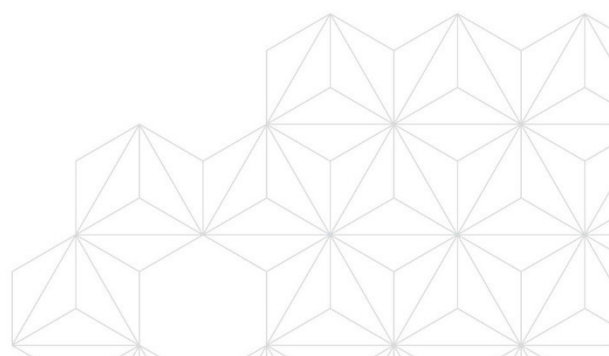


**PRIME
COLLATERALISED
SECURITIES**

**PROCEDURES
MANUAL FOR
PCS RISK TRANSFER
LABEL**



PCS



PCS RISK TRANSFER PROCEDURES MANUAL

This document sets out the procedures laid down by Prime Collateralised Securities (PCS) UK Limited (the “PCS Secretariat”) for the award of a PCS Risk Transfer Label and which an entity applying for the Risk Transfer Label (the “Applicant”) will be required to follow.

The PCS Secretariat shall use all reasonable efforts to follow these procedures but reserves the right to depart from them as it deems reasonable. These procedures are not binding on the PCS Secretariat.

The PCS Risk Transfer Label is not a recommendation to buy, sell or hold securities. It is not investment advice whether generally or as defined under Markets in Financial Instruments Directive (2004/39/EC) and it is not a credit rating whether generally or as defined under the Credit Rating Agency Regulation (1060/2009/EC).

The activity of providing the PCS Risk Transfer Label or the PCS Risk Transfer Label itself is not endorsed or regulated by any regulatory and/or supervisory authority nor is the PCS Secretariat regulated by any regulator and/or supervisory authority including the United Kingdom Financial Conduct Authority.

You should read the detailed disclaimer language that appears on the PCS website at www.pcsmarket.org (the “PCS website”).

Intention to make an application to seek a PCS Risk Transfer Label

1. A potential Applicant (or an arranger or law firm on its behalf) may, should it so wish to do so, advise the PCS Secretariat in writing, of an intention to make an application.
2. As it is helpful to understand the flows of business, a place in the screening queue will be determined by the timing of the notice of intention to make an application with earlier notices getting priority over later notices in the unlikely event that resources to award the PCS Risk Transfer Label become constrained. The email advising such intention should be sent to “admin@pcsmarket.org”.
3. Upon receipt of an intention to make an application, the PCS Secretariat will send an acknowledgement of receipt within one London business day.

4. In cases where

- the Applicant is a new applicant;
- the assets securitised are in a jurisdiction where PCS labeled transactions have not been previously issued;
- the assets securitised are assets which have not previously been the subject of a PCS Risk Transfer Label or a PCS True Sale Label;
- the Applicant believes that the transaction contains novel elements that may raise issues with the PCS Risk Transfer Eligibility Criteria;

The PCS Secretariat strongly encourages an Applicant to send a notice of intention to make an application and draw the attention of the PCS Secretariat to any issue it believes could raise issue with the PCS Risk Transfer Eligibility Criteria.

Application

5. The Applicant must download an application form from the PCS website. The application form is shown as Appendix 1. The application form sets out:

- (a) The names and contact details of the relevant parties including (i) the Applicant (ii) the Protection Buyer (if different), (iii) the Arranger (if any), and, (iv) the Nominated Law Firm, and other key parties to the transaction.

(In relation to any transaction, the PCS Secretariat will only communicate with the entities named in the relevant application unless it has received a written request from the Applicant giving the names of third parties the PCS Secretariat may contact.)

- (b) Transaction details.

- (c) The expected timetable.

- (d) The fees to be paid.

- (e) Any other terms or matters to note.

The application form contains an agreement by the Applicant to the PCS terms and conditions. The PCS terms and conditions are binding and non-negotiable in nature and can be found on the PCS website. The Applicant should send a signed, completed application to the PCS Secretariat in pdf format to admin@pcsmarket.org. A hard copy should be sent by post to the PCS Secretariat at 40, Gracechurch Street EC3V 0BT. The application must be signed by the Applicant and the Arranger (if any).

