

RatingsDirect®

Servicer Evaluation: Zenith Service SpA

Servicer Analysts:

Corrado Boschi, Milan (39) 02-72111-259; corrado.boschi@spglobal.com

Daniella Adah, London + 44 20 7176 0430; daniella.adah@spglobal.com

Analytical Manager Servicer Evaluations:

Robert J Radziul, New York + 1 (212) 438 1051; robert.radziul@spglobal.com

Table Of Contents

Rationale

Profile

Management And Organization

Loan Administration--Master Servicing

Related Research

Servicer Evaluation: Zenith Service SpA

Rationale

Ranking Overview					
Servicing category	Overall ranking	Subrankings			Ranking outlook
		Management and organization subranking	Loan administration subranking		
Master servicer of residential mortgages	STRONG	STRONG	STRONG		Stable
Master servicer of commercial mortgages	STRONG	STRONG	STRONG		Stable
Master servicer of asset-backed securities	STRONG	STRONG	STRONG		Stable
Financial position					
SUFFICIENT					

S&P Global Ratings' rankings on Zenith Service SpA (Zenith) are STRONG as master servicer for residential and commercial mortgages and asset-backed securities (ABS) in Italy. On Nov. 23, 2021, we affirmed the rankings (see "Zenith Service SpA STRONG Rankings Affirmed As A Master Servicer In Italy"). The ranking outlook is stable on all rankings.

Zenith manages and oversees securitized portfolios comprised of ABS, commercial mortgages, and residential mortgages as a master servicer registered under article 106 of the Italian banking law. While our rankings relate exclusively to the servicer's master servicing function, Zenith offers additional services in the structured finance sector. We consider these other business lines outside the scope of our review unless they share synergies or impact the activity under assessment.

Our rankings reflect:

- The servicer's long track record managing a growing master serviced portfolio, which demonstrates Zenith's robust ability to attract new business and smoothly absorb it within its operations;
- Senior and middle management's solid experience and tenure levels, as well as low staff turnover rates in line with or lower than peers';
- The servicer's effective internal controls system, based on the three lines of defense model;
- The IT system's capability to handle an ever-growing portfolio efficiently along with continuous IT investments;
- Zenith's well-tested and reliable loan boarding workflow;
- Its robust master servicing operations supported by a good level of automation in many processes;
- Its well-designed subservicer oversight program, which includes a new and more effective data collection procedure for due diligence; and
- Zenith's solid reporting production procedures.

Since our previous review (see "Servicer Evaluation: Zenith Service SpA," published July 9, 2019), the following changes and/or developments have occurred:

- The servicer transferred the organization change team, which solely supports Zenith, to the IT department from the master servicing unit, limiting the responsibility of this unit to the master servicing function only.
- Zenith appointed a new head of internal audit and new head of risk and compliance after planned departures of the predecessors.
- The servicer improved the efficiency of its regulatory reporting unit by fostering its specialization through creating dedicated teams to specific reporting activities.
- In October 2021, TDR Capital, a privately owned company, acquired Arrow, Zenith's parent company, and delisted it from the London Stock Exchange.

The ranking outlook is stable on all rankings. The servicer has consolidated its leadership position in the Italian master servicing market by continuously attracting and absorbing new business while maintaining high standards of service. It has successfully managed changes to integrate with Arrow while delivering positive performance metrics. The servicer consistently invests in IT to maintain its master servicing platform up to market best standard, leveraging its parent's expertise and resources.

The financial position is SUFFICIENT.

Profile

Established as an independent company in November 1999, Zenith has been part of the Arrow Global Group PLC (Arrow) since 2017. Arrow is a U.K. consumer debt purchaser and provider of receivables management across Europe. Therefore, Zenith can leverage the group's knowledge and expertise in several areas. In October 2021, TDR Capital, a privately owned company, acquired Arrow, Zenith's parent company, and delisted it from the London Stock Exchange.

