

STS Term Verification Checklist

FCT PULSE FRANCE 2022



PRIME COLLATERALISED SECURITIES (PCS) EU SAS

6th October 2022

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

This STS Term Checklist must be read together with the PCS Procedures Manual and the PCS Term Evidentiary Standards Manual. This document is based upon the materials received by PCS as at the date of this document. Any references in this document are to the Prospectus unless otherwise stated.

PCS comments in this STS Term Master Checklist are based on PCS' interpretation of the STS Regulation (the "Regulation") informed by (a) the text of the Regulation itself, (b) the EBA guidelines and recommendations issued in accordance with Article 19(2) of the Regulation (the "EBA Guidelines") and (c) any relevant national competent authorities' interpretation of the STS criteria to the extent known to PCS.

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

6th October 2022

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PRIME COLLATERALISED SECURITIES (PCS) STS Verification

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

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

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(2-3)	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 section,

4. PURCHASE OF THE LEASE RECEIVABLES

Pursuant to the Receivables Purchase and Servicing Agreement, the Seller has undertaken to assign, on the Closing Date and thereafter on any subsequent Purchase Date during the Revolving Period to the Issuer Lease Receivables (together with any Ancillary Rights) that comply with the Eligibility Criteria.

4.1 Purchase of the Initial Portfolio on the Closing Date

The Issuer will purchase the Initial Portfolio on the Closing Date by the delivery, on such date, of a duly completed and executed Transfer Deed (together with the related Electronic File deemed to be an integral part thereof) by the Seller to the Management Company which shall in turn deliver such Transfer Deed (together with the related Electronic File deemed to be an integral part thereof) promptly after receipt to the Custodian for custody. The Lease Receivables in the Initial Portfolio will be randomly selected on the First Entitlement Date from Lease Receivables held by the Seller on such date which comply with the Eligibility Criteria..

4.2 Purchase of any Additional Portfolio on a Purchase Date

The Issuer may, after the Closing Date, purchase any Additional Portfolio from the Seller during the Revolving Period in accordance with the provisions below.

On or prior to each Purchase Date on which the Seller intends (in its absolute discretion) to sell an Additional Portfolio to the Issuer, the Seller shall indicate to the Management Company, its irrevocable intention (after having given written notice thereof) to sell an Additional Portfolio to the Issuer on such Purchase Date by executing and delivering to the Management Company a Transfer Deed (together with the related Electronic File) identifying and individualising the Lease Receivables comprised in the proposed Additional Portfolio. The Lease Receivables in the Additional Portfolio will be randomly selected on the relevant Entitlement Date from Lease Receivables held by the Seller on such date which comply with the Eligibility Criteria

4.4 Effect of the assignment

It is agreed between the parties to the Receivables Purchase and Servicing Agreement that the effective date (date de jouissance) with respect to the assignment of the Initial Portfolio and any Additional Portfolio shall be the relevant Entitlement Date.

Pursuant to Article L. 214-169 V 2° of the French Monetary and Financial Code, the assignment of the Lease Receivables shall take effect between the parties and shall be enforceable vis-à-vis third parties as of the date affixed on the relevant Transfer Deed, irrespective of the origination date, the maturity date or the due date of such receivables with no further formalities regardless of the law governing the transferred receivables and the law of the domicile of the assigned debtors.

Pursuant to Article L. 214-169 V 3° of the French Monetary and Financial Code, the delivery (remise) of the Transfer Deed shall, as a matter of French law, entail the automatic (de plein droit) transfer of any Ancillary Rights attached to each Lease Receivable and the enforceability (opposabilité) of such transfer vis-à-vis third parties, without any further formalities.

In particular, the Issuer is not required to give notice to the relevant Lessees of the assignment of the Lease Receivables as long as no Lessee Notification Event has occurred (in which case, the notification of the Lessees shall be made in accordance with the provisions of the Receivables Purchase and Servicing Agreement and the then applicable laws and regulations).

Pursuant to Article L. 214-169 V 4° of the French Monetary and Financial Code, the assignment of the Lease Receivables and of their Ancillary Rights shall remain valid notwithstanding that the Seller is in a state of cessation of payments (cessation des paiements) on the relevant purchase date and notwithstanding the opening of any proceeding governed by Book VI of the French Commercial Code or any equivalent proceeding governed by any foreign law against the Seller after such purchase.

PCS has been provided with a legal opinion by Jones Day, a reputable law firm in France.-

“True sale” is not a legal concept but a rating agency creation. The essence of a “true sale” is that the property in the securitised assets has legally moved from the originator/seller to the SSPE in such a way that the SSPE’s ownership will be recognised as a matter of law, including and especially in the case of the insolvency of the originator/seller. In a “true sale” the insolvency officer and creditors of the insolvent originator/seller are not able to satisfy the claims of the originator/seller’s creditor out of the proceeds of the securitised assets. Following a “true sale” there is no legal device by which the assets can automatically revert to the originator/seller’s ownership. Such automatic reversion is associated with security interests and anathema to a “true sale”.

This is clearly stated in the wording of the Regulation (20.1). The expression “transfer to the same effect” indicates that, as long as the conditions in the preceding paragraph are met, the Regulation does not seek to limit the type of legal devices which can be used to effect such transfer of title.

The issue of “true sale” is separate from the issue of “clawback”. “Clawback” refers to legal processes through which, in the insolvency of the seller of an asset, an insolvency officer is entitled to reverse the sale – even in cases where a “true sale” has taken place.

All European jurisdictions, to PCS’ knowledge, have rules allowing for clawbacks. Clawbacks are usually rules to avoid a company heading towards insolvency from “defrauding” its existing creditors either by selling assets at very low prices (to friends and relations) or unfairly preferring certain creditors over others.

The Regulation (20.1) therefore does not require STS “true sales” to be clawback proof since this would mean that no European securitisation could ever be STS. It does require the sale not to be subject to “severe clawback”. The Regulation does not define “severe clawback” but gives an example (20.2) where a clawback may occur.

The Regulation (20.3) also explicitly excludes from the definition of “severe clawback” the traditional European basis for such devices which all come under the general category of “preferences”.

PCS further notes that the examples (20.2 and 20.3) refer to the insolvency law of a jurisdiction and therefore believes that clawback risk is to be assessed on a jurisdictional basis rather than on a transactional basis.

Finally, PCS does not believe and nor is there any evidence that the legislators or regulatory authorities are seeking to craft a higher standard than that which has been used for decades by the market and was the basis for the legislative text.

Based on the above considerations, PCS believes that transfers from jurisdiction meeting the following criteria – absent any other indications – shall not fall within the definition of “severe clawback”:

- *Clawback requires an unfair preference “defrauding” creditors*
- *Clawback puts the burden of proof on the insolvency officer or creditors – in other words it cannot be automatic nor require the purchaser to prove their innocence*

Since “severe clawback” is a jurisdictional concept, in analysing this issue PCS will therefore first seek to determine the Originator’s jurisdiction for the purposes of insolvency law. This would be its centre of main interest or “COMI”.

The second step would be to determine whether the relevant COMI contains severe claw back provisions in its insolvency legislation.

Although the determination of a COMI can be a technically fraught analysis of international conflicts of law, PCS notes that in the vast majority of securitisations there is no real issue as the COMI is self-evident.

In the case of the Transaction, title to the assets is transferred by a Transfer Document. The legal opinion from Jones Day confirms that this assignment meets the definition of “true sale” outlined above. In the case of the Seller and Originator with its business in leasing in France, French insolvency law provides for clawback in the cases of preferences and transactions at an undervalue and require the insolvency officer to prove that case. Therefore, and as confirmed by the Opinions, the transfer is not, in our opinion, subject to “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.

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 criterion 1 above.

France is not subject to severe clawback provisions. See the comments in criterion 1 above.

Article 20.4. Where the seller is not the original lender, the true sale or assignment or transfer with the same legal effect of the underlying exposures to the seller, whether that true sale or assignment or transfer with the same legal effect is direct or through one or more intermediate steps, shall meet the requirements set out in paragraphs 1 to 3.

3	STS Criteria	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 section, “THE UNDERLYING ASSETS ”

- 4. PURCHASE OF THE LEASE RECEIVABLES
- 4.5 Portfolio Representations and Warranties

Pursuant to the Receivables Purchase and Servicing Agreement, the Seller shall represent and warrant as at the Closing Date, for the Initial Portfolio, and as at each relevant Purchase Date, for any Additional Portfolio, that:

(t) it has originated the Lease Agreement from which a Lease Receivable arises in the ordinary course of its business, in accordance with its Origination and Underwriting Procedures for such types of receivables and in compliance with the then applicable laws and regulations in all material respects;

4.6 Representations and warranties for the purposes of the EU Securitisation Regulation

Pursuant to the Receivables Purchase and Servicing Agreement, the Seller has represented and warranted that:

(b) for the purposes of compliance with Article 20(10) of the EU Securitisation Regulation, each Lease Receivable which will be subject to an assignment in accordance with the provisions of the Receivables Purchase and Servicing Agreement has been originated in the ordinary course of business of the Seller pursuant to its Origination and Underwriting Procedures that are not less stringent than those that it applied at the time of origination to similar exposures that are not assigned to the Issuer;

This point is therefore met.

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

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

4

STS Criteria

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

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

**Verified?
YES**

PCS Comments

Criterion 1 above. and see section ,

4.4 Effect of the assignment

It is agreed between the parties to the Receivables Purchase and Servicing Agreement that the effective date (date de jouissance) with respect to the assignment of the Initial Portfolio and any Additional Portfolio shall be the relevant Entitlement Date.

Pursuant to Article L. 214-169 V 2° of the French Monetary and Financial Code, the assignment of the Lease Receivables shall take effect between the parties and shall be enforceable vis-à-vis third parties as of the date affixed on the relevant Transfer Deed, irrespective of the origination date, the maturity date or the due date of such receivables with no further formalities regardless of the law governing the transferred receivables and the law of the domicile of the assigned debtors.

Pursuant to Article L. 214-169 V 3° of the French Monetary and Financial Code, the delivery (remise) of the Transfer Deed shall, as a matter of French law, entail the automatic (de plein droit) transfer of any Ancillary Rights attached to each Lease Receivable and the enforceability (opposabilité) of such transfer vis-à-vis third parties, without any further formalities.

In particular, the Issuer is not required to give notice to the relevant Lessees of the assignment of the Lease Receivables as long as no Lessee Notification Event has occurred (in which case, the notification of the Lessees shall be made in accordance with the provisions of the Receivables Purchase and Servicing Agreement and the then applicable laws and regulations).

Criterion 4 requires two steps:

- To determine whether the transfer of the assets is by means of an unperfected assignment; and
- If it is, whether the transaction contains the requisite triggers.

