Presale Report
SMB Private Education Loan Trust 2023-D

DBRS Morningstar
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Contents

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Credit Rating Summary

Class	Amount ($)	Coupon (%)	Credit Rating	Credit Rating Action
A-1A	419,271,000	[TBD]	AAA (sf)	New Rating – Provisional
A-1B	402,829,000	SOFR + [TBD]	AAA (sf)	New Rating – Provisional
B	147,000,000	[TBD]	AA (sf)	New Rating – Provisional
C	30,080,000	[TBD]	A (sf)	New Rating – Provisional
D	62,000,000	[TBD]	BBB (sf)	New Rating – Provisional
Total	**1,061,180,000**			

* See Appendix C for Scope and Meaning of Financial Obligations.

Executive Summary

DBRS, Inc. (DBRS Morningstar) assigned provisional credit ratings to the SMB Private Education Loan Trust 2023-D (SMB 2023-D) Notes (the Notes) as listed above. SMB 2023-D will consist entirely of private student loans that were made and underwritten under Sallie Mae Bank's (SMB) Smart Option student loan program.

SMB 2023-D will use a traditional pass-through structure, with credit enhancement consisting of subordination provided by the Class B, Class C, and Class D Notes for the benefit of the Class A-1A and Class A-1B Notes (together the Class A Notes), subordination provided by the Class C and Class D Notes for the benefit of the Class B Notes, subordination provided by the Class D Notes for the benefit of the Class C Notes, reserve accounts, and excess spread.

The DBRS Morningstar provisional credit ratings on the Notes address the timely payment of interest and the ultimate repayment of principal by each class of Notes' respective final maturity date in accordance with the terms and conditions of the SMB 2023-D transaction documents.

Transaction Parties and Relevant Dates

Issuing Entity:	SMB Private Education Loan Trust 2023-D
Grantor Trust:	SMB Private Education Loan Grantor Trust 2023-D
Sponsor, SMB Seller, Servicer, and Administrator:	Sallie Mae Bank
Third-Party Seller:	Bank of America, N.A.
Depositor:	SMB Education Funding, LLC
Indenture Trustee and Paying Agent:	UMB Bank, N.A.
Trustee and Grantor Trust Trustee:	UMB Bank, N.A.
Delaware Trustee and Grantor Trust Delaware Trustee:	UMB Delaware Inc.
Statistical Cutoff Date:	October 16, 2023

Closing Date:	On or about November 7, 2023
Payment Date:	Monthly, on the 15th of each month, or the next business day
First Payment Date:	December 15, 2023
Final Maturity Date:	Class A-1A Notes: September 15, 2053 Class A-1B Notes: September 15, 2053 Class B Notes: September 15, 2053 Class C Notes: September 15, 2053 Class D Notes: September 15, 2053

Credit Rating Rationale

DBRS Morningstar based its credit ratings on the Notes on a review of the following considerations:

- The transaction's form and sufficiency of available credit enhancement.
    - Overcollateralization, note subordination, reserve account amounts, and excess spread create credit enhancement levels and liquidity that are commensurate with the proposed credit ratings.
    - Transaction cash flows are sufficient to repay investors under all AAA (sf), AA (sf), A (sf), and BBB (sf) stress scenarios in accordance with the terms of the SMB 2023-D transaction documents.
- The quality and credit characteristics of the student loans and underlying borrowers.
- SMB's capabilities with regard to originations and underwriting.
    - DBRS Morningstar has performed an operational review of SMB's origination platform and has determined the bank to be an acceptable student loan originator.
- The ability of the Servicer to perform collections on the collateral pool and other required activities.
    - DBRS Morningstar has performed an operational review of SMB as the servicer and considers the entity an acceptable servicer of private student loans.
- The legal structure and expected legal opinions that will address the true sale of the student loans, the nonconsolidation of the trust, that the trust has a valid first-priority security interest in the assets, and the consistency with DBRS Morningstar's *Legal Criteria for U.S. Structured Finance* methodology.

Considerations

Coronavirus Disease (COVID-19)

- The transaction assumptions consider DBRS Morningstar's baseline macroeconomic scenarios for rated sovereign economies, available in its commentary "Baseline Macroeconomic Scenarios for Rated Sovereigns: September 2023 Update," published on September 28, 2023. These baseline macroeconomic scenarios replace DBRS Morningstar's moderate and adverse Coronavirus Disease (COVID-19) pandemic scenarios, which were first published in April 2020.

Quality of Collateral

- SMB 2023-D is backed entirely by loans originated under SMB's Smart Option loan program. Smart Option loans have demonstrated default rates that are significantly lower as compared with the Signature loans that the Bank previously originated prior to mid-2009. This can be attributed primarily to stronger underwriting guidelines and borrowers that generally are of higher credit quality.
- Approximately 17.7% of the trust student loans require at least an interest-only (IO) payment while the borrower is enrolled in school. Approximately 35.1% of the trust student loans require a fixed monthly payment of $25 while the borrower is enrolled in school. Smart Option loans made to borrowers who are required to make payments while enrolled in school have performed significantly better than Smart Option loans that do not require any student loan payments while the borrower is enrolled in school.
- As of the Statistical Cut-Off Date, the weighted-average (WA) FICO score of the trust student loans was 739. Private student loans with higher FICO scores are generally expected to perform better than loans with lower FICO scores.
- Approximately 90.0% of the trust student loans are co-signed. Private student loans with co-signers are generally expected to experience default rates that are lower than loans without co-signers.
- Approximately 92.7% of the trust student loans were made to borrowers attending four-year schools. Historical performance demonstrates that such loans generally have the lowest default rate compared with loans made to borrowers attending other undergraduate school types.
- Approximately 89.8% of the trust student loans consist of loans made to borrowers attending not-for-profit schools. Such loans have historically defaulted at much lower rates than loans made to students attending for-profit schools.
- The SMB 2023-D student loan pool is geographically diverse. The top five states are New York (9.5%), California (8.8%), Pennsylvania (7.7%), Texas (6.1%), and New Jersey (6.0%), which represent approximately 38.1% of the trust student loan pool. Geographic diversity is a positive as there is less likelihood that economic downturns concentrated in certain regions would negatively affect performance of the trust student loan portfolio.

Structural Features

- Note subordination, reserve account amounts, and excess spread create credit enhancement levels that are commensurate with the respective credit ratings for each class of Notes. The credit enhancement levels can support the DBRS Morningstar-projected cumulative defaults and other cash flow assumptions under various stress scenarios and the transaction is able to repay investors in accordance with the terms of the transaction documents. The credit enhancement levels can withstand coverage of approximately 4.32 times (x), 2.79x, 2.30x, and 1.80x the DBRS Morningstar 9.10% base-case default rate assumption in the AAA (sf), AA (sf), A (sf), and BBB (sf) break-even cash flow stress scenarios, respectively.

