, without undue delay, to the extent required under Article 21(9) of the EU Securitisation Regulation;</p>	<p><b><u>Verified?</u></b></p> <p><b>YES</b></p>

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

60

**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, *NOTE CONDITIONS*.

## 14. MEETINGS OF NOTEHOLDERS; MODIFICATION

## 14.1 Noteholder Meetings

See also underlying transaction documents: Note Trust Deed.

## SCHEDULE 3

## PROVISIONS FOR MEETINGS OF NOTEHOLDERS

## 1. DEFINITIONS

"Extraordinary Resolution"

"Written Resolution"

## 4. CONVENING OF MEETING

The Issuer or the Note Trustee may convene a Meeting at any time, and the Note Trustee shall be obliged to do so (in each case, subject to it being indemnified and/or prefunded and/or secured to its satisfaction), upon the request in writing of a Class or Classes of Noteholders holding not less than one tenth of the Aggregate Outstanding Note Principal Amount of the Notes of the relevant Class or Classes. Every Meeting shall be held in Dublin or any other place in the European Union as so agreed and approved by the Note Trustee and shall be held on a date, and at a time approved by the Note Trustee.

## 5. NOTICE

## 5.1 Notice period and notice details

Not less than 21 days' and not more than 63 days' notice (exclusive of the day on which the notice is given and of the day on which the relevant Meeting is to be held) specifying the date, time and place of the Meeting shall be given to the relevant Noteholders and the Principal Paying Agent (with a copy to the Issuer where the Meeting is convened by the Note Trustee or, where the Meeting is convened by the Issuer, with a copy to the Note Trustee).

## 7. QUORUM

## 10. NOTICE FOLLOWING ADJOURNMENT

*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: extraordinary: (e) where applicable, a location for the meetings which should be in the EU*

**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, OUTLINE OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS.

Issuer Security Trust Deed

Issuer Finnish Security Agreement

Purchaser Security Trust Deed

Purchaser Finnish Security Agreement

Note Trust Deed

See also underlying transaction documents: Note Trust Deed, Purchaser Security Deed, Issuer Security Trust Deed, Purchase Security Trust Deed, Purchaser Finnish 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.

<b>62</b>	<b>STS Criteria</b>	<b>Verified? YES</b>
	<p>62. The originator and the sponsor shall make available data on static and dynamic historical default and loss performance, such as delinquency and default data, for substantially similar exposures to those being securitised,</p> <p><b>PCS Comments</b></p> <p>See Prospectus, <i>HISTORICAL DATA</i>.</p> <p>The following historical data sets out certain unaudited information in relation to a pool of auto loan HP Contracts as of February 2018 up until December 2023. The pool selected for the basis of the historical data below can be considered substantially similar exposures to the final securitised portfolio as they have been originated, underwritten and serviced in accordance with the policies of LocalTapiola Finance Ltd., which have been generally consistent over time.</p> <p>2. DELINQUENCY DATA (HP CONTRACTS)</p> <p>4. QUARTERLY CUMULATIVE DEFAULT DATA (HP CONTRACTS)</p> <p>5. RECOVERY DATA (HP CONTRACTS)</p> <p>See Prospectus, <i>SECURITISATION REGULATIONS</i>.</p> <p>Transparency requirements under the EU Securitisation Regulation</p> <p>As to pre-pricing information, the Reporting Entity has confirmed that:</p> <p>(a) it has made available to potential investors in the Notes, before pricing:</p> <p style="padding-left: 40px;">(ii) through the section of this Prospectus headed "Historical Data" and the website of European DataWarehouse (being, as at the date of this Prospectus, <a href="https://dealdocs.eurodw.eu/">https://dealdocs.eurodw.eu/</a>, 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, covering a period of at least 5 (five) years, pursuant to Article 22(1) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria ;</p>	
<b>63</b>	<b>STS Criteria</b>	<b>Verified? YES</b>
	<p>63. and the sources of those data and the basis for claiming similarity, to potential investors before pricing.</p> <p><b>PCS Comments</b></p> <p>See point 62 above.</p>	

