

Verification Manual

for STS Third Party Verification

Transaction Types: Non-ABCP Securitisations, ABCP Securitisations (Transaction & Programme-level), Synthetic on-balance-sheet Securitisations and Additional Services

All Asset Classes

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1 List of abbreviations/definitions

ABCP	Asset-backed commercial paper
ABCP Programme	A programme established and managed by a Sponsor to fund one or more ABCP Transactions through the issuance of ABCP
ABCP securitisation	Short-term securitisation through usage of an ABCP Programme
ABCP Transaction	A Transaction funded through an ABCP Programme
Additional Services	CRR Assessment, Article 270 Assessment, LCR Assessment and Gap Analysis
Article 270 Assessment	Verification of compliance of Securitisations with Article 270 (senior positions in synthetic SME securitisations) of the CRR
AuP	Agreed upon Procedures
BaFin	Bundesanstalt für Finanzdienstleistungsaufsicht (German Federal Financial Supervisory Authority)
CLN	Credit-Linked Note
CMBS	Commercial Mortgage-Backed Securities
Competent Authority	The competent authority designated by the member state where the Third Party Verifier is domiciled, pursuant to Article 29 of the Securitisation Regulation and Article 44 of the Kreditwesengesetz (German Banking Act). In the case of SVI (domiciled in Germany) this is BaFin.
COVID-19	The pandemic caused by the COVID-19 virus
CRR	Capital Requirements Regulation (Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms”, as amended by Regulation (EU) 2017/2401 of 12 December 2017, Regulation (EU) 2021/558 of 31 March 2021 and further amended from time to time

CRR Assessment	Verification of compliance of securitisations with Article 243 of the CRR, both in respect of positions in an ABCP Programme or ABCP Transaction (see Article 243 (1) of the CRR) and in respect of positions in a Securitisation other than an ABCP Programme or ABCP Transaction (see Article 243 (2) of the CRR)
DAT	Verification based on the evaluation of data ("Data")
DD	Due diligence information and actions that can be collected or performed using other sources of information ("Due Diligence")
docs	Transaction documentation
EBA	European Banking Authority
EBA Guidelines	EBA Guidelines on the STS criteria for non-ABCP and for ABCP securitisation, respectively, as published on 12 December 2018 and amended on 27 May 2024 and the EBA Guidelines on the STS criteria for synthetic on-balance-sheet securitisation dated 27 May 2024 and effective from 9 December 2024
ECAI	External credit assessment institution
ESMA	European Securities and Markets Authority
EU	European Union
Final Verification Report	Final Verification Report prepared by SVI
Gap Analysis	Verification of compliance of Securitisations with the STS Criteria, in respect of existing securitisations and potential deficiencies regarding compliance with the STS Criteria
HQLA	High Quality Liquid Assets
ITS	Implementing Technical Standard
LCR	Delegated Regulation (EU) 2018/1620 on liquidity coverage requirement for credit institutions dated 13 July 2018, amending Delegated Regulation (EU) 2015/61 to supplement Regulation (EU) No 575/2013 of the European Parliament and the Council with regard to liquidity coverage requirements for Credit Institutions

LCR Assessment	Verification of compliance of securitisations with Article 13 of the LCR
LEG	Existence of contractual obligations according to the Transaction documentation ("Legal")
Level 2B Securitisations	Asset-backed securities as referred to in Article 12 (1) (a) of the LCR that fulfil the requirements of Article 13 of the LCR
LO	legal opinion
Management	The management of SVI
MiFID	Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments
Non-ABCP securitisation	Medium/long-term Securitisation which is not a Securitisation within an ABCP Programme but involves the issuance of Term ABS
Originator	The originator in a Transaction who is involved in the underwriting of the Underlying Exposures
Outsourcing Service Provider	The outsourcing service provider optionally subcontracted by SVI for a Third Party Verification of a specific Transaction
Preliminary Verification Report	Draft preliminary Verification Report prepared by SVI
Prospectus	Preliminary offering circular ("Red herring") or final offering circular ("Black prospectus")
REG	Existence of regulatory and other legal provisions with recognised regulatory mechanisms ("Regulatory")
Regulation (EU) 2021/557	Regulation (EU) 2021/557 of the European Parliament and of the Council of 31 March 2021, amending Regulation (EU) 2017/2402 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation to help the recovery from the COVID-19 crisis

Regulation (EU) 2021/558	Regulation (EU) 2021/558 of the European Parliament and of the Council of 31 March 2021, amending Regulation (EU) No 575/2013 as regards adjustments to the securitisation framework to support the economic recovery in response to the COVID-19 crisis
RMBS	Residential Mortgage-Backed Securities
RPA	Receivables Purchase Agreement
RTS	Regulatory Technical Standards of the European Supervisory Authorities (EBA, ESMA)
RTS on Third-Party Verification	Commission Delegated Regulation (EU) 2019/885 of 5 February 2019, supplementing Regulation (EU) 2017/2402 of the European Parliament and of the Council 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
Securitisation	A Transaction that qualifies as a securitisation according to the Securitisation Regulation
Securitisation Regulation	'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, and amending Directives 2009/65/EC, 2009/138/EC and 2011/61/EU and Regulations (EC) No 1060/2009 and (EU) No 648/2012', as amended by Regulation (EU) 2021/557 of 31 March 2021
Servicer	The servicer in a Transaction who is involved in the on-going management of the Underlying Exposures
SME Securitisation	A Securitisation involving loans to small and medium-sized enterprises
Solvency II	Directive 2009/138/EC of the European Parliament and of the Council on the taking up and pursuit of the business of Insurance and Reinsurance (Solvency II) of 25 November 2009
Sponsor	A credit institution that establishes and manages an ABCP Programme or another securitisation
SSPE	Securitisation special purpose entity

STS	Simple, transparent and standardised
STS Conformity	Compliance with STS Criteria
STS Criteria or STS Requirements	The criteria and requirements stipulated in Articles 18-26e of the Securitisation Regulation
STS Securitisation	A securitisation transaction that fulfils the STS Criteria
Supervisory Board	The supervisory board of SVI
SVI	STS Verification International GmbH
Synthetic Securitisation	A Securitisation involving the transfer of credit risk of the Underlying Exposures by means of a credit protection agreement through the use of financial guarantees or credit derivatives while the ownership of the Underlying Exposures remains with the Originator
Term ABS	(medium/long-term) Asset-Backed Securities
Third Party Verification	Verification of compliance of a Securitisation with the STS Criteria by a Third Party Verifier (such as SVI)
Third-Party Verification Agent	Third-party verification agent referred to in Article 26e (4) of the Securitisation Regulation involved in the determination of a credit event and related matters (Note: this is <u>not</u> the third party / Third Party Verifier referred to in Article 28 of the Securitisation Regulation)
Third Party Verifier	A third party authorised by the Competent Authority pursuant to Article 28 of the Securitisation Regulation to verify compliance of Transactions with the STS Criteria.
Traditional Securitisation	A Securitisation involving the transfer of the economic interest in the Underlying Exposures being securitised through the transfer of ownership of those exposures from the Originator to an SSPE or other financing party
Transaction	An (ABCP, non-ABCP or synthetic on-balance-sheet) Securitisation
Transaction Verification Catalogue	Based on the verification application of an Originator and the application of the rules in this manual, SVI decides and documents in writing how STS Criteria are evaluated for a specific Transaction and summarises this information in the respective Transaction Verification Catalogue

TSI	True Sale International GmbH
Underlying Exposures	The (interest or non-interest bearing) receivables that form part of the securitised portfolio
Verification Manual	The manual / handbook prepared and used by SVI for the purposes of providing Third Party Verification
Verification Report	Final or Preliminary Verification Report prepared by SVI
WAL	Weighted Average Life

2 Purpose of Third Party Verification

As part of its policy of strengthening the European credit and capital markets, the EU has introduced a European securitisation framework consisting of the Securitisation Regulation itself (so-called “level 1”), various Regulatory and Implementing Technical Standards (“level 2”) and various guidelines issued by EBA (“level 3”). The Securitisation Regulation has become effective on 1 January 2019 and has introduced, in addition to certain requirements that apply to all Securitisations (such as requirements in relation to due diligence, risk retention, transparency and other matters), a premium segment for so-called “simple, transparent and standardised securitisations” or “STS Securitisations”. STS Securitisations must fulfil a strict and uniform catalogue of STS Criteria stipulated in Articles 18-26e of the Securitisation Regulation which relate to a range of legal, regulatory, data and underwriting/servicing requirements.

In order to declare a securitisation as STS Securitisation, the Originator and Sponsor (as applicable) must, according to Article 27 of the Securitisation Regulation, submit an STS Notification to ESMA. Although Originators, Sponsors and institutional investors have the primary responsibility for ensuring that compliance with STS Criteria is properly assessed and declared by the Originator or Sponsor, the Securitisation Regulation provides for the possibility of involving a third party in the verification of whether a securitisation complies with the STS requirements, see Article 27 (2) of the Securitisation Regulation. Such Third Party Verification supports the Originators, Sponsors and investors in their evaluation and generally has a confidence-building effect on the markets. It thus creates an important, independent authority that interacts and supports market participants, but also supervisory authorities, and helps to ensure proper interpretation and consistent application of the STS Criteria.

The STS segment had initially been open only to Traditional Securitisations, with the exception of certain types of synthetic SME Securitisations which qualified for STS status if they fulfilled the requirements of Article 270 of the CRR¹.

Amendments to the Securitisation Regulation in the form of Regulation (EU) 2021/557 of 31 March 2021, which became effective on 9 April 2021, have introduced the STS segment also to other types of Synthetic Securitisations, namely synthetic on-balance-sheet Securitisations. These typically involve the securitisation of loans to small and medium-sized enterprises and large corporates, but can also include project finance loans, residential mortgages, consumer loans, auto loans and other asset classes, and are an important tool for credit institutions for the management of their regulatory capital. This fact has been recognised by the European Union as part of its effort to foster economic recovery in the aftermath of the COVID-19 crisis.

3 Legal basis of Third Party Verification

Article 28 of the Securitisation Regulation sets out the conditions under which the competent authority referred to in Article 29 of the Securitisation Regulation shall grant authorisation to a third party referred to in Article 27 (2) of the Securitisation Regulation ("Third Party Verifier") to assess whether securitisations meet the STS criteria set out in Articles 19–26e of the Securitisation Regulation. The requirements set out in Article 28 (1) (a)–(g) of the Securitisation Regulation include the following:

- (a) Fee structure non-discriminatory and cost-based, without differentiating fees depending on, or in correlation with, the results of its assessment
- (b) Not a credit institution, insurance company, investment firm or credit rating agency
- (c) No other advisory, verification or equivalent services for originator, sponsor or special purpose entity that might interfere with independence or integrity
- (d) The management bodies of the third party have appropriate professional qualifications, knowledge and experience and are reliable and integer

¹ Article 270 of the CRR prior to the amendment of the CRR through Regulation (EU) 2021/558 of the European Parliament and of the Council of 31 March 2021.

- (e) At least one third, but no fewer than two independent directors
- (f) Strategies, procedures and control systems in place to identify, eliminate or mitigate and disclose existing or potential conflicts of interest
- (g) Proper operational safeguards and internal processes to assess STS Compliance.

The RTS on Third party Verification provides further details on the required composition of the management body and the organisational structure (Article 2), the corporate governance (Article 3), the independence and avoidance of conflicts of interest (Article 4), the fee structure (Article 5) and operational safeguards and internal processes to assess STS compliance (Article 6) that the third party must possess.

STS Verification International GmbH ("SVI") has been the first entity that was formally authorised by the Competent Authority (BaFin) as Third Party Verifier under the Securitisation Regulation in March 2019. As such, it provides independent and objective verification services in Transactions. It is committed to adhere to the regulatory framework and act in a diligent and professional manner. By providing its verification services, SVI aims to make a significant contribution to ensure that best market practices are applied to STS securitisations for all asset classes and transaction types, and endeavours that these practices are consistently used throughout the EU.

The basis for the activities of SVI is mainly set by external standards. This also applies to this Verification Manual, which is based on the legal framework as set out in the following documents:

- the Securitisation Regulation;
- the CRR;
- all related Regulatory Technical Standards and Implementing Technical Standards;
- the Guidelines on the STS criteria prepared by EBA (the „EBA Guidelines“); and
- any references in the above documents to other EU regulations.

In addition to the legal requirements, SVI is committed to the company's duly adopted Code of Conduct, which ensures the independence and professionalism of the verification process performed by SVI.

On this basis, SVI checks whether the STS requirements are complied with and, within the scope of its verification, identifies any deficiencies (if any) in order to give the Originator and/or Sponsor the opportunity to remedy such deficiencies in accordance with the legal framework.

In the performance of its duties, the management of SVI is committed to the legal framework, the Code of Conduct and its statutory mandate.

4 Structure and organisation of SVI

SVI is a third party authorised under Article 28 of the Securitisation Regulation to verify the fulfilment of the STS Criteria as independent third party.

Its business purpose is strictly limited to this activity and all bodies of SVI are required to comply with the Securitisation Regulation and all related legal acts. For this reason, SVI's corporate governance provides for a clear and unambiguous framework for the integrity and independence of the management of SVI.

The sole shareholder of SVI is True Sale International GmbH (TSI). However, and in order to avoid any potential conflict of interest with its shareholder or TSI's shareholder, the articles of association of SVI ensure that all essential decisions regarding the appointment and supervision of the Management as well as of authorised signatories, questions of the business plan and the fee schedule, all questions relating to the verification of STS Securitisations (insofar as they are not the responsibility of the Management), the annual review of the verification process, etc. are in the responsibility of its Supervisory Board.

The articles of association of SVI were part of the approval process by the Competent Authority under Article 29 of the Securitisation Regulation and the procedural rules laid down therein and the composition of the Supervisory Board thus ensure the independence of SVI in the best possible way.

At least half of the Supervisory Board members of SVI are independent members within the meaning of the Securitisation Regulation and the related delegated acts. According to the Articles of Association, the chair of the Supervisory Board must always be appointed from among the independent members. In the event of a tie,

the chair has a double voting right, which means that the independent members cannot be overruled by the shareholder representatives on the Supervisory Board. No member of the Supervisory Board may be personally associated with clients of SVI via board or advisory functions. Likewise, the rules of procedure of the Supervisory Board prohibit all members of the Supervisory Board from directly or indirectly holding securitisation positions in Transactions that have been verified by SVI.

All of this ensures the independence of SVI and its Management and is a major contribution to ensure that business is conducted in an integer and legally compliant manner and that Management and employees act and behave accordingly vis-à-vis Originators, Sponsors, Competent Authorities and other market participants.

The verification process and the verification result are within the responsibility of the managing director of SVI. The vote of the Supervisory Board is not binding on the Management but may be deviated from only with clearly documented reasons.

On an annual basis, the Management is obliged to conduct a review of the verifications carried out, which also includes all special events and experiences from specific individual verifications carried out during the period under review as well as any changes to the legal framework that may have occurred in the meantime and any market developments of significance for the verification.

The verification review shall be submitted to the Supervisory Board for information and discussion. All major modifications and changes to the verification process, the contractual basis, etc. must be approved by the Supervisory Board.

5 Verification process and scope of verification

The verification process is based on a thorough analysis of the Transaction under review. Additionally, for the verification of an ABCP Programme, a detailed analysis of the relevant aspects of the Sponsor and the Programme-level requirements is carried out. All relevant elements of the Securitisation Regulation, the EBA Guidelines and the relevant RTS/ITS are included in the verification. Verification shall include, in particular, verification of compliance with the STS Criteria in accordance with

Articles 19 to 22 of the Securitisation Regulation (for non-ABCP Securitisations), Articles 23 to 26 of the Securitisation Regulation (for ABCP Securitisations) and Articles 26a to 26e of the Securitisation Regulation (for synthetic on-balance-sheet Securitisations), respectively. Due to the partial referencing of STS Criteria to those Criteria which are valid for all securitisations (e.g. Articles 6 and 7 of the Securitisation Regulation), these are also reviewed to a certain extent. In addition to compliance with transparency requirements, the requirements for the Originator, the requirements for the portfolio to be securitised and the requirements for the Transaction parties and the Transaction structure are also reviewed.

For **Non-ABCP Securitisations**, a Securitisation shall be considered STS if it meets the requirements for simplicity, standardisation and transparency according to Articles 20 to 22 of the Securitisation Regulation.

For **ABCP Securitisations**, an ABCP transaction shall be considered STS if it meets the transaction-level requirements set out in Article 24; an ABCP Programme shall be considered STS if it meets the requirements set out in Article 26 (Programme level requirements) and the Sponsor of the ABCP programme meets the requirements set out in Article 25. The verification process is based on the relevant Transaction- and ABCP Programme-related materials and documents as well as those Originator/Servicer/Sponsor-related documents and documents that are considered relevant to the respective Transaction/ABCP Programme, with corresponding documentation in the Transaction Verification Catalogue. These documents can be, for example, internal credit guidelines or risk evaluations (please also refer to Section 8 of the Verification Manual 'Materials to be used for the verification process'). Please note that, in selected cases, SVI can be asked to perform a Third Party Verification for the same Transaction according to the STS Criteria for both Non-ABCP Securitisations and ABCP Securitisations (Transaction-level), e.g. where a co-funding structure is in place whereby a Transaction is funded partly by one or more ABCP Programme(s) and partly by one or more financing parties that do not employ an ABCP Programme but choose to fund through their own balance sheet.

For **Synthetic Securitisations** seeking compliance with STS, the requirements for simplicity, standardisation and transparency have been retained in Articles 26b to 26d of the Securitisation Regulation, although some STS Criteria applicable to Traditional Securitisations have been deleted (e.g. regarding the true sale

requirements), while others have been amended to reflect the inherent differences between both types of Securitisation. Additionally, a set of new requirements specific to Synthetic Securitisations has been introduced in Article 26e of the Securitisation Regulation to cover the specifics of Synthetic Securitisations such as requirements concerning the credit protection agreement, the Third-Party Verification Agent and the synthetic excess spread.

The verification process itself is carried out in a way that allows external expertise to be included in the verification process in the form of, for example, expert opinions and memos, internal statements by the Originator/Sponsor, factual findings from the AuP report of a suitable party, findings from the Due Diligence or other technical documents. SVI performs the Third Party Verification with its own staff but additionally has the flexibility to outsource part of the verification work (such as a pre-check of legal opinions or other verification steps) to reputable lawyers or other Outsourcing Service Providers (e.g. TSI). In order to ensure the quality of outsourced activities, the assignment is based on a largely standardised service framework contract that binds the Outsourcing Service Provider (service provider involved in the verification process) to the defined verification process and commits that service provider to the corresponding due diligence, documentation and confidentiality standards. The outsourcing of sub-tasks is subject to a documented quality review within SVI, so that the interim results can flow into the overall process for checking compliance with the STS Criteria. The responsibility for the overall process and the evaluation of results from outsourced activities lies exclusively with SVI.

Given that compliance of a Securitisation with the STS Criteria is only the starting point for the treatment of Securitisations or securitisation positions e.g. for differentiated capital treatment or qualification as highly liquid asset, SVI performs Additional Services which include the following:

- Verification of compliance of Securitisations with Article 243 of the CRR, both in respect of positions in an ABCP Programme or ABCP Transaction (see Article 243 (1) of the CRR) and in respect of positions in a Securitisation other than an ABCP Programme or ABCP Transaction (see Article 243 (2) of the CRR) ("**CRR Assessment**");

- Verification of compliance of Securitisations with Article 270 (senior positions in synthetic SME securitisations) of the CRR² ("**Article 270 Assessment**");
- Verification of compliance of Securitisations with Article 13 of the LCR ("**LCR Assessment**"); and
- Verification of compliance of Securitisations with the STS Criteria, in respect of existing securitisations and potential deficiencies regarding compliance with the STS Criteria ("**Gap-Analysis**").

It should be noted that the above-described Additional Services are performed by SVI on an optional basis at the request of the respective client(s) and do not come automatically with a Third Party Verification of a given Transaction.

6 Verification Report

The Verification Report summarises the verification task and execution (verification objective and scope, verification participants, verification period, summary of legal documents reviewed for the verification, details of Due Diligence performed etc.) before proceeding with all the verification steps defined in the Verification Manual or Transaction Verification Catalogue. It follows the order of the STS Criteria to be complied with according to the Securitisation Regulation. Similarly, a report is prepared in respect of each CRR Assessment and LCR Assessment.

Detailed verification steps are assigned to each STS Criterion. These are explained in Section 11 of the Verification Manual (separately for Non-ABCP Securitisations, ABCP Securitisations, Synthetic Securitisations, CRR Assessments (non-ABCP), CRR Assessments (ABCP), Article 270 Assessments and LCR Assessments, respectively) and are complemented in the Verification Report and the assessment report, respectively, by the relevant legal provisions, the documents and records to be considered in the analysis and the verification method(s) employed for the respective STS criterion. The fulfilment of each verification point is evaluated in a Preliminary

² Article 270 of the CRR prior to the amendment of the CRR through Regulation (EU) 2021/558 of the European Parliament and of the Council of 31 March 2021.

and/or Final Verification Report provided to the Originator/Sponsor based on three fulfilment values (traffic light status):

Green: Criterion is fully met

Yellow: The criterion is mostly met, but with comments or requests for missing information.

Red: Criterion not (yet) met based on available information.

Thus, before the Preliminary or Final Verification Report is finalised, the Originator/Sponsor is given the opportunity to make corrections to verification points that have been marked either yellow or red. If the Originator/Sponsor makes changes and/or provides additional information, the STS Criteria concerned shall subsequently be subject to further verification and the relevant updated verification results shall be incorporated accordingly into the Preliminary or Final Verification Report. Typically, the Preliminary Verification Report (which is typically based on the preliminary offering circular and the preliminary pool cut) is made available by SVI at the date of announcement of a public Term ABS and can be used by the Originator and involved parties (e.g. arranger, lead managers) during the pre-marketing process for such public Term ABS. The Preliminary Verification Report will be superseded by the Final Verification Report once the final offering circular and final pool cut have been made available shortly before or upon closing of the Transaction. The Preliminary and Final Verification Report shall be accurately documented by the Management of SVI and kept together with other relevant verification materials and records for the entire period of the Transaction in order to allow SVI to respond to any potential queries and in any case subject to the applicable statute of limitation period.