Price

6. The price for the application will be set automatically, initially being either £9,000 or Euro 12,000 plus, respectively, VAT, if applicable. In addition to the initial fees, Applicants will pay an annual PCS Risk Transfer Label maintenance fee of £5,000 or Euro 6,000 plus, respectively, VAT, if applicable, until credit protection is no longer provided under the relevant risk transfer instrument or the Risk transfer instrument loses the Risk Transfer Label. For the avoidance of doubt, the fees are charged on a transaction basis notwithstanding how many separate tranches of the transaction are awarded a PCS Risk Transfer Label.

7. The currency of the contract price will be either Euro or £ and will be determined as follows:

- (a) If the instrument receiving the PCS Risk Transfer Label is denominated in sterling or in Euros, the contract will be in that currency.
- (b) If the instrument receiving the PCS Risk Transfer Label is denominated in a currency other than sterling or Euros, the contract will be in Euros.
- (c) If the instrument receiving the PCS Risk Transfer Label is denominated both in sterling and Euros, the contract will be in the currency of the largest tranche to receive the PCS Risk Transfer Label or, if the tranches are of equal size, in Euros.
- (d) If the instrument receiving the PCS Risk Transfer Label is denominated in either sterling or Euros, on the one hand, and third currency, on the other, the contract will be in sterling or Euros – as the case may be.

8. The PCS Risk Transfer Label fee becomes payable upon the checklist being received by the Screening Partner and/or the PCS Secretariat, irrespective of whether a PCS Risk Transfer Label is ultimately awarded. PCS Risk Transfer Label fees are payable within 30 days of the Applicant receiving an invoice and PCS Risk Transfer Label maintenance fees are payable annually on the anniversary of the PCS Risk Transfer Label award each year. Once paid, the PCS Risk Transfer Label fees and PCS Risk Transfer Label maintenance fees cannot be reimbursed.

Application Review

9. Following receipt of the Application, the PCS Secretariat will contact the Applicant with a response within one London business day of receipt of the application. A positive response by the PCS Secretariat will be in the form shown by appendix 2 or other form satisfactory to the PCS Secretariat.

10. Any issues arising from the application will be handled by the PCS Secretariat. Minor technical issues such as lack of signature, conflicting information, application form incorrectly filled in, may be handled by any member of staff. This type of issue will, normally, be managed within one London business day.

11. In cases of:

- material issues arising from an application;
- a new Applicant;
- a new Arranger;
- a new jurisdiction; or
- a new asset class;

the application will be reviewed by the Head of the PCS Secretariat or the Managing Director, Head of PCS Operations.

12. In the event of a dispute over the rejection of an application, please refer to the appeals' procedures section of this manual as set out in appendix 5.

Screening Partners

13. On receipt of an application, the PCS Secretariat will within the same London business day determine the Screening Partner for the relevant transaction and notify the Applicant by email.

14. The choice of Screening Partner is entirely at the discretion of the PCS Secretariat.

Please note though that the PCS Secretariat has agreed that a transaction with originators or assets in Germany or Austria will be allocated to the TSI, if the TSI confirms it has the resources to deal with such transaction. (For transactions with assets in a number of jurisdictions, those with more than 35% by value in Germany and/or Austria will be allocated to TSI on this basis.)

15. The proposed Screening Partner has 24 hours to check if they have a conflict of interest that would prevent them from undertaking the review.

PCS Risk Transfer Label identifier

16. Each risk transfer instrument for which the PCS Risk Transfer Label is sought will be allocated a PCS identifier. The identifier will be allocated on receipt of the transaction application and will be the unique PCS Risk Transfer Label identifier for each tranche of securities throughout the PCS Risk Transfer Labeling process and for so long as the relevant securities have a PCS Risk Transfer Label.

PCS Risk Transfer Eligibility Criteria and checklists

17. The PCS Secretariat will ensure that the Screening Partners are kept with an up to date list of PCS Risk Transfer Eligibility Criteria, checklist, other documentation and procedural requirements. The PCS current Risk Transfer Eligibility Criteria can be found on the PCS web-site.

