



General Terms and Conditions of Verification of STS Verification International GmbH

dated 1 July 2023

■ Scope

These General Terms and Conditions of Verification of STS Verification International GmbH ("**General Terms and Conditions of Verification**"), hereinafter referred to as "**SVI**", regulate the performance of all services of SVI with and for a client (the "**Client**", and together with SVI the "**Contracting Parties**") under an engagement letter between the Contracting Parties (the "**Contract**") within the framework of a verification of compliance with the criteria for simple, transparent and standardised securitisations (the "**STS Criteria**") in accordance with Article 27 (2) of the 'REGULATION (EU) 2017/2402 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 12 December 2017 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation, as amended by Regulation (EU) 2021/557 of 31 March 2021 and hereinafter referred to as the "**Securitisation Regulation**".

SVI is a third party according to Article 28 of the Securitisation Regulation authorised by the competent authority under Article 29 of the Securitisation Regulation (the "**Competent Authority**") to verify the compliance of securitisation transactions (each a "**Transaction**") with the STS Criteria in accordance with Articles 19 to 26e of the Securitisation Regulation.

■ Task execution

SVI provides its services on the basis of the Securitisation Regulation and all related delegated legal acts and other supervisory provisions on the basis of a defined process laid down in its verification manual. The verification manual in its current version, as published on the website of SVI (www.svi-gmbh.com), is part of the verification conditions.

SVI shall be entitled to use both internal and external technical experts to provide its services.



■ **Obligation of the Client to cooperate**

The Client undertakes to provide all cooperation in good time and free of charge.

The acts of cooperation include in particular:

- Nomination of a contact person and a representative who will accompany the verification and will be available as contact persons during regular business hours (Central European Time);
- Timely engagement and participation in the preparation of a verification to ensure on a procedural basis that the verification can be completed in time prior to the announcement and/or closing of the Transaction;
- Timely provision of all Transaction and other documentation required by the verification manual or otherwise reasonably requested by SVI;
- Enabling and adhering to timely and binding appointments for verification actions; and
- Providing all necessary information and arranging all desired additional contacts.

If a Client fails to cooperate or does not comply with its obligations to cooperate in due time and if as a result the timely provision of the STS verification report prepared by SVI in respect of a Transaction (the "**Verification Report**") cannot be ensured in the reasonable opinion of SVI, SVI shall be entitled to terminate the Contract with immediate effect.

The Client shall always be obliged to inform SVI immediately of any findings available to him that could have an impact on the statements made in the Verification Report.

■ **Verification decision**

SVI summarises its verification decision in a Verification Report on a certain date, which will typically be published on the SVI website in the case of public Transactions at least for the tenor of the Transaction in question. For private Transactions SVI will respect relevant confidentiality requirements of the Client. SVI makes its decision at its own discretion on the basis of the information and documents received in the course of the verification activities on the basis of the Securitisation Regulation and all other related regulatory requirements. The verification activity of SVI ends with the issuance of the final Verification Report. Following the verification decision set out in the verification, SVI does not monitor the Transaction during its tenor or thereafter.

Deficiencies identified during the verification process that would lead to a negative Verification Report shall be notified to the Client without delay, allowing for an appropriate period of correction, if possible. The process must be documented.



If the verification is negative, the Client receives a detailed explanation.

■ **Verification fees**

The current version of SVI's fee schedules as published on the SVI website forms part of these General Terms and Conditions of Verification.

■ **Handling of complaints and deficiency findings by the Client, another Transaction party or other third parties and deficiency findings by SVI during the tenor of the transaction**

A complaint or deficiency finding during the tenor of the Transaction is:

1. A written statement from the Client, another Transaction party or a third party (including a Competent Authority) reaching SVI during the Transaction term that the Transaction where the Client is involved is not compliant with any of the STS Criteria and/or the provisions applicable to all securitisations according to Chapter 2 of the Securitisation Regulation or a Client is notified by a Competent Authority pursuant to Chapter 5 of the Securitisation Regulation and that the Verification Report therefore does not reflect the facts of the case with sufficient accuracy. Should the Client become aware of any such statement from another Transaction party or a third party (including a Competent Authority), it shall inform SVI forthwith about such statement. In this case, the Client shall grant SVI the right to investigate the content of the complaint by means of additional verification measures. The costs incurred for the additional verification measures shall be borne by the Client. SVI will, at its discretion, consult the Competent Authority under Article 29 of the Securitisation Regulation for further clarification.
2. A subsequent determination of defects by SVI of an already verified and still ongoing Transaction that results from the fact that the verification of a subsequent Transaction has identified serious, previously hidden defects that also apply to the earlier, already verified but still ongoing Transaction. In this case, SVI shall consult, as appropriate, the Client and the Competent Authority under Article 29 of the Securitisation Regulation for clarification. The costs incurred for the additional verification measures shall be borne by the Client.

