

Provisional
STS Term Verification Checklist
Consumer Totta 1

GAMMA – Sociedade de Titularização de Créditos, S.A.



PRIME COLLATERALISED SECURITIES (PCS) EU SAS

20th September 2022

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

This Provisional 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 page references in this document are to the prospectus unless otherwise stated.

This Provisional STS Term Verification Checklist is not the final STS Term Verification and is based on the draft documents and information provided to PCS by or on behalf of the originator as of the date of this assessment.

PCS comments in this Provisional 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 anticipated at the date of this Provisional STS Term Verification Checklist a Final STS Term Verification Checklist for STS Term Verification will be made available at or around closing of the transaction. However, such Final STS Term Verification Checklist for STS Term Verifications 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 STS Term Verification Checklist for STS Term Verification 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 STS Term Checklist for STS Term Verifications and the Final STS Term Checklist for STS Term Verifications.

20th September 2022

STS Disclaimer

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

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

Currently, none of the activities involved in providing an CRR 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 CRR status of any securities or financing, neither the PCS Association nor PCS UK nor PCS EU express any views about the creditworthiness of these securities or financings or their suitability for any existing or potential investor or as to whether there will be a ready, liquid market for these securities or financings.

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

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

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To understand the meaning and limitations of any CRR 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 | 20 September 2022 |
| The transaction to be verified (the “Transaction”) | Consumer Totta 1 – GAMMA – Sociedade de Titularização de Créditos, S.A. |
| Issuer | GAMMA – Sociedade de Titularização de Créditos, S.A. |
| Originator | Banco Santander Totta, S.A. |
| Lead Manager(s) | Banco Santander, S.A. |
| Transaction Legal Counsel | Vieira de Almeida & Associados – Sociedade de Advogados, SP R.L. |
| Rating Agencies | Fitch, Moody’s |
| Stock Exchange | Euronext Lisbon |
| Closing Date | TBD |

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

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

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

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

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

1

STS Criteria

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

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

See Prospectus, *OVERVIEW OF CERTAIN TRANSACTION DOCUMENTS*.

Receivables Sale Agreement

Effectiveness of the Assignment

The sale and assignment of the Initial Receivables Portfolio or each Additional Receivables Portfolio or any Substitute Receivables, as applicable, on the Closing Date, on each relevant Additional Purchase Date or on any Substitution Date, together with the Related Security, as applicable, by the Originator to the Issuer in accordance with the terms of the Receivables Sale Agreement will be effective to transfer the full, unencumbered benefit of and right, title and interest (present and future) to the Initial Receivables Portfolio, each Additional Receivables Portfolio or any Substitute Receivables, as applicable, to the Issuer.

No further act, condition or thing will be required to be done in connection therewith to enable the Issuer to require payment of the Receivables comprised therein to the Issuer or to enforce such right in the courts of Portugal, other than the notification to the relevant insurer as to the transfer of the benefit of insurance policies to the Issuer (if applicable), the registration (if applicable and to the extent permitted by law) of the assignment of any Related Security to the Issuer at the relevant registry office, any other formalities that need to be fulfilled in relation to the Related Security (if applicable) and the delivery to the relevant Obligor or Obligors of a Notification Event Notice, the Issuer being then fully entitled to, upon a notification event has occurred, at its discretion, deliver such notice as well as to notify the relevant insurer as to the transfer of the benefit of the insurance policies in respect of any Assigned Rights.

See Prospectus, *SELECTED ASPECTS OF LAWS OF THE PORTUGUESE REPUBLIC RELEVANT TO THE RECEIVABLES AND THE TRANSFER OF THE RECEIVABLES*.

Assignment of credits

Under the Securitisation Law, the sale of credits for securitisation is carried out by way of assignment of credits.

In this context, the following should be noted:

(c) Assignment and Insolvency

Unless an assignment of credits is effected in bad faith or entails wilful misconduct with a view to hampering the interests of creditors that fulfil the criteria set in Articles 610 and 612 of the Portuguese Civil Code (impugnação pauliana), such assignment under the Securitisation Law cannot be challenged for the benefit of the assignor's insolvency estate and any payments made to the assignor in respect of credits assigned prior to a declaration of insolvency will not form part of the assignor's insolvency estate even when the term of the credits falls after the date of declaration of insolvency of the assignor. In addition, any amounts held by the servicer as a result of its collection of payments in respect of the credits assigned under the Securitisation Law will not form part of the servicer's insolvency estate.

"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(s)/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(s)/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 may occur. 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".

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.

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":

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.

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| 2 | STS Criteria | Verified? |
| | 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. | YES |
| PCS Comments | | |
| See point 1 above. | | |
| A legal opinion has been provided and sufficient comfort is reached that the transfer would not be subject to a "severe clawback" if Portuguese insolvency proceedings are opened in respect of the Originator. | | |

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.

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| 3 | STS Criteria | Verified? |
| | 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. | YES |
| PCS Comments | | |
| See Prospectus, <i>OVERVIEW OF CERTAIN TRANSACTION DOCUMENTS</i> . | | |
| Receivables Sale Agreement | | |
| (a) Eligible Receivables | | |
| Each of the Receivables arising under each Receivables Contract is an "Eligible Receivable" that complies with all of the following: | | |
| (i) was originated in the ordinary course of business by the Originator pursuant to the Originator's underwriting standards and origination procedures, Lending Criteria and Credit and Collection Policies that are no less stringent than those applied by the Originator at the time of origination to similar exposures that are not included in the Receivables Portfolio, and the Originator was, at the time of the origination of each Receivable, a financial institution, allowed to perform this activity under Decree-Law no. 298/92, of 31 December; | | |

Article 20.5. Where the transfer of the underlying exposures is performed by means of an assignment and perfected at a later stage than at the closing of the transaction, the triggers to affect such perfection shall, at least include the following events:

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

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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 point 1 above.

See underlying transaction documents, Receivables Sale Agreement.

SCHEDULE 2

ORIGINATOR'S REPRESENTATIONS AND WARRANTIES

PART C

RECEIVABLES WARRANTIES

42. Perfection of Title

All steps necessary to perfect its title to each Receivable and its Related Security were duly taken at the appropriate time and all related costs and fees have been or will be duly paid for.

SCHEDULE 4

NOTIFICATION EVENTS

PART A

NOTIFICATION EVENTS

1. The delivery by the Common Representative to the Issuer of an Enforcement Notice in accordance with the Conditions;
2. The occurrence of an Insolvency Event in respect of the Originator;

3. The occurrence of a severe deterioration in the credit quality standard of the Originator where, if so determined by the Originator, as at any date, its CET1 Ratio falls below 5% (five per cent.) and it is not remedied within 6 (six) calendar months;

4. A material breach of contractual obligations by the Originator where such breach remains unremedied for a period of 60 (sixty) calendar days following the earlier of (i) the Originator becoming aware of such breach or (ii) the Originator receiving notice from the Issuer of the occurrence of such breach;

5. The termination of the appointment of Banco Santander Totta, S.A. as Servicer in accordance with the terms of the Receivables Servicing Agreement; and/or

6. The Originator being required under the laws of Portugal to deliver a Notification Event Notice,

provided that for events 3. and 4. above the Issuer may request and rely upon a noteholders' resolution by the Noteholders of the Most Senior Class of Notes then outstanding deciding if a certain event qualifies as the occurrence of events 3. and/or 4. for the purpose of corresponding to a Notification Event.

PCS understands that notification is not required to perfect the transfer of exposures. The Receivables Sale Agreement, however, does contain provisions related to a Notification Event and subsequently Notification Event Notice.

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.

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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, *OVERVIEW OF CERTAIN TRANSACTION DOCUMENTS.*

Receivables Sale Agreement

(a) Eligible Receivables

Each of the Receivables arising under each Receivables Contract is an "Eligible Receivable" that complies with all of the following:

(ii) is not, to the best of the Originator's knowledge, the subject of any dispute, right of set-off, counterclaim, defence or claim existing or pending against the Originator;

(iii) is legally and beneficially solely owned by the Originator, is not subject, either totally or partially, to any lien, assignment, charge or pledge to any third parties or are otherwise in a condition that could be foreseen to adversely affect the enforceability of the sale to the Issuer, free from any adverse claims in favour of any person other than the Originator (including, without limitation, one which has not been, in part or in whole, pledged, mortgaged, charged, assigned, discounted, subrogated or seized or attached or transferred in any way and is otherwise free and clear of any liens or other encumbrances);

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.

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| 6 | <p><u>STS Criteria</u></p> <p>6. The underlying exposures transferred from, or assigned by, the seller to the SSPE shall meet pre-determined, clear and documented eligibility criteria....</p> | <p><u>Verified?</u></p> <p>YES</p> |
| | <p><u>PCS Comments</u></p> <p>See Prospectus, <i>OVERVIEW OF CERTAIN TRANSACTION DOCUMENTS</i>.</p> <p>Receivables Sale Agreement</p> <p>Representations and Warranties</p> <p>The Originator will, under the Receivables Sale Agreement, in addition to other representations and warranties as to matters of fact and law (including as to matters relating to insolvency), make the following representations and warranties in favour of the Issuer on the Initial Portfolio Determination Date and on Closing Date, in respect of the Initial Receivables Portfolio, on each Additional Portfolio Determination Date and each Additional Purchase Date, in respect of the Additional Receivables Portfolio, and on any Substitute Receivables Determination Date and Substitution Date (in respect of the Substitute Receivables): [...]</p> <p>In accordance with the terms of the Receivables Sale Agreement, the Originator will make certain representations and warranties in respect of the Initial Receivables Portfolio, any Additional Receivables Portfolio and any Substitute Receivables, including statements to the following effect which together constitute the "Eligibility Criteria":</p> <p><i>(a) Eligible Receivables, items (i) to (xxviii) and b) Eligible Receivables Contract (i) to (viii) and c) Eligible Obligors (i) to (ix)</i></p> <p><i>The EBA Guidelines clarify that "clear" does not mean easily readable or comprehended by a non-expert. In the Regulation a criterion is "clear" when a court or tribunal could determine whether, presumably in all cases, the criterion is met for each asset. In the Regulation, "clear" is about certainty of determination.</i></p> <p><i>PCS has read the eligibility criteria in the Prospectus. As they are mandatory, they meet the "predetermined" requirement. As they are in the Prospectus, they meet the "documented" requirement. PCS has also concluded that they allow determination in each case and so meet the "clear" requirement.</i></p> | |
| 7 | <p><u>STS Criteria</u></p> <p>7. Which do not allow for active portfolio management of those exposures on a discretionary basis. For the purpose of this paragraph, substitution of exposures that are in breach of representations and warranties shall not be considered active portfolio management.</p> | <p><u>Verified?</u></p> <p>YES</p> |
| | <p><u>PCS Comments</u></p> <p>See Prospectus, <i>OVERVIEW OF CERTAIN TRANSACTION DOCUMENTS</i>.</p> <p>Receivables Sale Agreement</p> <p>The Originator does not have any discretionary rights of repurchase. The Originator's ability to repurchase Receivables does not constitute active portfolio management within the meaning of Article 20(7) of the EU Securitisation Regulation.</p> <p>See Prospectus, <i>OVERVIEW OF CERTAIN TRANSACTION DOCUMENTS</i>.</p> | |

Receivables Sale Agreement

Breach of Receivables Warranties

If there is a breach of any of the Receivables Warranties, which, in the opinion of the Issuer or the Common Representative (after the delivery of an Enforcement Notice), upon advice received, which cost shall be a Third Party Expense, from a reputable Portuguese counsel selected by the Issuer or the Common Representative (as applicable) and pre-approved by the Originator (which approval shall not be unreasonably withheld) and in form and substance satisfactory to the Issuer or Common Representative (as applicable), could (without limitation, having regard to whether a loss is likely to be incurred in respect of the Receivable to which the breach relates) have a Material Adverse Effect on any Assigned Rights in respect of such Receivable and such breach is capable of remedy, the Originator shall, within 45 calendar days after receiving a written notice of such breach from the Issuer or the Common Representative (as applicable), remedy such breach.