- To build additional credit support early in the transaction and to protect the Notes from losses on the trust student loan pool in excess of those anticipated, the structure will incorporate a full turbo feature whereby 100% of remaining available funds after paying senior transaction fees and Note interest will be used to pay principal on the Notes until they reach certain target overcollateralization amounts.
- Until applicable target overcollateralization levels are met for the Class A Notes, or if such levels are not maintained, holders of the Class B, Class C, and Class D Notes will not receive any principal payments. Until applicable target overcollateralization levels are met for the Class A and Class B Notes, or if such levels are not maintained, holders of the Class C and Class D Notes will not receive any principal payments. Until applicable target overcollateralization levels are met for the Class A, Class B, and Class C Notes, or if such levels are not maintained, holders of the Class D Notes will not receive any principal payments. Holders of the Class B, Class C, and Class D Notes may not receive any interest payments if there is a priority principal distribution amount shortfall. Funds may be released from the trust once the overcollateralization targets have been met.
- If a Cumulative Default Trigger Event has occurred, the required Class A overcollateralization target (Specified Class A Overcollateralization Amount) will step up to 48.00% from 30.00%. A Cumulative Default Trigger Event will exist if the cumulative default percentage for the then current distribution date exceeds the percentages as stated in the schedule in Appendix A.

Basis Risk and Interest Risk

- The SMB 2023-D Notes will be exposed to a degree of basis risk because of the variable- and fixed-rate composition of the trust student loans and the floating and fixed interest rates borne by the Notes. The floating-rate Notes will be indexed to 30-day average Secured Overnight Financing Rate (SOFR) while the variable-rate loans are indexed to either CME Term SOFR or 30-day average SOFR. SMB 2023-D will not be entering into interest rate hedging arrangements with respect to the rated Notes or the trust student loans.
- To address basis risk, DBRS Morningstar ran certain stresses at each credit rating category to assess the effect on the transaction's performance and its ability to pay noteholders per the transaction's legal documents. DBRS Morningstar assumed two stressed interest rate environments for each credit rating category, which consisted of increasing and declining forward interest rate paths for CME Term SOFR and 30-day average SOFR based on the DBRS Morningstar *Unified Interest Rate Tool.*

Credit Enhancement

Class A Credit Enhancement Summary	
Initial Class A Overcollateralization Amount	21.83% of the initial pool balance
Specified Class A Overcollateralization Amount	30.00% of the pool balance (or 48.00% if a cumulative default trigger event has occurred)
Class A Overcollateralization Floor	$47,327,800 ($136,724,757 if a cumulative default trigger event has occurred)
Class B Note, Class C Note, and Class D Note Subordination	22.53% of the initial Note balance

Class B Credit Enhancement Summary	
Initial Class B Overcollateralization Amount	7.86% of the initial pool balance
Specified Class B Overcollateralization Amount	13.00% of the pool balance
Class B Overcollateralization Floor	$31,551,867
Class C Note and Class D Note Subordination	8.68% of the initial Note balance

Class C Credit Enhancement Summary	
Initial Class C Overcollateralization Amount	5.00% of the initial pool balance
Specified Class C Overcollateralization Amount	10.95% of the pool balance
Class C Overcollateralization Floor	$26,293,222
Class D Note Subordination	5.84% of the initial Note balance

Class D Credit Enhancement Summary	
Initial Class D Overcollateralization Amount	-0.90% of the initial pool balance
Specified Class D Overcollateralization Amount	3.70% of the pool balance
Class D Overcollateralization Floor	$15,775,933

Liquidity Accounts	
Senior Reserve Account	0.25% of the initial Class A Note balance, nondeclining
Subordinate Reserve Account	0.25% of the initial Class B Note, Class C Note, and Class D balance, nondeclining

Overcollateralization

- Initial overcollateralization for the Class A Notes will be 21.83%. Class A overcollateralization is defined as the excess of the initial pool balance over the aggregate initial principal balance of the Class A Notes divided by the initial pool balance.
- Initial overcollateralization for the Class B Notes will be 7.86%. Class B overcollateralization is defined as the excess of the initial pool balance over the aggregate initial principal balance of the Class A and Class B Notes divided by the initial pool balance.
- Initial overcollateralization for the Class C Notes will be 5.00%. Class C overcollateralization is defined as the excess of the initial pool balance over the aggregate initial principal balance of the Class A, Class B, and Class C Notes divided by the initial pool balance.
- Initial overcollateralization for the Class D Notes will be -0.90%. Class D overcollateralization is defined as the excess of the initial pool balance over the aggregate initial principal balance of the Notes divided by the initial pool balance. The Class D Notes will be undercollateralized on the closing date.

Note Subordination

- The Class A Notes will benefit from 22.53% initial subordination provided by the Class B, Class C, and Class D Notes. Class A Note subordination is defined as the sum of the initial Class B, Class C, and Class D Note balances divided by the total Note balance.
- The Class B Notes will benefit from 8.68% initial subordination provided by the Class C and Class D Notes. Class B Note subordination is defined as the sum of the initial Class C and Class D Note balances divided by the total Note balance.
- The Class C Notes will benefit from 5.84% initial subordination provided by the Class D Notes. Class C Note subordination is defined as the initial Class D Note balance divided by the total Note balance.

Reserve Accounts

- The Senior Reserve Account benefiting the Notes will be fully funded at closing and will be equal to 0.25% of the initial principal balance of the Class A Notes. The Senior Reserve Account will be maintained at 0.25% of the initial principal balance of the Class A Notes.
- To the extent other available funds are not sufficient for such purposes, the Senior Reserve Account will be available to pay shortfalls of senior transaction fees, Class A Note interest, the First Priority Principal Distribution Amount, and Note principal on the related final maturity date.
- The Subordinate Reserve Account benefiting the Class B, Class C, and Class D Notes will be fully funded at closing and will be equal to 0.25% of the initial principal balance of the Class B, Class C, and Class D Notes. The Subordinate Reserve Account will be maintained at 0.25% of the initial principal balance of the Class B, Class C, and Class D Notes.
- To the extent other available funds are not sufficient for such purposes, the Subordinate Reserve Account will be available to pay shortfalls of senior transaction fees, Class B Note interest, Class C Note interest, Class D Note interest, the Second Priority Principal Distribution Amount, the Third Priority Principal Distribution Amount, and Note principal on the related final maturity date.
- Both the Senior Reserve Account and Subordinate Reserve Account will be replenished to the extent the amount on deposit is less than each respective requirement.

Excess Spread

- Excess spread will be used to turbo the Notes from the first payment date until each class reaches its respective overcollateralization target. Monthly excess spread is expected to grow significantly over time as credit enhancement levels increase and as more loans enter active repayment. Excess spread benefits the Notes by providing cushion against shortfalls and losses.

Collateral

Set forth in the following tables are certain characteristics of the trust student loans as of the Statistical Cutoff Date as compared with recent SMB transactions.