Although the transfer is not notified to the borrowers, the prospectus and legal opinion confirms that such notification is not required to fully perfect the transfer of ownership in the auto lease receivables to the SSPE. Accordingly, this transaction does not operate by way of an unperfected assignment and the issue of triggers does not arise.

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 section, THE UNDERLYING ASSETS

4. PURCHASE OF THE LEASE RECEIVABLES

4.6 Representations and warranties for the purposes of the EU Securitisation Regulation

(e) for the purposes of compliance with Article 20(6) of the EU Securitisation Regulation, it has valid and full title to the Lease Receivables and the related Ancillary Rights which will be subject to an assignment in accordance with the provisions of the Receivables Purchase and Servicing Agreement immediately prior to their assignment to the Issuer, and, to the best of its knowledge, such Lease Receivables and related Ancillary Rights are freely assignable and are not encumbered or otherwise in a condition that can be foreseen to adversely affect the enforceability of their assignment to the Issuer;

See section 4.5 Portfolio Representations and Warranties

(f) the Seller has full title in the Leased Vehicle being the subject of the corresponding Lease Agreement, and such Leased Vehicle is not subject to any pledge, attachment, claim or encumbrance of whatever type other than to the benefit of the Issuer;

5. SERVICING OF THE LEASE RECEIVABLES

Duties of the Servicer

Pursuant to the Receivables Purchase and Servicing Agreement, the Servicer undertakes (or undertakes to procure for the same in respect of any of its agents, service providers, delegates or sub-contractors):

(j) not to create and not allow the creation or continuation of any right whatsoever encumbering all or part of the Lease Receivables or their Ancillary Rights (other than the assignment to the Issuer made in accordance with the Receivables Purchase and Servicing Agreement and the creation of the Pledge in accordance with the Vehicles Pledge Agreement);

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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STS Criteria

6. The underlying exposures transferred from, or assigned by, the seller to the SSPE shall meet pre-determined, clear and documented eligibility criteria....

Verified?

YES

PCS Comments

See section, THE UNDERLYING ASSETS

4. PURCHASE OF THE LEASE RECEIVABLES

4.1 Purchase of the Initial Portfolio on the Closing Date

The Issuer will purchase the Initial Portfolio on the Closing Date by the delivery, on such date, of a duly completed and executed Transfer Deed (together with the related Electronic File deemed to be an integral part thereof) by the Seller to the Management Company which shall in turn deliver such Transfer Deed (together with the related Electronic File deemed to be an integral part thereof) promptly after receipt to the Custodian for custody. The Lease Receivables in the Initial Portfolio will be randomly selected on the First Entitlement Date from Lease Receivables held by the Seller on such date which comply with the Eligibility Criteria.

4.2 Purchase of any Additional Portfolio on a Purchase Date

The Issuer may, after the Closing Date, purchase any Additional Portfolio from the Seller during the Revolving Period in accordance with the provisions below.

On or prior to each Purchase Date on which the Seller intends (in its absolute discretion) to sell an Additional Portfolio to the Issuer, the Seller shall indicate to the Management Company, its irrevocable intention (after having given written notice thereof) to sell an Additional Portfolio to the Issuer on such Purchase Date by executing and delivering to the Management Company a Transfer Deed (together with the related Electronic File) identifying and individualising the Lease Receivables comprised in the proposed Additional Portfolio. The Lease Receivables in the Additional Portfolio will be randomly selected on the relevant Entitlement Date from Lease Receivables held by the Seller on such date which comply with the Eligibility Criteria..

Subject to the Additional Portfolio Conditions Precedent being fulfilled, the Management Company acting in the name and on behalf of the Issuer shall, on the relevant Purchase Date, accept the purchase offer referred to above by executing and dating the Transfer Deed (to which the related Electronic File is appended) delivered to it by the Seller pursuant to the above paragraph, and sending it to the Custodian. Such acceptance shall be irrevocable and binding on the Seller.

	<p>4.5 Portfolio Representations and Warranties</p> <p>Pursuant to the Receivables Purchase and Servicing Agreement, the Seller shall represent and warrant as at the Closing Date, for the Initial Portfolio, and as at each relevant Purchase Date, for any Additional Portfolio, that:</p> <p>(a) each Lease Receivable complies with the Eligibility Criteria as at its relevant Entitlement Date;</p> <p>(b) the Portfolio (including any Additional Portfolio after giving effect to the intended sale and transfer of Lease Receivables on the corresponding Purchase Date) satisfies the Portfolio Criteria on each Entitlement Date;</p> <p>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.</p> <p>PCS has read the eligibility criteria in the Issuer Regulations/ Receivables Purchase and Servicing Agreement. As they are mandatory, they meet the “predetermined” requirement. As they are in the Issuer Regulations and Receivables Purchase and Servicing Agreement, they meet the “documented” requirement. PCS has also concluded that they allow determination in each case and so meet the “clear” requirement</p>	
7	<p>STS Criteria</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>Verified? YES</p>
	<p>PCS Comments</p> <p>See section, THE UNDERLYING ASSETS</p> <p>4. PURCHASE OF THE LEASE RECEIVABLES</p> <p>4.11 No active portfolio management</p> <p>Pursuant to the Issuer Regulations the Issuer will never engage in any active portfolio management of the Lease Receivables on a discretionary basis within the meaning of Article 20(7) of the EU Securitisation Regulation.</p> <p>See also section, GENERAL DESCRIPTION OF THE ISSUER</p> <p>LEGAL PURPOSE</p> <p>The Management Company shall not engage in relation to the Issuer into any active portfolio management on a discretionary basis within the meaning of Article 20(7) of the EU Securitisation Regulation.</p> <p>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.</p> <p>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”</p> <p>PCS notes that there is an explicit affirmative statement in the Prospectus that the transaction does not allow for “active portfolio management”.</p>	

8	<u>STS Criteria</u>	<u>Verified?</u> YES
	<p>8. Exposures transferred to the SSPE after the closing of the transaction shall meet the eligibility criteria applied to the initial underlying exposures.</p> <p><u>PCS Comments</u></p> <p>See point 6 above.</p> <p>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.</p> <p>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.</p> <p><i>PCS has identified the existence of such a covenant.</i></p>	

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

9	<u>STS Criteria</u>	<u>Verified?</u> YES
	<p>9. The securitisation shall be backed by a pool of underlying exposures that are homogeneous in terms of asset type, taking into account the specific characteristics relating to the cash flows of the asset type including their contractual, credit risk and prepayment characteristics. A pool of underlying exposures shall only comprise one asset type.</p> <p><u>PCS Comments</u></p> <p>See section: THE UNDERLYING ASSETS</p> <p>4. PURCHASE OF THE LEASE RECEIVABLES</p> <p>4.6 Representations and warranties for the purposes of the EU Securitisation Regulation</p> <p>Pursuant to the Receivables Purchase and Servicing Agreement, the Seller has represented and warranted that:</p> <p>(g) for the purposes of compliance with Article 20(8) of the EU Securitisation Regulation, the Lease Receivables which will be subject to an assignment in accordance with the provisions of the Receivables Purchase and Servicing Agreement:</p> <p>(i) are homogeneous in terms of asset type, taking into account the cash flows, credit-risk and prepayment characteristics of the Lease Receivables within the meaning of Article 20(8) of the EU Securitisation Regulation and such Lease Receivables satisfy the homogeneity conditions of Articles 1(a)(v), 1(b), 1(c), 1(d) and 2(4)(b) of the Homogeneity Commission Delegated Regulation; and</p> <p>(ii) fall within the same asset category, being that of “auto loans and leases”;</p>	

	<p>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” will be legally binding on all regulatory authorities. Such RTS has been formally adopted by the European Commission on 28 May 2019.</p> <p>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 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 also 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.</p> <p><i>In the Transaction, the Lease Receivables were underwritten on a similar basis, they are being serviced by Arval on the same platform, they are a single asset class – auto loans and leases – and, based on the EBA’s suggested approach, the auto loans and leases are all originated in the same jurisdiction.</i></p> <p><i>PCS also takes great 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.</i></p>	
<p>10</p>	<p><u>STS Criteria</u> 10. The underlying exposures shall contain obligations that are contractually binding and enforceable.</p> <p><u>PCS Comments</u> See section, THE UNDERLYING ASSETS</p> <p>4. PURCHASE OF THE LEASE RECEIVABLES 4.5 Portfolio Representations and Warranties</p> <p>(c) the Lease Agreement relating to each Lease Receivable is legal, valid, binding and enforceable against the Lessee with full recourse in accordance with its terms under the law applicable to it;</p>	<p><u>Verified?</u> YES</p>
<p>11</p>	<p><u>STS Criteria</u> 11. With full recourse to debtors and, where applicable, guarantors.</p> <p><u>PCS Comments</u> See 10 above.</p>	<p><u>Verified?</u> YES</p>

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

12	STS Criteria	Verified?
	<p>12. The underlying exposures shall have defined periodic payment streams, the instalments of which may differ in their amounts.</p>	
PCS Comments		
<p>See section, THE UNDERLYING ASSETS</p> <p>2. ELIGIBILITY CRITERIA</p> <p>2.1 Lease Receivable Eligibility Criteria</p> <p>(b) the Lease Receivable is denominated and payable in Euro;</p> <p>(d) the Lease Receivable has an Initial Adjusted Lease Maturity of at least twenty-four (24) months and of not more than eighty-four (84) months as of the relevant Entitlement Date;</p> <p>(e) the Lease Receivable has a defined periodic payment stream within the meaning of Article 20(8) of the EU Securitisation Regulation as it gives rise to monthly Lease Instalments of at least EUR 50;</p> <p>See section, GLOSSARY OF DEFINED TERMS</p> <p>“Lease Instalment” means, in respect of any Lease Receivable and the relevant Lease Agreement, the amounts of each of the financial lease rental payments scheduled to be made by the Lessee on each Lease Instalment Due Date under that Lease Agreement (as such amounts may be amended, suspended or adjusted from time to time in accordance with the Servicing Procedures subject to the provisions of the Receivables Purchase and Servicing Agreement) but excluding any Excluded Amounts.</p> <p>“Excluded Amounts” means any amount related to VAT, Taxes, insurance premiums, fees of any nature which are not related to principal, interest or arrears and any Maintenance Lease Services Amounts.</p>		
13	STS Criteria	Verified?
	<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>	
PCS Comments		
<p>See section, DESCRIPTION OF THE MAIN OTHER TRANSACTION DOCUMENTS, 3. THE VEHICLES PLEDGE AGREEMENT</p> <p>See also section, GLOSSARY OF DEFINED TERMS</p> <p>“Ancillary Rights” means any accessory rights (accessoires) related to each Lease Receivable assigned by the Seller pursuant to the Receivables Purchase and Servicing Agreement (to the extent that the same are capable of assignment) including any rights of action against the relevant Lessee in relation to, as applicable, Late Payment Penalties, Lessee Early Termination Indemnities, Total Loss Insurance Indemnities, rights to the proceeds arising from any security deposits (dépôts de garantie) or compensation payments and rights</p>		

against any person or entity guaranteeing (as the case may be) the obligations (in whole or in part) of the Lessee under the applicable Lease Agreement pursuant to a personal guarantee (cautionnement) or a first demand guarantee (garantie à première demande) that is accessory to, or transferable together with, the relevant Lease Receivable.

