

CRR ASSESSMENT

BRASS NO. 10 PLC



PRIME COLLATERALISED SECURITIES (PCS) UK LIMITED

30th March 2021

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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.

30th March 2021

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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.

Prime Collateralised Securities (PCS) CRR Assessment

Individual(s) undertaking the assessment	Robert Leach
Date of Assessment /Version	30 March 2021
The transaction to be assessed (the “Transaction”)	BRASS NO. 10 PLC
Issuer	BRASS NO. 10 PLC
Originator	Yorkshire Building Society
Arranger(s)	Lloyds Bank Corporate Markets plc
Lead Manager(s)	Barclays Bank PLC, Citigroup Global Markets Limited, Lloyds Bank Corporate Markets plc, Lloyds Securities Inc.
Transaction Legal Counsel	Allen & Overy LLP
Rating Agencies	Fitch, Moody’s
Stock Exchange	Euronext Dublin (Irish Stock Exchange)
Closing Date	30 March 2021

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 Prospectus, <i>CHARACTERISTICS OF THE CUT-OFF DATE PORTFOLIO</i> . Current Balances as at the Cut-Off Date See Prospectus, <i>SUMMARY OF THE KEY TRANSACTION DOCUMENTS</i> . Representations and Warranties 1. Loans	The aggregate outstanding principal balance of all Loans to a single Borrower does not exceed 2% of the aggregate outstanding principal balance of all Loans as at the Cut-Off Date. (ff) No Loan has a Current Balance greater than £2,000,000 as at the Initial Portfolio Creation Date or, in relation to an Additional Loan, as at the relevant Further Sale Date.	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);		Not applicable.	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	Prospectus, <i>SUMMARY OF THE KEY TRANSACTION DOCUMENTS</i> . Representations and Warranties 1. Loans	2(b)(i) applies. (u) As at the Closing Date or on the date when any new Loans and their Related Security are included in the Portfolio, as applicable, each Loan	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

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.

Legislative Text and CRR Criteria	Identifying Document and Checking Page Reference	Checking Comments	Criteria Fulfilled Yes / No
<p>credit risk mitigation, a risk weight equal to or smaller than:</p> <ul style="list-style-type: none"> (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 ⁽²⁾; <p>for any other exposures, 100 % on an individual exposure basis;</p>		<p>has a standardised risk weight equal to or smaller than 40% on an exposure value-weighted average basis for the Portfolio, as such terms are described in Article 243 of the UK CRR.</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 Prospectus, <i>SUMMARY OF THE KEY TRANSACTION DOCUMENTS</i>. Representations and Warranties 2. Mortgages</p>	<p>2(b)(i) applies. (a) Subject in certain appropriate cases to the completion of an application for registration or recording at the Land Registry or the Registers of Scotland, as applicable, the whole of the Current 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"/> No <input type="checkbox"/> N/A <input type="checkbox"/></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).

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).

Legislative Text and CRR Criteria	Identifying Document and Checking Page Reference	Checking Comments	Criteria Fulfilled Yes / No
		charge or (in Scotland) first ranking standard security over the relevant Property, and subject only in certain appropriate cases to applications for registrations or recordings at the Land Registry of England and Wales or in the Registers of Scotland 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.	
<p>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).</p>	<p>Prospectus, <i>SUMMARY OF THE KEY TRANSACTION DOCUMENTS</i>. Representations and Warranties 1. Loans</p>	<p>2(b)(i) applies. (t) In respect of Loans comprised in the Initial Portfolio, no Loan had an Indexed LTV greater than 90% as at the Cut-Off Date and, in respect of any Additional Loans, no Additional Loan had an Indexed LTV greater than 90% as at the relevant Further Sale Date.</p>	<p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p>