The servicer has its main office in Milan, where the master servicing operations are based. It has a second office in Rome, mostly hosting staff working on primary servicing.

As of June 2021, Zenith services 175 transactions as master servicer, up from 157 in June 2020. The servicer won 54 new mandates in 2020 and 21 in the first half of 2021.

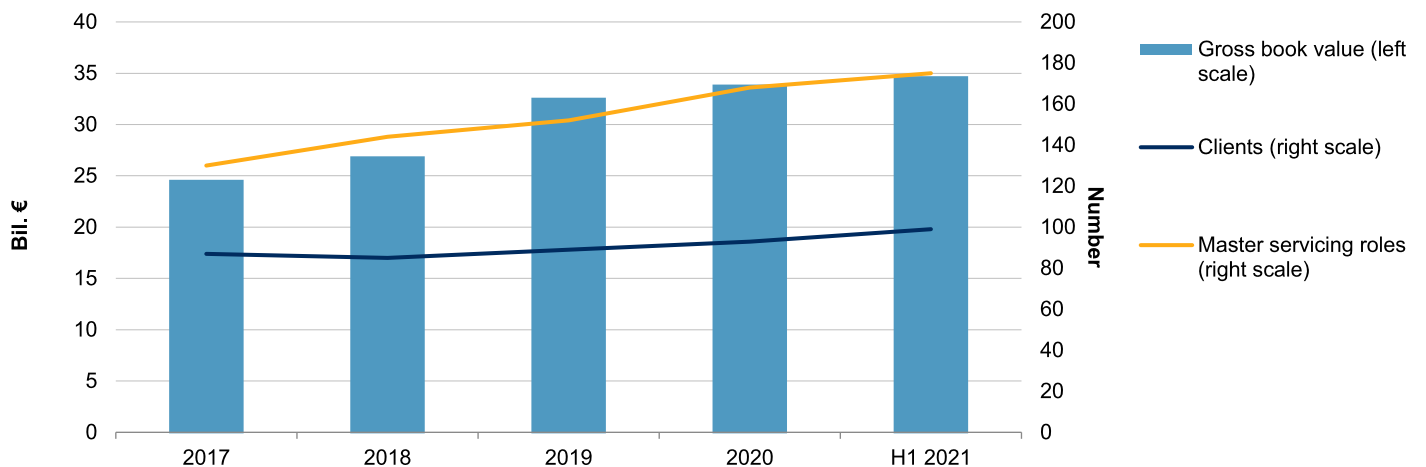
The total volume of master servicing mandates increased to €34.6 billion in gross book value in June 2021 from €33.8 billion in June 2020. Zenith's master serviced portfolio comprises primarily ABS, accounting for 80% of the total portfolio.

The continuous portfolio increase evidences Zenith's ability to attract new business. The servicer has equally gained a leading position as a monitoring agent provider in GACS transactions in recent years. Moreover, the servicer signed its first mandate as a master servicer in a GACS securitization in December 2020.

Table 1

Portfolio Evolution (Master Servicing)					
	2017	2018	2019	2020	Jun-21
Portfolio description by gross book value (€ mil.)					
Residential mortgages--master servicing portfolio	0.9	3.7	4.2	5	5
Commercial mortgages--master servicing portfolio	0.6	0.6	0.7	0.8	0.8
ABS--master servicing portfolio	22.9	22.5	27.6	28	28.8
Master portfolio total	24.5	26.8	32.5	33.8	34.6
Portfolio description by number of cases					
Residential mortgages--master servicing portfolio	6,628	13,731	17,544	20,586	21,652
Commercial mortgages--master servicing portfolio	80	12	30	152	141
ABS--master servicing portfolio	3,288,481	2,511,101	8,207,728	3,315,329	2,222,991
Master portfolio total	3,295,189	2,524,844	8,225,302	3,336,067	2,244,784
Master servicing clients	87	85	89	93	99
Staff					
Overall	98	118	117	130	138
Master servicing	26	28	39	42	47
Master servicing roles	130	144	152	168	175

Overall Master Servicing Portfolio Evolution (By Gross Book Value) Versus Number Of Clients And Master Servicing Roles



Source: S&P Global Ratings.
 Copyright © 2021 by Standard & Poor's Financial Services LLC. All rights reserved.

