

# Final Verification Report

In respect of the Transaction "Asset-Backed European Securitisation  
Transaction Twenty One B.V."

(FCA Bank Deutschland GmbH)

**12 August 2021 and amended on 22 September 2021**

## **Authorization of SVI as third party**

STS Verification International GmbH ("SVI") has been authorized by the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht "BaFin", as the competent authority pursuant to Art 29 of the Securitisation Regulation to act in all EU countries as third party pursuant to Art 28 of the Securitisation Regulation to verify compliance with the STS Criteria pursuant to Articles 19 - 26 of the Securitisation Regulation ("STS Verification"). Moreover, SVI performs additional services including the verification of compliance of securitisations with (i) Article 243 of the Capital Requirements Regulation (Regulation (EU) 2017/2401 dated 12 December 2017, amending Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms as amended by Regulation (EU) 2021/558 of 31 March 2021) ("CRR Assessment"), (ii) Article 270 (senior positions in synthetic SME securitisations) of the CRR ("Article 270 Assessment"), (iii) Article 13 of the 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") ("LCR Assessment"), and (iv) the STS Criteria, in respect of existing securitisations and potential deficiencies regarding compliance with the STS Criteria ("Gap-Analysis").

## **Mandating of SVI and verification steps**

On 23 April 2021, SVI has been mandated by the Originator (FCA Bank Deutschland GmbH) to verify compliance with the STS criteria pursuant to Article 28 of the Securitisation Regulation for the securitisation transaction "Asset-Backed European Securitisation Transaction Twenty one B.V." (the "Transaction").

As part of our verification work relating to the previous transaction "Asset-Backed European Securitisation Transaction Nineteen UG (haftungsbeschränkt)" and the preparation therefor, we have met with representatives of FCA Bank Deutschland GmbH to conduct a virtual due diligence meeting on 2 September 2020. We have also obtained an updated Due Diligence Presentation as of May 2021 relating to the transaction "Asset-Backed European Securitisation Transaction Twenty one B.V.". In addition, we have discussed selected aspects of the

Transaction with FCA Bank Deutschland GmbH and legal counsel and obtained additional information on the transaction structure, the underwriting and servicing procedures of FCA Bank Deutschland GmbH and the underlying transaction documentation.

For the purposes of our analysis, we have reviewed the following documents and other information related to the Transaction:

- Prospectus
- German Legal Opinion
- Receivables Purchase Agreement
- Servicing Agreement
- Swap Agreement
- Account Bank Agreement
- Amendment Agreement dated 22 September 2021
- Due Diligence Presentation prepared by FCA Bank Deutschland GmbH
- Agreed-upon Procedures Report – Pool Data Verification
- Agreed-upon Procedures Reports for the Eligibility Criteria Verification and Prospectus Data Verification
- Latest version of the liability cash flow model
- Data Package received from FCA Bank Deutschland GmbH
- Additional information received by e-mail, such as confirmations, comments, etc.

## Verification Methodology

The fulfilment of each verification point in this Final Verification Report provided to the Originator is evaluated based on the three fulfilment values (traffic light status):

Criterion is fully met	
Criterion is mostly met, but with comments or requests for missing information	
Criterion not (yet) met based on available information	

The verification process is based on the SVI verification manual ("Verification Manual"), defined terms of the Verification Manual shall also apply to this report. It describes the verification process and the individual inspections in detail. The Verification Manual is applicable to all parties involved in the verification process and its application ensures an objective and uniform verification of transactions to be verified. Based on the Verification Manual, SVI has derived the Transaction Verification Catalogue for this Transaction as described under Verification Method in this report. A full description of the methodology used by SVI for the Verification can be found in the Verification Manual on our website: [www.svi-gmbh.com](http://www.svi-gmbh.com).

## **Disclaimer of SVI**

SVI grants a registered verification label “verified – STS VERIFICATION INTERNATIONAL” if a securitisation complies with the requirements for simple, transparent and standardised securitisation as set out in Articles 19 to 26 of the Securitisation Regulation ("STS Requirements"). The aim of the Securitisation Regulation is to restart high-quality securitisation markets, and the intention of implementing a framework for simple, transparent and standardised transactions with corresponding STS criteria shall contribute to this. However, it should be noted that the STS verification performed by SVI does not affect the liability of an originator or special purpose vehicle in respect of their legal obligations under the Securitisation Regulation. Furthermore, the use of verification services from SVI shall not affect the obligations imposed on institutional investors as set out in Article 5 of the Securitisation Regulation. Notwithstanding confirmation by SVI which verifies compliance of a securitisation with the STS Requirements, such verification by SVI does not ensure the compliance of a securitisation with the general requirements of the Securitisation Regulation.

SVI has carried out no other investigations or surveys in respect of the issuer or the notes concerned other than as set out in this Final Verification Report and disclaims any responsibility for monitoring the issuer’s continuing compliance with these standards or any other aspect of the issuer’s activities or operations. Furthermore, SVI has not provided any form of advisory, audit or equivalent service to the Originator, Issuer or Sponsor.

Investors should therefore not evaluate their investment in notes based on this Final Verification Report.

SVI assumes due performance of the contractual obligation thereunder by each of the parties and the representations made and warranties given in each case by any persons or parties to SVI or in any of the documents are true, not misleading and complete.

## LIST OF ABBREVIATIONS/DEFINITIONS

Note: For any other term used in this Final Verification Report in capital spelling, please refer to the defined terms in section “TRANSACTION DEFINITIONS” in the Preliminary Offering Circular.

AuP	Agreed-upon Procedures
A-BEST 21	Asset-Backed European Securitisation Transaction Twenty One B.V.
BaFin	Bundesanstalt für Finanzdienstleistungsaufsicht (German Federal Financial Supervisory Authority)
CF-Model	Cash Flow-Model
Due Diligence Presentation	Due Diligence Presentation prepared by FCA Bank Deutschland GmbH
EBA	European Banking Authority
EBA Guidelines	Final Report on Guidelines on the STS criteria for non-ABCP securitisation, as published by EBA on 12 December 2018
FCA Bank	FCA Bank Deutschland GmbH
Final Verification Report	Final Verification Report prepared by SVI in respect of the Transaction
Issue Date	12 August 2021
Issuer	Asset-Backed European Securitisation Transaction Twenty-One B.V.
LO	German Legal Opinion
Originator	FCA Bank Deutschland GmbH
Prospectus	Prospectus dated 12 August 2021
Purchaser	Asset-Backed European Securitisation Transaction Twenty-One B.V.
Retained Notes	Class M Notes and, if required, the Class E Notes, retained by the Originator for the purposes of Article 6 of the Securitisation Regulation
RPA	Receivables Purchase Agreement
RTS on Homogeneity	Commission Delegated Regulation (EU) 2019/1851 dated 28 May 2019 supplementing the Securitisation Regulation with regard to regulatory technical standards on the homogeneity of the underlying exposures in securitisation
RTS on Risk Retention	EBA Final Draft Regulatory Technical Standards specifying the requirements for originators, sponsors and original lenders relating to risk retention pursuant to Article 6(7) of Regulation (EU) 2017/2402
RV	Residual value

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
Seller	FCA Bank Deutschland GmbH
Servicer	FCA Bank Deutschland GmbH
SPV	Special Purpose Vehicle or Issuer
Transaction	The securitisation of auto loan and auto lease receivables involving A-BEST 21 as Issuer