If, in the opinion of the Issuer or the Common Representative (after the delivery of an Enforcement Notice), upon advice received, which cost shall be a Third Party Expense, from a reputable Portuguese counsel selected by the Issuer or the Common Representative (as applicable) and pre-approved by the Originator (which approval shall not be unreasonably withheld) and in form and substance satisfactory to the Issuer or the Common Representative (as applicable), such breach is not capable of remedy, or, if capable of remedy, is not remedied within the 45 calendar day period, the Originator shall, pursuant the Receivables Sale Agreement, repurchase or shall cause a Third-Party Purchaser, to the extent permitted by the Securitisation Law and the EU Securitisation Regulation, to repurchase the relevant Receivables and the Issuer shall sell and re-transfer or re-assign to the Originator or the Third- Party Purchaser, as the case may be and in any case to the extent permitted by the Securitisation Law and the EU Securitisation Regulation, the Assigned Rights in respect of which such breach occurred.

Indemnity and/or consideration for re-assignment

The consideration payable by the Originator or a Third-Party Purchaser, as the case may be, to the Issuer for the assignment or re-assignment of any Receivable, shall be an amount equal to the aggregate of (a) the Principal Outstanding Balance of each of the relevant Receivables as at the date of re-assignment of such Receivable plus accrued interest outstanding as at the date of re-assignment, (b) an amount equal to all other amounts due in respect of the relevant Receivables (excluding, for the avoidance of doubt, any fees owed by the Obligors in respect of the Receivables Contract) and (c) the properly incurred costs and expenses of the Issuer incurred in relation to such re-assignment, or, as applicable, the aggregate of the foregoing amounts which would have subsisted but for the breach of the relevant Receivables Warranty minus an amount equal to any interest not yet accrued but paid in advance to the Issuer (which amount paid in advance the Issuer shall keep).

If a Receivable expressed to be included in the Receivables Portfolio has never existed or has ceased to exist (including as a result of, among other things, the full repayment by the respective Obligor) so that it is not outstanding on the date on which it is due to be assigned or re-assigned, the Originator shall, immediately on demand, fully indemnify the Issuer against any and all Liabilities suffered by the Issuer by reason of the breach of the relevant Originator's Representation and Warranty relating to or otherwise affecting that given Receivable up to the amount paid by the Issuer for that Receivable plus an amount equal to accrued interest in respect of such amount (less any principal amounts already received by the Issuer in respect of that given Receivable which has ceased to exist, including, for the avoidance of doubt, any full repayment of a Receivable by the relevant Obligor). However, the Originator shall not be obliged to accept a re-assignment of the relevant Receivable.

Pursuant to the Receivables Sale Agreement, the Originator may, instead of paying a cash amount to the Issuer as consideration for the assignment or re-assignment of any Receivable or indemnifying the Issuer, require the Issuer to accept as consideration for the assignment or re-assignment of any Receivable or indemnity payment, as the case may be, the sale and assignment of Substitute Receivables, together with the Related Security, from the Originator subject to the terms of the Receivables Sale Agreement such that the Aggregate Principal Outstanding Balance of such Substitute Receivables shall be equal to the consideration in cash or indemnity payment that would have been payable by the Originator to the Issuer. The Substitute Receivables will be required to meet the Eligibility Criteria and the Global Eligibility Criteria at the time of assignment to the Issuer.

Pursuant to the Receivables Sale Agreement, the Originator shall repurchase or procure a Third Party Purchaser to repurchase the Receivable(s) affected by the Debt Consolidation in the event that the scope of the relevant Debt Consolidation comprises loans not included in the Receivables Portfolio.

Conversely, in the event that the scope of the Debt Consolidation is solely comprised of Receivables included in the Receivables Portfolio or in the event a Restructuring is implemented, the loan resulting from the Debt Consolidation or the Restructuring shall remain in the Receivables Portfolio.

The amount paid in consideration for Receivable(s) affected by the Restructuring or the Debt Consolidation and repurchased by the Originator will be calculated on an arm's length basis which, at the date hereof, would correspond to the Repurchase Price.

The Originator does not have any discretionary rights of repurchase. The Originator's ability to repurchase Receivables does not constitute active portfolio management within the meaning of Article 20(7) of the EU Securitisation Regulation.

See Prospectus, *OVERVIEW OF CERTAIN TRANSACTION DOCUMENTS*.

Receivables Servicing Agreement

Disposal of Defaulted Receivables

The Servicer may, on behalf of the Issuer, prior to or after the beginning of the Enforcement Procedures, sell or otherwise transfer or dispose of Receivables classified as Defaulted Receivables as the Servicer may deem to correspond to the best servicing of the Receivables in question, to the extent that, cumulatively: (i) the transfer is made in the terms authorised by the Securitisation Law and its constitutive documents and in accordance with the Credit and Collection Policies, (ii) the transfer is made at a price calculated based on market price as at the relevant time, and (iii) the transfer is made in accordance with the Servicer's Operating Procedures.

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".

PCS has reviewed the repurchase devices set out in the Prospectus and these are considered acceptable within the context of the EBA final guidelines.

8

STS Criteria

8. Exposures transferred to the SSPE after the closing of the transaction shall meet the eligibility criteria applied to the initial underlying exposures.

Verified?

YES

PCS Comments

See Prospectus, *OVERVIEW OF CERTAIN TRANSACTION DOCUMENTS*.

Receivables Sale Agreement

Representations and Warranties

The Originator will, under the Receivables Sale Agreement, in addition to other representations and warranties as to matters of fact and law (including as to matters relating to insolvency), make the following representations and warranties in favour of the Issuer on the Initial Portfolio Determination Date and on Closing Date, in respect of the Initial Receivables Portfolio, on each Additional Portfolio Determination Date and each Additional Purchase Date, in respect of the Additional Receivables Portfolio, and on any Substitute Receivables Determination Date and Substitution Date (in respect of the Substitute Receivables): [...]

In accordance with the terms of the Receivables Sale Agreement, the Originator will make certain representations and warranties in respect of the Initial Receivables Portfolio, any Additional Receivables Portfolio and any Substitute Receivables, including statements to the following effect which together constitute the "Eligibility Criteria": [...]

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

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

9

STS Criteria

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

**Verified?
YES**

PCS Comments

See Prospectus, *CHARACTERISTICS OF THE RECEIVABLES*.

Other characteristics

The Receivables are homogeneous for the purposes of Article 20(8) of the EU Securitisation Regulation, on the basis that all the Receivables in the Initial Receivables Portfolio: (i) have been underwritten by the Originator in accordance with similar underwriting standards applying similar approaches with respect to the assessment of a potential Obligor’s credit risk; (ii) are entered into substantially on the terms of similar standard documentation for Consumer Loans; (iii) are serviced by the Servicer pursuant to the Receivables Servicing Agreement in accordance with the same servicing procedures with respect to monitoring, collections and administration of cash receivables generated from the loans; and (iv) form one asset category, namely Consumer Loans granted to Obligor with residence in Portugal for personal, family or household consumption purposes.

See Prospectus, *OVERVIEW OF CERTAIN TRANSACTION DOCUMENTS*.

Receivables Sale Agreement

The Originator will also make the following representations and warranties in relation to compliance with its Lending Criteria:

(c) Any changes to the Lending Criteria over time have not affected the homogeneity of the Receivables Portfolio (as determined in accordance with Article 20(8) of the EU Securitisation Regulation and Articles 1(a)(v), (b), (c) and (d) and 2(4)(b) of Commission Delegated Regulation 2019/1851); and

(d) Any material change to the Lending Criteria after the date of the Receivables Sale Agreement which would affect the homogeneity (as determined in accordance with Article 20(8) of the EU Securitisation Regulation and Articles 1(a)(iii), (b), (c) and (d) of Commission Delegated Regulation 2019/1851) of the Receivables Portfolio, or which would materially affect the overall credit risk or the expected average performance of the Receivables Portfolio, or any other material change to the Lending Criteria after the date of this Agreement which is required to be disclosed under Article 20(10) of the EU Securitisation Regulation, will (to the extent such change affects the Receivables Portfolio from time to time) be disclosed (along with an explanation of the rationale for such changes being made) to investors and the Rating Agencies by the Originator without undue delay.

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

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| | <p>Such RTS has been formally adopted by the European Commission on 28 May 2019. In interpreting the expression, PCS has based itself on the text of the Regulation, its knowledge of the intent of the legislators – including, crucially, the legislators belief that the STS Regulation was justified by the excellent performance of most “plain vanilla” European securitisations and the draft RTS adopted by the European Commission.</p> <p>Based on the above, it seems clear to PCS that the Regulation would not seek to exclude from the STS category securitisations that have performed extremely well and are universally considered “homogenous” by market participants. This does not exonerate any transaction from being analysed against this criterion but does set the background for such analysis.</p> <p>Turning, for guidance, to the RTS adopted by the European Commission, in principle, four elements require examination: (a) “similar underwriting standards”, (b) “similar servicing standards”, (c) “same asset class” and (d) “relevant risk factors”. Consumer loans are though considered sufficiently homogeneous and do not need to meet a specific homogeneity factor.</p> <p>Following the guiding principles of the EBA, we note that “similar underwriting standards” must mean something like the same type of underwriting approach, looking at the same types of data points to calculate the same type of credit risk. It cannot mean “exactly the same underwriting criteria”, since this would make it impossible for any securitisation ever to have a “homogenous” pool. In the Transaction, the loans were underwritten on a similar basis, they are being serviced by <u>Banco Santander Totta “BST”</u> on the same platform, they are a single asset class – <u>Consumer Loans</u> – and the loans are all originated in the same jurisdiction. PCS also takes comfort from the fact that transactions containing pools with similar characteristics have always been considered to be “homogenous” by a wide consensus of market participants.</p> | |
| 10 | <p>STS Criteria</p> <p>10. The underlying exposures shall contain obligations that are contractually binding and enforceable.</p> <p>PCS Comments</p> <p>See Prospectus, <i>OVERVIEW OF CERTAIN TRANSACTION DOCUMENTS</i>.</p> <p>Receivables Sale Agreement</p> <p>(a) Eligible Receivables</p> <p>Each of the Receivables arising under each Receivables Contract is an “Eligible Receivable” that complies with all of the following:</p> <p>(xviii) constitutes a legal, valid, binding and enforceable obligation of the related Eligible Obligor to pay all amounts due and payable or to become due and payable under such Receivable;</p> | <p>Verified? YES</p> |
| 11 | <p>STS Criteria</p> <p>11. With full recourse to debtors and, where applicable, guarantors.</p> <p>PCS Comments</p> <p>See Prospectus, <i>OVERVIEW OF CERTAIN TRANSACTION DOCUMENTS</i>.</p> <p>Receivables Sale Agreement</p> <p>(a) Eligible Receivables</p> <p>Each of the Receivables arising under each Receivables Contract is an “Eligible Receivable” that complies with all of the following:</p> | <p>Verified? YES</p> |

(viii) the Originator has full recourse to the Obligor and to any guarantor of the Obligor under the relevant Receivables Contract;

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.

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| 12 | STS Criteria | Verified? YES |
| | <p>12. The underlying exposures shall have defined periodic payment streams, the instalments of which may differ in their amounts.</p> <p>PCS Comments</p> <p>See Prospectus, <i>OVERVIEW OF CERTAIN TRANSACTION DOCUMENTS</i>. Receivables Sale Agreement (a) Eligible Receivables Each of the Receivables arising under each Receivables Contract is an “Eligible Receivable” that complies with all of the following: (vi) is payable in monthly instalments; (x) is an amortising, interest bearing Receivable originated and arising exclusively in the Originator’s ordinary course of business with the related Eligible Obligor; See also Prospectus, <i>CHARACTERISTICS OF THE RECEIVABLES</i>.</p> | |
| 13 | STS Criteria | Verified? YES |
| | <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>PCS Comments</p> <p>See <i>criterion 12 above</i>. See Prospectus, <i>OVERVIEW OF CERTAIN TRANSACTION DOCUMENTS</i>. Receivables Sale Agreement Purchase of Receivables Portfolio The Originator has at present and expects to have in the future, payments owed to it under the Receivables Contracts. Each Receivable will be assigned together with the benefit of the Related Security. See Prospectus, <i>TERMS AND CONDITIONS OF THE NOTES</i>. 19. Definitions</p> | |

“Receivable” means any and all rights, title and claims of the Originator against an Obligor arising under or in connection with a Receivables Contract (including interest, principal and any recovery proceeds together with any amounts of insurance premia and/or initial expenses which have been financed by the Originator to the relevant Obligor in relation to the relevant Receivables Contract, which have been added to the outstanding balance under the relevant Receivables Contract), sold and assigned by the Originator to the Issuer under the Receivables Sale Agreement, excluding any fees owed by the Obligors in respect of the Receivables Contract, including Fixed Rate Receivables;

“Related Security” means, with respect to a Receivable:

(a) all ownership interests, liens, security interests, charges or encumbrances, or other rights or claims, of the Originator on any property from time to time, if any, securing payment of such Receivable, whether pursuant to the Receivables Contracts related to such Receivable or otherwise, including promissory notes (livranças), pledges over bank accounts, pledges over fund units, pledges over “Totta Seguros” products, pledges over bonds;

(b) all guarantees, insurance contracts, (including life insurance and employment insurance contracts) and other agreements or arrangements of whatever character from time to time securing payment of such Receivable whether pursuant to the Receivables Contracts related to such Receivable or otherwise; and

(c) all proceeds at any time howsoever arising out of the resale, redemption or other disposal of (net of collection costs), or dealing with, or judgements relating to, any of the foregoing, and all rights of action against any person in connection therewith;

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.