	SMB 2023-D	**SMB 2023-C**	**SMB 2023-B**	**SMB 2023-A**	**SMB 2022-D**	**SMB 2022-C**	**SMB 2022-B**	**SMB 2022-A**	**SMB 2021-E**
Statistical Cut-Off Date	16-Oct-23	5-Jul-23	3-May-23	17-Jan-23	15-Sep-22	21-Jun-22	25-Apr-22	18-Jan-22	21-Sep-21
Aggregate Principal Balance ($)	1,051,728,897	650,098,314	2,100,722,480	650,041,448	1,098,032,558	680,105,840	2,126,647,343	1,072,848,188	560,084,369
Number of Borrowers	71,756	45,051	134,029	44,462	78,312	49,312	142,197	76,201	42,353
Number of Loans	76,440	46,671	148,132	45,905	83,559	51,124	157,834	80,265	43,644
Average Balance Per Borrower ($)	14,657	14,430	15,674	14,620	14,021	13,792	14,956	14,079	13,224
Fixed (%)	62.9	61.0	56.9	57.0	49.8	52.0	49.8	49.8	50.0
One-Month Libor (%)	0.0	0.0	22.9	23.0	50.2	48.0	50.2	50.2	50.0
SOFR (%)	37.1	39.0	20.2	20.0	n/a	n/a	n/a	n/a	n/a
WA Interest Rate (%)	11.46	11.26	11.20	10.86	9.98	9.30	9.02	8.67	8.68
WA Interest Rate Fixed (%)	10.13	10.04	9.88	9.87	9.77	9.73	9.61	9.58	9.57
WA Libor Margin (%)	n/a	n/a	7.86	7.83	7.76	7.78	7.74	7.71	7.71
WA CME Term SOFR Margin (%)	7.89	7.82	n/a	n/a	n/a	n/a	n/a	n/a	n/a
WA 30-Day Average SOFR Margin (%)	8.64	8.29	8.21	8.16	n/a	n/a	n/a	n/a	n/a
Co-Signer (%)	90.0	90.8	91.6	91.9	91.8	92.1	91.9	92.2	91.8
WA FICO Original	742	743	744	744	744	743	744	742	741
WA FICO Current	739	741	740	742	745	745	745	745	745
WA Remaining Term (Months)	161	159	158	160	145	145	146	143	143
WA Months in Active Repayment	17	16	17	15	20	19	19	19	18
Original FICO									
< 640 (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
640 to 669 (%)	7.8	7.3	7.4	7.4	7.2	7.4	6.9	7.5	7.7
670 to 699 (%)	15.5	15.4	15.3	15.1	15.4	15.2	15.5	15.7	16.3
700 to 739 (%)	26.6	26.8	26.6	26.2	27.0	27.0	26.9	27.2	27.1
740+ (%)	50.1	50.6	50.8	51.4	50.4	50.3	50.6	49.5	48.9
Current FICO									
< 640 (%)	5.1	4.7	4.7	4.3	4.0	4.2	3.6	3.7	3.9
640 to 669 (%)	6.3	6.2	6.6	6.3	5.0	5.4	5.4	5.5	4.9
670 to 699 (%)	13.5	12.9	12.9	12.5	11.5	11.4	11.7	11.5	11.5
700 to 739 (%)	23.5	23.5	23.7	24.0	23.5	23.5	24.1	24.1	24.7
740+ (%)	51.6	52.8	52.1	53.0	56.1	55.5	55.1	55.2	55.0
Payment Status									
Active Repayment (%)	35.0	38.7	37.0	37.2	40.8	40.7	40.3	48.4	39.8
In-School (%)	40.3	39.2	48.2	48.7	35.4	35.0	44.3	35.1	34.8
Grace (%)	18.4	17.2	8.8	8.6	17.0	18.2	8.5	7.3	16.0
Deferment (%)	5.8	4.4	5.4	4.4	6.2	5.6	6.3	8.2	8.0
Forbearance (%)	0.6	0.5	0.6	1.1	0.6	0.5	0.6	1.1	1.4
Loan Program									
Smart Option (IO) (%)	17.7	18.9	19.6	20.0	19.8	19.9	19.7	19.5	20.0
Smart Option ($25 Fixed Payment) (%)	35.1	34.1	34.1	34.0	33.1	33.1	31.1	31.2	31.0
Smart Option (Deferred Payment) (%)	47.1	47.0	46.2	46.0	47.1	47.0	49.2	49.3	49.0
Index									
Fixed (WA Interest Rate) (%)	62.9 (10.13)	61.0 (10.04)	56.9 (9.88)	57.0 (9.87)	49.8 (9.77)	52.0 (9.73)	49.8 (9.61)	49.8 (9.58)	50.0 (9.57)

	SMB 2023-D	SMB 2023-C	SMB 2023-B	SMB 2023-A	SMB 2022-D	SMB 2022-C	SMB 2022-B	SMB 2022-A	SMB 2021-E
One-Month Libor (WA Margin) (%)	n/a	n/a	22.9 (7.86)	23.0 (7.83)	50.2 (7.76)	48.0 (8.84)	50.2 (7.74)	50.2 (7.71)	50.0 (7.71)
CME Term SOFR (WA Margin) (%)	13.9 (7.89)	17.7 (7.82)	n/a	n/a	n/a	n/a	n/a	n/a	n/a
30-Day Average SOFR (WA Margin) (%)	23.1 (8.64)	21.3 (8.29)	20.2 (8.21)	20.0 (8.16)	n/a	n/a	n/a	n/a	n/a
School Type									
Four-Year (%)	92.7	93.0	94.1	94.5	94.3	94.2	94.0	94.1	94.0
Two-Year (%)	4.0	3.9	3.5	3.3	3.6	3.6	3.6	3.5	3.4
Proprietary/Vocational (%)	3.3	3.1	2.4	2.2	2.1	2.2	2.5	2.4	2.5
School Designation									
Nonprofit (%)	89.8	89.8	92.2	92.1	91.9	91.9	90.2	90.2	90.2
For-Profit (%)	10.2	10.2	7.8	7.9	8.1	8.1	9.8	9.8	9.8
Current Balance									
Less than $25,000 (%)	65.5	64.5	64.1	64.9	63.3	67.3	59.5	65.8	67.5
$25,000 to $49,999 (%)	26.9	28.1	28.7	28.3	27.9	26.4	26.3	26.7	25.6
$50,000 to $74,999 (%)	5.1	5.2	5.4	5.0	6.2	4.5	7.4	5.3	4.9
$75,000 to $99,999 (%)	1.5	1.5	1.3	1.3	1.9	1.4	2.5	1.6	1.5
$100,000+ (%)	1.0	0.7	0.5	0.4	0.8	0.4	1.3	0.6	0.5
Remaining Term									
1 to 60 (%)	2.2	2.6	2.8	2.8	3.9	4.0	3.8	4.9	4.3
61 to 120 (%)	14.0	16.4	17.7	18.2	26.8	27.9	27.4	29.4	29.0
121 to 180 (%)	47.4	47.6	45.0	44.5	43.4	44.1	43.2	44.1	43.1
181 to 240 (%)	33.8	31.1	31.9	31.6	23.1	21.3	22.2	18.0	20.0
241 to 300 (%)	2.5	2.3	2.6	2.8	2.7	2.7	3.2	3.5	3.3
301 to 360 (%)	0.1	*	0.1	0.1	0.1	0.1	0.1	0.1	0.1
361+ (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Disbursement Year									
2009 (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2010 (%)	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.1
2011 (%)	0.1	0.1	0.1	0.1	0.2	0.2	0.3	0.5	0.5
2012 (%)	0.2	0.2	0.3	0.3	0.6	0.6	0.7	0.9	1.0
2013 (%)	0.4	0.6	0.6	0.6	1.1	1.1	1.3	1.8	2.0
2014 (%)	0.6	0.8	1.0	1.0	1.9	2.0	2.1	3.1	3.3
2015 (%)	1.1	1.3	1.7	1.7	3.0	3.4	3.6	5.2	5.8
2016 (%)	1.7	2.1	2.6	2.7	5.0	5.7	5.9	8.5	9.0
2017 (%)	2.4	3.0	3.3	3.5	6.7	7.0	7.7	11.4	12.2
2018 (%)	3.7	4.5	5.1	5.5	9.7	10.5	11.3	16.1	17.6
2019 (%)	7.5	8.6	10.0	10.7	18.5	20.7	20.9	30.1	31.9
2020 (%)	13.0	15.3	17.7	19.0	36.3	37.1	37.4	20.8	16.6
2021 (%)	39.2	43.4	46.3	47.0	17.0	11.6	8.9	1.6	0.0
2022 (%)	30.3	20.2	11.3	7.9	0.0	0.0	0.0	0.0	0.0
Geographic Concentration									
State 1 (%)	NY 9.5	NY 9.2	NY 9.7	NY 9.6	NY 9.7	NY 9.7	NY 9.8	NY 9.6	NY 10.0
State 2 (%)	CA 8.8	CA 9.1	PA 8.3	PA 8.5	PA 8.3	PA 8.6	CA 8.9	CA 8.6	CA 8.7
State 3 (%)	PA 7.7	PA 8.0	CA 8.1	CA 8.0	CA 8.2	CA 8.1	PA 8.5	PA 8.4	PA 8.3
State 4 (%)	TX 6.1	NJ 6.1	NJ 6.0	NJ 6.6	NJ 6.3	NJ 6.3	NJ 6.5	NJ 6.2	NJ 6.5
State 5 (%)	NJ 6.0	TX 6.0	TX 5.9	TX 5.9	TX 5.5	TX 5.6	TX 5.4	TX 5.5	TX 5.4