#	Criterion Article 20 (1)	Verification Report
1	Assignment or transfer of ownership of the risk positions takes place by means of a <b>true sale</b> and is legally enforceable.	<p><u>Verification Method:</u> Legal (Legal Opinion, Prospectus) / Due Diligence</p> <p>The Transaction provides for a sale and assignment of auto loan receivables and auto lease receivables ("Purchased Receivables") on a revolving basis during the Revolving Period from FCA Bank Deutschland GmbH ("Originator" and "Servicer") to Asset-Backed European Securitisation Transaction Twenty-One B.V. ("Issuer"). The Purchased Receivables are subject to certain Eligibility Criteria (see section "TRANSACTION OVERVIEW", subsection "The Assets and Reserves", paragraph "Eligibility Criteria" of the Prospectus) specifying, inter alia, that they are subject to German law, denominated in Euro and freely transferable. The Originator is appointed as Servicer in accordance with the Servicing Agreement. The securitisation transaction will be financed by the issuance of the Class A Notes, the Class B Notes, the Class C Notes, Class D Notes, Class E Notes and the Class M Notes (together the "Notes") which are described in the Prospectus. The Prospectus has been approved by the CSSF as the competent authority under Regulation (EU) 2017/1129 ("Prospectus Regulation"). The Notes are governed by German law.</p> <p>The LO confirms, customary assumptions and qualifications that:</p> <ul style="list-style-type: none"> <li>(i) The assignment of Purchased Receivables (Initial Receivables, Additional Receivables) gives the Issuer a claim for segregation (<i>Aussonderungsrecht</i>) in the insolvency of the Originator and such Purchased Receivables will not be part of the Originator's insolvency estate, and no insolvency administrator or any third party creditor of the Servicer will be able to successfully challenge payments made by the Servicer under the Servicing Agreement with respect to Collections on the Purchased Receivables (except in the case of commingling with monies of the Servicer in which case the Issuer may only acquire a claim of substitute segregation (<i>Ersatzaussonderung</i>)).</li> <li>(ii) The transfer of the security interest (Related Collateral for the Initial and Additional Receivables) in the Vehicles contemplates a valid security transfer (<i>Sicherungsübereignung</i>) in relation to the Vehicles;</li> <li>(iii) The German Law Agreements constitute valid, legally binding and enforceable obligations of the parties to the relevant Documents.</li> </ul> <p>Furthermore, the LO expressly confirms the enforceability of the German Documents and the limited recourse provisions.</p> <p>The LO does not contain a specific statement on claw-back risk within the meaning of Article 20 (1) of the Securitisation Regulation (as applicable). The LO describes in general terms that, other than as provided by applicable German insolvency laws (mainly in case of transfers which are fraudulent, damaging to creditors or favouring certain creditors) there are no increased claw-back risks.</p> <p>The LO does not cover the legality and validity of the Loan and Lease Agreements. However, the Originator represents and warrants (see section 16.2(e) of the RPA) that each Receivable complies with the Eligibility Criteria (as defined in the Transaction Overview). These Eligibility Criteria, inter alia, require that each Purchased Receivable exists and each Purchased Receivable is governed by German law and is a valid, binding and enforceable obligation of the respective Debtor. Please refer to section "TRANSACTION OVERVIEW", subsection "The Assets and Reserves", paragraph "Eligibility Criteria" of the Prospectus.</p>

#	Criterion Article 20 (1)	Verification Report
2	Requirements for the external <b>legal opinion</b>	<p><u>Verification Method:</u> Legal (Legal Opinion) / Due Diligence</p> <p>The LO is provided by Linklaters LLP, a well-known law firm with expertise in the area of securitisation.</p> <p>The LO is addressed to the Arrangers, the Issuer and the Originator. It may be disclosed, on a non-reliance basis, among others, to STS Verification International GmbH and to the competent regulatory or supervisory authorities.</p>
#	Criterion Article 20 (2)	Verification Report
3	Specification of increased <b>claw-back risks</b> : Are there any provisions in the respective national insolvency law, which could render the transfer voidable?	<p><u>Verification Method:</u> Legal (Legal Opinion)</p> <p>The LO does not contain a specific confirmation that the assignment will not be subject to severe claw-back provisions within the meaning of Article 20 (1) of the Securitisation Regulation (see above #1).</p> <p>The LO contains standard insolvency related qualifications (including qualification with respect to the Recission Act (Anfechtungsgesetz)). Those are mitigated by representations and warranties provided by Originator which we consider standard for a transaction of this nature (in particular under section 16.1 (i) and (j) of the RPA).</p>
#	Criterion Article 20 (3)	Verification Report
4	Specification of non-increased claw-back risks: National insolvency laws are not severe if they allow for the invalidation of the sale of the underlying exposures in the event of fraudulent transfers, unfair prejudice to creditors or favouring particular creditors over others.	<p><u>Verification Method:</u> Legal (Legal Opinion)</p> <p>Applicable German insolvency law is considered not to represent any severe claw-back risks, see #3 above.</p>

#	Criterion Article 20 (4)	Verification Report
5	If the sale and transfer is not taking place directly between the seller and the SPV but <b>intermediate sales</b> take place, is the true sale still fulfilled?	<p><u>Verification Method:</u> Legal (Legal Opinion, Receivables Purchase Agreement)</p> <p>Under the transaction structure used by A-Best 21, the sale and transfer take place directly between the Seller (who is the original lender/lessor) and the SPV acting as Issuer, i.e. without any intermediate sale taking place.</p>
#	Criterion Article 20 (5)	Verification Report
6	If the <b>transfer of receivables and the perfection take place at a later stage</b> , are the trigger events in relation to the seller's credit quality standing sufficiently defined?	<p><u>Verification Method:</u> Legal (Legal Opinion, Receivables Purchase Agreement)</p> <p>The transfer of the Initial Receivables will occur on or about the Issue Date of the Transaction (scheduled for 12 August 2021) and during the Revolving Period (please also refer to ##8, 17, 33) the transfer of the Additional Receivables will occur on the relevant Additional Purchase Date. As described, there are no circumstances in which the transfer of the underlying exposures will be performed by means of an assignment and perfected at a later stage than at each Purchase Date.</p>
#	Criterion Article 20 (6)	Verification Report
7	<b>Representations and warranties</b> of the seller regarding to the legal condition of the underlying exposures	<p><u>Verification Method:</u> Legal (Transaction Documents)</p> <p>The Seller (who is the original lender) represents and warrants that the Purchased Receivables are legally valid, binding and enforceable contractual obligations of the relevant Debtors and that, to the best of its knowledge, the Purchased Receivables are not encumbered or otherwise in a condition that can be foreseen to adversely affect the enforceability of the true sale or assignment or transfer with the same legal effect, see section "TRANSACTION OVERVIEW" subsection "The Assets and Reserves", paragraph "Eligibility Criteria", items (h)(ii) and (j) for any Lease Receivable and (i)(ii) and (k) for any Loan Receivable as well as section "OVERVIEW OF FURTHER TRANSACTION DOCUMENTS", subsection "THE RECEIVABLES PURCHASE AGREEMENT", paragraph "Representation and Warranties; Undertakings", item 1.5.1 (i) of the Prospectus and above under #3.</p>

