

Final Verification Report

In respect of the non-ABCP Transaction „BAVARIAN SKY FRENCH AUTO LEASES 4“ (BMW Finance S.N.C.)

20 April 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 and § 44 German Banking Act) 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 Art 27 (2) of the Securitisation Regulation.

Mandating of SVI and verification steps

On 08 December 2020, SVI has been mandated by the Originator (BMW Finance S.N.C.) to verify compliance with the STS criteria pursuant to Article 28 of the Securitisation Regulation for the securitisation transaction “Bavarian Sky French Auto Leases 4” (the “Transaction”).

As part of our verification work and the preparation therefor, we have met with representatives of BMW Finance S.N.C. to conduct a virtual due diligence meeting on 18 December 2020. In addition, we have discussed selected aspects of the Transaction with BMW Group and legal counsel and obtained additional information on the transaction structure, the underwriting and servicing procedures of BMW Finance S.N.C. and the underlying transaction documentation.

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

- Offering Circular
- French Legal Opinion
- Lease Receivables Purchase Agreement
- Servicing Agreement
- Bank Account Agreement
- Due Diligence Presentation by BMW Finance S.N.C.
- Agreed-upon Procedures Report

- Latest version of the liability cash flow model
- Data Package received by BMW Group
- 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.

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 22 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 the section “MASTER DEFINITIONS SCHEDULE” in the Offering Circular.

ACPR	Autorité de Contrôle Prudentiel et de Résolution
AuP	Agreed-upon Procedures
BaFin	Bundesanstalt für Finanzdienstleistungsaufsicht (German Federal Financial Supervisory Authority)
BMW Finance	BMW Finance S.N.C.
CF-Model	Cash Flow-Model
Due Diligence Presentation	Due Diligence Presentation prepared by BMW Finance S.N.C.
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
Final Verification Report	Final Verification Report prepared by SVI in respect of the Transaction
Issue Date	20 April 2021
Issuer	FCT Bavarian Sky French Auto Leases 4
ITM	Incorporated Terms Memorandum
LO	French Legal Opinion
LRPA	Lease Receivables Purchase Agreement
Management Company	France Titrisation
Offering Circular	Offering Circular dated 16 April 2021
Originator	BMW Finance S.N.C.
Preliminary OC	Preliminary Offering Circular dated 9 March 2021
Purchaser	FCT Bavarian Sky French Auto Leases 4
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

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
Seller	BMW Finance S.N.C.
Servicer	BMW Finance S.N.C.
SPV	Special Purpose Vehicle or Issuer
Transaction	The securitisation of auto lease and residual value receivables involving FCT Bavarian Sky French Auto Leases 4 as Issuer

#	Criterion Article 20 (1)	Verification Report
1	Assignment or transfer of ownership of the risk positions takes place by means of a true sale 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 fixed rate auto lease and residual value receivables at Issue Date (scheduled for 20 April 2021) from BMW Finance S.N.C. ("Originator" and "Servicer") to FCT Bavarian Sky French Auto Leases 4 ("Issuer"). Receivables are subject to certain Eligibility Criteria, inter alia, subject to French law, denominated in Euro and with lessees domiciled in metropolitan France. The Originator is appointed as the Servicer of the Transaction in accordance with the Servicing Agreement.</p> <p>The French Legal Opinion ("LO") confirms that upon delivery of a duly signed and completed Assignment Document (i.e. the Acte de Cession in the form of Schedule 5 to the Lease Receivables Purchase Agreement) in subsection (a) that the Purchased Receivables are duly assigned to the Issuer by the Seller on the date of the Assignment Document and in subsection (b) that the assignment of the Purchased Receivables will take effect without any other formalities as a matter of French law as of the date of the Assignment Document and includes the assignment of future receivables arising under the Lease Agreements (subject to customary assumptions and qualifications).</p> <p>Furthermore, the LO expressly confirms:</p> <ul style="list-style-type: none"> (i) that the French Law Transaction Documents constitute under the laws of France legal, valid, binding and enforceable obligations of the parties thereto; (ii) that (save for the Lease Vehicle Pledge Agreement) no filing, registration, recordation or enrolment with any public office or elsewhere in France nor the taking of any official action is required for the legality, validity and enforceability of the obligations of the parties under the French Law Transaction Documents; (iii) that upon delivery of a duly signed and completed Assignment Document by the Seller to the Management Company the assignment of the Purchased Receivables will take effect and will be enforceable against any third parties (including the Obligors) as of the date appearing on the Assignment Document without any other formalities as a matter of French law and will entail the automatic transfer of any security interest, guarantees and ancillary rights; (iv) that in any insolvency proceedings of the Seller after the transfer of Purchased Receivables to the Issuer pursuant to the LRPA in subsection (a) that neither the Seller nor any of its creditors nor administrator or liquidator will be able to successfully contest the validity of such transfer and in subsection (c) that the assignment completed prior to the opening of such insolvency proceedings of any Purchased Receivable included in any Series of Receivables whether existing or not existing and constituting future receivables on the Issue Date will remain effective after the commencement of the insolvency proceedings; and (v) that upon execution by the Pledgor and the Beneficiary of the Lease Vehicle Pledge Agreement each Vehicle subject to a Lease Agreement will be pledged to the Beneficiary as security for the performance of all Secured Obligations and such pledge will be valid between the Pledgor and the Issuer from the Issue Date and that the pledge of each Leased Vehicle will be enforceable against third parties subject to the registration and filing requirements outlined therein.