18. The Applicant will download from the PCS web-site the checklist that is relevant to its jurisdiction and the assets in its transaction. If there is any issue

regarding which checklist is appropriate, the Applicant should contact the PCS Secretariat by email to: admin@pcsmarket.org.

19. The Applicant, arranger or a Nominated Law Firm on its behalf, will send to the PCS Secretariat a completed checklist together with a draft of final prospectus (which, if not final, must be in a “red” or acceptably advanced status) or draft transaction documents and a draft Protection Buyer Certificate with a copy to: admin@pcsmarket.org.

20. The PCS Secretariat will then review the checklist, the relevant sections in the prospectus or transaction documents and the draft Protection Buyer Certificate. Assuming no issues arise in respect of the checklist, the PCS Secretariat will complete its review of the checklist within two business days.

21. If a possible problem with the checklist or relevant sections of the prospectus or transaction documents or the draft Protection Buyer Certificate is identified, the PCS Secretariat will immediately contact the Applicant, arranger or a Nominated Law Firm as applicable and discuss the matter.

22. Problems which cannot be immediately resolved will be dealt with by the Head of the PCS Secretariat. The Head of the PCS Secretariat may elect to instruct external lawyers to deal with such matters – although the cost of such lawyer are to be borne by the PCS Secretariat. If the problems can be resolved, the Applicant, arranger or a Nominated Law Firm, as applicable, will send to the PCS Secretariat revised clean and black-lined versions of the checklist, prospectus or transaction documents and Protection Buyer Certificate, as appropriate.

23. As and when the PCS Secretariat is satisfied with the checklist, relevant sections of the prospectus or transaction documents and the draft Protection Buyer Certificate, it will forward the documents for review and checking to the relevant Screening Partner. The Screening Partner will review the documents sent to it by the PCS Secretariat.

24. Subsequent to the review anticipated in point 23, if no consequent amendments to a prospectus or transaction documents, Protection Buyer Certificate and/or checklist are required, the Screening Partner will confirm by email and hard copy in the form set out in appendix 3 to the PCS Secretariat that the prospectus, or transaction documents, Protection Buyer Certificate and checklist do indeed indicate that the PCS Risk Transfer Eligibility Criteria are fully met. The Screening Partner will also tick the checklist to indicate each of the questions is answered positively and send a dated and signed copy by email and hard copy to the PCS Secretariat in accordance with the requirements of point 36 below.

25. Subsequent to the review anticipated in 23, if amendments to a prospectus or transaction document, Protection Buyer Certificate and/or checklist are required to demonstrate that the PCS Risk Transfer Eligibility Criteria are met, no confirmation that the PCS Risk Transfer Label will be granted will be made unless consequent amendments are made. In these cases, the Screening Partner will liaise with the PCS Secretariat who in turn will liaise with the Applicant, arranger or a Nominated Law Firm as applicable.

26. If an issue is resolved but leads to a change in the prospectus or transaction documents, the checklist or the draft Protection Buyer Certificate, a clean and black lined version of the modified document will need to be sent by the Applicant, arranger or a Nominated Law Firm to the PCS Secretariat for review and approval who will then send onwards to the Screening Partner for checking and approval. The process in points 19- 25 above will begin again although the amount of work for the Screening Partner will be reviewed in light of the changes. If the changes are small, immaterial and immediately put in place, there should be no extra charge. The PCS Secretariat reserves the right to charge an incremental amount to the Applicant to compensate the Screening Partner for the extra work. The decision on whether to charge this additional amount will be the responsibility of the Head of the PCS Secretariat who shall decide this in its sole discretion.

27. Any extra-charge will be subject to a cap equal to 2/3rds of the original PCS Risk Transfer Label fee for each new checklist and offering circular or Protection Buyer Certificate or set of transaction documents that requires review.