#	Criterion Article 20 (7)	Verification Report
8	Clear selection criteria and no active portfolio management ('eligibility criteria') (I / III)	<u>Verification Method:</u> Legal (Transaction Documents)
		The underlying exposures transferred from the Originator to the SPV are selected according to predetermined, clear and documented Eligibility Criteria, see section "TRANSACTION OVERVIEW" subsection "The Assets and Reserves", paragraph "Eligibility Criteria" of the Prospectus.
		A Revolving Period is provided for in the transaction structure. On each Offer Date during the Revolving Period, the Issuer will purchase, subject to receipt of a corresponding Offer, Additional Receivables from the Originator pursuant to the terms of the RPA, subject to certain conditions including (i) that each Additional Receivable is in compliance with the Eligibility Criteria set out in section "TRANSACTION OVERVIEW" subsection "The Assets and Reserves", paragraph "Eligibility Criteria" and following the purchase of the Additional Receivables the Pool Eligibility Criteria (see section "TRANSACTION OVERVIEW" subsection "The Assets and Reserves", paragraph "Pool Eligibility Criteria") continue to be satisfied on the Offer Date and (ii) that no Early Amortisation Event has occurred. As a consequence, consistent Eligibility Criteria apply on the Issue Date and each Additional Purchase Date thereafter which falls into the Revolving Period.
#	Criterion Article 20 (7)	Verification Report
9	Clear selection criteria and no active portfolio management ('eligibility criteria') (II / III)	<u>Verification Method:</u> Data (AuP Report)
		The asset audit, whereby the audit company performs certain Agreed-upon Procedures with respect to the compliance of the underlying exposures in a randomly selected sample, covers the key Eligibility Criteria specified for the Transaction. Please also refer to #40 for a summary of the scope of the asset audit.

#	Criterion Article 20 (7)	Verification Report
10	Clear selection criteria and no active portfolio management ('eligibility criteria') (III / III)	<p data-bbox="642 363 1375 389"><u>Verification Method:</u> Due Diligence / Legal (Transaction Documents)</p> <p data-bbox="642 411 2042 437">The underlying exposures in the provisional and the final pool are selected based on a well-established, random selection process.</p> <p data-bbox="642 459 2042 762">In case a Purchased Receivable did not fulfil the Eligibility Criteria in whole or in part on the relevant Purchase Date, the Originator may (at its sole discretion) remedy any breach of the representation or non-compliance with the Eligibility Criteria at no cost to the Issuer. If such remedy is not possible or not made, the Originator will repurchase (in whole but not in part) each such Non-Eligible Receivable and the related Collateral pertaining to such Non-Eligible Receivable at the Repurchase Price. Such repurchase will be effected by entering into a receivables repurchase agreement on the Purchase Date (or, if the Revolving Period has lapsed, the next Payment Date) that immediately follows the date ten Business Days after the date on which the Originator or the Issuer has become aware of such non-compliance or received notice thereof from the Issuer or the Trustee, see section "OVERVIEW OF FURTHER TRANSACTION DOCUMENTS", subsection "THE RECEIVABLES PURCHASE AGREEMENT", paragraph "Repurchase Obligations of the Originator", items 1.4.2 (a) and (b) of the Prospectus. There will, however, be no substitution of the ineligible Receivable with a new Receivable during the amortisation period.</p> <p data-bbox="642 775 2042 858">The above-described instance that allows for a repurchase of underlying exposures fall under the individual techniques of portfolio management listed in the EBA Guidelines that should not be considered active portfolio management (e.g. breach of representations or warranties).</p> <p data-bbox="642 880 2042 999">Generally, the above described repurchase mechanism used in the Transaction (a) does not make the performance of the Transaction dependent both on the performance of the underlying exposures and on the performance of the portfolio management, and (b) is not performed for speculative purposes aiming to achieve better performance, increased yield, overall financial returns or other purely financial or economic benefit.</p> <p data-bbox="642 1027 2042 1082">As a result of the above and given that the pool of underlying exposures is merely replenished during the Revolving Period, the criterion "no active portfolio management" is fulfilled.</p>

#	Criterion Article 20 (8)	Verification Report
11	Securitisation of a <b>homogeneous</b> portfolio in terms of asset classes (I / III)	<u>Verification Method</u> : Legal (Transaction Documents)
		The underlying exposures fall into the asset type according to Art. 1 (a) (v) of the Commission Delegated Regulation (EU) 2019/1851 on Homogeneity (i.e. auto loans and leases).
		The Originator has chosen the homogeneity factor according to Art. 2 (4.) (b) of the Commission Delegated Regulation (EU) 2019/1851 on the Homogeneity of the underlying exposures, i.e. jurisdiction, whereby the pool shall consist of underlying exposures relating to Debtors which have their place of residence/ their registered office in one jurisdiction (Germany) only, see Prospectus, section "TRANSACTION OVERVIEW" subsection "The Assets and Reserves", paragraph "Eligibility Criteria" item (f) in respect of any Lease Receivable and item (g) in respect of any Loan Receivable.
#	Criterion Article 20 (8)	Verification Report
12	Securitisation of a homogeneous portfolio in terms of asset classes (II / III)	<u>Verification Method</u> : Due Diligence (Underwriting and Servicing Policy)
		The underlying exposures have been originated in accordance with consistent underwriting standards, as presented in the Due Diligence and further described in #17 and #18. No distinction is made between securitised and non-securitised receivables. The processes assure that only Receivables due from Debtors resident in Germany are originated according to the underwriting policy.
		The same applies to the servicing policy, with the underlying exposures being serviced using consistent standards and no distinction being made between securitised and non-securitised receivables. Please also refer to #35 and #36 for more details on the servicing procedures.
#	Criterion Article 20 (8)	Verification Report
13	Securitisation of a homogeneous portfolio in terms of asset classes (III / III)	<u>Verification Method</u> : Data (AuP Report)
		The homogeneity factor "residence in Germany" is, through the check of the key Eligibility Criteria "the Debtor is resident or incorporated in Germany", part of the Eligibility Criteria Verification as further described in #40.

#	Criterion Article 20 (8)	Verification Report
14	The underlying exposures contain <b>obligations that are contractually binding and enforceable</b>	<p><u>Verification Method:</u> Legal (Legal Opinion) / Due Diligence</p> <p>The Prospectus, section "TRANSACTION OVERVIEW", subsection "The Assets and Reserves", paragraph "Eligibility Criteria", item (h) (ii) in respect of any Lease Receivable and item (i) (ii) in respect of any Loan Receivable contains warranties by the Originator as to the legally valid, binding and enforceable nature of the underlying exposures, i.e. the Agreements under which the relevant Purchased Receivables arises. Please also refer to #1.</p>

#	Criterion Article 20 (8)	Verification Report
15	The underlying exposures have <b>defined periodic payment streams</b> and do not include <b>transferable securities</b> other than unlisted corporate bonds	<p><u>Verification Method:</u> Legal (Legal Opinion, Transaction Documents) / Due Diligence / Data (AuP Report)</p> <p>The underlying exposures for the Transaction represent Lease Agreements (a Close End Contract or an Open End Contract) and Auto Loan Agreements (Balloon Loans) originated by the FCA Bank in respect of either consumers (<i>Verbraucher</i>) or entrepreneurs (<i>Unternehmer</i>).</p> <p>With regards to the <u>Lease Agreements</u>, two contract types form part of the securitised portfolio:</p> <ol style="list-style-type: none"> <li>1. Close End Contract (<i>Kilometer-Vertrag</i>), in which the dealer has the risk of the residual value, and</li> <li>2. Open End Contract (<i>Restwert-Vertrag</i>), in which the customer carries this risk of the residual value.</li> </ol> <p>With regards to the <u>Auto Loan Agreements</u>, the contract type "Balloon Loan" forms part of the securitised portfolio. "Balloon Loan" means a Loan where the terms provide for fixed monthly instalments of equal amounts and a balloon payment (<i>erhöhte Schlussrate</i>) at maturity.</p> <p>Apart from these variations, the underlying exposures do not differ structurally in terms of payment streams (with the exception of the final instalment), as discussed and verified in the Due Diligence.</p> <p>As presented during the Due Diligence, the underlying exposures have defined periodic payment streams relating to principal, interest and insurance-related payments, or to any other right to receive income from assets supporting such payments. The Loan Receivables derive from Loan Agreements which provide for regular monthly instalments plus one higher balloon instalment at the end of the contract term. The amortisation occurs on a monthly basis and results in monthly instalment payments consisting of principal and interest plus the final balloon instalment at maturity. The Lease Receivables are the payment claims arising under the relevant Lease Agreement in respect of the lease instalments payable on a monthly basis by the relevant Debtor as consideration for the lease of the relevant Vehicle but excluding (i) any applicable VAT, (ii) any component used to pay the relevant insurance premium for payment protection or guaranteed auto protection insurance and (iii) any claim for residual value of the Vehicle.</p>