Once a verification has been completed through preparation of a final Verification Report, SVI will, in accordance with the above, pursue a complaint or deficiency finding only until the end of the Transaction tenor. There is no obligation to monitor a Transaction after the issuance of the final Verification Report, neither under the



Securitisation Regulation nor under these General Terms and Conditions of Verification.

In the event of a subsequent material change of circumstances other than those mentioned above (e.g. changes in the legal framework) that affect a Transaction that was verified by SVI and where a final Verification Report was prepared by SVI, the Client may instruct SVI, stating the subsequent circumstances, to re-verify the transaction taking into account the subsequent circumstances. The Client shall bear the costs incurred for such re-verification. SVI will, at its own discretion, involve the Competent Authority pursuant to Article 29 of the Securitisation Regulation if the re-verification requires this.

■ Confidentiality

SVI undertakes to treat confidentially all information provided or otherwise made available to it by the Client or third parties (including information provided by third parties on behalf of the Client) within the framework of the contractual relationship with the Client, whether in written, oral, visual, physical, electronic or other form, without this being marked as such. Information shall include know-how communicated by one party to the other in oral, written, visual, physical or other form, whether consciously or unconsciously.

SVI undertakes to keep confidential information entrusted to it strictly confidential and not to pass it on to third parties, with the exception of the service providers of SVI involved in the verification process. In particular, SVI undertakes to use the confidential information exclusively within the framework of the Contract to verify compliance with the STS Criteria under Article 27 (2) of the Securitisation Regulation, with the exception of the disclosure of confidential information to the Competent Authorities or pursuant to legal requirements.

The Contracting Parties undertake that the employees and third parties entrusted by them with the performance of the tasks under outsourcing or similar arrangements shall also be subject to these confidentiality obligations.

The confidentiality obligation of SVI shall not cover information which was already in its possession at the time of provision and was not previously provided by the Client or a third party on behalf of the Client, was made available to it by third parties outside a mandate to verify compliance with the STS Criteria under Article 27 (2) of the Securitisation Regulation without breach of any confidentiality obligation, or is already apparent on public domain. The burden of proof for the existence of one of these exceptions lies with SVI.



The provisions on order processing pursuant to Art. 28 of the general data protection regulation under German law (Datenschutz-Grundverordnung or DSGVO) shall apply between the Client and SVI.

■ **Conflicts of Interest**

In line with the requirements of Article 28 (1) (f) of the Securitisation Regulation, SVI takes all necessary steps to ensure that the verification of STS compliance is not affected by any existing or potential conflicts of interest or business relationship involving SVI, its shareholder, managers, employees, supervisory board members, any other company or natural person whose services are placed at the disposal or under the control of SVI (e.g. under outsourcing contracts) or any other stakeholder of SVI. To that end, SVI has established, maintains, enforces and documents an effective internal control system governing the implementation of policies and procedures to identify and prevent potential conflicts of interest.

Potential or existing conflicts of interest which have been identified are eliminated by SVI by taking appropriate measures. In case they cannot be eliminated, such conflicts of interest are mitigated as far as possible by SVI in an appropriate way and disclosed without delay to the Client.

■ **Liability**

SVI shall not be liable - except in cases of intent and/or gross negligence and unless otherwise provided below - for any damages incurred by the Client as a result of a negative verification decision (see above under section "Verification decision") or termination of Contract. The claim for damages for the breach of essential contractual obligations is limited to the foreseeable damage typical for such types of contract, unless intent and/or gross negligence exists or if liability relates to injury to life, limb or health. Insofar as the liability of SVI is excluded or limited, this shall also apply to employees, representatives, supervisory board members and vicarious agents of SVI.

