

Final Verification Report

In respect of the Transaction "Silver Arrow S.A., Compartment 17"
(Mercedes-Benz Bank AG)

19 April 2024



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 18 to 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 as amended by Regulation (EU) 2021/558 of 31 March 2021) ("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").

Mandating of SVI and verification steps

On 4 January 2024, SVI has been mandated by the Originator (Mercedes-Benz Bank AG) to verify compliance with the STS criteria in relation to non-ABCP securitisations pursuant to Articles 19 - 22 of the Securitisation Regulation for the securitisation transaction "Silver Arrow 17" (the "Transaction").

As part of our verification work, we have met with representatives of Mercedes Benz Bank to conduct a virtual due diligence meeting on 29 February 2024. In addition, we have discussed selected aspects of the Transaction with Mercedes-Benz Bank AG and legal counsel and

obtained additional information on the transaction structure, the underwriting and servicing procedures of Mercedes-Benz Bank AG 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
- German Legal Opinion
- Incorporated Terms Memorandum
- Loan Receivables Purchase Agreement
- Servicing Agreement
- Swap Agreement
- Account Agreement
- Due Diligence Presentation prepared by Mercedes-Benz Bank AG
- Agreed-upon Procedures Report
- Latest version of the liability cash flow model
- Data Package received from Mercedes-Benz Bank AG
- 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 18 to 26e 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.

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

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

SVI assumes due performance of the contractual obligation thereunder by each of the parties and the representations made and warranties given in each case by any persons or parties to SVI or in any of the documents are true, not misleading and complete. SVI shall have no liability for any loss of any kind suffered by any person as a result of a securitisation where the Final Verification Report 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 Verification Report.

LIST OF ABBREVIATIONS/DEFINITIONS

Note: For any other term used in this in capital spelling, please refer to the defined terms in the Schedule 1 “MASTER DEFINITIONS SCHEDULE” of the ITM.

AuP	Agreed-upon Procedures
BaFin	Bundesanstalt für Finanzdienstleistungsaufsicht (German Federal Financial Supervisory Authority)
CF-Model	Cash Flow-Model
Closing Date	19 April 2024
Due Diligence	Due Diligence Meeting on 29 February 2024 and the Due Diligence Presentation dated February 2024
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
ECB	European Central Bank
EIOPA	European Insurance an Occupational Pensions Authority
ESAs	European supervisory authorities (EBA, EIOPA and ESMA)
ESMA	European Securities and Markets Authority
Final Verification Report	Final Verification Report prepared by SVI in respect of the Transaction
Issue Date	19 April 2024
Issuer	Silver Arrow S.A., acting in respect of its Compartment 17
ITM	Incorporated Terms Memorandum
LO	German Legal Opinion
LRPA	Loan Receivables Purchase Agreement
MAR	Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation)
MB Group AG	Mercedes-Benz Group AG
Offering Circular	Offering Circular dated 17 April 2024
Originator	Mercedes-Benz Bank AG

Purchase Date	19 April 2024
RTS on Homogeneity	Commission delegated Regulation (EU) 2024/584 amending the regulatory technical standards laid down in Delegated Regulation (EU) 2019/1851 as regards the homogeneity of the underlying exposures in simple, transparent and standardised securitisations dated 7 November 2023
RTS on Risk Retention	Commission delegated Regulation (EU) 2023/2175 supplementing Regulation (EU) 2017/2402 of the European Parliament and of the Council with regard to regulatory technical standards specifying in greater detail the risk retention requirements for originators, sponsors, original lenders, and servicers dated 7 July 2023
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	Mercedes-Benz Bank AG
Servicer	Mercedes-Benz Bank AG
Silver Arrow 17	Silver Arrow S.A., acting in respect of its Compartment 17
SRT	Significant risk transfer
SSPE	Securitisation Special Purpose Entity or Issuer
STS Requirements	The requirements for simple, transparent and standardised securitisation in respect of a non-ABCP transaction as set out in Articles 18 to 22 of the Securitisation Regulation
Third Country	A country that is not part of the Union
Transaction	The securitisation of retail auto loan receivables involving Silver Arrow 17 as Issuer
Union	The European Union or "EU"

Structure Overview and Reference to Article 18 of the Securitisation Regulation

The Transaction provides for a sale and assignment of fixed rate auto loan receivables at the Closing Date (scheduled for 19 April 2024) from Mercedes-Benz Bank AG (“Originator” and “Servicer”) to Silver Arrow S.A., acting in respect of its Compartment 17 (“Issuer”), a registered securitisation company incorporated under the Laws of Luxemburg. The securitisation transaction will be financed by the issuance of Class A and B Notes and the subscription of the Class A and B Noteholders.

As described above, the Originator and SSPE involved in the Transaction are established in the Union. Hence, the requirement that the originator, sponsor and SSPE involved in the Transaction are established in the EU as stipulated in Article 18 of the Securitisation Regulation, is fulfilled for the Transaction.