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STS Criteria

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.

**Verified?
YES**

PCS Comments

See Prospectus, *OVERVIEW OF CERTAIN TRANSACTION DOCUMENTS*.

Receivables Sale Agreement

Consideration for purchase of the Receivables Portfolio

The Receivables Portfolio does not contain transferable securities as defined in point (44) of Article 4(1) of Directive 2014/65/EU, derivative instruments or securitisation positions.

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

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| 15 | <p>STS Criteria</p> <p>15. The underlying exposures shall not include any securitisation position.</p> | <p>Verified?</p> <p>YES</p> |
| | <p>PCS Comments</p> <p>See Prospectus, <i>OVERVIEW OF CERTAIN TRANSACTION DOCUMENTS</i>.</p> <p>Receivables Sale Agreement</p> <p>Consideration for purchase of the Receivables Portfolio</p> <p>The Receivables Portfolio does not contain transferable securities as defined in point (44) of Article 4(1) of Directive 2014/65/EU, derivative instruments or securitisation positions.</p> | |

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

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| 16 | <p>STS Criteria</p> <p>16. The underlying exposures shall be originated in the ordinary course of the originator's or original lender's business.</p> | <p>Verified?</p> <p>YES</p> |
| | <p>PCS Comments</p> <p>See Prospectus, <i>OVERVIEW OF CERTAIN TRANSACTION DOCUMENTS</i>.</p> <p>Receivables Sale Agreement</p> <p>(a) Eligible Receivables</p> <p>Each of the Receivables arising under each Receivables Contract is an "Eligible Receivable" that complies with all of the following:</p> <p>(i) was originated in the ordinary course of business by the Originator pursuant to the Originator's underwriting standards and origination procedures, Lending Criteria and Credit and Collection Policies that are no less stringent than those applied by the Originator at the time of origination to similar exposures that are not included in the Receivables Portfolio, and the Originator was, at the time of the origination of each Receivable, a financial institution, allowed to perform this activity under Decree-Law no. 298/92, of 31 December;</p> | |
| 17 | <p>STS Criteria</p> <p>17. Pursuant to underwriting standards that are no less stringent than those that the originator or original lender applied at the time of origination to similar exposures that are not securitised.</p> | <p>Verified?</p> <p>YES</p> |
| | <p>PCS Comments</p> <p>See Prospectus, <i>OVERVIEW OF CERTAIN TRANSACTION DOCUMENTS</i>.</p> | |

Receivables Sale Agreement

(a) Eligible Receivables

Each of the Receivables arising under each Receivables Contract is an “Eligible Receivable” that complies with all of the following:

(i) was originated in the ordinary course of business by the Originator pursuant to the Originator’s underwriting standards and origination procedures, Lending Criteria and Credit and Collection Policies that are no less stringent than those applied by the Originator at the time of origination to similar exposures that are not included in the Receivables Portfolio, and the Originator was, at the time of the origination of each Receivable, a financial institution, allowed to perform this activity under Decree-Law no. 298/92, of 31 December;

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.

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| 18 | STC Criteria | Verified? YES |
| | 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. | |

PCS Comments

See Prospectus, *OVERVIEW OF CERTAIN TRANSACTION DOCUMENTS*.

Receivables Sale Agreement

The Originator will also make the following representations and warranties in relation to compliance with its Lending Criteria:

(d) Any material change to the Lending Criteria after the date of the Receivables Sale Agreement which would affect the homogeneity (as determined in accordance with Article 20(8) of the EU Securitisation Regulation and Articles 1(a)(v), (b), (c) and (d) of Commission Delegated Regulation 2019/1851) of the Receivables Portfolio, or which would materially affect the overall credit risk or the expected average performance of the Receivables Portfolio, or any other material change to the Lending Criteria after the date of this Agreement which is required to be disclosed under Article 20(10) of the EU Securitisation Regulation, will (to the extent such change affects the Receivables Portfolio from time to time) be disclosed (along with an explanation of the rationale for such changes being made) to investors and the Rating Agencies by the Originator without undue delay.

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.

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| 19 | STS Criteria | Verified? YES |
| | 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

No applicable as the underlying exposures are consumer loans.

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.

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| 20 | STS Criteria | Verified? YES |
| | 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, *OVERVIEW OF CERTAIN TRANSACTION DOCUMENTS*.

Receivables Sale Agreement

c) Eligible Obligor

An "Eligible Obligor" is one that complies with all the following criteria:

(iii) the assessment of its creditworthiness was conducted in accordance with the requirements of Directive 2008/48/EC;

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

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

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

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| 21 | STS Criteria | Verified? YES |
| | 21. The originator or original lender shall have expertise in originating exposures of a similar nature to those securitised. | |

PCS Comments

See Prospectus, *BUSINESS OF BST*.

Business Overview

BST has more than 5 years of experience in the origination in Portugal and underwriting of loans similar to those included in the Receivables Portfolio.

An entity originating assets similar to those securitised for at least five years is deemed, according to the EBA Guidelines to have "expertise".

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...

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| 22 | STS Criteria | Verified? YES |
| | 22. The underlying exposures shall be transferred to the SSPE after selection without undue delay... | |

PCS Comments

See Prospectus, *OVERVIEW OF CERTAIN TRANSACTION DOCUMENTS*.

Receivables Sale Agreement

Purchase of Receivables Portfolio

The Initial Receivables Portfolio as at the Initial Portfolio Determination Date and each Additional Receivables Portfolio as at the relevant Additional Purchase Date will be assigned and transferred to the Issuer after selection for inclusion in the Receivables Portfolio without undue delay for the purposes of Article 20(11) of the EU Securitisation Regulation.

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

19. Definitions

"Additional Portfolio Determination Date" means the last Business Day of the month previous to each Interest Payment Date within the Revolving Period, the first Additional Portfolio Determination Date being the last Business Day of December 2022;

"Additional Purchase Date" means each Interest Payment Date within the Revolving Period on which the Issuer purchases Additional Receivables Portfolio;

"Closing Date" means 27 September 2022;

"Initial Portfolio Determination Date" means 7th September of 2022;

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| 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 | <p>See Prospectus, <i>OVERVIEW OF CERTAIN TRANSACTION DOCUMENTS</i>.</p> <p>Receivables Sale Agreement</p> <p>(a) Eligible Receivables</p> <p>Each of the Receivables arising under each Receivables Contract is an “Eligible Receivable” that complies with all of the following:</p> <p>(vii) is not a Defaulted Receivable or a Delinquent Receivable and is not considered by the Originator as being in default within the meaning of Article 178(1) of the CRR, as further specified by the Delegated Regulation on the materiality threshold for credit obligations past due developed in accordance with Article 178 of the CRR and by the European Banking Authority Guidelines on the application of the definition of default developed in accordance with Article 178(7) of the CRR;</p> | |
| <p>Article 20.11. The underlying exposures shall be transferred to the SSPE after selection without undue delay and shall not include, at the time of selection, exposures in default within the meaning of Article 178(1) of Regulation (EU) No 575/2013 or exposures to a credit-impaired debtor or guarantor, who, to the best of the originator’s or original lender’s knowledge:</p> <p>(a) has been declared insolvent or had a court grant his creditors a final non-appealable right of enforcement or material damages as a result of a missed payment within three years prior to the date of origination or has undergone a debt-restructuring process with regard to his non-performing exposures within three years prior to the date of transfer or assignment of the underlying exposures to the SSPE, except if:</p> <p>(i) a restructured underlying exposure has not presented new arrears since the date of the restructuring which must have taken place at least one year prior to the date of transfer or assignment of the underlying exposures to the SSPE; and</p> <p>(ii) the information provided by the originator, sponsor and SSPE in accordance with points (a) and (e)(i) of the first subparagraph of Article 7(1) explicitly sets out the proportion of restructured underlying exposures, the time and details of the restructuring as well as their performance since the date of the restructuring;</p> <p>(b) was, at the time of origination, where applicable, on a public credit registry of persons with adverse credit history or, where there is no such public credit registry, another credit registry that is available to the originator or original lender; or</p> <p>(c) has a credit assessment or a credit score indicating that the risk of contractually agreed payments not being made is significantly higher than for comparable exposures held by the originator which are not securitised.</p> | | | |
| 24 | STS Criteria | 24. Or exposures to a credit-impaired debtor or guarantor, who, to the best of the originator’s or original lender’s knowledge: | Verified? YES |
| | PCS Comments | <p>See Prospectus, <i>OVERVIEW OF CERTAIN TRANSACTION DOCUMENTS</i>.</p> <p>Receivables Sale Agreement</p> | |

In accordance with the terms of the Receivables Sale Agreement, the Originator will make certain representations and warranties in respect of the Initial Receivables Portfolio, any Additional Receivables Portfolio and any Substitute Receivables, including statements to the following effect which together constitute the "Eligibility Criteria":

(c) Eligible Obligors

An "Eligible Obligor" is the one that complies with all the following criteria:

(i) to the best of the Originator's knowledge and based on information published on the Central de Responsabilidades de Crédito of Bank of Portugal, as at the date of origination, has not 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 or has not undergone a debt-restructuring process with regard to his non-performing exposures;

(ii) to the best of the Originator's knowledge, at the time of origination of the relevant Receivables Contract, neither (i) appeared on a register available to the Originator of persons with an adverse credit history nor (ii) had a credit assessment or a credit score indicating that the risk of contractually agreed payments not being made was significantly higher than for comparable exposures held by the Originator which are not included in the Receivables Portfolio;

(a) Eligible Receivables

Each of the Receivables arising under each Receivables Contract is an "Eligible Receivable" that complies with all of the following:

(xiv) is not a restructured loan due to a deterioration in the creditworthiness of the related Obligor;

(xxiv) is accounted in the books of the Originator as Stage 1 according to the International Financial Reporting Standard 9 (IFRS 9).

(b) Eligible Receivables Contract

(iii) on the Initial Portfolio Determination Date, in respect of Receivables Contracts related to an Initial Receivable included in the Initial Receivables Portfolio, or on the relevant Additional Portfolio Determination Date, in respect of Receivables Contracts related to an Additional Receivable included in any Additional Receivables Portfolio, or on the relevant Substitute Receivables Determination Date, in respect of Receivables Contracts related to the relevant Substitute Receivable, is not a restructured loan due to a deterioration in the creditworthiness of the relevant Obligor;

The note below applies to points from 24 to 29.

Although the text of the STS Regulation is quite vague, the EBA guidelines on defining "credit impaired" debtors are very helpful.

For PCS, the key points of the EBA guidelines on this issue are:

a. First that the three listed conditions of credit impaired status (set out in article 20.11 (a) to (c) of the Regulation) amount to a full definition of what it means to be "credit impaired". So that it is not necessary to reflect at what the term "credit impaired" could mean above and beyond those three items.

b. Secondly, in relation to entries in a credit registry, the EBA is very clear that the criterion should not be interpreted as excluding debtors with any entry on a credit registry. Providing further guidance, the example given in the EBA Guidelines of a credit registry entry that would not be indicative of a "credit impaired" debtor is the example of a failure to pay that can "reasonably be ignored" for the purposes of credit assessment.

Therefore, the criterion, to be met, does not require the elimination from the pool of all debtors with any negative entry in a credit registry but only those whose entries it would not be reasonable to ignore for the purposes of credit assessments.