	(All subject to customary assumptions and qualifications)
	No claw-back risks are mentioned in the Legal Opinion.
	The Legal Opinion does not cover the review of the Lease Agreements. However, Clause 9.1 of the LRPA contains representations and warranties of the Seller on the Issue Date that each Receivable offered is eligible as of the first Cut-Off Date in accordance with the Eligibility Criteria (as contained in Appendix 1 to Schedule 3 (Seller Representations and Warranties) of the ITM) which require (i) under item 1. that the Lease Agreements were originated in the Seller's ordinary course of business in accordance with the Credit & Collection Policy of the Seller and based on the applicable general lease terms of the Seller, (ii) under item 2. that the Lease Agreements are legally valid, binding and enforceable and the relevant Receivable exists and constitutes legally valid, binding and enforceable obligations of the respective Obligor, and (iii) under item 10. that all Lease Receivables which derive from Lease Agreements are governed by the laws of France.

#	Criterion Article 20 (1)	Verification Report
2	Requirements for the external legal opinion	<p><u>Verification Method:</u> Legal (Legal opinion) / Due Diligence</p> <p>The Legal Opinion is provided by Hogan Lovells LLP which is an internationally operating law firm with well-known expertise in the securitisation field.</p> <p>The LO is made available to SVI as third-party verification agent and may be disclosed to central banks and regulators of the Addressees as well as to competent supervisory authorities.</p>

#	Criterion Article 20 (2)	Verification Report
3	Specification of increased claw-back risks : 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>There are no such severe risks mentioned in the LO that the insolvency administrator may invalidate the sale of the underlying exposures solely because it was concluded within a given claw-back period under insolvency law.</p> <p>In the LO there is no requirement mentioned that the SPV must demonstrate that it had no knowledge of the seller's insolvency. However, the Seller represents and warrants in Clause 9.1 in connection with Schedule 3 (Seller Representations and Warranties) Part A (Corporate Representations and Warranties) of the ITM on the Issue Date that no Insolvency Event has occurred with respect to the Seller (see item 3.) and that no steps have been taken or proceedings started in relation to preventive and resolution measures under the French Monetary and Financial Code (see item 4.).</p>

#	Criterion Article 20 (3)	Verification Report
4	Specification of non-increased claw-back risks: National insolvency laws are harmless, as they provide for the possibility of reassignment in other unfair ways in the event of fraud, damage to creditors or favouring other creditors.	<p><u>Verification Method:</u> Legal (Legal opinion)</p> <p>Applicable French insolvency laws are considered not to represent any severe claw-back risks (see above under #3).</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 intermediate sales take place, is the true sale still fulfilled?	<p><u>Verification Method:</u> Legal (Legal opinion, Receivable purchase agreement)</p> <p>Under the transaction structure used by FCT Bavarian Sky French Auto Leases 4, the sale and transfer take place directly between the Seller (who is the original lender) and the SPV acting as Issuer, i.e. without any intermediate sale taking place.</p>
#	Criterion Article 20 (5)	Verification Report
6	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?	<p><u>Verification Method:</u> Legal (Legal opinion, Receivable purchase agreement)</p> <p>On the Issue Date, the Seller offers to sell and to assign to the Issuer any Series of Receivables and all of its related right, title and interest. The Issuer shall accept such Offer by the execution by the Management Company, on its behalf, of the Assignment Document, subject to the payment of the aggregate Purchase Price and the conditions as presented in Clause 3 "ACCEPTANCE, PURCHASE AND ASSIGNMENT" of the LRPA. The assignment of the Purchased Receivables shall be perfected at the date of the Assignment Document upon its delivery by the Seller to the Management Company. Thus, there will be no unperfected transfer of receivables at a later stage.</p>

#	Criterion Article 20 (6)	Verification Report
7	Representations and warranties of the seller regarding to the legal condition of the underlying exposures	<p><u>Verification Method:</u> Legal (Receivable purchase agreement)</p> <p>The Seller warrants and represents to the Issuer that each Receivable and the Ancillary Rights complies, as of the first Cut-Off Date, with the Eligibility Criteria. Thus, the Seller warrants that the Lease Agreements and the relevant Receivables constitute legally valid, binding and enforceable obligations of the respective Lessee.</p>
#	Criterion Article 20 (7)	Verification Report
8	Predetermined, clear and documented selection criteria (' eligibility criteria ') (I / II)	<p><u>Verification Method:</u> Legal (Receivable purchase agreement)</p> <p>The transfer of the underlying exposures from the Seller to the Issuer are selected according to predetermined, clear and documented eligibility criteria, as set out in the section "ELIGIBILITY CRITERIA" of the Offering Circular.</p> <p>The Transaction is amortising and does not feature a revolving period.</p> <p>There are no exposures that will be transferred to the Issuer after closing of the Transaction.</p>
#	Criterion Article 20 (7)	Verification Report
9	Predetermined, clear and documented selection criteria ('eligibility criteria') (II / II)	<p><u>Verification Method:</u> Data (AuP Report)</p> <p>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</p>
#	Criterion Article 20 (7)	Verification Report
10	No active portfolio management	<p><u>Verification Method:</u> Due Diligence</p> <p>The underlying exposures in the provisional and the final pool are selected based on a well-established, random selection process.</p> <p>In case a Purchased Receivable turn out to be not eligible, the Seller shall be deemed to have received a collection in the amount of the Discounted Lease Balance of the related Lease Receivable plus the Discounted Contractual Residual Value in respect of the related Lease Agreement and the Seller shall be obliged to pay to the Issuer on the next Payment Date as from the time the Deemed Collection comes to the attention the amount equal to the then Discounted Lease Balance of the related Lease Receivable together with the then Discounted Contractual Residual Value in respect of the related Lease Agreement, see Clause 16 "DEEMED</p>