#	Criterion Article 20 (1)	Verification Report
1	Transfer of title to the underlying exposures by means of a true sale and enforceability of such true sale	<p><u>Verification Method: Legal / Due Diligence</u></p> <p>The Loan Receivables which are the underlying exposures of the Transaction are subject to certain Eligibility Criteria, inter alia, subject to German law, denominated in Euro and with obligors resident in Germany. The Originator is appointed as the Servicer of the Transaction in accordance with the Servicing Agreement.</p> <p>The Legal Opinion confirms the transfer of title to the underlying exposure to the SSPE through a true sale both with respect to the security assignment and security transfer of the Assigned Assets and the transfer of the Loan Receivables and Loan Collateral (which includes by definition the security interest (Sicherungseigentum) in the Financed Vehicles). Furthermore, the LO confirms the legal enforceability of the true sale, assignment or transfer against the seller and third parties with respect to the valid, legally binding and enforceable rights and obligations of the parties to the German Law Documents, with respect to the effective and binding nature of the transfer of Loan Receivables and Loan Collateral and with respect to the legal, valid and binding nature of the security assignment and transfer of the Assigned Assets as well as of the pledges under the Trust Agreement (all subject to customary qualifications).</p> <p>The Legal Opinion confirms that there are no increased risks with regard to claw-back and re-characterisation.</p> <p>The LRPA contains in Part 4 "Representation, Warranties and Covenants", Clause 8.1, in connection with Schedule 3 "Seller's Representations and Warranties", Part 2 "Transaction 17 Document Representations and Warranties of the Seller" of the ITM, representations and warranties by the Seller as of the Purchase Date concerning the legally valid, binding and enforceable nature of the obligors' obligations under the Loan Receivables, their assignability and the compliance of the Purchased Loan Receivables (referencing "Loan Agreement" which includes by definition the general terms and conditions) with applicable consumer financing laws.</p>

#	Criterion Article 20 (1)	Verification Report
2	Requirements for the external legal opinion	<p><u>Verification Method: Legal / Due Diligence</u></p> <p>The Legal Opinion is provided by Hogan Lovells International LLP, a well-known law firm with expertise in the area of securitisation.</p> <p>The LO has been issued in connection with the closing of the Transaction and is therefore up-to-date.</p> <p>The LO is made available to SVI as third-party verification agent and to competent supervisory authorities.</p>

#	Criterion Article 20 (2)	Verification Report
3	Specification of severe claw-back provisions : Are there any provisions in the respective national insolvency law, which could allow the insolvency administrator to invalidate the transfer of the underlying exposures?	<p><u>Verification Method: Legal</u></p> <p>Except for what it is provided under German insolvency laws in case of fraudulent, unfair prejudicial or improperly favourable transfers there are no such increased risks. Such provisions are considered non-severe claw-back provisions under Art. 20 (3) of the Securitisation Regulation.</p> <p>Under applicable German insolvency law, in respect of a transfer within certain time periods prior to and after the filing of insolvency proceedings, the SSPE must demonstrate that it had no knowledge of the seller's insolvency.</p> <p>To mitigate against this, Part 4 "Representation, Warranties and Covenants", Clause 8.1 of the LRPA in connection with Schedule 3, Part 1 "Corporate Representations and Warranties of the Seller" No. 3 of the ITM provides for the representation and warranty of the Seller as of the Purchase Date that it is not insolvent. This may be used by the SSPE as a substantial proof to demonstrate its non-knowledge of the Seller's insolvency.</p>
#	Criterion Article 20 (3)	Verification Report
4	Clarification that certain provisions in the national insolvency laws do not constitute severe claw-back provisions	<p><u>Verification Method: Legal</u></p> <p>Applicable German 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 SSPE but intermediate sales take place, is the true sale still fulfilled?	<p><u>Verification Method: Legal</u></p> <p>Under the Transaction structure used by Silver Arrow 17, the sale and transfer take place directly between the Seller (who is the original lender) and the SSPE 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</p> <p>The transfer of the underlying exposures will occur on the Purchase Date (as referred within the LPRA, Part 2 "Sale of Loan Receivables", Clause 2 "OFFER FOR LOAN RECEIVABLES") of the Transaction (scheduled for 19 April 2024), i.e. there will be no 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</p> <p>The Seller (who is the original lender) warrants that the underlying Purchased Loan Receivables are legally valid, binding and enforceable Loan Agreements and that, to the best of its knowledge, the Purchased Loan 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 "DESCRIPTION OF THE PORTFOLIO AND OF THE LOAN COLLATERAL", Subsection "ELIGIBILITY CRITERIA", Items (g) and (l) as well as Subsection "SELLER LOAN WARRANTIES", Item (a) of the Offering Circular and above under #3.</p>
#	Criterion Article 20 (7)	Verification Report
8	Predetermined, clear and documented selection criteria (' eligibility criteria ') (I/II)	<p><u>Verification Method:</u> Legal</p> <p>The underlying exposures transferred from the Seller to the SSPE are selected according to predetermined, clear and documented eligibility criteria, see Section "DESCRIPTION OF THE PORTFOLIO AND OF THE LOAN COLLATERAL", Subsection "ELIGIBILITY CRITERIA" in the Offering Circular.</p> <p>The Transaction is amortising and does not feature a revolving period and / or a term take-out.</p> <p>There are no exposures that will be transferred to the SSPE 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</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> Legal</p> <p>The underlying exposures in the provisional and the final pool are selected based on a well-established, random selection process. Further, the Seller covenant that the Purchased Loan Receivables will not be selected by the Seller with the aim of rendering losses on the Purchased Loan Receivables to the Issuer, measured over the life of the Transaction 17, higher than the losses over the same period on comparable Loan Receivables held on the balance sheet of the Seller, see Section "COMPLIANCE WITH THE SECURITISATION REGULATION", Subsection "Compliance with the Retention Requirement" in the Offering Circular.</p> <p>In case a Loan Receivable did not fulfil the Eligibility Criteria on the Cut-Off Date or the Seller has breached the Seller Loan Warranties as of the Purchase Date, the Seller will be obliged to repurchase such Loan Receivable at the relevant Repurchase Price on the next Payment Date. In this respect, the relevant Repurchase Price payable by the Seller to the Issuer has to be equal to the sum of the Outstanding Loan Principal Amount(s) of the affected Purchased Loan Receivable(s), see Section "DESCRIPTION OF THE PORTFOLIO AND OF THE LOAN COLLATERAL", Subsection "ELIGIBILITY CRITERIA" of the Offering Circular as well as Clause 12 "REPURCHASE PRICE" of the LRPA. However, there will be no substitution of the ineligible receivable with a new receivable.</p> <p>In addition, the Transaction features a Clean-Up Call option. The Seller may at its option repurchase all outstanding Purchased Loan Receivables (as well as all Loan Collateral relating thereto) on any Payment Date as soon as the Aggregate Outstanding Loan Principal Amount, as per preceding Determination Date, is less than 10% of the Aggregate Outstanding Loan Principal Amount at the Cut-Off Date, see Clause 10 "CLEAN-UP CALL" of LRPA.</p> <p>The above-described instances that allow 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 and the exercise of clean-up call options).</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>

