

# Final CRR Assessment

In respect of the Transaction **“TREVA Equipment Finance S.A., acting in respect of its Compartment 2021-1”**  
(PEAC (Germany) GmbH)

17 November 2021



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

STS Verification International GmbH ("SVI") has been authorized by the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht, "BaFin"), as the competent authority pursuant to 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").

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

On 11 August 2021, SVI has been mandated by the Seller (PEAC (Germany) GmbH) to verify compliance with the STS criteria pursuant to Article 28 of the Securitisation Regulation for the securitisation transaction "TREVA Equipment Finance S.A., Compartment 2021-1" (the "Transaction").

As part of our verification work, we have met with representatives of PEAC (Germany) GmbH to conduct a virtual due diligence meeting on 10 November 2020. In addition, we have discussed selected aspects of the Transaction with PEAC (Germany) GmbH and the legal counsel

and obtained additional information on the transaction structure, the underwriting and servicing procedures of PEAC (Germany) GmbH and the underlying transaction documentation.

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

- Offering Circular
- 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 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 CRR Assessment.

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

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.

## 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 “Master Definitions Schedule” in the OC.

BaFin	Bundesanstalt für Finanzdienstleistungsaufsicht (German Federal Financial Supervisory Authority)
CF-Model	Cash Flow-Model
Closing Date	17 November 2021
CMBS	Commercial Mortgage-Backed Securitisation
CRR	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
DBRS	DBRS Ratings GmbH
Due Diligence Presentation	Due Diligence presentation prepared by PEAC and updated in July 2021
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
ECAI	External credit assessment institution
Final Verification Report	Final Verification Report prepared by SVI in respect of the Transaction
Fitch	Fitch Deutschland GmbH
LO	German Legal Opinion
Issuer	TREVA Equipment Finance S.A., Compartment 2021-1
OC	Offering Circular dated 15 November 2021
Originator	PEAC (Germany) GmbH
PEAC	PEAC (Germany) GmbH
Preliminary Verification Report	Preliminary Verification Report prepared by SVI in respect of the Transaction
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	PEAC (Germany) GmbH
Servicer	PEAC (Germany) GmbH
SME	Small or medium-sized enterprise
SPV	Special Purpose Vehicle or Issuer
Transaction	The securitisation of commercial lease and hire purchase receivables involving TREVA Equipment Finance S.A., acting in respect of its Compartment 2021-1 as Issuer
TREVA Equipment Finance S.A.	TREVA Equipment Finance S.A., acting in respect of its Compartment 2021-1

#	Criterion Article 243 (2)	CRR Assessment
1	Qualification of the securitisation position as <b>STS securitisation</b>	<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 Section "COMPLIANCE WITH EU STS REQUIREMENTS" in the OC. 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	<b>Granularity</b> 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 the Purchased Receivables assigned hereunder resulting from Lease Agreements with one and the same Lessee or Lessee Group do not exceed 2% of the Outstanding Principal Amount in respect of any single Lessee Group as of the Purchase Date, please refer to Section "2. "Seller Receivables Warranties", Item (c) of the OC.</p> <p>The underlying exposures for the Transaction represent standard Lease Agreements originated by PEAC (Germany) GmbH in respect of commercial clients. The Receivables do not contain put option rights or any residual values, see Section "DESCRIPTION OF THE PORTFOLIO AND OF THE LEASE COLLATERAL", 1. "Eligibility Criteria", Items (g) and (ii), the Definition of "Lease Receivable" in the Section "Master Definitions Schedule" of the OC and Section "THE ASSETS &amp; RESERVES" and there the Definition of "Assets backing the Notes" in the OC.</p>

#	Criterion Article 243 (2) (b)	CRR Assessment
3	<b>Maximum risk weight under the Standardised Approach</b>	<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 Agreements have been entered into exclusively with Lessees which have their registered offices in Germany and the Lessees are not consumers as defined under the relevant German consumer protection law. The Purchased Lease Receivables shall not include, at the time of selection, Lease Receivables to a credit-impaired Lessee, please refer to Section "DESCRIPTION OF THE PORTFOLIO AND OF THE LEASE COLLATERAL", Subsection 1. "Eligibility Criteria", Items (w), (z) and (ii) of the OC.</p> <p>The portfolio contains Lease Agreements 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 an SME, (ii) the exposure is one of a significant number of exposures with similar characteristics, and (iii) the total amount owed by one Lessee or Lessee group of connected clients does not exceed EUR 1 million (which was confirmed by PEAC), 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>The portfolio contains Lease Agreements that have been entered with Lessees that represent 'exposures to corporates' according to Article 122 of the CRR and hence fall into the 'other exposure' category of Article 243(2) (b) (iv). In this context, PEAC represents and warrants that as of the Purchase Date, all Purchased Lease Receivables meet the conditions pursuant to Article 243 (2) (b) of the CRR for being assigned, under the Standardised Approach (as defined in the CRR) and taking into account any eligible credit risk mitigation, a risk weight equal to or smaller than 100% on an individual exposure basis, see Section "DESCRIPTION OF THE PORTFOLIO AND OF THE LEASE COLLATERAL", Subsection 2. "Seller Receivables Warranties", Item (d) of the OC.</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 100 % for other (=corporate) exposures in accordance with Article 122 (2) and 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	<b>Inclusion of loans secured by lower ranking security rights</b> 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 Agreements – therefore, residential or commercial mortgage loans do not form part of the portfolio, please refer to Section "DESCRIPTION OF THE PORTFOLIO AND OF THE LEASE COLLATERAL", Subsection 1. "Eligibility Criteria" of the OC.</p>
#	Criterion Article 243 (2) (d)	CRR Assessment
5	<b>Maximum loan-to-value</b> for RMBS	<p><u>Verification Method</u>: Legal (Legal opinion, Receivable purchase agreement)</p> <p>The Eligibility Criteria restrict the underlying exposures to Lease Agreements – therefore, residential mortgage loans do not form part of the portfolio, please refer to Section "DESCRIPTION OF THE PORTFOLIO AND OF THE LEASE COLLATERAL", Subsection 1. "Eligibility Criteria" of the OC.</p>

As a result of the verifications documented above, we confirm to PEAC (GERMANY) GmbH 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 **“TREVA Equipment Finance S.A., acting in respect of its Compartment 2021-1”**.

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