7 Scope and validity

This Verification Manual shall apply to:

Transaction type: Non-ABCP Securitisations, ABCP Securitisations, Synthetic on-balance-sheet Securitisations and Additional Services

Asset classes: All asset classes, including auto loans and auto leasing receivables, equipment leasing, consumer loan receivables, RMBS, corporate loan securitisations, trade receivables and all other asset classes qualifying for STS securitisation.

In many cases, these are granular portfolios with usually more than 1,000 receivables but can also involve less granular portfolios (e.g. CMBS and securitisations involving e.g. project finance loans and asset-based lending).

The verification processes, verification methods and verification steps described in detail below do not require a distinction between these asset classes. Within the scope of due diligence actions at the Originator, the specific expertise of the Originator/Sponsor with regard to the type of borrower (private, commercial) and the type of financed object (e.g. residential property, cars, equipment) is queried and documented.

Region: Member states of the European Union

8 Materials to be used for the verification process

Materials underlying the verification process typically include the documents listed below, although the type, title and scope of the documents may vary significantly depending on the Originator/Sponsor and the Transaction-specific scope of verification. SVI has full discretion as to which of these documents should be requested and considered in a specific Transaction. Additional information and/or confirmations may be requested at any time at the sole discretion of SVI.

a) Transaction-Related Legal Documentation

For Traditional Securitisations, these include the Prospectus and other core legal Transaction documents such as:

- Receivables purchase agreement
- Servicing agreement
- Legal opinion(s) confirming the true sale for the relevant jurisdiction(s) involved
- Subordinated loan agreement, if any
- Trust agreement
- Deed of charge and assignment
- Note purchase agreement
- Agency agreement
- Accounts agreement
- Swap agreement
- Security account agreement
- Data protection trust agreement
- Corporate services agreement

For Synthetic Securitisations, the above-listed documents are replaced or complemented with the following documents:

- Financial Guarantee
- Terms and Conditions of the issued CLNs
- Information Memorandum
- Terms & Conditions of the note(s) issued
- Legal Opinion regarding the enforceability of the relevant obligations for the relevant jurisdiction(s) involved
- Legal memo summarizing compliance with, e.g., the requirements for funded/unfunded credit protection and other CRR requirements
- Account Bank Agreement
- Cash Administration Agreement
- Cash Deposit Bank Agreement
- Cash Bank Security Agreement

- Custody Agreement
- Deed of Charge

b) Originator/Servicer/Portfolio-related materials

This information may, for example, cover the following points, which may be requested as deemed necessary:

- Due diligence presentation for arrangers, rating agencies and Third Party Verifier
- Credit & Collection policies and other internal materials showing how the credit assessment and monitoring of credit risks is carried out
- Descriptions of the IT programs used in the credit process, access rights, data record structures
- Descriptions of procedures and workflows (e.g. regarding underwriting and servicing)
- Qualification profiles of senior management/senior credit staff;
- Information on the underlying regulatory requirements and competent supervision;
- Loan agreements in use by the Originator and description of the preparation/legal review of the loan agreements and general terms and conditions
- Performance data for non-securitised and securitised portfolios
- Portfolio stratification tables
- AuP report prepared by a qualified institution summarising the scope of work and findings of the asset audit in relation to the verification of compliance of the sample with selected eligibility criteria and, where applicable, the accurateness of the loan data disclosed to investors in any formal offering document
- Access to the liability cash flow model and/or scenario output files

For ABCP Transactions, it is expected that the Sponsor makes available to SVI additional information prepared for its own analysis (e.g. due diligence write-ups, extracts from internal credit papers) to the extent practical.

c) Sponsor/Programme-related materials

This information may, for example, cover the following points, which may be requested as deemed necessary:

- Liquidity facility agreement
- Confirmation by the Competent Authority that the sound management and coverage of any solvency and liquidity risks are fulfilled by the Sponsor
- ABCP issuance prospectus
- Swap agreements
- Corporate services agreement
- Rating agency reports

9 Verification methods

The following verification methods specify how the individual STS Criteria are verified by SVI (the abbreviation – REG/LEG/DD/DAT - corresponds to the classification of the applicable verification methods for each STS criterion as shown in Section 11):

a) **REG (regulatory):** existence of regulatory and other legal provisions with recognised supervisory mechanisms (in particular banking supervisory aspects)

If an Originator can demonstrate that compliance with a particular criterion is normally ensured due to its regulatory status in a particular country and within the framework of the resulting obligations and verification actions (by banking supervision, external or internal audit), this can be relied upon without further verification actions.

b) **LEG (legal):** existence of contractual obligations according to Transaction documentation

Many STS Criteria require the Originator/Sponsor (or service provider or issuer) to include specific representation and warranties, undertakings or other contractual obligations in the Transaction documentation. Whether the existence of a representation and warranty, undertaking or other contractual obligation is sufficient or whether (i) a more extensive review of the validity of a

representation and warranty, undertaking or other contractual obligation should be carried out on the basis of a legal opinion or (ii) the review of compliance with the contractual obligations at the time of closing should be carried out according to any other verification method is to be decided by Management for each individual Transaction and each individual criterion and documented in the Transaction Verification Catalogue or Verification Report, including a brief explanation and justification of the procedure, if no legal requirement exists. In addition to the external legal opinion provided by the Transaction legal counsel or another law firm, a statement of the Originator/Sponsor's legal department or the statement of another qualified party may also be considered.

c) **DD (Due Diligence):** Due Diligence information and actions that can be collected or performed in different ways.

i. Written evidence based on data and tables, internal manuals and work instructions, written documents such as due diligence presentations, etc.

Compliance with STS Criteria may require, among other things, requesting from the Originator/Sponsor such documents (e.g. relevant parts of internal manuals, credit & collection policies, work instructions, due diligence presentations or individually prepared data, tables), evaluations or written expert estimates (from senior management or from specialist departments), reviewing them for the STS Criteria to be verified, and filing them. Instead of the detailed verification of facts, written confirmations of the Originator/Sponsor can also be used.

ii. Verbal evidence by management or responsible specialist departments within the framework of due diligence presentations by the Originator or interviews with experts

In the same manner and often in combination with 9 c) (i), the verbal presentation and discussion of the information concerned may serve to verify compliance with STS Criteria.

In order to properly document any input received, written opinions or confirmations of the Originator/Sponsor may be required.

d) **DAT (data)**: Verification based on own data evaluation, to be distinguished between

i. Verification based on complete surveys (relevant population)

In the case of individual criteria, it may be useful to check compliance by using evaluations of the population (for example, all securitised receivables).

ii. Sampling verification

As an alternative to 9 d) (i), the verification of criteria against a randomly selected and statistically significant sample may be appropriate.

Irrespective of the verification method(s) applied, the following **type of verification result** can be achieved:

- a) Yes / No (digital evaluation)
- b) Hard evidence (100% collection and verification)
- c) Statistical evidence (sample based on the required confidence level)
- d) Validated evidence (assessment and validation based on verification of internal consistency as well as based on predecessor Transactions and market practices)

When preparing the Transaction Verification Catalogue for each individual Transaction, Management will determine the verification methods 9.a) to 9.d) to be used, taking into account the achievable verification result.

10 Verification process

a) Overview of the verification process on a Transaction level (both non-ABCP Securitisations, ABCP securitisations and Synthetic Securitisations)

1. **Initiation**: Sending of application form by SVI to the Originator/Sponsor and return of application form, completed with the respective general Transaction information, to SVI. Alternatively, SVI can be provided with the relevant key transaction information by Email or verbally.

2. **Mandating:** Sending of a signed engagement letter (including SVI general terms and conditions of verification, SVI fee schedule and SVI travel expense guidelines) by SVI to the Originator/Sponsor and return of the countersigned engagement letter to SVI.
3. **Information:** Sending of an initial information package (term sheet, Transaction timeline, working party list) by the Originator/Sponsor to SVI.
4. **Transaction Verification Catalogue:** Based on the information derived from the application form and the initial information package, SVI prepares the Transaction-specific Transaction Verification Catalogue (setting out the verification steps for the specific Transaction based on SVI's Verification Manual) and forwards to Originator/Sponsor.
5. **Outsourcing** by SVI (optional): Assignment of the appropriate outsourcing partner(s).
6. **Verification Process:** Implementation and documentation of verification actions by SVI and its outsourcing partner(s).
7. **STS Conformity:** In case of non-compliance with selected STS Criteria, interim discussion with Originator/Sponsor and possibility for Originator/Sponsor to rework critical aspects of the Transaction. Verification of STS Conformity of the amendments and decision regarding fulfilment of the STS Criteria by SVI.
8. **Preliminary Verification Report** (optional, typically for public non-ABCP securitisations): Preparation of Preliminary Verification Report by SVI and forwarding to Originator/Sponsor; use of the Preliminary Verification Report by Originator, arranger and lead managers at the time of the announcement of a Transaction and during pre-marketing of the Transaction for disclosure to potential investors.
9. **Completion of Verification:** Execution and documentation of open verification actions based on the final Transaction documentation and the closing of the Transaction, final discussion with Originator/Sponsor if necessary.

10. **Final Verification Report:** Preparation and completion, based on information received from the Originator/Sponsor and other relevant parties, of the Final Verification Report.
11. **Publication:** Depending on the Originator/Sponsor's confidentiality requirements, posting of key Transaction information and link to the Preliminary/Final Verification Report and other selected deal information (e.g. STS notification, Prospectus) on SVI's website
12. **Ongoing (optional):** Publication of monthly or quarterly investor reports on the website of SVI.

b) Graphic representation of the verification process (overview for Traditional Securitisations)

Originator	Portfolio	Transaction Parties	Transaction Structure		Transparency
Regulatory framework	Predetermined and clear Eligibility criteria	Clear rules for obligations of key transaction parties	At least one payment made	Appropriate hedging of interest rate and currency risk	Historical performance data for similar exposure
Experience	No exposures in default /no credit-impaired obligors	Replacement language for key transaction parties	5% Retention	Clear description of priorities of payment and triggers	Independent asset audit on the securitised portfolio
Assessment of borrower credit worthiness	Exclusion of "Originate to Distribute"	Experience of Servicer	No Re-Securitisations & Transferable securities	No withholding of funds in an enforcement event	Cash flow model available to investors
	Homogeneity, Defined payment streams		True sale, no severe clawback risks	Appropriate triggers to terminate revolving period	Environmental data on assets financed by the exposures
	Origination in the ordinary course of business		No active portfolio management	Clear definitions and actions regarding non performing exposures	Scope & timing of disclosure obligations (data, docs)
	Legal validity of underlying exposures		Timely transfer	Fall-back provisions in case of non-sequential amortisation	
	Assignability of underlying exposures		No predominant dependence on asset sales	Clear conflict resolution regulations	

c) Verification process in relation to the Sponsor and Programme

In those instances where STS compliance is sought by a Sponsor on an ABCP Programme level, the verification process includes, in addition to the transaction-specific steps outlined in clause a), complementary steps for mandating SVI, exchanging the relevant information and conducting the verification process in respect of the Sponsor and the ABCP Programme.

11 Verification overview tables:

Verification steps and their assignment to legal provisions, methods, materials and remarks



A. Verification Steps for non-ABCP Securitisations

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
1	20	1	Portfolio, Transaction structure	Assignment or Transfer of title to the underlying exposures by means of a true sale and enforceability of such true sale	Legal Opinion („LO“), Receivables Purchase Agree- ment („RPA“), Offering Circular ("OC") or similar	How is the transfer of title to the underlying exposures to the SSPE effected (e.g., through assignment of the underlying exposures, a sub-participation in the underlying exposures, a secured loan structure where the underlying exposures serves as security, or other)? Does the legal opinion confirm the legal "true sale" of the underlying exposures ensuring that such "true sale" is enforceable against the seller and third parties and that under the relevant national insolvency laws the underlying exposures and related security are segregated from the seller, its creditors and the insolvency administrator of the seller in the event of the seller's insolvency? Please also refer to any claw-back aspects under the national insolvency laws under #3 below. (<u>Note</u>: focus should be on the seller, its other creditors and the insolvency administrator. Should the legal opinion or any other legal memos cover the enforceability of the transfer of the underlying exposures against the respective debtors e.g., by referring to any supra-national treaties within the EU or with Third Countries, this should be mentioned) Does the legal opinion confirm that the Transaction documents are legally enforceable? Does the legal opinion make any statements as to the legal, valid and binding nature of (i) the relevant standard loan, lease or other agreements used by the originator that create the underlying exposures and (ii) of the related general terms and conditions used by the originator? If not covered by the legal opinion, does an external legal memo or an in-house confirmation (e.g., from the inhouse legal department of the originator) cover this aspect? If not, does the Transaction documentation include appropriate representations and warranties or other language confirming that the loan, lease or other agreements and the related general terms and conditions are legally valid, binding and enforceable?		1			YES (LEG)	

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
2	20	1	Transaction structure	Requirements for the external legal opinion	LO	Is the legal opinion provided by qualified external legal counsel? Can the qualification be demonstrated by a track record in securitisations in the relevant jurisdiction (e.g., by SVI's prior experience with the legal counsel in other securitisation verified by SVI, information from the legal counsel's website or the legal counsel itself) or by a confirmation from other transaction parties (e.g., arranger's legal counsel or arranger itself)? Is the legal opinion up to date (i.e. ideally not older than 6-12 months)? For existing transactions where an older legal opinion is in place, has the legal opinion been either updated or an appropriate bring-down opinion been provided? Does the legal opinion contain appropriate disclosure language that allows the legal opinion to be made available to the third-party verifying STS compliance and any relevant competent authority from among those referred to in Article 29 of the Securitisation Regulation? Does the exception from the requirement to provide a legal opinion (repeat issuances in standalone securitisation structure or master trusts that use the same legal mechanism for the transfer, including instances in which the legal framework is the same) according to the EBA Guidelines apply to the Transaction?		1			YES (LEG)	
3	20	2	Transaction structure	Specification of severe claw-back provisions : Are there any provisions in the respective national insolvency law, which could allow the insolvency administrator the transfer of the underlying exposures?	LO	What are the relevant jurisdictions whose insolvency laws that are relevant for the Transaction as identified in the legal opinion(s) (based on the centre of main interest of the originator or otherwise)? Does the legal opinion explicitly confirm that the relevant national insolvency laws do not include any severe clawback provisions in the meaning of Article 20 (2) (a) and (b) of the Securitisation Regulation? Does the legal opinion include any explicit or implicit statements as to provisions in the relevant national insolvency law that allow the insolvency administrator to invalidate the transfer of the underlying exposures solely because the transfer was concluded within a certain period of time (claw-back period) before the declaration of the seller's insolvency? Does the legal opinion include any explicit or implicit statements as to provisions in the relevant national insolvency law whereby the SSPE can only prevent the invalidation of the transfer of the underlying exposures if it can prove that it was not aware of the seller's insolvency at the time of the transfer? How shall such proof be demonstrated in the Transaction (e.g., through receipt of appropriate solvency certificates from the seller at the time of the initial transfer at closing and any subsequent transfers during the revolving period)?		1			YES (LEG)	

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D E D	D A T	Verification step applicable? yes / no / deviations	
4	20	3	Transaction structure	Clarification that certain provisions in the national insolvency laws do not constitute severe claw-back provisions	LO	Does the legal opinion include customary qualifications and exemptions as to provisions in the relevant national insolvency law which allow for the invalidation of the transfer of the underlying exposures in the case of fraudulent transfers, unfair prejudice to creditors or transfers intended to improperly favour particular creditors over others, or other circumstances that do not constitute severe claw-back provisions (see also above under #3 for severe claw-back provisions)?		1			YES (LEG)	
5	20	4	Transaction structure	If the sale and transfer is not taking place directly between the seller and the SSPE but intermediate sales take place, is the true sale still fulfilled?	LO, RPA	Is the seller not the original lender (see also #17)? If any intermediate sales take place, are the requirements of Article 20 (1) – (3) of the Securitisation Regulation also met for any prior transfers of the underlying exposures?		1			YES (LEG)	
6	20	5	Portfolio, Transaction structure	If the transfer of receivables and the perfection take place at a later stage , are the trigger events in relation to the seller's credit quality standing sufficiently defined?	LO, Transaction legal documentation („Docs“) (especially RPA)	Is the transfer of title to the underlying exposures perfected at a later stage than the closing of the Transaction? What are the valid reasons for a transfer of the underlying exposures ('perfection of assignment') later than at closing (e.g. immediate tax burden or re-registration costs in the case of a transfer, or mandatory notification of all debtors)? Do the triggers include the following points? - Severe deterioration in the seller's creditworthiness - Insolvency of the seller - unremedied breaches of contractual obligations by the seller		1			YES (LEG)	
7	20	6	Portfolio, Transaction structure	Representations and warranties of the seller regarding to the legal condition of the underlying exposures	Docs (especially RPA)	Does the seller represent and warrant to the best of its knowledge that there are no other encumbrances on the underlying exposures that could impair the enforceability of the true sale? If the seller is not the original lender, does the original lender make the appropriate representations and warranties to the seller? If there is a prohibition of assignment or an extended retention of title, how are the resulting risks mitigated and have these facts been communicated to investors?		1			YES (LEG)	

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
8	20	7	Portfolio, Transaction structure	Predetermined, clear and documented selection criteria ('eligibility criteria') (I / II)	Docs (especially RPA)	Are the eligibility criteria predetermined (i.e. mandatory) and, formulated in a clear manner and documented (i.e. part of the legal documentation) in line with the EBA Guidelines? Can it be expected that compliance with those eligibility criteria is possible to be determined by a court or tribunal as a matter of law or fact or both? Do exposures that are transferred to the SSPE after the closing date of the Transaction (e.g. during a revolving phase) meet eligibility criteria at exposure level that are no less stringent than those applied in the initial selection of the underlying exposures?		1			YES (LEG)	
9	20	7	Portfolio, Transaction structure	Predetermined, clear and documented selection criteria ('eligibility criteria') (II / II)	Agreed-upon Procedures ("AuP") Report	Which of the eligibility criteria are checked in the AuP Report? Are there any material findings in the AuP Report?				1	YES (DAT)	
10	20	7	Originator, Portfolio	No active portfolio management	Docs	Are substitution or deemed collection rules sufficiently clear and to they offer room for active portfolio management? Does the Transaction include any of the following individual techniques that should <u>not</u> be considered active portfolio management: (a) substitution or repurchase due to breach of reps & warranties, (b) substitution or repurchase of underlying exposures that are subject to regulatory dispute to facilitate its resolution, (c) replenishment of underlying exposures during the revolving phase, (d) acquisition of new underlying receivables during the ramp-up phase, (e) repurchase of underlying exposures in the context of the exercise of a clean-up call, (f) repurchase of defaulted exposures to facilitate the workout process, and (g) repurchase of underlying exposures under a repurchase obligation to fully mitigate the value of the assets securing the underlying exposures (e.g. RV receivables)? In case the transaction includes any other substitution or repurchase features that is not included in the above list of individual techniques, does the portfolio management fall under one of the following general purposes? (a) it makes the performance of the securitisation dependent on both the performance of the underlying exposures and on the performance of the portfolio management, or (b) it is performed for speculative purposes aiming to achieve better performance, increased yield or other purely financial or economic benefit.		1			YES (LEG)	
11	20	8	Portfolio, Transaction structure	Securitisation of a homogeneous portfolio in terms of asset type	Docs	Which asset type according to Art. 1 of the RTS on the homogeneity of the underlying exposures has the seller chosen? Does the asset type chosen take into account the specific characteristics relating to the cashflows of the asset type including their contractual credit risk and prepayment characteristics? Does the pool of underlying exposures comprise only one asset type?		1			YES (LEG)	

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
12	20	8	Originator, Portfolio, Transaction structure	Securitisation of a homogeneous portfolio in terms of underwriting and servicing	Due Diligence ("DD") Underwriting and Servicing Policy	Were the underlying exposures originated (underwritten) in accordance with similar underwriting standards? Are the underlying exposures serviced according to similar standards?			1		YES (DD)	
13	20	8	Portfolio, Transparency	Securitisation of a homogeneous portfolio in terms of homogeneity factor	Docs, AuP Report	Which homogeneity factor according to Art. 2 of the RTS on the homogeneity of the underlying exposures has the seller chosen? Please note that the asset types consumer loans and trade receivables (as defined in the RTS on homogeneity) are exempt from the homogeneity factor. For transactions with the asset type according to Article 1 (a) (iv) of the RTS on Homogeneity ("credit facilities, including loans and leases, provided to any type of enterprise or corporation") where the homogeneity factor "type of obligor" is used, can the assignment of an exposure to this asset category be based on the internal classification of the originator (in general for non- prudentially supervised originators and the internal rating model(s) in place for the securitised portfolio approved by their relevant supervisors for prudentially supervised institutions)? Are the same or at least similar internal rating models (or modules of such internal rating models) applied for the securitised portfolio? Check the homogeneity factor based on the sample: Do the requirements of the sample correspond to the selected asset type and the homogeneity factor (e.g. jurisdiction)?		1		1	YES (LEG, DAT)	
14	20	8	Originator, Portfolio, Transaction structure	The underlying exposures contain obligations that are contractually binding and enforceable	Docs, DD	Do the underlying exposures contain obligations of the debtor/guarantor that are contractually binding and enforceable, with full recourse to debtors and, where applicable, guarantors? Those obligations should refer to all obligations contained in the contractual specification of the underlying exposures that are relevant to investors because they affect any obligations on debtors and, where applicable, guarantors to make payments or provide security.		1	1		YES (LEG,DD)	
15	20	8	Portfolio	The underlying exposures have defined periodic payment streams and do not include transferable securities other than unlisted corporate bonds	LO, Docs, AuP Report	Do the underlying exposures have defined periodic payment streams relating to rental, principal or interest payments or to any other right to receive income from assets supporting such payments? (please also refer to the EBA Guidelines for certain exposures which are deemed to have defined periodic payment streams) Do the underlying exposures generate proceeds from the sale of any financed or leased assets? Do the underlying exposures include transferable securities (as defined in Article 4 (1), point (44) of MiFID), other than corporate bonds that are not listed on a trading venue? Are there any representations and warranties or covenants that no transferable securities are allowed for the securitised portfolio? Which of these criteria in relation to defined periodic payment streams and the exclusion of transferable securities are checked within the AuP and are there any material findings in the AuP report?		1	1	1	YES (LEG,DD, DAT)	