As a result of the above, the criterion "no active portfolio management" is fulfilled.

#	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</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 one jurisdiction (Germany) only, see Section "DESCRIPTION OF THE PORTFOLIO AND OF THE LOAN COLLATERAL", Subsection "ELIGIBILITY CRITERIA", Item (f) 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</p> <p>The underlying exposures have been originated in accordance with consistent underwriting standards, as presented in the Due Diligence and further described in #17. No distinction is made between securitised and non-securitised receivables, see also Section "COMPLIANCE WITH THE SECURITISATION REGULATION", Subsection "Compliance with the Retention Requirement" in the Offering Circular.</p> <p>The processes assure that only assets referred to Obligors resident in Germany which are originated according to the underwriting policy are included in the securitised pool.</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>

#	Criterion Article 20 (8)	Verification Report
13	Securitisation of a homogeneous portfolio in terms of asset classes (III / III)	<p><u>Verification Method:</u> Legal / Data</p> <p>The homogeneity factor "residence in Germany" is, through the check of the data field "Geographical Location of the Obligor" with the first digit of the postcode, part of the Asset Audit as further described in #40. The loan contracts have been entered into exclusively with Obligors resident in Germany, see Section "DESCRIPTION OF THE PORTFOLIO AND OF THE LOAN COLLATERAL", Subsection "ELIGIBILITY CRITERIA", Item (f) of the Offering Circular.</p>
14	The underlying exposures contain obligations that are contractually binding and enforceable	<p><u>Verification Method:</u> Legal / Due Diligence</p> <p>Section "DESCRIPTION OF THE PORTFOLIO AND OF THE LOAN COLLATERAL", Subsection "ELIGIBILITY CRITERIA" Items (g) and (l) as well as Subsection "SELLER LOAN WARRANTIES", Item (a) of the Offering Circular contain warranties by the Seller as to the legally valid, binding and enforceable nature of the underlying exposures, i.e. the Loan Agreements under which the relevant Loan Receivables arise. Please also refer to #1.</p>
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 / Due Diligence / Data</p> <p>The underlying exposures for the transaction represent standard auto loan agreements originated by Mercedes-Benz Bank AG in respect of private and commercial borrowers. For the purposes of the transaction, three contract types form part of the securitised portfolio:</p> <ol style="list-style-type: none"> 1. loan type "Standard Financing" with linear (i.e. fully amortising with equal instalments) form of financing, and 2. loan type "Balloon Financing (Final Instalment)" with equal instalments and a balloon payment at the end of term, as well as 3. loan type "Option Financing (Plus 3)" with equal instalments, a balloon payment at the end of term and an additional put option with respect to the vehicle. <p>Apart from these variations, the three loan types do not differ structurally in terms of payment streams (with the exception of the final instalment), as discussed and verified in the Due Diligence. Please also refer Section "THE SELLER, THE SERVICER AND THE SUBORDINATED LENDER", Subsection "Loan Products" of the Offering Circular.</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 resulting in full amortisation and/or</p>

		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. Please also refer to Section "DESCRIPTION OF THE PORTFOLIO AND OF THE LOAN COLLATERAL" Subsection "ELIGIBILITY CRITERIA" Item (m) of the Offering Circular.
		The Eligibility Criteria restrict the underlying exposures to Loan Receivables originated under a loan contract, thereby eliminating any transferable security from the portfolio. The compliance of the provisional pool with the Eligibility Criteria has been verified through the Asset Audit (see #40).