		<p>The Purchased Receivables require the monthly payment of instalments. Please also refer to Prospectus, section "TRANSACTION OVERVIEW", subsection "The Assets and Reserves", paragraph "Eligibility Criteria", item (m) in respect of any Lease Receivable and items (b) and (n) in respect of any Loan Receivable.</p> <p>The Eligibility Criteria restrict the underlying exposures to Purchased Receivables originated under a Lease Agreement or a Loan Agreement and do not include transferable securities, please refer to Prospectus, section "TRANSACTION OVERVIEW", subsection "The Assets and Reserves", paragraph "Eligibility Criteria", item (a) in respect of any Lease Receivable and item (a) in respect of any Loan Receivable. The compliance of the provisional pool with the Eligibility Criteria will be verified through the Eligibility Criteria Verification (see #40).</p>
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#	Criterion Article 20 (9)	Verification Report
16	Are there any <b>securitisation positions</b> in the portfolio?	<p><u>Verification Method:</u> Legal (Transaction Documents) / Due Diligence / Data (AuP Report)</p> <p>As demonstrated during the Due Diligence, the origination and/or resale of securitisation positions is not part of the business model of the Originator and not permitted under the Originator's underwriting policy.</p> <p>The Eligibility Criteria restrict the Purchased Receivables to Receivables which derive from Loan or Lease Agreements, thereby assuring that no securitisation position may become part of the portfolio. The compliance of the final pool with the Eligibility Criteria will be verified through the Eligibility Criteria Verification (see #40).</p>

#	Criterion Article 20 (10)	Verification Report
17	<b>Origination of underlying exposures in the ordinary course of business</b> of the originator or the original lender	<p><u>Verification Method:</u> Legal (Transaction Documents) / Due Diligence (Underwriting and Servicing Policy)</p> <p>FCA Bank Deutschland GmbH is Germany's second-oldest automotive finance company, celebrated its 80th anniversary in 2019. Organisation and business processes have been developed over decades. FCA Bank is subject to the supervision of the German Federal Financial Supervisory Authority (BaFin) and the Deutsche Bundesbank in accordance with the German Banking Act (Kreditwesengesetz) (please refer to section "THE ORIGINATOR / SERVICER / SWAP COUNTERPARTY" of the Prospectus).</p> <p>As presented and discussed in the Due Diligence, the well-developed and highly professional organisation of FCA Bank's business procedures is in line with the volume and quantity of business transactions. In Germany, FCA Bank distributes vehicles through a network of 360 main dealers who are supported by 17 regional managers.</p> <p>FCA Bank's business procedures assure that securitised exposures have been originated in the ordinary course of business and in accordance with uniform standards, as reflected in the Credit and Collection Policy, see in this regard Prospectus, section "TRANSACTION OVERVIEW", subsection "The Assets and Reserves", paragraph "Eligibility Criteria", item (g) in respect of any Lease Receivable and item (h) in respect of any Loan Receivable. Deviations from the Credit and Collection Policy are only</p>

	<p>permissible in well-defined and documented instances. The underlying exposures are selected for securitisation using a random selection process.</p> <p>The underlying exposures are similar to the non-securitised Lease and Loan Agreements in the asset type "auto loans and leases" (see definition of "similar exposures" in the EBA Guidelines) due to the strictly random selection process.</p> <p>The Originator represents and warrants that it will undertake that its collection procedures under the Collection Policy will not materially change after the Issue Date. However, any amendment, restatement or variation of the Servicing Agreement or the Collection Policy is valid only (a) in case of amendments which do not materially and adversely affect the interests of the Noteholders and/or any Transaction Party, if it is notified by the party requesting such amendment to the Trustee and the Rating Agencies in writing and it has been demonstrated to the reasonable satisfaction of the Trustee that such amendment is not materially prejudicial to the interests of the Noteholders and/or any Transaction Party; and (b) in case of amendments which materially and adversely affect the interests of the Noteholders and/or any Transaction Party, if it is notified by the party requesting such amendment to the Trustee and the Rating Agencies in writing and the Issuer has received the written consent to such amendment from the Trustee and the Transaction Parties that are materially and adversely affected, see section "TRANSACTION OVERVIEW", subsection "Servicing of the Portfolio" as well as "OVERVIEW OF FURTHER TRANSACTION DOCUMENTS", subsection "THE SERVICING AGREEMENT", paragraph 2.13 "Amendments" of the Prospectus.</p>
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#	Criterion Article 20 (10)	Verification Report
18	<p><b>Underwriting standards</b> for securitised exposures are no less stringent than those applied to non-securitised exposures</p>	<p><u>Verification Method</u>: Due Diligence</p> <p>As presented and discussed in the Due Diligence, no distinction is made between securitised and non-securitised exposures in any respect, be it 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, credit processing, dunning procedures, debt collection, realisation of collateral, customer service, outsourcing of sales, underwriting and servicing activities or areas of risk controlling, accounting and reporting (except for the required reporting of ABS transactions).</p> <p>Employees of the Originator involved in the underwriting do not know whether a risk position currently being processed for application will be securitised at a later stage or not.</p>

#	Criterion Article 20 (10)	Verification Report
19	Where the underlying exposures are <b>residential mortgage loans</b> , does the portfolio include <b>loans that have been self-certified</b> by the loan applicants?	<p><u>Verification Method:</u> Legal (Transaction Documents) / Due Diligence</p> <p>The Eligibility Criteria restrict the underlying exposures to Lease Receivables under Lease Agreements and to Loan Receivables under Loan Agreements – therefore, residential mortgage loans do not form part of the portfolio.</p>
20	<b>Assessment of the borrower’s creditworthiness performed in accordance with certain EU Directives</b> 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	<p><u>Verification Method:</u> Regulatory / Legal (Transaction Documents) / Due Diligence</p> <p>FCA Bank is a financial institution (<i>Kreditinstitut</i>) according to § 1 German Banking Act. As such, the Originator is supervised by BaFin and the Deutsche Bundesbank as competent national supervisory authorities. FCA Bank performs the assessment of the borrower’s creditworthiness with respect to loan contracts in accordance with Article 8 of Directive 2008/48/EC, see Prospectus, section “TRANSACTION OVERVIEW”, subsection “The Assets and Reserves”, paragraph “Eligibility Criteria”, item (c)(v) in respect of any Lease Receivable or Loan Receivable.</p>
21	<b>Originator’s experience</b> (as an entity or through management and senior staff) in origination of similar risk positions	<p><u>Verification Method:</u> Legal (Transaction Documents) / Due Diligence</p> <p>As an institution, the Originator does have substantially more than 5 years of experience in origination and underwriting of exposures similar to those securitised, see section “THE ORIGINATOR / SERVICER / SWAP COUNTERPARTY” of the Prospectus.</p>