Zenith follows an established process to produce its annual business plan. Senior management drafts it, and the head of risk and compliance includes it in the Internal Capital Adequacy Assessment Plan (ICAAP)--created under the CEO's supervision--and submits it to the board of directors for final approval.

The servicer reported revenue of €17.525 million in 2020, 14% of which came from master servicing fees. According to

the 2021 business plan, the servicer expects to improve results for this full year.

Its strategic guidelines comprise three critical components in continuity with the past:

- The expansion of new business lines and consolidation of existing ones;
- The maintenance of its market position; and
- Investments in infrastructure and IT.

Zenith does not take a financial position in any of the transactions it services to avoid conflicts of interest and remain competitive to attract hedge funds and other investors.

Management And Organization

The management and organization subranking is **STRONG** for master servicing.

Organizational structure, staff, and turnover

Zenith has a well-designed organization, with clearly defined roles and responsibilities. Each unit works on a specific function, and each unit head directly reports to the CEO.

As of June 2021, the master servicing operation accounted for 47 team members of the total Zenith workforce of 138. The master servicing unit also receives support from shared functions, such as origination and special projects, finance, legal, IT, HR, and internal controls. The internal controls unit are independent of servicing operations, reporting directly to the board, which we view favorably. Finally, Zenith's board includes five directors, two of which are independent.

There are several board-level committees aimed at sustaining sound governance across the organization. Executive and senior managers attend weekly meetings to review new and ongoing deals along with task prioritization for the upcoming week. Monthly meetings take place to discuss IT projects and future strategic planning, among all main functions.

Since our last review, Zenith has implemented several organizational changes. The key changes with a direct impact on the master servicing operations are:

- The transfer of the organizational change team from the master servicing unit to the IT department because the team offers support across Zenith;
- The reorganization of the regulatory reporting department, part of the master servicing unit, by specializing its staff in teams dedicated to reporting for different regulatory bodies.

As a response to the COVID-19 pandemic, in March 2020, Zenith transitioned its workforce to remote working. Within two weeks, 95% of its employees received a laptop, while the remaining 5% were working from the office to take care of critical services such as mail delivery. The servicer implemented the opportunity to work from home and flexible working hours during 2019, which made the transition for most of their staff to work remotely in response to this

pandemic relatively seamless to their operations. As of the date of this report, the vast majority of staff continue to work remotely, and management noted no material disruption in business operations.

The overall staff turnover rate in 2020 is significantly lower than in previous years. Management indicated turnover was down due to the uncertainty in the servicing job market caused by the COVID-19 pandemic. Overall staff turnover rate over the first half of 2021 remains in line with the previous year.

Staff turnover rate					
	2017	2018	2019	2020	Jun-21
Staff at beginning of period	82	98	118	117	130
Number who joined	23	40	21	26	17
Number leaving voluntarily	7	18	9	7	8
Number leaving not voluntarily	0	0	0	0	0
Number of expired contracts	0	2	13	6	1
Number of redundant staff	0	0	0	0	0
Staff at end of period	98	118	117	130	138
Turnover rate (%)	9	20	19	11	7

Zenith's experience and tenure metrics across all levels are stable and on the higher end compared to peers, which we view favorably. The servicer relies on an experienced leadership team, which has successfully attracted new business over the last few years. The servicer's senior and middle managers have sufficiently long tenure, while the master servicing staff has a lower average tenure due to the team's growth in recent years.