SVI shall not be liable for damages that are attributable to incorrect or insufficient information, documents or materials and that have been given to it either by or on behalf of the Client or by third parties commissioned by the Client in the course of fulfilment of the Contract, unless SVI has violated the duty of care customary in business transactions to a significant extent.

SVI does not carry out and will not carry out any other investigations or surveys in respect of the Client, other Transaction parties or other aspects of the Transaction concerned other than as set out in the Verification Report and disclaims any



responsibility for monitoring the Client's or other Transaction parties' continuing compliance with the STS Criteria or any other aspect of the Client's or other Transaction parties' activities or operations. Furthermore, SVI has not provided and will not provide any form of advisory, audit or equivalent service to the Client or other transaction parties.

SVI is not a legal advisor and nothing during the verification process or in the Verification Report shall be regarded as legal advice in any jurisdiction.

Accordingly, the Verification Report is only an expression of opinion by SVI after application of its verification methodology and not a statement of fact. It is not a guarantee or warranty that the European Central Bank, any of the European supervisory authorities or national competent authorities, courts, investors or any other person will accept the STS status of the relevant securitisation. Therefore, no person should rely on the Verification Report in determining the STS status but must perform its own analysis and reach its own conclusions.

SVI assumes due performance of the contractual obligation thereunder by each of the parties and the representations made and warranties given in each case by any persons or parties to SVI or in any of the documents are true, not misleading and complete. SVI shall have no liability for any damages of any kind suffered by any person as a result of a securitisation where the Verification Report indicated that it met, in whole or in part, the STS Criteria, certain requirements laid down in Regulation (EU) No 575/2013 (as amended) or any significant risk transfer requirements in each case being held for any reason as not so meeting the relevant requirements or not being able to have lower capital allocated against it. Furthermore, SVI shall not have any liability for any action taken by any person or action from which any person has refrained from taking, in each case as a result of the Verification Report. The above limitations do not apply in the case of intent or gross negligence by SVI or if liability relates to injury to life, limb or health.

■ **Termination rights**

The Client may terminate the Contract with a notice period of four weeks, e.g. if the Transaction is postponed indefinitely or fails to take place. In the event of termination and provided that SVI has already undertaken a significant amount of verification work and, e.g., prepared a draft Verification Report, the fees agreed at the time of the conclusion of the Contract shall be payable in full immediately. If the Client requests SVI to verify a Transaction that is comparable in structure, asset class and jurisdiction within 12 months of termination of the Transaction, the fee for the new Transaction may be reduced to the extent that the results of the verification activities of the terminated Transaction can be used. Such a fee reduction shall always be at the discretion of SVI.



However, in accordance with Article 5 (2) (c) of the COMMISSION DELEGATED REGULATION (EU) 2019/885 of 5 February 2019 with regard to regulatory technical standards specifying information to be provided to a competent authority in an application for authorisation of a third party assessing STS compliance, the Contract between SVI and the Client does not provide for contractual termination clauses or explicitly exclude a breach of contract or non-fulfilment of the verification engagement if, as a result of the verification by SVI, it is determined by SVI that the securitisation transaction does not meet the STS Criteria or if such a result emerges in the course of the verification.

SVI may terminate the Contract with immediate effect for cause pursuant to Section 314 of the German Civil Code. Such cause for termination shall be deemed to exist in particular if

- a. the Client is more than four weeks in arrears with the payment of an invoice;
- b. the Client does not meet its obligations to cooperate or does not do so in due time;
- c. proceedings for the settlement of debts (in particular insolvency) are opened or a relevant application is made concerning the assets of the Client and the Client fails to demonstrate within a reasonable period of time that the application is obviously unfounded despite having been requested to do so;
- d. the Client breaches essential provisions of the General Conditions of Verification. In the case of less serious breaches, this shall apply only if the breaches are not cured within a reasonable time after receipt of a written reminder.

■ **Underlying law**

These General Terms and Conditions of Verification and each Contract are subject to the substantive law of the Federal Republic of Germany.

For all disputes arising out of or in connection with these General Terms and Conditions of Verification and each Contract, the parties agree to an exclusive arbitral settlement, except for proceedings of interim relief, for which the ordinary courts shall remain competent. The Contracting Parties agree on the validity of the Arbitration Rules of the German Arbitration Institute (DIS). The place of arbitration shall be Frankfurt am Main.