

Final CRR Assessment

In respect of the Transaction "**CARS ALLIANCE AUTO LOANS GERMANY V 2023-1**" (RCI Banque S.A., Niederlassung Deutschland)

27 March 2023



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 Article 29 of the Securitisation Regulation, to act in all EU countries as third party pursuant to Article 28 of the Securitisation Regulation to verify compliance with the STS Criteria pursuant to Articles 19-26e 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) ("CRR Assessment"), (ii) Article 270 (senior positions in STS on-balance sheet 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"). These additional services are carried out after notification to and in agreement with BaFin.

Mandating of SVI and verification steps

On 9 November 2022, SVI has been mandated by the Originator (RCI Banque S.A., Niederlassung Deutschland) to verify compliance with the STS criteria pursuant to Article 28 of the Securitisation Regulation for the securitisation transaction "CARS ALLIANCE AUTO LOANS GERMANY V 2023-1".

As part of our verification work for a previous transaction, we have met with representatives of RCI Banque S.A., Niederlassung Deutschland to conduct a virtual due diligence meeting on 8 December 2022. In addition, we have discussed selected aspects of the Transaction with

RCI Banque S.A., Niederlassung Deutschland and legal counsel and obtained additional information on the transaction structure, the underwriting and servicing procedures of RCI Banque S.A., Niederlassung Deutschland and the underlying transaction documentation.

For the purposes of this Final CRR Assessment, we have reviewed the following documents and other information related to the Transaction:

- Prospectus
- Master Receivables Transfer Agreement
- Additional information received by e-mail, such as confirmations, comments, etc.

Verification Methodology

The fulfilment of each verification point in this Final CRR Assessment 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	



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 26e of the Securitisation Regulation (“STS Requirements”). The same registered verification label is used by SVI in the context of a CRR Assessment, Article 270 Assessment, LCR Assessment and Gap-Analysis. 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 or set out in the CRR, LCR and other relevant regulations, respectively. 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 CRR Assessment and disclaims any responsibility for monitoring the Issuer’s continuing compliance with these requirements 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.

SVI is not a legal advisor and nothing in the Final CRR Assessment shall be regarded as legal advice in any jurisdiction.

Accordingly, the Final CRR Assessment is only an expression of opinion by SVI after application of its verification methodology and not a statement of fact. It is not a guarantee or warranty that ECB, any of the ESAs or national competent authorities, courts, investors or any other person will accept the STS status of the relevant securitisation or its status under the LCR and/or the CRR. Therefore, no person should rely on the Final CRR Assessment in determining the STS status but must perform its own analysis and reach its own conclusions.



SVI assumes due performance of the contractual obligation thereunder by each of the parties and the representations made and warranties given in each case by any persons or parties to SVI or in any of the documents are true, not misleading and complete. SVI shall have no liability for any loss of any kind suffered by any person as a result of a securitisation where the Final CRR Assessment indicated that it met, in whole or in part, the STS Requirements, certain CRR or SRT requirements being held for any reason as not so meeting the relevant requirements or not being able to have lower capital allocated against it save in the case of deliberate fraud by SVI. SVI shall also not have any liability for any action taken or action from which any person has refrained from taking as a result of the Final CRR Assessment.

LIST OF ABBREVIATIONS/DEFINITIONS

Note: For any other term used in this Final CRR Assessment in capital spelling, please refer to the defined terms in the Section “GLOSSARY OF TERMS” in the Prospectus.

BaFin	Bundesanstalt für Finanzdienstleistungsaufsicht (German Federal Financial Supervisory Authority)
CAALG V 2023-1	CARS ALLIANCE AUTO LOANS GERMANY V 2023-1
Closing Date	27 March 2023
CMBS	Commercial Mortgage-Backed Securitisation
CRR	Regulation (EU) 2017/2401 dated 12 December 2017, amending Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms
Due Diligence Presentation	Due Diligence Presentation dated December 2022
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
Issuer	CARS ALLIANCE AUTO LOANS GERMANY V 2023-1
LCR	Delegated Regulation (EU) 2018/1620 on liquidity coverage requirement for credit institutions dated 13 July 2018, amending Delegated Regulation (EU) 2015/61 to supplement Regulation (EU) No 575/2013 of the European Parliament and the Council with regard to liquidity coverage requirements for Credit Institutions
MRTA	Master Receivables Transfer Agreement
Originator	RCI Banque S.A., Niederlassung Deutschland
Prospectus	Prospectus dated 24 March 2023
RCI Banque	RCI Banque S.A., Niederlassung Deutschland
RMBS	Residential Mortgage-Backed 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, as amended by Regulation (EU) 2021/557 of 31 March 2021
Seller	RCI Banque S.A., Niederlassung Deutschland

Servicer	RCI Banque S.A., Niederlassung Deutschland
SSPE	Securitisation Special Purpose Entity or Issuer
Standardised Approach	The regulatory capital requirements according to Part 3, Title II, Chapter 2 of the CRR
STS Criteria	Articles 18-26 of the Securitisation Regulation, setting out criteria for simple, transparent and standardised securitisations
Transaction	The securitisation of auto loan receivables involving CARS ALLIANCE AUTO LOANS GERMANY V 2023-1 as Issuer