Absent any further clarification from the EBA or a national competent authority regarding what it is reasonable to ignore, a judgement would still be necessary in cases where the originator does include in the pool some debtors with some negative entries in a credit registry.

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| | <p>In making this judgement, PCS takes comfort from the intent of the legislators – including, crucially, the legislators’ belief that the STS Regulation was justified by the excellent performance of most “plain vanilla” European securitisation. It is clear to PCS that the “credit impaired” prohibition is driven by the desire of legislators to exclude from the STS category deals generally coming under the definition of “sub-prime”. Therefore, it is unreasonable to refuse STS status to a transaction considered by universal consensus to be a “prime/plain vanilla” transaction with no “sub-prime” aspects. Indeed, this approach seems to be the rationale behind the EBA Guidelines on this matter.</p> <p>c. Thirdly, the EBA Guidelines on guaranteed obligations make it clear that the criterion is met so long as either the debtor or the guarantor are not “credit impaired”.</p> | |
| 25 | <p>STS Criteria</p> <p>25.(a) has been declared insolvent or had a court grant his creditors a final non-appealable right of enforcement or material damages as a result of a missed payment within three years prior to the date of origination.</p> | <p>Verified? YES</p> |
| | <p>PCS Comments</p> <p>See point 24 above.</p> | |
| 26 | <p>STS Criteria</p> <p>26. Or has undergone a debt-restructuring process with regard to his non-performing exposures within three years prior to the date of transfer or assignment of the underlying exposures to the SSPE, except if:</p> | <p>Verified? YES</p> |
| | <p>PCS Comments</p> <p>See point 24 above.</p> | |
| 27 | <p>STS Criteria</p> <p>27. (i) a restructured underlying exposure has not presented new arrears since the date of the restructuring which must have taken place at least one year prior to the date of transfer or assignment of the underlying exposures to the SSPE; and</p> | <p>Verified? YES</p> |
| | <p>PCS Comments</p> <p>Not applicable. See point 24 above.</p> | |
| 28 | <p>STS Criteria</p> <p>28. (ii) the information provided by the originator, sponsor and SSPE in accordance with points (a) and (e)(i) of the first subparagraph of Article 7(1) explicitly sets out the proportion of restructured underlying exposures, the time and details of the restructuring as well as their performance since the date of the restructuring;</p> | <p>Verified? YES</p> |
| | <p>PCS Comments</p> <p>Not applicable. See point 24 above.</p> | |
| 29 | <p>STS Criteria</p> <p>29. (b) was, at the time of origination, where applicable, on a public credit registry of persons with adverse credit history or, where there is no such public credit registry, another credit registry that is available to the originator or original lender;</p> | <p>Verified? YES</p> |

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| | PCS Comments See point 24 above. | |
| 30 | STS Criteria 30. (c) has a credit assessment or a credit score indicating that the risk of contractually agreed payments not being made is significantly higher than for comparable exposures held by the originator which are not securitised. | Verified? YES |
| | PCS Comments See point 24 above. | |

Article 20.12. The debtors shall at the time of transfer of the exposures, have made at least one payment, except in the case of revolving securitisations backed by exposures payable in a single instalment or having a maturity of less than one year, including without limitation monthly payments on revolving credits.

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| 31 | STS Criteria 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. | Verified? YES |
| | PCS Comments See Prospectus, <i>OVERVIEW OF CERTAIN TRANSACTION DOCUMENTS</i> . Receivables Sale Agreement (a) Eligible Receivables Each of the Receivables arising under each Receivables Contract is an “Eligible Receivable” that complies with all of the following: (xx) at least one of its instalments has been paid; | |

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.

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| 32 | <p>STS Criteria</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> | Verified? YES |
| | <p>PCS Comments</p> <p>See Prospectus, <i>OVERVIEW OF CERTAIN TRANSACTION DOCUMENTS</i>.</p> <p>Receivables Sale Agreement</p> <p>(a) Eligible Receivables</p> <p>Each of the Receivables arising under each Receivables Contract is an “Eligible Receivable” that complies with all of the following:</p> <p>(x) is an amortising, interest bearing Receivable originated and arising exclusively in the Originator’s ordinary course of business with the related Eligible Obligor;</p> <p>(xiii) constitutes an unconditional and irrevocable obligation of the relevant Eligible Obligor to pay the full sums of principal, interest and other amounts stated on the respective Instalment Due Dates thereof and is collectable in accordance with Article 587 paragraph 1 of the Portuguese Civil Code;</p> <p>See Prospectus, <i>CHARACTERISTICS OF THE RECEIVABLES</i>.</p> <p>The Receivables</p> <p>Each Receivable arises under or in connection with Consumer Loans originated by the Originator and includes (in all cases) any amounts of insurance premia and/or initial expenses which have been financed by the Originator.</p> <p>The interest rate of the Receivables comprised in the Initial Receivables Portfolio may be a variable rate of interest indexed to EURIBOR or a fixed rate of interest. The Receivables comprised in the Initial Receivables Portfolio are amortising loans with instalments of both principal and interest.</p> <p><i>The underlying exposures are amortising consumer loans that do not depend on the sale of assets securing those underlying exposures.</i></p> | |

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

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| 33 | STS Criteria | Verified? YES |
| | <p>33.The originator, sponsor or original lender shall satisfy the risk retention requirement in accordance with Article 6.</p> <p>PCS Comments</p> <p>See Prospectus, <i>REGULATORY DISCLOSURES</i>.</p> <p>EU Risk Retention Requirements</p> <p>The Originator will retain on an ongoing basis during the life of the Transaction the EU Retained Interest. Such retention requirement will be satisfied by the Originator retaining, in accordance with Article 6(3)(c) of the EU Securitisation Regulation, randomly selected exposures equivalent to not less than 5% of the nominal value of the securitised exposures, where such non-securitised exposures would otherwise have been securitised in the securitisation, provided that the number of potentially securitised exposures is not less than 100 at origination until the Final Legal Maturity Date.</p> <p>Any change to the manner in which the EU Retained Interest is held will be notified to investors. Receivables have not been selected to be sold to the Issuer with the aim of rendering losses on the Receivables sold to the Issuer, measured over a period of 4 years, higher than the losses over the same period on comparable assets held on BST's balance sheet.</p> <p>BST (as Originator) will undertake, inter alia, to the Arranger and the Lead Manager in the Placement and Subscription Agreement that: (a) it will acquire and retain on an ongoing basis the EU Retained Interest; (b) whilst any of the Notes remain outstanding, it will not sell, hedge or otherwise mitigate its credit exposure to the EU Retained Interest; (c) there will be no arrangements pursuant to which the EU Retained Interest will decline over time materially faster than the Principal Outstanding Balance of the Receivables assigned to the Issuer; (d) it will confirm to the Issuer and the Transaction Manager, on a quarterly basis, that it continues to hold the EU Retained Interest; and (e) it will provide notice to the Issuer, the Common Representative and the Transaction Manager as soon as practicable in the event it no longer holds the EU Retained Interest.</p> | |

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

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| 34 | STS Criteria | Verified? YES |
| | <p>34. The interest rate...risks arising from the securitisation shall be appropriately mitigated.</p> <p>PCS Comments</p> <p>See Prospectus, <i>RISK FACTORS</i>.</p> <p>RISKS RELATING TO THE NOTES AND THE STRUCTURE</p> <p>Interest rate risk</p> <p>The Issuer is subject to an interest rate risk of a mismatch between the rate of interest payable in respect of the Receivables and the rate of interest payable in respect of the Rated Notes. A part of the Initial Receivables 96.7% pays a fixed rate of interest and the remaining Initial Receivables 3.3% pay a variable rate of interest indexed to EURIBOR.</p> | |

However, the Issuer's liabilities with respect to interest under the Rated Notes are based on EURIBOR.

In order to mitigate the risk described above and to protect the Issuer and the Noteholders of the Rated Notes against any material interest rate discrepancy, the Issuer and the Swap Counterparty will enter into the Swap Agreement.

Under the Swap Agreement, the Swap Counterparty will pay to the Issuer on each Interest Payment Date the excess (if any) of the Floating Amount (payable under the Swap Agreement) over the Fixed Amount (payable under the Swap Agreement).

[...] As the Notional Amount of the Swap Transaction (with respect to which payments due from the Swap Counterparty will be calculated) is determined by reference to the Aggregate Principal Outstanding Balance of the Fixed Rate Receivables, and it does not consider the Principal Amount Outstanding of the Notes, the Swap Transaction may not fully mitigate the interest rate risk borne by the Issuer.

In addition to the Swap Agreement, the interest rate risk will be mitigated by the existence of the Reserve Account which is funded, on the Closing Date, with the proceeds of the Class F Notes and which takes into account the potential difference between the interest reference rates and reset dates under a number of scenarios. The Reserve Account is not available exclusively to cover shortfalls driven by changes in interest rates, and potential investors should be aware that the existence of the Reserve Account does not ensure that the Issuer's income is sufficient to meet its payment obligations at all times.

See also Prospectus, *OVERVIEW OF CERTAIN TRANSACTION DOCUMENTS*.

Swap Transaction

Interest Rate Swap Transaction

To provide a hedge against the potential interest rate exposure of the Issuer in relation to its floating rate obligations under the Rated Notes, on or about the Closing Date, the Issuer entered into the Swap Transaction with Banco Santander under a 1992 ISDA Master Agreement (Multicurrency – Cross Border) (the "ISDA Master Agreement"), together with a Schedule thereto (the "ISDA Schedule"), the 1995 ISDA Credit Support Annex thereto (the "Credit Support Annex") and a swap confirmation (the "Swap Confirmation" and, together with the ISDA Master Agreement, the Schedule and the Credit Support Annex, the "Swap Agreement").

The Swap Agreement shall be in force until the earlier of the following dates: (i) the date on which the Notional Amount is reduced to zero (other than in circumstances that would give rise to an Additional Termination Event (as defined in the Swap Agreement), or Event of Default (as defined in the Swap Agreement) and (ii) the Final Legal Maturity Date.

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.*

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| | <p>• 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.</p> | |
| 35 | <p>STS Criteria</p> <p>35. Currency risks arising from the securitisation shall be appropriately mitigated.</p> | <p>Verified? YES</p> |
| | <p>PCS Comments</p> <p>See Prospectus, <i>OVERVIEW OF CERTAIN TRANSACTION DOCUMENTS</i>.</p> <p>Receivables Sale Agreement</p> <p>(a) Eligible Receivables</p> <p>Each of the Receivables arising under each Receivables Contract is an “Eligible Receivable” that complies with all of the following:</p> <p>(xi) is denominated in Euro;</p> <p>See Prospectus, <i>TERMS AND CONDITIONS OF THE NOTES</i>.</p> <p>2. Form, Denomination and Title</p> <p>2.1 Form and Denomination of the Notes</p> <p>The Notes are in book-entry (escritural) and nominative (nominativa) form in the denomination of €100,000 (except for the Class X Notes which will be issued in the denomination of €1) each.</p> <p><i>There is no currency risk as the assets and liabilities are denominated in Euros.</i></p> | |
| 36 | <p>STS Criteria</p> <p>36. Any measures taken to that effect shall be disclosed.</p> | <p>Verified? YES</p> |
| | <p>PCS Comments</p> <p>See point 34 above.</p> | |

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.