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
16	20	9	Portfolio	Are there any securitisation positions in the portfolio?	Docs, DD, AuP Report	Is the sale of securitisation positions legally excluded? Is the origination and/or resale of securitisation positions part of the business model of the originator and permitted under the underwriting policy? Are there any representation and warranties or covenants that no securitisation positions are allowed for the securitised portfolio? Do the requirements of the sample meet the requirements of Art. 20 (9)?		1	1	1	YES (LEG, DD, DAT)	
17	20	10	Originator, Portfolio	Origination of underlying exposures in the ordinary course of business of the originator or the original lender	DD, Underwriting and Servicing Policy	What is the regulatory and supervisory regime under which the originator is operating? If it is a regulated entity, which is the competent supervisory authority overseeing the activities of the originator? Have the underlying exposures been originated in the ordinary course of the originator's or original lender's business? Does the review of the Originator's origination, underwriting and servicing policy for the relevant business area support such assumption? More specifically, were the securitised exposures originated (underwritten) in accordance with uniform standards? Are deviations from the underwriting policy permissible and, if yes, how are these approved and documented? Which criteria are used to select underlying exposures from the relevant business area for securitisation? Is there an obligation to disclose material changes to the underwriting policy for exposures transferred after the closing of the Transaction? How will such material changes be disclosed to potential investors? Will disclosure occur without undue delay?		1	1		YES (LEG, DD)	

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
18	20	10	Originator, Portfolio	Underwriting standards for the underlying exposures	DD	Are there any differences between the underwriting standards for securitised exposures and the underwriting standards applied at the time of origination for similar non-securitised exposures? Differences could relate to, e.g. applicable regulatory standards, competence grid and involvement of decision-makers, distribution channels, product types and product characteristics, annual agreements on (sales) objectives, sales management measures and bonus systems, lending standards, approval processes and incentive measures. At which points can the originator's employees involved e.g. see whether a risk position currently being underwritten and processed is securitised or not? Are the preconditions for the assumption of "similar exposures" according to the EBA Guidelines fulfilled? i.e. do the underlying exposures (a) belong to one of the main asset categories other than "credit facilities, including loans and leases provided to any type of enterprise or corporation" and "other underlying exposures", (b) fall under the category of "credit facilities, including loans and leases provided to any type of enterprise or corporation" (and the same type of obligor) or (c) belong to the asset category "other underlying exposures" and share similar characteristics with respect to the type of obligor, ranking of security rights, type of immovable property and/or jurisdiction? Have (i) the underwriting standards pursuant to which the underlying exposures are originated, and (ii) any material changes from prior underwriting standards that are applied to the exposures that are added to the pool of underlying exposures after the closing of the securitisation as part of the replenishment, been fully disclosed to potential investors without undue delay? <u>Note:</u> To determine if changes to the underwriting standards are 'material', please refer to Point 26. of the EBA Guidelines.			1		YES (DD)	
19	20	10	Originator, Portfolio	Where the underlying exposures are residential mortgage loans , does the portfolio include loans that have been self-certified by the loan applicants?	DD	Does the originator verify the information provided by the loan applicant in the course of the loan application process (e.g. household income)? Is the information provided a relevant (i.e. considered relevant for assessing the creditworthiness of a borrower, access to collateral or for fraud prevention) information? Have the residential loans been marketed and underwritten on the premise that the loan applicant or intermediaries (e.g. brokers) were made aware that the information provided by them might not be verified by the lender?		1	1		YES (LEG, DD)	

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
20	20	10	Originator	Assessment of the borrower's creditworthiness performed in accordance with certain EU Directives on credit agreements for consumers or on credit agreements for consumers relating to residential immovable property or, if applicable, the analogous provisions of a third country	Docs, DD, Confirmation from the originator or other suitable proof (e.g., website information)	What is the regulatory environment under which the originator is operating? Does the business of the originator, if domiciled in the EU, fall under (i) Directive 2008/48/EC on credit agreements for consumers, or under (ii) Directive 2014/17/EU on credit agreements for consumers relating to residential immovable property? Irrespective of the asset class to which the underlying exposures belong (e.g. consumer loans, residential mortgages, but also other asset classes such as corporate loans), does the assessment of the borrower's creditworthiness meet the requirements of - Article 8 of <u>Directive 2008/48/EC on credit agreements for consumers</u> (specifying that (i) the creditor assesses the consumer's creditworthiness on the basis of sufficient information obtained from the consumer and, where necessary, from credit bureaus, and (ii) where the total amount of credit after the conclusion of the credit agreement is changed, the creditor updates the financial information on the consumer and assesses the consumer's creditworthiness before any significant increase in the total amount of credit)? or - paragraphs 1 to 4, point (a) of paragraph 5 and paragraph 6 of Article 18 of <u>Directive 2014/17/EU on credit agreements for consumers relating to residential immovable property</u> (specifying that (i) the creditor makes a thorough assessment of the consumer's creditworthiness, (ii) using established, documented and maintained procedures and information on which the assessment is based, (iii) the assessment of the creditworthiness shall not rely predominantly on the value of the residential immovable property, (iv) the creditor shall not subsequently cancel or alter the credit agreement on the grounds that the assessment of creditworthiness was incorrectly conducted, (v) the creditor only makes the credit available to the consumer where the creditworthiness assessment indicates that the consumer can meet its obligation, and (vi) the consumer's creditworthiness is re-assessed on the basis of updated information before any significant increase in the total amount credit)? In case of exposures originated by EU originators to borrowers in non-EU countries ("third countries"), does the assessment of the borrower's creditworthiness follow similar processes and principles as specified in the above-mentioned EU Directives?	1	1	1	1	YES (REG, LEG, DD, DAT)	

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
21	20	10	Originator	Originator's experience (as an entity or through management and senior staff) in origination of similar risk positions	Docs, DD, Annual reports	(<u>Note</u>: This verification step is usually combined with verification with the verification of the experience of the service provider according to Art. 21 (8) of the Securitisation Regulation if the originator is also acting as servicer, see #35 below) Does the originator or original lender or the consolidated group to which the originator or original lender belongs for accounting or prudential purposes, have at least 5 years of experience in origination and underwriting of exposures similar to those securitised? Alternatively, do at least 2 members of the management board and the senior staff involved have at least 5 years of relevant professional experience in the origination and underwriting of exposures similar to those securitised? Is the relevant professional experience disclosed in sufficient detail to investors? <u>Note</u>: As to the preconditions for the assumption of "similar exposures" according to the EBA Guidelines, please refer to #18 above. For the purposes of determining if an originator or original lender has expertise in originating exposures of a similar nature to those securitised, it should be considered (a) if the members of the management body and the senior staff have adequate knowledge and skills in the origination of exposures of a similar nature to those securitised, and (b) all relevant principles on the quality of the expertise such as (i) role and duties, (ii) experience, education and training, (iii) involvement in the governance structure and (iv), in the case of prudentially regulated entities, the regulatory authorisations and permissions.	1	1	1		YES (REG, LEG, DD)	
22	20	11	Originator, Portfolio	The underlying exposures are transferred without undue delay after selection	Docs	What is the time period between final pool cut and transfer date (closing date)? Is that time period in line with market standards?		1			YES (LEG)	

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
23	20	11	Portfolio	The underlying exposures do not include any defaulted exposures or to debtors/guarantors with impaired creditworthiness	Docs, DD, Confirmation from the originator or other suitable proof(e.g., website information), AuP Report	Does the Originator, if it is an institution that is subject to the CRR, apply the interpretation of Art. 178 (1) of the CRR for the purposes of defining if an exposure is 'in default'? If the Originator is no such institution, does it apply the requirements of Art. 178 (1) of the CRR by analogy? If there is no analogous application, and compliance with this default definition is deemed to be unduly burdensome" (e.g. because this would require major amendments in the originator's receivables management system – reason(s) to be documented), does the originator apply established processes and information obtained (i) from borrowers on origination of the exposures, (ii) during the servicing, or (iii) from third parties? Where and how is the legal obligation to exclude relevant debtors (default and impaired creditworthiness) stipulated in the Transaction documentation (e.g. eligibility criteria)? Has the Originator or original lender fulfilled the 'best knowledge' standard (regarding the question which sources of information it has used to identify defaulted exposures and to determine if a borrower or guarantor is credit-impaired)? In order to consider the 'best knowledge' standard to be fulfilled, we need to obtain confirmation that the originator uses those legally possible steps to obtain information that the originator usually takes within its activities in terms of (i) origination and (ii) servicing, (iii) from a third party or (iv) public information or information on any entries in one or more credit registries, i.e. the originator is not required to take all legally possible steps described in points (i) – (iv), but only those that he usually takes in its ordinary course of business. Have the provisions regarding debtors and guarantors (i) declared insolvent and/or undergone a debt-restructuring process, or (ii) found on a public or other credit registry of persons with adverse credit history, been fulfilled? In case restructured underlying exposures form part of the securitised portfolio, does the originator in its reporting according to Art. 7 (1) of the Securitisation Regulation, specify the proportion of restructured underlying exposures, the time and details of the restructuring as well as their performance since the date of the restructuring? Do the requirements of the AuP sample meet these criteria regarding to debtor/guarantor or those with impaired creditworthiness? Are there IT systems in place at the Originator to ensure that defaulted exposures or exposures to debtors/guarantors with impaired creditworthiness are excluded for the securitised portfolio the time of selection?	1	1	1	1	YES (REG, LEG, DD, DAT)	

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
24	20	11	Portfolio	No exposures to a credit-impaired debtor or guarantor who 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 non-securitised exposures	DD	Which factors are most relevant for determining expected performance? Are these comparable for securitised and non-securitised exposures? On this basis, can it be assumed that no significantly worse performance can be expected for securitised exposures for the term of the Transaction or (if longer) for the next 4 years? This is assumed to be the case, if the underlying exposures do not include (i) exposures classified as doubtful, impaired, non-performing or similar, or (ii) exposures whose credit quality (based on credit ratings or other credit quality thresholds) significantly differs from the quality of other exposures ordinarily originated by the Originator. Is at least one of these alternatives fulfilled?			1	1	YES (DD, DAT)	
25	20	12	Portfolio, Transaction structure	At the time of the transfer, the debtor has paid at least one instalment	Docs, AuP Report	Have the debtors, at the time of inclusion of the underlying exposures, made at least one payment? Is this payment a rental, principal or interest payment or any other kind of ordinary payment specified in the contractual agreement related to the exposure? (<u>Note</u> : EUR 1,- payments or similar are usually not deemed to be "ordinary" payments) Does the exception for this requirement that the securitisation is a revolving Transaction backed by exposures payable in a single instalment or having a maturity of less than one year (including monthly payments on revolving credits) apply to the Transaction? (<u>Note</u> : Further advances and drawings of one exposure or a restructuring of an exposure do not trigger a new 'at least one payment' requirement while the intended transfer of a separate exposure to the same borrower triggers a new 'at least one payment' requirement) Is the 'at least one payment' requirement covered by the scope of the AuP?		1		1	YES (LEG, DAT)	

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
26	20	13	Portfolio, Transaction structure	The repayment of the securitisation position should not be predominantly dependent on the sale of assets securing the underlying exposures	Docs, DD	Is the repayment of the securitisation position predominantly dependent on the sale of assets securing the underlying exposures? (<u>Note:</u> This can be the case e.g. for certain types of CMBS transactions or for auto lease and equipment lease securitisations involving residual values in respect of vehicles and equipment, respectively) Is there a guarantee or repurchase obligation in place in favour of the SSPE which ensures that the SSPE is not exposed to any residual value or other asset risks arising from the assets (e.g. vehicles or properties) securing the underlying exposures? In the case of a guarantee or repurchase obligation by the seller or another third party, are these parties not insolvent and are there no reasons to believe that the repurchase obligation or guarantee cannot be fulfilled? In case there is no full guarantee or repurchase obligation (see above), are all the following requirements met? - the notional amount of the underlying exposures that depend on the sale of the assets securing the underlying exposures does not exceed 50 % of the securitisation positions at the time of transfer - the timing of the maturities of the underlying exposures that depend on the sale of the assets is not subject to material concentrations - the value of the underlying exposures that depend on the sale of the assets per individual debtor does not exceed 2% of all such assets		1	1	1	YES (LEG, DD, DAT)	
27	21	1	Transaction structure	Risk retention (Art. 6.1 of the Securitisation Regulation), usually by the Originator	Docs, DD	Which party holds the risk retention? What form of risk retention in accordance with Art. 6 (3) of the Securitisation Regulation has this party committed itself to? What procedural and technical arrangements have been put in place to ensure that this obligation is met on an ongoing basis? In what form is ongoing compliance with the obligation reported? Has the Originator, sponsor or original lender provided a confirmation to the third-party verification agent that the risk retention requirements will be fulfilled at closing? Does the originator use any form of retention financing and, if yes, does this fulfil the requirements of the RTS on Risk Retention? Does the originator sell, as part of its credit & collection policies, any defaulted exposures that have undergone the full dunning and recovery process to specialised debt purchasers (so-called "debt sales")? Please note that the combination of such debt sales with the risk retention alternative according to Article 6 (3) (c) of the Securitisation Regulation (retention of randomly selected exposures) needs to be carefully checked for compliance with the prohibition to "sell, transfer or otherwise surrender all or part of the rights, benefits or obligations arising from the retained net economic interest" according to Article 12 (1) (b) of the RTS on Risk Retention.		1	1		YES (LEG, DD)	

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
28	21	2	Transaction structure	Appropriate hedging of interest rate and currency risks	DD	Does the Transaction feature any interest rate and/or currency risks? (<u>Note</u>: Also Transactions involving non-interest bearing receivables such as trade receivables can feature interest rate risks as, in an early amortisation scenario, interest on the liabilities has to be paid) Are these risks appropriately mitigated e.g. in the form of derivatives or other structural instruments (e.g. including reserve funds, overcollateralization, excess spread or other measures such as yield reserves)? Have these mitigation measures been disclosed e.g. in the Transaction documentation? Does the SSPE enter into other derivative contracts other than to hedge interest rate or currency risks? Have those derivative contracts been underwritten and documented according to common standards in international finance (including ISDA or similar established national documentation standards, e.g. Deutscher Rahmenvertrag)? Does the pool of underlying exposures include derivatives?		1	1		YES (LEG, DD)	
29	21	3	Transaction structure	Generally used reference rates for interest payments	Docs	Which reference interest rates are used for - underlying exposures - securitisation liabilities (notes issued) - Cash accounts of the SSPE - Interest rate and currency hedges Should these interest rates to be considered to be an adequate reference basis for referenced interest payments (e.g. interbank rates, rates set by monetary policy authorities or sectoral rates reflective of a lender's cost of funds (see the list of various types of rates suggested in point 57 of the EBA Guidelines)? Does the legal documentation include alternative benchmark language in case of Libor/Euribor ceasing to be eligible interbank rates? Do any of these referenced interest rate payments make reference to complex formulae or derivatives?		1	1		YES (LEG, DD)	
30	21	4	Transaction structure	Requirements in the event of an enforcement or delivery of an acceleration notice	Docs	Are there any arrangements for the trapping of cash in the SSPE, to what extent, and are the exceptional circumstances documented? Are principal receipts from the underlying exposures used for the sequential amortisation of the securitisation positions? Is a repayment of the securitisation positions in reverse order of priority foreseen under the documentation in case of an enforcement event? Is an automatic liquidation or sale (other than based on a decision of the investors to liquidate) of underlying exposures or underlying collateral provided for under the documentation?		1			YES (LEG)	

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
31	21	5	Transaction structure	Sequential repayment as fall-back in the event of a deterioration in portfolio quality for Transactions that feature a non-sequential priority of payments	Docs	Is a non-sequential amortisation priority of payment foreseen? If so, which performance-based triggers, which determine the switch of the amortisation from pro-rata to a sequential priority, are contractually specified in the legal documentation? Do these performance triggers serve the purpose of safeguarding the Transaction from the possibility that credit enhancement is too quickly amortised as the credit quality of the transaction deteriorates, thereby exposing senior investors to a decreasing amount of credit enhancement? (please note that a further reversal from sequential to non-sequential, e.g. upon a potential cure of the triggers, is not possible) Possible performance related trigger calculations may include one or more of the following (<u>Note</u>: the EBA Guidelines provide for some flexibility as to the exact definition of the performance-related trigger(s): - increase of cumulative losses (e.g. compared to the regulatory expected loss or as a measure of the amount of the senior and subordinated tranches) - decrease of the weighted average credit quality of the portfolio or increase of the concentration of exposures in high credit risk (probability of default) buckets - any other suitable performance-related trigger(s) such as increase of delinquencies or defaults above a pre-determined level, decrease of the excess spread below a certain minimum level, decrease of the overcollateralization to below a certain ratio		1			YES (LEG)	
32	21	6	Transaction structure	Early amortisation provisions or triggers for termination of the revolving phase to include at least the following: a) deterioration in the credit quality of the underlying exposures below a predefined threshold b) insolvency-related events in relation to the Originator or the Servicer c) decline in value of the underlying exposures below a predefined threshold d) failure to generate sufficient new underlying exposures for replenishments under revolving Transactions	Docs	Does the Transaction feature a revolving period? If yes, where and in what form are the below requirements documented? Are there any delinquency or default-related triggers included which measure the credit quality of the underlying exposures? Are there any insolvency-related triggers included in relation to the originator or the servicer? Are there any early amortisation provisions which are triggered by a decline in value of the underlying exposures below a pre-defined threshold (e.g. comparison with outstanding notes or a minimum overcollateralization level)? Are there any triggers included for a scenario where no sufficient underlying exposures are available to replenish the portfolio during the revolving period (e.g. measured by a replenishment ledger or similar feature)? (<u>Note</u>: Such trigger makes sense for public transactions with a fixed amount of outstanding notes during the revolving phase but may not be suitable for private transactions that allow for a fluctuating portfolio size that are financed by a corresponding fluctuating amount of notes and/or loans)		1			YES (LEG) (if transaction features a revolving phase)	

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
33	21	7	Transaction structure, Transaction parties	Clear rules in the Transaction documentation regarding obligations, tasks and responsibilities of the Servicer, Trustees and other ancillary service providers	Docs	Does the Transaction documents clearly specify: The contractual obligations, duties and responsibilities of the Servicer, Trustee (if any) and other ancillary service providers (e.g. SSPE administrator, security trustee, account bank)? How is it ensured that a default by or an insolvency of the Servicer does not lead to the termination of the servicing? What are the contractual provisions for a replacement of the Servicer? What is the replacement language for hedge counterparties, liquidity providers and account bank in case of their default, insolvency and other specified events (e.g. a deterioration in creditworthiness measured, e.g., by a rating trigger?		1			YES (LEG)	
34	21	8	Originator	Experience of the Servicer (management and senior staff) in the servicing of exposures of a similar nature to those securitised	Docs, DD, Confirmation from the originator or other suitable proof (e.g. website information)	(<u>Note</u> : This verification step is usually combined with the verification of the experience of the Originator according to Art. 20 (10) of the Securitisation Regulation if the originator is also acting as servicer see #17 and #21 above.) What is the regulatory environment under which the Servicer operates? Has the business of the Servicer or of the consolidated group to which the Servicer belongs, at least 5 years of experience in servicing exposures similar to the underlying exposures? Are the requirements regarding the "exposures of a similar nature" according to point 71. of the EBA Guidelines fulfilled? Please also refer to #18 above. Alternatively, do at least 2 members of the management board and the senior staff (other than the members of the management body) who are responsible for managing the entity's servicing of exposures have at least 5 years of relevant professional experience on a personal level, and is the servicing of the entity backed by a back-up servicer that is compliant with the minimum 5 years of experience on a business level? For the purpose of demonstrating the number of years of professional experience, is the relevant expertise disclosed in the legal documentation in sufficient detail and in accordance with the applicable confidentiality requirements to allow investors to carry out their due diligence obligations? For the purposes of determining if a Servicer has expertise in servicing exposures of a similar nature to those securitised, it should be considered (a) if the members of the management body and the senior staff have adequate knowledge and skills in the servicing of exposures of a similar nature to those securitised, and (b) all relevant principles on the quality of the expertise such as (i) role and duties, (ii) experience, education and training, (iii) involvement in the governance structure and (iv), in the case of prudentially regulated entities, the regulatory authorisations and permissions.	1	1	1		YES (REG, LEG, DD)	

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
35	21	8	Originator	Appropriate and well documented risk management and service policies , procedures and controls in place at the Servicer	DD, Confirmation from the originator / servicer or other suitable proof (e.g., website information)	Does the Servicer have in place well-documented and adequate policies, procedures and risk-management controls relating to the servicing of exposures? Is the Servicer a regulated entity in the EU (i.e. falls under the CRR), see above under #35? Are these authorisations or permissions deemed relevant to the servicing? If the Servicer does not fall under the CRR, has the Servicer provided proof of existence of well-documented and adequate policies and risk management controls (e.g. credit & collection policy)? Have such policies and controls been reviewed by another experienced and market-recognised party such as a rating agency or an auditor, and have no material findings been identified? Are there any conclusions that can be drawn from the Due Diligence in relation to risk management controls, procedures that have an impact on the servicing of the underlying exposures (e.g. dunning procedures, debt collection, realisation of collateral)?	1		1		YES (REG, DD)	
36	21	9	Originator, Transaction structure	Clear and coherent definitions, regulations and possible measures regarding to the servicing of non-performing exposures , specification of the priorities of payment	Docs, DD	Does the Transaction documentation provide for clear and consistent (in a sense that the same precise definitions etc. are used throughout the Transaction documentation) terms regarding to delinquency and default of debtors, debt restructuring, debt forgiveness, forbearance, payment holidays, losses, charge-offs, recoveries and other asset performance remedies? Does the Transaction documentation clearly specify the priorities of payment (see Pre-Enforcement Priority of Payments and Post-Enforcement Priority of Payments)? Does the Transaction documentation clearly specify the events which trigger changes in such priorities of payment? (e.g. in the form of enforcement events or events of default)? Is the obligation to report such events to investors clearly documented (see also #42)? Is a change in the priorities of payments (which will materially adversely affect the repayment of the securitisation position) reported to investors without undue delay?		1	1		YES (LEG, DD)	