* Represents an amount that is less than 0.05%

Originator

Company Description

Sallie Mae Bank, an industrial bank established in 2005, is a wholly owned subsidiary of Sallie Mae Corporation. In 2014, Sallie Mae Corporation was legally separated into two distinct publicly traded entities: a consumer banking business (Sallie Mae Corporation and its primary operating subsidiary, Sallie Mae Bank) and an education loan management, servicing, and asset recovery business (Navient Corporation).

SMB, which is regulated by the Utah Department of Financial Institutions, the FDIC, and the Consumer Financial Protection Bureau, originates private student loans in addition to offering traditional savings products, such as savings accounts, money market accounts, and certificates of deposit. In addition to private student loans, SMB holds and manages pools consisting of Federal Family Education Program loans and credit cards.

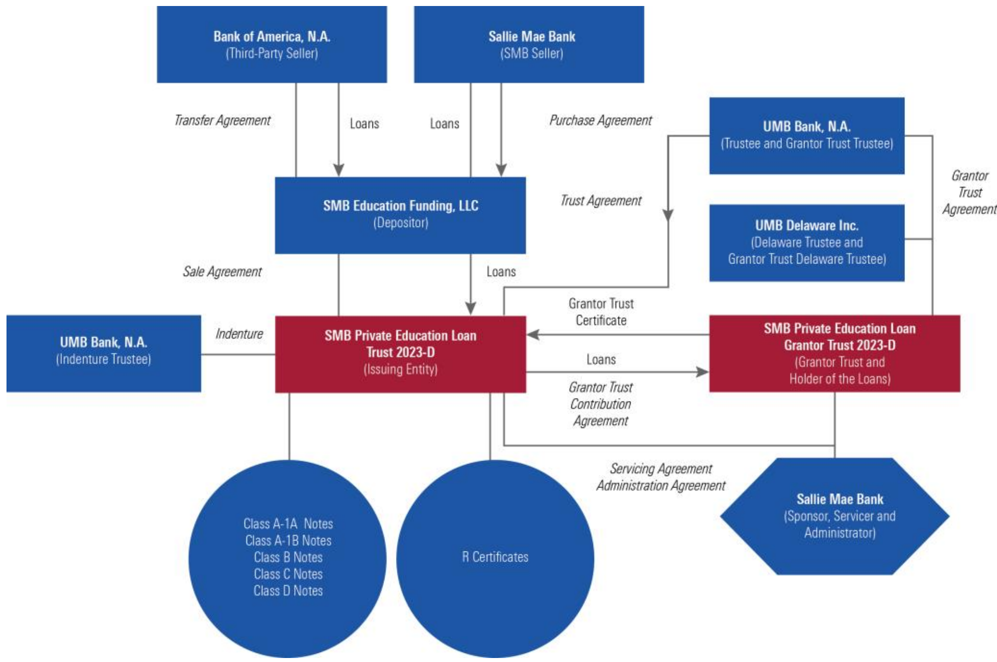
SMB's private student loans are primarily originated under its Smart Option program. The Smart Option program was launched in 2009 and initially included an IO payment option (while the student is enrolled in school and during the grace period) that emphasized reduced total finance charges. Shortly after the IO loan was introduced, SMB began offering a fixed-pay option allowing for minimum monthly payments of $25 while the student is enrolled in school and during the grace period. A third repayment option offered by SMB under its Smart Option program is the more traditional deferred product where borrowers are not required to make payments while the student is in school and during the grace period.

The Smart Option program has stricter borrower requirements as compared with SMB's previous Signature Loan program that it replaced. While Signature loans were underwritten based primarily on FICO score, the Smart Option program expanded the scope of the credit and underwriting review, placing more of an emphasis on factors influencing applicants' ability and willingness to repay their debt. In addition to a minimum FICO score, the Smart Option credit underwriting strategy uses a custom scorecard model and overlay criteria for decline and additional review decisions.

SMB will act as the servicer of the SMB 2023-D transaction. Under the servicing agreement, SMB will be responsible for servicing the trust student loans, maintaining custody of the trust student loans and remitting collections to the transaction's collection account for the life of SMB 2023-D. SMB will agree to service the trust student loans on the same terms as it services substantially similar loans owned by SMB.

Transaction Structure

Structural Summary



Source: DBRS Morningstar.

Priority of Payments

Available Funds

Available funds will generally equal the sum of the following:

1. Amounts received as interest and principal payments with respect to the trust student loans.
2. Any recoveries from charged off trust student loans.
3. Proceeds from any sale of trust student loans.
4. Any amounts received as investment earnings in the trust accounts.
5. Required Senior Reserve and Subordinate Reserve account amounts, if any.
6. Amounts received from the Seller or loan representation buyer upon repurchase of trust student loans.