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| 37 | STS Criteria | 37. Except for the purpose of hedging currency risk or interest rate risk, the SSPE shall not enter into derivative contracts and... | Verified? YES |
| | PCS Comments | <p>See underlying transaction documents, Master Framework Agreement.</p> <p>SCHEDULE 4</p> <p>ISSUER COVENANTS</p> <p>PART A – CORPORATE COVENANTS OF THE ISSUER</p> <p>8. NEGATIVE COVENANTS</p> <p>not until after the Final Discharge Date, save to the extent permitted by the relevant Transaction Documents or with the prior written consent of the Common Representative:</p> <p>j) enter into any derivative contracts save as expressly permitted by Article 21(2) of the EU Securitisation Regulation, permission which includes, for the avoidance of doubt, the Swap Agreement and any other hedging agreements entered into in connection with other present or future securitisations of the Issuer;</p> | |
| 38 | STS Criteria | 38. ...Shall ensure that the pool of underlying exposures does not include derivatives. | Verified? YES |
| | PCS Comments | <p>See Prospectus, <i>OVERVIEW OF CERTAIN TRANSACTION DOCUMENTS</i>.</p> <p>Receivables Sale Agreement</p> <p>Consideration for purchase of the Receivables Portfolio</p> <p>The Receivables Portfolio does not contain transferable securities as defined in point (44) of Article 4(1) of Directive 2014/65/EU, derivative instruments or securitisation positions</p> | |
| 39 | STS Criteria | 39. Those derivatives shall be underwritten and documented according to common standards in international finance. | Verified? YES |
| | PCS Comments | <p>See also Prospectus, <i>OVERVIEW OF CERTAIN TRANSACTION DOCUMENTS</i>.</p> <p>Swap Transaction</p> | |

Interest Rate Swap Transaction

To provide a hedge against the potential interest rate exposure of the Issuer in relation to its floating rate obligations under the Rated Notes, on or about the Closing Date, the Issuer entered into the Swap Transaction with Banco Santander under a 1992 ISDA Master Agreement (Multicurrency – Cross Border) (the “ISDA Master Agreement”), together with a Schedule thereto (the “ISDA Schedule”), the 1995 ISDA Credit Support Annex thereto (the “Credit Support Annex”) and a swap confirmation (the “Swap Confirmation” and, together with the ISDA Master Agreement, the Schedule and the Credit Support Annex, the “Swap Agreement”).

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

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STS Criteria

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

Verified?
YES

PCS Comments*Assets*

See Prospectus, *CHARACTERISTICS OF THE RECEIVABLES*.

The Receivables

Each Receivable arises under or in connection with Consumer Loans originated by the Originator.

The interest rate of the Receivables comprised in the Initial Receivables Portfolio may be a variable rate of interest indexed to EURIBOR or a fixed rate of interest. The Receivables comprised in the Initial Receivables Portfolio are amortising loans with instalments of both principal and interest. The interest is payable monthly and is calculated on the basis of a 360-day year at a variable rate or at a fixed rate.

Liabilities

See Prospectus.

The Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes will bear interest for each Interest Period up to the Final Legal Maturity Date, to the extent that they have not been previously redeemed, at the Euro Interbank Offered Rate (“EURIBOR”) for three-month euro deposits or, in the case of the first Interest Period, at a rate equal to the interpolation of the EURIBOR for one to three-month euro deposits, plus, in relation to the Class A Notes, a margin of .80%, in relation to the Class B Notes, a margin of 1.1%, in relation to the Class C Notes, a margin of 2.0%, in relation to the Class D Notes, a margin of 8.0%, in relation to the Class E Notes, a margin of 11.85% and, in relation to the Class F Notes a margin of 12.5%. The Class X Notes will not bear interest but will be entitled to the Class X Distribution Amount (if any), to the extent of available funds and subject to the relevant Payment Priorities.

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

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

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STS Criteria

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

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

Verified?
YES

PCS Comments

See Prospectus, *TRANSACTION OVERVIEW*.

Post-Enforcement Priority of Payments: [...]

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

19. Definitions

“Available Principal Distribution Amount”

“Post-Enforcement Available Distribution Amount”

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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*.

Post-Enforcement Priority of Payments: [...]

Payments are made on a sequential basis.

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| 43 | STS Criteria 43. (c) Repayment of the securitisation positions shall not be reversed with regard to their seniority; and | Verified? YES |
| | PCS Comments See Prospectus, <i>TRANSACTION OVERVIEW</i> . Post-Enforcement Priority of Payments: [...] <i>There is no reversal of repayment with regards to seniority.</i> | |
| 44 | STS Criteria 44. (d) No provisions shall require automatic liquidation of the underlying exposures at market value. | Verified? YES |
| | PCS Comments See Prospectus, <i>TERMS AND CONDITIONS OF THE NOTES</i> . 4.2 Restrictions on Disposal of Transaction Assets The Common Representative shall only be entitled to dispose of the Transaction Assets upon the delivery by the Common Representative of an Enforcement Notice in accordance with Condition 11 (Events of Default and Enforcement) and subject to the provisions of Condition 11.5 (Proceedings). If an Enforcement Notice has been delivered by the Common Representative, the Common Representative will only be entitled to dispose of the Transaction Assets to a Portuguese securitisation fund (FTC) or to another Portuguese securitisation company (STC), to the Originator or to credit institutions or financial companies authorised to grant credit on a professional basis in accordance with the Securitisation Law. No provisions shall require the automatic liquidation of the Receivables Portfolio pursuant to Article 21(4)(d) of the EU Securitisation Regulation. | |
| Article 21.5. Transactions which feature non-sequential priority of payments shall include triggers relating to the performance of the underlying exposures resulting in the priority of payments reverting to sequential payments in order of seniority. Such performance-related triggers shall include at least the deterioration in the credit quality of the underlying exposures below a pre-determined threshold. | | |
| 45 | STS Criteria 45. Transactions which feature non-sequential priority of payments shall include triggers relating to the performance of the underlying exposures resulting in the priority of payments reverting to sequential payments in order of seniority. Such performance-related triggers shall include at least the deterioration in the credit quality of the underlying exposures below a pre-determined threshold. | Verified? YES |
| | PCS Comments <i>Pre-enforcement the transaction pays non-sequentially and reverts to sequential payment based on the occurrence of a Subordination Event and an Event of Default. Triggers related to the deterioration in the credit quality of the underlying exposures below a pre-determined threshold are included.</i> See Prospectus, <i>TERMS AND CONDITIONS OF THE NOTES</i> . | |

19. Definitions

"Subordination Event"

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

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

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STS Criteria

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

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

Verified?
YES

PCS Comments

See Prospectus, TRANSACTION OVERVIEW.

Revolving Period: The Revolving Period will commence on (but exclude) the Closing Date and end on the earlier of (i) (and include) the Interest Payment Date falling on 25 October 2023; and (ii) (but exclude) the date on which a Revolving Period Termination Event occurs. If a Revolving Period Termination Event occurs and is remedied thereafter, the Revolving Period shall not recommence as a consequence of such remedy.

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

19. Definitions

"Revolving Period Termination Event" means, on any date during the Revolving Period, one or more of the following events occurring:

- (a) a Subordination Event;
- (b) the Principal Deficiency Ledgers not being completely reduced to zero on the immediately following Interest Payment Date;
- (c) tax regulations are amended in such a way that the sale and assignment of Additional Receivables proves to be excessively onerous to the Originator;
- (d) the audit reports on the Originator's annual accounts show qualifications, which could affect the Additional Receivables;
- (e) the Originator ceases to perform or is replaced as the Servicer, or it fails to comply with any of its material obligations under the Transaction Documents or the Prospectus;
- (f) if the Lending Criteria or the Credit and Collection Policies are materially modified, except if permitted under the terms of the Receivables Sale Agreement or the Receivables Servicing Agreement; and

(g) on any two consecutive Interest Payment Dates, the aggregate Principal Outstanding Balance of the Receivables as at the Calculation Date immediately preceding the relevant Interest Payment Date plus the aggregate Principal Outstanding Balance of the Additional Receivables purchased at the relevant Interest Payment Date is lower than 30% of the aggregate Principal Outstanding Balance of the Initial Receivables as at the Closing Date;

“Subordination Event” means, in respect of any Calculation Date prior to the Final Legal Maturity Date or the early redemption of the Notes, the occurrence of any of the following events, among others:

- (a) an Insolvency Event occurs in respect of the Originator; or
- (b) the Cumulative Default Ratio, at the immediately preceding Calculation Date, is equal to or higher than:
 - (i) up to (and including) the First Interest Payment Date: 1,50%;
 - (ii) from (and excluding) the First Interest Payment Date to (and including) the second Interest Payment Date: 2,00%;
 - (iii) from (and excluding) the second Interest Payment Date to (and including) the third Interest Payment Date: 2,50%;
 - (iv) from (and excluding) the third Interest Payment Date to (and including) the fourth Interest Payment Date: 3,00%;
 - (v) from (and excluding) the fourth Interest Payment Date to (and including) the fifth Interest Payment Date: 3,50%;
 - (vi) from (and excluding) the fifth Interest Payment Date to (and including) the sixth Interest Payment Date: 4,00%;
 - (vii) from (and excluding) the sixth Interest Payment Date to (and including) the seventh Interest Payment Date: 4,50%;
 - (viii) from (and excluding) the seventh Interest Payment Date to (and including) the eighth Interest Payment Date: 5,00%;
 - (ix) from (and excluding) the eighth Interest Payment Date to (and including) the ninth Interest Payment Date: 5,50%;
 - (x) from (and excluding) the ninth Interest Payment Date onwards: 5,50%; or
- (c) the Aggregate Principal Outstanding Balance of the Receivables arising from Receivables Contracts with the same Obligor, as at the immediately preceding Calculation Date, is equal to, or greater than 2% of the Principal Outstanding Balance of the Receivables Portfolio; or
- (d) the Originator defaults in the performance or observance of any of its obligations under any of the Transaction Documents to which it is a party (unless such default is remedied within 5 Business Days); or
- (e) a Servicer Event occurs; or
- (f) the Aggregate Principal Outstanding Balance, as at the immediately preceding Calculation Date, is less than 10% of the Aggregate Principal Outstanding Balance of the Initial Receivables as at the Initial Portfolio Determination Date; or
- (g) a Swap Counterparty Downgrade Event occurs and none of the remedies provided for in the Swap Agreement are put in place within the term required thereunder;

See above, *Revolving Period Termination Event (a)*.

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| 47 | STS Criteria 47. (b) the occurrence of an insolvency-related event with regard to the originator or the servicer; | Verified? YES |
| | PCS Comments See point 46 above, <i>Revolving Period Termination Event (a)</i> . See Prospectus, <i>OVERVIEW OF CERTAIN TRANSACTION DOCUMENTS</i> . Receivables Servicing Agreement Servicer Event | |
| 48 | STS Criteria 48. (c) the value of the underlying exposures held by the SSPE falls below a pre-determined threshold (early amortisation event); | Verified? YES |
| | PCS Comments See point 46 above, <i>Revolving Period Termination Event (b), (g)</i> . | |
| 49 | STS Criteria 49. (d) a failure to generate sufficient new underlying exposures that meet the pre-determined credit quality (trigger for termination of the revolving period). | Verified? YES |
| | PCS Comments See point 46 above, <i>Revolving Period Termination Event (g)</i> . | |

Article 21.7. The transaction documentation shall clearly specify:

(a) the contractual obligations, duties and responsibilities of the servicer and the trustee, if any, and other ancillary service providers;

(b) the processes and responsibilities necessary to ensure that a default by or an insolvency of the servicer does not result in a termination of servicing, such as a contractual provision which enables the replacement of the servicer in such cases; and

(c) provisions that ensure the replacement of derivative counterparties, liquidity providers and the account bank in the case of their default, insolvency, and other specified events, where applicable.