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
37	21	10	Transaction structure	Clear rules in the event of conflicts between the different classes of noteholders	Docs	Do mandatory statutory provisions exist in the applicable jurisdiction that set out how conflicts between investors must be resolved? Does the transaction documentation refer to these applicable national provisions (e.g. the German Bond Act or similar legislation in other countries)? Does the transaction documentation include clear provisions that facilitate the timely resolution of conflicts between different classes of investors? This should include provisions regarding to: - method for calling creditors' meetings (face-to-face or by telephone) - maximum time limits for convening of a creditors' meeting - quorum required for votes - quorum depending on the claims represented and the nature of the decision - location for any investor meetings (should be in the EU) The requirement to include the above-mentioned provisions also applies to transactions where there is one class of external investors and the originator holds a subordinated note or provides a subordinated loan, as such a structure should, according to the Joint Committee Q&A, be considered as two different classes of investors.	1	1			YES (REG, LEG)	
38	22	1	Portfolio	Provision of historical performance data before pricing	Docs, DD	Do the provided data include the following areas in the static and/or dynamic format - defaults (i.e. gross losses) - losses (i.e. net losses after recoveries) - delinquencies Does the data history cover a period of at least 5 years? Are the data provided before pricing? Are the data provided for 'substantially similar exposures' to those being securitised? This is fulfilled when (i) the most relevant factors determining the expected performance of the underlying exposures are similar, and (ii) as a result of such similarity, it can be reasonably expected that their performance would not be significantly different. In cases where the Originator cannot provide data in line with the above requirements, are there external data that are publicly available or provided by a suitable third party (e.g. rating agency or another market participant) available and are the other requirements of this Article met?		1	1	1	YES (LEG, DD, DAT)	

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D E V	D A T	Verification step applicable? yes / no / deviations	
39	22	2	Transparency	Performance of an asset audit based on a sample and defined audit steps (Agreed upon Procedures, AuP) by an external independent party	AuP Report	Is the party performing the asset audit qualified and experienced, and neither a rating agency, Third Party Verification Agent nor an entity affiliated to the Originator, Sponsor, Investor or SSPE? (typically, an auditor will perform this role) Is the sample drawn representative of the securitised portfolio (usually ensured by a sufficiently large sample and random selection)? Has the required 95% confidence level been achieved? Is the scope of the asset audit sufficient and cover compliance of the underlying exposures with the key eligibility criteria? Does the scope of the verification of the data disclosed in the offering document (including the portfolio stratification tables, information on weighted average lives of the notes issued, information on the expected amortisation schedule of the notes issued) sufficient? Are AuPs carried out based on the provisional or final pool? If the AuP is carried out based on the provisional pool, is this largely comparable with the final pool? Is the asset audit carried out before the securities are issued (i.e. closing date)? Does the prospectus or Transaction documentation confirm that this review has taken place and that there are no material findings?				1	YES (DAT) (AuP re. eligibility criteria either on provisional pool or final pool, Audit of pool information in respect of the underlying exposures in the OC, if applicable)	
40	22	3	Transparency	Provision of a precise liability cash flow model to the investors prior to pricing by the Originator	Cash Flow Model, Docs	Does the Transaction documentation include an obligation by the originator to make a cash flow model available to potential investors? Does the cash flow model precisely reflect the contractual relationships and cash flows from the securitised portfolio and payments between Originator/Servicer, SSPE, investors and other third parties? Can different prepayment and loss scenarios be modelled? In what form is the cash flow model provided? Has the cash flow model been prepared by the Originator or by third parties? Is the cash flow model provided before pricing? Does the Originator undertake to provide potential investors with a cash flow model on an ongoing basis upon request?		1		1	YES (LEG, DAT)	

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
41	22	4	Transparency	For residential mortgage loan and auto loan/auto leasing portfolios: publication of information on the environmental performance of the assets financed by such underlying exposures (energy performance certificates) Alternatively: publication of the available information related to the principal adverse impacts of the assets financed by such underlying exposures on sustainability factors	Docs, DD	Is the information on the energy performance certificates for the assets financed by the underlying exposures (i.e. residential properties, cars) available to the Originator <u>and</u> captured in its internal database or IT systems? Is the information available for the entire portfolio or only for a proportion of the underlying exposures? Does the originator publish the available information related to the principal adverse impacts of the assets financed by such underlying exposures on sustainability factors, as specified in detail in the RTS on Sustainability disclosure for STS securitisations?		1	1		YES (LEG, DD) (optional, depending if manufacturers' / properties' data is in the originator's systems)	

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
42	22	5	Transparency	Compliance with the provisions of Art. 7 of the Securitisation Regulation (regarding Transparency) is the responsibility of the Originator or sponsor	Docs, DD	Which entity (originator, sponsor) has been designated according to Article 7 (2) of the Securitisation Regulation to fulfil the Transparency requirements according to Art. 7 (1) of the Securitisation Regulation? Is the information on the underlying exposures made available to potential investors before pricing upon request? Is the information on the transaction documentation made available to potential investors before pricing at least in draft or initial form? Will the final transaction documentation be made available to investors at the latest 15 days after closing of the transaction? The information requirement according to <u>Art. 7 of the Securitisation Regulation</u> include the following: • Art. 7 (1) (a): Information on the underlying exposures (loan-level data) • Art. 7 (1) (b): All underlying key transaction documentation, including the prospectus, receivables sale agreement, swap agreements, servicing agreement, trust deed, intercreditor agreement and other relevant transaction documents. In addition, the underlying documentation shall include a detailed description of the priority of payments of the transaction. • Art. 7 (1) (c): Where no prospectus has been provided, a transaction summary explaining the main features of the securitisation • Art. 7 (1) (d): STS notification pursuant to Art. 27 of the Securitisation Regulation • Art. 7 (1) (e): Quarterly investor reports • Art. 7 (1) (f): Any inside information relating to the securitisation to be made public by the originator, sponsor or SSPE pursuant to Article 17 of Regulation (EU) No. 596/2014 (Market Abuse Regulation) (<u>Note</u>: Article 17 of the Market Abuse Regulation applies to issuers whose financial instruments are admitted to trading on a regulated market in a Member State or whose instruments are traded on a multilateral trading facility (MTF) or on an organised trading facility (OTF) systems in a Member State) • Art. 7 (1) (g): Where the Market Abuse Regulation does not apply, any significant event (e.g. material breach of any obligation in the transaction documents) Is the information made available by the designated entity made available to investors through a securitisation repository (<u>Note</u>: this is mandatory for securitisations where a prospectus has been drawn up)? Where no securitisation repository has been used (because the securitisation does not involve the drawing up of a prospectus), does the entity designated by the Originator, sponsor and SSPE make the required information available by means of a website in a way that fulfils the minimum requirements stipulated in Art. 7 (2) (e)?		1	1		YES (LEG, DD)	

B. Verification Steps for ABCP Securitisations

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
1	24	1	Portfolio, Transaction structure	Assignment or Transfer of title to the underlying exposures by means of a true sale and enforceability for such true sale	Legal Opinion („LO“), Receivables Purchase Agreement („RPA“), Offering Circular („OC“) or similar	How is the transfer of title to the underlying exposures to the SSPE effected (e.g., through assignment of the underlying exposures, a sub-participation in the underlying exposures, a secured loan structure where the underlying exposures serves as security, or other)? Does the legal opinion confirm the legal “true sale” of the underlying exposures ensuring that such “true sale” is enforceable against the seller and third parties and that under the relevant national insolvency laws the underlying exposures and related security are segregated from the seller, its creditors and the insolvency administrator of the seller in the event of the seller’s insolvency? Please also refer to any clawback aspects under the national insolvency laws under #3 below. (Note: focus should be on the seller, its other creditors and the insolvency administrator. Should the legal opinion or any other legal memos cover the enforceability of the transfer of the underlying exposures against the respective debtors e.g. by referring to any supra-national treaties within the EU or with Third Countries, this should be mentioned) Does the legal opinion confirm that the Transaction documents are legally enforceable? Does the legal opinion make any statements as to the legal, valid and binding nature of (i) the relevant standard loan, lease or other agreements used by the originator that create the underlying exposures and (ii) of the related general terms and conditions used by the originator? If not covered by the legal opinion, does an external legal memo or an in-house confirmation (e.g., from the inhouse legal department of the originator) cover this aspect? If not, does the Transaction documentation include appropriate representations and warranties or other language confirming that the loan, lease or other credit agreements and the related general terms and conditions are legally valid, binding and enforceable?		1	1		YES (LEG, DD)	

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D E D	D A T	Verification step applicable? yes / no / deviations	
2	24	2	Transaction structure	Requirements for the external legal opinion	LO	Is the legal opinion provided by a qualified external legal counsel? Can the qualification be demonstrated by a track record in securitisations in the relevant jurisdiction (e.g., by SVI's prior experience with the legal counsel in other securitisation verified by SVI, information from the legal counsel's website or the legal counsel itself) or by a confirmation from other transaction parties (e.g., arranger's legal counsel or arranger itself)? Is the legal opinion up to date (i.e. ideally not older than 6-12 months)? For existing transactions where an older legal opinion is in place, has the legal opinion been either updated or an appropriate bring-down opinion been provided? Does the legal opinion contain appropriate disclosure language that allows the legal opinion to be made available to the third-party verifying STS compliance and any relevant competent authority from among those referred to in Article 29 of the Securitisation Regulation? Does the exception from the requirement to provide a legal opinion (subsequent ABCP transaction in an ABCP Programme for the same Seller that uses the same legal mechanism for the transfer and to which the same legal framework applies) apply to the Transaction?		1			YES (LEG)	
3	24	2	Transaction structure	Specification of severe claw-back provisions : Are there any provisions in the respective national insolvency law, which could allow the insolvency administrator to invalidate the transfer of the underlying exposures?	LO	What are the relevant jurisdictions whose insolvency laws that are relevant for the Transaction as identified in the legal opinion(s) (based on the centre of main interest of the originator or otherwise)? Does the legal opinion explicitly confirm that the relevant national insolvency laws do not include any severe claw-back provisions in the meaning of Article 24 (2) (a) and (b) of the Securitisation Regulation? Does the legal opinion include any explicit or implicit statements as to provisions in the relevant national insolvency law that allow the insolvency administrator to invalidate the transfer of the underlying exposures solely because the transfer was concluded within a certain period of time (claw-back period) before the declaration of the seller's insolvency? Does the legal opinion include any explicit or implicit statements as to provisions in the relevant national insolvency law whereby the SSPE can only prevent the invalidation of the transfer of the underlying exposures if it can prove that it was not aware of the seller's insolvency at the time of the transfer? How shall such proof be demonstrated in the Transaction (e.g., through receipt of appropriate solvency certificates from the seller at the time of the initial transfer at closing and any subsequent transfers during the revolving period)?		1			YES (LEG)	

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D E D	D A T	Verification step applicable? yes / no / deviations	
4	24	3	Transaction structure	Clarification that certain provisions in the national insolvency laws do not constitute severe claw-back provisions	LO	Does the legal opinion include customary qualifications and exemptions as to provisions in the relevant national insolvency law which allow for the invalidation of the transfer of the underlying exposures in the case of fraudulent transfers, unfair prejudice to creditors or transfers intended to improperly favour particular creditors over others, or other circumstances that do not constitute severe claw-back provisions (see also above under #3 for severe claw-back provisions)?		1			YES (LEG)	
5	24	4	Transaction structure	If the sale and transfer is not taking place directly between the seller and the SSPE but intermediate sales take place, is the true sale still fulfilled?	LO, RPA	Is the seller not the original lender (see also #30)? If any intermediate sales take place, are the requirements of Article 24 (1) -(3) of the Securitisation Regulation also met for any prior transfers if the underlying exposures?		1			YES (LEG)	
6	24	5	Portfolio, Transaction structure	If the transfer of receivables and the perfection take place at a later stage , are the trigger events in relation to the seller's credit quality standing sufficiently defined?	LO, Transaction legal documentation („Docs”) (especially RPA)	Is the transfer of title to the underlying exposures perfected at a later stage than the closing of the Transaction? What are the reasons for a transfer of the underlying exposures ('perfection of assignment') later than at closing (e.g., immediate tax burden or re-registration costs in the case of a transfer, or mandatory notification of all debtors)? Do the triggers include the following points? - Severe deterioration in the seller's creditworthiness - Insolvency of the seller - unremedied breaches of contractual obligations by the seller		1			YES (LEG)	
7	24	6	Portfolio, Transaction structure	Representations and warranties of the seller regarding to the legal condition of the underlying exposures	Docs (especially RPA)	Does the seller assure represent and warrant to the best of its knowledge that there are no other encumbrances on the underlying exposures that could impair the enforceability of the true sale? If the seller is not the original lender, does the original lender make the appropriate representations and warranties to the seller? If there is a prohibition of assignment or an extended retention of title, how are the resulting risks mitigated and have these facts been communicated to investors?		1			YES (LEG)	

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
8	24	7	Portfolio, Transaction structure	Predetermined, clear and documented selection criteria ('eligibility criteria') (I / II)	Docs (especially RPA)	Are the eligibility criteria predetermined (i.e. mandatory) and, formulated in a clear manner and documented (i.e. part of the legal documentation) in line with the EBA Guidelines? Can it be expected that compliance with those eligibility criteria is possible to be determined by a court or tribunal as a matter of law or fact or both? Do exposures that are transferred to the SSPE after the closing date of the Transaction (e.g. during a revolving phase) meet eligibility criteria at exposure level that are no less stringent than those applied in the initial selection of the underlying exposures?		1			YES (LEG)	
9	24	7	Originator, Portfolio	Predetermined, clear and documented selection criteria ('eligibility criteria') (II / II)	Agreed-upon Procedures („AuP“) Report	Which of the eligibility criteria are checked in the AuP Report? Are there any material findings in the AuP Report?				1	NO (no AuP Report)	
10	24	7	Transaction structure	No active portfolio management	Docs	Are substitution or deemed collection rules sufficiently clear and to they offer room for active portfolio management? Does the Transaction include any of the following individual techniques that should not be considered active portfolio management: i. substitution or repurchase due to breach of reps & warranties, ii. substitution or repurchase of underlying exposures that are subject to regulatory dispute to facilitate its resolution, iii. replenishment of underlying exposures during the revolving phase, iv. acquisition of new underlying receivables during the ramp-up phase, v. repurchase of underlying exposures in the context of the exercise of a clean-up call, vi. repurchase of defaulted exposures to facilitate the workout process, and vii. repurchase of underlying exposures under a repurchase obligation to fully mitigate the value of the assets securing the underlying exposures (e.g. RV receivables)? In case the transaction includes any other substitution or repurchase features that is not included in the above list of individual techniques, does the portfolio management fall under one of the following general purposes? (a) It makes the performance of the securitisation dependent on both the performance of the underlying exposures and on the performance of the portfolio management, or (b) it is performed for speculative purposes aiming to achieve better performance, increased yield or other purely financial or economic benefit.		1			YES (LEG)	

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
11	24	8	Portfolio	Are there any securitisation positions in the portfolio?	Docs, DD	Is the sale Is the sale of securitisation positions legally excluded? Is the origination and/or resale of securitisation positions part of the business model of the originator and permitted under the underwriting policy? Are there any representation and warranties or covenants that no securitisation positions are allowed for the securitised portfolio? Do the requirements of the sample meet the requirements of Article 24 (8)? Does the structure of the purchasing SSPE, the issuance of senior and junior notes and the ABCP Programme comply with the requirement of no re-securitisation according to the EBA Guidelines?		1	1		YES (LEG, DD)	
12	24	9	Originator, Portfolio	The underlying exposures are transferred without undue delay after selection	Docs	What is the time period between final pool cut and transfer date (closing date)? Is that time period in line with market standards?		1			YES (LEG)	

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
13	24	9	Portfolio	The underlying exposures do not include any defaulted exposures or to credit-impaired debtors or guarantors	Docs, DD, Confirmation from the originator or other suitable proof (e.g., Website information)	Does the Originator, if it is an institution that is subject to the CRR, apply the interpretation of Article 178 (1) of the CRR for the purposes of defining if an exposure is 'in default'? If the Originator is no such institution, does it apply the requirements of Article 178 (1) of the CRR by analogy? If there is no analogous application, and compliance with this default definition is "deemed to be unduly burdensome" (e.g. because this would require major amendments in the originator's receivables management system – reason(s) to be documented), does the originator apply established processed and information obtained (i) from borrowers on origination of the exposures, (ii) during the servicing, or (iii) from third parties? Where and how is the legal obligation to exclude relevant debtors (default and impaired creditworthiness) stipulated in the Transaction documentation (e.g. eligibility criteria)? Has the Originator or original lender fulfilled the 'best knowledge' standard (regarding the question which sources of information it has used to identify defaulted exposures and to determine if a borrower or guarantor is credit-impaired)? In order to consider the 'best knowledge' standard to be fulfilled, we need to obtain confirmation that the originator uses those legally possible steps to obtain information that the originator usually takes within its activities in terms of (i) origination and (ii) servicing, (iii) from a third party or (iv) public information or information on any entries in one or more credit registries, i.e. the originator is not required to take all legally possible steps described in points (i) – (iv), but only those that he usually takes in its ordinary course of business. Have the provisions regarding debtors and guarantors (i) declared insolvent and/or undergone a debt-restructuring process, or (ii) found on a public or other credit registry of persons with adverse credit history, been fulfilled? In case restructured underlying exposures form art of the securitised portfolio, does the originator in its reporting according to Article 7 (1) of the Securitisation Regulation, specify the proportion of restructured underlying exposures, the time and details of the restructuring as well as their performance since the date of the restructuring? Are there IT systems in place at the originator to ensure that defaulted exposures or exposures to debtors/guarantors with impaired creditworthiness are excludes for the securitised portfolio at the time of selection?	1	1	1	1	YES (REG, LEG, DD, DAT)	

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
14	24	9	Portfolio	No exposures to a credit-impaired debtor or guarantor who 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 non-securitised exposures	DD, DAT	Which factors are most relevant for determining expected performance? Are these comparable for securitised and non-securitised exposures? On this basis, can it be assumed that no significantly worse performance can be expected for securitised exposures for the term of the Transaction or (if longer) for the next 4 years? This is assumed to be the case, if the underlying exposures do not include (i) exposures classified as doubtful, impaired, non-performing or similar, or (ii) exposures whose credit quality (based on credit ratings or other credit quality thresholds) significantly differs from the quality of other exposures ordinarily originated by the Originator. Is at least one of these alternatives fulfilled?			1	1	YES (DD, DAT)	
15	24	10	Portfolio, Transaction structure	At the time of the transfer, the debtor has paid at least one instalment	Docs	Have the debtors, at the time of inclusion of the underlying exposures, made at least one payment? Is this payment a rental, principal or interest payment or any other kind of ordinary payment specified in the contractual agreement related to the exposure? (<u>Note</u> : EUR 1,- payments or similar are usually not deemed to be "ordinary" payments) Does the exception for this requirement that the securitization is a revolving transaction backed by exposures payable in a single instalment or having a maturity of less than one year (including monthly payments on revolving credits) apply to the Transaction? (<u>Note</u> : Further advances and drawings of one exposure or a restructuring of an exposure do not trigger a new 'at least one payment' requirement while the intended transfer of a separate exposure to the same borrower triggers a new 'at least one payment' requirement.)		1		1	YES (LEG, DAT)	

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
16	24	11	Portfolio, Transaction structure	The repayment of the securitisation position should not be predominantly dependent on the sale of assets securing the underlying exposures	Docs, DD, DAT	Is the repayment of the securitisation position predominantly dependent on the sale of assets securing the underlying exposures? (<u>Note:</u> This can be the case e.g. for certain types of CMBS transactions or for auto lease and equipment lease securitisations involving residual values in respect of vehicles and equipment, respectively) Does the repayment of risk positions depend predominantly on the sale of assets (especially residual values) securing the underlying exposures? Is there a guarantee or repurchase obligation in place in favour of the SSPE which ensures that the SSPE is not exposed to any residual value or other asset risks arising from the assets (e.g. vehicles or properties) securing the underlying exposures? In the case of a guarantee or repurchase obligation by the seller or another third party, are these parties not insolvent and are there no reasons to believe that the repurchase obligation or guarantee cannot be fulfilled? In case there is no full guarantee or repurchase obligation (see above), are all the following requirements met? - the notional amount of the underlying exposures that depend on the sale of the assets securing the underlying exposures does not exceed 50% of the securitisation positions at the time of transfer - the timing of the maturities of the underlying exposures that depend on the sale of the assets is not subject to material concentrations - the value of the underlying exposures that depend on the sale of the assets per individual debtor does not exceed 2% of all such assets.		1	1	1	YES (LEG, DD, DAT)	
17	24	12	Transaction structure	Appropriate hedging of interest rate and currency risks	Docs, DD	Does the Transaction feature any interest rate and/or currency risks? (<u>Note:</u> Also Transactions involving non-interest bearing receivables such as trade receivables can feature interest rate risks as, in an early amortisation scenario, interest on the liabilities has to be paid) Are these risks appropriately mitigated e.g. in the form of derivatives or other structural instruments (including reserve funds, overcollateralization, excess spread or other measures such as yield reserves)? Have these mitigation measures been disclosed e.g. in the Transaction documentation? Does the SSPE enter into other derivative contracts other than to hedge interest rate or currency risks? Have those derivative contracts been underwritten and documented according to common standards in international finance (including ISDA or similar established national documentation standards, e.g. Deutscher Rahmenvertrag)? Does the pool of underlying exposures include derivatives?		1	1		YES (LEG, DD)	