#	Criterion Article 20 (9)	Verification Report
16	Are there any securitisation positions in the portfolio?	<p><u>Verification Method:</u> Legal / Due Diligence / Data</p> <p>The Eligibility Criteria restrict the underlying exposures to Loan Receivables originated under a loan contract, thereby assuring that no securitisation position may become part of the portfolio, see Section "DESCRIPTION OF THE PORTFOLIO AND OF THE LOAN COLLATERAL" Subsection "ELIGIBILITY CRITERIA" Item (a) of the Offering Circular as well as the Definition of "Loan Agreement" in Schedule 1 "MASTER DEFINITIONS SCHEDULE" of the ITM.</p> <p>The compliance of the provisional pool with the Eligibility Criteria has been verified through the Asset Audit (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 Originator and not permitted under the Originators' 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 (Offering Circular) / Due Diligence (Underwriting and Servicing Policy)</p> <p>Mercedes-Benz Bank AG is one of the leading automotive banks in Germany, active in Germany since 1967. Organisation and business processes have been developed over decades. Mercedes-Benz Bank AG is subject to the supervision of the German Federal Financial Supervisory Authority (<i>Bundesanstalt für Finanzdienstleistungsaufsicht</i>) and the European Central Bank in accordance with the German Banking Act (<i>Kreditwesengesetz</i>) (please also refer to Section "THE SELLER, THE SERVICER AND THE SUBORDINATED LENDER", Subsection "Description of the Seller" of the Offering Circular).</p> <p>As presented and discussed in the Due Diligence, the highly professional organisation of Mercedes-Benz Bank AG's business procedures has been developed over decades. Sales partners for automotive financial services are the MB Group AG automobile dealerships.</p> <p>Accordingly, the business procedures assure that securitised exposures have been originated in the ordinary course of business and in accordance with uniform standards and consolidated policies in terms of Credit and Collection, see in this regard Section</p>

		<p>"DESCRIPTION OF THE PORTFOLIO AND OF THE LOAN COLLATERAL", Subsection "ELIGIBILITY CRITERIA", Item (a) of the Offering Circular. Deviations from the underwriting policy are only 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 loan contracts 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>Since no exposures will be transferred to the Issuer after the Closing Date (static portfolio), no obligation to disclose material changes to the underwriting policy after the closing of the Transaction applies.</p>
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#	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 presented and discussed in the Due Diligence, no distinction is made between securitised and non-securitised exposures in any respect. This applies to 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 or sales staff of MB Group AG automobile dealerships 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 residential mortgage loans , does the portfolio include loans that have been self-certified by the loan applicants?	<p><u>Verification Method:</u> Legal / Due Diligence</p> <p>The Eligibility Criteria restrict the underlying exposures to Loan Receivables under Loan Agreements which finance a passenger car or commercial vehicle – therefore, residential mortgage loans do not form part of the portfolio, see in this regard Section "DESCRIPTION OF THE PORTFOLIO AND OF THE LOAN COLLATERAL", Subsection "ELIGIBILITY CRITERIA", Items (a) and (c) of the Offering Circular as well as the Definitions of "Loan Agreement" and "Financed Vehicle" in Schedule 1 "MASTER DEFINITIONS SCHEDULE" of the ITM.</p>

#	Criterion Article 20 (10)	Verification Report
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 applicable, the analogous provisions of a third country	<p><u>Verification Method:</u> Regulatory / Legal / Due Diligence / Data</p> <p>Mercedes-Benz Bank AG is a financial institution ("<i>Kreditinstitut</i>") according to §1 German Banking Act. As such, the Originator is supervised by BaFin as competent national supervisory authority and by the European Central Bank. Mercedes-Benz Bank AG performs the "Assessment of the borrower's creditworthiness" with respect to loan agreements with consumers in accordance with Article 8 of Directive 2008/48/EC.</p>
#	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> Legal / Regulatory / Due Diligence</p> <p>As an institution, the Originator does have at least 5 years of experience in origination and underwriting of exposures similar to those securitised, see Section "THE SELLER, THE SERVICER AND THE SUBORDINATED LENDER", Subsection "Description of the Seller" of the Offering Circular.</p>
#	Criterion Article 20 (11)	Verification Report
22	The underlying exposures are transferred without undue delay after selection	<p><u>Verification Method:</u> Legal / Data</p> <p>The date of the final pool cut is 29 February 2024. The transfer of the final pool will occur at closing (scheduled for 19 April 2024), i.e. without undue delay.</p>

#	Criterion Article 20 (11)	Verification Report
23	<p>The underlying exposures do not include any defaulted exposures or to debtors/guarantors with impaired creditworthiness</p>	<p><u>Verification Method</u>: Regulatory / Legal / Due Diligence / Data</p> <p>The Originator is an institution subject to Regulation (EU) 575/2013. As presented in the Due Diligence and confirmed in the Offering Circular, 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 (please refer to Section “DESCRIPTION OF THE PORTFOLIO AND OF THE LOAN COLLATERAL”, Subsection “ELIGIBILITY CRITERIA”, Items (b), (i) and (s) of the Offering Circular).</p> <p>Furthermore, to the Seller’s best knowledge, the underlying exposures will not include Loan Receivables relating to a credit-impaired Obligor or guarantor who:</p> <ul style="list-style-type: none"> • 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 3 years prior to the date of origination or has undergone a debt-restructuring process with regard to his non-performing exposures within 3 years prior to the transfer date of the underlying exposures to the Issuer; • was, at the time of origination, on a public credit registry of persons with adverse credit history; or • has a credit assessment or a credit score indicating that the risk of contractually agreed payments not being made is significantly higher than for comparable receivables held by the Originator which are not securitised <p>(see Section “DESCRIPTION OF THE PORTFOLIO AND OF THE LOAN COLLATERAL”, Subsection “ELIGIBILITY CRITERIA”, Item (s) of the Offering Circular).</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 an Obligor or guarantor is credit-impaired, that it has obtained information:</p> <ul style="list-style-type: none"> • from the Obligor on origination of the exposures, • in the course of Mercedes-Benz Bank AG’s servicing of the exposures or Mercedes-Benz Bank AG’s risk management procedures, or • from a third party, <p>see Section “CREDIT AND COLLECTION POLICY” of the Offering Circular. This is in line with the ‘best knowledge’ standard stipulated in the EBA Guidelines.</p> <p>Therefore, Eligibility Criteria restrict the underlying exposures to Loan Receivables, which was neither an exposure in default nor an exposure to a credit-impaired Obligor, thereby assuring that no underlying exposures with a credit-impaired Obligor may become part of the portfolio.</p>