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| 50 | STS Criteria | Verified? YES |
| | <p>50. The transaction documentation shall clearly specify:</p> <p>(a) the contractual obligations, duties and responsibilities of the servicer and the trustee, if any, and other ancillary service providers;</p> | |
| PCS Comments | | |
| <p>See Prospectus, <i>OVERVIEW OF CERTAIN TRANSACTION DOCUMENTS</i>.</p> <p>Receivables Servicing Agreement, Common Representative Appointment Agreement, Transaction Management Agreement, Accounts Agreement, Paying Agency Agreement</p> | | |
| 51 | STS Criteria | Verified? YES |
| | <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> | |
| PCS Comments | | |
| <p>See Prospectus, <i>RISK FACTORS</i>.</p> <p>Servicer substitution¹⁴¹²</p> <p>A successor servicer is appointed by the Issuer with effect from the Servicer Termination Date or the Servicer Resignation Date, by the entry of the successor servicer, the Originator and the Issuer into a replacement servicing agreement in accordance with the conditions set out the Receivables Servicing Agreement and in similar terms to the Receivables Servicing Agreement. The successor servicer shall, inter alia, have significant experience in the servicing of loans similar to those included in the Receivables Portfolio and shall have well documented and adequate policies, procedures and risk management controls relating to such servicing and shall be fully licensed and legally qualified to undertake to provide such services. The appointment of a successor servicer may not result in the downgrade of the ratings of the Rated Notes and it is subject to the prior approval of the CMVM.</p> <p>The Servicer may not resign the appointment as Servicer, without a justified reason and furthermore, pursuant to the Servicing Agreement, such resignation shall only be effective if the Issuer has appointed a successor servicer. The appointment of the successor servicer is subject to the prior approval of the CMVM.</p> <p>See Prospectus, <i>OVERVIEW OF CERTAIN TRANSACTION DOCUMENTS</i>.</p> <p>Receivables Servicing Agreement</p> <p>Servicer Termination and Servicer Resignation</p> <p>See also underlying transaction documents, Receivables Servicing Agreement.</p> | | |

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| | <p>SECTION F</p> <p>TERMINATION OF SERVICER'S APPOINTMENT</p> <p>23. Identification of successor servicer</p> <p>23.1. Identification of successor servicer</p> <p>Subject and without prejudice to the terms of Clause 24.1 (<i>Appointment of successor servicer</i>) after the delivery of a Servicer Event Notice or a Servicer Resignation Notice, the Issuer shall use all reasonable endeavours to identify a suitable successor servicer. For purposes of this identification and provided that this can be made without jeopardizing the servicing of the Receivables Portfolio, the Issuer may seek direction from the Common Representative, which in turn may seek direction from the Noteholders. For the avoidance of doubt, if direction from the Common Representative is requested, the Issuer may refrain from acting until such direction has been obtained, but only provided that such refraining does not jeopardize the servicing of the Receivable Portfolio.</p> <p>24. Appointment of successor servicer</p> <p>24.1. Appointment of successor servicer</p> <p>The successor servicer shall be appointed by the Issuer with effect from the Servicer Termination Date or the Servicer Resignation Date, by the entry by the successor servicer, the Originator and the Issuer into a replacement servicing agreement in accordance with the provisions of Clause 23.2 (Conditions for successor servicer) and in similar terms with this Agreement.</p> | |
| 52 | <p><u>STS Criteria</u></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><u>PCS Comments</u></p> <p>See Prospectus, <i>RISK FACTORS</i>.</p> <p>RISKS RELATING TO THE NOTES AND THE STRUCTURE</p> <p>Interest rate risk</p> <p>Termination of the Swap Transaction may expose the Issuer to interest rate fluctuations or require additional costs in replacing the Swap Agreement</p> <p>The Swap Agreement contains certain limited termination events and events of default which will entitle either or both parties to terminate the Swap Transaction. In case of an early termination of the Swap Transaction, the Issuer will use all reasonable endeavours to, but cannot guarantee that it will be able to, find a replacement Swap Counterparty.</p> <p>See Prospectus, <i>OVERVIEW OF CERTAIN TRANSACTION DOCUMENTS</i>.</p> <p>Swap Transaction</p> <p>Early Termination</p> <p>See Prospectus, <i>OVERVIEW OF CERTAIN TRANSACTION DOCUMENTS</i>.</p> <p>Accounts Agreement</p> | <p><u>Verified?</u></p> <p>YES</p> |

Termination and Resignation.

The appointment of the Accounts Bank shall terminate if an Insolvency Event occurs in relation to the Accounts Bank or if the Accounts Bank is in breach of the Accounts Agreement, with such breach having a Material Adverse Effect. If the appointment of the Accounts Bank is terminated under this circumstance, the Issuer shall forthwith appoint a successor in accordance with the terms of the Accounts Agreement.

See underlying transaction documents, Master Framework Agreement.

SCHEDULE 4

ISSUER COVENANTS

PART B – TRANSACTION DOCUMENT COVENANTS OF THE ISSUER

The Issuer shall:

10. REPLACEMENT OF SWAP COUNTERPARTY

use all reasonable endeavours to identify a suitable replacement cap swap counterparty in order to enter into a replacement cap swap agreement to replace or novate the Cap Swap Agreement, if so required. The Servicer hereby agrees to assist the Issuer in finding a suitable replacement cap swap counterparty, if so required.

See underlying transaction documents, Accounts Agreement.

20. Termination and Resignation

20.3 The appointment of the Accounts Bank shall terminate if an Insolvency Event occurs in relation to the Accounts Bank or if the Accounts bank is in breach of this Agreement with such breach having a Material Adverse Effect. If the appointment of the Accounts Bank is terminated in accordance with this provision, the Issuer shall forthwith appoint a successor in accordance with Clause 20.4.

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, *OVERVIEW OF CERTAIN TRANSACTION DOCUMENTS*.

Receivables Servicing Agreement

Representations and Warranties

The Servicer will make certain representations and warranties in the Receivables Servicing Agreement, including (but not limited to) the following:

- (a) The Servicer is an entity which is subject to prudential, capital and liquidity regulation in Portugal and it has regulatory authorisation and permissions which are relevant to the provision of servicing in relation to the Receivables Portfolio and other loans originated by the Originator which are not sold to the Issuer;
- (b) The Servicer has significantly more than 5 years of experience in servicing of loans similar to those included in the Receivables Portfolio; and
- (c) The Servicer's risk management policies, procedures and controls relating to the servicing of the Receivables Portfolio (1) are well documented and adequate and (2) have been assessed by the risk management department of the Originator, and validated by the risk control committee of the Originator.

Servicing and Collection of Receivables

The Servicer has significantly more than 5 years of experience in the servicing of loans similar to those included in the Receivables Portfolio. The Servicer's risk management policies, procedures and controls relating to the servicing of the Receivables Portfolio (1) are well documented and adequate, and (2) have been assessed by the Originator's risk management department and validated by the Originator's risk control committee.

See also underlying transaction documents, Receivables Servicing Agreement.

SCHEDULE 1

SERVICER'S REPRESENTATIONS AND WARRANTIES

PART 1

Corporate Representations and Warranties of the Servicer

The EBA Guidelines provide that an entity that has serviced similar assets for at least five years will be deemed to meet the expertise criterion.

54

STS Criteria

54. And shall have well documented and adequate policies, procedures and risk management controls relating to the servicing of exposures.

Verified?
YES

PCS Comments

See Prospectus, *OVERVIEW OF CERTAIN TRANSACTION DOCUMENTS*.

Receivables Servicing Agreement

Servicing and Collection of Receivables

Representations and Warranties

The Servicer will make certain representations and warranties in the Receivables Servicing Agreement, including (but not limited to) the following:

- (a) The Servicer is an entity which is subject to prudential, capital and liquidity regulation in Portugal and it has regulatory authorisation and permissions which are relevant to the provision of servicing in relation to the Receivables Portfolio and other loans originated by the Originator which are not sold to the Issuer;
- (b) The Servicer has significantly more than 5 years of experience in servicing of loans similar to those included in the Receivables Portfolio; and
- (c) The Servicer's risk management policies, procedures and controls relating to the servicing of the Receivables Portfolio (1) are well documented and adequate and (2) have been assessed by the risk management department of the Originator, and validated by the risk control committee of the Originator.

Servicing and Collection of Receivables

The Servicer has significantly more than 5 years of experience in the servicing of loans similar to those included in the Receivables Portfolio. The Servicer's risk management policies, procedures and controls relating to the servicing of the Receivables Portfolio (1) are well documented and adequate, and (2) have been assessed by the Originator's risk management department and validated by the Originator's risk control committee.

See also underlying transaction documents, Receivables Servicing Agreement.

SCHEDULE 1

SERVICER'S REPRESENTATIONS AND WARRANTIES

PART 1

Corporate Representations and Warranties of the Servicer

The EBA Guidelines specify that a servicer should be considered to meet this criterion if it is a prudentially regulated financial institution.

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

55

STS Criteria

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

Verified?
Yes

PCS Comments

See Prospectus, *OVERVIEW OF CERTAIN TRANSACTION DOCUMENTS*.

Receivables Servicing Agreement

Approach to Arrears Management

When performing its Services, including the collection of proceeds and management of credits entering in arrears and/or forbearance in respect of the Receivables Portfolio, the Servicer agrees to comply with the Servicer's Operating Procedures which reflect the Credit and Collection Policies. If necessary, and in accordance with the terms of the Receivables Servicing Agreement, the Servicer shall, in accordance with the Enforcement Procedures and the Credit and Collection Policies, take such action as may be determined by the Servicer to be necessary or desirable (including, if necessary, court proceedings) against any Obligor in relation to a Defaulted Receivable.

See Prospectus, *ORIGINATOR'S STANDARD BUSINESS PRACTICES, SERVICING AND CREDIT ASSESSMENT*.

Collections (arrears management) and recovery procedures

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

19. Definitions

“Credit and Collection Policies” means the credit and collection policies of the Originator as described in the “Originator’s Standard Business Practices, Servicing and Credit Assessment” section of this Prospectus and such other credit and collection policies of the Originator setting out the remedies and actions relating to delinquency and default of Obligors, debt restructuring, forgiveness, forbearance, payment holidays, losses, charge-offs and other asset-performance remedies and procedures for dealing with asset and collection recoveries as may be applicable from time to time subject to the conditions set out in the Receivables Servicing Agreement;

See also underlying transaction documents, Receivables Servicing Agreement.

SCHEDULE 5

SERVICER’S OPERATING PROCEDURES

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

56

STS Criteria

56. The transaction documentation shall clearly specify the priorities of payment,

Verified?

YES

PCS Comments

See Prospectus, *TRANSACTION OVERVIEW*.

Pre-Enforcement Interest Priority of Payments: [...]

Pre-Enforcement Principal Priority of Payments: [...]

Post-Enforcement Priority of Payments: [...]

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

19. Definitions

“Pre-Enforcement Interest Priority of Payments”

“Pre-Enforcement Principal Priority of Payments”

“Post-Enforcement Priority of Payments”

See underlying transaction documents, Transaction Management Agreement.

13. Payments from Payment Account on an Interest Payment Date – Pre-Enforcement Interest Priority of Payments

14. Payments from Payment Account on an Interest Payment Date – Pre-Enforcement Principal Priority of Payments

15. Payments from the Payment Account – Post-Enforcement Payment Priorities

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| 57 | STS Criteria 57. The transaction documentation shall clearly specify the events which trigger changes in such priorities of payment. | Verified? YES |
| | PCS Comments See Prospectus, <i>TERMS AND CONDITIONS OF THE NOTES</i> . 11. Events of Default and Enforcement 19. Definitions "Subordination Event" | |
| 58 | STS Criteria 58. The transaction documentation shall clearly specify the obligation to report such events. | Verified? YES |
| | PCS Comments See Prospectus, <i>REGULATORY DISCLOSURES</i> . Disclosure of modifications to the Payment Priorities Any events which trigger changes in any Payment Priorities and any change in any Payment Priorities which will materially adversely affect the repayment of the Notes will be disclosed by the Designated Reporting Entity without undue delay to the extent required under Article 21(9) of the EU Securitisation Regulation. | |
| 59 | STS Criteria 59. Any change in the priorities of payments which will materially adversely affect the repayment of the securitisation position shall be reported to investors without undue delay. | Verified? YES |
| | PCS Comments See Prospectus, <i>REGULATORY DISCLOSURES</i> . Disclosure of modifications to the Payment Priorities Any events which trigger changes in any Payment Priorities and any change in any Payment Priorities which will materially adversely affect the repayment of the Notes will be disclosed by the Designated Reporting Entity without undue delay to the extent required under Article 21(9) of the EU Securitisation Regulation. | |

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, *TERMS AND CONDITIONS OF THE NOTES*.

13. Meetings of Noteholders

See also underlying transaction documents, Common Representative Appointment Agreement.

SCHEDULE 2

PROVISIONS FOR MEETINGS OF NOTEHOLDERS

Although the wording of the Regulation as to what constitutes the "facilitation of timely resolution of conflicts" is very vague, the EBA Guidelines have helpfully set out the five minimum requirements that the documents should contain to meet this criterion.

(a) the method for calling meetings; as for method: 13. Meetings of Noteholders, 13.1 Convening, 13.2 Request from Noteholders; (b) the maximum timeframe for setting up a meeting: CRAA, 4. Notice; (c) the required quorum: CRAA, 6. Quorum; 13. Meetings of Noteholders, 13.3 Quorum; (d) the minimum threshold of votes to validate such a decision, with clear differentiation between the minimum thresholds for each type of decision: 13. Meetings of Noteholders, 13.4 Majorities; (e) where applicable, a location for the meetings which should be in the EU: CRAA, 4. Notice.

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, *OVERVIEW OF CERTAIN TRANSACTION DOCUMENTS*.

Common Representative Appointment Agreement

Transaction Management Agreement

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

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.

