

# **CRR ASSESSMENT**

## **ORBITA FUNDING 2022-1 PLC**



PRIME COLLATERALISED SECURITIES (PCS) UK LIMITED

21 April 2022



**IMPORTANT NOTICE: THIS CHECKLIST IS TO BE USED ONLY FOR UK TRANSACTIONS NOTIFIED ON OR AFTER 1 JANUARY 2021**

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**This is a CRR Assessment.**

**This CRR Assessment must be read together with the PCS Procedures Manual and the PCS Term Evidentiary Standards Manual. This document is based upon the materials received by PCS as at the date of this document.**

**It is important that the reader of this checklist reviews and understands the disclaimer referred to on the following page.**

**21 April 2022**

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## Prime Collateralised Securities (PCS) CRR Assessment

Individual(s) undertaking the assessment	Mark Lewis
Date of Assessment /Version	21 April 2022
<b>The transaction to be assessed (the “Transaction”)</b>	ORBITA FUNDING 2022-1 PLC
Issuer	ORBITA FUNDING 2022-1 PLC
Originator	Close Brothers Limited
Arranger / Lead Managers	Lloyds Bank Corporate Markets plc / Lloyds Bank Corporate Markets plc and BofA Securities
Transaction Legal Counsel	Clifford Chance LLP
Rating Agencies	Fitch and Moody’s
Stock Exchange	London Stock Exchange
Closing Date	21 April 2022

Legislative Text and CRR Criteria	Identifying Document and Checking Page Reference	Checking Comments	Criteria Fulfilled Yes / No	
Article 243 (1) 2. Positions in a securitisation, other than an ABCP programme or ABCP transaction, that qualify as positions in an STS securitisation, shall be eligible for the treatment set out in Articles 260, 262 and 264 where the following requirements are met:				
1	(a) at the time of inclusion in the securitisation, the aggregate exposure value of all exposures to a single obligor in the pool does not exceed 2 % of the exposure values of the aggregate outstanding exposure values of the pool of underlying exposures. For the purposes of this calculation, loans or leases to a group of connected clients shall be considered as exposures to a single obligor.	See definition of “Concentration Limit Tests”, (c) and (e) for Corporate Obligor and Individual Obligor limits respectively.  The requirements are met.		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
	In the case of securitised residual leasing values, the first subparagraph of this point shall not apply where those values are not exposed to refinancing or resell risk due to a legally enforceable commitment to repurchase or refinance the exposure at a pre-determined amount by a third party eligible under Article 201(1);	The Transaction contains residual value but there is no refinancing mechanism of the type described in the question point.		Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input checked="" type="checkbox"/>
2	(b) at the time of their inclusion in the securitisation, the underlying exposures meet the conditions for being assigned, under the Standardised Approach and taking into account any eligible credit risk mitigation, a risk weight equal to or smaller than:	See UK SECURITISATION REGULATION  “On the Closing Date and on each Additional Portfolio Purchase Date, each Receivable to be purchased by the Issuer from the Seller on that date will have a standardised risk weight equal to or smaller than 75% on an individual exposure basis where the exposure is a retail exposure or, for any other exposures, equal to or smaller than		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

<sup>1</sup> REGULATION (EU) 2017/2401 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 12 December 2017 amending Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms.

Legislative Text and CRR Criteria	Identifying Document and Checking Page Reference	Checking Comments	Criteria Fulfilled Yes / No
(i) 40 % on an exposure value-weighted average basis for the portfolio where the exposures are loans secured by residential mortgages or fully guaranteed residential loans, as referred to in point (e) of Article 129(1); (ii) 50 % on an individual exposure basis where the exposure is a loan secured by a commercial mortgage; (iii) 75 % on an individual exposure basis where the exposure is a retail exposure <sup>(2)</sup> ; for any other exposures, 100 % on an individual exposure basis;	100% on an individual exposure basis, as those terms are used in Article 243 of the UK CRR.”		
<b>3</b> (c) where points (b)(i) and (b)(ii) apply, the loans secured by lower ranking security rights on a given asset shall only be included in the securitisation where all loans secured by prior ranking security rights on that asset are also included in the securitisation;	Not applicable		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>
<b>4</b> (d) where point (b)(i) of this paragraph applies, no loan in the pool of underlying exposures shall have a loan-to-value ratio higher than 100 %, at the time of inclusion in the securitisation, measured in accordance with point (d)(i) of Article 129(1) and Article 229(1).	Not applicable		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>

<sup>2</sup> See article 123, “Retail exposures” of the Regulation (EU) No 575/2013; for Consumer loans see the amendments to article 123 in (59) REGULATION (EU) 2019/876 and REGULATION (EU) 2020/873, article 2 (1) (a).

See article 501 on “Adjustment of risk-weighted non-defaulted SME exposures for “SME Loans” of the Regulation (EU) No 575/2013, as amended in Regulation (EU) 2019/876 and Regulation 2020/873 in (19) and Article 2.1(b).