64	<b>STS Criteria</b> 64. Those data shall cover a period no shorter than five years.	<b>Verified?</b> <b>YES</b>
	<b>PCS Comments</b> See 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	<b>STS Criteria</b> 65. A sample of the underlying exposures shall be subject to external verification prior to issuance of the securities resulting from the securitisation by an appropriate and independent party,	<b>Verified?</b> <b>YES</b>
	<b>PCS Comments</b> See Prospectus, <i>OTHER FEATURES OF THE PORTFOLIO</i> .  Pool Audit  The Portfolio has been subject to an agreed upon procedures review on a sample of loans selected from the Portfolio conducted by a third-party and completed on or about 22 December 2023 with respect to the Portfolio in existence as of 30 November 2023 and no significant adverse findings have been found. An independent third party has also performed agreed upon procedures in order to verify the Portfolio with the eligibility criteria that are able to be tested, and no significant adverse findings have been found. An independent third party has also performed agreed upon procedures in order to verify that the stratification tables in the section entitled "Information Tables Regarding The Portfolio" disclosed in respect of the underlying exposures are accurate. The third party undertaking the review has reported the factual findings to the parties to the agreement governing the performance of the agreed upon procedures. The Seller is of the view that there were no significant adverse findings in those reports. The third party undertaking the review only accepts a duty of care to the parties to the agreement 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 report on "agreed upon procedures" (AUP) commonly known as a "pool audit". PCS can confirm that this was done by an appropriate and independent third party.</i>	
66	<b>STS Criteria</b> 66. Including verification that the data disclosed in respect of the underlying exposures is accurate.	<b>Verified?</b> <b>YES</b>
	<b>PCS Comments</b> See point 65 above.	

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

67	<p><b>STS Criteria</b></p> <p>67. The originator or the sponsor shall, before the pricing of the securitisation, make available to potential investors a liability cash flow model which precisely represents the contractual relationship between the underlying exposures and the payments flowing between the originator, sponsor, investors, other third parties and the SSPE.</p>	<p><b>Verified?</b> <b>YES</b></p>
	<p><b>PCS Comments</b></p> <p>See Prospectus, <i>SECURITISATION REGULATIONS</i>.</p> <p>Transparency requirements under the EU Securitisation Regulation</p> <p>As to pre-pricing information, the Reporting Entity has confirmed that:</p> <p>(a) it has made available to potential investors in the Notes, before pricing:</p> <p>(iii) through the platform of Bloomberg (corporate website being, as at the date of this Prospectus, <a href="http://www.bloomberg.com">www.bloomberg.com</a>) and Intex (corporate website being, as at the date of this Prospectus, <a href="http://www.intex.com">www.intex.com</a>), a liability cash flow model which precisely represents the contractual relationship between the Receivables and the payments flowing between the Seller, the investors in the Notes, other third parties and the Issuer pursuant to Article 22(3) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria;</p>	
68	<p><b>STS Criteria</b></p> <p>68. And shall, after pricing, make that model available to investors on an ongoing basis and to potential investors upon request.</p>	<p><b>Verified?</b> <b>YES</b></p>
	<p><b>PCS Comments</b></p> <p>See Prospectus, <i>SECURITISATION REGULATIONS</i>.</p> <p>Transparency requirements under the EU Securitisation Regulation</p> <p>In addition, pursuant to the Master Framework Agreement, the Seller has agreed to make available to investors in the Notes on an ongoing basis and to potential investors in the Notes upon request, through the platform of Bloomberg (corporate website being, as at the date of this Prospectus, <a href="http://www.bloomberg.com">www.bloomberg.com</a>) and Intex (corporate website being, as at the date of this Prospectus, <a href="http://www.intex.com">www.intex.com</a>), a liability cash flow model which precisely represents the contractual relationship between the HP Contracts and the payments flowing between the Seller, the investors in the Notes, other third parties and the Issuer pursuant to Article 22(3) of the EU Securitisation Regulation and the EBA Guidelines on STS Criteria.</p> <p><i>Although technically covering the period between pricing and close, this is primarily a future event criterion. In other words, it cannot be either met or failed at the outset of the transaction. But if, at a later stage, it is not met, then the Originator will need to inform the FCA and the STS status of the securitisation will be lost. Therefore, as a technical matter, this criterion is not applicable at the closing of a transaction.</i></p> <p><i>However, PCS will nevertheless look to see if there is a covenant on the part of the originator to comply in the future with this requirement whilst noting, at the same time, that the absence of any such covenant – although possibly unsettling for some investors - would not invalidate the STS status of the transaction at closing.</i></p>	