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| 62 | STS Criteria 62. The originator and the sponsor shall make available data on static and dynamic historical default and loss performance, such as delinquency and default data, for substantially similar exposures to those being securitised, | Verified? YES |
| | PCS Comments See Prospectus, <i>REGULATORY DISCLOSURES</i> . Transparency under the EU Securitisation Regulation and confirmations of the Originator The Originator confirms that it has made available, prior to pricing: (d) data on static and dynamic historical default and loss performance covering a period of 5 years required to be made available under Article 22(1) of the EU Securitisation Regulation; (in each case, on the SR Repository website at https://editor.eurowdw.eu/ registered on 25 June 2021 and effective on 30 June 2021). | |
| 63 | STS Criteria 63. and the sources of those data and the basis for claiming similarity, to potential investors before pricing. | Verified? YES |
| | PCS Comments See Data Pack. Banco Santander Totta S.A. Book Banco Santander Totta (BST) loan book of existing loans from 2014-Q1 onwards | |
| 64 | STS Criteria 64. Those data shall cover a period no shorter than five years. | Verified? YES |
| | PCS Comments See Data Pack. | |

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.

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| 65 | <p>STS Criteria</p> <p>65. A sample of the underlying exposures shall be subject to external verification prior to issuance of the securities resulting from the securitisation by an appropriate and independent party,</p> | <p>Verified? YES</p> |
| | <p>PCS Comments</p> <p>See Prospectus, <i>CHARACTERISTICS OF THE RECEIVABLES</i>.</p> <p>Verification of data</p> <p>For the purposes of compliance with Article 22(2) of the EU Securitisation Regulation, the Originator has caused the sample of loans selected from the Initial Receivables Portfolio (and certain Eligibility Criteria to be checked against the Initial Receivables Portfolio) to be externally verified by an appropriate and independent third party. Such verification was completed to a confidence level of at least 99%. The Initial Receivables Portfolio has been subject to an agreed upon procedures review (to review, amongst other things, conformity with the Receivables Warranties (where applicable)) on a sample of loans selected from the Initial Receivables Portfolio conducted by a third-party and completed on or about 15th of July 2022 with respect to the Initial Receivables Portfolio in existence as at 15th of July 2022. No significant adverse findings arose from such review. This independent third party has also performed agreed upon procedures in order to verify that the stratification tables disclosed in respect of the underlying exposures are accurate. The third party undertaking the review only has obligations to the parties to the engagement letters governing the performance of the agreed upon procedures subject to the limitations and exclusions contained therein.</p> <p>See Prospectus, <i>REGULATORY DISCLOSURES</i>.</p> <p>Transparency under the EU Securitisation Regulation and confirmations of the Originator</p> <p>The Originator further confirms that it has obtained external verification on a sample of the underlying exposures prior to issuance, in accordance with Article 22(2).</p> <p><i>PCS has reviewed the draft report on “agreed upon procedures” (AUP) commonly known as a “pool audit”. PCS can confirm that this was done by an appropriate and independent third party.</i></p> | |
| 66 | <p>STS Criteria</p> <p>66. Including verification that the data disclosed in respect of the underlying exposures is accurate.</p> | <p>Verified? YES</p> |
| | <p>PCS Comments</p> <p>See point 65 above.</p> | |

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

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| 67 | <p>STS Criteria</p> <p>67. The originator or the sponsor shall, before the pricing of the securitisation, make available to potential investors a liability cash flow model which precisely represents the contractual relationship between the underlying exposures and the payments flowing between the originator, sponsor, investors, other third parties and the SSPE.</p> | <p>Verified? YES</p> |
| | <p>PCS Comments</p> <p>See Prospectus, <i>REGULATORY DISCLOSURES</i>.</p> <p>Transparency under the EU Securitisation Regulation and confirmations of the Originator</p> <p>The Originator confirms that it has made available, prior to pricing:</p> <p>(c) a cashflow model required to be made available under Article 22(3) of the EU Securitisation Regulation; (in each case, on the SR Repository website at https://editor.eurowd.eu/ registered on 25 June 2021 and effective on 30 June 2021).</p> | |
| 68 | <p>STS Criteria</p> <p>68. And shall, after pricing, make that model available to investors on an ongoing basis and to potential investors upon request.</p> | <p>Verified? YES</p> |
| | <p>PCS Comments</p> <p>See Prospectus, <i>REGULATORY DISCLOSURES</i>.</p> <p>Liability cashflow model</p> <p>BST (as Originator) has prior to pricing, as required by Article 22(3) of the EU Securitisation Regulation, made available to potential investors (through the website of the SR Repository at https://editor.eurowd.eu/) a cashflow model. BST (in its capacity as Originator) shall procure that such cashflow model (i) precisely represents the contractual relationship between the Receivables and the payments flowing between the Originator, investors, other third parties and the Issuer, and (ii) is made available to investors in the Notes on an ongoing basis and to potential investors upon request.</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 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.</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).

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| 69 | STS Criteria | Verified? YES |
| | <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> | |
| PCS Comments | | |
| <p>See Prospectus, <i>CHARACTERISTICS OF THE RECEIVABLES</i>.</p> <p>Environmental performance of the Receivables</p> <p>BST does not collect information relating to the environmental performance of the Receivables in the Receivables Portfolio.</p> | | |

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.

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| 70 | STS Criteria | Verified? YES |
| | <p>70. The originator and the sponsor shall be responsible for compliance with Article 7 of this Regulation.</p> | |
| PCS Comments | | |
| <p>See Prospectus, <i>TRANSACTION OVERVIEW</i>.</p> <p>Provision of Information under the EU Securitisation Regulation:</p> <p>BST, as Originator (and as Designated Reporting Entity), will be responsible for compliance with Article 7 of the EU Securitisation Regulation for the purposes of Article 22(5) of the EU Securitisation Regulation. The Designated Reporting Entity will publish (or ensure the publication of) the EU Securitisation Regulation Reports (simultaneously with each other) on the SR Repository. The Designated Reporting Entity shall be responsible for procuring that each EU Securitisation Regulation Report is made available through the SR Repository in accordance with the requirements of Article 7 of the EU Securitisation Regulation.</p> | | |

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.

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| 71 | <p>STS Criteria</p> <p>71. The information required by point (a) the first subparagraph of Article 7(1) shall be made available to potential investors before pricing upon request.</p> | <p>Verified? YES</p> |
| | <p>PCS Comments</p> <p>See Prospectus, <i>REGULATORY DISCLOSURES</i>.</p> <p>Transparency under the EU Securitisation Regulation and confirmations of the Originator</p> <p>The Originator confirms that it has made available, prior to pricing:</p> <p>(a) the information required to be made available under Article 7(1)(a) of the EU Securitisation Regulation, to the extent such information has been requested by a potential investor; (in each case, on the SR Repository website at https://editor.eurowdw.eu/ registered on 25 June 2021 and effective on 30 June 2021).</p> | |
| 72 | <p>STS Criteria</p> <p>72. The information required by points (b) to (d) of the first subparagraph of Article 7(1) shall be made available before pricing at least in draft or initial form.</p> | <p>Verified? YES</p> |
| | <p>PCS Comments</p> <p>See Prospectus, <i>REGULATORY DISCLOSURES</i>.</p> <p>Transparency under the EU Securitisation Regulation and confirmations of the Originator</p> <p>The Originator confirms that it has made available, prior to pricing:</p> <p>(b) the underlying documentation required to be made available under Article 7(1)(b) of the EU Securitisation Regulation in draft form;</p> <p>(e) a draft of the STS Notification required to be made available under Article 7(1)(d), (in each case, on the SR Repository website at https://editor.eurowdw.eu/ registered on 25 June 2021 and effective on 30 June 2021).</p> | |

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

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STS Criteria

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

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

See Prospectus, *REGULATORY DISCLOSURES*.

EU Disclosure Requirements and Designated Reporting Entity under the EU Securitisation Regulation

The Designated Reporting Entity shall make available to the investors in the Notes a copy of the final Prospectus and the other final Transaction Documents and the STS Assessment on the SR Repository by no later than 15 days after the Closing Date, and any other document or information that may be required to be disclosed to the investors or potential investors in the Notes pursuant to the EU Securitisation Regulation, in a timely manner (to the extent not already provided by other parties), in each case in accordance with the reporting requirements under Article 7(1)(a) of the EU Securitisation Regulation. Pursuant to Article 22(5) of the EU Securitisation Regulation, draft versions of the STS Assessment will be made available prior to the pricing of the Notes. In addition, the Originator has undertaken to make available to investors in the Notes on the investor page of the website of BST, on an ongoing basis and to potential investors in the Notes, upon request, all information required under the first subparagraph of Article 7(1) of the EU Securitisation Regulation.

This criterion requires 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 Seller will need to inform ESMA and the STS status of the securitisation will be lost. Therefore, as a technical matter, this criterion is not applicable at the closing of a transaction. However, PCS will nevertheless look to see if there is a covenant on the part of the originator to comply in the future with this requirement.

Article 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;

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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, *REGULATORY DISCLOSURES*.

EU Disclosure Requirements and Designated Reporting Entity under the EU Securitisation Regulation

The Designated Reporting Entity will, from the Closing Date:

(a) procure that the Transaction Manager prepares, and the Transaction Manager will, subject to the receipt of the required information from the Servicer, the Issuer, and the Designated Reporting Entity prepare (and deliver (to the satisfaction of the Designated Reporting Entity) an investor report 1 Business Day after each Interest Payment Date in relation to the immediately preceding Calculation Period containing inter alia the information required under:

- (i) the ESMA Disclosure Templates and regulatory technical standards published pursuant to Article 7(3) of the EU Securitisation Regulation relating to the Designated Reporting Entity's obligations pursuant to Article 7(1)(a) and (e) of the EU Securitisation Regulation, incorporated through the Delegated Regulation 2020/1224; and
- (ii) ESMA implementing technical standards published pursuant to Article 7(4) of the EU Securitisation Regulation, with regard to the format and standardised templates for making available the information and details under the EU Securitisation Regulation relating to the Designated Reporting Entity's obligations pursuant to Article 7(1)(a) and (e) of the EU Securitisation Regulation, incorporated through the Implementing Regulation 2020/1225.

On the date hereof (i) the following RTS should be considered for the above purposes: Annexes XII (*Investor Report Information – Non-Asset Backed Commercial Paper Securitisation*) XIV (*Inside Information or Significant Event Information – Non-Asset Backed Commercial Paper Securitisation*) of Delegated Regulation 2020/1224; and (ii) the following ITS should be considered for the above purposes: Annexes XII (*Investor Report Template – Non-asset backed commercial paper securitisation*) XIV (*Inside Information or Significant Event* (the "Investor Report");

See also Prospectus, *OVERVIEW OF CERTAIN TRANSACTION DOCUMENTS*.

Transaction Management Agreement

Investor Report and other

The Transaction Manager has agreed pursuant to the terms of the Transaction Management Agreement, prepare and deliver (on behalf of and to the satisfaction of the Designated Reporting Entity) to, inter alios, the Issuer, the Common Representative and the Arranger, an Investor Report one Business Day after each Interest Payment Date in relation to the immediately preceding Calculation Period, containing inter alia the information required under the ESMA regulatory technical standards published pursuant to Article 7(3) of the EU Securitisation Regulation relating to the Designated Reporting Entity's obligations pursuant to Article 7(1)(a) and (e) of the Securitisation Regulation, incorporated through Delegated Regulation 2020/1224 and (ii) the ESMA implementing technical standards published pursuant to Article 7(4) of the EU Securitisation Regulation, with regard to the format and standardized templates for making available the information and details under the Securitisation Regulation relating to the Designated Reporting Entity's obligations pursuant to Article 7(1)(a) and (e) of the EU Securitisation Regulation, incorporated through Commission Implementing Regulation 2020/1225.

The Issuer will have to reimburse the Transaction Manager and the Designated Reporting Entity for any costs properly incurred by either of them in connection with any amendments to the format of any such reports. Any such costs will be Issuer Expenses.

The Transaction Manager has also agreed pursuant to the terms of the Transaction Management Agreement to prepare and deliver (on behalf and to the satisfaction of the Designated Reporting Entity) to, inter alios, the Issuer, the Common Representative and the Arranger, one Business Day after each Interest Payment Date in relation to the immediately preceding Calculation Period the account and tranche section of Annex XIV (*Inside Information or Significant Event Information – Non-Asset Backed Commercial Paper Securitisation*) of Delegated Regulation 2020/1224.