Priority of Payments

On each payment date, available funds will be applied in the following order of priority:

1. Senior transaction fees (which include trustee fees of up to $150,000 per year, servicing fees, administration fees, and unreimbursed administrator advances of up to $50,000 per year).
2. Interest due on the Class A Notes, pro rata.
3. First Priority Principal Distribution Amount, if any, pro rata, to the Class A-1A Notes and Class A-1B Notes, until paid in full.
4. To increase the Senior Reserve Account to its requirement, if applicable.
5. Interest due on the Class B Notes.
6. Second Priority Principal Distribution Amount, if any, first, pro rata, to the Class A-1A Notes and Class A-1B Notes, until paid in full, and second, to the Class B Notes, until paid in full.
7. Interest due on the Class C Notes.
8. Third Priority Principal Distribution Amount, if any, first, pro rata, to the Class A-1A Notes and Class A-1B Notes, until paid in full, second, to the Class B Notes, until paid in full, and third, to the Class C Notes, until paid in full.
9. Interest due on the Class D Notes.
10. To increase the Subordinate Reserve account to its requirement, if applicable.
11. To the Class A Noteholders, the Class A Regular Principal Distribution Amount, if any, pro rata to the Class A-1A Notes and Class A-1B Notes, until paid in full.
12. To the Class B Noteholders, the Class B Regular Principal Distribution Amount, if any.
13. To the Class C Noteholders, the Class C Regular Principal Distribution Amount, if any.
14. To the Class D Noteholders, the Class D Regular Principal Distribution Amount, if any.
15. Additional Principal Distribution Amount, if any, first, pro rata, to the Class A-1A Notes and Class A-1B Notes, until paid in full, second, to the Class B Notes, until paid in full, third, to the Class C Notes, until paid in full, and fourth, to the Class D Notes, until paid in full.
16. Any subordinate transaction fees (which include any unpaid trustee fees, servicing fees and administration fees).
17. To the R Certificateholders, any remaining amounts.

Priority of Payments Summary

	Available Funds
1	Senior Transaction Fees
2	Interest due on the Class A Notes, pro rata
3	First Priority Principal Distribution Amount
4	Senior Reserve Account, if applicable
5	Interest due on the Class B Notes
6	Second Priority Principal Distribution Amount
7	Interest due on the Class C Notes
8	Third Priority Principal Distribution Amount
9	Interest due on the Class D Notes
10	Subordinate Reserve Account, if applicable
11	To the Class A Noteholders, the Class A Regular Principal Distribution Amount
12	To the Class B Noteholders, the Class B Regular Principal Distribution Amount, if any
13	To the Class C Noteholders, the Class C Regular Principal Distribution Amount, if any
14	To the Class D Noteholders, the Class D Regular Principal Distribution Amount, if any
15	Additional Principal Distribution Amount, if any
16	Subordinate Transaction Fees
17	Any remainder to the R Certificateholders

Source: DBRS Morningstar.

For each class of the Class A Notes, the **First Priority Principal Distribution Amount** will be applied, if needed, to the extent that the aggregate outstanding amount of the Class A Notes is greater than the outstanding pool balance minus $1,262,075. If the aggregate outstanding amount of the Class A Notes is greater than the outstanding pool balance, the Class B Notes, Class C Notes, and Class D Notes will be locked out of receiving principal and interest payments.

The **Second Priority Principal Distribution Amount** will be applied, if needed, to the extent that the aggregate outstanding amount of the Class A Notes (after giving effect to the payment of the First Priority Principal Distribution Amount) and Class B Notes is greater than the outstanding pool balance minus $1,262,075. The Second Priority Principal Distribution Amount will be paid to the Class A Notes until they are paid in full prior to any such amount being paid to the Class B Notes.

The **Third Priority Principal Distribution Amount** will be applied, if needed, to the extent that the aggregate outstanding amount of the Class A Notes, Class B Notes, and Class C Notes (after giving effect to the payment of the First Priority Principal Distribution Amount and Second Priority Principal Distribution Amount) is greater than the outstanding pool balance minus $1,262,075. The Third Priority Principal Distribution Amount will be paid to the Class A Notes and Class B Notes until they are paid in full prior to any such amount being paid to the Class C Notes.

Cumulative Default Trigger Event means the cumulative default percentage for the then current distribution date exceeds the percentage as specified in the schedule in Appendix A.

The **Specified Class A Overcollateralization Amount** will equal an amount equal to the greater of (1) 30.00% of the pool balance and (2) $47,327,800. If a Cumulative Default Trigger Event has occurred, the Specified Class A Overcollateralization Amount will equal an amount equal to the greater of (1) 48.00% of the pool balance and (2) $136,724,757.

The **Specified Class B Overcollateralization Amount** will equal an amount equal to the greater of (1) 13.00% of the pool balance and (2) $31,551,867.

The **Specified Class C Overcollateralization Amount** will equal an amount equal to the greater of (1) 10.95% of the pool balance and (2) $26,293,222.

The **Specified Class D Overcollateralization Amount** will equal an amount equal to the greater of (1) 3.70% of the pool balance and (2) $15,775,933.

The **Class A Regular Principal Distribution Amount** will equal the excess of (1) the outstanding principal balance of the Class A Notes (after giving effect to the payment of the First Priority Principal Distribution Amount, the Second Priority Principal Distribution Amount, and the Third Priority Principal Distribution Amount) over (2) the pool balance less the Specified Class A Overcollateralization Amount.

The **Class B Regular Principal Distribution Amount** will equal the excess of (1) the outstanding principal balance of the Class A Notes and Class B Notes (after giving effect to the payment of the First Priority Principal Distribution Amount, the Second Priority Principal Distribution Amount, the Third Priority Principal Distribution Amount, and the Class A Regular Principal Distribution Amount) over (2) the pool balance less the Specified Class B Overcollateralization Amount.

The **Class C Regular Principal Distribution Amount** will equal the excess of (1) the outstanding principal balance of the Class A Notes, Class B Notes, and Class C Notes (after giving effect to the payment of the First Priority Principal Distribution Amount, the Second Priority Principal Distribution Amount, the Third Priority Principal Distribution Amount, the Class A Regular Principal Distribution Amount, and the Class B Regular Principal Distribution Amount) over (2) the pool balance less the Specified Class C Overcollateralization Amount.

The **Class D Regular Principal Distribution Amount** will equal the excess of (1) the outstanding principal balance of the Notes (after giving effect to the payment of the First Priority Principal Distribution Amount, the Second Priority Principal Distribution Amount, the Third Priority Principal Distribution Amount, the Class A Regular Principal Distribution Amount, the Class B Regular Principal Distribution Amount, and the Class C Regular Principal Distribution Amount) over (2) the pool balance less the Specified Class D Overcollateralization Amount.

Events of Default

The transaction will include standard events of default, which may contain cure periods and may call for acceleration of the principal balance of the Notes.