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

<b>69</b>	<b>STS Criteria</b>	<b>Verified? YES</b>
	<p>69. In case of a securitisation where the underlying exposures are residential loans or car loans or leases, the originator and sponsor shall publish the available information related to the environmental performance of the assets financed by such residential loans or car loans or leases, as part of the information disclosed pursuant to point (a) of the first subparagraph of Article 7(1).</p>	
	<p><b>PCS Comments</b></p> <p>See Prospectus, <i>OTHER FEATURES OF THE PORTFOLIO</i>.</p> <p>Environmental Performance</p> <p>Apart from information on CO2 emissions in respect of certain Financed Vehicles, the administrative records of the Seller do not contain any information related to the environmental performance of the Portfolio. Further, information on CO2 emissions is not available with respect to all of the Financed Vehicles relating to the HP Contracts in the Portfolio. Other than limited information on CO2 emissions of certain Financed Vehicles which will be contained in the Servicer Reports and the Investor Reports, there is no available information to be published related to the environmental performance of the Financed Vehicles as of the date of this Prospectus.</p> <p>See Prospectus, <i>SECURITISATION REGULATIONS</i>.</p> <p>Transparency requirements under the EU Securitisation Regulation</p> <p>Each of the Issuer, the Purchaser and the Seller has agreed that the Issuer is designated as the Reporting Entity, pursuant to and for the purposes of Article 7(2) of the EU Securitisation Regulation and, in such capacity as Reporting Entity, it has fulfilled before pricing and/or shall fulfil after the Note Issuance Date, as the case may be, the information requirements pursuant to points (a), (b), (d), (e), (f) and (g) of the first subparagraph of Article 7(1) of the EU Securitisation Regulation by making available the relevant information (including, inter alia, the information, if and to the extent available, related to the environmental performance of the Financed Vehicles) through the website of European DataWarehouse (being, as at the date of this Prospectus, <a href="https://dealdocs.eurowd.eu">https://dealdocs.eurowd.eu</a>). European DataWarehouse has been authorised as a Securitisation Repository pursuant to Article 10 of the EU Securitisation Regulation.</p> <p>As to pre-pricing information, the Reporting Entity has confirmed that:</p> <p>(c) apart from limited information on CO2 emissions in respect of certain Financed Vehicles relating to the HP Contracts in the Portfolio, the administrative records of the Seller do not contain any information related to the environmental performance of the Portfolio and, as such, other than limited information on CO2 emissions of certain Financed Vehicles which will be contained in the Servicer Reports and the Investor Reports, there is no available information to be published related to the environmental performance of the Financed Vehicles pursuant to Article 22(4) of the EU Securitisation Regulation.</p> <p>As to post-closing information, the Issuer, the Purchaser, the Corporate Administrator, LocalTapiola Finance Ltd (in its various capacities), the Collections Account Bank and the Back-Up Servicer Facilitator (where applicable), each a party to the Master Framework Agreement have agreed and agreed as follows:</p> <p>(b) the Cash Administrator shall prepare the Investor Report pursuant to point (e) of the first subparagraph of Article 7(1) of the EU Securitisation Regulation and the EU Disclosure RTS with the information specified in the relevant Annex specified in Article 3(1) of the EU Disclosure RTS and using the template specified in the relevant Annex specified in the EU Disclosure ITS which are in each case applicable to the Issuer, the Seller and the Purchased HP Contracts, (including, inter alia, the information, if and to the extent available, related to the environmental performance of the Financed Vehicles) and deliver it to the Reporting Entity in a timely manner in order for the Reporting Entity to make available the Investor Report (simultaneously with the Loan by Loan Report) to the Noteholders, relevant competent authorities and, upon request, to potential investors in the Notes by no later than one</p>	

month after each Payment Date. For the avoidance of doubt, such reporting shall include information on events which trigger changes in the Priority of Payments or the replacement of any Transaction Parties;

*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 prospectus 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.

<b>70</b>	<b>STS Criteria</b>	<b>Verified?</b> <b>YES</b>
	70. The originator and the sponsor shall be responsible for compliance with Article 7 of this Regulation.	

**PCS Comments**

See Prospectus, *SECURITISATION REGULATIONS*.