“Pledge” means the first ranking pledge without dispossession (gage sans dépossession), governed by Articles 2333 et seq. of the French Civil Code, created over the Leased Vehicles corresponding to the Lease Receivables assigned to and held by the Issuer on the Closing Date and on any subsequent Purchase Date, to the benefit of the Issuer pursuant to, and in accordance with, the Vehicles Pledge Agreement.

“Pledged Vehicle” means any Leased Vehicle corresponding to the Lease Receivables assigned to and held by the Issuer on the Closing Date and on any subsequent Purchase Date which is part of the scope of the Pledge (assiette du gage) at any time pursuant to the Vehicles Pledge Agreement.

Article 20.8. The underlying exposures shall not include transferable securities, as defined in Article 4(1), point 44 of Directive 2014/65/EU of the European Parliament and of the Council other than corporate bonds, provided that they are not listed on a trading venue.

14

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 section, THE UNDERLYING ASSETS

2. ELIGIBILITY CRITERIA

In order for any Lease Receivable to be assignable to the Issuer, each of the Lease Agreements, Lease Receivables and Lessees shall meet the following pre-determined criteria, as documented in the Receivables Purchase and Servicing Agreement, as at the relevant Entitlement Date (the “Eligibility Criteria”):

2.1 Lease Receivable Eligibility Criteria

(j) the Lease Receivable does not include transferable securities as defined in point (44) of Article 4(1) of MiFID II, any securitisation position within the meaning of the EU Securitisation Regulation or any derivative.

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

15

STS Criteria

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

**Verified?
YES**

PCS Comments

See section, THE UNDERLYING ASSETS

2. ELIGIBILITY CRITERIA

In order for any Lease Receivable to be assignable to the Issuer, each of the Lease Agreements, Lease Receivables and Lessees shall meet the following pre-determined criteria, as documented in the Receivables Purchase and Servicing Agreement, as at the relevant Entitlement Date (the "Eligibility Criteria"):

2.1 Lease Receivable Eligibility Criteria

(j) the Lease Receivable does not include transferable securities as defined in point (44) of Article 4(1) of MiFID II, any securitisation position within the meaning of the EU Securitisation Regulation or any derivative.

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

16	STS Criteria	Verified? YES
	<p>16. The underlying exposures shall be originated in the ordinary course of the originator's or original lender's business.</p> <p>PCS Comments See section, THE UNDERLYING ASSETS "</p> <p>4. PURCHASE OF THE LEASE RECEIVABLES</p> <p>4.5 Portfolio Representations and Warranties</p> <p>Pursuant to the Receivables Purchase and Servicing Agreement, the Seller shall represent and warrant as at the Closing Date, for the Initial Portfolio, and as at each relevant Purchase Date, for any Additional Portfolio, that:</p> <p>(t) it has originated the Lease Agreement from which a Lease Receivable arises in the ordinary course of its business, in accordance with its Origination and Underwriting Procedures for such types of receivables and in compliance with the then applicable laws and regulations in all material respects;</p> <p>4.6 Representations and warranties for the purposes of the EU Securitisation Regulation</p> <p>Pursuant to the Receivables Purchase and Servicing Agreement, the Seller has represented and warranted that:</p> <p>(b) for the purposes of compliance with Article 20(10) of the EU Securitisation Regulation, each Lease Receivable which will be subject to an assignment in accordance with the provisions of the Receivables Purchase and Servicing Agreement has been originated in the ordinary course of business of the Seller pursuant to its Origination and Underwriting Procedures that are not less stringent than those that it applied at the time of origination to similar exposures that are not assigned to the Issuer;</p>	
17	STS Criteria	Verified? YES
	<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>PCS Comments See 16 above.</p>	

Article 20.10. The underwriting standards pursuant to which the underlying exposures are originated and any material changes from prior underwriting standards shall be fully disclosed to potential investors without undue delay.

18	<p><u>STS Criteria</u></p> <p>18. The underwriting standards pursuant to which the underlying exposures are originated and any material changes from prior underwriting standards shall be fully disclosed to potential investors without undue delay.</p>	<u>Verified?</u> YES
	<p><u>PCS Comments</u></p> <p>See section, THE UNDERLYING ASSETS</p> <p>4. PURCHASE OF THE LEASE RECEIVABLES</p> <p>4.9 Undertakings of the Seller for the purposes of the EU Securitisation Regulation and the UK Securitisation Regulation</p> <p>Pursuant to the Receivables Purchase and Servicing Agreement:</p> <p>(c) the Seller undertakes, throughout the life of the Securitisation Transaction and until the Liquidation Date:</p> <p>(iii) for the purposes of Article 20(10) of the EU Securitisation Regulation, to inform the Management Company (which shall in turn inform without undue delay the Noteholders and the potential investors of the same (by publishing on the Securitisation Repository’s website)) of any material change of the Origination and Underwriting Procedures (a summary of such underwriting standards as of the date of this Prospectus being disclosed in Section “ORIGINATION AND UNDERWRITING PROCEDURES” of this Prospectus) together with any explanation accounting for such amendment and without undue delay;</p> <p><i>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.</i></p>	

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.

19	STS Criteria	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.	Verified? YES
	PCS Comments		

PCS Comments

Not applicable.

Article 20.10. The assessment of the borrower's creditworthiness shall meet the requirements set out in Article 8 of Directive 2008/48/EC or paragraphs 1 to 4, point (a) of paragraph 5, and paragraph 6 of Article 18 of Directive 2014/17/EU or, where applicable, equivalent requirements in third countries.

20	STS Criteria	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.	Verified? YES
	PCS Comments		

PCS Comments

See section, THE UNDERLYING ASSETS

4.6 Representations and warranties for the purposes of the EU Securitisation Regulation

Pursuant to the Receivables Purchase and Servicing Agreement, the Seller has represented and warranted that:

(c) for the purposes of compliance with Article 9 of the EU Securitisation Regulation, the Seller in its capacity as originator applied the same sound and well-defined credit-granting criteria for the Lease Agreements related to the Lease Receivables which will be subject to an assignment to the Issuer in accordance with the provisions of the Receivables Purchase and Servicing Agreement as it has applied to equivalent lease agreements that are not assigned to the Issuer; in particular (i) it has applied the same clearly established processes for approving and, where relevant, amending, renewing and refinancing such Lease Agreements and (ii) it has effective systems in place to apply those criteria and processes in order to ensure that credit-granting is based on a thorough assessment of the relevant Lessees' creditworthiness taking appropriate account of factors relevant to verifying the prospect of such Lessees meeting their obligations under the Lease Agreements

See section ORIGINATION AND UNDERWRITING PROCEDURES

In addition, processes for the assessment of creditworthiness has been provided and reviewed by PCS as part of due diligence materials.

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

21	STS Criteria	Verified? YES
	<p>21. The originator or original lender shall have expertise in originating exposures of a similar nature to those securitised.</p> <p>PCS Comments</p> <p>See section, THE UNDERLYING ASSETS</p> <p>4. PURCHASE OF THE LEASE RECEIVABLES</p> <p>4.6 Representations and warranties for the purposes of the EU Securitisation Regulation</p> <p>Pursuant to the Receivables Purchase and Servicing Agreement, the Seller has represented and warranted that:</p> <p>(d) for the purposes of compliance with Article 20(10) of the EU Securitisation Regulation, it has an expertise of at least five (5) years prior to the Closing Date in originating exposures of a similar nature as the Lease Receivables which will be subject to an assignment in accordance with the provisions of the Receivables Purchase and Servicing Agreement;</p> <p>See also section, THE SELLER AND SERVICER</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...

22	STS Criteria	Verified? YES
	<p>22. The underlying exposures shall be transferred to the SSPE after selection without undue delay...</p> <p>PCS Comments</p> <p>See section, THE UNDERLYING ASSETS</p> <p>4. PURCHASE OF THE LEASE RECEIVABLES</p> <p>Pursuant to the Receivables Purchase and Servicing Agreement, the Seller has undertaken to assign on the Closing Date and thereafter on any subsequent Purchase Date during the Revolving Period to the Issuer Lease Receivables (together with any Ancillary Rights) that comply with the Eligibility Criteria.</p> <p>4.1 Purchase of the Initial Portfolio on the Closing Date</p> <p>The Issuer will purchase the Initial Portfolio on the Closing Date by the delivery, on such date, of a duly completed and executed Transfer Deed (together with the related Electronic File deemed to be an integral part thereof) by the Seller to the Management Company which shall in turn deliver such Transfer Deed (together with the related Electronic File deemed to be an integral part thereof) promptly after receipt to the Custodian for custody. The Lease Receivables in the Initial Portfolio will be randomly selected on the First Entitlement Date from Lease Receivables held by the Seller on such date which comply with the Eligibility Criteria,</p> <p>4.2 Purchase of any Additional Portfolio on a Purchase Date</p>	