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
18	24	13	Originator, Transaction structure	Clear and consistent terms used in the transaction documentation for remedies and actions related to delinquency and default of debtors, clear specification of priorities of payment	Docs, DD	Which regulations are provided for in the ABCP Transaction documentation with regard to: - termination of non-performing (delinquent or defaulted) contracts - loss definition in the context of the securitisation - Measures before or after termination of contracts, such as deferrals, adjustments to instalment payment plans, partial remission of receivables, realisation of financed assets, other forms of restructuring, write-downs Does the ABCP Transaction documentation clearly specify the priorities of payment, including any changes to it as a result of trigger breach(es)? Are any such changes reported to investors without undue delay?		1	1		YES (LEG, DD)	
19	24	14	Transparency	Provision of historical performance data before pricing	Docs, DD	Do the provided data include the following areas in static and/or dynamic format: - defaults (i.e. gross losses) - losses (i.e. net losses after recoveries) - delinquencies Does the data history cover a period of at least 5 years (at least 3 years for trade receivables and other short-term receivables)? Are the data provided before pricing? Are the data provided for “substantially similar exposures” to those being securitised? This is fulfilled when (i) the most relevant factors (see above under #14 for an explanation of these factors) determining the expected performance of the underlying exposures are similar, and (ii) as a result of such similarity, it can be reasonably expected that their performance would not be significantly different. The data for substantially similar exposures can be derived from the balance sheet of the originator, from other securitisations by the originator or from purchased portfolios. In cases where the Originator cannot provide data in line with the above requirements, are there external data that are publicly available or provided by a suitable third party (e.g. rating agency or another market participant) available and are the other requirements of this Article met?		1	1	1	YES (LEG, DD, DAT)	

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
20	24	15	Portfolio, Transaction structure	Securitisation of a homogeneous portfolio in terms of asset type	Docs	Which asset type according to Article 1 of the EBA Final RTS on the homogeneity of the underlying exposures has the seller chosen? Does the asset type chosen take into account the specific characteristics relating to the cashflows of the asset type including their contractual credit risk and prepayment characteristics? Does the pool of underlying exposures comprise only one asset type?		1			YES (LEG)	
21	24	15	Originator, Portfolio, Transaction structure	Securitisation of a homogeneous portfolio in terms of underwriting and servicing	DD Underwriting and Servicing Policy	Were the underlying exposures originated (underwritten) in accordance with similar underwriting standards? Are the underlying exposures serviced according to similar standards?			1		YES (DD)	
22	24	15	Portfolio, Transparency	Securitisation of a homogeneous portfolio in terms of homogeneity factor	AuP Report	Which homogeneity factor according to Art. 2 of the RTS on the homogeneity of the underlying exposures has the seller chosen? Please note that the asset types consumer loans and trade receivables (as defined in the RTS on homogeneity) are exempt from the homogeneity factor. For transactions with the asset type according to Article 1 (a) (iv) of the RTS on Homogeneity ("credit facilities, including loans and leases, provided to any type of enterprise or corporation") where the homogeneity factor "type of obligor" is used, can the assignment of an exposure to this asset category be based on the internal classification of the originator (in general for non- prudentially supervised originators and the internal rating model(s) in place for the securitised portfolio approved by their relevant supervisors for prudentially supervised institutions)? Are the same or at least similar internal rating models (or modules of such internal rating models) applied for the securitised portfolio?				1	NO (no AuP Report required for ABCP)	
23	24	15	Originator, Portfolio, Transaction structure	The underlying exposures contain obligations that are contractually binding and enforceable	LO, DD	Do the underlying exposures contain obligations of the debtor/guarantor that are contractually binding and enforceable, with full recourse to debtors and, where applicable, guarantors? Those obligations should refer to all obligations contained in the contractual specification of the underlying exposures that are relevant to investors because they affect any obligations on debtors and, where applicable, guarantors to make payments or provide security.		1	1		YES (LEG, DD)	
24	24	15	Portfolio	Restrictions on the Weighted Average Life (WAL) and residual maturity of the pool of underlying exposures	Docs, Pool information	Is the remaining WAL of the pool of underlying exposures no more than 1 year (for auto loans/leases, equipment lease transactions: no more than 3 ½ years)? Do any of the underlying exposures have a residual maturity of more than 3 years (for auto loans/leases, equipment lease transactions: more than 6 years)?		1		1	YES (LEG, DAT)	

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
25	24	15	Portfolio	Non-eligibility of residential mortgage loans, commercial mortgage loans or fully guaranteed residential loans	Docs	Do the underlying exposures include residential mortgage loans, commercial mortgage loans or fully guaranteed residential loans?		1			YES (LEG)	
26	24	15	Portfolio	The underlying exposures have defined payment streams and do not include transferable securities other than unlisted corporate bonds	LO, Docs, DD	Do the underlying exposures have defined periodic payment streams relating to rental, principal or interest payments or to any other right to receive income from assets supporting such payments? (please also refer to the EBA Guidelines for certain exposures which are deemed to have defined periodic payment streams) Do the underlying exposures generate proceeds from the sale of any financed or leased assets? Do the underlying exposures include transferable securities (as defined in Article 4 (1), point (44) of MiFID), other than corporate bonds that are not listed on a trading venue? Are there any representations and warranties or covenants that no transferable securities are allowed for the securitised portfolio?		1	1	1	YES (LEG, DD, DAT)	
27	24	16	Transaction structure	Generally used reference rates for the ABCP Transaction's assets and liabilities	Docs	Which reference interest rates are used for the ABCP Transaction's - underlying exposures - liabilities (notes issued or loan provided) - Cash accounts of the SSPE - Interest rate and currency hedges Should these interest rates be considered to be an adequate reference basis for referenced interest payments (e.g. interbank rates, rates set by monetary policy authorities or sectoral rates reflective of a lender's cost of funds (see the list of various types of rates suggested in marginal numbers 57 and 58 of the EBA Guidelines on the STS criteria for ABCP securitisation)? Do any of these referenced interest rate payments make reference to complex formulae or derivatives? Does the legal documentation include alternative benchmark language in case of Libor/Euribor ceasing to be eligible interbank rates? Are the interest rates used in relation to the ABCP Transaction's liabilities reflective of the ABCP Programme's cost of funds?		1			YES (LEG)	

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							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
28	24	17	Transaction structure	Requirements in the event of a seller's default or an acceleration event	Docs	Are there any arrangements for the trapping of cash in the SSPE, to what extent, and are the exceptional circumstances documented? Are principal receipts from the underlying exposures used for the sequential amortisation of the securitisation positions? Is an automatic liquidation or sale (other than based on a decision of the investors to liquidate) of underlying exposures or underlying collateral provided for under the documentation?		1			YES (LEG)	
29	24	18	Originator, Portfolio	Origination of underlying exposures in the ordinary course of business of the originator or the seller	DD, Underwriting and Servicing Policy	What is the regulatory and supervisory regime under which the originator is operating? If it is a regulated entity, which is the competent supervisory authority overseeing the activities of the originator? Have the underlying exposures been originated in the ordinary course of the originator's or original lender's business? Does the review of the Originator's origination, underwriting and servicing policy for the relevant business area support such assumption? More specifically, were the securitised exposures originated (underwritten) in accordance with uniform standards? Are deviations from the underwriting policy permissible and, if yes, how are these approved and documented? Which criteria are used to select underlying exposures from the relevant business area for securitisation? Is there an obligation to disclose to the Sponsor and other parties directly exposed to the ABCP Transaction any material changes to the underwriting policy for exposures transferred after the closing of the Transaction without undue delay? How will such material changes be disclosed to the Sponsor and other parties directly exposed to the ABCP Transaction? Will disclosure occur without undue delay?		1	1		YES (LEG, DD)	

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
30	24	18	Originator, Portfolio	Underwriting standards for the underlying exposures	DD	Are there any differences between the underwriting standards for securitised exposures and the underwriting standards applied at the time of origination for similar (non-securitised) exposures? Differences could relate to, e.g.: applicable regulatory standards, competence grid and involvement of decision-makers, distribution channels, product types and product characteristics, annual agreements on (sales) objectives, sales management measures and bonus systems, lending standards, approval processes and incentive measures. At which points can the originator's employees involved e.g. see whether a risk position currently being underwritten and processed is securitised or not? Are the preconditions for the assumption of "similar exposures" according to the EBA Guidelines fulfilled? i.e. do the underlying exposures (a) belong to one of the main asset categories other than "credit facilities, including loans and leases provided to any type of enterprise or corporation" and "other underlying exposures", (b) fall under the category of "credit facilities, including loans and leases provided to any type of enterprise or corporation" (and the same type of obligor) or (c) belong to the asset category "other underlying exposures" and share similar characteristics with respect to the type of obligor, ranking of security rights, type of immovable property and/or jurisdiction? Have (i) the underwriting standards pursuant to which the underlying exposures are originated, and (ii) any material changes from prior underwriting standards that are applied to the exposures that are added to the pool of underlying exposures after the closing of the securitisation as part of the replenishment, been fully disclosed to the sponsor and other parties directly exposed to the ABCP transaction without undue delay? <u>Note</u>: To determine if changes to the underwriting standards are 'material', please refer to Point 69. of the EBA Guidelines.			1		YES (DD)	

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							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
31	24	18	Originator	Seller's experience (as an entity or through management and senior staff) in origination of similar risk positions	DD, Docs, Annual reports	As an institution (including the consolidated group to which the originator entity belongs), does the Seller , or the consolidated group to which the Seller belongs for accounting or prudential purposes, have at least 5 years of experience in origination and underwriting of exposures similar to those securitised? Alternatively, do at least 2 members of the management board and the senior staff involved have at least 5 years of relevant professional experience in the origination and underwriting of exposures similar to those securitised? Is the relevant professional experience disclosed in sufficient detail to investors? Are the preconditions for the assumption of "similar exposures" according to the EBA Guidelines fulfilled? i.e. do the underlying exposures (a) belong to one of the main asset categories other than "credit facilities, including loans and leases provided to any type of enterprise or corporation" and "other underlying exposures", (b) fall under the category of "credit facilities, including loans and leases provided to any type of enterprise or corporation" (and the same type of obligor) or (c) belong to the asset category "other underlying exposures" and share similar characteristics with respect to the type of obligor, ranking of security rights, type of immovable property and/or jurisdiction? For the purposes of determining if a Seller has expertise in originating exposures of a similar nature to those securitised, it should be considered (a) if the members of the management body and the senior staff have adequate knowledge and skills in the origination of exposures of a similar nature to those securitised, and (b) all relevant principles on the quality of the expertise such as (i) role and duties, (ii) experience, education and training, (iii) involvement in the governance structure and (iv), in the case of prudentially regulated entities, the regulatory authorisations and permissions.	1	1	1		YES (REG, LEG, DD)	
32	24	19	Transaction structure	Early amortisation provisions or triggers for termination of the revolving phase to include at least the following: a) deterioration in the credit quality of the underlying exposures below a predefined threshold b) insolvency-related events in relation to the Originator or the Servicer	Docs	Does the Transaction feature a revolving period? If yes, where and in what form are the below requirements documented? Are there any delinquency or default-related triggers includes which measure the credit quality of the underlying exposure? Are there any insolvency-related triggers included in relation to the seller or the servicer?		1			YES (LEG) (if transaction features a revolving phase)	

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							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
33	24	20	Transaction structure, Transaction parties	Clear rules in the Transaction documentation regarding obligations, tasks and responsibilities of the Sponsor, Servicer, Trustees and other ancillary service providers	Docs	Do the Transaction documentation clearly specify: The contractual obligations, duties and responsibilities of the Servicer, Trustee (if any) and other ancillary service providers (e.g., SSPE administrator, security trustee, account bank)? How is it ensured that a default by or an insolvency of the Servicer does not lead to the termination of the servicing? What are the contractual provisions for a replacement of the Servicer ? What is the replacement language for hedge counterparties, liquidity providers and account bank in case of their default, insolvency and other specifies events (e.g., a deterioration in creditworthiness measured, e.g., by a rating trigger? (For STS ABCP Programmes:) How does the Sponsor meet the requirements of Art. 25 (3)? (see below under #37)		1			YES (LEG)	
34	25	1	Sponsor	Sponsor is a supervised credit institution	Reg: suitable proof, Docs, DD	Is the Sponsor a credit institution supervised under Directive 2013/36/EU?	1	1	1		NO	
35	25	2	Sponsor	Sponsor is liquidity facility provider , covering all liquidity, credit and material dilution risks	Docs, DD	Is the Sponsor a liquidity facility provider? Does it support, with a view to guarantee to the investor the full repayment of all ABCP, all securitisation positions on the ABCP Programme level by covering - liquidity risks - credit risks - any material dilution risks - any other transaction- and programme-level costs		1	1		NO	
36	25	3	Sponsor	Sponsor's role as liquidity facility provider does not endanger its solvency and liquidity (even in a stress scenario)	Reg.: suitable proof	Has the Sponsor demonstrated to its competent authority, on the basis of Article 97 (3) of Directive 2013/36/EU, that its role as liquidity facility provider does not endanger its solvency and liquidity (even in an extreme stress scenario)?	1				NO	
37	25	4	Sponsor	Due Diligence requirements for the Sponsor in relation to the Seller(s)/Servicer(s)	Reg.: suitable proof, Docs, DD	Has the Sponsor performed its own due diligence and verified compliance with the requirements of Article 5 (1) and (3) of the Securitisation Regulation? Has the Sponsor verified that the Seller has in place servicing capabilities and collection processes that meet the requirements specified in points (h) to (p) of Article 265 (2) of Regulation (EU) 575/2013?	1	1	1		NO	

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							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
38	25	5	Transaction/ Sponsor	Risk retention (Article 6.1 of the Securitisation Regulation), either by the Seller or by the Sponsor	Docs, DD	Which party holds the risk retention? Is it held on the ABCP Transaction level or on the ABCP Programme level? What form of risk retention in accordance with Article 6 (3) of the Securitisation Regulation has this party committed itself to? What procedural and technical arrangements have been put in place to ensure that this obligation is met on an ongoing basis? In what form is ongoing compliance with the obligation reported? Has the Originator, Sponsor or original lender provided a confirmation to the third-party verification agent that the risk retention requirements will be fulfilled at closing? Does the originator use any form of retention financing and, if yes, does this fulfil the requirements of the RTS on Risk Retention? Does the originator sell, as part of its credit & collection policies, any defaulted exposures that have undergone the full dunning and recovery process to specialised debt purchasers (so-called "debt sales")? Please note that the combination of such debt sales with the risk retention alternative according to Article 6 (3) (c) of the Securitisation Regulation (retention of randomly selected exposures) needs to be carefully checked for compliance with the prohibition to "sell, transfer or otherwise surrender all or part of the rights, benefits or obligations arising from the retained net economic interest" according to Article 12 (1) (b) of the RTS on Risk Retention.		1	1		NO	
39	25	6	Transparency /Sponsor	Compliance with the provisions of Article 7 of the Securitisation Regulation (regarding Transparency) is the responsibility of the Sponsor on ABCP Programme level	Docs, DD	Is the information pursuant to Article 7 (1) available to potential investors before pricing upon their request: a) Information on the underlying receivables or credit claims on a monthly basis (aggregated on ABCP Programme level) b) Information in relation to points (b) to (e) of the first subparagraph, including the underlying documentation, a transaction summary, the STS notification and monthly investor reports?		1	1		NO	
40	25	7	Sponsor	Immediate drawing of the liquidity facility in case of non-renewal	Reg.: suitable proof, Docs	Are provisions in place to ensure that, in the event that the Sponsor does not renew the funding commitment of the liquidity facility before expiry, the liquidity facility shall be drawn (thereby allowing the maturing securities to be repaid)?	1	1			NO	

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D E D	D A T	Verification step applicable? yes / no / deviations	
41	26	1	Programme structure	All ABCP Transactions to fulfil the STS requirements	Reg.: suitable proof (in parti- cular the Verifica- tion Reports prepared) AuP Report	Do all ABCP Transactions within the ABCP Programme fulfil the requirements of Articles 24 (1) to (8) and (12) to (20)? Does the aggregate amount of the underlying exposures in relation to ABCP Transactions that may be temporarily non-compliant with the requirements of Article 24 (9), (10) and (11) (see Items # 12-16) exceed the 5% threshold? Has a sample of underlying exposures (which should be representative of all ABCP Transactions funded by the ABCP Programme) been subject to external verification by an appropriate and independent party?	1			1	NO	
42	26	2	Programme structure	Remaining WAL of the underlying exposures on an ABCP Programme level to be a maximum of 2 years	DAT, Docs	Is the remaining WAL of the pool of the underlying exposures of the ABCP Programme no more than 2 years?		1		1	NO	
43	26	3	Programme structure	ABCP Programme to be fully supported	Reg.: suitable proof, Docs	Is the ABCP Programme fully supported by the Sponsor? (see Item # 36)	1	1			NO	
44	26	4	Programme structure	No re-securitisation and no tranching at programme level through credit enhancement	Reg.: suitable proof, Docs	Does the ABCP Programme contain any re-securitisation? Is a second layer of tranching established at the programme level?	1	1			YES (REG, LEG)	
45	26	5	Programme structure	ABCP not to include any call options or extension clauses	Reg.: suitable proof, Docs	Do the securities (in particular the ABCP) issued by the ABCP Programme include any call options, extension clauses or other provisions exercisable at the discretion of the Seller, Sponsor or the SSPE, that impact their final maturity?	1	1			YES (REG, LEG)	
46	26	6	Programme structure	Appropriate hedging of interest rate and currency risks at programme level	Docs	Which legal instruments are used to hedge the interest and currency risks involved? If derivatives are used for hedging purposes: - Is the focus of hedging on asset-liability mismatch? - Is the documentation based on established standards (ISDA, DRV)? Are generally used mechanisms for hedging counterparty risks provided for (e.g. use of collateral and wording for the replacement of counterparties)?		1			YES (LEG)	

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							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
47	26	7	Programme structure	Clear rules in the programme documentation regarding obligations, tasks and responsibilities of the Trustee, Sponsor and other important service providers	Docs, DD	Review of the relevant ABCP Programme documents: - Are the responsibilities and duties of each of the trustee, the Sponsor and other service providers clearly specified in the legal documents? - Can the Sponsor demonstrate expertise in credit underwriting? - How is it ensured that a default by or an insolvency of the servicer / ABCP Programme administrator does not lead to the termination of the servicing and that provisions for the replacement of derivative counterparties and the account bank at ABCP Programme level are in place? - Are mechanisms in place that provide, in case of specified credit events (including a deterioration in creditworthiness, default or insolvency of the Sponsor), for replacement of the liquidity facility provider or the collateralisation of its obligations? - Are provisions in place to ensure that, in the event that the Sponsor does not renew the funding commitment of the liquidity facility before expiry, the liquidity facility shall be drawn? (<u>Note</u>: only applicable where a single liquidity facility supports all securitisation position on an ABCP Programme level, or for the specific ABCP Transaction in case each ABCP Transaction is supported by an individual liquidity facility)		1	1		YES (LEG, DD)	
48	26	8	Programme structure	Experience of the servicer / ABCP Programme administrator in the administration of the ABCP Programme	Reg: suitable proof, Docs, DD	<u>Note</u>: In the context of an ABCP Programme, reference to the “servicer” is meant to refer to the administrator of the ABCP Programme who fulfils various administrative duties in relation to the ABCP Programme, and not the servicer in its normal sense. Has the business of the ABCP Programme administrator or of the consolidated group to which the ABCP Programme administrator belongs, at least 5 years of experience in the administration of ABCP programmes which finance exposures of a similar nature to those securitised? Are the requirements regarding the “exposures of a similar nature” according to Point 65. of the EBA Guidelines fulfilled? Please also refer to #31 above. Alternatively, do at least 2 members of the management body and the senior staff (other than the members of the management body) of the ABCP Programme administrator have at least 5 years of relevant professional experience on a personal level? For the purpose of demonstrating the number of years of professional experience, is the relevant expertise disclosed in the legal documentation in sufficient detail and in accordance with the applicable confidentiality requirements to allow investors to carry out their due diligence obligations? For the purposes of determining if an ABCP Programme administrator has expertise in administrating an ABCP Programme, it should be considered (a) if the members of the management body and the senior staff have adequate knowledge and skills in the administration of ABCP Programmes, and (b) all relevant principles on the quality of the expertise such as (i) role and duties, (ii) experience, education and training, (iii) involvement in the governance structure and (iv), in the case of prudentially regulated entities, the regulatory authorisations and permissions.	1	1	1		YES (REG, LEG, DD)	

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
49	26	8	Programme structure	Appropriate and well documented risk management and service policies , procedures and controls in place at the Servicer (administrator of the ABCP Programme)	Reg: suitable proof, DD	Does the ABCP Programme administrator have in place well-documented and adequate policies, procedures and risk-management controls relating to the performance of the administration of the ABCP Programme?	1		1		YES (REG, DD)	

C. Verification Steps for Synthetic on-balance-sheet Securitisations

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue
							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations
1	26b	1	Originator	Originator requirements and origination requirements in case of purchase of a third party's exposures	Docs, DD	Is the originator an entity that is authorised or licensed in the Union? Is the entity the originator with respect to the underlying exposures or has it purchased the underlying exposures from a third party? In case the originator has purchased a third party's exposures on its own account and then securitised them, has the originator applied to these exposures policies with regard to credit, collection, debt workout and servicing that are no less stringent than those that the originator applies to comparable exposures that have not been purchased?		1	1		YES (LEG, DD)
2	26b	2	Originator	Origination of the underlying exposures as core business of the originator	Docs, DD	Have the underlying exposures been originated as part of the core business activity of the originator?		1	1		YES (LEG, DD)
3	26b	3	Originator	On balance sheet holding of the underlying exposures	Docs, DD	Have the underlying exposures been held, at the closing of the transaction, on the accounting balance sheet of the originator or a group entity to which the originator belongs? Please note that (i) the legal sale of the underlying exposures as part of a true sale securitisation (for which no accounting off-balance-sheet treatment is sought), (ii) the use of the underlying exposures as collateral in the cover pool of a covered bond, or (iii) the transfer of the underlying exposures as part of a repo transaction e.g. to a central bank, do not contravene this requirement. In case of holding of the underlying exposures on the accounting balance sheet of a group entity, does this group entity belong to the same group as the originator, with group being defined as either (i) a group of legal entities subject to prudential consolidation in accordance with Part 1, Title II, Chapter 2 of the CRR, or (ii) a group as defined in Article 212 (1) (c) of Solvency II?		1	1		YES (LEG, DD)
4	26b	4	Originator	No further credit hedging of the underlying exposures	Docs, DD	Does the originator further hedge the credit risk in respect of the underlying exposures of the transaction beyond the credit protection obtained through the credit protection agreement? In what form does this further hedge occur (separate hedge on different parts of the same exposure, state guarantee schemes which cover securitised exposures, credit default swap on an obligor in the trading book) and does this further hedge contravene with this STS requirement?		1	1		YES (LEG, DD)
5	26b	5	Transaction Structure	Compliance with credit risk mitigation rules	Docs	Does the credit protection agreement comply with the credit risk mitigation rules as per Article 249 of the CRR? In case Article 249 of the CRR should not be applicable, does the credit protection agreement comply with credit risk mitigation rules that are no less stringent than the requirements of Article 249 of the CRR?		1			YES (LEG)