Transparency requirements under the EU Securitisation Regulation

Under the Master Framework Agreement, the parties thereto have acknowledged that the Seller shall be responsible for compliance with Article 7 of the EU Securitisation Regulation.

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

<b>71</b>	<b>STS Criteria</b>	<b>Verified?</b> <b>YES</b>
	71. The information required by point (a) the first subparagraph of Article 7(1) shall be made available to potential investors before pricing upon request.	

**PCS Comments**

See Prospectus, *SECURITISATION REGULATIONS*.

Transparency requirements under the EU Securitisation Regulation

As to pre-pricing information, the Reporting Entity has confirmed that:

(a) it has made available to potential investors in the Notes, before pricing:

(i) through the website of European DataWarehouse (being, as at the date of this Prospectus, <https://dealdocs.eurodw.eu/>), the information under point (a) of the first subparagraph of Article 7(1) upon request and the information under points (b) and (d) of the first subparagraph of Article 7(1) of the EU Securitisation Regulation;



<b>72</b>	<b>STS Criteria</b> 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.	<b>Verified?</b> <b>YES</b>
	<b>PCS Comments</b> See Prospectus, <i>SECURITISATION REGULATIONS</i> . Transparency requirements under the EU Securitisation Regulation As to pre-pricing information, the Reporting Entity has confirmed that: (a) it has made available to potential investors in the Notes, before pricing: (i) through the website of European DataWarehouse (being, as at the date of this Prospectus, <a href="https://dealdocs.eurodw.eu/">https://dealdocs.eurodw.eu/</a> ), the information under point (a) of the first subparagraph of Article 7(1) upon request and the information under points (b) and (d) of the first subparagraph of Article 7(1) of the EU Securitisation Regulation;	

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

<b>73</b>	<b>STS Criteria</b> 73. The final documentation shall be made available to investors at the latest 15 days after closing of the transaction.	<b>Verified?</b> <b>YES</b>
	<b>PCS Comments</b> See Prospectus, <i>SECURITISATION REGULATIONS</i> . Transparency requirements under the EU Securitisation Regulation As to post-closing information, the Issuer, the Purchaser, the Cash Administrator, the Corporate Administrator, LocalTapiola Finance Ltd (in its various capacities), the Collections Account Bank and the Back-Up Servicer Facilitator (where applicable), each a party to the Master Framework Agreement have agreed and agreed as follows: (d) the Issuer and/or the Cash Administrators shall deliver to the Reporting Entity (i) a copy of the final Prospectus and the other final Transaction Documents in a timely manner in order for the Reporting Entity to make available such documents to the investors in the Notes by no later than 15 (fifteen) days after the Note Issuance Date, and (ii) any other document or information that may be required to be disclosed to relevant competent authorities, the investors or potential investors in the Notes pursuant to the EU Securitisation Regulation and the applicable Regulatory Technical Standards in a timely manner (to the extent not already provided by other parties), The Reporting Entity will agree in favour of the Note Trustee on behalf of the Noteholders (pursuant to the Master Framework Agreement), the Sole Lead Manager and the Arranger (pursuant to the Subscription Agreement) that it shall: (b) make available to the Noteholders, relevant competent authorities and, upon request, to potential investors in the Notes through the Reporting Medium: (i) a copy of the final Prospectus and the relevant final Transaction Documents by no later than 15 (fifteen) days after the Note Issuance Date;	

*This criterion speaks to document disclosure within 15 days of closing and therefore is a future event criterion. In other words, it cannot be either met or failed at the outset of the transaction. But if it is not met within the specified 15-day period, then the Originator will need to inform the FCA and the STS status of the securitisation will be lost.*

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

**Article 7.1.** The originator, sponsor and SSPE of a securitisation shall, in accordance with paragraph 2 of this Article, make at least the following information available to holders of a securitisation position, to the competent 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, *SECURITISATION REGULATIONS*.