	<p>The Issuer may, after the Closing Date, purchase any Additional Portfolio from the Seller during the Revolving Period in accordance with the provisions below.</p> <p>On or prior to each Purchase Date on which the Seller intends (in its absolute discretion) to sell an Additional Portfolio to the Issuer, the Seller shall indicate to the Management Company, its irrevocable intention (after having given written notice thereof) to sell an Additional Portfolio to the Issuer on such Purchase Date by executing and delivering to the Management Company a Transfer Deed (together with the related Electronic File) identifying and individualising the Lease Receivables comprised in the proposed Additional Portfolio. The Lease Receivables in the Additional Portfolio will be randomly selected on the relevant Entitlement Date from Lease Receivables held by the Seller on such date which comply with the Eligibility Criteria.</p> <p>Each Lease Receivable will be acquired on the Purchase Date which follows the relevant Entitlement Date, so that the Lease Receivables are transferred to the Issuer without undue delay after selection, in accordance with Article 20(11) of the EU Securitisation Regulation.</p> <p>See the GLOSSARY OF DEFINED TERMS</p> <p>“Entitlement Date” means, with respect to the Initial Portfolio and any Additional Portfolio, the date agreed between the Seller and the Management Company, on which the relevant Lease Receivables are selected to be assigned to the Issuer on the immediately succeeding Purchase Date. Any Entitlement Date (other than the First Entitlement Date) shall occur no more than 25 calendar days before the relevant Purchase Date. The Entitlement Date with respect to the Initial Portfolio shall be 1 September 2022 (the “First Entitlement Date”).</p> <p>PCS notes that the Entitlement Date occurs no more than 25 calendar days before any Purchase Date. Therefore this criterion is met.</p>	
23	<p>STS Criteria</p> <p>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...</p> <p>PCS Comments</p> <p>See section, THE UNDERLYING ASSETS</p> <p>2. ELIGIBILITY CRITERIA</p> <p>In order for any Lease Receivable to be assignable to the Issuer, each of the Lease Agreements, Lease Receivables and Lessees shall meet the following pre-determined criteria, as documented in the Receivables Purchase and Servicing Agreement, as at the relevant Entitlement Date (the “Eligibility Criteria”):</p> <p>2.1 Lease Receivable Eligibility Criteria</p> <p>(h) the Lease Receivable:</p> <p>(i) is not a Defaulted Lease Receivable;</p> <p>(ii) is not a defaulted receivable within the meaning of Article 178(1) of CRR;</p> <p>(iii) is not a Delinquent Lease Receivable;</p> <p>(iv) is not a written-off Lease Receivable;</p> <p>(v) is not doubtful (douteuse), subject to litigation (litigieuse) or frozen (immobilisée);</p> <p>(vi) is not subject to any moratorium (moratoire) (including a legal moratorium) or payment holiday as at the relevant Entitlement Date;</p>	<p>Verified?</p> <p>YES</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:

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

- (i) a restructured underlying exposure has not presented new arrears since the date of the restructuring which must have taken place at least one year prior to the date of transfer or assignment of the underlying exposures to the SSPE; and
- (ii) the information provided by the originator, sponsor and SSPE in accordance with points (a) and (e)(i) of the first subparagraph of Article 7(1) explicitly sets out the proportion of restructured underlying exposures, the time and details of the restructuring as well as their performance since the date of the restructuring;

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

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

24	<p>STS Criteria</p> <p>24. Or exposures to a credit-impaired debtor or guarantor, who, to the best of the originator’s or original lender’s knowledge:</p>	Verified? YES
	<p>PCS Comments</p> <p>See section, THE UNDERLYING ASSETS</p> <p>2. ELIGIBILITY CRITERIA</p> <p>In order for any Lease Receivable to be assignable to the Issuer, each of the Lease Agreements, Lease Receivables and Lessees shall meet the following pre-determined criteria, as documented in the Receivables Purchase and Servicing Agreement, as at the relevant Entitlement Date (the “Eligibility Criteria”):</p> <p>2.3 Lessee Eligibility Criteria</p> <p>(d) to the best of the Seller’s knowledge, on the basis of information obtained (a) from such Lessee at time of origination of the Lease Agreement, (b) in the course of the Seller’s servicing of the Lease Receivables or the Seller’s risk management procedures, or (c) from a third party, the Lessee is not a credit-impaired debtor, who:</p> <p>(i) 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 relevant Purchase Date, except if:</p> <ul style="list-style-type: none"> (A) it has not presented new arrears since the date of the restructuring, which must have taken place at least one year prior to the relevant Purchase Date; and (B) the information provided by the Seller in accordance with points (a) and (e)(i) of the first subparagraph of Article 7(1) of the EU Securitisation Regulation 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>(ii) was, at the time of origination of the Lease Agreement, 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 Seller; or</p>	

	<p>(iii) 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 Seller which are not securitised;</p> <p>Although the text of the STS Regulation is quite vague, the EBA guidelines on defining “credit impaired” debtors are very helpful.</p> <p>For PCS, the key points of the EBA guidelines on this issue are:</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> <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>To determine whether this requirement is met, PCS has discussed this matter with the originator and uses its knowledge of the market and market stakeholders as well as the explicit statements made in the issuer regulations and transaction documentation.</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><u>STS Criteria</u></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><u>Verified?</u></p> <p>YES</p>
	<p><u>PCS Comments</u></p> <p>See 24 above.</p>	
26	<p><u>STS Criteria</u></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><u>Verified?</u></p> <p>YES</p>
	<p><u>PCS Comments</u></p> <p>See 24 above.</p>	

27	STS Criteria 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	Verified? YES
	PCS Comments See 24 above.	
28	STS Criteria 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;	Verified? YES
	PCS Comments See 24 above.	
29	STS Criteria 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;	Verified? YES
	PCS Comments See 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 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.

31	<p>STS Criteria</p> <p>31. The debtors shall at the time of transfer of the exposures, have made at least one payment, except in the case of revolving securitisations backed by exposures payable in a single instalment or having a maturity of less than one year, including without limitation monthly payments on revolving credits.</p>	Verified? YES
	<p>PCS Comments</p> <p>See section, THE UNDERLYING ASSETS</p> <p>2. ELIGIBILITY CRITERIA</p> <p>In order for any Lease Receivable to be assignable to the Issuer, each of the Lease Agreements, Lease Receivables and Lessees shall meet the following pre-determined criteria, as documented in the Receivables Purchase and Servicing Agreement, as at the relevant Entitlement Date (the "Eligibility Criteria"):</p> <p>2.1 Lease Receivable Eligibility Criteria</p> <p>(g) at least one (1) Lease Instalment under the relevant Lease Agreement has been paid as at the relevant Entitlement Date in accordance with Article 20(12) of the EU Securitisation Regulation;</p>	

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

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

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>The transaction does not contain residual value within the context of EBA guidance on residual value although note: See section, THE UNDERLYING ASSETS</p> <p>1. GENERAL PRESENTATION</p> <p>The Lease Receivables comprised in the Portfolio are composed of the Lease Instalments due by the Lessee in connection with the use of the Leased Vehicle, but exclude any Excluded Amounts, and exclude for the avoidance of doubt any portion corresponding to the residual value of the related Leased Vehicles.</p> <p>See section, GLOSSARY OF DEFINED TERMS</p> <p>“Excluded Amounts” means any amount related to VAT, Taxes, insurance premiums, fees of any nature which are not related to principal, interest or arrears and any Maintenance Lease Services Amounts.</p>	

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

33	STC 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>Se section, 4. PURCHASE OF THE LEASE RECEIVABLES</p> <p>4.9 Undertakings of the Seller for the purposes of the EU Securitisation Regulation and the UK Securitisation Regulation</p> <p>(d) the Seller undertakes to comply, in its capacity as “originator”:</p> <p>(i) for the purposes of compliance with Article 6 and Article 21(1) of the EU Securitisation Regulation, at all times on an ongoing basis as long as the Class A Notes have not been redeemed in full, with the provisions of Article 6 of the EU Securitisation Regulation (the “EU Risk Retention Requirements”); and</p> <p>(ii) as a contractual matter only, at all times on an ongoing basis as long as the Class A Notes have not been redeemed in full, with the provisions of Article 6 of the UK Securitisation Regulation (as such Article is in effect as at the Issue Date) (the “UK Risk Retention Requirements”) as if it were applicable to it,</p> <p>For that purpose, it undertakes:</p> <p>(i) to ensure that:</p> <p>(1) such EU Retention Requirements are satisfied on an ongoing basis pursuant to option (d) of Article 6(3) of the EU Securitisation Regulation; and</p> <p>(2) such UK Risk Retention Requirements are satisfied, on an ongoing basis and as a contractual matter only, pursuant to option (d) of Article 6(3) of the UK Securitisation Regulation (as such Article is in effect as at the Issue Date),</p> <p>and, to that end, to subscribe as at the Issue Date for the Class B Notes in accordance with the Class B Notes Subscription Agreement and the Residual Units in accordance with the Residual Units Subscription Agreement;</p> <p>(ii) in compliance with Article 6(1) of the EU Securitisation Regulation; and, as a contractual matter only, Article 6(1) of the UK Securitisation Regulation (as such Article is in effect as at the Issue Date):</p> <p>(1) to retain a material net economic interest in the Securitisation Transaction of not less than five (5) per cent. of the nominal value of the securitised exposures at all times on an ongoing basis as long as the Class A Notes have not been redeemed in full;</p> <p>(2) not to transfer or sell such retained net economic interest, including retained positions, interest or exposures; and</p> <p>(3) generally not to benefit from any credit risk mitigation (within the meaning of Article 4 paragraph 1 sub-paragraph (57) of CRR) or any short positions or hedging in respect of such retained net economic interest,</p> <p>except to the extent permitted by the EU Securitisation Regulation and the UK Securitisation Regulation (as it is in effect as at the Issue Date), or any implementing texts or guidelines related thereto;</p> <p>(iii) not to change the manner in which it retains such material net economic interest, except to the extent permitted by the EU Securitisation Regulation.</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.

34	STS Criteria 34. The interest rate...risks arising from the securitisation shall be appropriately mitigated.	Verified? YES
	<p>PCS Comments</p> <p>See the section, 1.6. The Issuer is exposed to interest rate risk</p> <p>The Lease Receivables have interest payments calculated on a fixed rate basis, whilst the Class A Notes will bear interest at a rate based on one-month EURIBOR (or, in the case of the first Interest Period, the rate per annum obtained by linear interpolation between Euribor for 1 month deposits and Euribor for 3 month deposits in Euro) determined on each Interest Rate Determination Date, subject to and in accordance with the Terms and Conditions of the Class A Notes. As a result, there could be a rate mismatch between interest accruing on the Class A Notes and on the Lease Receivables which could determine a potential negative impact on the ability of the Issuer to timely and fully pay interest amounts due under the Class A Notes if the EURIBOR increases in such a way that the fixed rate interests received under the Lease Receivables are not sufficient to cover such increase.</p> <p>In order to hedge such interest rate mismatch, the Issuer has entered into a Swap Agreement with the Swap Counterparty.</p> <p>5. THE SWAP AGREEMENT</p> <p>Due to the fact that the Class A Notes bear interests at floating rate, the Issuer will enter into the Swap Agreement with the Swap Counterparty in order to appropriately mitigate such interest rate exposure in accordance with Article 21(2) of the EU Securitisation Regulation.</p> <p>ISDA 2002 Master Agreement (French law)</p> <p>On or about the Issue Date, pursuant to the terms of the Issuer Regulations, the Management Company (acting for and on behalf of the Issuer) shall enter into the Swap Agreement, in connection with the Class A Notes, with BNP Paribas, in its capacity as Swap Counterparty. The Swap Agreement is governed by the ISDA 2002 Master Agreement published by the International Swaps and Derivatives Association, Inc., together with its schedule and credit support annex and confirmed by a written confirmation, governed by French law.</p> <p>Purpose of the Swap Agreement</p> <p>Under the Swap Agreement, the Issuer will hedge its interest rate exposure resulting from fixed rate interest received under the Lease Receivables and floating rate interest obligations under the Class A Notes.</p>	
35	STS Criteria 35. Currency risks arising from the securitisation shall be appropriately mitigated.	Verified? YES
	<p>PCS Comments</p> <p>Not applicable as the transaction assets and liabilities are both in euros.</p>	

36	STS Criteria 36. Any measures taken to that effect shall be disclosed.	Verified? YES
	PCS Comments See criterion 34 above.	

