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**CRR ASSESSMENT**  
**BELGIAN LION NV/SA,**  
**COMPARTMENT BELGIAN LION SME IV**



PRIME COLLATERALISED SECURITIES (PCS) EU SAS

4 November 2022

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This is a CRR Assessment.

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

**4 November 2022**

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## PRIME COLLATERALISED SECURITIES (PCS) CRR Assessment

Individual(s) undertaking the assessment	Dr Martina Spaeth
Date of Verification	4 November 2022
<b>The transaction to be verified (the "Transaction")</b>	<b>SME LION IV B.V.</b>
Issuer	SME LION IV B.V.
Originator	ING Belgium NV/SA
Lead Manager(s)	ING Group
Transaction Legal Counsel	Hogan Lovells
Rating Agencies	Fitch and Moody's
Stock Exchange	Euronext Brussels
Closing Date	4 November 2022

PCS confirms that all checklist points have been verified as detailed in the associated comment box in the checklist below.

Within the checklist, the relevant legislative text is set out in light blue introductory boxes with specific criteria for our verification listed underneath.

<b>Legislative Text</b>		
Article 243 <sup>(1)</sup> 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:		
<b>1a</b>	<b><u>CRR Criteria</u></b> (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.	<b><u>Meets Criteria?</u></b> <b>YES</b>
	<b><u>PCS Comments</u></b> See Prospectus, 11.8 Portfolio Criteria (h) the Top 1 Group shall not represent more than 0.75 per cent. of the Current Portfolio Amount;	
<b>1b</b>	<b><u>CRR Criteria</u></b> 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);	<b><u>Meets Criteria?</u></b> <b>YES</b>
	<b><u>PCS Comments</u></b> <i>Not applicable.</i>	
<b>2</b>	<b><u>CRR Criteria</u></b> (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:	<b><u>Meets Criteria?</u></b> <b>YES</b>
	(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; for any other exposures, 100 % on an individual exposure basis;	

<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.

	<p><b>PCS Comments</b></p> <p><i>PCS has been provided with the updated Portfolio with Risk Weights below or at 100% and the confirmation from the Originator that these risk weights are the standardised risk weights as required by the Regulation.</i></p>	
3	<p><b>CRR Criteria</b></p> <p>(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;</p>	<p><b>Meets Criteria?</b> <b>YES</b></p>
	<p><b>PCS Comments</b></p> <p>Not applicable.</p>	
4	<p><b>CRR Criteria</b></p> <p>(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).</p>	<p><b>Meets Criteria?</b> <b>YES</b></p>
	<p><b>PCS Comments</b></p> <p>Not applicable.</p>	