

CRR ASSESSMENT

SCF RAHOITUSPALVELUT IX DAC



PRIME COLLATERALISED SECURITIES (PCS) UK LIMITED

14th October 2020

Analyst: Robert Leach – +44 (0) 203 866 5005

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

14th October 2020

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Prime Collateralised Securities (PCS) CRR Assessment

Individual(s) undertaking the assessment	Robert Leach
Date of Verification	14 October 2020
The transaction to be verified (the “Transaction”)	SCF RAHOITUSPALVELUT IX DAC
Issuer	SCF RAHOITUSPALVELUT IX DAC
Originator	Santander Consumer Finance Oy
ISIN	XS2230295151
Arranger(s)	Santander Corporate and Investment Banking
Lead Manager(s)	Santander Corporate and Investment Banking, ING Bank N.V.
Transaction Legal Counsel	Mayer Brown International LLP
Rating Agencies	Fitch, S&P
Stock Exchange	Euronext Dublin (Irish Stock Exchange)
Closing Date	14 October 2020

Legislative text	CRR criteria	Identifying document and checking page reference	Checking comments	Criteria fulfilled Yes / No
<p>Article 243</p> <p>2. Positions in a securitisation, other than an ABCP programme or ABCP transaction, that qualify as positions in an STS securitisation, shall be eligible for the treatment set out in Articles 260, 262 and 264 where the following requirements are met:</p>				
<p>(a) at the time of inclusion in the securitisation, the aggregate exposure value of all exposures to a single obligor in the pool does not exceed 2 % of the exposure values of the aggregate outstanding exposure values of the pool of underlying exposures. For the</p>	<p>1. (a) at the time of inclusion in the securitisation, the aggregate exposure value of all exposures to a single obligor in the pool does not exceed 2 % of the exposure values of the aggregate outstanding exposure values of the pool of underlying</p>	<p>See Prospectus, ELIGIBILITY CRITERIA.</p> <p>As of the relevant 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 acquisition by the</p>	<p>Aggregate exposure value to a single obligor⁽¹⁾ in the pool does not exceed 2%.</p>	<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p>

¹ In considering the requirements of Article 243, PCS has viewed the reference to exposures to mean the underlying receivables that provide the source for the repayment of interest and principal in the transaction. In the subject transaction, the sale of receivables and isolation of the assets from seller insolvency and the isolation of the issuer from claims related to direct ownership of the titles to the underlying assets are accomplished using a double SPV structure. We believe that treating the double SPV structure as essentially one and looking through to the underlying receivables as the intended exposures in applying Article 243 is consistent with the treatment in double SPV structures by the regulator in other instances (e.g., ABCP transactions under STS regulation) and would logically apply in the regulatory treatment under the CRR regulation.

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<p>purposes of this calculation, loans or leases to a group of connected clients shall be considered as exposures to a single obligor.</p>	<p>exposures. For the purposes of this calculation, loans or leases to a group of connected clients shall be considered as exposures to a single obligor.</p>	<p>Purchaser pursuant to the Auto Portfolio Purchase Agreement.</p> <p>18. Each HP Contract to be purchased on the relevant Purchase Date, when aggregated with all other Purchased HP Contracts, will not result in the sum of the Principal Amounts of the Purchased HP Contracts owed by any Debtor exceeding 0.06 per cent. of the Principal Amounts of the Purchased HP Contracts;</p>		
<p>In the case of securitised residual leasing values, the first subparagraph of this point shall not apply where those values are not exposed to refinancing or resell risk due to a legally enforceable commitment to repurchase or refinance the exposure at a pre-determined amount by a</p>	<p>In the case of securitised residual leasing values, the first subparagraph of this point shall not apply where those values are not exposed to refinancing or resell risk due to a legally enforceable commitment to repurchase or refinance the exposure at a pre-determined amount by a</p>			<p>Yes <input type="checkbox"/></p> <p>No <input type="checkbox"/></p> <p>N/A <input checked="" type="checkbox"/></p>