		The compliance of the provisional pool with the Eligibility Criteria has been verified through the Asset Audit (see # 40).
		The Originator has IT systems in place to ensure that defaulted exposures or exposures to debtors/guarantors with impaired creditworthiness are excluded from the provisional or final pool cut.

#	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 profiles of the retail customers (a distinction is made between private and commercial retail customers), credit agencies' information and financial information as well as past payment behaviour (i.e., SCHUFA and credit bureau information). 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 other exposures ordinarily originated by the Originator.</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 / Data</p> <p>The Originator warrants that on the initial cut-off date at least one payment has been made in respect of each Loan Receivable, see Section “DESCRIPTION OF THE PORTFOLIO AND OF THE LOAN COLLATERAL”, Subsection “ELIGIBILITY CRITERIA”, Item (e) of the Offering Circular.</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 / Due Diligence</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 cars or other assets securing the Purchased Loan Receivables. The repayment is entirely linked to the repayment of the Performing Loan Receivables; the repayment of the Performing Loan Receivables in turn is not contingent and does not depend on the sale of the vehicles which serve as collateral for the Purchased Loan Receivables. As demonstrated during the Due Diligence, the Originator's underwriting focuses on the creditworthiness of its obligors rather than on the recoveries derived from the sale of the cars or other assets securing the Purchased Receivables in the case of default.</p>
#	Criterion Article 21 (1)	Verification Report
27	Risk retention (Art. 6.1 of the Securitisation Regulation), usually by the Originator	<p><u>Verification Method:</u> Legal / Due Diligence</p> <p>Mercedes-Benz Bank AG as Originator will act as holder of the risk retention (Retention Holder) and retain on an ongoing basis a material net economic interest of not less than 5% of the securitised exposures, see Section "COMPLIANCE WITH THE SECURITISATION REGULATION", Subsection "Compliance with the Retention Requirement" of the Offering Circular.</p> <p>In accordance with Article 6(3)(d) of Securitisation Regulation and specified in more detail in Article 8 of the RTS on Risk Retention, Mercedes-Benz Bank AG (as Retention Holder) will retain a material net economic interest of not less than 5% in relation to the Transaction. As of the Issue Date, such interest will be retained through the holding of the Class B Compartment 17 Notes and the Subordinated Loan on an ongoing basis for the life of the Transaction. Please refer to Section "COMPLIANCE WITH THE SECURITISATION REGULATION", Subsection "Compliance with the Retention Requirement" of the Offering Circular.</p> <p>The Monthly Reports will also set out monthly confirmation regarding the continued holding of the risk retention by the Seller, as confirmed by the Seller in accordance with Article 7 of the Securitisation Regulation (see Section "RISK FACTORS", Subsection "Risk Retention and Due Diligence Requirements" of the Offering Circular).</p> <p>The legal obligation of the seller to hold the risk retention during the lifetime of the transaction is entered into according to Section "COMPLIANCE WITH THE SECURITISATION REGULATION", Subsection "Compliance with the Retention Requirement" of the Offering Circular.</p>

#	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> Legal / Due Diligence
		Since the Loan Receivables are fixed rate and the Class A Compartment 17 Notes are floating rate, interest rate risks arise from such mismatch. Both assets and liabilities of the Issuer are EUR denominated hence no currency risk occurs.
		The Loan Receivables bear interest at fixed rates while the Class A Compartment 17 Notes will bear interest at floating rates based on 1-M-EURIBOR. Interest rate risks for the Class A Compartment 17 Notes are hedged appropriately with a fixed-floating interest rate swap where the total notional amount of the swap is always equal to the Aggregate Outstanding Note Principal Amount of the Class A Compartment 17 Notes. The floating leg of the swap agreement contains no floor for the 1-M-EURIBOR while the Interest Rates of the Class A Compartment 17 Notes is floored at zero. Any potential remaining mismatches arising from this are taken into account by the rating agencies and are mitigated in particular by the General Reserve and Class B as part of the credit enhancement, see Section "OVERVIEW OF THE OTHER PRINCIPAL TRANSACTION 17 DOCUMENTS", Subsection "SWAP AGREEMENT" of the Offering Circular and the Definition of "EURIBOR" in SCHEDULE 1, "MASTER DEFINITIONS SCHEDULE" of the ITM.
		No further risks in addition to 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 / Offering Circular
		The legal instrument used by the Issuer to hedge interest rate risks is the Swap Agreement for the Compartment 17 Notes, see in this regard Section "OVERVIEW OF THE OTHER PRINCIPAL TRANSACTION 17 DOCUMENTS", Subsection "SWAP AGREEMENT" of the Offering Circular.
		The agreement considers any potential asset liability mismatch by referencing to the Class A outstanding notes balance, and the agreement is based on the 2002 ISDA Master Agreement as established market standard, see Section "OVERVIEW OF THE OTHER PRINCIPAL TRANSACTION 17 DOCUMENTS", Subsection "SWAP AGREEMENT" as well as the definition of "ISDA Master Agreement" in Section "MASTER DEFINITIONS SCHEDULE" of the Offering Circular.
		The requirements for Eligible Swap Counterparties are market standard in international finance related to the rating of the Swap Counterparty, see Section "OVERVIEW OF THE OTHER PRINCIPAL TRANSACTION 17 DOCUMENTS", Subsection "SWAP AGREEMENT" as well as the Definition of "Eligible Swap Counterparty" in Schedule 1 "MASTER DEFINITIONS SCHEDULE" of the ITM.