	Experience			Tenure		
	Senior management	Middle management	Master servicing staff	Senior management	Middle management	Master servicing staff
Jun-21	23	14	8	7	8	4
2020	22	13	7	8	7	3
2019	21	13	7	7	7	3
2018	20	11	8	8	6	3
2017	21	11	8	9	7	4

Training

Zenith's HR team comprises two staff members: a senior HR specialist, who is responsible for payroll, and a new Arrow HR business partner, appointed in November 2020 when the former left. The primary focus of the HR business partner is coordinating Zenith's HR function and aligning it with the parent's practice.

Zenith periodically conducts a recruitment gap analysis. The results are discussed with the HR partner and the CEO while hiring strategies are defined with the related departments and function heads. The CEO and HR partner also receive feedback on training needs from managers and design the annual training plan accordingly. The servicer identified that 11 staff could deliver training on their areas of expertise, from nine in 2018, which is a relatively large pool of internal trainers for a servicer of Zenith's size.

The servicer's induction training includes tutors, on-the-job training, and courses provided by an external supplier. The number of ongoing training hours delivered in 2020, while still at a reasonable level, was significantly lower than in previous years, averaging 30 hours per employee compared to 67 hours per employee in 2019. The main reason for this was the COVID-19 pandemic, which drastically reduced external and on-the-job training. Zenith has adapted where possible by increasing the amount of training offered online. As of June 2021, the average online training hours were 21 per employee, compared to no online training provided in the past. Zenith's training catalog includes annual mandatory compliance training. In addition, the servicer organizes periodic town halls and sessions where top management meets with a group of employees to discuss the servicer's mission and values.

Zenith conducts a staff survey twice a year. The most recent one, finalized in March 2021, highlighted learning and development as an area of interest for the staff, and the servicer aims to enhance it further.

Zenith offers annual salary reviews linked to career development paths to motivate its employees. Bonuses are discretionary and entirely performance-based. Furthermore, the servicer continues to have incentives schemes to enhance motivation and commitment to the servicer's long-term vision.

Systems and technology

The servicer has up-to-date IT systems that are capable of handling even larger volumes of business and minimizing risk through an extensive internal control structure.

Zenith's IT function, part of the IT and Organization unit, includes 11 members, including four internal staff and seven external members who are part of the servicer's IT suppliers, working on-site in Zenith's offices.

Servicing system applications

Gestione Asset Integrata e Automatizzata (GAIA) is Zenith's main master servicing system. It is an integrated proprietary platform for all master servicing activities, enabling staff to manage every portfolio using a single software application. Reporting and cross-reconciliation of bank accounts and sub-servicers information is automated via the GAIA application. Clients can access GAIA via both desktop and smartphone. GAIA also automates the production of mandatory reports for the Bank of Italy (BOI). The system remains comprehensive and user-friendly.

Major IT developments since our last review include:

- A new automated sub-servicer's due diligence (DD) data collection procedure; the servicer created a new web-based platform to obtain the information to fulfill their periodic reviews from the sub-servicers. Previously, the sub-servicers provided the DD questionnaire as a Microsoft Word file that Zenith's staff manually input into GAIA, leading to potential errors and inefficiencies. Now, the sub-servicers can complete the questionnaire online, with the answers automatically uploaded into GAIA;
- A new application for tracking anti-money laundering (AML) activities, which automatically processes data needed to comply with AML legislation;
- A new risk management tool called Radar;
- A new proprietary program that automatically compares data held in GAIA with the data reported by the BOI every month. A dedicated team investigates the exceptions that the program generates and updates GAIA if necessary.

Zenith continuously invests in its IT systems and operations, with an allocated budget of approximately €1.25 million in each of 2020 and 2019. The CEO and head of IT assess requests for funding and set the IT budget, which the board approves before submitting it to Arrow. In our view, this demonstrates Zenith's significant commitment to maintaining a robust and secure IT environment for its business.

All storage facilities are updated regularly and protected by antivirus software. If one of the servers is not functioning, there is an automatic failover to one of the others.