							Verification Method				Transaction Verification Catalogue
No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	R E G	L E G	D E D	D A T	Verification step applicable? yes / no / deviations
6	26b	6	Portfolio	Representations and warranties of the originator regarding the underlying exposures	Docs	Does the originator provide representations and warranties that the following requirements have been met: (a) The originator, where it is a 'credit institution' as per Article 4 (1), point (1) of the CRR or an 'insurance undertaking' as per Article 13 (1), point (1) of Solvency II, or a group entity to which the originator belongs has full legal and valid title to the underlying exposures and their associated ancillary rights (with 'group' understood to be the consolidated group to which the entity belongs for accounting or prudential purposes); (b) The originator or an entity that is included in the scope of supervision on a consolidated basis (see Article 26b (3) of the Securitisation Regulation and #3 above) keeps the credit risk of the underlying exposures on their balance sheet; (c) Each underlying exposure complies, at the date of inclusion into the securitised portfolio, with the eligibility criteria and with all conditions, other than the occurrence of a credit event, for a credit protection payment in accordance with the credit protection agreement; (d) To the best of the originator's knowledge, each loan contract for an underlying exposure contains a legal, valid, binding and enforceable obligation to the obligor to pay the sums of money specified in that loan contract; (e) The underlying exposures comply with underwriting criteria that are no less stringent than the standard underwriting criteria that the originator applies to similar exposures that are not securitised at the time of the origination of the securitised exposures; (f) To the best of the originator's knowledge, none of the obligors are in material breach or default of any of their obligations in respect of an underlying exposure on the date of inclusion of such underlying exposure in the securitised portfolio; (g) To the best of the originator's knowledge, the transaction documentation does not include any false information on the details of the underlying exposures; (h) At the closing of the transaction or at the time of inclusion of the underlying exposure into the securitised portfolio, the loan contract between the obligor and the original lender in relation to that underlying exposure has not been amended in such way that the enforceability or collectability of that underlying exposures has been affected? In respect of Letters (d), (f) and (g) above, has the Originator or original lender fulfilled the 'best knowledge' standard regarding the question which sources of information it has used to represent and warrant that none of the obligors are in material breach or default of any of their obligation in respect of an underlying exposure on the date of inclusion of such underlying exposure in the securitised portfolio? In order to consider the 'best knowledge' standard to be fulfilled, we need to obtain confirmation that the originator uses those legally possible steps to obtain information that the originator usually takes within its activities in terms of (i) origination and (ii) servicing, (iii) from a third party or (iv) public information or information on any entries in one or more credit registries, i.e. the originator is not required to take all legally possible steps described in points (i) – (iv), but only those that he usually takes in its ordinary course of business.		1			YES (LEG)

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
7	26b	7	Portfolio	Predetermined, clear and documented eligibility criteria	Docs	Are the eligibility criteria predetermined (i.e. mandatory) and, formulated in a clear manner and documented (i.e. part of the legal documentation) in line with the EBA Guidelines? Can it be expected that compliance with those eligibility criteria is possible to be determined by a court or tribunal as a matter of law or fact or both? Do exposures that are added after the closing date of the Transaction (e.g. during a revolving phase) meet eligibility criteria at exposure level that are no less stringent than those applied in the initial selection of the underlying exposures?		1			YES (LEG)	
8	26b	7	Transaction Structure	No active portfolio management	Docs	Do the eligibility criteria allow for active portfolio management on a discretionary basis? Does the Transaction include any of the following individual techniques that should <u>not</u> be considered active portfolio management: • Substitution of exposures due to breach of reps & warranties; • Replenishment of underlying exposures during the replenishment period; • Removal of the underlying exposure from the Transaction where that underlying exposure (i) has been fully repaid or matured otherwise, (ii) has been disposed of during the ordinary course of business of the originator (provided such disposal does not constitute implicit support as per Article 250 of the CRR), (iii) is subject to an amendment that is not credit driven (e.g. refinancing or debt restructuring, where there is no change in the risk profile of the obligor) and occurs during the ordinary course of servicing of that underlying exposure, or (iv) did not meet the eligibility criteria at the time of inclusion into the Transaction; • Substitution of exposures that are subject to regulatory dispute or investigation (in order to facilitate the resolution of such dispute or investigation); • Acquisition of new exposures during the ramp-up period? <u>Note:</u> The above list of individual techniques that should not be considered active portfolio management represents an exhaustive list (subject only to the two general purposes described below). In case the transaction includes any other substitution or repurchase features that is not included in the above list of individual techniques, does the portfolio management fall under one of the following two general purposes? (a) it makes the performance of the securitisation dependent on both the performance of the underlying exposures and on the performance of the portfolio management, or (b) it is performed for speculative purposes aiming to achieve better performance, increased yield or other purely financial or economic benefit.		1			YES (LEG)	

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
9	26b	8	Portfolio	Securitisation of a homogeneous portfolio in terms of asset type	Docs	Which asset type according to Art. 1 of the EBA Final RTS on the homogeneity of the underlying exposures has the seller chosen? Does the asset type chosen take into account the specific characteristics relating to the cashflows of the asset type including their contractual credit risk and prepayment characteristics? Does the pool of underlying exposures comprise only one asset type?		1			YES (LEG)	
10	26b	8	Portfolio	Securitisation of a homogeneous portfolio in terms of underwriting and servicing	Docs	Were the underlying exposures originated (underwritten) in accordance with similar underwriting standards? Are the underlying exposures serviced according to similar standards?		1			YES (LEG)	
11	26b	8	Portfolio	Securitisation of a homogeneous portfolio in terms of homogeneity factor	Docs	Which homogeneity factor according to Art. 2 of the RTS on the homogeneity of the underlying exposures has the seller chosen? Please note that the asset types consumer loans and trade receivables (as defined in the RTS on homogeneity) are exempt from the homogeneity factor. For transactions with the asset type according to Article 1 (a) (iv) of the RTS on Homogeneity ("credit facilities, including loans and leases, provided to any type of enterprise or corporation") where the homogeneity factor "type of obligor" is used, can the assignment of an exposure to this asset category be based on the internal classification of the originator (in general for non-prudentially supervised originators and the internal rating model(s) in place for the securitised portfolio approved by their relevant supervisors for prudentially supervised institutions)? Are the same or at least similar internal rating models (or modules of such internal rating models) applied for the securitised portfolio? Check the homogeneity factor based on the sample: Do the requirements of the sample correspond to the selected asset type and the homogeneity factor (e.g. jurisdiction)?		1			YES (LEG)	
12	26b	8	Portfolio	The underlying exposures contain obligations that are contractually binding and enforceable	Docs, DD	Do the underlying exposures contain obligations of the debtor/guarantor that are contractually binding and enforceable, with full recourse to debtors and, where applicable, guarantors? Those obligations should refer to all obligations contained in the contractual specification of the underlying exposures that are relevant to investors because they affect any obligations on debtors and, where applicable, guarantors to make payments or provide security.		1	1		YES (LEG, DD)	

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
13	26b	8	Portfolio	The underlying exposures have defined periodic payment streams and do not include transferable securities	Docs, DD, AuP	Do the underlying exposures have defined periodic payment streams relating to rental, principal or interest payments or to any other right to receive income from assets supporting such payments? (please also refer to the EBA Guidelines for certain exposures which are deemed to have defined periodic payment streams) Do the underlying exposures generate proceeds from the sale of any financed or leased assets? Do the underlying exposures include transferable securities (as defined in Article 4 (1), point (44) of MiFID), other than corporate bonds that are not listed on a trading venue? Are there any representations and warranties or covenants that no transferable securities are allowed for the securitised portfolio? Which of the criteria in relation to defined periodic payment streams and the exclusion of transferable securities are checked within the AuP and are there any material findings in the AuP report?		1	1	1	YES (LEG, DD, DAT)	
14	26b	9	Portfolio	Are there any securitisation positions in the portfolio?	Docs, DD, AuP	Do the underlying exposures include any securitisation positions?		1	1	1	YES (LEG, DD, DAT)	
15	26b	10	Portfolio	Underwriting standards for the underlying exposures	Docs, DD	Have (i) the underwriting standards pursuant to which the underlying exposures are originated, and (ii) any material changes from prior underwriting standards that are applied to the exposures that are added to the pool of underlying exposures after the closing of the securitisation as part of the replenishment, been fully disclosed to potential investors without undue delay? <u>Note</u> : To determine if changes to the underwriting standards are 'material', please refer to point 26. of the EBA Guidelines. Have the underlying exposures been underwritten with full recourse to an obligor <u>Note</u> : The full recourse requirement does not apply to SSPEs? Have any third parties been involved in the credit or underwriting decisions concerning the underlying exposures?		1	1		YES (LEG, DD)	
16	26b	10	Portfolio	Where the underlying exposures are residential mortgage loans , does the portfolio include loans that have been self-certified by the loan applicants?	DD	Does the originator verify the information provided by the loan applicant in the course of the loan application process (e.g. household income)? Is the information provided a relevant (i.e. considered relevant for assessing the creditworthiness of a borrower, access to collateral or for fraud prevention) information? Have the residential loans been marketed and underwritten on the premise that the loan applicant or intermediaries (e.g. brokers) were made aware that the information provided by them might not be verified by the lender?			1		YES (DD)	

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
17	26b	10	Originator	Assessment of the borrower's creditworthiness performed in accordance with certain EU Directives on credit agreements for consumers or on credit agreements for consumers relating to residential immovable property or, if applicable, the analogous provisions of a third country	Reg, Docs, DD	What is the regulatory environment under which the originator is operating? Does the business of the originator, if domiciled in the EU, fall under (i) Directive 2008/48/EC on credit agreements for consumers, or under (ii) Directive 2014/17/EU on credit agreements for consumers relating to residential immovable property? Irrespective of the asset class to which the underlying exposures belong (e.g. consumer loans, residential mortgages), does the assessment of the borrower's creditworthiness meet the requirements of - Article 8 of <u>Directive 2008/48/EC on credit agreements for consumers</u> (specifying that (i) the creditor assesses the consumer's creditworthiness on the basis of sufficient information obtained from the consumer and, where necessary, from credit bureaus, and (ii) where the total amount of credit after the conclusion of the credit agreement is changed, the creditor updates the financial information on the consumer and assesses the consumer's creditworthiness before any significant increase in the total amount of credit); or - paragraphs 1 to 4, point (a) of paragraph 5 and paragraph 6 of Article 18 of <u>Directive 2014/17/EU on credit agreements for consumers relating to residential immovable property</u> (specifying that (i) the creditor makes a thorough assessment of the consumer's creditworthiness, (ii) using established, documented and maintained procedures and information on which the assessment is based, (iii) the assessment of the creditworthiness shall not rely predominantly on the value of the residential immovable property, (iv) the creditor shall not subsequently cancel or alter the credit agreement on the grounds that the assessment of creditworthiness was incorrectly conducted, (v) the creditor only makes the credit available to the consumer where the creditworthiness assessment indicates that the consumer can meet its obligation, and (vi) the consumer's creditworthiness is re-assessed on the basis of updated information before any significant increase in the total amount credit) In case of exposures originated by EU originators to borrowers in non-EU countries ("third countries"), does the assessment of the borrower's creditworthiness follow similar processes and principles as specified in the above-mentioned EU Directives?	1	1	1		YES (REG, LEG, DD)	

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
18	26b	10	Originator	Originator's experience (as an entity or through management and senior staff) in origination of similar risk positions	Reg, Docs, DD	(<u>Note</u>: This verification step is usually combined with the verification of the experience of the service provider according to Art. 26c (8) of the Securitisation Regulation if the originator is also acting as servicer, see #29 below.) Does the originator or original lender , or the consolidated group to which the originator or original lender belongs for accounting or prudential purposes, have at least 5 years of experience in origination and underwriting of exposures similar to those securitised? Alternatively, do at least 2 members of the management body and the senior staff involved have at least 5 years of relevant professional experience? Is the relevant professional experience disclosed in sufficient detail to investors? Are the preconditions for the assumption of "similar exposures" according to the EBA Guidelines fulfilled? i.e. do the underlying exposures (a) belong to one of the main asset categories other than "credit facilities, including loans and leases provided to any type of enterprise or corporation" and "other underlying exposures", (b) fall under the category of "credit facilities, including loans and leases provided to any type of enterprise or corporation" (and the same type of obligor) or (c) belong to the asset category "other underlying exposures" and share similar characteristics with respect to the type of obligor, ranking of security rights, type of immovable property and/or jurisdiction? For the purposes of determining if an originator or original lender has expertise in originating exposures of a similar nature to those securitised, it should be considered (a) if the members of the management body and the senior staff have adequate knowledge and skills in the origination of exposures of a similar nature to those securitised, and (b) all relevant principles on the quality of the expertise such as (i) role and duties, (ii) experience, education and training, (iii) involvement in the governance structure and (iv), in the case of prudentially regulated entities, the regulatory authorisations and permissions.	1	1	1		YES (REG, LEG, DD)	

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
19	26b	11	Portfolio	The underlying exposures do not include any defaulted exposures or to credit-impaired debtors or guarantors	Reg, Docs, DD, AuP	Does the Originator, if it is an institution that is subject to the CRR, apply the interpretation of Art. 178 (1) of the CRR for the purposes of defining if an exposure is 'in default'? If the Originator is no such institution, does it apply the requirements of Art. 178 (1) of the CRR by analogy? If there is no analogous application, and compliance with this default definition is "deemed to be unduly burdensome" (e.g. because this would require major amendments in the originator's receivables management system – reason(s) to be documented), does the originator apply established processes and information obtained (i) from borrowers on origination of the exposures, (ii) during the servicing, or (iii) from third parties? Where and how is the legal obligation to exclude relevant debtors (default and impaired creditworthiness) stipulated in the Transaction documentation (e.g. eligibility criteria)? Has the Originator or original lender fulfilled the 'best knowledge' standard (regarding the question which sources of information it has used to identify defaulted exposures and to determine if a borrower or guarantor is credit-impaired)? (<u>Note</u>: For the requirements of the 'best knowledge' standard, please refer to #6 above. Have the provisions regarding debtors and guarantors (i) declared insolvent and/or undergone a debt-restructuring process, or (ii) found on a public or other credit registry of persons with adverse credit history, been fulfilled? In case restructured underlying exposures form part of the securitised portfolio, does the originator in its reporting according to Art. 7 (1) of the Securitisation Regulation, specify the proportion of restructured underlying exposures, the time and details of the restructuring as well as their performance since the date of the restructuring? Do the requirements of the AuP sample meet these criteria regarding debtor/guarantor or those with impaired creditworthiness? Are there IT systems in place at the Originator to ensure that defaulted exposures or exposures to debtors/guarantors with impaired creditworthiness are excluded for the securitised portfolio at the time of selection?	1	1	1	1	YES (REG, LEG, DD, DAT)	
20	26b	11	Portfolio	No exposures to a credit-impaired debtor or guarantor who 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 non-securitised exposures	DD	Which factors are most relevant for determining expected performance? Are these comparable for securitised and non-securitised exposures? On this basis, can it be assumed that no significantly worse performance can be expected for securitised exposures for the term of the Transaction or (if longer) for the next 4 years? This is assumed to be the case, if the underlying exposures do not include (i) exposures classified as doubtful, impaired, non-performing or similar, or (ii) exposures whose credit quality (based on credit ratings or other credit quality thresholds) significantly differs from the quality of other exposures ordinarily originated by the Originator. Is at least one of these alternatives fulfilled?			1		YES (DD)	

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
21	26b	12	Transaction Structure	At the time of the transfer, the debtor has paid at least one instalment	Docs, AuP	Have the debtors made, at the time of inclusion of the underlying exposures, made at least one payment? Is this payment a rental, principal or interest payment or any other kind of ordinary payment specified in the contractual agreement related to the exposure? (<u>Note</u>: EUR 1,- payments or similar are usually not deemed to be “ordinary” payments) Do any of the exceptions for this requirement apply to the Transaction: - The securitisation is a revolving Transaction backed by exposures payable in a single instalment or having a maturity of less than one year (including monthly payments on revolving credits); - The exposure represents the refinancing of an exposures that is already included in the Transaction. (<u>Note</u>: Further advances and drawings of one exposure or a restructuring of an exposure do not trigger a new ‘at least one payment’ requirement while the intended transfer of a separate exposure to the same borrower triggers a new ‘at least one payment’ requirement.)		1		1	YES (LEG, DAT)	
22	26c	1	Transaction Structure	Risk retention (Art. 6 of the Securitisation Regulation)	Docs, DD	Does the originator or original lender hold the risk retention? What form of risk retention in accordance with Art. 6 (3) of the Securitisation Regulation has this party committed itself to? What procedural and technical arrangements have been put in place to ensure that this obligation is met on an ongoing basis? In what form is ongoing compliance with the obligation reported? Does the originator use any form of retention financing and, if yes, does this fulfil the requirements of the RTS on Risk Retention? Does the originator sell, as part of its credit & collection policies, any defaulted exposures that have undergone the full dunning and recovery process to specialised debt purchasers (so-called “debt sales”)? Please note that the combination of such debt sales with the risk retention alternative according to Article 6 (3) (c) of the Securitisation Regulation (retention of randomly selected exposures) needs to be carefully checked for compliance with the prohibition to “sell, transfer or otherwise surrender all or part of the rights, benefits or obligations arising from the retained net economic interest” according to Article 12 (1) (b) of the RTS on Risk Retention.		1	1		YES (LEG, DD)	

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
23	26c	2	Transaction Structure	Appropriate hedging of interest rate and currency risks and related disclosure	Docs, DD	Does the Transaction feature any interest rate and/or currency risks? If yes, are the interest rate and currency risks inherent in the Transaction and their possible effects on the payments to the originator and the investors described in the Transaction documentation? Are these risks appropriately mitigated e.g. in the form of derivatives or other structural instruments (including reserve funds, overcollateralization, excess spread or other measures)? Have these mitigation measures been disclosed? Is any collateral securing the obligations of the investor under the credit protection agreement denominated in the same currency in which the credit protection payment is denominated? In case of a securitisation using an SSPE, is the amount of liabilities of the SSPE concerning the interest payments to investors at each payment date equal or less than the amount of the SSPE's income from the originator and any collateral arrangements? Does the pool of underlying exposures include derivatives? If yes, have the derivatives (i) been entered into for the sole purpose of hedging interest or currency risks of the underlying exposures, and (ii) been underwritten and documented according to common standards in international finance (including ISDA or similar established national documentation standards, e.g. Deutscher Rahmenvertrag)?		1	1		YES (LEG, DD)	
24	26c	3	Transaction Structure	Generally used reference rates for interest payments	Docs	Are any referenced interest rate payments in relation to the transaction based on either of the following: - generally used market interest rates or generally used sectoral rates reflective of the cost of funds - income generated by the collateral securing the obligations of the investor under the credit protection agreement Are referenced interest payments due under the <u>underlying exposures</u> based on generally used market interest rates or generally used sectoral rates reflective of the cost of funds (e.g. interbank rates, rates set by monetary policy authorities or sectoral rates reflective of a lender's cost of funds)? Does the legal documentation include alternative benchmark language in case of Libor/Euribor ceasing to be eligible interbank rates? Do any of these referenced interest rate payments make reference to complex formulae or derivatives?		1			YES (LEG)	

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D E D	D A T	Verification step applicable? yes / no / deviations	
25	26c	4	Transaction Structure	Requirements in the event of an enforcement event (no cash trapping)	Docs	Is the investor permitted to take enforcement action following the occurrence of an enforcement event in respect of the originator? In case of a securitisation using an SSPE, and where an enforcement or termination notice of the credit protection agreement is delivered, is it ensured that no amount of cash is trapped in the SSPE beyond what is necessary to ensure (i) the operational functioning of that SSPE, (ii) the payment of the protection payments for defaulted underlying exposures that are still being worked out at the time of termination, or (iii) the orderly repayment of investors in accordance with the contractual terms of the securitisation?		1			YES (LEG)	
26	26c	5	Transaction Structure	Sequential repayment as fall-back in the event of a deterioration in portfolio quality for Transactions that feature a non-sequential priority of payments	Docs	Are losses allocated to the holders of a securitisation position in the order of seniority of the tranches, starting with the most junior tranche? Is sequential amortisation applied to all tranches to determine the outstanding amount of the tranches at each payment date, starting from the most senior tranche? In case of securitisations that feature non-sequential (i.e. pro-rata) priority of payments, do these triggers related to the performance of the underlying exposures result in the priority of payments reverting the amortisation to sequential payments in order of seniority? (please note that a further reversal from sequential to non-sequential, e.g. upon a potential cure of the triggers, is not possible) Are the following performance-related triggers included as a minimum: - either the increase in the cumulative amount of defaulted exposures or the increase in the cumulative losses greater than a given percentage of the outstanding amount of the underlying exposures; - one additional backward-looking trigger; - one forward-looking trigger? In case the investors have collateralized the tranches held by them, is the amount of the collateral that is equal to the amount of the amortization of those tranches returned to the investors? Is it ensured that, where a credit event as per Article 26e of the Securitisation Regulation has occurred in relation to underlying exposures and the debt workout process for such exposures has not been completed, the amount of credit protection remaining at any payment date is at least equivalent to the outstanding notional amount of those underlying exposures (minus the amount of any interim payment made in relation to such underlying exposures)?		1			YES (LEG)	

