

CRR ASSESSMENT

SUNRISE SPV 20 S.R.L.



PRIME COLLATERALISED SECURITIES (PCS) EU SAS

13 September 2022

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13 September 2022

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PRIME COLLATERALISED SECURITIES (PCS) - Provisional CRR Assessment

Individual(s) undertaking the assessment	Daniele Vella
Date of Verification	13 September 2022
The transaction to be verified (the "Transaction")	Sunrise SPV 20 S.r.l.
Issuer	Sunrise SPV 20 S.r.l.
Originator	AGOS Ducato S.p.A.
Joint Arrangers	Crédit Agricole Corporate and Investment Bank Banca Akros SpA Gruppo Banco BPM
Transaction Legal Counsel	Allen & Overy - Legance
Rating Agencies	DBRS and Fitch
Stock Exchange	Luxembourg Stock Exchange
Closing Date	13 September 2022

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

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

Legislative Text

Article 243 (1)

2. Positions in a securitisation, other than an ABCP programme or ABCP transaction, that qualify as positions in an STS securitisation, shall be eligible for the treatment set out in Articles 260, 262 and 264 where the following requirements are met:

1a

CRR Criteria

(a) at the time of inclusion in the securitisation, the aggregate exposure value of all exposures to a single obligor in the pool does not exceed 2 % of the exposure values of the aggregate outstanding exposure values of the pool of underlying exposures. For the purposes of this calculation, loans or leases to a group of connected clients shall be considered as exposures to a single obligor.

Meets Criteria?
YES

PCS Comments

See the requirement in statement in "THE PORTFOLIOS" - "Concentration Limits" that

<<Within the Purchase Period in relation to any transfer of Receivables and with reference to the Receivables that are not Defaulted Receivables, the following concentration limits shall be respected, as calculated on each Confirmation Date immediately preceding the relevant Purchase Date (with reference to the relevant Valuation Date in respect of the Principal Amount Outstanding of the Subsequent Receivables included in the Purchase Notice and with reference to the immediately preceding Cut-Off Date in respect of the Principal Amount Outstanding of the Receivables already transferred to the Issuer): (...)

(ii) the aggregate amount of the Principal Amount Outstanding of the Receivables vis-à-vis the same Debtor shall not be higher than 0.008% of the aggregate amount of the Principal Amount Outstanding of all the Receivables;>>.

As for the Initial Portfolio, the percentage of "Largest Borrower Concentration" equals to 0.008% (see the Section "THE PORTFOLIOS – The Initial Portfolio", table headed "Summary").

See also the statement in §12. of "THE PORTFOLIOS - Other features of the Portfolios":

<<The outstanding balance of the Receivables owed by the same Debtor does not exceed 2 per cent. of the aggregate outstanding balance of all Receivables comprised in the Portfolios, for the purposes of article 243, paragraph 2(a), of the CRR.>>.

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

1b	<p><u>CRR Criteria</u></p> <p>In the case of securitised residual leasing values, the first subparagraph of this point shall not apply where those values are not exposed to refinancing or resell risk due to a legally enforceable commitment to repurchase or refinance the exposure at a pre-determined amount by a third party eligible under Article 201(1);</p>	<p><u>Meets Criteria?</u></p> <p>YES</p>
	<p><u>PCS Comments</u></p> <p>Not applicable.</p>	

2

CRR Criteria

- (b) at the time of their inclusion in the securitisation, the underlying exposures meet the conditions for being assigned, under the Standardised Approach and taking into account any eligible credit risk mitigation, a risk weight equal to or smaller than:
- (i) 40 % on an exposure value-weighted average basis for the portfolio where the exposures are loans secured by residential mortgages or fully guaranteed residential loans, as referred to in point (e) of Article 129(1);
 - (ii) 50 % on an individual exposure basis where the exposure is a loan secured by a commercial mortgage;
 - (iii) 75 % on an individual exposure basis where the exposure is a retail exposure ⁽²⁾;
- for any other exposures, 100 % on an individual exposure basis;

Meets Criteria?
YES

PCS Comments

2 (b) (iii) should apply.

In respect of the nature of the Borrowers as “retail customers”, we note the statements contained in the Prospectus that:

² See article 123, “Retail exposures” of the Regulation (EU) No 575/2013; for Consumer loans see the amendments to article 123 in (59) REGULATION (EU) 2019/876 and REGULATION (EU) 2020/873, article 2 (1) (a). In particular, pursuant to the amendments to Article 123, under Regulation (EU) 2019/876:
<<Exposures due to loans granted by a credit institution to pensioners or employees with a permanent contract against the unconditional transfer of part of the borrower's pension or salary to that credit institution shall be assigned a risk weight of 35 %, provided that all the following conditions are met:
(a) in order to repay the loan, the borrower unconditionally authorises the pension fund or employer to make direct payments to the credit institution by deducting the monthly payments on the loan from the borrower's monthly pension or salary;
(b) the risks of death, inability to work, unemployment or reduction of the net monthly pension or salary of the borrower are properly covered through an insurance policy underwritten by the borrower to the benefit of the credit institution;
(c) the monthly payments to be made by the borrower on all loans that meet the conditions set out in points (a) and (b) do not in aggregate exceed 20 % of the borrower's net monthly pension or salary;
(d) the maximum original maturity of the loan is equal to or less than ten years.>>.
See article 501 on “Adjustment of risk-weighted non-defaulted SME exposures for “SME Loans” of the Regulation (EU) No 575/2013, as amended in Regulation (EU) 2019/876 and Regulation 2020/873 in (19) and Article 2.1(b).

<<The Portfolios comprise only Receivables deriving from Consumer Loans which qualify as “consumer loans”, i.e. loans extended to individuals (the “consumers”) acting outside the scope of their entrepreneurial, commercial, craft or professional activities.>> (see “RISK FACTORS - 8. LEGAL AND REGULATORY RISKS - Italian consumer legislation contains certain protections in favour of debtors”).

See also “Description of the Warranty and Indemnity Agreement”, §(xvii) requiring that the Receivables arise from Loans granted to individuals:

<<(xvii) All Consumer Loan Agreements have been entered into with individuals (persone fisiche) which were resident in Italy as at the time of the entry into of the relevant Consumer Loan Agreement.>>.

Agos has also specifically confirmed to PCS that all the receivables meet the requirements for 75% risk weighting under the standardised approach.

3

CRR Criteria

(c) where points (b)(i) and (b)(ii) apply, the loans secured by lower ranking security rights on a given asset shall only be included in the securitisation where all loans secured by prior ranking security rights on that asset are also included in the securitisation;

**Meets Criteria?
YES**

PCS Comments

Not applicable.

4

CRR Criteria

(d) where point (b)(i) of this paragraph applies, no loan in the pool of underlying exposures shall have a loan-to-value ratio higher than 100 %, at the time of inclusion in the securitisation, measured in accordance with point (d)(i) of Article 129(1) and Article 229(1).

**Meets Criteria?
YES**

PCS Comments

Not applicable.