

Final CRR Assessment

In respect of the Transaction “**VCL Master Poland DAC**” (Volkswagen Financial Services Polska sp. z o.o.)

26 February 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 19 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) ("CRR Assessment"), (ii) Article 270 (senior positions in synthetic SME securitisations) of the CRR ("Article 270 Assessment"), (iii) Article 13 of the Delegated Regulation (EU) 2018/1620 on liquidity coverage requirement for credit institutions dated 13 July 2018, amending Delegated Regulation (EU) 2015/61 to supplement Regulation (EU) No 575/2013 of the European Parliament and the Council with regard to liquidity coverage requirements for Credit Institutions ("LCR") ("LCR Assessment"), and (iv) the STS Criteria, in respect of existing securitisations and potential deficiencies regarding compliance with the STS Criteria ("Gap-Analysis"). These additional services are carried out after notification to and agreement with BaFin.

Mandating of SVI and verification steps

On 6 April 2022, SVI has been mandated by the Originator (Volkswagen Financial Services Polska sp. z o.o.) to verify compliance with Article 243 (2) of the CRR for the securitisation transaction "VCL Master Poland DAC" (the "Transaction"). Please also refer to SVI's Final Verification Report dated 27 February 2023 which has confirmed the compliance of the Transaction with the STS criteria.

As part of our verification work for the renewal of the Transaction planned for 26 February 2024, we took part in an onsite due diligence which was organised by representatives of Volkswagen Financial Services AG ("VWFSAG") and Volkswagen Financial Services Polska sp. Z o.o. ("VWFS PL") on 8 November 2023 in Warsaw. In addition, we have discussed selected aspects of the Transaction with VWFSAG, VWFS

PL and legal counsel and obtained additional information on the transaction structure, the underwriting and servicing procedures of VWFSAG 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
- 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. In particular, SVI has relied on statements made in the offering circular or other legal documentation of the Transaction and based its analysis on information provided directly or indirectly by the Originator or Sponsor of the Transaction. Investors should therefore not evaluate their investment in securitisation positions based on this Final CRR Assessment.

SVI has not provided any form of advisory, audit or equivalent service to the Originator, Issuer or Sponsor.



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 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 Annex B “MASTER DEFINITIONS SCHEDULE”, Clause 1 “DEFINITIONS” in the Prospectus.

BaFin	Bundesanstalt für Finanzdienstleistungsaufsicht (German Federal Financial Supervisory Authority)
Closing Date	27 February 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
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 and Occupational Pensions Authority
ESAs	European supervisory authorities (EBA, EIOPA and ESMA)
ESMA	European Securities Markets Authority
Final Verification Report	Final Verification Report prepared by SVI in respect of the Transaction
Issuer	VCL Master Poland DAC
LCR	Liquidity Coverage Requirements
Originator	Volkswagen Financial Services Polska sp. z o.o.
Prospectus	Offering Circular as amended on 21 February 2024
Renewal Date	26 February 2024
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
Seller	Volkswagen Financial Services Polska sp. z o.o.
Servicer	Volkswagen Financial Services Polska sp. z o.o.

SSPE	Securitisation Special Purpose Entity or Issuer
Standardised Approach	The standardised approach aligns regulatory capital requirements more closely with the key elements of banking risk by introducing a wider differentiation of risk weights and a wider recognition of credit risk mitigation techniques, while avoiding excessive complexity, in accordance to the Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 amending Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms
STS Criteria	Articles 18-26 of the Securitisation Regulation, setting out criteria for simple, transparent and standardised securitisations
Transaction	The securitisation of auto lease receivables involving VCL Master Poland DAC as Issuer
VWFS PL	Volkswagen Financial Services Polska sp. z o.o.
VWFSAG	Volkswagen Financial Services AG

#	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 19 – 22 of the Securitisation Regulation in respect of non-ABCP securitisations, see 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, Receivables Purchase Agreement)</p> <p>At the time of inclusion in the securitisation, the total amount of Purchased Lease Receivables assigned hereunder resulting from Lease Contracts with one and the same Lessee will not exceed 0.5% of the Aggregate Outstanding Principal Balance in respect of any single Lessee as of the Initial Cut-Off Date and in respect of each Additional Cut-Off Date, please refer to Section "DESCRIPTION OF THE PORTFOLIO", Clause "Warranties in relation to the sale of the Purchased Lease Receivables", Item (c) of the Prospectus.</p> <p>Furthermore, VWFS PL confirmed that there is no group of connected clients with an Aggregate Outstanding Principal Balance which exceeds 0.5%.</p> <p>The underlying exposures represent solely the finance portion (itself comprising a claim against the Lessees in respect of Principal Portion and Interest Portion, see the Definition of "Lease Receivable" in the Annex B "MASTER DEFINITIONS SCHEDULE", Clause 1 "DEFINITIONS" in the Prospectus) paid by the Lessee during the term of the Lease Contract whereas the residual value portion does not form part of the underlying exposures.</p>

#	Criterion Article 243 (2) (b)	CRR Assessment
3	Maximum risk weight under the Standardised Approach	<p><u>Verification Method</u>: Legal (Prospectus, Receivables Purchase Agreement), Due Diligence (explicit confirmation by Originator)</p> <p>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>The underlying Lease Contracts 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 Poland and the Lessees are not credit-impaired, please refer to Section "DESCRIPTION OF THE PORTFOLIO", Subsection "Warranties in relation to the sale of the Purchased Lease Receivables (Eligibility Criteria)", Item (m) and (w) of the Prospectus.</p> <p>The portfolio contains Lease Contracts that have been entered with Lessees that fall into the 'retail exposure' category of Article 243(2) (b) (iii) as (i) the exposure is to a natural person, (ii) the exposure is one of a significant number of exposures with similar characteristics, and (iii) the total amount owed by the lessee client or group of connected clients does not exceed EUR 1 million, see Article 123 of the CRR. As a result, these retail exposures would have a risk weight of 75 % under the Standardised Approach.</p> <p>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% for retail exposures in accordance with Article 123 of the CRR, on an individual exposure basis.</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, Receivables Purchase Agreement)</p> <p>The Eligibility Criteria restrict the underlying exposures to Lease Receivables under auto Lease Contracts – therefore, residential or commercial mortgage loans do not form part of the portfolio, please refer to Section “DESCRIPTION OF THE PORTFOLIO”, Subsection “Warranties in relation to the sale of the Purchased Lease Receivables (Eligibility Criteria)” of the Prospectus.</p>
#	Criterion Article 243 (2) (d)	CRR Assessment
5	Maximum loan-to-value for RMBS	<p><u>Verification Method:</u> Legal (Prospectus, Receivable Purchase Agreement)</p> <p>The Eligibility Criteria restrict the underlying exposures to Lease Receivables under auto Lease Contracts – therefore, residential mortgage loans do not form part of the portfolio, please refer to Section “DESCRIPTION OF THE PORTFOLIO”, Subsection “Warranties in relation to the sale of the Purchased Lease Receivables (Eligibility Criteria)” of the Prospectus.</p>

As a result of the verifications documented above, we confirm to **Volkswagen Financial Services Polska sp. z o.o.** 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 **“VCL Master Poland DAC”**.

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