

CRR ASSESSMENT

Albion No.4 PLC



PRIME COLLATERALISED SECURITIES (PCS) UK LIMITED

27th September 2019

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27th September 2019

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Prime Collateralised Securities (PCS) CRR Assessment

Individual(s) undertaking the assessment	Fazel Ahmed
Date of Assessment /Version	27 September 2019
The transaction to be assessed (the “Transaction”)	Albion No.4 PLC
Issuer	Albion No.4 PLC
Originator	Leeds Building Society
Seller	Leeds Building Society
Lead Manager(s)	Barclays, Citibank, Lloyds Bank Corporate Markets
Transaction Legal Counsel	Allen & Overy LLP
Rating Agencies	Fitch and Moody's
Stock Exchange	Irish Stock Exchange plc
Expected Closing Date	27 September 2019

Legislative text	CRR criteria	Identifying document and checking page reference	Checking comments	Criteria fulfilled Yes / No
<p>Article 243</p> <p>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:</p>				

Legislative text	CRR criteria	Identifying document and checking page reference	Checking comments	Criteria fulfilled Yes / No
<p>(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.</p>	<p>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.</p>	<p>See section SUMMARY OF THE KEY TRANSACTION DOCUMENTS</p> <p>Mortgage Sale Agreement - Representations and Warranties</p> <p>(ee) The aggregate True Balance of all Loans made to a single Borrower in the Portfolio does not exceed 2 per cent. of the aggregate True Balance of the Loans.</p>		<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p>
<p>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-</p>	<p>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-</p>	<p>Not applicable.</p>		<p>Yes <input type="checkbox"/></p> <p>No <input type="checkbox"/></p> <p>N/A <input checked="" type="checkbox"/></p>

Legislative text	CRR criteria	Identifying document and checking page reference	Checking comments	Criteria fulfilled Yes / No
determined amount by a third party eligible under Article 201(1);	determined amount by a third party eligible under Article 201(1);			
<p>(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:</p> <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 <i>point</i> (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>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:</p> <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 <i>point</i> (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>2 (b) (i) applies.</p> <p>See section SUMMARY OF THE KEY TRANSACTION DOCUMENTS</p> <p>Mortgage Sale Agreement - Representations and Warranties</p> <p>(ff) As at the Closing Date, each Loan has a standardised risk weight equal to or smaller than 40 per cent. on an exposure value-weighted average basis for the Portfolio, as such terms are described in Article 243 of the CRR.</p>		<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p>

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<p>(iii) 75 % on an individual exposure basis where the exposure is a retail exposure;</p> <p>(iv) for any other exposures, 100 % on an individual exposure basis;</p>	<p>(iii) 75 % on an individual exposure basis where the exposure is a retail exposure;</p> <p>(iv) for any other exposures, 100 % on an individual exposure basis;</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>3. (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>See section , Mortgage Sale Agreement , Representations and Warranties :</p> <p>Mortgages</p> <p>(a) Subject in certain appropriate cases to the completion of an application for registration or recording at the Land Registry, the whole of the True Balance on each Loan is secured by a Mortgage or Mortgages over a residential Property and each Mortgage constitutes a valid and subsisting first charge by way of legal mortgage or</p>		<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p>

Legislative text	CRR criteria	Identifying document and checking page reference	Checking comments	Criteria fulfilled Yes / No
		charge, and subject only in certain appropriate cases to applications for registrations or recordings at the Land Registry of England and Wales which, where required, have been made and are pending and in relation to such cases the Seller is not aware of any notice or any other matter that would prevent such registration or recording.		
(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).	4. (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).	See section, Mortgage Sale Agreement, Representations and Warranties: (aa) No Loan had an Indexed LTV greater than 99.5 per cent. as at the Cut-Off Date.	The Loan-to-value is determined by using the indexed market value. It is the investors responsibility to confirm with the National Competent Authority in its relevant jurisdiction whether this method of calculation is acceptable.	<p style="text-align: right;">Yes <input checked="" type="checkbox"/></p> <p style="text-align: right;">No <input type="checkbox"/></p>