Zenith uses VmWare, a Windows and Linux operating system that provides virtualization on Dell hardware with an uninterrupted power supply generator, fire alarm, and extinguishers. A domain controller monitors user access. There are secure access controls within each system to limit logging in to only those who are entitled. The servicer's password policy requires end-users to complete a password reset every 12 weeks.

Business continuity and disaster recovery

Zenith has formal business continuity (BC) and disaster recovery (DR) plans in place. The CEO, head of IT, and Arrow Business Partner, who is responsible for health and safety, form a crisis team to address any BC and DR events. The final decision on whether to activate the plans is up to the CEO.

There are two backup sites: one in Milan and the other one in Rome. Both provide a small number of alternative workplaces. For the BC plan, if the Milan office is unavailable for more than 24 hours, management decides who relocates to the backup premises, and for longer disruptions, the servicer would use the other premises (Milan for Rome and vice versa) for a larger group of employees. Since the beginning of the COVID-19 pandemic, almost all employees have a laptop and can work from home in case of need. The servicer conducts a BC test annually, with the most recent completed in September 2021 with no material issues reported.

From a DR perspective, all servers are backed up daily. In addition, a server backup occurs twice a day for the local file server data. The latest DR test in December 2020 was successful and met the servicer's recovery time objectives.

Cyber security

Zenith has an adequate cyber security framework.

The key controls in place are that:

- Arrow manages information security on a group level and periodically scans all of Zenith's IT resources with a program to detect system vulnerabilities;
- Arrow's cyber insurance policy covers Zenith's costs linked to cyberattacks;
- An external company performs penetration testing every year for Arrow, including Zenith. The latest test took place in September 2021, with no issues reported;
- Phishing campaigns are conducted monthly; and
- IT system controls are in place to protect the servicer's data, restrict system log-ins to authorized personnel, and provide web and email protection.

Internal controls

Zenith applies a three lines of defense model. Since our last review:

- The servicer appointed a new head of internal audit through an internal promotion, who directly reports to the board and provides reports to the servicer's statutory auditors;
- An Arrow manager is working 50% of their time on Zenith as the new head of risk and compliance, with a functional reporting line to the CEO and an indirect reporting line to the board.

This structure provides adequate independence of the internal control functions from core operations.

Also, Zenith has strengthened its internal controls workforce by hiring new employees in both the compliance and risk teams, which we view as favorable.

Policies and procedures (P&P)

The organizational change function reviews P&P. It follows the entire P&P production process from the initial draft to the final approval from the CEO and the board before publication on the intranet.

P&P reviews occur as needed, following three different approaches:

- A top-down approach takes place every time the servicer boards new portfolios, which triggers a review of the process, which is updated if necessary;
- A mid-level review is conducted by internal audit as part of its core audit activity; and
- A bottom-up approach takes place every time a change or update is proposed by the team using a specific procedure.

Staff receives the notification of P&P amendments by official email, which can include comments and indications.

Compliance and quality control

Zenith's compliance team consists of a senior lawyer and two employees. They mainly focus on AML operations, know your customer, and suspicious transaction reports. The team utilizes Compliance Assist, an application provided by Arrow, to perform client screening. As part of its regulatory obligations, the servicer has procedures to manage AML risks, including conducting AML risk exposure self-assessments.

Risk management

The risk management function uses the ICAAP to determine the servicer's exposure to major risks. Zenith submits the ICAAP to BOI at least annually. The internal auditor oversees the correctness of the ICAAP production process together with the head of risk and compliance and reports the findings to the board.

Since our last review, Zenith has adopted a new risk management tool, Radar, allowing relevant risks to be collated and tracked efficiently and systematically. Zenith's senior management meets at least monthly to review risks and submit periodic reports to the servicer's board.

In addition, Zenith has a supervisory board composed of three members--one internal member and two external lawyers--chaired by one of the two independent external lawyers. Among other duties, the supervisory board monitors

the servicer's adherence to the Legislative Decree (Law) 231/01, including confirmation that the Law 231 committee meets quarterly.