#	Criterion Article 21 (3)	Verification Report
30	Generally used reference rates for interest payments	<p><u>Verification Method:</u> Legal</p> <p>No reference rates apply to the Loan Receivables which bear fixed interest rates.</p> <p>The Class A Compartment 17 Notes will bear interest at a floating rate based on 1-M-EURIBOR (which is a market standard reference rate) while the Class B Compartment Notes will bear interest at a fixed rate, see Section "TRANSACTION OVERVIEW", Subsection "THE COMPARTMENT 17 NOTES" of the Offering Circular and there the definition of "Class A Interest Rate" and "Class B Interest Rate" as well as the definition of "EURIBOR" in Schedule 1 "MASTER DEFINITIONS SCHEDULE" of the ITM.</p> <p>No reference rates apply for the interest on the cash accounts.</p> <p>Currency hedges are not provided for in the transaction structure.</p>

#	Criterion Article 21 (4)	Verification Report
31	Requirements in the event of an enforcement or delivery of an acceleration notice	<p><u>Verification Method:</u> Legal</p> <p>After the occurrence of an Enforcement Event, the priority of payments will change from "Pre-Enforcement Priority of Payments" to "Post-Enforcement Priority of Payments", please refer to the Section "TERMS AND CONDITIONS OF THE COMPARTMENT 17 NOTES", Subsection 7.4 "Pre-enforcement Priority of Payments" and 9 "POST-ENFORCEMENT PRIORITY OF PAYMENTS" of the Offering Circular. The following conditions will be fulfilled following an Enforcement Event according to the Transaction documentation.</p> <p>After the occurrence of an Enforcement Event:</p> <p>(a) No cash will be retained with the Issuer, see Section "TERMS AND CONDITIONS OF THE COMPARTMENT 17 NOTES", Subsection 9. "POST-ENFORCEMENT PRIORITY OF PAYMENTS" of the Offering Circular.</p> <p>(b) 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 "TERMS AND CONDITIONS OF THE COMPARTMENT 17 NOTES", Subsection 9. "POST-ENFORCEMENT PRIORITY OF PAYMENTS" of the Offering Circular.</p> <p>(c) Interest and principal payments are first made for the Class A Compartment 17 Notes and then interest and principal payments are made for the subsequent Notes, hence repayments are not reversed with regard to their seniority.</p> <p>(d) No automatic liquidation or sale of risk positions or assets is provided for.</p>

#	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</p> <p>The Transaction has a strictly sequential priority of payment.</p>

#	Criterion Article 21 (6)	Verification Report
33	<p>Early amortisation provisions or triggers for termination of the revolving phase to include at least the following:</p> <p>a) deterioration in the credit quality of the underlying exposures below a predefined threshold</p> <p>b) insolvency-related events in relation to the Originator or the Servicer</p> <p>c) decline in value of the underlying exposures below a predefined threshold</p> <p>d) failure to generate sufficient new underlying exposures for replenishments under revolving Transactions</p>	<p><u>Verification Method:</u> Legal</p> <p>The requirements in relation to the early amortisation provisions do not apply to the Transaction as the Transaction does not feature a revolving period.</p> <p>Not applicable.</p> <p>Not applicable.</p> <p>Not applicable.</p> <p>Not applicable.</p>