28. If there is an issue that cannot be resolved or the Applicant, arranger or a Nominated Law Firm states that it will not be resolved or the Applicant, arranger or a Nominated Law Firm does not agree that the documentation fails to demonstrate the PCS Risk Transfer Eligibility Criteria are met, the Screening Partner and the PCS Secretariat will discuss the issue/s at hand. If the issue cannot be resolved, the Screening Partner will send to the PCS Secretariat a letter, as shown in appendix 3, confirming the nature of the problem.

29. The Applicant and Nominated Law Firm must be sent a copy of the appendix 3 letter in the case of an issue noted in point 28 above.

PCS Risk Transfer Eligibility Criteria Interpretation

30. If, in the opinion of the Screening Partner or the Applicant, arranger or a Nominated Law Firm, there is a question of an interpretation of one or more PCS Risk Transfer Eligibility Criteria, the Screening Partner or the Applicant, arranger or a Nominated Law Firm will contact the PCS Secretariat immediately and request a determination. Upon its review of the documentation, the PCS Secretariat may also consider an issue to be subject to an interpretation question.

31. The Head of the PCS Secretariat must make a decision on an interpretation issue within two London business days. If at all feasible, the Head of the PCS Secretariat shall consult with the PCS Managing Director on the matter prior to making a determination. If the interpretation is such that the PCS Secretariat believes the relevant PCS Risk Transfer Eligibility Criteria is met, PCS Secretariat will confirm this to the Screening Partner, the Applicant, arranger or a Nominated Law Firm, the process moves back to 19-25 above, as the case may require. The Head of the PCS Secretariat may also refer the interpretation question to the PCS Market Committee for advice or to the PCS Board for approval depending on the nature of the question.

32. If the interpretation results in a “change in interpretation” this needs to be

announced publicly and should be done within five London business days. The new interpretation should be posted on the PCS website as well as communicated to all the Screening Partners, the members of the PCS Association and the Board of the PCS Association.

33. If a negative determination is made as per 28 or, following an issue of interpretation, a determination is made that a PCS Risk Transfer Eligibility Criteria is not met, the issue will be considered at the PCS Secretariat by the Head of the PCS Secretariat and a call or series of calls will be organised by the PCS Secretariat between the PCS Secretariat, the relevant Screening Partner (if appropriate), the Applicant and, if appropriate, the arranger and the Nominated Law Firm or other combination as determined by the Head of the PCS Secretariat. The Head of the PCS Secretariat reserves the right to delegate, if appropriate, this role to the Managing Director, Head of PCS Operations.

34. If the issue/s can be resolved, a new completed clean/black lined checklist, prospectus or transaction documents and/or Protection Buyer Certificate, as the case may be, will be sent by the Applicant, arranger or a Nominated Law Firm to the PCS Secretariat with a copy to "admin@pcsmarket.org" as per 19 above and the procedure will recommence from that point.

35. PCS Secretariat will to its utmost to be sensitive to and take pay due attention to timing issues when dealing with issues involved in paragraph 33.

Awarding the PCS Risk Transfer Label

36. If the Screening Partner confirms that the checklist is completely and positively checked and ticked, the Screening Partner will send the scanned, signed ticked checklist to "admin@pcsmarket.org" together with an email and hard copy confirmation that the list is positively and fully completed, as shown in appendix 3. Only the PCS Secretariat will receive the final checklist as completed by the Screening Partner.

37. The PCS Secretariat has one business day following receipt of the Screening Partner's confirmation that the checklist is positively completed to confirm the award of the PCS Risk Transfer Label by notifying the Applicant, arranger or a Nominated Law Firm, as appropriate.

38. The PCS Secretariat shall, send to the Applicant, arranger or a Nominated Law Firm, as appropriate, a signed email and hard copy confirmation in the form set out in appendix 4. This confirmation is also the permission for the Applicant and Protection Buyer to use the PCS Logo and related statements in its marketing materials in accordance with the terms and conditions of the PCS Risk Transfer Label.

39. The confirmation letter will contain a statement that the award of the PCS Risk Transfer Label will be subject to final closing, no changes in the offering circular or transaction documents and/or in the transaction that relate to any item referred to in the checklist.