Internal and external audits

The audit plan preparation process remains unchanged. The internal auditor sits with senior management and agrees on the areas to be audited in the upcoming year using a risk-based approach.

The audit plans for 2020 and 2021 covered several areas, with a particular attention to sub-servicers management and oversight in both periods, compliance with relevant regulation like AML and General Data Protection Regulation, and review of internal control processes. The servicer grades each area by the complexity and risk level (high, medium, or low).

The audit reviews finalized last year and year-to-date 2021 do not contain any high-risk findings. The servicer has resolved all 2020 findings while implementing remediation actions that are currently in progress for the remaining eight findings from the 2021 reviews.

Complaint management

A member of the legal team handles complaints.

As a master servicer, Zenith performs three main activities to address complaints management:

- Working with the sub-servicers to monitor and handle complaints that debtors send to the SPV;
- Managing the appeals submitted to the Italian Banking and Financial Ombudsman (ABF); and
- Investigating and responding to complaints that debtors have escalated to the BOI, referred to as "esposti." Once the BOI receives an esposto, it notifies the servicer and invites them to respond to the debtor.

Since our last review, Zenith has not any received complaints and has not been subject to any dispute or sanctions about complaints, ABF appeals, or esposti.

Insurance and legal proceedings

Zenith has represented that its directors and officers and its errors and omissions insurance coverage are in line with the requirements of its portfolio size. As of date of this report, there were no material servicing-related pending litigation items.

Loan Administration--Master Servicing

The loan administration subrankings are STRONG for master servicing.

The servicer continuously improves its operations and servicing platform to keep up with best practices in the market.

New loan boarding

As of June 2021, Zenith monitored 119 sub-servicers, up from 106 in June 2020. Its portfolio size has increased by 9% to €34.56 billion in June 2021 from €31.83 billion in June 2020, corresponding to 175 master servicing roles from 157 over the same period.

The loan boarding procedure remains stable. Zenith has been using it for an extended time, it is a well-designed process, and no errors have arisen over the last three years.

The completion of the initial boarding process for new sub-servicers takes four weeks on average, which includes the due diligence of the sub-servicers and data analysis. The electronic boarding of new portfolios for existing servicers takes half a day on average.

Before boarding a new portfolio, Zenith formulates an agreement with the sub-servicers relating to the formatting of the data that the sub-servicers must provide to Zenith in templates that are tailored based on:

- The type of mortgages and ABS;
- The reporting requirements; and
- The collection procedures.

Subsequently, each sub-servicer sends Zenith monthly portfolio updates, and dedicated staff within the IT function then upload the information in GAIA.

Subject to the client's capabilities and data set structures, Zenith allows some sub-servicers to upload their data directly into GAIA through secured and limited access to the system.

GAIA runs automatic data quality checks before the information is made available to the master servicing staff. The system automatically notifies the status of each new upload or any missing data on the due date to the relevant master servicing portfolio manager.

Payment processing

Zenith has limited responsibilities for payment processing relating to master servicing. These are limited to a supervisory role as opposed to the physical handling of funds. The servicer performs monthly payment reconciliation checks to ensure that sub-servicers have correctly reconciled collections through the SPV's bank account.

Client management and investor reporting

Since our last review, Zenith split the regulatory reporting workforce of 10 employees into four teams. Each team specializes in reporting to the different regulatory bodies and entities, such as the central risk register, central banks, investors, and AML central authority. Each member of the regulatory reporting team is cross-trained to provide cover when required from other teams. The servicer aims to create efficiency through this new structure.

In addition, the servicer has 14 resources in specific master servicing operations teams, producing different reports as part of their daily activities, alongside performing other master servicing responsibilities.

In 2020, Zenith produced 5,410 reports, including investor and servicer reports that are typically produced every month, in line with service-level agreements and regulations. Reports are sent via email, although some can be published on Zenith's websites upon request and accessible via secured access only.

Zenith can either produce reports from a standard template or create customized reports where required. The production of reports is highly automated.