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.

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	See section, GENERAL DESCRIPTION OF THE ISSUER LEGAL PURPOSE In accordance with Articles R. 214-217-2° and R. 214-224 of the French Monetary and Financial Code, the Issuer will hedge its interest rate exposure under the Class A Notes by entering into a Swap Agreement with the Swap Counterparty. The Issuer is not allowed to enter into derivative contracts other than for the purpose of hedging its interests rate exposure under the Class A Notes. For the purposes of Article 21(2) of the EU Securitisation Regulation, the Issuer shall not enter into any contracts that are forward financial instruments (contrats constituant des instruments financiers à terme) except for the purposes of hedging interest-rate risk in accordance with the Swap Agreement.	
38	STS Criteria	38. ...Shall ensure that the pool of underlying exposures does not include derivatives.	Verified? YES
	PCS Comments	See section, THE UNDERLYING ASSETS 2. ELIGIBILITY CRITERIA In order for any Lease Receivable to be assignable to the Issuer, each of the Lease Agreements, Lease Receivables and Lessees shall meet the following pre-determined criteria, as documented in the Receivables Purchase and Servicing Agreement, as at the relevant Entitlement Date (the "Eligibility Criteria"): 2.1 Lease Receivable Eligibility Criteria (j) the Lease Receivable does not include transferable securities as defined in point (44) of Article 4(1) of MiFID II, any securitisation position within the meaning of the EU Securitisation Regulation or any derivative	
39	STS Criteria	39. Those derivatives shall be underwritten and documented according to common standards in international finance.	Verified? YES
	PCS Comments	See GLOSSARY OF DEFINED TERMS	

“Swap Agreement” means the interest rate swap agreement, consisting of the French law ISDA 2002 master agreement, a schedule, and one or several swap confirmation(s), entered into on the Signing Date between the Swap Counterparty and the Management Company. See section “DESCRIPTION OF THE MAIN OTHER TRANSACTION DOCUMENTS – The Swap Agreement” of this Prospectus.

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

40

STS Criteria

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

**Verified?
YES**

PCS Comments

Assets:

The assets are fixed rate

Liabilities:

Notes: Classes A Notes are floating rate linked to Euribor. Class B Notes are fixed rate.

The requirements are met.

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

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

41

STS Criteria

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

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

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

See section CASH FLOWS AND CREDIT STRUCTURE

See 4. PRIORITY OF PAYMENTS

Accelerated Amortisation Period Priority of Payments

On each Payment Date falling during the Accelerated Amortisation Period, the Management Company shall apply the Available Distribution Amount as calculated at the Calculation Date immediately preceding such Payment Date (taking into account the transfer in full of the amounts standing to the credit of the Liquidity Reserve Account to the General Account on the Collections Transfer Date immediately preceding such Payment Date)) towards the following payments or provisions in the following order of priority by debiting the General Account, but in each case only to the extent that all payments or provisions of a higher priority due to be paid or provided for on such Payment Date have been made in full:

There is no cash trapping.

42

STS Criteria

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

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

See section CASH FLOWS AND CREDIT STRUCTURE

See 4. PRIORITY OF PAYMENTS

Accelerated Amortisation Period Priority of Payments

Distributions are made sequentially.

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 section CASH FLOWS AND CREDIT STRUCTURE See 4. PRIORITY OF PAYMENTS Repayment is not reversed in the Priority of Payments during the Revolving Period and the Normal Redemption Period and the Accelerated Redemption Period	
44	STS Criteria 44. (d) No provisions shall require automatic liquidation of the underlying exposures at market value.	Verified? YES
	PCS Comments See section, Risk factors 1.2 The Issuer has limited assets No provision of the Transaction Documents shall require automatic liquidation of the Lease Receivables purchased by the Issuer at market value. See section, GENERAL DESCRIPTION OF THE ISSUER EARLY LIQUIDATION Upon the occurrence of any of the Issuer Liquidation Events, in accordance with, and subject to the provisions of the Issuer Regulations, the Management Company may decide to early liquidate the Issuer by selling in one single transaction the Lease Receivables composing the assets of the Issuer, provided that: (a) the Seller or any other entity authorised to purchase the Lease Receivables has agreed to repurchase the outstanding Lease Receivables; and (b) the purchase price paid for the outstanding Lease Receivables is sufficient to enable the Issuer to repay in full all amounts outstanding in respect of the Class A Notes after payment of all other amounts due by the Issuer and ranking senior to the Class A Notes in accordance with the Accelerated Amortisation Period Priority of Payments. If either of the above conditions is not met, no early liquidation shall take place. If the Management Company decides to early liquidate the Issuer under the conditions set out above, the Management Company shall offer to the Seller the option to repurchase the outstanding Lease Receivables in whole, but not in part, in accordance with the provisions of the Receivables Purchase and Servicing Agreement. If neither the Seller nor any third party accepts the offer of the Management Company to purchase the Lease Receivables in the conditions set out above, no early liquidation shall take place and the Issuer shall only be liquidated on the Payment Date following the extinction of the last outstanding Lease Receivable.	

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

The Notes pay sequentially.

See section, TERMS AND CONDITIONS OF THE CLASS A NOTES

2. STATUS AND RELATIONSHIP

(b) Relationship between the Class A Notes, the Class B Notes and the Residual Units

During the Revolving Period and during the Normal Amortisation Period, on each Payment Date:

(i) payments of interest on the Class A Notes will be made in priority to payments of interest on the Class B Notes and the Residual Units;

(ii) payments of interest on the Class B Notes will be subordinated to payments of interest on the Class A Notes but will be made in priority to payments of interest on the Residual Units.

During the Normal Amortisation Period only, on each Payment Date, payments of principal in respect of the Notes will be made in sequential order at all times and therefore the Class B Notes will not be redeemed for so long as the Class A Notes have not been redeemed in full.

The transaction is sequential pay

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).

46	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 Revolving Period Termination Events (b) and (j).	
47	STS Criteria 47. (b) the occurrence of an insolvency-related event with regard to the originator or the servicer;	Verified? YES
	PCS Comments Revolving Period Termination Events (c) and (e). (c) a Servicer Termination Event has occurred and is continuing; (e) a Seller Event of Default has occurred and is continuing;	
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 Revolving Period Termination Events (a) and (j).	
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 Revolving Period Termination Event (a).	

Article 21.7. The transaction documentation shall clearly specify:

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

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

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

50	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>	
	<p>PCS Comments</p> <p>For Servicer: 5. SERVICING OF THE LEASE RECEIVABLES– Duties of the Servicer</p> <p>For Management Company: DESCRIPTION OF THE MAIN OTHER TRANSACTION PARTIES, The Management Company, Duties of the Management Company.</p> <p>For Custodian: DESCRIPTION OF THE MAIN OTHER TRANSACTION PARTIES The Custodian, Duties of the Custodian.</p> <p>For Maintenance Coordinator: DESCRIPTION OF THE MAIN OTHER TRANSACTION, The Maintenance Coordinator Agreement</p> <p>For Back-up Maintenance Coordinator Facilitator: DESCRIPTION OF THE MAIN OTHER TRANSACTION Replacement Maintenance Coordinator Facilitator - Appointment of a Back-Up Maintenance Coordinator</p> <p>For the Maintenance Reserve Guarantor - “DESCRIPTION OF THE MAIN OTHER TRANSACTION DOCUMENTS – The Maintenance Coordination Agreement and the Maintenance Reserve Guarantee –Maintenance Reserve Guarantee”</p> <p>For Data Protection Agency: DESCRIPTION OF THE MAIN OTHER TRANSACTION PARTIES, The Data Protection Agent. See also the section, Section “DESCRIPTION OF THE MAIN OTHER TRANSACTION DOCUMENTS – The Data Protection Agency Agreement”</p> <p>For Listing Agent: DESCRIPTION OF THE MAIN OTHER TRANSACTION PARTIES, Listing Agent.</p> <p>For Cash Manager: DESCRIPTION OF THE MAIN OTHER TRANSACTION PARTIES, The Cash Manager</p> <p>For Account Bank/Specially Dedicated Account Bank: DESCRIPTION OF THE MAIN OTHER TRANSACTION PARTIES, Account Bank/Specially Dedicated Account Bank. See also in Section “DESCRIPTION OF THE MAIN OTHER TRANSACTION DOCUMENTS – The Specially Dedicated Account Agreement”.</p> <p>For Statutory Auditor: DESCRIPTION OF THE MAIN OTHER TRANSACTION PARTIES, The Statutory Auditor.</p> <p>PCS has reviewed the transaction documents to its satisfaction.</p>	

51	<p>STS Criteria</p> <p>51. (b) the processes and responsibilities necessary to ensure that a default by or an insolvency of the servicer does not result in a termination of servicing, such as a contractual provision which enables the replacement of the servicer in such cases; and</p>	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>See 5. SERVICING OF THE LEASE RECEIVABLES , Replacement of the Servicer</p> <p>See RISK FACTORS</p> <p>2.7 Servicer's replacement risk</p> <p>see Risk Factors, 2.1 Risks related to the Seller's performance under the Lease Agreements</p>	
52	<p>STS Criteria</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>Verified? YES</p>
	<p>PCS Comments</p> <p>See the TRIGGERS TABLES</p> <p>For Issuer Accounts:</p> <p>See Risk Factors, 2.5 Commingling risk</p> <p>See DESCRIPTION OF THE MAIN OTHER TRANSACTION PARTIES, The Account Bank and The Specially Dedicated Account Bank, Cash Management Agreement</p> <p>For Swaps:</p> <p>See RISK FACTORS, 1.6 and 1.7</p> <p>1.7 The termination of the Swap Agreement may adversely affect the ability of the Issuer to make payments under the Class A Notes</p> <p>The Issuer Regulations provide that in case of termination of the Swap Agreement, the Management Company will use its best endeavours to replace the Swap Agreement with a replacement swap counterparty on substantially the same terms as the Swap Agreement. However, there is a risk that a replacement interest rate swap could be found. If the Issuer does not enter into a replacement interest rate swap on time, it may have insufficient funds to make payment under the Class A Notes and this may result in a downgrading of the rating of the Class A Notes.</p> <p>See The Swap Agreements</p>	

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	Verified?
	53. The servicer shall have expertise in servicing exposures of a similar nature to those securitised	YES
PCS Comments		
See section, 5. SERVICING OF THE LEASE RECEIVABLES		
Pursuant to the Receivables Purchase and Servicing Agreement, the Servicer represents and warrants to the Issuer, for the purposes of Article 21(8) of the EU Securitisation Regulation, that its business has included the servicing of exposures of a nature similar to the Lease Receivables for at least five (5) years prior to the Closing Date and that it has well-documented and adequate policies, procedures and risk-management controls relating to the servicing of the Lease Receivables.		
See also section, THE SELLER AND SERVICER, for a description of Arval Service Lease ("Arval").		

