

CRR ASSESSMENT
ECONOMIC MASTER ISSUER PLC
Issue of Series 2021-1 Class A Notes



PRIME COLLATERALISED SECURITIES (PCS) UK LIMITED

25th June 2021



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25th June 2021

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Prime Collateralised Securities (PCS) CRR Assessment

Individual(s) undertaking the assessment	Robert Leach
Date of Assessment /Version	25 June 2021
The transaction to be assessed (the “Transaction”)	ECONOMIC MASTER ISSUER PLC, Issue of Series 2021-1 Class A Notes
Issuer	ECONOMIC MASTER ISSUER PLC
Originator	Coventry Building Society
Seller	Coventry Building Society
Lead Manager(s)	HSBC Bank plc, Barclays Bank plc, J.P. Morgan Securities plc
Transaction Legal Counsel	Dentons UK and Middle East LLP
Rating Agencies	Fitch, Moody’s
Stock Exchange	London Stock Exchange
Closing Date	25 June 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 Final Terms. The Cut-Off Date Mortgage Portfolio At the applicable Assignment Date and at any point thereafter the exposure to a single obligor will not exceed 2 per cent. of the pool as required by Article 243(2)(a) of the UK CRR.		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 credit risk mitigation, a risk weight equal to or smaller than:	See Prospectus, <i>ASSIGNMENT OF THE MORTGAGE LOANS AND RELATED SECURITY</i> . Representations and Warranties (nn) as at the relevant Assignment Date, the Mortgage Loans are classified as secured by residential mortgages and, under the	2(b)(i) applies.	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
<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⁾; for any other exposures, 100 % on an individual exposure basis;	Standardised Approach, the Mortgage Portfolio has a risk weight equal to or smaller than 40 per cent;		
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;	See Prospectus, <i>ASSIGNMENT OF THE MORTGAGE LOANS AND RELATED SECURITY</i> . Representations and Warranties (e) subject to completion of any registration or recording which may be pending at HM Land Registry and the Registers of Scotland, each Mortgage Loan is secured by a Mortgage that either constitutes, or will constitute, following registration or recording at HM Land Registry (in England and Wales) a first ranking charge by way of legal mortgage or the Registers of Scotland (in Scotland) a first ranking standard security over the relevant Mortgaged Property;	All of the Mortgages are secured by first ranking mortgages.	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input checked="" type="checkbox"/>

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
<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>See Prospectus, <i>ASSIGNMENT OF THE MORTGAGE LOANS AND RELATED SECURITY</i>.</p> <p>Eligibility Criteria</p> <p>(g) the Mortgage Loan has a current indexed LTV Ratio of no more than 90 per cent.;</p>	<p>No loan in the transaction has a current indexed LTV greater than 100%.</p>	<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p> <p>N/A <input type="checkbox"/></p>