Events of Default include the following:

- Issuer's failure to pay Class A Note interest in a timely manner, which continues for five business days.
- If no Class A Notes are outstanding, Issuer's failure to pay Class B Note interest in a timely manner, which continues for five business days.
- If no Class A Notes or Class B Notes are outstanding, Issuer's failure to pay Class C Note interest in a timely manner, which continues for five business days.
- If no Class A Notes, Class B Notes, or Class C Notes are outstanding, Issuer's failure to pay Class D Note interest in a timely manner, which continues for five business days.
- Failure to pay the outstanding principal balance of the Notes by the related final maturity date.
- Failure by the Issuer with respect to the transmittal of moneys to be credited to the distribution account by the specified time period.
- Certain covenant or agreement breaches on the part of the Issuer that are not cured within the specified time period.
- Failure to properly address certain breaches of representations and warranties within the specified time frame.
- The occurrence of certain events of bankruptcy or insolvency of the Issuer.

Cash Flow Analysis

DBRS Morningstar incorporates a stressed cash flow analysis in its credit rating process. In the cash flow modeling analysis, several inputs were stressed to test whether the transaction cash flows could withstand potential performance deterioration of the collateral at the requested credit rating levels of AAA (sf), AA (sf), A (sf), and BBB (sf).

The key inputs of the cash flow modeling that were analyzed include the following:

- Defaults
- Timing of defaults
- Recoveries
- Prepayments
- Forbearances and deferments

- Borrower benefits
- Basis risk
- Transaction fees

DBRS Morningstar evaluated a total of 20 cash flow scenarios to test each class of Notes. As indicated in the table below, a baseline of three prepayment scenarios and three default timing curves were applied to test the resilience of the rated Notes. Additionally, two maturity stress scenarios were evaluated to test whether the Notes receive their ultimate principal amount by their respective final maturity dates. The stressed cash flows were modeled based on two interest rate paths: an upward vector and a downward vector. In each of the stressed cash flow scenarios, the Class A Notes, Class B Notes, Class C Notes, and Class D Notes received timely payment of interest and ultimate payment of principal by their respective final maturity dates.

20 Cash Flow Scenarios Applied by DBRS Morningstar

DBRS Morningstar Cash Flow Scenario	Prepayments (CPR %)	Loss Timing	Interest Rate Stress
1 – 3	4/5/6/8/10 thereafter, 5, 10	Front-loaded	Upward
4 – 6	4/5/6/8/10 thereafter, 5, 10	Mid-loaded	Upward
7 – 9	4/5/6/8/10 thereafter, 5, 10	Back-ended	Upward
10 – 12	4/5/6/8/10 thereafter, 5, 10	Front-loaded	Downward
13 – 15	4/5/6/8/10 thereafter, 5, 10	Mid-loaded	Downward
16 – 18	4/5/6/8/10 thereafter, 5, 10	Back-ended	Downward
19	No Prepayments	No Defaults	Upward
20	No Prepayments	No Defaults	Downward

The key inputs of the cash flow model that are stressed include (1) defaults, (2) timing of defaults, (3) recoveries, (4) voluntary prepayments, (5) forbearances, (6) deferments, (7) borrower benefits, (8) interest rates, and (9) transaction fees.

Defaults

For the trust student loans, DBRS Morningstar derived a base-case cumulative default expectation primarily based on an analysis of historical static pool default data. DBRS Morningstar used static pool default data from SMB's Smart Option loan program. The static pool default data was segregated by loan type, school type, co-signer status, and FICO bucket. DBRS Morningstar analyzed this data to determine a cumulative default estimate for each of the aforementioned distinct components of the proposed securitization pool and then developed a seasoning adjusted WA default expectation based upon the relative contribution of each segment. The DBRS Morningstar analysis of the trust student loans results in a base case cumulative default rate expectation for SMB 2023-D of 9.10%.

The resulting stress level default rates are 29.575% for AAA (sf), 22.750% for AA (sf), 18.200% for A (sf), and 15.925% for BBB (sf). This represents a multiple of approximately 3.25x for AAA (sf), 2.50x for AA (sf), 2.00x for A (sf), and 1.75x for BBB (sf) of the DBRS Morningstar base-case cumulative default rate expectation for the SMB 2023-D pool.

Timing of Defaults

To test the sensitivity of the SMB 2023-D cash flow structure, various default timing curves were modeled, including front-loaded, mid-loaded, and back-ended defaults. The timing of defaults reflects the potential for various economic conditions and applies a high level of stress on the transaction's cash flows to test the resilience of the rated Notes. While traditional nonseasoned private student loan securitizations have experienced front-loaded gross defaults whereby as much as 50% of collateral defaults have occurred by the third year of repayment, DBRS Morningstar expects a flatter default curve for this transaction due to the quality of the pool as it relates to seasoning, borrower credit, loan type, school type, and repayment type.

Recoveries

The cumulative recovery rate on defaulted loans was assumed to be 15.0% for AAA (sf),17.5% for AA (sf), 20.0% for A (sf), and 20.0% for BBB (sf). Recoveries were applied to the cash flow stresses in equal amounts over a 10-year period and after a six-month lag from the period of borrower default. Recovery assumptions were determined based on an analysis of historical data from seasoned Sallie Mae private student loan securitizations, which demonstrate cumulative recoveries of about 25% to 30% after 10 years from default.

Prepayments

DBRS Morningstar formulated voluntary prepayment rate speed assumptions by evaluating historical prepayment speed data. Student loan prepayment behavior is mainly influenced by the economic environment, prevailing interest rates, consolidation options and loan seasoning. Also contributing to prepayment speeds will likely be the relatively new and fast growing student loan refinance market. While refinance lenders primarily focus on employed borrowers with strong credit and earnings profiles, it is likely that many of the SMB 2023-D borrowers will eventually qualify for a refinance loan with more favorable terms. Further, if interest rates rise, or if borrowers anticipate higher interest rates in the future, borrowers with existing variable-rate loans may seek to refinance into a fixed-rate loan.

Various prepayment scenarios were applied to test the resilience of the Notes. Varying prepayment rates can provide some indication of how the student loan collateral might perform under unexpected circumstances and different economic environments. While faster-than-expected prepayments may decrease credit risk because the securitization trust is exposed to a shorter period of default risk, at the same time, faster prepayments may lower the amount of excess spread generated by the underlying collateral, thus reducing the amount of credit enhancement that can be used to absorb losses. Three prepayment speed assumptions were applied for the non-maturity cash flow stress scenarios. This included two flat prepayment assumptions of 5% and 10% CPR, as well as a ramp of 4% to 10% CPR.

Forbearances and Deferments

Forbearance and deferment stresses were formulated based on the evaluation of historical data and underlying forbearance and deferment policies, and were adjusted to reflect seasoning of the collateral, pool composition and the proposed credit ratings.

DBRS Morningstar stressed forbearances and deferments concurrently to test the transaction's ability to absorb liquidity stresses. In each case, the maximum allowable forbearance and deferment periods were assumed. The forbearance and deferment assumptions used were 20.0% and 20.0%, respectively, for the AAA (sf) cash flow stress scenarios; 17.5% and 17.5%, respectively, for the AA (sf) cash flow stress scenarios; 15.0% and 15.0%, respectively, for the A (sf) cash flow stress scenarios; and 12.5% and 12.5%, respectively, for the BBB (sf) cash flow stress scenarios. Forbearances and deferments were stressed for 24 months and 48 months, respectively.