Transparency requirements under the EU Securitisation Regulation

As to post-closing information, the Issuer, the Purchaser, the Corporate Administrator, LocalTapiola Finance Ltd (in its various capacities), the Collections Account Bank and the Back-Up Servicer Facilitator (where applicable), each a party to the Master Framework Agreement have agreed and agreed as follows:

(a) the Servicer shall prepare the Loan by Loan Report pursuant to point (a) of the first subparagraph of Article 7(1) of the EU Securitisation Regulation and the EU Disclosure RTS with the information specified in the relevant Annex specified in Article 2(1) of the EU Disclosure RTS and using the template specified in the relevant Annex specified in the EU Disclosure ITS which are in each case applicable to the Issuer, the Seller and the Purchased HP Contracts, and deliver it to the Reporting Entity in a timely manner in order for the Reporting Entity to make available the Loan by Loan Report (simultaneously with the Investor Report) to the Noteholders, relevant competent authorities and, upon request, to potential investors in the Notes by no later than one month after each Payment Date;

The Reporting Entity will agree in favour of the Note Trustee on behalf of the Noteholders (pursuant to the Master Framework Agreement), the Sole Lead Manager and the Arranger (pursuant to the Subscription Agreement) that it shall:

(b) make available to the Noteholders, relevant competent authorities and, upon request, to potential investors in the Notes through the Reporting Medium:

(ii) the Loan by Loan Reports and Investor Reports (simultaneously) by no later than one month after each Payment Date;

See Prospectus, *CERTAIN DEFINITIONS*.

"Loan by Loan Report" means a report containing information on the underlying exposures referred to in point (a) of the first subparagraph of Article 7(1) of the EU Securitisation Regulation prepared by the Servicer in the format specified in the EU Securitisation Rules.

*Certain criteria from 73 onwards cover 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

**STS Criteria**

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

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

**Verified?  
YES**

**PCS Comments**

See Prospectus, *SECURITISATION REGULATIONS*.

Transparency requirements under the EU Securitisation Regulation

The Reporting Entity will agree in favour of the Note Trustee on behalf of the Noteholders (pursuant to the Master Framework Agreement), the Sole Lead Managers and the Arranger (pursuant to the Subscription Agreement) that it shall:

- (b) make available to the Noteholders, relevant competent authorities and, upon request, to potential investors in the Notes through the Reporting Medium:
  - (i) a copy of the final Prospectus and the relevant final Transaction Documents by no later than 15 (fifteen) days after the Note Issuance Date;

See underlying transaction documents: Master Framework Agreement.

1. DEFINITIONS

"Transaction Documents" means the Amended Auto Portfolio Purchase Agreement, the Loan Agreement, the Servicing Agreement, the Issuer Security Documents, the Purchaser Security Documents, the Corporate Administration Agreements, the Transaction Account Bank Agreement, the Collections Account Agreement, the Note Trust Deed, the Agency Agreement, the Subscription Agreement, the Class C Note Purchase Agreement, the Issuer-ICSD Agreement, the Swap Agreement, the Master Framework Agreement and any amendments, supplements, terminations or replacements relating to any such agreement and any other document that may be designated as such from time to time by the Transaction Parties.

*Certain criteria from 73 onwards cover 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, NOTE CONDITIONS

2. STATUS, SECURITY AND PRIORITY

*See Prospectus, TRANSACTION OVERVIEW.*

PRIORITIES OF PAYMENTS

See also underlying transaction documents: Note Trust Deed, Purchase Security Trust Deed, Issuer Security Trust Deed.

*Certain criteria from 73 onwards cover 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, *SECURITISATION REGULATIONS*.

Transparency requirements under the EU Securitisation Regulation

As to pre-pricing information, the Reporting Entity has confirmed that:

- (a) it has made available to potential investors in the Notes, before pricing:

(i) through the website of European DataWarehouse (being, as at the date of this Prospectus, <https://dealdocs.eurodw.eu/>), the information under point (a) of the first subparagraph of Article 7(1) upon request and the information under points (b) and (d) of the first subparagraph of Article 7(1) of the EU Securitisation Regulation;

Investors to assess compliance

The Seller will submit a STS notification to ESMA in accordance with Article 27 of the EU Securitisation Regulation on or about the Note Issuance Date, pursuant to which compliance with the requirements of Articles 19 to 22 of the EU Securitisation Regulation will be notified with the intention that the securitisation transaction described in this prospectus is to be included in the list administered by ESMA within the meaning of article 27 of the EU Securitisation Regulation.

*Certain criteria from 73 onwards cover 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 Prospectus, *SECURITISATION REGULATIONS*.