	<p>COLLECTIONS” of the LRPA as well as the definition “Deemed Collection” in the section “MASTER DEFINITIONS SCHEDULE” of Offering Circular. There will, however, be no substitution of the ineligible receivable with a new receivable.</p> <p>The Transaction structure foresees (1) a Receivables Call Option that is exercised if a Receivable subject to (a) a Seller Performance Indemnity Payment or a Residual Value Indemnification Amount or (b) such Purchased Receivable is being written off in accordance with the Seller’s Credit and Collection Policy and (2) a Clean-Up Call Option that can be exercised on any Payment Date on which (i) the Current Aggregate Outstanding Principal Balance is less than 10% of the Initial Aggregate Outstanding Principal Balance on the Cut-Off Date or (ii) all outstanding Class A Notes have been repaid in full, see Section 7.2 “Performance Reserve” of the LRPA and section “TERMS AND CONDITIONS OF THE NOTES”, subsection 6.3 “Clean-up call” of the Offering Circular.</p> <p>The exercise of the Receivables Call Option results in a repurchase of the underlying exposures under a repurchase obligation to fully mitigate the value of the assets securing the underlying exposures (due to the events triggering a Performance Indemnity Payment or a Residual Value Indemnification Amount) and repurchase of defaulted exposures to facilitate the workout process (due to write off a Purchased Receivable). The repurchase of underlying exposures in the context of the exercise of a clean-up call are not considered active portfolio management.</p> <p>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>
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#	Criterion Article 20 (8)	Verification Report
11	Securitisation of a homogeneous portfolio in terms of asset classes (I / III)	<p><u>Verification Method:</u> Legal (Transaction documents)</p> <p>The underlying exposures fall into the asset type according to Art. 1 (a) (v) of the Commission Delegated Regulation (EU) 2019/1851 on the homogeneity (i.e. auto loans and leases).</p> <p>The Seller 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 Obligors with residence in metropolitan France only, see section “ELIGIBILITY CRITERIA” of the Offering Circular.</p>

#	Criterion Article 20 (8)	Verification Report
12	Securitisation of a homogeneous portfolio in terms of asset classes (II / III)	<p><u>Verification Method:</u> Due Diligence (Underwriting and Servicing Policy)</p> <p>The underlying exposures have been originated in accordance with consistent underwriting standards, as shown in the Due Diligence Presentation and further described in #17. No distinction is made between securitised and non-securitised receivables. The processes assure that only Lessees resident in France are originated according to underwriting policy.</p> <p>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.</p>
13	Securitisation of a homogeneous portfolio in terms of asset classes (III / III)	<p><u>Verification Method:</u> Data (AuP Report)</p> <p>The homogeneity factor "domiciled in metropolitan France" is, through the check of the eligibility criteria "The Lease Agreements have been entered into exclusively with Lessees which, if they are corporate entities have their registered office or, if they are individuals have their place of residence in metropolitan France (excluding DOM-COM)", part of the Pool Data and Eligibility Criteria Verification as further described in #40. The Lease Agreements have been entered into exclusively with Lessees resident in metropolitan France, see section "ELIGIBILITY CRITERIA", item 14. of the Offering Circular.</p>
14	The underlying exposures contain obligations that are contractually binding and enforceable	<p><u>Verification Method:</u> Legal (Legal opinion) / Due Diligence</p> <p>The Lease Agreements are legally valid, binding and enforceable and the relevant Receivable exists and constitutes legally valid, binding and enforceable obligations of the respective Lessee, see section "ELIGIBILITY CRITERIA", item 2. of the Offering Circular.</p>

#	Criterion Article 20 (8)	Verification Report
15	The underlying exposures have defined periodic payment streams and do not include transferable securities 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 standard auto lease agreements originated by BMW Finance S.N.C. in respect of retail and corporate customers. For purpose of the Transaction, two lease types form part of the securitised portfolio:</p> <ol style="list-style-type: none"> 1. LOA: long-term lease agreements with purchase option (location avec option d'achat) 2. LLD: long-term lease agreements without purchase option (location longue durée) <p>Each Lease Instalment is comprised of interest in respect of a portfolio of auto lease receivables payable by customers in France, see section "INTRODUCTION TO THE STRUCTURE OF THE TRANSACTION", item (a) of the Offering Circular.</p> <p>The two types of lease agreements do not differ structurally in terms of payment streams (with the exception of the buyback option). As shown in the Due Diligence Presentation and described in the Offering Circular, the Lease Instalments under the Lease Agreements will be payable on a monthly basis, see section "CREDIT STRUCTURE AND FLOW OF FUNDS", subsection "Collection Arrangements" of the Offering Circular as well as section "ELIGIBILITY CRITERIA", item 4. of the Offering Circular.</p> <p>The Eligibility Criteria restrict the underlying exposures to Receivables originated under a Lease Agreement and do not include transferable securities, please refer to section "ELIGIBILITY CRITERIA", item 1. of the Offering Circular. The compliance of the provisional pool with the Eligibility Criteria has been verified through the Pool Data and Eligibility Criteria Verification (see #40).</p>
#	Criterion Article 20 (9)	Verification Report
16	Are there any securitisation positions in the portfolio?	<p><u>Verification Method</u>: Legal (Transaction documents) / Due Diligence / Data (AuP Report)</p> <p>The Eligibility Criteria restrict the underlying exposures to Lease Receivables and residual values which derive from Lease Agreements, thereby assuring that no securitisation position may become part of the portfolio, please refer to section "ELIGIBILITY CRITERIA", item 1. of the Offering Circular. The compliance of the provisional pool with the Eligibility Criteria has been verified through the Pool Data and Eligibility Criteria Verification (see #40).</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 Seller and not permitted under the Sellers' underwriting policy.</p>