54	STS Criteria	Verified?
	54. And shall have well documented and adequate policies, procedures and risk management controls relating to the servicing of exposures.	YES
PCS Comments		
See section, 5. SERVICING OF THE LEASE RECEIVABLES		
Pursuant to the Receivables Purchase and Servicing Agreement, the Servicer represents and warrants to the Issuer, for the purposes of Article 21(8) of the EU Securitisation Regulation, that its business has included the servicing of exposures of a nature similar to the Lease Receivables for at least five (5) years prior to the Closing Date and that it has well-documented and adequate policies, procedures and risk-management controls relating to the servicing of the Lease Receivables.		
See also section, THE SELLER AND SERVICER, for a description of Arval Service Lease ("Arval").		
Due diligence materials were further reviewed by PCS which demonstrate that the Servicer has well documented and adequate policies and risk management controls		

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	<u>STS Criteria</u> 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.	<u>Verified?</u> YES
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PCS Comments

See the section, SERVICING PROCEDURES, in particular 3. Collections

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	<u>STS Criteria</u> 56. The transaction documentation shall clearly specify the priorities of payment,	<u>Verified?</u> YES
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PCS Comments

See CASH FLOWS AND CREDIT STRUCTURE

4. PRIORITY OF PAYMENTS

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Revolving Period Priority of Payments

Normal Amortisation Period Priority of Payments

Accelerated Amortisation Period Priority of Payments

See also Terms and Conditions of the Class A Notes. Condition 4 Redemption.

PCS has reviewed the underlying documentation to satisfy itself that this criterion is met.

57	<u>STS Criteria</u> 57. The transaction documentation shall clearly specify the events which trigger changes in such priorities of payment.	<u>Verified?</u> YES
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PCS Comments

See CASH FLOWS AND CREDIT STRUCTURE

4. PRIORITY OF PAYMENTS

	See also section GLOSSARY OF DEFINED TERMS for the relevant definitions of “Revolving Period”, “Revolving Period Termination Event”, “Normal Amortisation Period, Accelerated Amortisation Event PCS has reviewed the relevant documents to satisfy itself that these criteria are met.	
58	STS Criteria 58. The transaction documentation shall clearly specify the obligation to report such events.	Verified? YES
	PCS Comments See section, PERIODIC INFORMATION RELATING TO THE ISSUER Monthly Information On the basis of the information provided to it by the Servicer, the Management Company shall prepare a monthly management report (the “Monthly Management Report”), which shall contain, inter alia: (g) information in relation to the occurrence of any of the rating triggers and other triggers including the occurrence of the following breach or events: (i) any breach of the Account Bank Required Ratings under the Account Bank Agreement; (ii) any breach of the Commingling Required Ratings under the Specially Dedicated Account Agreement; (iii) a Downgrade Event; (iv) a Maintenance Reserve Trigger Event; (v) a Commingling Reserve Trigger Event; (vi) a Set-Off Reserve Trigger Event; (vii) a Revolving Period Termination Event; (viii) an Accelerated Amortisation Event.	
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 section, PERIODIC INFORMATION RELATING TO THE ISSUER EU Securitisation Regulation Information (iv) for the purpose of Article 21(9) of the EU Securitisation Regulation, the Management Company shall inform the Noteholders without undue delay of the occurrence of any change in the Priority of Payments which will materially adversely affect the repayment of their Notes. PCS has indeed identified the existence of such a covenant as set out in the Issuer Regulations.	

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	Verified? YES
	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	

PCS Comments

The EBA requirements are met:

- (a) method of convening meeting – TERMS AND CONDITIONS OF THE CLASS A NOTES, 6. CONSULTATION OF THE CLASS A NOTEHOLDERS, 6 (a)(i)
- (b) maximum time – TERMS AND CONDITIONS OF THE CLASS A NOTES, 6. CONSULTATION OF THE CLASS A NOTEHOLDERS, , 6 (a)(i)(A) and (B)
- (c) quorum – TERMS AND CONDITIONS OF THE CLASS A NOTES , 6. CONSULTATION OF THE CLASS A NOTEHOLDERS, , 6 (a)(lii)
- (d) Minimum threshold of votes –Terms and Conditions of the Notes 12 (c) - required majority TERMS AND CONDITIONS OF THE CLASS A NOTES, 6. CONSULTATION OF THE CLASS A NOTEHOLDERS, 6 (a)(i)
- (e) location –TERMS AND CONDITIONS OF THE CLASS A NOTES, 6. CONSULTATION OF THE CLASS A NOTEHOLDERS, , 6 (a)(i), France

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.

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	Verified? YES
	61. and the responsibilities of the trustee and other entities with fiduciary duties to investors shall be clearly identified.	

PCS Comments

DESCRIPTION OF THE MAIN OTHER TRANSACTION PARTIES – Management Company, Duties of the Management Company

DESCRIPTION OF THE MAIN OTHER TRANSACTION PARTIES – Custodian, Duties of the Custodian

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.

62	<p>STS Criteria</p> <p>62. The originator and the sponsor shall make available data on static and dynamic historical default and loss performance, such as delinquency and default data, for substantially similar exposures to those being securitised,</p>	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>See section, INFORMATION RELATING TO THE PROVISIONAL PORTFOLIO AND HISTORICAL DATA , Historical Information Data</p> <p>4. PURCHASE OF THE LEASE RECEIVABLES</p> <p>4.6 Representations and warranties for the purposes of the EU Securitisation Regulation</p> <p>(i) before pricing , it (or, as the case may be, the Management Company acting on its behalf) has made available to potential investors and competent authorities (as applicable):</p> <p>(i) for the purposes of compliance with Article 22(1) of the EU Securitisation Regulation, data on static and dynamic historical default and loss performance, such as delinquency and default data, for substantially similar exposures to the Lease Receivables which will be subject to an assignment in accordance with the provisions of the Receivables Purchase and Servicing Agreement, and the sources of those data and the basis for claiming similarity, provided that such data cover a period of at least five (5) years;</p>	
63	<p>STS Criteria</p> <p>63. and the sources of those data and the basis for claiming similarity, to potential investors before pricing.</p>	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>See 62 above.</p>	
64	<p>STS Criteria</p> <p>64. Those data shall cover a period no shorter than five years.</p>	<p>Verified? YES</p>
	<p>PCS Comments</p> <p>See 62 above.</p>	

Article 22.2. A sample of the underlying exposures shall be subject to external verification prior to issuance of the securities resulting from the securitisation by an appropriate and independent party, including verification that the data disclosed in respect of the underlying exposures is accurate.

65	STS Criteria 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,	Verified? YES
	<p>PCS Comments</p> <p>See prospectus 4.6 Representations and warranties for the purposes of the EU Securitisation Regulation</p> <p>(h) for the purposes of compliance with Article 22(2) of the EU Securitisation Regulation, an independent third party has performed:</p> <p>(i) an agreed upon procedures (AUP) review on a representative sample of the provisional portfolio (as of 28 February 2022) applying a confidence level of at least 98%, including verification that the data disclosed in respect of the Lease Receivables is accurate; and</p> <p>(ii) a review on a provisional portfolio (as of 30 June 2022) of the compliance of the provisional portfolio with certain Eligibility Criteria that are able to be tested prior to the Closing Date,</p> <p>and the Seller hereby confirms its view that no significant adverse findings have been found by such third party during its review. The third party undertaking the review only accepts a duty of care to the parties to the engagement letters governing the performance of the agreed upon procedures and to the fullest extent permitted by law shall have no responsibility to anyone else in respect of the work it has performed or the reports it has produced save where terms are expressly agreed;</p> <p><i>PCS has reviewed the report on "agreed upon procedures" (AUP) commonly known as a "pool audit". PCS can confirm that this was done by an appropriate and independent third party.</i></p>	
66	STS Criteria 66. Including verification that the data disclosed in respect of the underlying exposures is accurate.	Verified? YES
	<p>PCS Comments</p> <p>See 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.

67	STS Criteria	Verified? YES
	<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>	
68	STS Criteria	Verified? YES
	<p>68. And shall, after pricing, make that model available to investors on an ongoing basis and to potential investors upon request.</p>	
PCS Comments		
See prospectus		
4.6 Representations and warranties for the purposes of the EU Securitisation Regulation		
(i) before pricing , it (or, as the case may be, the Management Company acting on its behalf) has made available to potential investors and competent authorities (as applicable):		
(ii) for the purposes of compliance with Article 22(3) of the EU Securitisation Regulation, a liability cash flow model which precisely represents the contractual relationship between the underlying exposures (being the Lease Receivables) and the payments flowing between the Seller, the Noteholders, other third parties and the Issuer (the "Cash Flow Model");		
PCS is not a modelling firm nor has any modelling expertise. Therefore, it will not verify the model's accuracy or perform any due diligence whatsoever on the model. However, it will seek to satisfy itself indirectly as to the likelihood of the model's accuracy by requesting details of the individuals (if employed by the originator) or the firms (if the model is outsourced) responsible for the model. PCS will then assess whether, in its sole opinion, the model was put together by persons or firms with a reputation and a track-record in such models.		
<i>Having seen the model, read a statement in the Prospectus that the model will be made available in accordance with the requirements of the criteria, and assessed the firm responsible for the model, PCS is prepared to verify this criterion.</i>		
PCS Comments		
See		
4.9 Undertakings of the Seller for the purposes of the EU Securitisation Regulation and the UK Securitisation Regulation		
Pursuant to the Receivables Purchase and Servicing Agreement:		
(c) the Seller undertakes, throughout the life of the Securitisation Transaction and until the Liquidation Date:		
(i) for the purposes of compliance with Article 22(3) of the EU Securitisation Regulation, to make available the Cash Flow Model (which model shall be updated in case of significant changes in the cash flow structure of the Securitisation Transaction) to the Noteholders on an ongoing basis and to potential investors, upon request;		

Although technically covering the period between pricing and close and on an ongoing basis, 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.