40. The PCS Risk Transfer Label is formally awarded at closing. Prior to closing but after the issue of the PCS Confirmation letter, the PCS Secretariat may send the PCS Risk Transfer Label Certificate to the Applicant, arranger or Nominated Law Firm, as appropriate and to be held in escrow pending completion of all conditions precedent to the award of the PCS Risk Transfer Label. The conditions precedent will include sending to the PCS Secretariat ahead of closing (a) the final prospectus (clean and black-line to any previous versions) or final transaction documents (b) confirmation that nothing has changed which will adversely impact the full completion of the checklist and (c) the signed Protection Buyer Certificate. The PCS Secretariat will check the documentation in (a), (b) and (c) above to confirm that the PCS requirements remain met. If this proves not to be the case, the PCS Risk Transfer Label will not be awarded and the process in points 19-25 above will begin again. If the PCS requirements remain met, the PCS Secretariat will confirm this to the Applicant, arranger or Nominated Law Firm and the PCS Risk Transfer Label may be released from escrow at closing.

Refusal to award the PCS Risk Transfer Label

41. If the PCS Secretariat determines that it cannot conclude the transaction meets the PCS Risk Transfer Eligibility Criteria, the Head of the PCS Secretariat must inform the Applicant by email as soon as possible.

42. Nothing in the terms and conditions, or in any dealings between the PCS Secretariat and any other person shall prevent the PCS Secretariat from refusing, at any stage, to award the PCS Risk Transfer Label or shall prevent the PCS Secretariat at any time after the award of the PCS Risk Transfer Label from withdrawing the PCS Risk Transfer Label if, in the PCS Secretariat's sole discretion: (i) the award of the PCS Risk Transfer Label was in error or (ii) the issue is not complying with its ongoing obligations as per the PCS Risk Transfer Eligibility Criteria or (iii) award or maintenance of the PCS Risk Transfer Label would, for reasons not connected to the PCS Risk Transfer Eligibility Criteria or the risk transfer instrument, substantially endanger the reputation, standing or credibility of the PCS Risk Transfer Label.

43. If the Applicant disputes any aspect of the outcome or is dissatisfied with any procedural aspect of the PCS Risk Transfer Labeling process, a complaint may be made in accordance with the PCS dispute process. The PCS dispute process is set out in appendix 6 of this manual.

Subsequent Changes

44. Following a confirmation as per point 36 above, the Applicant must immediately make the PCS Secretariat aware of any changes to the transaction, offering circular or transaction documents or PCS checklist that affect the correctness of or change the details of the application. Any changes to the checklist, the Protection Buyer Certificate or changes to parts of the prospectus or transaction documents mentioned in the relevant checklist will require checking by the PCS Secretariat and the relevant Screening Partner. This will lead to a re-iteration of the process set out above. Changes to the price of the PCS Risk Transfer Labeling service may still be relevant at this stage. Negative outcomes may result in a retraction of the confirmation letter.

PCS Website

45. The Protection Buyer and/or Arranger must inform PCS when the relevant transaction has closed. PCS will then upload the relevant details of the transaction on to the PCS Website transaction page taking into account whether or not the transaction is public or private in nature.

Billing

46. The PCS Secretariat will send to the Applicant an invoice for the checklist work. For transactions which receive the PCS Risk Transfer Label, this should be at the same time as the transaction closes. For transactions which do not receive the PCS Risk Transfer Label but where the checklist has been received, this should be within ten days of final notification that the PCS Risk Transfer Label cannot be awarded.

47. Within no more than one London business day from the closing of a PCS Risk Transfer Labeled transaction, the PCS website should be updated to reflect the award of the new PCS Risk Transfer Label. Shall only be disclosed on the web-site such information as the Applicant has authorized in the application.

Annual certification and redemption of the PCS Risk Transfer Labeled transaction

48. Each transaction which still maintains a PCS Risk Transfer Label must be the subject of a compliance certificate to be provided by the Applicant each year in the anniversary month of the award of the PCS Risk Transfer Label in the form set out in appendix 5.

The Protection Buyer is requested to advise the PCS Secretariat of the date on which credit protection is no longer provided by the risk transfer instrument for which a PCS Risk Transfer Label has been awarded, so that the PCS Secretariat may keep track of the PCS Risk Transfer Labeled transaction progress and for record keeping.