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
27	26c	6	Transaction Structure	Early amortisation provisions or triggers for termination of the revolving phase to include at least the following:	Docs	Does the Transaction feature a revolving period? If yes, where and in what form are the below requirements documented?		1			YES (LEG)	
			Transaction Structure	a) a deterioration in the credit quality of the underlying exposures to or below a predetermined threshold		Are there any delinquency or default-related triggers included which measure the credit quality of the underlying exposures?		1			YES (LEG)	
			Transaction Structure	b) a rise in losses above a predetermined threshold		Are there any loss-related triggers included?		1			YES (LEG)	
			Transaction Structure	c) a failure to generate sufficient new underlying exposures that meet the predetermined credit quality during a specified period		Are there any triggers included for a scenario where no sufficient underlying exposures are available to replenish the portfolio during the revolving period (e.g. measured by a replenishment ledger or similar feature)? <u>Note</u> : Such trigger makes sense for public transactions with a fixed amount of outstanding notes during the revolving phase but may not be suitable for private transactions that allow for a fluctuating portfolio size that are financed by a corresponding fluctuating amount of notes and/or loans)		1			YES (LEG)	
28	26c	7	Transaction Parties	Clear specification in the Transaction documentation of the obligations, tasks and responsibilities of the Servicer, Trustee, other ancillary service providers and the TPVA, and appropriate replacement language	Docs	Does the Transaction documentation clearly specify (a) The contractual obligations, duties and responsibilities of the Servicer, Trustee and other ancillary service providers (e.g. SSPE administrator, security trustee, account bank), as applicable, and the TPVA (see #40 below); (b) The provisions that ensure the replacement of the Servicer, Trustee, other ancillary service providers or the TPVA, in the event of default or insolvency of either of those service providers where such service providers differ from the originator, in a manner that does not result in a termination of the provision of those services; (c) The servicing procedures that apply to the underlying exposures at closing and thereafter and the circumstances under which such procedures may be modified; (d) The servicing standards that the servicer is obliged to adhere to when servicing the underlying exposures during the entire tenor of the securitisation?		1			YES (LEG)	

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
29	26c	8	Transaction Parties	Experience of the Servicer (institution or alternatively management and senior staff) in the servicing of exposures of a similar nature to those securitised	Reg, Docs, DD	<u>Note:</u> Usually, and in cases where the originator also acts as servicer, the experience of the Servicer is jointly verified with the experience of the Originator (see Article 26b (10), #18 above). Has the business of the Servicer, or of the consolidated group to which the Servicer belongs, at least 5 years of experience in servicing exposures similar to the underlying exposures? Are the requirements regarding the “exposures of a similar nature” according to point 65. of the EBA Guidelines fulfilled? Please also refer to #18 above. Alternatively, do at least 2 members of the management board and the senior staff (other than the members of the management body) who are responsible for managing the entity’s servicing of exposures have at least 5 years of relevant professional experience on a personal level, and is the servicing of the entity backed by a back-up servicer that is compliant with the minimum 5 years of experience on a business level? For the purpose of demonstrating the number of years of professional experience, is the relevant expertise disclosed in the legal documentation in sufficient detail and in accordance with the applicable confidentiality requirements to allow investors to carry out their due diligence obligations? For the purposes of determining if a Servicer has expertise in servicing exposures of a similar nature to those securitised, it should be considered (a) if the members of the management body and the senior staff have adequate knowledge and skills in the servicing of exposures of a similar nature to those securitised, and (b) all relevant principles on the quality of the expertise such as (i) role and duties, (ii) experience, education and training, (iii) involvement in the governance structure and (iv), in the case of prudentially regulated entities, the regulatory authorisations and permissions.	1	1	1		YES (REG, LEG, DD)	
30	26c	8	Transaction Parties	Appropriate and well documented risk management and service policies , procedures and controls in place at the Servicer	Reg, Docs, DD	Does the Servicer have in place well-documented and adequate policies, procedures and risk-management controls relating to the servicing of exposures? Is the Servicer a regulated entity in the EU (i.e. falls under the CRR), see above under #28? Are these authorisations or permissions deemed relevant to the servicing? If the Servicer does not fall under the CRR, has the Servicer provided proof of existence of well-documented and adequate policies and risk management controls (e.g. credit & collection policy)? Have such policies and controls been reviewed by another experienced and market-recognised party such as a rating agency or an auditor, and have no material findings been identified? Are there any conclusions that can be drawn from the Due Diligence in relation to risk management controls, procedures that have an impact on the servicing of the underlying exposures (e.g. dunning procedures, debt collection, realisation of collateral)? Does the Servicer apply servicing procedures to the underlying exposures that are at least as stringent as the ones applied by the originator to similar exposures that are not securitised?	1	1	1		YES (REG, LEG, DD)	

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
31	26c	9	Originator	Up-to-date reference register to identify the underlying exposures	Reg, Docs, DD	Does the originator maintain an up-to-date reference register to identify the underlying exposures at all times? Does the register identify (i) the reference obligors, (ii) the reference obligations from which the underlying exposures arise and (iii) the notional amount that is protected and that is outstanding for each underlying exposure?	1	1	1		YES (REG, LEG, DD)	
32	26c	10	Transaction Structure	Clear rules in the event of conflicts between the different classes of investors	Docs	Do mandatory statutory provisions exist in the applicable jurisdiction that set out how conflicts between investors must be resolved? Does the transaction documentation refer to these applicable national provisions (e.g. the German Bond Act or similar legislation in other countries)? Does the transaction documentation include clear provisions that facilitate the timely resolution of conflicts between different classes of investors? This should include provisions regarding to: - method for calling creditors' meetings (face-to-face or by telephone) - maximum time limits for calling creditors' meetings - quorum required for votes - quorum depending on the claims represented and the nature of the decision - location for any investor meetings (should be in the EU) The requirement to include the above-mentioned provisions also applies to transactions where there is one class of external investors and the originator holds a subordinated note or provides a subordinated loan, as such a structure should, according to the Joint Committee Q&A, be considered as two different classes of investors. In case of a securitisation using an SSPE, are voting rights clearly defined and allocated to noteholders? Are the responsibilities of the trustee and other entities with fiduciary duties to investors clearly identified?		1			YES (LEG)	

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
33	26d	1	Transparency	Provision of historical performance data before pricing	Docs, DD, Data	Does the originator make available data covering the following areas (in static and/or dynamic format): - defaults (i.e. gross losses) - losses (i.e. net losses after recoveries) - delinquencies? Does the data history cover a period of at least 5 years? Are the data provided before pricing? Are the data provided for “substantially similar exposures” to those being securitised? This is fulfilled when (i) the most relevant factors determining the expected performance of the underlying exposures are similar, and (ii) as a result of such similarity, it can be reasonably expected that their performance would not be significantly different. In cases where the Originator cannot provide data in line with the above requirements, are there external data that are publicly available or provided by a suitable third party (e.g. rating agency or another market participant) available and are the other requirements of this Article met?		1	1	1	YES (LEG, DD, DAT)	
34	26d	2	Transparency	Performance of an asset audit on the basis of a sample and defined audit steps (Agreed upon Procedures, AuP) by an external independent party prior to the closing of the Transaction	Data	Is the party performing the asset audit qualified and experienced, and neither a rating agency, third party verifier according to Article 28 of the Securitisation Regulation nor an entity affiliated to the Originator, Sponsor, Investor or SSPE? (typically, an auditor will perform this role) Is the sample drawn representative of the securitised portfolio (usually ensured by a sufficiently large sample and random selection)? Has the required 95% confidence level been achieved? Does the minimum number of underlying exposures in the sample reach the required 50? Is the scope of the asset audit sufficient and cover compliance of the underlying exposures with the key eligibility criteria for credit protection under the credit protection agreement? Does the scope of the asset audit allow for the verification of the following items: - Selected asset type and homogeneity factor (e.g. jurisdiction) (see #11) - No exposures in default or exposures to a credit-impaired debtor or guarantor (see #19) - At least one payment made by the debtor (see #20)? Does the asset audit include a check of the originator’s database or IT systems against the credit protection agreement and related documentation in order to confirm that the occurrence of a credit event would trigger a credit protection payment by the investor where losses on the underlying exposure subject to a credit event would be assigned to the protected tranche(s) with respect to the exposures which are subject to the asset audit? Does the AuP report show any findings? If yes, have the reasons for such findings been explained? Is the AuP report provided prior to the closing of the Transaction?				1	YES (DAT)	

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
35	26d	3	Transparency	Provision of a precise liability cash flow model to the investors prior to pricing by the Originator	Docs, Data	Does the Transaction documentation include an obligation by the originator to make a cashflow model available to potential investors? Does the cash flow model precisely represent the contractual relationships and the payments flowing between the originator, investors, other third parties and, where applicable, the SSPE? Can different prepayment and loss scenarios be modelled? In what form is the cash flow model provided? Has the cash flow model been prepared by the Originator or by third parties? Is the cash flow model provided before pricing? Does the originator undertake to make that model available to investors on an ongoing basis and to potential investors upon request?		1		1	YES (LEG, DAT)	
36	26d	4	Transparency	For residential mortgage loan and auto loan/lease portfolios: publication of information on the environmental performance of the assets financed by such underlying exposures (energy performance certificates) Alternatively: publication of the available information related to the principal adverse impacts of the assets financed by such underlying exposures on sustainability factors	Docs, DD, Data	In case of a securitisation where the underlying exposures are residential loans or auto loans/leases, does the originator publish information related to the environmental performance of the assets financed by such underlying exposures (i.e. residential properties, vehicles) as part of its disclosure obligations pursuant to Article 7 (1) (a) of the Securitisation Regulation? Is the information available for the entire portfolio or only for a proportion of the underlying exposures? Does the originator publish the available information related to the principal adverse impacts of the assets financed by such underlying exposures on sustainability factors, as specified in detail in the RTS on Sustainability disclosure for STS securitisations ?		1	1	1	YES (LEG, DD, DAT)	

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
37	26d	5	Transparency	Compliance with the provisions of Art. 7 of the Securitisation Regulation (regarding Transparency) is the responsibility of the Originator	Docs, DD	Which entity has been designated according to Article 7 (2) of the Securitisation Regulation to fulfil the Transparency requirements according to Art. 7 (1) of the Securitisation Regulation? Is the information on the underlying exposures made available to potential investors before pricing upon request? Is the information on the transaction documentation made available to potential investors before pricing at least in draft or initial form? Is the final transaction documentation made available to investors at the latest 15 days after closing of the transaction? The information requirements according to <u>Art. 7 of the Securitisation Regulation</u> include the following: • Art. 7 (1) (a): Information on the underlying exposures (loan-level data) • Art. 7 (1) (b): All underlying key transaction documentation, including the prospectus, receivables sale agreement, swap agreements, servicing agreement, trust deed, intercreditor agreement and other relevant transaction documents. In addition, the underlying documentation shall include a detailed description of the priority of payments of the transaction. • Art. 7 (1) (c): Where no prospectus has been provided, a transaction summary explaining the main features of the securitisation. • Art. 7 (1) (d): STS notification pursuant to Art. 27 of the Securitisation Regulation • Art. 7 (1) (e): Quarterly investor reports • Art. 7 (1) (f): Any inside information relating to the securitisation to be made public by the originator, sponsor or SSPE pursuant to Article 17 of Regulation (EU) No. 596/2014 (Market Abuse Regulation) (<u>Note</u>: Article 17 of the Market Abuse Regulation applies to issuers whose financial instruments are admitted to trading on a regulated market in a Member State or whose instruments are traded on a multilateral trading facility (MTF) or on an organised trading facility (OTF) systems in a Member State) • Art. 7 (1) (g): Where the Market Abuse Regulation does not apply, any significant event (e.g. material breach of any obligation in the transaction documents) • Is the information made available by the designated entity made available to investors through a securitisation repository (<u>Note</u>: this is mandatory for securitisations where a prospectus has been drawn up)? Where no securitisation repository has been registered (because the securitisation does not involve the drawing up of a prospectus), does the entity designated by the Originator, sponsor and SSPE make the required information available by means of a website in a way that fulfils the minimum requirements stipulated in Art. 7 (2) (e)?		1	1		YES (LEG, DD)	

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D E D	D A T	Verification step applicable? yes / no / deviations	
38	26e	1	Transaction Structure	Coverage of credit events	Docs	Does the credit protection agreement cover at least the following credit events: - Where the transfer of risk is achieved by the use of guarantees, the credit events referred to in Article 215 (1), point (a) of the CRR (i.e. qualifying default or non-payment) - Where the transfer of risk is achieved by the use of credit derivatives, the credit events referred to in Article 216 (1), point (a) of the CRR (i.e. failure to pay; bankruptcy, insolvency or inability of the obligor to pay its debt; restructuring) Are all credit events documented in the Transaction documentation? Has the originator implemented any forbearance measures as referred to in Annex V, Section 30 of the Commission Implementing Regulation (EU) 2015/227 (which do not preclude the triggering of eligible credit events?)		1			YES (LEG)	

							Verification Method				Transaction Verification Catalogue
No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations
39	26e	2	Transaction Structure	Amount, timing and circumstances of credit protection payments	Docs	Is the credit protection payment that is payable following the occurrence of a credit event calculated based on the actual realised loss suffered by the originator or the original lender, as worked out in accordance with their standard recovery policies and procedures for the relevant exposure type and recorded in their financial statements at the time the payment is made? Is the final credit protection payment payable within a specified period of time following the end of the debt workout process for the relevant underlying exposure where the end of the debt workout process occurs before the scheduled legal maturity or early termination of the credit protection agreement? Is, in those instances where an interim credit protection payment (see below) is made, the final credit protection payment made in order to adjust the interim settlement of losses to the actual realised loss? Is an interim credit protection payment made at the latest 6 months after a credit event referred to in Article 26c (1) of the Securitisation Regulation has occurred in cases where the debt workout of the losses for the relevant underlying exposure has not been completed by the end of that 6 months period? Is the amount of the interim credit protection payment at least the higher of - the expected loss amount that is equivalent to the impairment recorded by the originator in its financial statements in accordance with the applicable accounting framework at the time interim payment is made under the assumption that the credit protection agreement does not exist and does not cover any losses; - where applicable, the expected loss amount as determined in accordance with Part 3, Title II, Chapter 3 of the CRR? Is the method for the calculation of interim and final credit protection payments specified in the credit protection agreement? Does the credit protection payment fulfil the following additional requirements: - The credit protection payment is proportional to the share of the outstanding notional amount of the corresponding underlying exposure that is covered by the credit protection agreement - The right of the originator to receive the credit protection payment shall be enforceable. - The amounts payable by investors under the credit protection agreement shall be clearly set out in the credit protection agreement and limited. It shall be possible to calculate those amounts in all circumstances. - The credit protection agreement shall clearly set out the circumstances under which investors shall be required to make payments. The TPVA shall assess whether such circumstances have occurred. - The amount of the credit protection payment shall be calculated at the level of the individual underlying exposure for which a credit event has occurred.		1			YES (LEG)

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
40	26e	3	Transaction Structure	Requirements for the credit protection agreement in relation to the extension period and the credit protection premiums	Docs	Does the credit protection agreement fulfil the following requirements in relation to the <u>extension period</u>: - The credit protection agreement shall specify the maximum extension period that shall apply for the debt workout process for the underlying exposures in relation to which a credit event as referred to in Article 26e (1) of the Securitisation Regulation as occurred, but where the debt workout process has not been completed upon the scheduled legal maturity or early termination of the credit protection agreement. Such an extension period shall not be longer than 2 years. - The credit protection agreement shall provide that by the end of that extension period a final credit protection payment shall be made on the basis of the originator's final loss estimate that would have to be recorded by the originator in its financial statements at that time under the assumption that the credit protection agreement does not exist and does not cover any losses. - In case of a termination of the credit protection agreement, the debt workout process shall continue in respect of any outstanding credit events that occurred prior to that termination (see #32 above). Do the <u>credit protection premiums</u> to be paid under the credit protection agreement fulfil the following requirements: - The credit protection premiums to be paid under the credit protection agreement are structured as contingent on the outstanding nominal amount of the performing securitised exposures at the time of the payment and reflect the risk of the protected tranche. For those purposes, the credit protection agreement shall not stipulate guaranteed premiums, upfront premium payments, rebate mechanisms or other mechanisms that may avoid or reduce the actual allocation of losses to the investors or return part of the paid premiums to the originator after the maturity of the transaction. - By way of derogation from the previous subparagraph, upfront premium payments shall be allowed, provided state aid rules are complied with, where the guarantee scheme is specifically provided for in the national law of a Member State and benefits from a counter-guarantee of any of the entities listed in Article 214 (2), points (a) to (d) of the CRR. - The transaction documentation shall describe how the credit protection premium and any note coupons, if any, are calculated in respect of each payment date over the maturity of the securitisation. - The rights of the investors to receive credit protection premiums shall be enforceable.		1			YES (LEG)	

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
41	26e	4	Transaction Parties	Appointment of a third-party verification agent (TPVA)	Docs	Has a TPVA been appointed before the closing date of the Transaction? Does the Transaction documentation include a commitment by the originator to provide the TPVA with all the information necessary to perform the verification? Does the TPVA have the experience (e.g. from previous similar transactions where it acts as TPVA) and capability to carry out the verification? Is the TPVA a party that is (i) not a credit rating agency, (ii) not a third party verifier and (iii) independent from the originator and investors, and, where applicable, from the SSPE? Does the scope of work of the TPVA include at least the following work for each of the underlying exposures for which a credit event notice is given: - that the credit event referred to in the credit event notice is a credit event as specified in the terms of the credit protection agreement; - that the underlying exposure was included in the reference portfolio at the time of the occurrence of the credit event concerned; - that the underlying exposure met the eligibility criteria at the time of its inclusion in the reference portfolio; - where an underlying exposure has been added to the securitisation as a result of a replenishment, that such a replenishment complied with the replenishment conditions; - that the final loss amount is consistent with the losses recorded by the originator in its profit and loss statement; - that, at the time the final credit protection payment is made, the losses in relation to the underlying exposures have correctly been allocated to the investors? Is it foreseen that the TPVA performs its verification for each individual underlying exposure for which credit protection payment is sought or on a sample basis? In case of the latter, can investors request the verification of the eligibility of any particular underlying exposure where they are not satisfied with the sample-basis verification?		1			YES (LEG)	

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
42	26e	5	Transaction Structure	Originator termination provisions	Docs	What are the instances under which the originator may terminate the Transaction prior to its scheduled maturity? Are these instances limited to any of the following events: • insolvency of the investor; • investor's failure to pay any amounts due under the credit protection agreement or a breach by the investor of any material obligation laid down in the transaction documents; • relevant regulatory events, including (i) relevant changes in Union or national law, relevant changes by competent authorities to officially published interpretations of such laws, where applicable, or relevant changes in the taxation or accounting treatment of the transaction that have a material adverse effect on the economic efficiency of a transaction, in each case compared with that anticipated at the time of entering into the transaction and which could not reasonably be expected at that time, or (ii) a determination by a competent authority that the originator or any affiliate of the originator is not or is no longer permitted to recognise significant risk transfer in accordance with Article 245 (3) of the CRR in respect of the securitisation; • the exercise of an option to call the transaction at a given point in time ("time call"), when the time period measured from the closing date is (i) equal to or greater than the weighted average life of the initial reference portfolio at the closing date (for amortising transactions) or (ii) is equal to or greater than the sum of the replenishment period and the estimated weighted average life at the end of the replenishment period (for transactions featuring a replenishment period); • the exercise of a clean-up call option (as defined in Article 242 (1) of the CRR); • in the case of unfunded credit protection the investor does no longer qualify as an eligible protection provider in accordance with the requirements set out in Article 26e (7) of the Securitisation Regulation (see #42 below)? Does the transaction documentation specify whether the Transaction includes any of the time call or clean-up call options and how such call rights are structured? Specifically, is it ensured that in relation to any time call, that (i) the time call is not be structured to avoid allocating losses to credit enhancement positions or other positions held by investors and shall not be otherwise structured to provide credit enhancement, and (ii) where the time call is exercised, the originators notifies competent authorities how this requirement is fulfilled, including with a justification of the use of the time call and a plausible account showing that the reason to exercise the call is not a deterioration in the quality of the underlying assets? In the case of funded credit protection, is it ensured that upon termination of the credit protection agreement, collateral shall be returned to investors in order of the seniority of the tranches subject to the provisions of the relevant insolvency law that is applicable to the originator?		1				YES (LEG)

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D E D	D A T	Verification step applicable? yes / no / deviations	
43	26e	6	Transaction Structure	Investors' termination provisions	Docs	Is it ensured that the investors may not terminate a transaction prior to its scheduled maturity for any other reason than a failure to pay the credit protection premium or any other material breach of contractual obligations by the originator?		1			YES (LEG)	
44	26e	7	Transaction Structure	Commitment of synthetic excess spread	Docs, Data	Does the Transaction structure foresee the commitment of synthetic excess spread by the originator as credit enhancement for the investors? If this is the case, are all of the following conditions met: - the amount of the synthetic excess spread that the originator commits to using as credit enhancement at each payment period is specified in the transaction documentation and expressed as a fixed percentage of the total outstanding portfolio balance at the start of the relevant payment period (fixed synthetic excess spread); - the synthetic excess spread which is not used to cover credit losses that materialise during each payment period is returned to the originator; - for originators using the IRB Approach referred to in Article 143 of the CRR, the total committed amount per year shall not be higher than the one-year regulatory expected loss amounts on the underlying portfolio of underlying exposures as calculated in accordance with Article 158 of the CRR; - for originators not using the IRB Approach referred to in Article 143 of the CRR, the calculation of the one-year expected loss of the underlying portfolio shall be clearly determined in the transaction documentation; - the transaction documentation specifies the above-mentioned conditions?		1		1	YES (LEG, DAT)	
45	26e	8	Transaction Structure	Requirements for the types of credit protection agreement	Docs	Does the credit protection agreement fall under one of the following types: - a <u>guarantee</u> meeting the requirements set out in Part 3, Title II, Chapter 4 of the CRR, by which the credit risk is transferred to any of the entities listed in Article 214 (2), points (a) to (d) of the CRR, provided that the exposures to the investor qualify for a 0% risk weight under Part 3, Title II, Chapter 2 of the CRR; - a <u>guarantee</u> meeting the requirements set out in Part 3, Title II, Chapter 4 of the CRR, which benefits from a counter-guarantee of any of the entities referred to above; <u>other credit protection</u> not referred to in the above two points in the form of guarantees, credit derivatives or credit linked notes that meet the requirements set out in Article 249 of the CRR, provided that the obligations of the investor are secured by collateral meeting the requirements laid down in Articles 26e (9) and (10) of the Securitisation Regulation?		1			YES (LEG)	