#	Criterion Article 21 (7)	Verification Report
34	<p>Clear rules 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</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, please refer to the Section "OVERVIEW OF THE OTHER PRINCIPAL TRANSACTION 17 DOCUMENTS", Subsection "SERVICING AGREEMENT" of the Offering Circular or to the Servicing Agreement.</p> <p>Similar provisions for the obligations, duties and responsibilities of</p> <ul style="list-style-type: none"> • the Corporate Services Provider which is administering the Issuer (Intertrust (Luxembourg) S.à.r.l.), • the Trustees (Wilmington Trust SP Services (Frankfurt) GmbH as Trustee and Data Custody Agent Services B.V. as Data Trustee), • the Account Bank (Elavon Financial Services DAC) and • further agents (U.S. Bank Global Corporate Trust Limited as Calculation Agent, Elavon Financial Services DAC as Paying Agent, Interest Determination Agent and Custodian) <p>are provided for in the Offering Circular, see Section "TRANSACTION OVERVIEW", Subsection "THE PARTIES TO THE TRANSACTION 17 (INCLUDING DIRECT OR INDIRECT OWNERSHIP)" of the Offering Circular.</p> <p>The Transaction documentation specifies clearly provisions that ensure the replacement of derivative counterparties and the Account Bank in the case of their default, insolvency, and other specified events, where applicable.</p> <p>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 "TRANSACTION OVERVIEW", Subsection "THE ASSETS & RESERVES" and there the definition of "Issuer Account-C17" as well as the definition of "Required Rating" in the Schedule 1 "MASTER DEFINITIONS SCHEDULE" of the ITM.</p> <p>Furthermore, detailed provisions exist for the obligations, duties and responsibilities of the Swap Counterparty (see Section "OVERVIEW OF THE OTHER PRINCIPAL TRANSACTION 17 DOCUMENTS", Subsection "SWAP AGREEMENT" in 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	<u>Verification Method:</u> Regulatory / Legal / Due Diligence
		Mercedes-Benz Bank AG is a financial institution (<i>Kreditinstitut</i>) according to §1 German Banking Act. As such, the Originator is supervised by BaFin as competent national supervisory authority and by the European Central Bank.
		The Offering Circular contains information on the experience of Mercedes-Benz Bank AG as a seller and servicer, see Section "THE SELLER, THE SERVICER AND THE SUBORDINATED LENDER", Subsection "BUSINESS AND ORGANISATION OF MERCEDES-BENZ BANK AG" - "Description of the Seller".
		The experience and expertise of the management and the senior staff has been confirmed during the Due Diligence.
		As a result, Mercedes-Benz Bank AG as servicer is deemed to have the relevant expertise as an entity being active as servicer of loan receivables for over 50 years and as servicer of loan receivables securitisations for more than five years, and no contrary findings were observed in the Due Diligence.
#	Criterion Article 21 (8)	Verification Report
36	Appropriate and well documented risk management and service policies , procedures and controls	<u>Verification Method:</u> Regulatory / Due Diligence
		As a result of the regulatory status (see #35 above), Mercedes-Benz Bank AG 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 servicing of non-performing exposures , specification of the priorities of payment	<p><u>Verification Method:</u> Legal / Due Diligence</p> <p>The credit and collection policy of Mercedes-Benz Bank AG (see Section "CREDIT AND COLLECTION POLICY" of the Offering Circular) which must be complied in respect of the servicing of the Loan Receivables and the Loan Collateral by the Servicer in accordance with the Servicing Agreement (as summarised in Section "OVERVIEW OF THE OTHER PRINCIPAL TRANSACTION 17 DOCUMENTS", Subsection "SERVICING AGREEMENT" in the Offering Circular) contains a description of procedures related to:</p> <ul style="list-style-type: none"> • Credit Underwriting Process • Release or Replacement of Loan Collateral • Servicing and Collection Procedures • Prepayment Management • Finance and Control • External Audits <p>The loss definition used in the transaction refers to the term "Defaulted Loan Receivable" which means any Purchased Loan Receivable in respect of which:</p> <ol style="list-style-type: none"> a) the Obligor is with more than six (6) (not necessarily consecutive) instalments in arrears, or, if earlier b) the Purchased Loan Receivable has been declared defaulted in accordance with the Credit and Collection Policy of the Servicer. <p>This definition is consistently used in the Offering Circular, see Schedule 1 "MASTER DEFINITIONS SCHEDULE" of the ITM.</p> <p>The procedures presented and discussed in the Due Diligence correspond to the description in the Offering Circular and no contrary findings could be observed.</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</p> <p>The Notes will be issued based on the German Debenture Act (<i>Schuldverschreibungsgesetz – SchVG</i>), see for instance Section "RISK FACTORS", Subsection "V. Risks relating to the structure" as well as Section "TERMS AND CONDITIONS OF THE COMPARTMENT 17 NOTES", Subsection "MISCELLANEOUS", Item "Amendments to the Conditions, Noteholders' Representative" of the Offering Circular. The law lays down clear rules in the event of conflicts between the different classes of noteholders.</p>

#	Criterion Article 22 (1)	Verification Report
39	Provision of historical performance data before pricing	<p><u>Verification Method:</u> Legal / Due Diligence / Data</p> <p>The historical performance data offer an overview of the auto Loan receivables portfolio granted to the retail borrowers (such category comprehends private and commercial clients, excluding the ones belonging to the corporate sector). These data are related to amortising exposures as well as exposures with a final balloon instalment, and they refer to both new and used vehicles. Loans to employees (i.e. "Firmenangehörigengeschäft") have been excluded from the historical performance data. The historical performance data provided by the Originator (see Section "PORTFOLIO CHARACTERISTICS AND HISTORICAL DATA" Subsection "Historical performance data" in the Offering Circular) include the following areas:</p> <ul style="list-style-type: none"> a) Gross Defaults (i.e. losses before recoveries) in static format (covering the period from Q4 2018 until Q4 2023), separate for the total portfolio, new and used vehicles, amortising and balloon loans, commercial retail customer and private retail customer. b) Recoveries in static format (covering the period from Q4 2018 until Q4 2023), separate for the total portfolio, new and used vehicles, amortising and balloon loans, commercial retail customer and private retail customer. c) Prepayments measured as monthly and annualised prepayment rate (covering the period from January 2019 until December 2023). d) Delinquencies measured as monthly delinquency rate and split per number of instalments delinquent from one to six delinquent instalments (covering the period from January 2019 until December 2023). <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 "PORTFOLIO CHARACTERISTICS AND HISTORICAL DATA" subsection "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 Originator's overall portfolio ("substantially similar exposures") is ensured.</p>