#	Criterion Article 20 (10)	Verification Report
17	Origination of underlying exposures in the ordinary course of business of the originator or the original lender	<p><u>Verification Method</u>: Legal (Transaction documents) / Due Diligence (Underwriting and Servicing Policy)</p> <p>BMW Finance S.N.C, a French société en nom collectif incorporated under the laws of France and a wholly owned Subsidiary of BMW AG, was founded in 1988 as BMW Credit and change its name to BMW Finance S.N.C. at a later stage. BMW Finance is today one of France's leading automobile financial services companies. Organisation and business processes have been developed over decades. BMW Finance S.N.C. is subject to the French supervision of the Autorité de contrôle prudentiel et de résolution (ACPR) since 2014, see section "THE SELLER, SERVICER AND PLEDGOR", subsection "Incorporation, registered office and purpose" of the Offering Circular.</p> <p>BMW Finance's business procedures assure that securitised exposures have been originated in the ordinary course of business and in accordance with uniform standards. The underlying exposures are selected for securitisation using a random selection process, see in particular the section "ELIGIBILITY CRITERIA", item 1. of the Offering Circular.</p> <p>Any adverse change to the respective administrative or operative procedures, which has, or could have, a negative impact on the collectability or enforceability of the Purchased Receivables, requires, prior to its implementation, the prior written consent of the Management Company and the prior written notification to the Rating Agencies of such adverse change, please refer to section "SUMMARY OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS", subsection 2. "Servicing Agreement", item "Information and regular reporting" of the Offering Circular.</p> <p>Other than described above, there is no obligation to disclose material changes to the underwriting policy after the closing of the Transaction due to fact that no exposures will be transferred to the Issuer after closing.</p>

#	Criterion Article 20 (10)	Verification Report
18	Underwriting standards for securitised exposures are no less stringent than those applied to non-securitised exposures	<p><u>Verification Method:</u> Due Diligence</p> <p>As shown in the Due Diligence Presentation, 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, 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 Seller or sales staff of the BMW Dealer 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>
19	Where the underlying exposures are residential mortgage loans , does the portfolio include loans that have been self-certified by the loan applicants?	<p><u>Verification Method:</u> Due Diligence</p> <p>The Eligibility Criteria restrict the underlying exposures to Lease Receivables and residual values originated under a Lease Agreement – therefore, residential mortgage loans do not form part of the portfolio, see section “INTRODUCTION TO THE STRUCTURE OF THE TRANSACTION” of the Offering Circular.</p>
20	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	<p><u>Verification Method:</u> Regulatory / Legal (Transaction Documents) / Due Diligence</p> <p>BMW Finance S.N.C. is licensed as a specialised credit institution (établissement de crédit spécialisé) by ACPR.</p> <p>The Seller performs the „Assessment of the borrower’s creditworthiness” with respect to lease agreements in accordance with Article 8 of Directive 2008/48/EC as reflected in the French Consumer Code (from article L313-16 to L 313-19), see in this regard section “RISK FACTORS”, subsection “III. Risks relating to the Purchased Receivables”, item “French consumer legislation and rules relating to electronic signature” of the Offering Circular.</p>

	applicable, the analogous provisions of a third country	
#	Criterion Article 20 (10)	Verification Report
21	Originator's experience (as an entity or through management and senior staff) in origination of similar risk positions	<p><u>Verification Method</u>: Regulatory (suitable proof incl. Website) / Due Diligence</p> <p>As an institution, the Seller does have more than 5 years of experience in origination and underwriting of exposures similar to those securitised. This has been confirmed in the Due Diligence.</p>
#	Criterion Article 20 (11)	Verification Report
22	The underlying exposures are transferred without undue delay after selection	<p><u>Verification Method</u>: Legal (Transaction documents)</p> <p>The dates of the provisional and final pool cuts are 31 January 2021 and 31 March 2021, respectively. Transfer of the final pool will occur at the Issue Date (scheduled for 20 April 2021), i.e. without undue delay.</p>
#	Criterion Article 20 (11)	Verification Report
23	The underlying exposures do not include any defaulted exposures or to debtors/guarantors with impaired creditworthiness	<p><u>Verification Method</u>: Regulatory (suitable proof incl. Imprint Website) / Legal (Transaction documents) / Due Diligence</p> <p>The Seller is a specialised credit institution (établissement de crédit spécialisé) under French law and supervised by the French Prudential Supervision and Resolution Authority (ACPR). As presented in the Due Diligence and confirmed in the Offering Circular, the Lease Receivables and the residual values 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 Seller's knowledge, exposures in default within the meaning of Article 178 (1) of Regulation (EU) No 575/2013 or exposures to a credit impaired Obligor or guarantor (see section "ELIGIBILITY CRITERIA", items 9. and 15. of the Offering Circular).</p> <p>Furthermore, according to the Seller's records and to the best of the Seller's knowledge the relevant Lease Receivable is due from a Lessee who (i) has neither been declared insolvent nor had a court grant its creditors a final non-appealable right of enforcement or material damages as a result of a missed payment within three (3) years prior to the date of origination or has undergone a debt-restructuring process with regard to its non-performing exposures within three years prior to the date of transfer or assignment of the Lease Receivables and the residual values to the Issuer; (ii) was, at the time of origination, where applicable, not on a public credit registry of persons with adverse credit history or, where there is no such public credit registry, another credit registry that is available to the Seller; or (iii) has neither a credit assessment nor a credit score indicating that the</p>