Audit

49. The PCS Secretariat reserves the right to conduct some checks on the transaction which have received the PCS Risk Transfer Label at any time. Such checks will be conducted solely to ascertain whether the securities did, at the time the PCS Risk Transfer Label was issued, conform with the PCS Risk Transfer Eligibility Criteria. The Applicants will be required to co-operate with the PCS Secretariat in such checks but the cost of such checks will be covered by the PCS Secretariat.

Appendix 1

PCS RISK TRANSFER LABEL APPLICATION FORM

To: admin@pcsmarket.org

Application for the PCS Risk Transfer Label

We hereby apply to Prime Collateralised Securities (PCS) UK Limited ("PCS") for the award of the PCS Risk Transfer Label for the transaction of the type described below.

By signing this application we agree to the terms and conditions "PCS Risk Transfer Terms and Conditions 2017-1" as set out on www.pcsmarket.org The details of the transaction for which we seek the PCS Risk Transfer Label are as follows:

1. Details of Applicant
 - a. Name of company
 - b. Contact person/s
 - c. Address
 - d. Tel office/mobile
 - e. Fax
 - f. Email
 - g. Invoice address
 - h. VAT number

2. Details of Applicant partners [Arranger, Nominated Law Firm, other partners with details requested as below]
 - a. Name of company
 - b. Contact person/s
 - c. Address
 - d. Tel office/mobile
 - e. Fax
 - f. Email
 - h. Confirmation of primary contact point/s

3. The transaction

- a. Transaction name
- b. Asset class/es
- c. Country of asset origin
- d. Type of Instrument (eg CDS):
- e. Collateralised: Yes/No
- f. Protection Buyer
- g. Arranger (if any)
- h. Book Runner/s (if any)
- i. Stock Exchange (if any)

4. Timing

- a. Expected date for delivery of Checklist
- b. Expected date for delivery of transaction documents
- c. Expected closing date

5. Publication (**IMPORTANT**: Please refer to clause 7, 8 and 9 of the PCS Risk Transfer Securitisation Terms and Conditions). Please tick the correct box:

- a. Public: ☐
- b. Limited Info Only: ☐
- c. Private: ☐

6. If "Limited Info Only" was ticked in 5 above, please confirm which information PCS shall be authorised to make public in accordance with the PCS Risk Transfer Terms and Conditions 2017-1:

- a) the size of the overall pool: Y / N

- | | |
|--|-------|
| b) the size of the credit protection: | Y / N |
| c) the Protection Buyer's name: | Y / N |
| d) the transaction name: | Y / N |
| e) the Applicant's country: | Y / N |
| f) the currency of the Risk Transfer Instrument: | Y / N |
| g) the types of assets securitised: | Y / N |

For the purposes of this application and the PCS Risk Transfer Terms and Conditions 2017-1, the Applicant acknowledges that the Risk Transfer Terms and Conditions 2017-1 will apply to all the work done in relation to this application irrespective of any changes to any of the parties, dates or any other information provided in this application and that all such work will be treated as the subject matter of one contract governed by the PCS Risk Transfer Terms and Conditions 2017-1.

The PCS Risk Transfer Terms and Conditions 2017-1 shall be incorporated in this application as if set out herein in full.

This application is governed by the laws of England and Wales and the Applicant submits to the jurisdiction of the English courts.

Signed

Date

Appendix 2

Response by the PCS Secretariat to an Initial application

Dear Sir/Madam,

Further to your application dated [] in respect of [TRANSACTION NAME], we are pleased to confirm that we will review the relevant transaction with a view to awarding a PCS Risk Transfer Label.

The PCS-ID number(s) for this transaction [is/are]: [PCS-ID].

Please be notified that your Screening Partner for this review is [NAME OF THE SCREENING PARTNER].

All information required to be sent to us should be sent to: admin@pcsmarket.org.

All information required to be sent to the Screening Partner should be sent to: [SCREENING PARTNER ADDRESS].

We look forward to receiving your Application Documentation and, immediately upon its availability, the final Prospectus (if any) or transaction documents.