PCS notes the existence of such covenant.

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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STS Criteria

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).

**Verified?
YES**

PCS Comments

4.6 Representations and warranties for the purposes of the EU Securitisation Regulation

Pursuant to the Receivables Purchase and Servicing Agreement, the Seller has represented and warranted that:

(i) before pricing, it (or, as the case may be, the Management Company acting on its behalf) has made available to potential investors and competent authorities (as applicable):

(iii) for the purposes of compliance with Articles 22(4) and 22(5) of the EU Securitisation Regulation, the Underlying Exposures Report (complying with the requirements of the EU Disclosure RTS) of the Lease Receivables which will be subject to an assignment in accordance with the provisions of the Receivables Purchase and Servicing Agreement (including, inter alia, the information related to the environmental performance of the Leased Vehicles financed by the Lease Agreements comprised in the Portfolio, if available) as required by point (a) of Article 7(1) of the EU Securitisation Regulation, upon request of such potential investors;

4.9 Undertakings of the Seller for the purposes of the EU Securitisation Regulation and the UK Securitisation Regulation

(c) the Seller undertakes, throughout the life of the Securitisation Transaction and until the Liquidation Date:

(ii) for the purposes of compliance with Article 7(1) of the EU Securitisation Regulation, to make available to the Issuer (represented by the Management Company), acting as Reporting Entity for the purposes of Article 7(2) of the EU Securitisation Regulation, any relevant information of which it has knowledge, in particular, but without limitation, any relevant information required by point (a), (e), (f) and (g) of Article 7(1) of the EU Securitisation Regulation (including, inter alia and for the purposes of compliance with Article 22(4) of the EU Securitisation Regulation, the information related to the environmental performance of the Leased Vehicles financed by the Lease Agreements comprised in the Portfolio), for the Management Company on behalf of the Issuer to be in a position to comply with the periodic information towards the investors as provided by the Issuer Regulations (see Section “PERIODIC INFORMATION RELATING TO THE ISSUER - Securitisation Regulation Information” of the Prospectus);

See also section, THE SELLER AND SERVICER, Sustainable development

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.

70	STS Criteria	Verified?
	<p>70. The originator and the sponsor shall be responsible for compliance with Article 7 of this Regulation.</p> <p>PCS Comments</p> <p>See Prospectus</p> <p>4.9 Undertakings of the Seller for the purposes of the EU Securitisation Regulation and the UK Securitisation Regulation</p> <p>Pursuant to the Receivables Purchase and Servicing Agreement:</p> <p>(a) for the purposes of compliance with Article 7(1) of the EU Securitisation Regulation, the Seller has designated the Issuer (represented by the Management Company), as Reporting Entity in accordance with Article 7(2) of the EU Securitisation Regulation, in charge of fulfilling the information requirements pursuant to points (a), (b), (d), (e), (f) and (g) of Article 7(1) of the EU Securitisation Regulation. Pursuant to Article 22(5) of the EU Securitisation Regulation, the Seller acknowledges that notwithstanding the designation of the Issuer (represented by the Management Company) as Reporting Entity for the purposes of Article 7(2) of the EU Securitisation Regulation, it shall be responsible for the compliance with Article 7 of the EU Securitisation Regulation;</p> <p>See also section, PERIODIC INFORMATION RELATING TO THE ISSUER</p> <p>EU Securitisation Regulation Information</p> <p>(a) The Seller shall be responsible for the compliance with information requirement in accordance with Article 22(5) and Article 7(1) of the EU Securitisation Regulation and in accordance with the terms of the Receivables Purchase and Servicing Agreement.</p>	YES

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.

71	STS Criteria	Verified?
	<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>PCS Comments</p> <p>See prospectus</p> <p>4.6 Representations and warranties for the purposes of the EU Securitisation Regulation</p> <p>Pursuant to the Receivables Purchase and Servicing Agreement, the Seller has represented and warranted that:</p> <p>(i) before pricing, it (or, as the case may be, the Management Company acting on its behalf) has made available to potential investors and competent authorities (as applicable):</p>	YES

	(iii)...for the purposes of compliance with Articles 22(4) and 22(5) of the EU Securitisation Regulation, the Underlying Exposures Report (complying with the requirements of the EU Disclosure RTS) of the Lease Receivables which will be subject to an assignment in accordance with the provisions of the Receivables Purchase and Servicing Agreement (including, inter alia, the information related to the environmental performance of the Leased Vehicles financed by the Lease Agreements comprised in the Portfolio, if available) as required by point (a) of Article 7(1) of the EU Securitisation Regulation, upon request of such potential investors;	
72	STS Criteria	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.
	PCS Comments	
	<p>4.6 Representations and warranties for the purposes of the EU Securitisation Regulation</p> <p>Pursuant to the Receivables Purchase and Servicing Agreement, the Seller has represented and warranted that:</p> <p>(i) before pricing , it (or, as the case may be, the Management Company acting on its behalf) has made available to potential investors and competent authorities (as applicable):</p> <p>(iv)...for the purposes of Article 22(5) of the EU Securitisation Regulation, information and documentation set forth in Article 7(1) points (b) and (d) of the EU Securitisation Regulation, in draft or initial form.</p>	

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

73	STS Criteria	73. The final documentation shall be made available to investors at the latest 15 days after closing of the transaction.	Verified?
	PCS Comments		YES
	<p>See prospectus</p> <p>4.9 Undertakings of the Seller for the purposes of the EU Securitisation Regulation and the UK Securitisation Regulation</p> <p>Pursuant to the Receivables Purchase and Servicing Agreement:</p> <p>(b) for the purposes of Article 22(5) of the EU Securitisation Regulation, the Seller has delegated, under its responsibility, to the Management Company, the duty to make available information and documentation set forth in Article 7(1) points (b) and (d) of the EU Securitisation Regulation to investors no later than fifteen (15) days after the Closing Date, in final form, it being specified that such information shall be published on the Securitisation Repository's website</p> <p>See also section, PERIODIC INFORMATION RELATING TO THE ISSUER</p> <p>EU Securitisation Regulation Information</p> <p>(b) Pursuant to the Receivables Purchase and Servicing Agreement and in addition to the information that will be made available by the Seller (or, as the case may be, the Management Company on its behalf) to potential investors before pricing as detailed in paragraph 4.6(i) of Section "THE UNDERLYING ASSETS – The Receivables Purchase and Servicing Agreement" of this Prospectus:</p>		

(i) for the purposes of Article 22(5) of the EU Securitisation Regulation, the Seller has delegated, under its responsibility, to the Management Company the duty to make available to investors and competent authorities information and documentation set forth in Article 7(1) points (b) and (d) of the EU Securitisation Regulation no later than fifteen (15) days after the Closing Date, in final forms, being specified that such information shall be published in the Securitisation Repository's website.

PCS notes the existence of such covenant.

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 also section, PERIODIC INFORMATION RELATING TO THE ISSUER

EU Securitisation Regulation Information

(b) Pursuant to the Receivables Purchase and Servicing Agreement and in addition to the information that will be made available by the Seller (or, as the case may be, the Management Company on its behalf) to potential investors before pricing as detailed in paragraph 4.6(i) of Section "THE UNDERLYING ASSETS – Purchase of the Lease Receivables" of this Prospectus:

(ii) for the purposes of Article 7(2) of the EU Securitisation Regulation, the Seller and the Management Company on behalf of the Issuer have agreed in the Receivable Purchase and Servicing Agreement that the Issuer (represented by the Management Company) shall be the Reporting Entity in charge of fulfilling the information requirements pursuant to points (a), (b), (d), (e), (f) and (g) of Article 7(1) of the EU Securitisation Regulation.

In particular,

(A) for the purpose of periodic information set forth in Article 7(1) points (a) and (e), the Management Company shall publish on each Investor Reporting Date (i) the Investor Report with the information required pursuant to Article 7(1) point (e) and (ii) the Underlying Exposures Report (complying with the requirements of the EU Disclosure RTS) for the information required pursuant to Article 7(1) point (a);

PCS notes the existence of a covenant.

Article 7.1. The originator, sponsor and SSPE of a securitisation shall, in accordance with paragraph 2 of this Article, make at least the following information available to holders of a securitisation position, to the competent authorities referred to in Article 29 and, upon request, to potential investors:

- (b) all underlying documentation that is essential for the understanding of the transaction, including but not limited to, where applicable, the following documents:
- (i) the final offering document or the prospectus together with the closing transaction documents, excluding legal opinions;
 - (ii) for traditional securitisation the asset sale agreement, assignment, novation or transfer agreement and any relevant declaration of trust;
 - (iii) the derivatives and guarantees agreements as well as any relevant documents on collateralisation arrangements where the exposures being securitised remain exposures of the originator;
 - (iv) the servicing, back-up servicing, administration and cash management agreements;
 - (v) the trust deed, security deed, agency agreement, account bank agreement, guaranteed investment contract, incorporated terms or master trust framework or master definitions agreement or such legal documentation with equivalent legal value;
 - (vi) any relevant inter-creditor agreements, derivatives documentation, subordinated loan agreements, start-up loan agreements and liquidity facility agreements;

75	<p><u>STS Criteria</u></p> <p>75. (b) all underlying documentation that is essential for the understanding of the transaction, including but not limited to, where applicable, the following documents:</p> <ul style="list-style-type: none"> (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; 	<p><u>Verified?</u> YES</p>
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PCS Comments

See also section, PERIODIC INFORMATION RELATING TO THE ISSUER

EU Securitisation Regulation Information

(b) Pursuant to the Receivables Purchase and Servicing Agreement and in addition to the information that will be made available by the Seller (or, as the case may be, the Management Company on its behalf) to potential investors before pricing as detailed in paragraph 4.6(i) of Section "THE UNDERLYING ASSETS – The Receivables Purchase and Servicing Agreement" of this Prospectus:

(i) for the purposes of Article 22(5) of the EU Securitisation Regulation, the Seller has delegated, under its responsibility, to the Management Company the duty to make available to investors and competent authorities information and documentation set forth in Article 7(1) points (b) and (d) of the EU Securitisation Regulation no later than fifteen (15) days after the Closing Date, in final forms, being specified that such information shall be published in the Securitisation Repository's website.

See General Information
13. Availability of Documents

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 75 above.