	<p>risk of contractually agreed payments not being made is significantly higher than for comparable exposures held by the originator which are not securitised (see section "ELIGIBILITY CRITERIA", item 15. of the Offering Circular).</p> <p>Any defaulted Receivables or Obligors with impaired creditworthiness are not included as shown in the check of the eligibility criteria "According to the Seller's records and to the best of its knowledge, the relevant Lease Receivable is due from a Lessee who: (i) has neither been declared insolvent nor had a court grant its creditors a final non-appealable right of enforcement or material damages as a result of a missed payment within three (3) years prior to the date of origination or has undergone a debt-restructuring process with regard to its non-performing exposures within three years", which is part of the Pool Data and Eligibility Criteria Verification as further described in #40. The Lease Agreements have been entered into exclusively with Lessees resident in metropolitan France, see section "ELIGIBILITY CRITERIA", item 14. of the Offering Circular.</p> <p>The Seller has IT systems in place to ensure that defaulted exposures or exposures to Obligors with impaired creditworthiness are excluded from the provisional or final pool cut.</p>
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#	Criterion Article 20 (11)	Verification Report
24	The risk positions do not have a credit assessment or a credit score 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 customer profile and credit bureau information (for private individuals), credit agencies' information and financial information (for corporate customers) and past payment behaviour (for both). 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 Seller which are not securitised" is considered to be met as (i) the underlying exposures do not include exposures that are classified as doubtful, impaired, non-performing or similar, and (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 Seller.</p>

#	Criterion Article 20 (12)	Verification Report
25	At the time of the transfer, the debtor has paid at least 1 instalment	<p><u>Verification Method:</u> Legal (Transaction documents) / Data (AuP Report)</p> <p>The Originator warrants that on the first Cut-Off Date at least 1 Lease Instalment has been paid in respect of each of the Lease Agreements, see section "ELIGIBILITY CRITERIA", item 11. of the Offering Circular.</p> <p>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 (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 not be predominantly dependent on the sale of assets 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 Leased Vehicles or other assets securing the Purchased Receivables. The repayment is entirely linked to the repayment of the performing Lease Receivables; the repayment of the performing Lease Receivables in turn is not contingent and does not depend on the sale of the Leased Vehicles which serve as collateral for the Purchased Receivables. As demonstrated during the Due Diligence, the Originators underwriting focuses on the creditworthiness of its Lessees rather than on the recoveries derived from the sale of the Leased Vehicles or other assets securing the Purchased Receivables in the case of default.</p> <p>In case the sum of the Aggregate Discounted Lease Balance and the Aggregate Discounted Contractual Residual Value of Performing Receivables is less than the Aggregate Outstanding Notes Balance, the Seller is obliged to pay to the Issuer the Residual Value Indemnification Amount (please refer to the definitions of "Residual Value Indemnification Trigger" and "Residual Value Indemnification Amount" in the section "MASTER DEFINITIONS SCHEDULE" of the Offering Circular).</p> <p>Furthermore, the above mentioned obligation of the Seller to pay to the Issuer the Residual Value Indemnification Amount (which fulfils the conditions referred to in the EBA Guidelines, #50, i.e. (i) is not insolvent, and (ii) there is no reason to believe that it would not be able to meet its obligations under the repurchase obligation) ensures that the repayment of the securitisation position does not predominantly rely on the sale of assets (i.e. the Leased Vehicles) securing the underlying exposures.</p> <p>As a result, the Transaction shall not be considered to predominantly depend on the sale of assets securing the underlying exposures in accordance with article 20 (13) para 2.</p>

#	Criterion Article 21 (1)	Verification Report
27	Risk retention (Art. 6.1 of the Securitisation Regulation), usually by the Originator	<u>Verification Method</u> : Legal (Transaction documents) / Due Diligence
		Holder of risk retention: BMW Finance S.N.C as the Seller, see section "RISK RETENTION" of the Offering Circular.
		Type of risk retention: in accordance with Article 6 (3) (d) of Securitisation Regulation, see section "RISK RETENTION" of the Offering Circular. The Seller will (i) retain the Class C Notes and (ii) retain a first loss tranche constituted by the claim for repayment of a subordinated loan so that the sum of the aggregate principal amount of the Class C Notes and the nominal amount of the subordinated loan is equal to at least 5% of the nominal amount of the "securitised exposures" (i.e. the Purchased Receivables).
		The Monthly Investor Report will also set out monthly confirmation regarding the continued holding of the risk retention by the Seller, as confirmed by the Seller (see section "RISK RETENTION", subsection "Risk retention under the Securitisation Regulation" of the Offering Circular.
		The legal obligation of the Seller to hold the risk retention during the lifetime of the transaction is entered into according to section "RISK RETENTION" of the Offering Circular.
#	Criterion Article 21 (2)	Verification Report
28	Appropriate hedging of interest rate and currency risks, no derivatives as underlying risk positions (I / II)	<u>Verification Method</u> : Due Diligence
		Since the Receivables are fixed rate and the Class A Notes are floating rate (the Class B and Class C Notes are fixed rate too), interest rate risks arise from such mismatch. Both assets and liabilities of the Issuer are EUR denominated hence no currency risk occurs, see section "TRANSACTION OVERVIEW" of the Offering Circular.
		The Purchased Receivables bear interest at fixed rates while the Class A Notes will bear interest at floating rates based on 1-M-EURIBOR. Interest rate risk for the Class A Notes is hedged appropriately with a fixed-floating interest rate swap where the swap notional is always equal to the outstanding Class A Notes' balance, see the definition "Swap Floating Interest Rate" under section "MASTER DEFINITIONS SCHEDULE" of the Offering Circular.
		No further risks in addition to the interest rate risks are hedged under the interest rate hedge agreement.