#	Criterion Article 243 (2)	CRR Assessment
1	Qualification of the securitisation position as STS securitisation	<p><u>Verification Method:</u> Legal (Prospectus) / Regulatory (STS Notification, STS Verification Report)</p> <p>The Transaction and therefore also the Securitisation Position will be notified according to Article 27 (1) of the Securitisation Regulation by the Originator to ESMA as meeting the requirements of Articles 20 – 22 of the Securitisation Regulation in respect of non-ABCP securitisations, see Section “REGULATORY ASPECTS AND OTHER CONSIDERATIONS”, Subsection “STS Securitisation” in the Prospectus. Please also refer to the Final Verification Report prepared by SVI in respect of the Transaction.</p>

#	Criterion Article 243 (2) (a)	CRR Assessment
2	Granularity of the securitised portfolio in terms of single obligor concentrations (measured on the basis of a group of connected clients)	<p><u>Verification Method:</u> Legal (Prospectus, MRTA)</p> <p>At the time of inclusion in the securitisation, the Single Borrower Ratio as at the relevant Cut-Off Date is less than or equal to 0.05% taking into account the Eligible Receivables to be purchased on such Transfer Date, please refer to Schedule 3 “Conditions Precedent”, Part 1 “Conditions Precedent to the Purchase of Eligible Receivables on the Closing Date”, Item (g) of the MRTA and Part 2 “Conditions Precedent to the Purchase of Eligible Receivables on each Transfer Date”, Item (e) of the MRTA together with the Definition of “Single Borrower Ratio” in Section “GLOSSARY OF TERMS” in the Prospectus. The Definition of Borrower excludes legal entities (see Definition of “Borrower” in section “GLOSSARY OF TERMS” in the Prospectus). Hence, there is no risk of disregarded group of connected clients.</p> <p>Thus, the requirement that at the time of inclusion in the securitisation, the aggregate exposure value of all exposures to a single obligor (basis: group of connected clients) does not exceed 2% of the pool of underlying exposures is fulfilled.</p> <p>The underlying exposures represent solely the finance portion (principal, interest, arrears, costs or any other amount due in connection with the repayment of the amounts made available by the Seller to a Borrower in respect of an Auto Loan Agreement for the purpose of the acquisition of a Car and which will be secured by certain Ancillary Rights, see Definition of “Receivables” in section “GLOSSARY OF TERMS” in the Prospectus) paid by the Borrower during the term of the Auto Loan Agreement. In contrast to this, the residual values do not form part of the underlying exposures.</p>

#	Criterion Article 243 (2) (b)	CRR Assessment
3	Maximum risk weight under the Standardised Approach	<p data-bbox="667 384 1722 411"><u>Verification Method:</u> Legal (Prospectus, MRTA), Due Diligence (explicit confirmation by Originator)</p> <p data-bbox="667 432 2063 488">None of the underlying exposures are secured by residential mortgages or commercial mortgages, therefore Article 243(2) (b) (i) and (ii) are not applicable.</p> <p data-bbox="667 512 2074 627">The underlying Auto Loan Agreements have been entered into exclusively with Eligible Borrowers who are individuals. Each of them is a resident in Germany at the time of the signing of the relevant Auto Loan Agreement and none of them is - to the best of the Seller's knowledge - a credit-impaired borrower, please refer to the Definition of "Eligible Borrower", Items (a) and (f) in Section "GLOSSARY OF TERMS" in the Prospectus.</p> <p data-bbox="667 651 2040 828">The Seller warrants that the portfolio contains only Auto Loan Agreements that have been entered with Borrowers that fall into the 'retail exposure' category of Article 243(2) (b) (iii) as, according to Article 123 of the CRR, (i) the exposure is to a natural person or to an SME, (ii) the exposure is one of a significant number of exposures with similar characteristics, and (iii) the total amount owed by the obligor client or group of connected clients does not exceed EUR 1 million, see Section "THE AUTO LOAN AGREEMENTS AND THE RECEIVABLES", Subsection "Seller's Receivables Warranties", Item 36. in the Prospectus. As a result, these retail exposures would have a risk weight equal to or smaller than 75% under the Standardised Approach.</p> <p data-bbox="667 852 2029 935">Therefore, the underlying exposures meet the conditions for being assigned under the Standardised Approach and, taking into account any eligible credit risk mitigation, a risk weight equal to or smaller than 75% on an individual exposure basis for retail exposures in accordance with Article 123 of the CRR.</p>

#	Criterion Article 243 (2) (c)	CRR Assessment
4	Inclusion of loans secured by lower ranking security rights for RMBS and CMBS	<p><u>Verification Method:</u> Legal (Prospectus, MRTA)</p> <p>The Eligibility Criteria restrict the underlying exposures to Receivables originated under an Auto Loan Agreement – therefore, residential mortgage loans do not form part of the portfolio, see Schedule 1 “Eligibility Criteria and Portfolio Criteria”, Part 1 “Eligibility Criteria”, Item 2(i) of the MRTA..</p>

#	Criterion Article 243 (2) (d)	CRR Assessment
5	Maximum loan-to-value for RMBS	<p><u>Verification Method:</u> Legal (Legal opinion, MRTA)</p> <p>The Eligibility Criteria restrict the underlying exposures to Receivables originated under an Auto Loan Agreement – therefore, residential mortgage loans do not form part of the portfolio, see Schedule 1 “Eligibility Criteria and Portfolio Criteria”, Part 1 “Eligibility Criteria”, Item 2(i) of the MRTA.</p>



As a result of the verifications documented above, we confirm to RCI Banque S.A., Niederlassung Deutschland that the requirement pursuant to Article 243 (2) of Regulation (EU) 2017/2401 dated 12 December 2017, amending Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms, have been fulfilled for the transaction **“CARS ALLIANCE AUTO LOANS GERMANY V 2023-1”**.

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