Transparency requirements under the EU Securitisation Regulation

As to post-closing information, the Issuer, the Purchaser, the Corporate Administrator, LocalTapiola Finance Ltd (in its various capacities), the Collections Account Bank and the Back-Up Servicer Facilitator (where applicable), each a party to the Master Framework Agreement have agreed and agreed as follows:

(b) the Cash Administrator shall prepare the Investor Report pursuant to point (e) of the first subparagraph of Article 7(1) of the EU Securitisation Regulation and the EU Disclosure RTS with the information specified in the relevant Annex specified in Article 3(1) of the EU Disclosure RTS and using the template specified in the relevant Annex specified in the EU Disclosure ITS which are in each case applicable to the Issuer, the Seller and the Purchased HP Contracts, (including, inter alia, the information, if and to the extent available, related to the environmental performance of the Financed Vehicles) and deliver it to the Reporting Entity in a timely manner in order for the Reporting Entity to make available the Investor

Report (simultaneously with the Loan by Loan Report) to the Noteholders, relevant competent authorities and, upon request, to potential investors in the Notes by no later than one month after each Payment Date. For the avoidance of doubt, such reporting shall include information on events which trigger changes in the Priority of Payments or the replacement of any Transaction Parties;

The Reporting Entity will agree in favour of the Note Trustee on behalf of the Noteholders (pursuant to the Master Framework Agreement), the Sole Lead Manager and the Arranger (pursuant to the Subscription Agreement) that it shall:

(b) make available to the Noteholders, relevant competent authorities and, upon request, to potential investors in the Notes through the Reporting Medium:

(ii) the Loan by Loan Reports and Investor Reports (simultaneously) by no later than one month after each Payment Date;

See Prospectus, *CERTAIN DEFINITIONS*.

"Investor Report" shall mean an investor report containing the information referred to in Article 7(1)(e) of the EU Securitisation Regulation in a format specified in the EU Securitisation Rules (including, inter alia, the information, if available, related to the environmental performance of the Vehicles) prepared by the Cash Administrator, in accordance with the Agency Agreement with respect to each Collection Period which report it will provide to the Issuer, the Note Trustee, the Reporting Entity, the Servicer and each Rating Agency no later than 12:00 noon (London time) on the Investor Reporting Date.

*Certain criteria from 73 onwards cover 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;

<b>80</b>	<b><u>STS Criteria</u></b> 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;	<b><u>Verified?</u></b> <b>YES</b>
-----------	---	---------------------------------------

**PCS Comments**

See Prospectus, *SECURITISATION REGULATIONS*.

Transparency requirements under the EU Securitisation Regulation

As to post-closing information, the Issuer, the Purchaser, the Corporate Administrator, LocalTapiola Finance Ltd (in its various capacities), the Collections Account Bank and the Back-Up Servicer Facilitator (where applicable), each a party to the Master Framework Agreement have agreed and agreed as follows:

(c) to the extent the Cash Administrator has been made aware of or is provided with the following information (and the Seller has agreed to assist the Servicer by providing such necessary information):

(i) any inside information relation to the Issuer and/or the Purchaser which the Issuer and/or the Purchaser determines it is obliged to make public in accordance with Article 7(1)(f) of the Securitisation Regulation and will be disclosed to the public by the Issuer and/or the Purchaser; and

(ii) any significant event in accordance with Article 7(1)(g) of the EU Securitisation Regulation,

the Cash Administrator will, as soon as reasonably practicable following receipt of the relevant information, prepare a report with such assistance from the Issuer and/or the Purchaser as is reasonably required setting out details of such information specified in the form of the relevant Annex specified in the EU Disclosure RTS and using the templates specified in the relevant Annex specified in the EU Disclosure ITS which are in each case applicable to the Issuer, the Seller and the Purchased HP Contracts to fulfil the inside information reporting requirement under Article 7(1)(f) of the Securitisation Regulation or, to the extent required, under Article 7(1)(g) of the Securitisation Regulation (the "Inside Information and Significant Event Report "). For the avoidance of doubt, such reporting shall include information on events which trigger changes in the relevant priority of payments. Such reports will be delivered to the Reporting Entity who will arrange for these reports to be uploaded to the website of European DataWarehouse (being, as at the date of this Prospectus, <https://dealdocs.eurodw.eu/>;

The Reporting Entity will agree in favour of the Note Trustee on behalf of the Noteholders (pursuant to the Master Framework Agreement), the Sole Lead Manager and the Arranger (pursuant to the Subscription Agreement) that it shall:

(b) make available to the Noteholders, relevant competent authorities and, upon request, to potential investors in the Notes through the Reporting Medium:

(iii) any information required to be reported pursuant to Articles 7(1)(f) or 7(1)(g) (as applicable) of the EU Securitisation Regulation, without delay;

in each case, in accordance with the requirements provided by the EU Securitisation Regulation and the applicable Regulatory Technical Standards.