#	Criterion Article 21 (2)	Verification Report
29	Appropriate hedging of interest rate and currency risks, no derivatives as underlying risk positions (II / II)	<u>Verification Method</u> : Legal (Transaction documents)
		The legal instrument used by the Issuer to hedge interest rate risks in respect of the Class A Notes is the Swap Agreement.
		The agreement considers any potential asset liability mismatch by referencing to the outstanding Class A Notes balance, and the agreement is based on the 1992 ISDA Master Agreement as established market standard, see the definition of "Swap Agreement" in the section "MASTER DEFINITIONS SCHEDULE" and section "TRANSACTION OVERVIEW" of the Offering Circular.
		The requirements for an Eligible Swap Counterparty are market standard in international finance, see the definition of "Eligible Swap Counterparty" in the section "MASTER DEFINITIONS SCHEDULE" of the Offering Circular.
#	Criterion Article 21 (3)	Verification Report
30	Generally used reference rates for interest payments	<u>Verification Method</u> : Legal (Transaction documents)
		No reference rates apply to the Purchased Receivables which bear fixed interest rates.
		The Class B Notes and the Class C Notes will bear fixed interest rates. The Class A Notes will bear interest at floating rates based on 1-M-EURIBOR, see "Interest on the Notes" in the section "TRANSACTION OVERVIEW" of the Offering Circular.
		The interest for the Cash Accounts will be based on the ECB Impact Rate, constituting a market standard reference rate.
		Currency hedges are not provided for in the transaction structure as both the Purchased Receivables and the Notes are denominated in EUR.
#	Criterion Article 21 (4)	Verification Report
31	Requirements in the event of an enforcement or delivery of an acceleration notice	<u>Verification Method</u> : Legal (Transaction documents)
		After the occurrence of an Enforcement Event:
		<ul style="list-style-type: none"> No cash will be retained with the Issuer, see section "TERMS AND CONDITIONS OF THE NOTES", subsection 7. "Post-Enforcement Priority of Payments" of the Offering Circular.
		<ul style="list-style-type: none"> The Available Post-Enforcement Funds will be used for the fully sequential amortisation of the securitisation positions as determined by the seniority of the securitisation position, see section "TERMS AND CONDITIONS OF THE NOTES", subsection 7. "Post-Enforcement Priority of Payments" of the Offering Circular.

	<ul style="list-style-type: none"> Interest and principal payments are first made for the Class A Notes and then interest and principal payments are made for the next subsequent Class of Notes, hence repayments are not reversed with regard to their seniority. No automatic liquidation or sale of risk positions or assets is provided for, see section "THE FCT", subsection "Liquidation" of the Offering Circular.
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#	Criterion Article 21 (5)	Verification Report
32	Sequential repayment as fall-back in the event of a deterioration in portfolio quality for Transactions that feature a non-sequential priority of payments	<p><u>Verification Method:</u> Legal (Transaction documents)</p> <p>The Transaction has a strictly sequential priority of payments, see section "CREDIT STRUCTURE AND FLOW OF FUNDS", subsection "Credit enhancement" of the Offering Circular.</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>n.a. (no revolving period)</p>
	a) deterioration in the credit quality of the underlying exposures below a predefined threshold	n.a. (no revolving period)
	b) insolvency-related events in relation to the Originator or the Servicer	n.a. (no revolving period)
	c) decline in value of the underlying exposures below a predefined threshold	n.a. (no revolving period)
	d) failure to generate sufficient new underlying exposures	n.a. (no revolving period)

	for replenishments under revolving Transactions	
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#	Criterion Article 21 (7)	Verification Report
34	Clear rules in the Transaction documentation regarding obligations, tasks and responsibilities of the Servicer, trustees and other ancillary service providers	<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, see the definition "Servicer Termination Event" in the section "MASTER DEFINITIONS SCHEDULE" and section "SUMMARY OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS", section 2. "Servicing Agreement" of the Offering Circular.</p> <p>Similar provisions for the obligations, duties and responsibilities are provided for the following parties, see the respective descriptions in the Offering Circular:</p> <ul style="list-style-type: none"> • Issuer (see Issuer Regulations) • Management Company (see FCT) • Calculation Agent (see Calculation Agency Agreement) • Interest Determination Agent (see Agency Agreement) • Account Bank (see Bank Account Agreement) • Data Custody Agent (see Data Custody Agreement) • Paying Agent and Registrar (see Agency Agreement) • Subordinated Lender (see Subordinated Loan Agreement) • Swap Counterparty (see Swap Agreement) <p>Upon the occurrence of the Insolvency Event in respect to the Seller a Servicer Termination Event is triggered which results in the termination of the Servicer and substitution of the Servicer, see section "RISK FACTORS", subsection "IV. Risks relating to the Transaction Parties", subsection "Replacement of the Servicer" of the Offering Circular.</p> <p>The Transaction Documents specifies clearly provisions that ensure the replacement of the Swap Counterparty 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 ceases to be an "Eligible Counterparty" as set out in section "CREDIT STRUCTURE AND FLOW OF FUNDS", subsection "Bank account used for the Transaction" of the Offering Circular.</p>