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
46	26e	9	Transaction Structure	Specific requirements for the 'other credit protection'	Docs	Does the credit protection agreement involve the other credit protection as referred to in Article 26e (8) (c) of the Securitisation Regulation? It this is the case, are the following requirements met: - the right of the originator to use the collateral to meet protection payment obligations of the investors is enforceable and the enforceability of that right is ensured through appropriate collateral arrangements; - the right of the investors, when the securitisation is unwound or as the tranches amortise, to return any collateral that has not been used to meet protection payments is enforceable; - where the collateral is invested in securities, the transaction documentation sets out the eligibility criteria and custody arrangement for such securities? Does the transaction documentation shall specify whether investors remain exposed to the credit risk of the originator? Has the originator obtained an opinion from a qualified legal counsel confirming the enforceability of the credit protection in all relevant jurisdictions?		1			YES (LEG)	

							Verification Method				Transaction Verification Catalogue
No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	R E G	L E G	D E D	D A T	Verification step applicable? yes / no / deviations
47	26e	10	Transaction Structure	Collateral requirements in the case of 'other credit protection'	Docs	Where 'other credit protection' is provided in accordance with Article 26e (8) (c) of the Securitisation Regulation, do the originator and the investor have recourse to high-quality collateral, which is held in either of the following forms: - collateral in the form of <u>0 % risk-weighted debt securities</u> referred to in Part 3, Title II, Chapter 2 of the CRR that meet all of the following conditions: (i) those debt securities have a remaining maximum maturity of 3 months which shall be no longer than the remaining period up to the next payment date, (ii) those debt securities can be redeemed into cash in an amount equal to the outstanding balance of the protected tranche, and (iii) those debt securities are held by a custodian independent of the originator and the investors; - collateral in the form of <u>cash</u> held with a third-party credit institution with credit quality step 3 or above as referred to in Article 136 of the CRR? Does the Transaction foresee a structure where only the originator may have recourse to high quality collateral in the form of cash on deposit with the originator or one of its affiliates? If this is the case, are the following requirements fulfilled: - The investor, after having conducted its due diligence according to Article 5 of the Securitisation Regulation, including an assessment of any relevant counterparty credit risk exposure, has given his explicit consent in the final transaction documentation relevant - The originator or one of its affiliates fulfils the minimum credit quality step 2 as referred to in Article 136 of the CRR? Regarding the second requirement, does the exception apply whereby the competent authorities designated pursuant to Article 29 (5) of the Securitisation Regulation may, after consulting EBA, allow collateral in the form of cash on deposit with the originator, or one of its affiliates, subject to a <u>credit quality step 3</u> provided that market difficulties, objective impediments related to the credit quality step assigned to the Member State of the institution or significant potential concentration problems in the Member State concerned due to the application of a minimum credit quality step 2 requirement can be documented? Does the Transaction include provisions whereby, should the third-party credit institution or the originator no longer satisfy the minimum credit quality step, the collateral is (i) either transferred within 9 months to a third-party credit institution with a credit quality step of 3 or above (ii) invested in securities meeting the criteria laid down in Article 26e (9) (a) of the Securitisation Regulation (see above)? Does the Transaction foresee a structure which foresees investments in credit linked notes issued by the originator, in accordance with Article 218 of the CRR?		1			YES (LEG)

D. Verification Steps for CRR Assessments (non-ABCP)

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
1	243	2	All criteria	Qualification of the securitisation position as STS securitisation	Reg, Docs	Does the securitisation position qualify as STS securitisation? <u>Note:</u> Make reference to the STS notification of the Transaction by the Originator to ESMA and to the Preliminary/Final Verification Report of SVI in respect of the Transaction.	1	1			YES (REG, LEG)	
2	243	2a)	Portfolio	Granularity of the securitised portfolio in terms of single obligor concentrations	Docs	At the time of inclusion in the securitisation, does the aggregate exposure value of all exposures to a single obligor (basis: group of connected clients) not exceed 2 % of the pool of underlying exposures? <u>Note:</u> The concept of a "group of connected clients" is defined in Article 4 (1) Number (39) of the CRR and further detailed in the RTS on groups of connected clients. Does the exception for securitised residual leasing values apply where a third party eligible under Art 201 (1) CRR has given a legally enforceable commitment to repurchase or refinance the exposure at a pre-determined amount, thereby not exposing those values to refinancing or resell risk?		1			YES (LEG)	

							Verification Method				Transaction Verification Catalogue	
No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
3	243	2b)	Originator, Portfolio	Maximum risk weight under the Standardised Approach	Docs, DD	Into which exposure class(es) that are relevant for the purposes of Article 243 (2) (b) of the CRR do the underlying exposures that are securitised in the Transaction fall? <u>Note:</u> To determine the exposure class(es), the underlying exposures that are securitised in the Transaction need to be allocated to one or more of the following exposure classes (please also see the full list of exposure classes in Article 112 (a) – (q) of the CRR – not all of them being relevant for Article 243 (2) (b) of the CRR): - Residential mortgage loans (see Articles 124, 125 and 126a of the CRR) - fully guaranteed residential loans (see Article 129 (1) (e) of the CRR) - Commercial mortgage loans (see Articles 124, 126 and 126a of the CRR) - Retail exposures (see Article 123 of the CRR) - Any other exposures (see Article 122 of the CRR (“Exposures to corporates”), Article 122a of the CRR (“Specialised lending exposures”), Articles 114-117 (“Exposures to central governments or central banks”, “Exposures to regional governments or local authorities”, “Exposures to public sector entities” and “Exposures to multilateral development bank”), Article 118 (“Exposures to international organisations”) and Articles 119-121 (“Exposures to institutions”, “Exposures to rated institutions” and “Exposures to unrated institutions”) <u>Note:</u> Articles 114 to 129 of the CRR include detailed provisions about the above-mentioned exposure classes which have been substantially amended in particular in the context of CRR3 which has become effective on 1 January 2025 and need to be carefully checked as the risk weight depends on the applicability of those provisions to the underlying exposures for the Transaction at hand. At the time of inclusion in the securitisation, do the underlying exposures meet, in relation to the originator, the conditions for being assigned, under the Standardised Approach and taking into account any eligible credit risk mitigation, the following maximum risk weights: - Residential mortgage loans or fully guaranteed residential loans: 40 % (on an exposure value-weighted basis for the portfolio; please note that the risk weight depends heavily on the type of residential mortgage loans that are securitised and the LTVs - also, the competent or designated authority in the respective Union member state can increase the risk weights or impose stricter criteria, see Article 124 (9) of the CRR) - Commercial mortgage loans: 50 % (on an individual exposure basis; please note that the risk weight depends heavily on the type of exposures (ADC vs. non-ADC exposure, IPRE vs non-IPRE exposure) that are securitised – also, the competent or designated authority in the respective Union member state can increase the risk weights or impose stricter criteria, see Article 124 (9) of the CRR) - Retail exposures: 75 % (on an individual exposure basis; please note that all criteria listed in Article 123 (1) (a) – (d) need to be complied with to assign a risk weight of 75%) - Any other exposures: 100 % (on an individual exposure basis; please note that in many Transactions these will be exposures to corporates – depending upon the circumstances of the Transaction also other exposure classes can be relevant, see above)	1	1	1		YES (LEG, DD)	

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
4	243	2c)	Portfolio	Inclusion of loans secured by lower ranking security rights for RMBS and CMBS	Docs	In case of residential mortgage loans, fully guaranteed residential loans or commercial mortgage loans, does the securitised portfolio include loans secured by lower ranking security rights on a given asset? If yes, are all loans secured by the prior ranking security rights on that asset also included in the securitisation?		1	1		YES (LEG)	
5	243	2d)	Portfolio	Maximum loan-to-value for RMBS	Docs	In case of residential mortgage loans and fully guaranteed residential loans, does the securitised portfolio include loans that have a loan-to-value ratio of more than 100 % (at the time of inclusion in the securitisation)?		1	1		YES (LEG)	

E. Verification Steps for CRR Assessments (ABCP)

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue
							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations
1	243	1	All criteria	Qualification of the securitisation position as STS securitisation	Reg, Docs	Does the securitisation position qualify as STS securitisation?	1	1			YES (REG, LEG)

							Verification Method				Transaction Verification Catalogue	
No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
2	243	1a)	Originator, Portfolio	Maximum risk weight under the Standardised Approach	Docs, DD	Into which exposure class(es) that are relevant for the purposes of Article 243 (1) (a) of the CRR do the underlying exposures that are securitised in the Transaction fall? <u>Note:</u> To determine the exposure class(es), the underlying exposures that are securitised in the Transaction need to be allocated to one or more of the following exposure classes (please also see the full list of exposure classes in Article 112 (a) – (q) of the CRR – not all of them being relevant for Article 243 (2) (b) of the CRR): - Retail exposures (see Article 123 of the CRR) - Any other exposures (see Article 122 of the CRR (“Exposures to corporates”), Article 122a of the CRR (“Specialised lending exposures”), Articles 114-117 (“Exposures to central governments or central banks”, “Exposures to regional governments or local authorities”, “Exposures to public sector entities” and “Exposures to multilateral development bank”), Article 118 (“Exposures to international organisations”), Articles 119-121 (“Exposures to institutions”, “Exposures to rated institutions” and “Exposures to unrated institutions”), Articles 124, 125, 126, 126a and 129 (1) (e) (“Exposures secured by mortgages on immovable property”, „Exposures secured by mortgages on commercial immovable property” and “fully guaranteed residential loans”) <u>Note:</u> Articles 114 to 129 of the CRR include detailed provisions about the above-mentioned exposure classes which have been substantially amended in particular in the context of CRR3 which has become effective on 1 January 2025 and need to be carefully checked as the risk weight depends on the applicability of those provisions to the underlying exposures for the Transaction at hand. At the time of inclusion in the ABCP programme, do the underlying exposures meet, to the best knowledge of the originator or the original lender, the conditions for being assigned, under the Standardised Approach and taking into account any eligible credit risk mitigation, the following maximum risk weights: - Retail exposures: 75 % (on an individual exposure basis please note that all criteria listed in Article 123 (1) (a) – (d) need to be complied with to assign a risk weight of 75%) - Any other exposures: 100 % (please note that in many Transactions these will be exposures to corporates – depending upon the circumstances of the Transaction also other exposure classes can be relevant, see above) Does the exception, whereby an institution applies Article 248 (3) of the CRR or has been granted the permission to apply the Internal Assessment Approach in accordance with Article 265 of the CRR, apply whereby the risk weight that institution would assign to a liquidity facility under a fully supported ABCP programme is equal or smaller than 100 %?		1	1		YES (LEG, DD)	

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
3	243	1b)	Sponsor, Portfolio	Granularity in terms of single obligor concentrations at ABCP programme level	Docs, DD	At the time of inclusion of the securitised exposures to the ABCP programme, does the aggregate exposure value of all exposures to a single obligor (basis: loans and leases to a group of connected clients) not exceed 2 % of the aggregate exposure value of all exposures within the ABCP programme? <u>Note:</u> The concept of a “group of connected clients” is defined in Article 4 (1) Number (39) of the CRR and further detailed in the RTS on groups of connected clients. In the case of trade receivables, is the credit risk of those trade receivables fully covered by credit protection (e.g., credit insurance) in accordance with Chapter 4 “Credit Risk Mitigation” of the CRR (see Articles 192 – 241 of the CRR)? Have, for the purpose of determination of full coverage and compliance with the concentration limit, any purchase price discounts or overcollateralization been taken into account? Is the protection provider an institution, insurance undertaking or reinsurance undertaking? Does the exception for securitised residual leasing values apply where a third party eligible under Art 201 (1) CRR has given a legally enforceable commitment to repurchase or refinance the exposure at a pre-determined amount, thereby not exposing those values to refinancing or resell risk?		1	1		YES (LEG, DD)	

F. Verification Steps for Article 270 Assessments

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
1	270	1	All criteria	Qualification of the securitisation as STS securitisation	REG, Docs	Does the securitisation position derive from a securitisation that meets the requirements for STS on-balance sheet securitisations as referred to in Article 26a (1) of the Securitisation Regulation? <u>Note:</u> Make reference to the STS notification of the Transaction by the Originator to ESMA and to the Final Verification Report of SVI in respect of the Transaction.	1	1			YES (REG)	
2	270	1a)	Portfolio, Originator, Transaction Structure	Compliance of the securitisation with the requirements of Article 243 (2) of the CRR	REG, Docs	Does the securitisation position meet all the requirements listed in Article 243 (2) (a) – (d) of the Securitisation Regulation (see below for more details)?	1	1			YES (REG, LEG)	
2a)	243	2a)	Portfolio	Granularity of the securitised portfolio in terms of single obligor concentrations	Docs	At the time of inclusion in the securitisation, does the aggregate exposure value of all exposures to a single obligor (basis: group of connected clients) not exceed 2 % of the pool of underlying exposures? <u>Note:</u> The concept of a “group of connected clients” is defined in Article 4 (1) Number (39) of the CRR and further detailed in the RTS on groups of connected clients. Does the exception for securitised residual leasing values apply where a third party eligible under Art 201 (1) CRR has given a legally enforceable commitment to repurchase or refinance the exposure at a pre-determined amount, thereby not exposing those values to refinancing or resell risk?		1			YES (LEG)	

							Verification Method				Transaction Verification Catalogue
No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations
2b)	243	2b)	Originator, Portfolio	Maximum risk weight under the Standardised Approach	Reg, Docs, DD	Into which exposure class(es) that are relevant for the purposes of Article 243 (2) (b) of the CRR do the underlying exposures that are securitised in the Transaction fall? <u>Note:</u> To determine the exposure class(es), the underlying exposures that are securitised in the Transaction need to be allocated to one or more of the following exposure classes (please also see the full list of exposure classes in Article 112 (a) – (q) of the CRR – not all of them being relevant for Article 243 (2) (b) of the CRR): - Residential mortgage loans (see Articles 124, 125 and 126a of the CRR) - fully guaranteed residential loans (see Article 129 (1) (e) of the CRR) - Commercial mortgage loans (see Articles 124, 126 and 126a of the CRR) - Retail exposures (see Article 123 of the CRR) - Any other exposures (see Article 122 of the CRR (“Exposures to corporates”), Article 122a of the CRR (“Specialised lending exposures”), Articles 114-117 (“Exposures to central governments or central banks”, “Exposures to regional governments or local authorities”, “Exposures to public sector entities” and “Exposures to multilateral development bank”), Article 118 (“Exposures to international organisations”) and Articles 119-121 (“Exposures to institutions”, “Exposures to rated institutions” and “Exposures to unrated institutions”) <u>Note:</u> Articles 114 to 129 of the CRR include detailed provisions about the above-mentioned exposure classes which have been substantially amended in particular in the context of CRR3 which has become effective on 1 January 2025 and need to be carefully checked as the risk weight depends on the applicability of those provisions to the underlying exposures for the Transaction at hand. At the time of inclusion in the securitisation, do the underlying exposures meet, in relation to the originator, the conditions for being assigned, under the Standardised Approach and taking into account any eligible credit risk mitigation, the following maximum risk weights: - Residential mortgage loans or fully guaranteed residential loans: 40 % (on an exposure value-weighted basis for the portfolio; please note that the risk weight depends heavily on the type of residential mortgage loans that are securitised and the LTVs - also, the competent or designated authority in the respective Union member state can increase the risk weights or impose stricter criteria, see Article 124 (9) of the CRR) - Commercial mortgage loans: 50 % (on an individual exposure basis; please note that the risk weight depends heavily on the type of exposures (ADC vs. non-ADC exposure, IPRE vs non-IPRE exposure) that are securitised – also, the competent or designated authority in the respective Union member state can increase the risk weights or impose stricter criteria, see Article 124 (9) of the CRR) - Retail exposures: 75 % (on an individual exposure basis; please note that all criteria listed in Article 123 (1) (a) – (d) need to be complied with to assign a risk weight of 75%) - Any other exposures: 100 % (on an individual exposure basis; please note that in many Transactions these will be exposures to corporates – depending upon the circumstances of the Transaction also other exposure classes can be relevant, see above)	1	1	1		YES (REG, LEG, DD)

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
2c)	243	2c)	Portfolio	Inclusion of loans secured by lower ranking security rights for RMBS and CMBS	LEG, DD	In case of residential mortgage loans, fully guaranteed residential loans or commercial mortgage loans, does the securitised portfolio include loans secured by lower ranking security rights on a given asset? If yes, are all loans secured by the prior ranking security rights on that asset also included in the securitisation?		1	1		YES (LEG, DD)	
2d)	243	2d)	Portfolio	Maximum loan-to-value for RMBS	Docs, DD	In case of residential mortgage loans and fully guaranteed residential loans, does the securitised portfolio include loans that have a loan-to-value ratio of more than 100 % (at the time of inclusion in the securitisation)?		1	1		YES (LEG, DD)	
3	270	1b)	Transaction Structure	Qualification of the securitisation position as senior securitisation position	Docs	Does the securitisation position qualify as the senior securitisation position in the Transaction?		1			YES (LEG)	

G. Verification Steps for LCR Assessments

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue
							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations
1	13	1	All criteria	Qualification of the securitisation position as STS securitisation and fulfilment of additional criteria	Docs, Reg	Does the securitisation position qualify as STS securitisation? <u>Note:</u> Make reference to the STS notification of the Transaction by the Originator to ESMA and to the Final Verification Report of SVI in respect of the Transaction. Are the additional criteria laid down in paragraph 2 and paragraphs 10 to 13 of Article 13 of the LCR met?	1	1			YES (REG, LEG)
2	13	2a)	Transaction Structure	Credit Rating of the securitisation position	Docs, DD	Has the position been assigned a credit assessment of credit quality step 1 (AAA or equivalent) by a nominated ECAI in accordance with Article 264 of Regulation (EU) No 575/2013 or the equivalent credit quality step in the event of a short-term credit assessment? <u>Note:</u> With regard to the rating requirement under the LCR, a single AAA rating is sufficient to satisfy the relevant eligibility criterion. Where two ratings are available, both must be AAA. Where three ratings are available, the two highest ratings are taken into account. For example, if the ratings are AAA, AAA and AA-, respectively, only the two AAA ratings are considered for the purposes of the LCR, and the requirement is therefore met. Please also note that, in case one tranche of a securitisation is further divided up in two or more subtranches (e.g. Class A1 and Class A2), those subtranches can usually only be viewed as one "securitisation position" if they have the same rating, the same position in the (pre- and post-enforcement) priorities of payment and the same tenor/weighted average life.		1	1		YES (LEG, DD)
3	13	2b)	Transaction Structure	Most senior tranche of the securitisation	Docs	Is the securitisation position in the most senior tranche or tranches of the securitisation and possesses the highest level of seniority at all times during the ongoing life of the transaction? Can the tranche be deemed to be the most senior where after the delivery of an enforcement notice and where applicable an acceleration notice, the tranche is not subordinated to other tranches of the same securitisation transaction or scheme in respect of receiving principal and interest payments, without taking into account amounts due under interest rate or currency derivative contracts, fees or other similar payments in accordance with Article 242 (6) of the CRR?		1			YES (LEG)

No	Art	Par	Reference Section 10 of Manual	Criterion	Documentation	Verification steps	Verification Method				Transaction Verification Catalogue	
							R E G	L E G	D D	D A T	Verification step applicable? yes / no / deviations	
4	13	2g)	Portfolio	Homogeneity requirements	Docs, Data	Is the securitisation position backed by a pool of homogeneous underlying exposures, which all belong to only one of the following subcategories, or by a pool of homogeneous underlying exposures which combines residential loans referred to in points (i) and (ii): i. Residential loans secured with a first-ranking mortgage granted to individuals for the acquisition of their main residence (with specifications of the loan-to-value ratio and the debt-service/gross income ratio of the borrower) ii. Fully guaranteed residential loans iii. Commercial loans, leases and credit facilities to undertakings established in a Member State to finance capital expenditures or business operations (not: commercial real estate), provided that at least 80 % of the borrowers in the pool are SMEs iv. Auto loans and leases to borrowers or lessees in a Member State, provided that all loans and leases in the pool shall be secured with a first-ranking charge or security over the vehicle or an appropriate guarantee in favour of the SSPE, such as a retention of title provision v. Consumer loans to individuals resident in a Member State.		1		1	YES (LEG, DAT)	
5	13	10	Transaction Structure	Securitisation position not held by the credit institution or group company that originated the underlying exposures	Docs, DD	Have the underlying exposures been originated by the credit institution holding the securitisation position in its liquidity buffer, its subsidiary, its parent undertaking, a subsidiary of its parent undertaking or any other undertaking closely linked with that credit institution?		1	1		YES (LEG, DD)	
6	13	11	Transaction Structure	Requirement regarding Tranche Size	Docs	Does the issue size of the tranche amount to at least EUR 100 million (or the equivalent amount in domestic currency)? <u>Note:</u> Care must be undertaken to determine the tranche amount in case one tranche of a securitisation is further divided up in two or more subtranches (e.g. Class A1 and Class A2) as those subtranches usually cannot be viewed as one "securitisation position. Please also refer to #4 above.		1			YES (LEG)	
7	13	12	Transaction Structure	Requirements regarding Weighted Average Life of the securitisation position	Docs, Data	Is the remaining weighted average life of the tranche 5 years or less? Is the weighted average life of the tranche calculated using the lower of either the transaction's pricing prepayment assumption or a 20 % constant prepayment rate (assuming that the credit institution shall assume that the call is exercised on the first permitted call date)?		1		1	YES (LEG, DAT)	
8	13	13	Originator	Requirements regarding the Originator	Docs, DD	Is the originator of the exposures underlying the securitisation an institution as defined in Article 4 (1) Point (3) of the CRR or an undertaking whose principal activity is to pursue one or more of the activities listed in points 2 to 12 and point 15 of Annex I to Directive 2013/36/EU? <u>Note:</u> There appears to be a drafting error in Article 13 (13) of the LCR as this Article refers to "Article 4 (3) of the CRR while the intended reference is (most likely) to Article 4 (1) Point (3) of the CRR.		1	1		YES (LEG, DD)	