Every six months, Zenith prepares a report for each master servicer's transaction performance. In exceptional cases, if Zenith considers it necessary or identifies specific findings, it will send the information to its board of directors, which may decide to send it to the BOI.

Finally, Zenith has received positive feedback on the regular newsletters it distributes to clients, prospective clients, and arrangers.

Master servicing

The master servicing unit includes 28 employees split into five teams:

- Six staff members work on master servicer tasks related to performing portfolios;
- Five work on master servicer tasks related to NPLs portfolios;
- 10 comprise the regulatory reporting team;
- Four work on subservicer DD activities; and
- Three work on the calculation agent team in charge of investor reports production.

Zenith applies a standard workflow to manage its master servicing obligations, which defines how to deploy:

- Initial acquisition of the portfolio information;
- Receipt of updated periodic portfolio data;
- Monitoring activity on sub-servicers; and
- Periodic reporting as required.

The servicer has designated certain employees from the master servicing function who are responsible for performing due diligence assessments of both new and existing sub-servicers. The managers from the legal and compliance departments can support the master servicing workforce in this activity as needed.

Upon boarding a new sub-servicer, dedicated master servicing staff review the documentation received from the sub-servicer and manage the visit and assessment of the new sub-servicer. At the same time, the compliance and risk functions validate the information about the identity of the sub-servicer and run AML checks.

The initial DD for each new client requires the collection of responses and documents for the DD questionnaire and DD checklist, which gather information on the sub-servicer's organization and operations to determine if an on-site visit is needed. The sub-servicer submits this information online via the web interface application launched in January 2021. This application checks the responses, allocates a score to each answer, and automatically produces a ranking value. Finally, it transfers the information and the score to GAIA, where key staff from the master servicing manager review and approve the sub-servicer's ranking or modify it if qualitative considerations arise from the documentation review or on-site visit.

Zenith typically completes the on-site meetings in one day and requires at least two master servicing staff to attend. During the visit, Zenith master servicing analysts meet the heads of each relevant department, discuss operations, infrastructure, IT systems, and other details, and visit the sub-servicer's premises and documentation storage site, if

relevant.

All DD reports are stored electronically in secure folders on GAIA with access restricted to authorized users.

Zenith updates each sub-servicers' ranking through annual desktop reviews based on the collection of an updated questionnaire, documentation, and sub-servicer's performance metrics. On-site DD usually follows every two years with similar information assessed. Nonetheless, since the COVID-19 pandemic started, Zenith, like its peers, primarily conducted remote reviews instead of on-site visits.

Zenith performed 110 desktop reviews in 2020 and 20 in the first half of 2021. The servicer explained that during the first half of 2021, they offered training sessions to the sub-servicers to introduce the new web-based questionnaire application, reducing the standard DD process lead time. The servicer anticipates that the total number of desktop reviews in 2021 will be in line with the previous year because the new application will improve efficiency and quicken the DD process.

Zenith has a sound sub-servicer's monitoring program, which includes:

An extensive initial DD analysis, which often requires an on-site visit;

Subsequent annual desktop DD reviews based on the updated information;

New on-site visits every 24 months.

Zenith's clients choose the sub-servicers for their portfolios, subject to the results of Zenith's initial DD assessment. If the senior management team does not believe the proposed sub-servicers meet minimum standards, it could reject those mandates. So far, no sub-servicers have been rejected. Zenith also acts as a quasi-adviser to sub-servicers in this role, as it identifies any shortfalls in the minimum qualifying standards, which it communicates to them.

Moreover, BOI rules require that a master servicer replace a sub-servicer on short notice where necessary, either by performing the work itself or through appointing a replacement sub-servicer. Therefore, Zenith undertakes a detailed analysis of each transaction and closely monitors each sub-servicer to meet this obligation. Zenith anticipates the potential default of the sub-servicers it monitors and develops a backup plan accordingly as part of this activity.