While forbearance and deferment cash flow stresses test a transaction's liquidity, forbearances and deferments may create additional credit enhancement to a structure because capitalized interest that accrues during the forbearance and deferment period is added to the principal balance of the loan. To account for this, DBRS Morningstar applied forbearance and deferment assumptions of 0% and 0%, respectively (except for loans already in these statuses), under its most constraining cash flow scenario.

Basis Risk

The Notes will be exposed to basis risk because the trust student loan pool pays interest based on both variable rates (37.1% of the student loan pool) and fixed rates (62.9% of the student loan pool) and each class of Notes will have a fixed rate or, in the case of the Class A-1B Notes, a floating rate. Further, the floating-rate Notes will adjust based on 30-day average SOFR, while the variable-rate loans will pay interest based on CME Term SOFR or 30-day average SOFR. To test this basis risk, in its stressed cash flow scenarios, DBRS Morningstar assumed two stressed interest rate environments for each credit rating category, which consisted of increasing and declining forward interest rate paths for CME Term SOFR and 30-day average SOFR based on the DBRS Morningstar Unified Interest Rate Tool.

Transaction Fees

Transaction fees were included in the cash flow stresses at their contractual or maximum allowable amounts. Please see Appendix A for more detail on transaction fees.

Maturity Stresses

In order to test the ability of the transaction to redeem the Notes before their respective final maturity dates, maturity stress scenarios were run whereby it was assumed that zero defaults occur, there are zero prepayments and deferments and forbearances occur consecutively, rather than concurrently.

Break-Even Stresses

In addition to the cash flow scenarios discussed, break-even cash flows stresses were performed that maximized cumulative defaults (until the first dollar of Note defaults) while keeping all other AAA (sf), AA (sf), A (sf), and BBB (sf) assumptions the same. Based on the most constraining cash flow scenario, the transaction is able to withstand cumulative defaults of approximately 39.31% for AAA (sf), 25.42% for AA (sf), 20.93% for A (sf), and 16.41% for BBB (sf). This represents a multiple of approximately 4.32x for AAA (sf), 2.79x for AA (sf), 2.30x for A (sf), and 1.80x for BBB (sf) of the DBRS Morningstar base-case cumulative default rate expectation for the SMB 2023-D pool.

Legal Structure and Opinions

SMB 2023-D is expected to be a special-purpose entity structured to be bankruptcy remote by restricting the Issuer’s operations so that it does not engage in business with or incur liabilities to any other entity, which may bring bankruptcy proceedings against the Issuer.

DBRS Morningstar expects to receive an opinion of counsel to the effect that the transfer of the loans to the trust constitutes a true sale and that the trust assets will not be consolidated with those of SMB in the event of bankruptcy. Additionally, DBRS Morningstar expects to receive an opinion of counsel that the trustee has a first-perfected security interest in the trust assets.

DBRS Morningstar expects to receive an opinion of counsel to the effect that the Notes will (or should) be treated as debt for federal income tax purposes, rather than as an interest in the loans and other assets of the trust or as an equity interest in the Issuer.

Appendix A — Cash Flow Details

Capital Structure

Class	Size ($)	Collateral (%)	Hard Credit Enhancement (%)	Coupon (%)	Multiple Range (x)	DBRS Morningstar Multiple (x)	Credit Rating	Constraining Scenario
A-1A	419,271,000	39.86	22.09	[TBD]	3.00 - 4.50	3.25	AAA (sf)	Default Curve 2/10% CPR/Up
A-1B	402,829,000	38.30	22.09	SOFR + [TBD]	3.00 - 4.50	3.25	AAA (sf)	Default Curve 2/10% CPR/Up
B	147,000,000	13.98	8.11	[TBD]	2.25 - 3.25	2.50	AA (sf)	Default Curve 3/10% CPR/Down
C	30,080,000	2.86	5.25	[TBD]	1.75 - 2.50	2.00	A (sf)	Default Curve 2/10% CPR/Down
D	62,000,000	5.90	-0.65	[TBD]	1.50 - 2.00	1.75	BBB (sf)	Default Curve 2/10% CPR/Down
Total	**1,061,180,000**	**100.90**						
OC	**-9,451,103**	**-0.90**						

Model Assumptions

	AAA (sf)	AA (sf)	A (sf)	BBB (sf)
Default Rate (%)	29.575	22.750	18.200	15.925
Recovery Rate (%)	15 spread evenly over 10 years (6-month lag)	17.5 spread evenly over 10 years (6-month lag)	20 spread evenly over 10 years (6-month lag)	20 spread evenly over 10 years (6-month lag)
Deferment (%)	20/20/20/20	17.5/17.5/17.5/17.5	15/15/15/15	12.5/12.5/12.5/12.5
Forbearance (%)	20/20	17.5/17.5	15/15	12.5/12.5
Borrower Benefits (%) (ACH)	50	45	42.5	40
Voluntary Prepayment Speed (CPR) (%)	4/5/6/8/10 thereafter, 5, 10	4/5/6/8/10 thereafter, 5, 10	4/5/6/8/10 thereafter, 5, 10	4/5/6/8/ thereafter, 5, 10

	Initial (%) [1]	Target (%) [2]	Floor (%)
Class A Overcollateralization	21.83	30.00 [5]	4.50 [6]
Class B Overcollateralization	7.86	13.00	3.00
Class C Overcollateralization	5.00	10.95	2.50
Class D Overcollateralization	-0.90	3.70	1.50
Senior Reserve Account [3]	0.25	0.25	0.25
Subordinate Reserve Account [4]	0.25	0.25	0.25

OC = overcollateralization.

1 Initial Overcollateralization is calculated as a percentage of the initial pool balance at the closing gate.

2 Target Overcollateralization is calculated as a percentage of the current pool balance.

3 Senior Reserve Account is calculated as a percentage of the Class A Note balance at the closing date.

4 Subordinate Reserve Account is calculated as a percentage of the sum of the Class B Note, Class C Note, and Class D Note balances at the closing date.

5 48.00% if a Cumulative Default Trigger Event has occurred.

6 13.00% if a Cumulative Default Trigger Event has occurred.

Default Curves	Default Curve 1 (%)		Default Curve 2 (%)	Default Curve 3 (%)
	Co-signed	Non-Co-signed		
Year 1	15	20	20	12.5
Year 2	15	20	20	12.5
Year 3	15	10	20	12.5
Year 4	15	10	20	12.5
Year 5	10	10	20	12.5
Year 6	10	10		12.5
Year 7	10	10		12.5
Year 8	10	10		12.5

Cumulative Default Trigger			
Period	**Level (%)**	**Period**	**Level (%)**
1 - 36	7.00	73 - 78	18.50
37 - 42	8.00	79 - 84	20.25
43 - 48	9.00	85 - 90	21.75
49 - 54	10.65	91 - 97	24.25
55 - 61	12.50	98 - 102	26.50
62 - 67	14.00	103 +	27.00
68 - 72	16.00		

Transaction Fees & Expenses [5, 6]		
Servicing Fee (%)	0.80	per annum
Indenture Trustee Fee, Grantor Trust Trustee Fee, Trustee Fee ($)	10,000	per annum
Delaware Trustee Fee, Grantor Trust Delaware Trustee Fee ($)	5,000	per annum
Trustee Fees ($)	150,000 (capped)	per annum
Administrator Fee ($)	8,333	per month
Unreimbursed Administrator Advances ($)	50,000 (capped)	per annum

5 DBRS Morningstar typically assumes the maximum fees and expenses considered in the waterfall. DBRS Morningstar runs the maximum fees and expenses in the earliest period possible.