*Certain criteria from 73 onwards cover 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**

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

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

**Verified?**  
**YES**

**PCS Comments**

See Prospectus, *SECURITISATION REGULATIONS*.

Transparency requirements under the EU Securitisation Regulation

As to post-closing information, the Issuer, the Purchaser, the Corporate Administrator, LocalTapiola Finance Ltd (in its various capacities), the Collections Account Bank and the Back-Up Servicer Facilitator (where applicable), each a party to the Master Framework Agreement have agreed and agreed as follows:

(c) to the extent the Cash Administrator has been made aware of or is provided with the following information (and the Servicer has agreed to assist the Cash Administrator by providing such necessary information):

- (i) any inside information relation to the Issuer and/or the Purchaser which the Issuer and/or the Purchaser determines it is obliged to make public in accordance with Article 7(1)(f) of the Securitisation Regulation and will be disclosed to the public by the Issuer and/or the Purchaser; and
- (ii) any significant event in accordance with Article 7(1)(g) of the EU Securitisation Regulation,

the Cash Administrator will, as soon as reasonably practicable following receipt of the relevant information, prepare a report with such assistance from the Issuer and/or the Purchaser as is reasonably required setting out details of such information specified in the form of the relevant Annex specified in the EU Disclosure RTS and using the templates specified in the relevant Annex specified in the EU Disclosure ITS which are in each case applicable to the Issuer, the Seller and the Purchased HP Contracts to fulfil the inside information reporting requirement under Article 7(1)(f) of the Securitisation Regulation or, to the extent required, under Article 7(1)(g) of the Securitisation Regulation (the "Inside Information and Significant Event Report "). For the avoidance of doubt, such reporting shall include information on events which trigger changes in the relevant priority of payments.

Such reports will be delivered to the Reporting Entity who will arrange for these reports to be uploaded to the website of European DataWarehouse (being, as at the date of this Prospectus, <https://dealdocs.eurodw.eu/>);

The Reporting Entity will agree in favour of the Note Trustee on behalf of the Noteholders (pursuant to the Master Framework Agreement), the Sole Lead Manager and the Arranger (pursuant to the Subscription Agreement) that it shall:

(b) make available to the Noteholders, relevant competent authorities and, upon request, to potential investors in the Notes through the Reporting Medium:

(iii) any information required to be reported pursuant to Articles 7(1)(f) or 7(1)(g) (as applicable) of the EU Securitisation Regulation, without delay;

in each case, in accordance with the requirements provided by the EU Securitisation Regulation and the applicable Regulatory Technical Standards.

*Certain criteria from 73 onwards cover 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]

<b>82</b>	<b>STS Criteria</b>	<b>Verified? YES</b>
	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]	

**PCS Comments**

See Prospectus, *SECURITISATION REGULATIONS*.

Transparency requirements under the EU Securitisation Regulation

As to post-closing information, the Issuer, the Purchaser, the Cash Administrator, the Corporate Administrator, LocalTapiola Finance Ltd (in its various capacities), the Collections Account Bank and the Back-Up Servicer Facilitator (where applicable), each a party to the Master Framework Agreement have agreed and agreed as follows:

(a) the Servicer shall prepare the Loan by Loan Report pursuant to point (a) of the first subparagraph of Article 7(1) of the EU Securitisation Regulation and the EU Disclosure RTS with the information specified in the relevant Annex specified in Article 2(1) of the EU Disclosure RTS and using the template specified in the relevant Annex specified in the EU Disclosure ITS which are in each case applicable to the Issuer, the Seller and the Purchased HP Contracts, and deliver it to the Reporting Entity in a timely manner in order for the Reporting Entity to make available the Loan by Loan Report (simultaneously with the Investor Report) to the Noteholders, relevant competent authorities and, upon request, to potential investors in the Notes by no later than one month after each Payment Date;

