

PERIODIC REVIEW:

ARC RATINGS ANNOUNCES THE PERIODIC REVIEW OF THE RATING ACCORDED TO THE VARIABLE SENIOR NOTES ISSUED BY SJP PARTNER LOANS NO.1 LIMITED

London, 24 September 2021 – ARC Ratings announces the periodic review of the rating accorded to the Variable Senior Notes issued by SJP Partner Loans No.1 Limited.

ORIGINATOR	TRANCHE	AMOUNT	RATING CLASS	RATING	OUTLOOK	NEXT REVIEW DATE
St James Place Partnership Services Limited	Variable Senior Notes	GBP 300m	Consumer ABS	AAA(sf)	Stable	26 September 2022

The periodic review date reflects the last time the transaction was formally reviewed. Periodic reviews do not involve a rating panel. The publication of information regarding periodic transaction reviews does not announce a credit rating action and is not an indication of whether or not a credit rating action is likely in the near future. Credit ratings, outlooks and watch status cannot be changed in a periodic review and hence are not impacted by the publication of information regarding periodic deal reviews. In cases where the last periodic review date is the date of the last rating action, please refer to the associated rating report or press release for a detailed description of the rating rationale. Periodic deal reviews are carried out by ARC in conformity with the applicable criteria and the key rating factors detailed below.

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PORTFOLIO CREDIT QUALITY

Portfolio Credit Quality reflects the underlying credit risk of the asset or pool of assets. These include, when applicable, default risk of underlying obligors, repossession of assets and loss given default, liquidity risk, and market risk. ARC uses performance reports and updated data tapes to review any changes in underlying credit metrics, including asset performance and cash remittance information taking into account other qualitative and quantitative components given the relevance of performance and historical trends.

COUNTERPARTY RISK

Counterparty Risk reflects the risk of potential default of any of a variety of deal parties as applicable, including the originator, servicer, swap counterparty, account bank, or guarantor/supporting entity, as well as by a potential default of instruments in which deal cash is invested. Risks considered include, when applicable, set-off risk, commingling risks, swap counterparty exposures, operational risk and risk of default by account bank, default of guarantor/supporting entity or of temporary investments. Counterparty Risk will continually be assessed against the applicable criteria thresholds for a given transaction. Other information provided in performance reports may be used in reassessing operational risks and commingling risks when relevant.

LEGAL/REGULATORY FACTORS

Legal/Regulatory Considerations take into account the risk of potential legal challenges affecting deal performance in relation to issuer's bankruptcy remoteness, legal construct of swaps and the true sale or segregation of the assets, among others. Periodic Reviews consider specifically legal and regulatory changes or challenges when such risks materialize. Regulatory, statutory and judicial developments may require jurisdiction specific analysis, in particular changes in relevant laws and tax codes and how those changes may impact a deal.

STRUCTURAL CONSIDERATIONS:

Structural Considerations take into account the risk of change in cash flows for a deal. The priority of payments of principal and interest considers structural features such as overcollateralization, subordination, reserve accounts or excess spread, applied in full or in part, as well as relevant amortization profiles and revolving and IO (interest/only) mechanisms. Where applicable, external credit enhancement, such as letter of credit, surety bond and cash collateral account, are also reviewed.

For details regarding a tranche's credit rating actions, including the rationale and key rating factors, please see the respective issuer's profile on ARC Ratings' website (www.arcratings.com).

DISCLAIMERS

ARC Ratings only provides a rating of the rated securities or of the issuer and neither recommends nor will recommend how an issuer can or should achieve a particular rating outcome. A rating does not cover a potential change in laws and is not and cannot be regarded as an audit. Moreover, ARC Ratings is not a party to any transaction documents of the instrument/transaction it is rating. Users of our ratings should familiarise themselves with the transaction documents. ARC Ratings does not act as a legal, tax, financial, investment or other advisor and users should seek professional advice from appropriate third parties where necessary.

ARC Ratings, S.A. is registered as a Credit Rating Agency with the European Securities and Markets Authority (ESMA), within the scope of the Regulation (EC) N° 1060/2009 of the European Parliament and of the Council, of 16 September, and recognised as External Credit Assessment Institution (ECAI).

ARC Ratings (UK) Limited is registered as a Credit Rating Agency with the United Kingdom Financial Conduct Authority, within the scope of the Statutory Instrument N° 266/2019, of 13 February, and recognised as ECAI.

This Periodic Review should be read together with initial Rating Report/Press Releases and with the subsequent Review reports/press releases.

Credit Ratings assigned by ARC Ratings are independent and forward looking opinions of the relative credit risks of financial obligations issued by various entities. The credit risk is the risk that an entity may not meet its financial obligations as they come due i.e. the capacity and willingness of an entity/issuer to make all required interest and principal payments on a given obligation in a timely manner in accordance with its terms. Credit ratings express risk in relative rank order – they are an ordinal measure of credit risk whose probability of default or loss may vary through the credit cycle. They are issued using an established and defined ranking system of rating categories (rating scale). ARC's credit ratings are determined using ARC's published rating criteria.

The rating(s) assigned by ARC Ratings in this report was/were sought by the entity whose financial commitments are being rated.

ARC Ratings provides to the entity whose financial commitments are being rated the documents that substantiate the rating to be attributed. This entity is thus given the opportunity to clarify or correct factual details. ARC Ratings also grants the issuer the possibility of appealing a rating accorded by ARC as long as this appeal is supported on additional information that hasn't been taken into account in the original rating accordance.

ARC Ratings, S.A. historical default rates are published in the European Securities and Markets Authority Central Repository (CEREP) which can be accessed on the website cerp.esma.europa.eu/cerp-web/. It should be highlighted that ARC Ratings' rating portfolio can be characterized as a "very low default portfolio" and therefore the agency's historical defaults are not statistically significant. Default is the lack of full and timely payment of capital or interest or of the occurrence of any event that explicitly indicates that the future full and timely payment of those commitments will not occur (e.g., in case of insolvency).

Ratings do not constitute a recommendation or offer or solicitation to buy or sell any investments that may be mentioned, and are only one of the factors that investors may wish to consider. The use of any rating is entirely at the user's own risk.

Throughout the entire period during which ratings are valid, ARC Ratings monitors the issuer's performance via public sources and information provided by the issuer/sponsor and, if a material development occurs, ARC Ratings may bring forward the date of the review unless stated to be a point in time rating. The updated list of public ratings is available on the website www.arcratings.com.

ARC Ratings' ratings are assigned based on information, which may include confidential information, collected from a wide variety of sources which ARC Ratings believes to be reliable including from the entity being rated or whose financial commitments are subject to rating. ARC Ratings has adopted and implements measures aiming to ensure that, to the extent available in the circumstances, it has obtained reasonable verification of the information it uses in assigning a rating and that such information is from reliable sources. Notwithstanding the foregoing, if ARC Ratings is not satisfied with the quality of the information it receives it will decline to assign the rating. The according of a rating should not be viewed as a guarantee of the accuracy, completeness, or timeliness of the information relied on in connection with the rating or the results obtained from the use of such information.

In the rating process, ARC Ratings adopts procedures and methodologies aimed at ensuring transparency, credibility and independence, and also that rating classifications are not influenced by conflicts of interest.

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