We remind you that any changes to the initial checklist and/or the draft prospectus or transaction documents will require additional review and we reserve the right to make additional charges for the additional work

Yours sincerely,

For and on behalf of Prime Collateralised Securities (PCS) UK Limited,

Signed

Dated

Appendix 3

Screening Partner Response to PCS Secretariat

Dear Sir,

We can confirm that the PCS Risk Transfer Checklist as sent by [] on [] and relating to the following securities:

| Name of transaction | PCS ID |
|----------------------------|---------------|
| Asset-Backed 6-20123 | XXIDS – RT |
| | |

was completely and fully checked and positively ticked. We attach the completed, checked and ticked checklist.

Or,

We can confirm that the PCS Risk Transfer Checklist as sent by [] from [] on [] and relating to the following transaction:

| Name of Security | PCS ID |
|-------------------------|---------------|
| Asset-Backed 6-20123 | XXIDS - RT |
| | |

was completely and fully checked but could not be entirely positively ticked. This was because of the following issues and/or reasons:

- 1.
- 2.
3. etc

We attach a copy of our worked checked list together with comments.

Yours sincerely

For and behalf of [] dated

Appendix 4

PCS Secretariat Confirmation letter

Dear Sir or Madam

Following the review by the Screening Partner, we are pleased to confirm that the transaction the details of which are set out below appear to have met all the PCS Risk Transfer Eligibility Criteria and are accordingly expected to be awarded a PCS Risk Transfer Label. Pursuant to the PCS Risk Transfer Terms and Conditions 2017-1, this confirmation allows you to make use of the PCS name and logo as set out in those terms and conditions.

Please note that the award of the PCS Risk Transfer Label will take place upon the closing of the transaction and is conditional upon no changes occurring that could affect the PCS Risk Transfer Eligibility Criteria for the PCS Risk Transfer Label or our becoming aware of any circumstance that would change the basis on which we agreed to grant the PCS Risk Transfer Label. We remind you of our rights to withhold award of the PCS Risk Transfer Label as set out in the PCS Risk Transfer Terms and Conditions 2017-1.

The Securities:

| Name of Security | Tranche | PCS ID |
|----------------------|---------|------------|
| Asset-Backed 6-20123 | A2 | XXIDS - RT |
| | | |
| | | |

Best regards

For and on behalf of

Prime Collateralised Securities (PCS) UK Limited

Appendix 5

Compliance Certificate

Dear Sir or Madam

We are writing to you in respect of the following transaction/s which received and, as of the date hereof, continue to maintain a PCS Risk Transfer Label.

| Name of Security | PCS ID |
|----------------------|------------|
| Asset-Backed 6-20123 | XXIDS - RT |
| | |
| | |

We acknowledge that, under criteria of the PCS Risk Transfer Eligibility Criteria for the PCS Risk Transfer Label (as they appear on the PCS web-site: www.pcsmarket.org), information is required to be provided in respect of the transaction on an ongoing basis.

We hereby confirm that all the information that your PCS Risk Transfer Eligibility Criteria require is provided under the above referred to criteria was duly provided in accordance with the terms of the criteria at the time or times provided for in the criteria in respect of each and every transaction.

We also confirm that we are aware that this disclosure is a condition of the maintenance of the PCS Risk Transfer Label for the transaction and you are relying on this letter for your decision to maintain the PCS Risk Transfer Label for the transaction.