(b) the Cash Administrator shall prepare the Investor Report pursuant to point (e) of the first subparagraph of Article 7(1) of the EU Securitisation Regulation and the EU Disclosure RTS with the information specified in the relevant Annex specified in Article 3(1) of the EU Disclosure RTS and using the template specified in the relevant Annex specified in the EU Disclosure ITS which are in each case applicable to the Issuer, the Seller and the Purchased HP Contracts, (including, inter alia, the information, if and to the extent available, related to the environmental performance of the Financed Vehicles) and deliver it to the Reporting Entity in a timely manner in order for the Reporting Entity to make available the Investor Report (simultaneously with the Loan by Loan Report) to the Noteholders, relevant competent authorities and, upon request, to potential investors in the Notes by no later than one month after each Payment Date. For the avoidance of doubt, such reporting shall include information on events which trigger changes in the Priority of Payments or the replacement of any Transaction Parties;

The Reporting Entity will agree in favour of the Note Trustee on behalf of the Noteholders (pursuant to the Master Framework Agreement), the Sole Lead Manager and the Arranger (pursuant to the Subscription Agreement) that it shall:

(b) make available to the Noteholders, relevant competent authorities and, upon request, to potential investors in the Notes through the Reporting Medium:

(ii) the Loan by Loan Reports and Investor Reports (simultaneously) by no later than one month after each Payment Date;

*Certain criteria from 73 onwards cover 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 Prospectus, *SECURITISATION REGULATIONS*.

Transparency requirements under the EU Securitisation Regulation

The Reporting Entity will agree in favour of the Note Trustee on behalf of the Noteholders (pursuant to the Master Framework Agreement), the Sole Lead Manager and the Arranger (pursuant to the Subscription Agreement) that it shall:

(b) make available to the Noteholders, relevant competent authorities and, upon request, to potential investors in the Notes through the Reporting Medium:

(iii) any information required to be reported pursuant to Articles 7(1)(f) or 7(1)(g) (as applicable) of the EU Securitisation Regulation, without delay;

*Certain criteria from 73 onwards cover 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, *SECURITISATION REGULATIONS*.

Transparency requirements under the EU Securitisation Regulation

Each of the Issuer, the Purchaser and the Seller has agreed that the Issuer is designated as the Reporting Entity, pursuant to and for the purposes of Article 7(2) of the EU Securitisation Regulation and, in such capacity as Reporting Entity, it has fulfilled before pricing and/or shall fulfil after the Note Issuance Date, as the case may be, the information requirements pursuant to points (a), (b), (d), (e), (f) and (g) of the first subparagraph of Article 7(1) of the EU Securitisation Regulation by making available the relevant information (including, inter alia, the information, if and to the extent available, related to the environmental performance of the Financed Vehicles) through the website of European DataWarehouse (being, as at the date of this Prospectus, <https://dealdocs.eurodw.eu>). European DataWarehouse has been authorised as a Securitisation Repository pursuant to Article 10 of the EU Securitisation Regulation.

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

85

**STS Criteria**

85. The entity responsible for reporting the information, and the securitisation repository where the information is made available shall be indicated in the documentation regarding the securitisation.

**Verified?**  
**YES**

**PCS Comments**

See Prospectus, *SECURITISATION REGULATIONS*.

Transparency requirements under the EU Securitisation Regulation

Each of the Issuer, the Purchaser and the Seller has agreed that the Issuer is designated as the Reporting Entity, pursuant to and for the purposes of Article 7(2) of the EU Securitisation Regulation and, in such capacity as Reporting Entity, it has fulfilled before pricing and/or shall fulfil after the Note Issuance Date, as the case may be, the information requirements pursuant to points (a), (b), (d), (e), (f) and (g) of the first subparagraph of Article 7(1) of the EU Securitisation Regulation by making available the relevant information

(including, inter alia, the information, if and to the extent available, related to the environmental performance of the Financed Vehicles) through the website of European DataWarehouse (being, as at the date of this Prospectus, <https://dealdocs.eurodw.eu/>). European DataWarehouse has been authorised as a Securitisation Repository pursuant to Article 10 of the EU Securitisation Regulation.

*In this transaction, relevant information is made via European Data Warehouse, a Securitisation Repository.*

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