#	Criterion Article 20 (11)	Verification Report
22	The underlying exposures are <b>transferred without undue delay</b> after selection	<p><u>Verification Method:</u> Legal (Transaction Documents)</p> <p>The date of the preliminary and final pool cuts are 18 May 2021 and 23 July 2021, respectively. Transfer of the final pool will occur at the Issue Date (scheduled for 12 August 2021), i.e. without undue delay.</p>

#	Criterion Article 20 (11)	Verification Report
23	The underlying exposures do not include <b>any defaulted exposures</b> or to <b>debtors/guarantors with impaired creditworthiness</b>	<p><u>Verification Method:</u> Regulatory (suitable proof incl. Imprint Website) / Legal (Transaction Documents) / Due Diligence</p> <p>The Originator is an institution subject to Regulation (EU) 575/2013. As presented in the Due Diligence and confirmed in the Prospectus the Loan Receivables are transferred to the Issuer after selection without undue delay and do not include, at the time of selection and to the best of the Originator’s knowledge, exposures in default within the meaning of Article 178 (1) of Regulation (EU) No 575/2013 or exposures to a credit-impaired debtor or guarantor (see Prospectus, section “TRANSACTION OVERVIEW”, subsection “The Assets and Reserves”, paragraph “Eligibility Criteria”, item (c) in respect of any Lease Receivable or Loan Receivable).</p> <p>Furthermore, the underlying exposures will not include Lease or Loan Receivables relating to a credit-impaired Debtor or guarantor who (1) has been declared insolvent or had a court grant his creditors a final non-appealable right of enforcement or material damages as a result of a missed payment within three years prior to the date of origination of the respective Receivable or has undergone a debt-restructuring process with regard to his non-performing exposures within three years prior to the date of transfer or assignment of the respective Receivable to the Issuer; (2) was, at the time of origination of the respective Receivable, where applicable, on a public credit registry of persons with adverse credit history or, where there is no such public credit registry, another credit registry that is available to the originator or original lender; or (3) has a credit assessment or a credit score indicating that the risk of contractually agreed payments not being made with regard to a Receivable is significantly higher than for comparable exposures held by the Originator which are not securitised (see Prospectus, section “TRANSACTION OVERVIEW”, subsection “The Assets and Reserves”, paragraph “Eligibility Criteria”, item (c) in respect of any Lease Receivable or Loan Receivable).</p> <p>As a consequence of the macroeconomic impact of the COVID-19 pandemic in some countries such as Germany, governments are trying to support certain Debtors by giving them the right to defer loan payments for a certain period of time, see section “RISK FACTORS”, sub-section “LEGAL AND REGULATORY RISKS”, paragraph 6.8 “The COVID-19 pandemic (“Corona Pandemic”)” of the Prospectus. Please note that the granting of a payment break per se does not result in the occurrence of a default in the sense of Regulation (EU) No 575/2013 nor does it represent a debt restructuring in the sense of Article 20 (11) of the Securitisation Regulation.</p> <p>The Originator represents, with regards to the question which sources of information it has used to identify defaulted exposures and to determine if a Debtor is credit-impaired, that it has obtained information (1) from the Debtor on origination of the relevant</p>

	Lease/Loan Receivable, (2) in the course of FCA Bank's servicing of the Lease/Loan Receivables or FCA Bank's risk management procedures, or (3) from a third party, see section "COLLECTION POLICY" of the Servicing Agreement. This is in line with the 'best knowledge' standard stipulated in the EBA Guidelines.
	As demonstrated during the Due Diligence, the Originator has IT systems in place to ensure that defaulted exposures or exposures to debtors/guarantors with impaired creditworthiness are excluded on each pool cut.

#	Criterion Article 20 (11)	Verification Report
24	The risk positions do not have a <b>credit assessment or a credit score</b> that allows a significantly higher default risk to be expected than for non-securitised risk positions	<p><u>Verification Method:</u> Due Diligence</p> <p>The most relevant factors determining the expected performance of the underlying exposures in the securitised portfolio are the profiles of the consumers (<i>Verbraucher</i>) or entrepreneurs (<i>Unternehmer</i>), credit agencies' information and financial information as well as past payment behaviour. All of these factors have an impact on the credit score.</p> <p>These factors are the same for securitised and non-securitised exposures due to the strictly random selection process.</p> <p>On this basis, it can be reasonably assumed that – in comparison to non-securitised exposures – no worse performance should occur for securitised exposures for the term of the Transaction.</p> <p>The requirement that the underlying exposures do not have a "credit assessment or a credit score indicating that the risk of contractually agreed payments not being made is significantly higher than for comparable receivables held by the Originator which are not securitised" is considered to be met as the underlying exposures do not include (i) exposures that are 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 comparable receivables held by the Originator.</p>

#	Criterion Article 20 (12)	Verification Report
25	At the time of the transfer, the <b>debtor has paid at least 1 instalment</b>	<p><u>Verification Method:</u> Legal (Transaction Documents) / Data (AuP Report)</p> <p>The Originator warrants that on each Cut-Off Date at least one Instalment has been collected from the respective Debtor, see Prospectus, section "TRANSACTION OVERVIEW", subsection "The Assets and Reserves", paragraph "Eligibility Criteria", item (c) in respect of any Lease Receivable and item (d) in respect of any Loan Receivable.</p> <p>The AuP Report relating to the Eligibility Criteria Verification, whereby the audit company performs certain Agreed-upon Procedures with respect to the compliance of the underlying exposures (please also refer to #40, Article 22 (2)), covers the above-mentioned Eligibility Criteria.</p>

#	Criterion Article 20 (13)	Verification Report
26	The repayment of the securitisation position should <b>not be predominantly dependent on the sale of assets</b> securing the underlying exposures	<p><u>Verification Method:</u> Legal (Transaction Documents) / Due Diligence / Data</p> <p>As presented and discussed in the Due Diligence, the Transaction has been structured to not be predominantly dependent on the sale of the Vehicles or other assets securing the Purchased Receivables. The repayment is entirely linked to the repayment of the Performing Receivables; the repayment of the Performing Receivables in turn is not contingent and does not depend on the sale of the Vehicles which serve as collateral for the Purchased Receivables. As demonstrated during the Due Diligence, the Originator's underwriting focuses on the creditworthiness of its Borrowers rather than on the recoveries derived from the sale of the Vehicles or other assets securing the Purchased Receivables in the case of default. The following should be taken into account with regard to Lease Agreements: The residual value (RV) portion of the Lease Agreements, which bears the potential risk that the value of the underlying Vehicle fluctuates, does not form part of the underlying exposures, please refer to section "TRANSACTION DEFINITIONS", definition of "Lease Receivable" of the Prospectus (also see above, #15, Art. 20 (8) of the Securitisation Regulation).</p>