#	Criterion Article 21 (8)	Verification Report
35	Experience of the Servicer (management and senior staff) in the servicing of exposures of a similar nature to those securitised	<p><u>Verification Method:</u> Regulatory (suitable proof) / Legal (Transaction documents) / Due Diligence</p> <p>BMW Finance S.N.C. as the Originator, which is a specialised credit institution (établissement de crédit spécialisé) and supervised by ACPR, has well documented and adequate policies, procedures and risk-management controls relating to the servicing of the Purchased Receivables originated under the respective underlying Lease Agreements in place, please refer to section "THE SELLER, SERVICER AND PLEDGOR" of the Offering Circular.</p> <p>The business of the Seller acting as Servicer has included the origination and underwriting of exposures similar to those securitised for at least 5 years as the Seller is active in the market since the year 1988. In addition, the experience and expertise of the management and the senior staff has been confirmed during the Due Diligence.</p> <p>As a result, the Seller is deemed to have the relevant expertise as an entity being active as servicer of Lease Receivables and residual values and as servicer of Lease Receivables securitisations for more than five years, and no contrary findings were observed during the STS verification process for the Transaction.</p>
36	Appropriate and well documented risk management and service policies , procedures and controls	<p><u>Verification Method:</u> Regulatory (suitable proof) / Due Diligence</p> <p>As a result of the regulatory status (see #35 above) and as evidenced according to the Due Diligence Presentation and the Transaction Documents, BMW Finance has well established procedures with regard to risk management, servicing and internal control systems in place.</p>

#	Criterion Article 21 (9)	Verification Report
37	Clear and coherent definitions, regulations and possible measures with regard to the servicing of non-performing exposures , specification of the priorities of payment	<p><u>Verification Method</u>: Legal (Transaction documents) / Due Diligence</p> <p>The Credit and Collection Policy, which must be complied in respect of the servicing of the Receivables and the related collateral in accordance with the Servicing Agreement, contains a description of procedures related to administration, arrears and enforcement policies and procedures, see section "SUMMARY OF THE OTHER PRINCIPAL TRANSACTION DOCUMENTS", subsection 2. "Servicing Agreement" of the Offering Circular.</p> <p>The loss definition used in the transaction refers to the term "Defaulted Receivable" which means a receivable which (a) any amount remains unpaid past its due date for at least one hundred and fifty (150) calendar days in accordance to Credit and Collection Policy; or (b) the Servicer (i) has terminated or accelerated the underlying Lease Agreement or (ii) has written off or made provision against any definitive losses at any time prior to the expiry of the period. This definition is consistently used in the Offering Circular.</p> <p>The Transactions Documents clearly specifies the priorities of payment and the Enforcement Event which trigger changes from Pre-Enforcement Priority of Payment to Post-Enforcement Priority of Payments, please refer to section "TRANSACTION OVERVIEW", clause 5.6 "Pre-Enforcement Priority of Payments" as well as clause 7 "Post-Enforcement Priority of Payments" of the "TERMS AND CONDITIONS OF THE NOTES" of the Offering Circular.</p> <p>In addition, the procedures presented and discussed in the Due Diligence in relation to non-performing exposures are consistent and in line with the terms used in the Transactions Documents for non-performing exposures.</p>
#	Criterion Article 21 (10)	Verification Report
38	Clear rules in the event of conflicts between the different classes of noteholders	<p><u>Verification Method</u>: Regulatory / Legal (Transaction documents)</p> <p>The Transaction Documents provide for clear rules when the Management Company of the Issuer shall act in the interests of all Noteholders and the Unitholders and in the event of conflicts between the different classes of noteholders in accordance with article 319-3 of the AMF General Regulations, please refer to section "RISK FACTORS", section II. "Risks relating to the Notes", subsection "Conflicting interest amongst Classes of Notes and with Units" of the Offering Circular as well as section "TRANSACTION OVERVIEW", subsection "Resolutions of Noteholders" of the Offering Circular.</p>

#	Criterion Article 22 (1)	Verification Report
39	Provision of historical performance data before pricing	<p><u>Verification Method</u>: Legal (Transaction document) / Due Diligence</p> <p>The historical performance data relate to the portfolio of auto Lease Receivables granted by the Seller to Lessee. The historical performance data provided by BMW Group (see section "PURCHASED RECEIVABLES CHARACTERISTICS AND HISTORICAL DATA" in the Offering Circular) include the following areas:</p> <ul style="list-style-type: none"> a) Gross loss rates (i.e. losses before recoveries) in static format (covering the period from Q1 2009 until Q3 2020), separate for the total portfolio, new cars, used cars, private and corporate Lessees. b) Net loss rates (i.e. losses after recoveries) in static format (covering the period from Q1 2012 until Q4 2020), separate for the total portfolio, new cars, used cars, private and corporate Lessees. c) Delinquencies measured as monthly delinquency rate (covering the period from January 2013 until December 2020) in the respective delinquency bucket (31-60 days past due, 61-90 days past due, 91-120 days past due, 121-150 days past due and > 151 past due). d) Residual value risk shown in total amounts as loss per unit vs. the contractual residual value for the vehicles from 2008 until 2017 (year of origination). e) Annualised prepayments on a monthly basis (covering the period from January 2013 until December 2020). <p>The data history, which is provided prior to pricing, covers a period of at least 5 years required under Article 22 (1) of the Securitisation Regulation, see section "PURCHASED RECEIVABLES CHARACTERISTICS AND HISTORICAL DATA", subsection 2 "Historical performance data" in the Offering Circular.</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 Seller's overall portfolio ("substantially similar exposures") is ensured.</p>