#	Criterion Article 22 (2)	Verification Report
40	Performance of an asset audit on the basis of a sample and defined audit steps (Agreed upon Procedures, AuP) by an external independent party	<p><u>Verification Method:</u> Data</p> <p>The Originator has mandated a qualified and experienced audit firm to perform the asset audit followed by the audit firm. The asset audit and the AuP include the following:</p> <ul style="list-style-type: none"> a) a verification of the consistency of the information of the underlying exposures selected from the data tape with the information shown in the loan contract files or copies thereof provided to the audit firm (the "Data Tape Verification"); b) a verification of the compliance of the underlying exposures in the portfolio with the Eligibility Criteria (the "Eligibility Criteria Verification"); and c) a verification that the data disclosed to investors in the Offering Circular in respect of the underlying exposures is accurate (the "Offering Circular Data Verification"). <p>The sample drawn for the Data Tape Verification is representative of the securitised portfolio, based on the provisional pool cut dated 31 January 2024. 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 Data Tape Verification has been made available to SVI on 27 March 2024. The report confirms that the Data Tape Verification has occurred and that no significant adverse findings have been found.</p> <p>The sample drawn for the Eligibility Criteria Verification is representative of the securitised portfolio, based on the provisional pool cut dated 31 January 2024. 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 Eligibility Criteria Verification has been made available to SVI on 27 March 2024. The report confirms that the Eligibility Criteria Verification has occurred and that no significant adverse findings have been found.</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> <p>The Offering Circular Data Verification has been performed by the audit firm based on the final pool cut dated 29 February 2024. The report prepared by the audit firm with regards to the Offering Circular Data Verification has been based on all underlying exposures (loan level data) and the scope comprises verifying that the information stated in the stratification tables (see section "PORTFOLIO CHARACTERISTICS AND HISTORICAL DATA", subsection "Portfolio Characteristics" of the Offering Circular) corresponds to the final pool cut. The final report prepared by the audit firm with regards to the Offering Circular Data Verification has been made available to SVI on 18 April 2024. The final report confirms that no significant adverse findings have been found.</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;</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 / Due Diligence</p> <p>CF-Model has been prepared by Bloomberg on behalf of the Originator and is provided as a web-based tool and can be accessed via http://www.bloomberg.net (subscription model).</p> <p>On the basis of pre-defined default and prepayment scenarios, an output file has been made available to SVI on 25 March 2024 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 every scenario.</p> <p>SVI performed a plausibility check of different output files calculated in the Bloomberg model in line with the assumptions that will be used at the closing date, which reflects the contractual relationships and cash flows from and to the securitised portfolio, Classes A and B Notes, Subordinated Loan, the Seller as well as other parties involved (Swap Counterparty and other expenses). A range of different scenarios has been provided, including but not limited to prepayments, delinquencies and defaults (gross losses).</p> <p>The CF-Model has been made available prior to 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>Alternatively: publication of the available information related to the principal adverse impacts of the assets financed by such underlying exposures on sustainability factors</p>	<p><u>Verification Method:</u> Legal / 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 loans) is reported, according to art. 27 of the Securitisation regulation within the ESMA Reporting framework (annex V), subject to the availability of the information in its internal database or IT systems.</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="645 363 1099 387"><u>Verification Method:</u> Legal / Due Diligence</p> <p data-bbox="645 411 2018 499">As stated in Section "COMPLIANCE WITH THE SECURITISATION REGULATION", Subsection "Compliance with Article 7 of the Securitisation Regulation" in the Offering Circular and confirmed by the Originator that it will fulfil the provisions of Art. 7 of the Securitisation Regulation as follows:</p> <ul data-bbox="656 523 2040 1002" style="list-style-type: none"> <li data-bbox="656 523 1973 579">• Art. 7 (1) (a): Loan Level data (Red Pool) has been made available prior to pricing. Loan Level data (Black Pool) will be available at the latest one month after the relevant Payment Date and then at least on a quarterly basis. <li data-bbox="656 603 1973 659">• Art. 7 (1) (b): The relevant Transaction documentation has been made available in draft form prior to pricing and will be made available in final form within 15 days after the closing of the Transaction. <li data-bbox="656 683 1010 707">• Art. 7 (1) (c): Not applicable. <li data-bbox="656 738 2018 826">• Art. 7 (1) (d): In accordance with the RTS for notification, the notification has been made available with the announcement through European DataWarehouse to investors in draft form prior to pricing and will be made available in final form at closing through European DataWarehouse and ESMA. <li data-bbox="656 850 2040 906">• Art. 7 (1) (e): The Monthly Investor Report will be made available for the first time on the first Payment Date (15 May 2024) and then on each Reporting Date thus on a monthly basis. <li data-bbox="656 930 1794 954">• Art. 7 (1) (f): The Servicer will publish any inside information relating to the Transaction without delay. <li data-bbox="656 978 1615 1002">• Art. 7 (1) (g): If a "Significant Event" occurs, investors will be informed immediately.

As a result of the verifications documented above, we confirm to **Mercedes-Benz Bank AG** 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 “**Silver Arrow 17**” have been fulfilled.

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