Best regards

Appendix 6

Appeal procedures

1. In accordance with the PCS Risk Transfer Procedures Manual, matters relating to the interpretation of the PCS Risk Transfer Labeling criteria will be determined by the Head of the PCS Secretariat.
2. If the determination of the Head of the PCS Secretariat is such that the PCS Risk Transfer Label should not be granted to a given issuance (the “Disputed Issuance”), then the Disputed Issuance shall not be granted the PCS Risk Transfer Label on issue.
3. If the Applicant does not accept the determination of the Head of the PCS Secretariat, it shall be entitled to lodge an appeal with the PCS Market Committee. This appeal shall be lodged by sending a letter of appeal setting out the securities which were denied the PCS Risk Transfer Label together where relevant with their PCS IDs. The appeal form shall be sent to admin@pcsmarket.org.
4. Any appeal lodged in accordance with 3. above, shall be considered at the next quarterly meeting of the Market Committee.
5. At least one week prior to the Market Committee meeting (or as soon as possible, if the next meeting falls in less than a week from the appeal being lodged), the Applicant may file the papers it wishes the Market Committee to consider. The PCS Secretariat shall receive these papers at the same time. Such papers will be filed with admin@pcsmarket.org.
6. If it so wishes, the PCS Secretariat may also file papers for consideration by the Market Committee in respect of an appeal. The PCS Secretariat must provide the Applicant a copy of such papers. Such filings by the PCS Secretariat shall also be made at least a week from the Market Committee meeting (unless the next Market Committee meeting takes place less than a week from the appeal being lodged).
7. The Applicant and the PCS Secretariat shall be entitled to attend in person the Market Committee meeting and shall be given the opportunity to present their case to the Market Committee. The Market Committee will determine in its own discretion the time available to each of the Applicant and the PCS Secretariat to present their case.
8. The Market Committee will deliberate on the appeal. The Market Committee’s deliberations shall be private, although it may allow, at its discretion the Applicant and the PCS Secretariat to attend such deliberations.
9. If the Market Committee finds in favour of the Applicant and determines that the PCS Risk Transfer Label should have been awarded to the Disputed Issuance, the Applicant shall be entitled to ask for the PCS Risk Transfer Label to be so awarded. In this case, the PCS Secretariat shall award the PCS Risk Transfer Label to the Disputed Issuance with retroactive effect.
10. If the Market Committee finds against the Applicant and determines that the PCS

Risk Transfer Label should not have been awarded to the Disputed Issuance, the Applicant may then appeal to the Arbitration Committee. Appeals to the Arbitration Committee shall be lodged by sending a letter of appeal addressed to the Board of PCS Europe, setting out the securities the subject of the appeal. The letter shall clearly set out the procedural or natural justice grounds on which the appellant believed the Market Committee erred. The appeal shall be sent to admin@pcsmarket.org.

11. The decisions of the Market Committee shall be in writing and reported on the PCS website. The report shall not refer by name to the Applicant or the Disputed Issuance and shall only report the substance of the decision, unless the Applicant consents otherwise.
12. If the decision of the Market Committee so requires, any necessary changes to the PCS Risk Transfer Eligibility Criteria for the PCS Risk Transfer Label shall be made within three business days of the decision and any additional instructions to Screening Partners shall be given within one business day.
13. The Arbitration Committee shall meet within two weeks of the filing of any appeal under 10 above. The Applicant and the PCS Secretariat shall be given at least a week's notice of the date and place of the Arbitration Committee meeting.
14. The Arbitration Committee shall not review the substance of the decision of the Market Committee. The Arbitration Committee is a procedural and natural justice committee. Its remit is to determine whether, in reaching its decision, the Market Committee followed the procedures laid down in the PCS rules, reached its decision in an appropriate fashion and free from conflicts of interest.
15. The Applicant shall file any papers it wishes the Arbitration Committee to consider at least a week prior to the meeting of the committee.
16. The Applicant, the PCS Secretariat and one nominated member of the Market Committee shall be entitled to attend the Arbitration Committee meeting. The Arbitration Committee shall give an opportunity to all three of them to present their case. The Arbitration Committee will determine in its own discretion the time available to each of the Applicant, the PCS Secretariat and the Market Committee representative to present their case.
17. The decisions of Arbitration Committee shall be final. Its decision shall be in writing.
18. If the Arbitration Committee determines for the Applicant, the Market Committee shall reconvene and determine once more the original appeal, having remedied the cause that led the Arbitration Committee to find in favour of the Applicant. In reconsidering the original appeal, the Market Committee shall follow the same procedures as applied to the appeal mutatis mutandis to reflect the Arbitration Committee decision.
19. Following a finding of the Arbitration Committee in favour of the Applicant, a Market Committee meeting to consider the appeal shall be convened within two weeks of the Arbitration Committee finding.