#	Criterion Article 22 (2)	Verification Report
40	Performance of an asset audit based on a sample and defined audit steps (Agreed upon Procedures, AuP) by an external independent party	<p><u>Verification Method:</u> Legal (AuP Report)</p> <p>The Seller 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"> a) a verification of the compliance of the underlying exposures in the portfolio with selected key pool data fields and the key eligibility criteria (the "Pool Data and Eligibility Criteria Verification"); and b) verification that the data disclosed to investors in the Preliminary OC and in the Offering Circular in respect of the underlying exposures is accurate (the "Prospectus Data Verification") <p>The sample drawn for the Pool Data and Eligibility Criteria Verification is representative of the securitised portfolio, based on a provisional pool cut dated 31 January 2021. This is ensured by a sufficiently large sample and random selection, applying a 99% confidence level. The final report prepared by the audit firm with regards to the Pool Data and Eligibility Criteria Verification has been made available to SVI on 24 February 2021. The final report confirms that the Pool Data Eligibility Criteria Verification has occurred and that in all material respects the Data Fields agree to the respective information in the underlying documents or in the bookkeeping system of BMW Finance SNC.</p> <p>The Prospectus Data Verification has been performed by the audit firm based on the provisional pool cut dated 31 January 2021. This verification has been based on all underlying exposures (loan level data) and the scope comprises (i) information in the stratification tables (see section "PURCHASED RECEIVABLES CHARACTERISTICS AND HISTORICAL DATA", subsection "Purchased Receivables characteristics") correspond to the provisional pool cut and (ii) the calculation of the weighted average lives and the maturity profile of the Class A and Class B notes offered to investors (see section "EXPECTED MATURITY AND AVERAGE LIFE OF NOTES AND ASSUMPTIONS" of the Preliminary OC).</p> <p>The Prospectus Data Verification has been repeated by the audit firm based on the final pool cut dated 31 March 2021, applying the same scope as for the verification of the provisional pool cut (see above).</p> <p>The final report prepared by the audit firm with regards to the Prospectus Data Verification of the data disclosed to investors in the Preliminary OC has been made available to SVI on 22 February 2021 and confirms that no significant adverse findings have been found. The repetition of the Prospectus Data Verification based on the final pool cut dated 31 March 2021 with no significant adverse findings has been confirmed by the audit firm via e-mail on 15 April 2021.</p> <p>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 provisional or the final pool cut.</p>

#	Criterion Article 22 (3)	Verification Report
41	<p>Provision of a precise liability cash flow model to the investors prior to pricing by the Originator; "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 has been prepared by EuroABS on behalf of the Originator, and it is provided as web-based tool and can be accessed via www.euroabs.com. SVI has been granted access to the cash flow model for the Bavarian Sky French Auto Leases 4 Transaction prior to announcement 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>The CF-Model accurately reflects the contractual relationships and cash flows from and to the securitised portfolio, cash accounts, swap counterparties, Classes A to C Notes, the Subordinated Lender, the Originator/Servicer as well as other parties involved (summarised as senior expenses).</p> <p>A wide range of different scenarios can be modelled, including but not limited to prepayments, delinquencies, defaults (gross losses), recoveries, swap payments, coupon on the notes and senior expenses. Both size as well as timing of payments or defaults can be varied. Also, digital scenarios such as default of swap counterparties (yes/no) or exercise of call options (yes/no) can be considered. As a result, both base case scenarios for pricing as well as stress scenarios for credit analysis purposes can be modelled.</p> <p>The CF-Model is available since on or around 04 March 2021 and hence has been provided before 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 environmental performance of the assets 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 information on the environmental performance of the assets financed by such underlying exposures (in this case: auto leases) is intended to be provided in the form of the efficiency classes according to Agence de l'environnement et de la maîtrise de l'énergie (ADEME). The information is intended to be made available on a quarterly basis as part of the information on the underlying exposures as per Article 7 (1)(a) of the Regulation (EU) 2017/2402 and as applicable.</p>

#	Criterion Article 22 (5)	Verification Report
43	Compliance with the provisions of Art. 7 of the Securitisation Regulation (regarding Transparency) is the responsibility of the Originator or Sponsor	<p data-bbox="640 389 1370 414"><u>Verification Method</u>: Legal (Transaction documents) / Due Diligence</p> <p data-bbox="640 437 1989 491">The Seller in its capacity as the Originator confirms that it will fulfil the provisions of Art. 7 of the Securitisation Regulation as follows:</p> <ul data-bbox="658 517 2042 1181" style="list-style-type: none"> <li data-bbox="658 517 2020 574">• Art. 7 (1) (a): Loan level data will be made available on the Investor Reporting Date and then at least on a quarterly basis, see section "Disclosure Requirements under Securitisation Regulation" of the Offering Circular. <li data-bbox="658 596 1989 651">• Art. 7 (1) (b): The key Transaction Documents have been made available in draft form prior to pricing and will be made available in final form within 15 days after closing. <li data-bbox="658 673 1012 699">• Art. 7 (1) (c): Not applicable. <li data-bbox="658 721 2029 775">• 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 made available in final form within 15 days after closing. <li data-bbox="658 798 2007 852">• Art. 7 (1) (e): The Monthly Investor Report will be made available on the Investor Reporting Date and then at least on a quarterly basis, please refer to section "Disclosure Requirements under Securitisation Regulation" of the Offering Circular. <li data-bbox="658 874 2042 963">• Art. 7 (1) (f): Ad hoc announcements will be published as soon as they need to be published pursuant to Regulation (EU) No. 596/2014 (Market Abuse Regulation), see section "Disclosure Requirements under Securitisation Regulation" of the Offering Circular. <li data-bbox="658 986 2020 1040">• Art. 7 (1) (g): If a "Significant Event" occurs, investors will be informed immediately, see section "Disclosure Requirements under Securitisation Regulation" of the Offering Circular. <li data-bbox="658 1062 2029 1181">• Art. 7 (2): The Seller covenants to provide the relevant information pursuant to article 7(2) of the Securitisation Regulation. The Seller is designated as the reporting entity and shall make the information for the Transaction available on the website of EuroABS (being, as at the Signing Date, www.euroabs.com), see section "Disclosure Requirements under Securitisation Regulation" of the Offering Circular.

As a result of the verifications documented above, we confirm to BMW Finance S.N.C. 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 “**BAVARIAN SKY FRENCH AUTO LEASES 4**” have been fulfilled.

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