#	Criterion Article 21 (1)	Verification Report
27	<b>Risk retention</b> (Art. 6.1 of the Securitisation Regulation), usually by the Originator	<p><u>Verification Method:</u> Legal (Transaction Documents) / Due Diligence</p> <p>Holder of risk retention: FCA Bank as the Originator, see section "THE TRUST AGREEMENT", subsection 24 "RETENTION BY THE ORIGINATOR" of the Prospectus.</p> <p>Type of risk retention: in accordance with Article 6(3)(d) of the Securitisation Regulation and specified in more detail in Article 8 of the RTS on Risk Retention. The Originator will acquire on the Issue Date and thereafter on an on-going basis for the life of the Transaction the Class M Notes and, if required, as many Class E Notes as may be required so that, taken together, the Retained Notes represent not less than 5% of the nominal value of the securitised exposures. Please refer to section "THE TRUST AGREEMENT", subsection 24 "RETENTION BY THE ORIGINATOR" of the Prospectus together with section 2 "Amendments to the Prospectus" of the Amendment Agreement.</p> <p>The Investor Report will also set out monthly confirmation regarding the continued holding of the risk retention by the Originator, as confirmed by the Originator (see section "THE TRUST AGREEMENT", subsection 24 "RETENTION BY THE ORIGINATOR", item 24.1 (d) of the Prospectus).</p> <p>The legal obligation of the Originator to hold the risk retention during the lifetime of the transaction is entered into according to section "THE TRUST AGREEMENT", subsection 24 "RETENTION BY THE ORIGINATOR" of the Prospectus.</p>

#	Criterion Article 21 (2)	Verification Report
28	<b>Appropriate hedging</b> of interest rate and currency risks, no derivatives as underlying risk positions (I / II)	<p><u>Verification Method:</u> Due Diligence</p> <p>Since the Purchased Receivables are fixed rate and the Class A Notes are floating rate, interest rate risks arise from such mismatch. For the Class B – Class E Notes and for the Class M Notes this mismatch does not exist, since these notes are also fixed rate. Both assets and liabilities of the Issuer are EUR denominated hence no currency risk occurs.</p> <p>While the Purchased Receivables bear interest at fixed rates, the Class A Notes will bear interest at a floating rate based on 1-month EURIBOR. In order to mitigate a mismatch of amounts of interest paid under the Loan and Lease Agreements and amounts of interest due under the Class A Notes, the Issuer will enter into the Swap Agreements with the relevant Swap Counterparty according to which the Issuer will make payments to, in each case by reference to a certain fixed interest rate, and the relevant Swap Counterparty will make payments to the Issuer by reference to a rate based on a EURIBOR-basis.</p> <p>No further risks in addition to interest rate risks are hedged under the Swap Agreement.</p>

#	Criterion Article 21 (2)	Verification Report
29	Appropriate hedging of interest rate and currency risks, no derivatives as underlying risk positions (II / II)	<p><u>Verification Method:</u> Legal (Transaction Documents)</p> <p>The legal instrument used by the Issuer to hedge interest rate risks is the Swap Agreement for the Class A, see in this regard section "OVERVIEW OF FURTHER TRANSACTION DOCUMENTS", subsection "The Swap Agreements" of the Prospectus.</p> <p>The agreement considers any potential asset liability mismatch by referencing to the outstanding notes balance, and the agreement is based on the 1992 ISDA Master Agreement as established market standard, see section "OVERVIEW OF FURTHER TRANSACTION DOCUMENTS", subsection "The Swap Agreements" of the Prospectus.</p> <p>The requirements for eligible swap counterparties are market standard in international finance, see section "OVERVIEW OF FURTHER TRANSACTION DOCUMENTS", subsection "The Swap Agreements" of the Prospectus.</p>

#	Criterion Article 21 (3)	Verification Report
30	Generally used <b>reference rates</b> for interest payments	<p><u>Verification Method:</u> Legal (Transaction Documents)</p> <p>No reference rates apply to the Purchased Receivables which bear fixed interest rates.</p> <p>The Class A Notes will bear interest at floating rates based on 1-M-EURIBOR, see section "TRANSACTION OVERVIEW", subsection "THE NOTES" and there the definition of „Interest Rate" in the Prospectus as well as the definition of "EURIBOR" in the section "TRANSACTION DEFINITIONS" in the Prospectus, constituting a market standard reference rate.</p> <p>The interest for the Cash Accounts will be based on €STR, also constituting a market standard reference rate.</p> <p>Currency hedges are not provided for in the transaction structure as both the Purchased Receivables and the Notes are denominated in EUR.</p>

#	Criterion Article 21 (4)	Verification Report
31	<b>Requirements in the event of an enforcement</b> or delivery of an acceleration notice	<p><u>Verification Method:</u> Legal (Transaction Documents)</p> <p>After the Enforcement Conditions have been fulfilled:</p> <ul style="list-style-type: none"> <li>• no cash will be retained with the Issuer, see section "CONDITIONS OF THE NOTES", subsection 9 "PRIORITIES OF PAYMENTS", paragraph 9.3 "Acceleration Priority of Payments" of the Prospectus.</li> <li>• the principal receipts from the underlying exposures will be used for the fully sequential amortisation of the securitisation positions as determined by the seniority of the securitisation position, see section "CONDITIONS OF THE NOTES", subsection 9 "PRIORITIES OF PAYMENTS", paragraph 9.3 "Acceleration Priority of Payments" of the Prospectus.</li> <li>• all creditors of a class of notes will be served equally.</li> <li>• interest and principal payments are first made for the Class A Notes and then interest and principal payments are made for the subsequent Notes, hence repayments are not reversed with regard to their seniority.</li> <li>• no automatic liquidation or sale of risk positions or assets is provided for.</li> </ul>

#	Criterion Article 21 (5)	Verification Report
32	<b>Sequential repayment as fall-back</b> in the event of a deterioration in portfolio quality for Transactions that feature a <b>non-sequential priority of payments</b>	<p><u>Verification Method:</u> Legal (Transaction Documents)</p> <p>The Transaction has a strictly sequential priority of payment.</p>

#	Criterion Article 21 (6)	Verification Report
33	Early amortisation provisions or triggers for termination of the revolving phase to include at least the following:	<p><u>Verification Method:</u> Legal (Transaction Documents)</p> <p>General: The Issuer will only be allowed to purchase Additional Receivables until an Early Amortisation Event (see section "TRANSACTION DEFINITIONS" in the Prospectus, definition of "Early Amortisation Event") has occurred. Thus, the Revolving Period will end on the earlier of (i) the Payment Date following the occurrence of an Early Amortisation Event, and (ii) the Payment Date falling in August 2023. The following events trigger an Early Amortisation Event:</p>
	a) deterioration in the credit quality of the underlying exposures below a predefined threshold	A deterioration in the credit quality of the Purchased Receivables to or below a predetermined threshold (as set out in item (a) of the definition of Early Amortisation Event).
	b) insolvency-related events in relation to the Originator or the Servicer	The occurrence of an insolvency-related event with regard to the Originator or the Servicer (as set out in item (c) and item (d) of the definition of Early Amortisation Event).
	c) decline in value of the underlying exposures below a predefined threshold	The value of the Purchased Receivables held by the Issuer falls below a predetermined threshold (as set out in item (f) of the definition of Early Amortisation Event).
	d) failure to generate sufficient new underlying exposures for replenishments under revolving Transactions	A failure to generate sufficient new Purchased Receivables that meet the predetermined credit quality (as set out in item (g) of the definition of Early Amortisation Event).