All the criteria from 73 onwards are future event criteria, as to which we refer you to PCS' analysis in Note 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;

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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, *GENERAL INFORMATION*.

Documents

As long as the Notes are outstanding, physical copies of the following documents will, when published, be available at the registered offices of the Issuer and at the specified offices of the Paying Agent:

- a) the Articles of Association (Estatutos or Contrato de Sociedade) of the Issuer;
- b) the following documents:

- (i) Receivables Sale Agreement;
- (ii) Receivables Servicing Agreement;
- (iii) Paying Agency Agreement;
- (iv) Common Representative Appointment Agreement;
- (v) Accounts Agreement;
- (vi) Co-ordination Agreement;
- (vii) Transaction Management Agreement;
- (viii) Master Framework Agreement;
- (ix) Master Execution Agreement;
- (x) Class X Notes Purchase Agreement; and
- (xi) Swap Agreement;

c) this Prospectus;

Documents listed in subparagraphs (b) above will be made available to the investors in the Notes on the SR Repository as set out in the section headed "Regulatory Disclosures".

The documents listed under paragraphs (a) to (d) above constitute all the underlying documents that are essential for understanding the Securitisation and include, but not limited to, the relevant documents referred to in point (b) of Article 7(1) of the EU Securitisation Regulation and shall remain available for a period of 10 (ten) years.

All the criteria from 74 onwards are 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;

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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, *TRANSACTION OVERVIEW*.

Pre-Enforcement Interest Priority of Payments: [...]

Pre-Enforcement Principal Priority of Payments: [...]

Post-Enforcement Priority of Payments: [...]

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

19. Definitions

“Pre-Enforcement Interest Priority of Payments”

“Pre-Enforcement Principal Priority of Payments”

“Post-Enforcement Priority of Payments”

See underlying transaction documents, Transaction Management Agreement.

13. Payments from Payment Account on an Interest Payment Date – Pre-Enforcement Interest Priority of Payments

14. Payments from Payment Account on an Interest Payment Date – Pre-Enforcement Principal Priority of Payments

15. Payments from the Payment Account – Post-Enforcement Payment Priorities

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;

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STS Criteria

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

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

“Servicing and Credit Assessment”.

Any information which from time to time may be deemed necessary under Articles 5, 6 and 7 of the EU Securitisation Regulation in accordance with the market practice will be made available the SR Repository. Such information includes any amendment or supplement of the Transaction Documents and the Prospectus, the draft or, if and once it has been notified to ESMA, the final version of the STS Notification pursuant to Article 27(1) of the EU Securitisation Regulation, the relevant notice in case the Securitisation ceases to meet the STS requirements or, where competent authorities have taken remedial or administrative actions, information on any other event which may trigger a change in the applicable Payment Priorities. BST has been designated as the first contact point for investors and competent authorities for this purpose.

All the criteria from 74 onwards are future event criteria, as to which we refer you to PCS' comment under point 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.

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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, *REGULATORY DISCLOSURES*.

EU Disclosure Requirements and Designated Reporting Entity under the EU Securitisation Regulation

The Designated Reporting Entity will, from the Closing Date:

(a) procure that the Transaction Manager prepares, and the Transaction Manager will prepare (and deliver (to the satisfaction of the Designated Reporting Entity) an investor report 1 Business Day after each Interest Payment Date in relation to the immediately preceding Calculation Period containing inter alia the information required under:

- (i) the ESMA Disclosure Templates and regulatory technical standards published pursuant to Article 7(3) of the EU Securitisation Regulation relating to the Designated Reporting Entity's obligations pursuant to Article 7(1)(a) and (e) of the EU Securitisation Regulation, incorporated through the Delegated Regulation 2020/1224; and
- (ii) ESMA implementing technical standards published pursuant to Article 7(4) of the EU Securitisation Regulation, with regard to the format and standardised templates for making available the information and details under the EU Securitisation Regulation relating to the Designated Reporting Entity's obligations pursuant to Article 7(1)(a) and (e) of the EU Securitisation Regulation, incorporated through the Implementing Regulation 2020/1225.

On the date hereof (i) the following RTS should be considered for the above purposes: Annexes XII (*Investor Report Information – Non-Asset Backed Commercial Paper Securitisation*) XIV (*Inside Information or Significant Event Information – Non-Asset Backed Commercial Paper Securitisation*) of Delegated Regulation 2020/1224; and (ii) the following ITS should be considered for the above purposes: Annexes XII (*Investor Report Template – Non-asset backed commercial paper securitisation*) XIV (*Inside Information or Significant Event* (the "Investor Report");

See also Prospectus, *OVERVIEW OF CERTAIN TRANSACTION DOCUMENTS*.

Transaction Management Agreement

Investor Report and other

The Transaction Manager has agreed pursuant to the terms of the Transaction Management Agreement, prepare and deliver (on behalf of and to the satisfaction of the Designated Reporting Entity) to, inter alios, the Issuer, the Common Representative and the Arranger, an Investor Report one Business Day after each Interest Payment Date in relation to the immediately preceding Calculation Period, containing inter alia the information required under the ESMA regulatory technical standards published pursuant to Article 7(3) of the EU Securitisation Regulation relating to the Designated Reporting Entity's obligations pursuant to Article 7(1)(a) and (e) of the Securitisation Regulation, incorporated through Delegated Regulation 2020/1224 and (ii) the ESMA implementing technical standards published pursuant to Article 7(4) of the EU Securitisation Regulation, with regard to the format and standardized templates for making available the information and details under the Securitisation Regulation relating to the Designated Reporting Entity's obligations pursuant to Article 7(1)(a) and (e) of the EU Securitisation Regulation, incorporated through Commission Implementing Regulation 2020/1225.

The Issuer will have to reimburse the Transaction Manager and the Designated Reporting Entity for any costs properly incurred by either of them in connection with any amendments to the format of any such reports. Any such costs will be Issuer Expenses.

The Transaction Manager has also agreed pursuant to the terms of the Transaction Management Agreement to prepare and deliver (on behalf and to the satisfaction of the Designated Reporting Entity) to, inter alios, the Issuer, the Common Representative and the Arranger, one Business Day after each Interest Payment Date in relation to the immediately preceding Calculation Period the account and tranche section of Annex XIV (Inside Information or Significant Event Information – Non-Asset Backed Commercial Paper Securitisation) of Delegated Regulation 2020/1224.

All the criteria from 74 onwards are future event criteria, as to which we refer you to PCS' comment under point 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;

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STS Criteria

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

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

See Prospectus, *REGULATORY DISCLOSURES*.

Information required to be reported under Article 7(1)(f) and (g), to the extent applicable, of the EU Securitisation Regulation

The Designated Reporting Entity will publish on the SR Repository (without delay), any information required to be reported pursuant to Article 7(1)(f) and (g), to the extent applicable, of the EU Securitisation Regulation. The Designated Reporting Entity will only be required to publish such information as the Issuer or the Servicer may from time to time notify to it and/or direct it to publish. The Designated Reporting Entity's obligation to publish information required to be reported by the Issuer pursuant to Article 7(1)(f) and (g), to the extent applicable, of the EU Securitisation Regulation shall be conditional upon delivery by the Issuer or the Servicer, to the extent the Issuer or the Servicer becomes aware, of any information falling under Article 7(1)(f) and (g), to the extent applicable, of the EU Securitisation Regulation, provided that the Designated Reporting Entity shall not be required to monitor the price at which any Class of Notes trade at any time.

See also point 79 above. All the criteria from 74 onwards are future event criteria, as to which we refer you to PCS' comment under point 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, *REGULATORY DISCLOSURES*.

Information required to be reported under Article 7(1)(f) and (g), to the extent applicable, of the EU Securitisation Regulation

The Designated Reporting Entity will publish on the SR Repository (without delay), any information required to be reported pursuant to Article 7(1)(f) and (g), to the extent applicable, of the EU Securitisation Regulation. The Designated Reporting Entity will only be required to publish such information as the Issuer or the Servicer may from time to time notify to it and/or direct it to publish. The Designated Reporting Entity's obligation to publish information required to be reported by the Issuer pursuant to Article 7(1)(f) and (g), to the extent applicable, of the EU Securitisation Regulation shall be conditional upon delivery by the Issuer or the Servicer, to the extent the Issuer or the Servicer becomes aware, of any information falling under Article 7(1)(f) and (g), to the extent applicable, of the EU Securitisation Regulation, provided that the Designated Reporting Entity shall not be required to monitor the price at which any Class of Notes trade at any time.

See also point 79 above. All the criteria from 74 onwards are future event criteria, as to which we refer you to PCS' comment under point 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]

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STS Criteria

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

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

See Prospectus,

The EU Securitisation Regulation Reports shall be published simultaneously on the SR Repository and each such report shall be made available no later than 1 month following each Interest Payment Date.

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

19. Definitions

"EU Securitisation Regulation Reports" means the Loan-Level Report together with the Investor Report;

All the criteria from 74 onwards are future event criteria, as to which we refer you to PCS' comment under point 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, *REGULATORY DISCLOSURES*.

Information required to be reported under Article 7(1)(f) and (g), to the extent applicable, of the EU Securitisation Regulation

The Designated Reporting Entity will publish on the SR Repository (without delay), any information required to be reported pursuant to Article 7(1)(f) and (g), to the extent applicable, of the EU Securitisation Regulation. The Designated Reporting Entity will only be required to publish such information as the Issuer or the Servicer may from time to time notify to it and/or direct it to publish. The Designated Reporting Entity's obligation to publish information required to be reported by the Issuer pursuant to Article 7(1)(f) and (g), to the extent applicable, of the EU Securitisation Regulation shall be conditional upon delivery by the Issuer or the Servicer, to the extent the Issuer or the Servicer becomes aware, of any

information falling under Article 7(1)(f) and (g), to the extent applicable, of the EU Securitisation Regulation, provided that the Designated Reporting Entity shall not be required to monitor the price at which any Class of Notes trade at any time.

All the criteria from 74 onwards are future event criteria, as to which we refer you to PCS' comment under point 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, *REGULATORY DISCLOSURES*.

SR Repository

The Designated Reporting Entity shall be responsible for procuring that each EU Securitisation Regulation Report, and any other information required to be made available by the Designated Reporting Entity under the EU Securitisation Regulation, is made available through the SR Repository in accordance with the requirements of Article 7 of the EU Securitisation Regulation and for the purposes of making available the EU Securitisation Regulation Reports to the holders of the Notes and the competent authorities, and upon request, potential investors in the Notes. In determining whether a person is a holder of the Notes or a potential investor in the Notes, the Designated Reporting Entity is entitled to rely, without liability, on any certification given by such person that they are a holder of the Notes or, as relevant, a potential investor in the Notes. The Designated Reporting Entity will use the SR Repository to fulfil its reporting obligations under the EU Securitisation Regulation.

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

19. Definitions

“SR Repository” means the European DataWarehouse GmbH based in Germany, whose website is available at <https://editor.eurodw.eu/>;

All the criteria from 74 onwards are future event criteria, as to which we refer you to PCS' comment under point 73 above.

| | | |
|----|---|--|
| 85 | <p>STS Criteria</p> <p>85. The entity responsible for reporting the information, and the securitisation repository where the information is made available shall be indicated in the documentation regarding the securitisation.</p> | <p>Verified? YES</p> |
| | <p>PCS Comments</p> <p>See point 83 above.</p> <p>See Prospectus, <i>REGULATORY DISCLOSURES</i>.</p> <p>EU Disclosure Requirements and Designated Reporting Entity under the EU Securitisation Regulation</p> <p>For the purposes of Article 7(2) and Article 22(5) of the EU Securitisation Regulation, the Originator has been designated as the entity responsible for compliance with the requirements of Article 7 together with any guidance published in relation thereto by the European Securities and Markets Authority, including any regulatory and/or implementing technical standards ("EU Disclosure Requirements") ("Designated Reporting Entity") and will either fulfil such requirements itself or procure that such requirements are complied with on its behalf, provided that the Designated Reporting Entity will not be in breach of such undertaking if the Designated Reporting Entity fails to so comply due to events, actions or circumstances beyond the Designated Reporting Entity's control.</p> <p><i>All the criteria from 74 onwards are future event criteria, as to which we refer you to PCS' comment under point 73 above.</i></p> | |