

**Provisional
CRR ASSESSMENT
FCT PULSE FRANCE 2022**



PRIME COLLATERALISED SECURITIES (PCS) EU SAS

6th September 2022

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This is a Provisional CRR Assessment.

This Provisional CRR Assessment 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.

This Provisional CRR Assessment is not the final CRR assessment and it based on the draft documents and information provided to PCS by or on behalf of the originator as of the date of this assessment. It is anticipated at the date of this Provisional CRR Assessment that a Final CRR Assessment will be made available at or around closing of the transaction. However, such Final CRR Assessment will be based upon the final materials received by PCS and will only be made available on a fully ticked basis if no material adverse changes have been made to the transaction or the relevant material which, upon becoming known to PCS, would not adversely change our analysis. Therefore, no guarantees can be provided that such Final CRR Assessment will be made available on a fully ticked basis.

It is important that the reader of this checklist reviews and understands the disclaimer referred to on the following page. Note that all comments on the disclaimer relate to both Provisional CRR Assessments and Final CRR Assessments.

6th September 2022

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PRIME COLLATERALISED SECURITIES (PCS) Provisional CRR Assessment

Individual(s) undertaking the assessment	Fazel Ahmed
Date of Verification	6 September 2022
The transaction to be verified (the "Transaction")	FCT PULSE FRANCE 2022
Issuer	FCT PULSE FRANCE 2022
Originator	Arval Service Lease
Lead Manager(s)	BNP Paribas
Transaction Legal Counsel	JONES DAY
Rating Agencies	DBRS and Fitch
Stock Exchange	Luxembourg stock exchange
Expected Closing Date	[6 October] 2022

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

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

Legislative Text

Article 243 ⁽¹⁾

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:

1a

CRR Criteria

(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 purposes of this calculation, loans or leases to a group of connected clients shall be considered as exposures to a single obligor.

Meets Criteria?
YES

PCS Comments

See Preliminary Prospectus.

See section, THE UNDERLYING ASSETS

3. PORTFOLIO CRITERIA

The following portfolio criteria (the "Portfolio Criteria") are calculated throughout the Revolving Period (including on the Closing Date) on each Purchase Date and are calculated by taking into account the Additional Portfolio to be purchased on the relevant Purchase Date (the Initial Portfolio and the Additional Portfolio being together the "Aggregate Portfolio" or the "Portfolio"):

(a) the Aggregate Performing Outstanding Lease Principal Balance of the Lease Receivables held over a single Lessee or Lessees belonging to the same Company Group does not exceed [2.0]% of the Aggregate Performing Outstanding Lease Principal Balance of the Portfolio;

¹ REGULATION (EU) 2017/2401 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 12 December 2017 amending Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms.

1b	CRR Criteria 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 third party eligible under Article 201(1);	Meets Criteria? N/A
	PCS Comments <i>Not applicable</i> .Note: Eligibility Criteria of the Lease Agreements on each Entitlement Date The transaction does not include residual value risk	

2	CRR Criteria (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: (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 point (e) of Article 129(1); (ii) 50 % on an individual exposure basis where the exposure is a loan secured by a commercial mortgage; (iii) 75 % on an individual exposure basis where the exposure is a retail exposure ⁽²⁾ ; for any other exposures, 100 % on an individual exposure basis;	Meets Criteria? YES
	PCS Comments 2 (b) (iii) and (iv) applies. 2(b)(iii) applies to a Retail Lessee 2(b)(iv) applies to the ME Lessee and Large Corporate Lessee	

² See article 123, "Retail exposures" of the Regulation (EU) No 575/2013; for Consumer loans see the amendments to article 123 in (59) REGULATION (EU) 2019/876 and REGULATION (EU) 2020/873, article 2 (1) (a). In particular, pursuant to the amendments to Article 123, under Regulation (EU) 2019/876.
See article 501 on "Adjustment of risk-weighted non-defaulted SME exposures for "SME Loans" of the Regulation (EU) No 575/2013, as amended in Regulation (EU) 2019/876 and Regulation 2020/873 in (19) and Article 2.1(b).

External ratings are not used for the purposes of underwriting. See section. ORIGINATION AND UNDERWRITING PROCEDURES

See section,

2.3 Lessee Eligibility Criteria

(b) the Lessee is a private company in the form of a commercial company (société commerciale) corresponding to "Catégorie 5, 6 and 8 INSEE niveau I", with a valid code from the French statistical classification of economic activities ("NAF" or 'Nomenclature d'Activité Française')

(c) the Lessee has its registered office in Metropolitan France;

(f) the Lessee is classified by the Seller as a Retail Lessee, a ME Lessee or a Large Corporate Lessee.

See the section, GLOSSARY OF DEFINED TERMS

"Retail Lessee" means any Lessee for which, to the best knowledge of the Servicer, the annual turnover (chiffre d'affaires) is less than EUR 15,000,000.

"ME Lessee" means any Lessee for which, to the best knowledge of the Servicer, the annual turnover (chiffre d'affaires) is greater or equal to EUR 15,000,000 and less than EUR 500,000,000.

"Large Corporate Lessee" means any Lessee for which, to the best knowledge of the Servicer, the annual turnover is greater or equal to EUR 500,000,000.

PCS has received due diligence materials confirming the risk weights on the basis of the standardised approach.

3	CRR Criteria (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;	Meets Criteria? N/A
	PCS Comments Not applicable.	

4	CRR Criteria (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 (d)(i) of Article 129(1) and Article 229(1).	Meets Criteria? N/A
	PCS Comments Not applicable.	