#	Criterion Article 21 (7)	Verification Report
34	<p><b>Clear rules</b> in the Transaction documentation regarding obligations, tasks and responsibilities of the Servicer, trustees and other ancillary service providers</p>	<p><u>Verification Method:</u> Legal (Transaction Documents)</p> <p>The Servicing Agreement provides for a clear specification of the contractual obligations, duties and responsibilities of the servicer, especially with regard to the servicing, monitoring, reporting and monthly advances to mitigate for commingling risk, as well as the provisions for a potential replacement in case of a Servicer Termination Event or a Downgrade Event with respect to the Servicer, see section "OVERVIEW OF FURTHER TRANSACTION DOCUMENTS", subsection "The Servicing Agreement" of the Prospectus or the Servicing Agreement.</p> <p>Similar provisions for the obligations, duties and responsibilities of the Trustees and other ancillary service providers are provided for in the Prospectus – see in this context in particular the following pages:</p> <ul style="list-style-type: none"> <li>• section "THE TRUST AGREEMENT" and section "OVERVIEW OF FURTHER TRANSACTION DOCUMENTS", subsection "The Data Trust Agreement" regarding the Trustee and the Data Trustee;</li> <li>• section "THE PRINCIPAL PAYING AGENT AND ACCOUNT BANK" as well as section "OVERVIEW OF FURTHER TRANSACTION DOCUMENTS", subsections "The Account Bank Agreement" and "The Paying and Calculation Agency Agreement" regarding the Paying Agent and the Account Bank;</li> <li>• section "OVERVIEW OF FURTHER TRANSACTION DOCUMENTS", subsection "The Corporate Services Agreement" and section "THE BACK-UP SERVICER FACILITATOR / CORPORATE SERVICER" regarding the Corporate Servicer.</li> </ul> <p>The transaction documentation specifies clearly provisions that ensure the replacement of derivative counterparties, liquidity providers and the Account Bank in the case of their default, insolvency, and other specified events, where applicable. In respect of the Account Bank provisions exist for its replacement if the Account Bank does not meet the requirements for the "Required Rating" as set out in in section "OVERVIEW OF FURTHER TRANSACTION DOCUMENTS", subsections "The Account Bank Agreement" in the Prospectus as well as the definition of "Required Rating" in section "TRANSACTION DEFINITIONS" of the Prospectus.</p> <p>In addition, detailed provisions exist for the obligations, duties and responsibilities of the Swap Counterparties (see section "OVERVIEW OF FURTHER TRANSACTION DOCUMENTS", subsection "The Swap Agreements" in the Prospectus).</p>

#	Criterion Article 21 (8)	Verification Report
35	<b>Experience of the Servicer</b> (management and senior staff) in the servicing of exposures of a similar nature to those securitised	<u>Verification Method:</u> Regulatory (suitable proof) / Legal (Transaction Documents) / Due Diligence
		FCA Bank is a financial institution (Kreditinstitut) according to § 1 German Banking Act. As such, the Originator is supervised by BaFin and the Deutsche Bundesbank as competent national supervisory authorities.
		The Prospectus contains information on the experience of FCA Bank as a servicer, see section "THE ORIGINATOR / SERVICER / SWAP COUNTERPARTY" of the Prospectus.
		The experience and expertise of the management and the senior staff has been confirmed in the Prospectus (see section "OVERVIEW OF FURTHER TRANSACTION DOCUMENTS", subsection "THE SERVICING AGREEMENT", paragraph 2.5.2) and during the Due Diligence.
		As a result, FCA Bank as servicer is deemed to have the relevant expertise as an entity being active as servicer of lease receivables and loan receivables and as servicer of lease and loan receivables securitisations for more than five years, and no contrary findings were observed in the Due Diligence and during the STS verification process for this Transaction.
#	Criterion Article 21 (8)	Verification Report
36	Appropriate and well documented <b>risk management and service policies</b> , procedures and controls	<u>Verification Method:</u> Regulatory (suitable proof) / Due Diligence
		As a result of the regulatory status (see #35 above), FCA Bank has well established procedures with regard to risk management, servicing and internal control systems in place, and no contrary findings were observed in the Due Diligence.

#	Criterion Article 21 (9)	Verification Report
37	Clear and coherent definitions, regulations and possible measures with regard to the <b>servicing of non-performing exposures</b> , specification of the <b>priorities of payment</b>	<p><u>Verification Method:</u> Legal (Transaction Documents) / Due Diligence</p> <p>The Credit and Collection Policy of FCA Bank (see section "COLLECTION POLICY" of the Servicing Agreement) which must be complied in respect of the servicing of the Lease Receivables and Loan Receivables by the Servicer in accordance with the Servicing Agreement (as summarised in section "OVERVIEW OF FURTHER TRANSACTION DOCUMENTS", subsection "Servicing Agreement" of the Prospectus) contains a description of procedures related to:</p> <ul style="list-style-type: none"> <li>• Dealer Appointment and Management</li> <li>• Loan Origination</li> <li>• Credit Approval Process</li> <li>• Collections &amp; Recovery Policies</li> </ul> <p>The loss definition used in the transaction refers to the term „Defaulted Receivable“ which means a Purchased Receivable</p> <p>(a) in respect of which an Instalment or other payment due pursuant to the relevant Underlying Agreement has been outstanding for more than 240 days from its contractual due date and which has been recorded as such in the FCA EDP System in accordance with its Collection Policy, or</p> <p>(b) which has been written off by the Originator in accordance with its Collection Policy.</p> <p>This definition is consistently used in the Transaction Documents.</p> <p>The Transaction Documents clearly specifies the priorities of payment ("Revolving Priority of Payments", "Amortisation Priority of Payments" and "Acceleration Priority of Payments), see section "CONDITIONS OF THE NOTES", subsection 9 "PRIORITIES OF PAYMENTS" of the Prospectus, and the events which trigger changes in such priorities of payment, see definitions of "Trigger Notice" and "Issuer Event of Default" in section "TRANSACTION DEFINITIONS" of the Prospectus.</p> <p>The obligation of the Issuer to report such events to investors is clearly documented in the Prospectus, see section "CONDITIONS OF THE NOTES", subsections 15 "FORM OF NOTICES" in the Prospectus.</p> <p>The procedures presented and discussed in the Due Diligence correspond to the description in the Transaction Documents and no contrary findings could be observed.</p>

#	Criterion Article 21 (10)	Verification Report
38	<b>Clear rules in the event of conflicts</b> between the different classes of noteholders	<p><u>Verification Method:</u> Regulatory / Legal (Transaction Documents)</p> <p>The Notes are issued on the basis of the German Act on Debt Securities (Schuldverschreibungsgesetz), see section "OVERVIEW OF RULES REGARDING RESOLUTIONS OF NOTEHOLDERS" as well as section "CONDITIONS OF THE NOTES", subsection 18 "Resolutions of Noteholders" of the Prospectus, enabling noteholders to take resolutions within one class of notes. In addition, the Trust Agreement provides for clear instructions for the trustee as regards the treatment of the interests of different classes of notes and their ranking in line with the applicable Priority of Payments (see section "THE TRUST AGREEMENT", subsection 3 "POSITION OF THE TRUSTEE IN RELATION TO THE SECURED CREDITORS" of the Prospectus).</p>
#	Criterion Article 22 (1)	Verification Report
39	Provision of <b>historical performance data</b> before pricing	<p><u>Verification Method:</u> Legal (Transaction Documents) / Due Diligence</p> <p>The historical performance data provided by the Originator include the following areas:</p> <p><b>Gross defaults</b> (i.e. losses before recoveries) in static format, separate for the loan type "Balloon Loan" and Leases (covering the period from Q1 2004 until Q2 2021).</p> <p><b>Recoveries</b> in static format, in static format, separate for the loan type "Balloon Loan" and Leases (covering the period from Q1 2004 until Q2 2021).</p> <p><b>Delinquencies</b> as an absolute amount and measured as monthly delinquency rate for the loan types "Balloon Loan" (covering the period from January 2004 until April 2021) as well as Delinquencies as an absolute amount for Leases (covering the period from January 2004 until April 2021).</p> <p><b>Annualised prepayments</b> measured as monthly prepayment rate for the loan type "Balloon Loan" (covering the period from January 2015 until April 2021).</p> <p>The historical performance data are available separately for new and used vehicles with regards to Loan Agreements as well as for new vehicles with regards to Lease Agreements.</p> <p>The data history, provided prior to pricing, covers a period of at least 5 years required under Article 22 (1) of the Securitisation Regulation.</p> <p>Given that the most relevant factors determining the expected performance of the underlying exposures in the securitised portfolio, namely the factors described in #24, are the same to the overall portfolio for which the above mentioned historical performance data have been procured, comparability between the securitised portfolio and the Originator's overall portfolio ("substantially similar exposures") is ensured.</p>