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third party eligible under Article 201(1);	third party eligible under Article 201(1);			
<p>(b) at the time of their inclusion in the securitisation, the underlying exposures meet the conditions for being assigned, under the Standardised Approach and taking into account any eligible credit risk mitigation, a risk weight equal to or smaller than:</p> <p>(i) 40 % on an exposure value-weighted average basis for the portfolio where the exposures are loans secured by residential mortgages or fully guaranteed residential loans, as referred to in <i>point (e)</i> of Article 129(1);</p> <p>(ii) 50 % on an individual exposure basis where the exposure is a loan secured by a commercial mortgage;</p>	<p>2. (b) at the time of their inclusion in the securitisation, the underlying exposures meet the conditions for being assigned, under the Standardised Approach and taking into account any eligible credit risk mitigation, a risk weight equal to or smaller than:</p> <p>(i) 40 % on an exposure value-weighted average basis for the portfolio where the exposures are loans secured by residential mortgages or fully guaranteed residential loans, as referred to in <i>point (e)</i> of Article 129(1);</p> <p>(ii) 50 % on an individual exposure basis where the exposure is a loan secured by a commercial mortgage;</p>	<p>See Prospectus, DESCRIPTION OF THE PORTFOLIO.</p> <p>As at each Purchase Date, each Eligible HP Contract meets the conditions for being assigned a standardised risk weight equal to or smaller than 75% on an individual exposure basis where the exposure is a retail exposure, or for any other exposures equal to or smaller than 100% on an individual exposure basis, as such terms are described in Article 243 of the CRR.</p>	<p>2(b)(iii) applies.</p> <p>The underlying exposures meet the conditions for being assigned a standardised risk weight equal to or smaller than 75% on an individual exposure basis where the exposure is a retail exposure, or for any other exposures equal to or smaller than 100% on an individual exposure basis, as such terms are described in Article 243 of the CRR.</p>	<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p>

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<p>(iii) 75 % on an individual exposure basis where the exposure is a retail exposure;</p> <p>(iv) for any other exposures, 100 % on an individual exposure basis;</p>	<p>(iii) 75 % on an individual exposure basis where the exposure is a retail exposure;</p> <p>(iv) for any other exposures, 100 % on an individual exposure basis;</p>			
<p>(c) where points (b)(i) and (b)(ii) apply, the loans secured by lower ranking security rights on a given asset shall only be included in the securitisation where all loans secured by prior ranking security rights on that asset are also included in the securitisation;</p>	<p>3. (c) where points (b)(i) and (b)(ii) apply, the loans secured by lower ranking security rights on a given asset shall only be included in the securitisation where all loans secured by prior ranking security rights on that asset are also included in the securitisation;</p>	<p>Not applicable.</p>	<p>Not applicable.</p>	<p>Yes <input type="checkbox"/></p> <p>No <input type="checkbox"/></p> <p>N/A <input checked="" type="checkbox"/></p>
<p>(d) where point (b)(i) of this paragraph applies, no loan in the pool of underlying exposures shall have a loan-to-value ratio higher than 100 %, at the time of inclusion in the securitisation, measured in accordance with point</p>	<p>4. (d) where point (b)(i) of this paragraph applies, no loan in the pool of underlying exposures shall have a loan-to-value ratio higher than 100 %, at the time of inclusion in the securitisation, measured in accordance with point</p>	<p>Not applicable.</p>	<p>Not applicable.</p>	<p>Yes <input type="checkbox"/></p> <p>No <input type="checkbox"/></p> <p>N/A <input checked="" type="checkbox"/></p>

Legislative text	CRR criteria	Identifying document and checking page reference	Checking comments	Criteria fulfilled Yes / No
(d)(i) of Article 129(1) and Article 229(1).	(d)(i) of Article 129(1) and Article 229(1).			