Finally, Zenith can detect anomalies from the servicer agreement standards or key performance indicators. Most of the activity is automated, and GAIA flags them for review by the servicing staff and senior management.

Related Research

- Zenith Service SpA STRONG Rankings Affirmed As A Master Servicer In Italy, Nov. 23, 2021
- Select Servicer List, Oct. 13, 2021
- Servicer Evaluation Spotlight Report™: Environmental, Social, And Governance Factors Have Consistently Powered Our Servicer Evaluation Rankings, Nov. 16, 2020
- Servicer Evaluation: Zenith Service SpA, July 9, 2019

- Analytical Approach: Global Servicer Evaluations Rankings, Jan. 7, 2019

Copyright © 2021 by Standard & Poor's Financial Services LLC. All rights reserved.

No content (including ratings, credit-related analyses and data, valuations, model, software or other application or output therefrom) or any part thereof (Content) may be modified, reverse engineered, reproduced or distributed in any form by any means, or stored in a database or retrieval system, without the prior written permission of Standard & Poor's Financial Services LLC or its affiliates (collectively, S&P). The Content shall not be used for any unlawful or unauthorized purposes. S&P and any third-party providers, as well as their directors, officers, shareholders, employees or agents (collectively S&P Parties) do not guarantee the accuracy, completeness, timeliness or availability of the Content. S&P Parties are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, for the results obtained from the use of the Content, or for the security or maintenance of any data input by the user. The Content is provided on an "as is" basis. S&P PARTIES DISCLAIM ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, FREEDOM FROM BUGS, SOFTWARE ERRORS OR DEFECTS, THAT THE CONTENT'S FUNCTIONING WILL BE UNINTERRUPTED OR THAT THE CONTENT WILL OPERATE WITH ANY SOFTWARE OR HARDWARE CONFIGURATION. In no event shall S&P Parties be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs or losses caused by negligence) in connection with any use of the Content even if advised of the possibility of such damages.

Credit-related and other analyses, including ratings, and statements in the Content are statements of opinion as of the date they are expressed and not statements of fact. S&P's opinions, analyses and rating acknowledgment decisions (described below) are not recommendations to purchase, hold, or sell any securities or to make any investment decisions, and do not address the suitability of any security. S&P assumes no obligation to update the Content following publication in any form or format. The Content should not be relied on and is not a substitute for the skill, judgment and experience of the user, its management, employees, advisors and/or clients when making investment and other business decisions. S&P does not act as a fiduciary or an investment advisor except where registered as such. While S&P has obtained information from sources it believes to be reliable, S&P does not perform an audit and undertakes no duty of due diligence or independent verification of any information it receives. Rating-related publications may be published for a variety of reasons that are not necessarily dependent on action by rating committees, including, but not limited to, the publication of a periodic update on a credit rating and related analyses.

To the extent that regulatory authorities allow a rating agency to acknowledge in one jurisdiction a rating issued in another jurisdiction for certain regulatory purposes, S&P reserves the right to assign, withdraw or suspend such acknowledgment at any time and in its sole discretion. S&P Parties disclaim any duty whatsoever arising out of the assignment, withdrawal or suspension of an acknowledgment as well as any liability for any damage alleged to have been suffered on account thereof.

S&P keeps certain activities of its business units separate from each other in order to preserve the independence and objectivity of their respective activities. As a result, certain business units of S&P may have information that is not available to other S&P business units. S&P has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process.

S&P may receive compensation for its ratings and certain analyses, normally from issuers or underwriters of securities or from obligors. S&P reserves the right to disseminate its opinions and analyses. S&P's public ratings and analyses are made available on its Web sites, www.standardandpoors.com (free of charge), and www.ratingsdirect.com (subscription), and may be distributed through other means, including via S&P publications and third-party redistributors. Additional information about our ratings fees is available at www.standardandpoors.com/usratingsfees.

STANDARD & POOR'S, S&P and RATINGSDIRECT are registered trademarks of Standard & Poor's Financial Services LLC.