The Issuer Regulations, section 26 stipulates and details the the Priority of Payments as follows:

- 26.1 Revolving Period Priority of Payments
- 26.2 Normal Amortisation Period Priority of Payments
- 26.3 Accelerated Amortisation Period Priority of Payments

Article 7.1. The originator, sponsor and SSPE of a securitisation shall, in accordance with paragraph 2 of this Article, make at least the following information available to holders of a securitisation position, to the competent authorities referred to in Article 29 and, upon request, to potential investors:

(c) where a prospectus has not been drawn up in compliance with Directive 2003/71/EC of the European Parliament and of the Council, a transaction summary or overview of the main features of the securitisation, including, where applicable:

- (i) details regarding the structure of the deal, including the structure diagrams containing an overview of the transaction, the cash flows and the ownership structure;
- (ii) details regarding the exposure characteristics, cash flows, loss waterfall, credit enhancement and liquidity support features;
- (iii) details regarding the voting rights of the holders of a securitisation position and their relationship to other secured creditors;
- (iv) a list of all triggers and events referred to in the documents provided in accordance with point (b) that could have a material impact on the performance of the securitisation position;

77 **STS Criteria**

77. (c) where a prospectus has not been drawn up in compliance with Directive 2003/71/EC of the European Parliament and of the Council, a transaction summary or overview of the main features of the securitisation, including, where applicable:

- (i) details regarding the structure of the deal, including the structure diagrams containing an overview of the transaction, the cash flows and the ownership structure;
- (ii) details regarding the exposure characteristics, cash flows, loss waterfall, credit enhancement and liquidity support features;
- (iii) details regarding the voting rights of the holders of a securitisation position and their relationship to other secured creditors;
- (iv) a list of all triggers and events referred to in the documents provided in accordance with point (b) that could have a material impact on the performance of the securitisation position;

Verified?
YES

PCS Comments

Not applicable.

Article 7.1. The originator, sponsor and SSPE of a securitisation shall, in accordance with paragraph 2 of this Article, make at least the following information available to holders of a securitisation position, to the competent authorities referred to in Article 29 and, upon request, to potential investors:

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

78 **STS Criteria**

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

Verified?
YES

PCS Comments

See also section, PERIODIC INFORMATION RELATING TO THE ISSUER
EU Securitisation Regulation Information

(b) Pursuant to the Receivables Purchase and Servicing Agreement and in addition to the information that will be made available by the Seller (or, as the case may be, the Management Company on its behalf) to potential investors before pricing as detailed in paragraph 4.6(i) of Section “THE UNDERLYING ASSETS – The Receivables Purchase and Servicing Agreement” of this Prospectus:

(i) for the purposes of Article 22(5) of the EU Securitisation Regulation, the Seller has delegated, under its responsibility, to the Management Company the duty to make available to investors and competent authorities information and documentation set forth in Article 7(1) points (b) and (d) of the EU Securitisation Regulation no later than fifteen (15) days after the Closing Date, in final forms, being specified that such information shall be published in the Securitisation Repository’s website.

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:

I quarterly investor reports, or, in the case of ABCP, monthly investor reports, containing the following:

- (i) all materially relevant data on the credit quality and performance of underlying exposures;
- (ii) information on events which trigger changes in the priority of payments or the replacement of any counterparties, and, in the case of a securitisation which is not an ABCP transaction, data on the cash flows generated by the underlying exposures and by the liabilities of the securitisation;
- (iii) information about the risk retained, including information on which of the modalities provided for in Article 6(3) has been applied, in accordance with Article 6.

79 STS Criteria

79. (e) quarterly investor reports, or, in the case of ABCP, monthly investor reports, containing the following:

- (i) all materially relevant data on the credit quality and performance of underlying exposures;
- (ii) information on events which trigger changes in the priority of payments or the replacement of any counterparties,
- (ii)...and, in the case of a securitisation which is not an ABCP transaction, data on the cash flows generated by the underlying exposures and by the liabilities of the securitisation;
- (iii) information about the risk retained, including information on which of the modalities provided for in Article 6(3) has been applied, in accordance with Article 6.

**Verified?
YES**

PCS Comments

See section, PERIODIC INFORMATION RELATING TO THE ISSUER

EU Securitisation Regulation Information

(b) Pursuant to the Receivables Purchase and Servicing Agreement and in addition to the information that will be made available by the Seller (or, as the case may be, the Management Company on its behalf) to potential investors before pricing as detailed in paragraph 4.6(i) of Section “THE UNDERLYING ASSETS – The Receivables Purchase and Servicing Agreement” of this Prospectus:

(ii) for the purposes of Article 7(2) of the EU Securitisation Regulation, the Seller and the Management Company on behalf of the Issuer have agreed in the Receivable Purchase and Servicing Agreement that the Issuer (represented by the Management Company) shall be the Reporting Entity in charge of fulfilling the information requirements pursuant to points (a), (b), (d), (e), (f) and (g) of Article 7(1) of the EU Securitisation Regulation.

In particular,

(A) for the purpose of periodic information set forth in Article 7(1) points (a) and (e), the Management Company shall publish on each Investor Reporting Date (i) the Investor Report with the information required pursuant to Article 7(1) point (e) and (ii) the Underlying Exposures Report (complying with the requirements of the EU Disclosure RTS) for the information required pursuant to Article 7(1) point (a);

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;

80	STS Criteria	Verified? YES
	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;	

PCS Comments

See section, PERIODIC INFORMATION RELATING TO THE ISSUER

EU Securitisation Regulation Information

(b) Pursuant to the Receivables Purchase and Servicing Agreement and in addition to the information that will be made available by the Seller (or, as the case may be, the Management Company on its behalf) to potential investors before pricing as detailed in paragraph 4.6(i) of Section "THE UNDERLYING ASSETS – The Receivables Purchase and Servicing Agreement" of this Prospectus:

(ii) for the purposes of Article 7(2) of the EU Securitisation Regulation, the Seller and the Management Company on behalf of the Issuer have agreed in the Receivable Purchase and Servicing Agreement that the Issuer (represented by the Management Company) shall be the Reporting Entity in charge of fulfilling the information requirements pursuant to points (a), (b), (d), (e), (f) and (g) of Article 7(1) of the EU Securitisation Regulation.

(B) without prejudice to the above-mentioned Investor Report, for the purpose of periodic information set forth in Article 7(1) points (f) and (g), the Management Company shall publish a Specific Event Report providing the required information without undue delay following the occurrence of the related events.

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.

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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 section, PERIODIC INFORMATION RELATING TO THE ISSUER

EU Securitisation Regulation Information

(b) Pursuant to the Receivables Purchase and Servicing Agreement and in addition to the information that will be made available by the Seller (or, as the case may be, the Management Company on its behalf) to potential investors before pricing as detailed in paragraph 4.6(i) of Section “THE UNDERLYING ASSETS – The Receivables Purchase and Servicing Agreement” of this Prospectus:

(ii) for the purposes of Article 7(2) of the EU Securitisation Regulation, the Seller and the Management Company on behalf of the Issuer have agreed in the Receivable Purchase and Servicing Agreement that the Issuer (represented by the Management Company) shall be the Reporting Entity in charge of fulfilling the information requirements pursuant to points (a), (b), (d), (e), (f) and (g) of Article 7(1) of the EU Securitisation Regulation.

(B) without prejudice to the above-mentioned Investor Report, for the purpose of periodic information set forth in Article 7(1) points (f) and (g), the Management Company shall publish a Specific Event Report providing the required information without undue delay following the occurrence of the related events.

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]

82	STS Criteria	Verified? YES
	<p>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]</p> <p>PCS Comments</p> <p>See section, PERIODIC INFORMATION RELATING TO THE ISSUER</p> <p>EU Securitisation Regulation Information</p> <p>(b) Pursuant to the Receivables Purchase and Servicing Agreement and in addition to the information that will be made available by the Seller (or, as the case may be, the Management Company on its behalf) to potential investors before pricing as detailed in paragraph 4.6(i) of Section “THE UNDERLYING ASSETS – The Receivables Purchase and Servicing Agreement” of this Prospectus:</p> <p>(ii) for the purposes of Article 7(2) of the EU Securitisation Regulation, the Seller and the Management Company on behalf of the Issuer have agreed in the Receivable Purchase and Servicing Agreement that the Issuer (represented by the Management Company) shall be the Reporting Entity in charge of fulfilling the information requirements pursuant to points (a), (b), (d), (e), (f) and (g) of Article 7(1) of the EU Securitisation Regulation.</p> <p>In particular,</p> <p>(A) for the purpose of periodic information set forth in Article 7(1) points (a) and (e), the Management Company shall publish on each Investor Reporting Date (i) the Investor Report with the information required pursuant to Article 7(1) point (e) and (ii) the Underlying Exposures Report (complying with the requirements of the EU Disclosure RTS) for the information required pursuant to Article 7(1) point (a);</p>	

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	Verified? YES
	<p>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</p> <p>PCS Comments</p> <p>See 82 above.</p>	

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	<p>STS Criteria</p> <p>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.</p> <p>The entity designated in accordance with the first subparagraph shall make the information for a securitisation transaction available by means of a securitisation repository.</p> <p>Or</p> <p>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.</p>	<p>Verified? YES</p>
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PCS Comments

See section, PERIODIC INFORMATION RELATING TO THE ISSUER

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(b) Pursuant to the Receivables Purchase and Servicing Agreement and in addition to the information that will be made available by the Seller (or, as the case may be, the Management Company on its behalf) to potential investors before pricing as detailed in paragraph 4.6(i) of Section "THE UNDERLYING ASSETS – The Receivables Purchase and Servicing Agreement" of this Prospectus:

(ii) for the purposes of Article 7(2) of the EU Securitisation Regulation, the Seller and the Management Company on behalf of the Issuer have agreed in the Receivable Purchase and Servicing Agreement that the Issuer (represented by the Management Company) shall be the Reporting Entity in charge of fulfilling the information requirements pursuant to points (a), (b), (d), (e), (f) and (g) of Article 7(1) of the EU Securitisation Regulation.

In each case, information shall be made available by the Management Company on behalf of the Issuer to the Noteholders, the competent authorities referred to in Article 29 of the EU Securitisation Regulation and, upon request, to potential investors and shall be published on the Securitisation Repository's website;

See section, GLOSSARY OF DEFINED TERMS

"Securitisation Repository" means as at the date of this Prospectus, European DataWarehouse GmbH, a German limited liability company (Gesellschaft mit beschränkter Haftung) incorporated under the laws of Germany, whose registered office is located at Walther-von-Cronberg-Platz 2, 60594 Frankfurt am Main (Germany), registered with the Commercial Register of Frankfurt am Main (Germany) under registration number HRB 92912 ("EDW") and, after the date of this Prospectus, any additional or replacement securitisation repository registered with the European Securities and Markets Authority in accordance with Article 10 (Registration of a securitisation repository) of the EU Securitisation Regulation.

85	STS Criteria 85. The entity responsible for reporting the information, and the securitisation repository where the information is made available shall be indicated in the documentation regarding the securitisation.	Verified? YES
	PCS Comments See 84 above.	