

CRR ASSESSMENT

NEWDAY FUNDING MASTER ISSUER PLC – SERIES 2025-1



PRIME COLLATERALISED SECURITIES (PCS) UK LIMITED

9th April 2025

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9th April 2025

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PRIME COLLATERALISED SECURITIES (PCS) CRR Assessment

Individual(s) undertaking the assessment	Fazel Ahmed
Date of Verification	9 April 2025
The transaction to be verified (the "Transaction")	NEWDAY FUNDING MASTER ISSUER PLC – SERIES 2025-1
Issuer	NEWDAY FUNDING MASTER ISSUER PLC
Originator/Originator for UK Securitisation Regulation purposes	NewDay Ltd / NEWDAY FUNDING TRANSFEROR LTD
Lead Manager(s)	BofA Securities, Lloyds Bank Corporate Markets, NatWest, Santander, Société Générale
Transaction Legal Counsel	Clifford Chance LLP and Slaughter and May
Rating Agencies	DBRS and Fitch
Stock Exchange	London Stock Exchange plc
Closing Date	9 April 2025

Please note that this Assessment is in respect of a UK transaction notified as STS to the UK Financial Conduct Authority. As such it cannot be treated as STS within the European Union and therefore, notwithstanding this assessment, is not eligible for inclusion into LCR pools or lower capital requirements under the CRR for financial institutions within the European Union. For more details, we invite you to consult your legal advisers.

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 grey introductory boxes with specific criteria for our verification listed underneath.

Legislative Text

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:

1a	CRR Criteria (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.	Meets Criteria? YES
	PCS Comments See Final Terms See section, Portfolio Information, Table Account Balance Note: (1) The aggregate outstanding principal balance of all receivables owed by a single Obligor does not exceed 2% of the aggregate outstanding principal balance of all Receivables in the Reported Portfolio.	
1b	CRR Criteria 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);	Meets Criteria? YES
	PCS Comments <i>Not applicable.</i>	
2	CRR Criteria (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:	Meets Criteria? YES

¹ 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>(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);</p> <p>(ii) 50 % on an individual exposure basis where the exposure is a loan secured by a commercial mortgage;</p> <p>(iii) 75 % on an individual exposure basis where the exposure is a retail exposure ⁽²⁾;</p> <p>(iv) for any other exposures, 100 % on an individual exposure basis;</p>	
	<p>PCS Comments</p> <p>2 (b) (iii) applies.</p> <p>See section, THE RECEIVABLES</p> <p>UK CRR Risk Weighting</p> <p>The Transferor does not intend to assign to the Receivables Trustee as Eligible Receivables any Receivables arising under an Account which, at the time the relevant Account became a Designated Account, did not meet the conditions for being assigned, under the "standardised approach" and taking into account any eligible credit risk mitigation, a risk weight under the UK CRR equal to or less than 75 per cent. (by virtue of being a retail exposure).</p>	
3	<p>CRR Criteria</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>Meets Criteria?</p> <p>YES</p>
	<p>PCS Comments</p> <p><i>Not applicable.</i></p>	
4	<p>CRR Criteria</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>Meets Criteria?</p> <p>YES</p>
	<p>PCS Comments</p> <p><i>Not applicable..</i></p>	

² 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). In particular, pursuant to the amendments to Article 123, under Regulation (EU) 2019/876:

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).