6 Reinvestment rate is assumed to be the greater of 0.0% and Term SOFR - 13.552 basis points.

Appendix B—Environmental, Social, and Governance (ESG) Considerations

ESG Factor		ESG Credit Consideration Applicable to the Credit Analysis: Y/N		Extent of the Effect on the ESG Factor on the Credit Analysis: Relevant (R) or Significant (S)*
Environmental		**Overall:**	**N**	**N**
	Emissions, Effluents, and Waste	Do the costs or risks result in a higher default risk or lower recoveries for the securitized assets?	N	N
	Carbon and GHG Costs	Do the costs or risks related to GHG emissions result in higher default risk or lower recoveries of the securitized assets?	N	N
		Are there potential benefits of GHG-efficient assets on affordability, financeability, or future values (recoveries)?	N	N
		Carbon and GHG Costs	**N**	**N**
	Climate and Weather Risks	Are the securitized assets in regions exposed to climate change and adverse weather events affecting expected default rates, future valuations, and/or recoveries?	N	N
	Passed-through Environmental credit considerations	Does this rating depend to a large extent on the creditworthiness of another rated issuer which is impacted by environmental factors (see respective ESG checklist for such issuer)?	N	N
Social		**Overall:**	**N**	**N**
	Social Impact of Products and Services	Do the securitized assets have an extraordinarily positive or negative social impact on the borrowers and/or society, and do these characteristics of these assets result in different default rates and/or recovery expectations?	N	N
		Does the business model or the underlying borrower(s) have an extraordinarily positive or negative effect on their stakeholders and society, and does this result in different default rates and/or recovery expectations?	N	N
		Considering changes in consumer behavior or secular social trends: does this affect the default and/or loss expectations for the securitized assets?	N	N
		Social Impact of Products and Services	**N**	**N**
	Human Capital and Human Rights	Are the originator, servicer, or underlying borrower(s) exposed to staffing risks and could this have a financial or operational effect on the structured finance issuer?	N	N
		Is there unmitigated compliance risk due to mis-selling, lending practices, or work-out procedures that could result in higher default risk and/or lower recovery expectations for the securitized assets?	N	N
		Human Capital and Human Rights	**N**	**N**
	Product Governance	Does the originator's, servicer's, or underlying borrower(s)' failure to deliver quality products and services cause damage that may result in higher default risk and/or lower recovery expectations for the securitized assets?	N	N
	Data Privacy and Security	Does the originator's, servicer's, or underlying borrower(s)' misuse or negligence in maintaining private client or stakeholder data result in financial penalties or losses to the issuer?	N	N
	Passed-through Social credit considerations	Does this rating depend to a large extent on the creditworthiness of another rated issuer which is impacted by social factors (see respective ESG checklist for such issuer)?	N	N
Governance		**Overall:**	**N**	**N**
	Corporate / Transaction Governance	Does the transaction structure affect the assessment of the credit risk posed to investors due to a lack of appropriate independence of the issuer from the originator and/or other transaction parties?	N	N
		Considering the alignment of interest between the transaction parties and noteholders: does this affect the assessment of credit risk posed to investors because the alignment of interest is inferior or superior to comparable transactions in the sector?	N	N
		Does the lack of appropriately defined mechanisms in the structure on how to deal with future events affect the assessment of credit risk posed to investors?	N	N
		Considering how the transaction structure provides for timely and appropriate performance and asset reporting: does this affect the assessment of credit risk posed to investors because it is inferior or superior to comparable transactions in the sector?	N	N
		Corporate / Transaction Governance	**N**	**N**
	Passed-through Governance credit considerations	Does this rating depend to a large extent on the creditworthiness of another rated issuer which is impacted by governance factors (see respective ESG checklist for such issuer)?	N	N
		Consolidated ESG Criteria Output:	**N**	**N**

* A Relevant Effect means that the impact of the applicable ESG risk factor has not changed the rating or rating trend on the issuer.
A Significant Effect means that the impact of the applicable ESG risk factor has changed the rating or trend on the issuer.

Environmental

There were no environmental factors that had a relevant or significant effect on the credit analysis. For more details about which environmental factors could have an effect on the credit analysis, please refer to the checklist above.

Social

There were no social factors that had a relevant or significant effect on the credit analysis. For more details about which social factors could have an effect on the credit, please refer to the checklist above.

Governance

There were no governance factors that had a relevant or significant effect on the credit analysis. For more details about which governance factors could have an effect on the credit analysis, please refer to the checklist above.

The above ESG discussion relates to credit risk factors that could impact the issuer's credit profile and, therefore, the credit rating(s) of the Notes. They are separate from ESG sustainability factors, which are generally outside the scope of this analysis. A description of how DBRS Morningstar considers ESG factors within the DBRS Morningstar analytical framework can be found in the *DBRS Morningstar Criteria: Approach to Environmental, Social, and Governance Risk Factors in Credit Ratings* at https://www.dbrsmorningstar.com/research/416784.

Appendix C—Scope and Meaning of Financial Obligations

DBRS Morningstar's credit ratings on the Class A-1A, Class A-1B, Class B, Class C, and Class D Notes address the credit risk associated with the identified financial obligations in accordance with the relevant transaction documents. For information on the associated financial obligations, please refer to the corresponding press release published for this credit rating action.

DBRS Morningstar's credit rating does not address nonpayment risk associated with contractual payment obligations contemplated in the applicable transaction documents that are not financial obligations. The associated contractual payment obligation that is not a financial obligation for each of the rated notes is the related interest on any unpaid Noteholders' Interest Distribution Amount.

DBRS Morningstar's long-term credit ratings provide opinions on risk of default. DBRS Morningstar considers risk of default to be the risk that an issuer will fail to satisfy the financial obligations in accordance with the terms under which a long-term obligation has been issued. The DBRS Morningstar short-term debt rating scale provides an opinion on the risk that an issuer will not meet its short-term financial obligations in a timely manner.

Notes:
All figures are in U.S. dollars unless otherwise noted.

This report is based on information as of October 26, 2023. Subsequent information may result in material changes to the rating assigned herein and/or the contents of this report.

About DBRS Morningstar

DBRS Morningstar is a full-service global credit ratings business with approximately 700 employees around the world. We're a market leader in Canada, and in multiple asset classes across the U.S. and Europe.

We rate more than 4,000 issuers and nearly 60,000 securities worldwide, providing independent credit ratings for financial institutions, corporate and sovereign entities, and structured finance products and instruments. Market innovators choose to work with us because of our agility, transparency, and tech-forward approach.

DBRS Morningstar is empowering investor success as the go-to source for independent credit ratings. And we are bringing transparency, responsiveness, and leading-edge technology to the industry.

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