#	Criterion Article 22 (2)	Verification Report
40	Performance of an <b>asset audit</b> based on a sample and defined audit steps (Agreed upon Procedures, AuP) by an external independent party	<p><u>Verification Method:</u> Data (AuP Report)</p> <p>The Originator has mandated a qualified and experienced audit firm to perform the asset audit. The asset audit and the related AuP include both of the following:</p> <ul style="list-style-type: none"> <li>a) a verification of the consistency of the information of the underlying exposures selected from the Seller’s IT System with the information shown in the pdf file reproduction of the hard copies of the contracts (the “<b>Pool Data Verification</b>”);</li> <li>b) a verification of the compliance of the underlying exposures in the portfolio with the key Eligibility Criteria (the “<b>Eligibility Criteria Verification</b>”); and</li> <li>c) verification that the data disclosed to investors in the Prospectus in respect of the underlying exposures is accurate (the “<b>Prospectus Data Verification</b>”).</li> </ul> <p>The sample drawn for the Pool Data Verification is representative of the securitised portfolio, based on the preliminary pool cut dated 18 May 2021. This is ensured by a sufficiently large sample and random selection, applying a 95% confidence level. The final report prepared by the audit firm with regards to the Pool Data Verification has been made available to SVI on the 19 July 2021. The final report confirms that the Pool Data Verification has occurred and that no significant adverse findings have been found. Please note that, for the purpose of compliance with the requirements of Art. 22 (2) of the Securitisation Regulation, the AuP can be based on either the preliminary or the final pool cut.</p> <p>The Eligibility Criteria Verification was performed by the audit firm based on the Final Loan Data File of the securitised portfolio at the 23 July 2021 (final pool cut). The final report prepared by the audit firm with regards to the Eligibility Criteria Verification has been made available to SVI on 5 August 2021. The final report confirms that the Eligibility Criteria Verification has occurred and that no significant adverse findings have been found.</p> <p>The Prospectus Data Verification was performed by the audit firm based on the final pool cut dated 23 July 2021. This verification has been based on all underlying exposures (loan level data) and the scope comprises that the information in the stratification tables (please refer to section “DESCRIPTION OF THE PORTFOLIO”, subsection 2 “Information Tables regarding the Portfolio” in the Prospectus) correspond to the final pool cut. The final report was prepared by the audit firm with regards to the Prospectus Data Verification and was made available to SVI on 5 August 2021. The final report confirms that the Prospectus Data Verification has occurred and that no adverse findings have been found.</p>

#	Criterion Article 22 (3)	Verification Report
41	<p>Provision of a precise <b>liability cash flow model</b> to the investors prior to pricing by the Originator;</p> <p>"precise" refers to the possibility for the investor to calculate the amortisation rate and, based on this, the pricing of the securitisation position</p>	<p><u>Verification Method:</u> Legal (Transaction Documents) / Due Diligence (Cash Flow Model)</p> <p>The CF-Model for the A-Best 21 Transaction has been prepared by Bloomberg on behalf of the Originator. It is provided as web-based tool and can be accessed via <a href="http://www.bloomberg.net">http://www.bloomberg.net</a> (subscription model). On the basis of pre-defined default and prepayment scenarios, output files calculated in the model have been made available to SVI on 4 August 2021 in order to perform the steps necessary to verify the compliance under Article 22 (3) of the Securitisation Regulation. It should be noted that the statements below do reflect the result of SVI's review of the functionality of the cash flow model and can be considered as a check of plausibility, however no assurance can be given that the CF-Model does calculate correctly in each and every scenario.</p> <p>SVI performed a plausibility check of the output files calculated in the model provided by Bloomberg, which reflects the contractual relationships and cash flows from and to the securitised portfolio, Class A – Class E Notes and for the Class M Notes, the Originator/Service as well as other parties involved (summarised as senior expenses). A range of different scenarios can be modelled, including but not limited to prepayments, delinquencies, defaults (gross losses), recoveries and senior expenses.</p> <p>The CF-Model has been made available prior to the pricing. The Originator undertakes to provide potential investors with the CF-Model upon request.</p>
#	Criterion Article 22 (4)	Verification Report
42	<p>For residential mortgage loan and auto loan/auto leasing portfolios: publication of information on the <b>environmental performance of the assets</b> financed by such underlying exposures (energy performance certificates)</p>	<p><u>Verification Method:</u> Legal (Transaction Documents) / Due Diligence</p> <p>The Originator has confirmed that, so far as it is aware, information on the environmental performance of the assets financed by such underlying exposures (in this case: auto loans and leases) is intended to be provided once available. The information is intended to be made available as part of the information on the underlying exposures as per Article 7 (1) (a) of the Securitisation Regulation and as applicable.</p>

#	Criterion Article 22 (5)	Verification Report
43	Compliance with the provisions of Art. 7 of the Securitisation Regulation (regarding <b>Transparency</b> ) is the responsibility of the Originator or Sponsor	<p data-bbox="642 363 1375 389"><u>Verification Method:</u> Legal (Transaction Documents) / Due Diligence</p> <p data-bbox="642 411 2042 528">For the purposes of Article 7(2) of the Securitisation Regulation, the Originator is designated as the entity responsible for compliance with the requirements of Article 7 of the Securitisation Regulation. In this regard the Originator confirms in section "Disclosure Requirements under the European Securitisation Regulation" of the Prospectus that it will fulfil the provisions of Art. 7 of the Securitisation Regulation as follows:</p> <ul data-bbox="658 555 2042 991" style="list-style-type: none"> <li data-bbox="658 555 2042 619">• Art. 7 (1) (a): Lease and loan level data will be made available on the Payment Date in September 2021 and then at least on a quarterly basis.</li> <li data-bbox="658 635 2042 699">• Art. 7 (1) (b): The relevant Transaction Documents in draft form have been made available prior to pricing and have been provided in final form on the Issue Date.</li> <li data-bbox="658 715 2042 746">• Art. 7 (1) (c): Not applicable.</li> <li data-bbox="658 762 2042 826">• Art. 7 (1) (d): In accordance with the RTS for notification, the notification has been provided to investors in draft form prior to pricing and will be provided in final form not later than 15 days after the Issue Date.</li> <li data-bbox="658 842 2042 906">• Art. 7 (1) (e): The Investor Report will be made available for the first time two Business Days prior to the payment date one month after the Issue Date (scheduled for 12 August 2021) and then on a monthly basis.</li> <li data-bbox="658 922 2042 954">• Art. 7 (1) (f): Ad hoc announcements will be published as soon as they need to be published under the MAR.</li> <li data-bbox="658 970 2042 991">• Art. 7 (1) (g): If a "Significant Event" occurs, investors will be informed immediately.</li> </ul>

As a result of the verifications documented above, we confirm to FCA Bank Deutschland GmbH that the STS criteria pursuant to Article 19 to 22 of the European 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 for the transaction “**Asset-Backed European Securitisation Transaction Twenty one B.V.**” have been fulfilled.

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