



## Fitch Upgrades Bumper 2 S.A.'s Class B Notes

Ratings Endorsement Policy  
25 Feb 2014 6:34 AM (EST)

Fitch Ratings-London-25 February 2014: Fitch Ratings has upgraded Bumper 2 S.A.'s class B notes and affirmed the class A notes, as follows:

EUR319.2m Class A notes: affirmed at 'AAAsf', Outlook Stable

EUR47.3m Class B notes: upgraded to 'AAAsf' from 'AAsf', Outlook Stable

The notes are backed by a portfolio of operational auto lease receivables and their residual values originated by LeasePlan Deutschland GmbH (LPDE), a wholly-owned subsidiary of LeasePlan Corporation (LPC; A-/Stable/F2).

### KEY RATING DRIVERS

The rating actions reflect the overall performance of the asset pool, credit enhancement that has built up due to significant deleveraging after the transaction entered amortisation in March 2013 and the substantial benefit the transaction has received so far from LPDE honouring its purchase commitment in respect of the residual values at lease contract maturity. This means the transaction has been free of any residual value related losses to date, which is an added benefit as Fitch did not give this commitment any credit in its analysis.

Obligor concentration remains an important rating driver, especially since during the amortisation period the relative share of obligors as a proportion of the remaining pool balance can increase above the covenanted limits applicable during the revolving period. Stressing for the exposure to defaults of a large portion of the top obligors was important for the rating analysis.

The proportion of residual value receivables in the total pool was capped at 60% during the revolving period, which ended in March 2013. As the pool amortises, this will rise, and at end-December 2013 it stood at 62.5%. Fitch continues to give no credit to LPDE's purchase commitment and therefore its analysis focused on the market risk of the used cars handed in at contract maturity. This risk has been analysed by stressing expected sale proceeds in line with the agency's criteria for residual value risk. The reported sales proceeds have met or exceeded Fitch's assumptions so far.

The seller, LPDE, acts as initial servicer, realisation agent and maintenance coordinator, and no back-up parties for these roles were appointed at closing. Comfort is gained from LPC's rating, and LPDE's obligation to appoint a back-up servicer if ownership changes or LPC's creditworthiness deteriorates below investment grade. Furthermore, a cash reserve to cover liquidity risk in case of payment disruptions and other structural features that limit commingling, set-off, maintenance disruption and tax risk are in place.

Fitch's asset and rating outlook for German SF transactions is stable. Used car prices have stabilised from their lows in 2009 and 2010 and were relatively stable over 2011- 2013.

Initial Key Rating Drivers and Rating Sensitivity are further described in the New Issue report published on 23 March 2011.

### RATING SENSITIVITIES

Expected Ratings upon:

Defaults up by 10%/25%

Class A: 'AAAsf'/'AAAsf'

Class B: 'AAAsf'/'AAAsf'

Recoveries down by 10%/25%

Class A: 'AAAsf'/'AAAsf'

Class B: 'AAAsf'/'AAAsf'

Defaults up and Recoveries down by 10%/25%

Class A: 'AAAsf'/'AAAsf'

Class B: 'AAAsf'/'AA+sf'

Defaults up and recoveries down by 10%/25%, market value stress up by 50%

Class A: 'AAAsf'/AAAsf

Class B: 'AAsf'/AAsf

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Additional information is available at [www.fitchratings.com](http://www.fitchratings.com).

Sources of information: investor reports.

Applicable criteria, 'EMEA Consumer ABS Rating Criteria', dated 9 July 2013; 'EMEA Consumer ABS Rating Criteria - Auto Residual Value Addendum', dated 9 July 2013; 'Criteria for Servicing Continuity Risk in Structured Finance', dated 29 July 2013; 'Counterparty Criteria for Structured Finance and Covered Bonds', dated 13 May 2013, 'Criteria for Rating Granular Corporate Balance-Sheet Securitisation (SEM CLOs)', dated 28 March 2013 and 'Global Structured Finance Rating Criteria', dated 24 May 2013 available at [www.fitchratings.com](http://www.fitchratings.com).

**Applicable Criteria and Related Research:**

EMEA Consumer ABS Rating Criteria

EMEA Consumer ABS Rating Criteria – Auto Residual Value Addendum

Criteria for Servicing Continuity Risk in Structured Finance

Counterparty Criteria for Structured Finance and Covered Bonds

Criteria for Rating Granular Corporate Balance-Sheet Securitisations (SME CLOs)

Global Structured Finance Rating Criteria

**Additional Disclosure**

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