

# **CRR ASSESSMENT PMF 2024-2 PLC**



PRIME COLLATERALISED SECURITIES (PCS) UK LIMITED

12 December 2024

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This is a CRR Assessment (UK Version).

This CRR Assessment must be read together with the PCS Procedures Manual. This document is based upon the materials received by PCS as at the date of this document. Any page references in this document are to the prospectus unless otherwise stated.

Any references in this CRR Assessment to any EU regulations are meant to refer to such EU regulations as amended and incorporated into United Kingdom law by the Withdrawal Act 2019.

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**12 December 2024**

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## PRIME COLLATERALISED SECURITIES (PCS) CRR Assessment

Individual(s) undertaking the assessment	Mark Lewis
Date of Verification	12 December 2024
<b>The transaction to be verified (the "Transaction")</b>	<b>PMF 2024-2 PLC</b>
Issuer	PMF 2024-2 PLC
STS Originator and risk retainer	Charter Court Financial Services Limited
Lead Manager(s)	BOFA SECURITIES
Transaction Legal Counsel	Allen Overy Shearman Sterling LLP
Rating Agencies	DBRS and Moody's
Stock Exchange	London Stock Exchange
Closing Date	12 December 2024

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.

## Legislative Text

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><u>PCS Comments</u></b> See prospectus: STATIC POOL INFORMATION Largest single Borrower The aggregate Current Balance of all Loans made to a single Borrower in the Portfolio does not exceed 0.29 per cent. of the aggregate Current Balance of all the Loans.	
<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>	

<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.

<b>2</b>	<p><b><u>CRR Criteria</u></b></p> <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> <ul style="list-style-type: none"> <li>(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);</li> <li>(ii) 50 % on an individual exposure basis where the exposure is a loan secured by a commercial mortgage;</li> <li>(iii) 75 % on an individual exposure basis where the exposure is a retail exposure <sup>(2)</sup>;</li> <li>(iv) for any other exposures, 100 % on an individual exposure basis;</li> </ul>	<p><b><u>Meets Criteria?</u></b></p> <p><b>YES</b></p>
	<p><b><u>PCS Comments</u></b></p> <p>See prospectus:</p> <p>Representations and Warranties</p> <p>(bbb) as at the Closing Date, each Loan has a standardised risk weight equal to or smaller than 40 per cent., as does the exposure value-weighted average basis for the Portfolio, as per such terms described in Article 243 of the UK CRR;</p>	
<b>3</b>	<p><b><u>CRR Criteria</u></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><u>Meets Criteria?</u></b></p> <p><b>YES</b></p>
	<p><b><u>PCS Comments</u></b></p> <p><i>Not applicable.</i></p> <p>See Prospectus, <i>THE LOANS</i>, The Portfolio, Security</p> <p>“All of the Loans are secured by first ranking mortgages.”</p> <p>“Mortgage” means, in respect of any English Loan, each English Mortgage and, in respect of any Scottish Loan, each Scottish Mortgage, in each case, which is, or is to be, sold, assigned or transferred by the Seller to the Issuer pursuant to the Mortgage Sale Agreement and (in respect of any Scottish Loan) the Scottish Declaration of Trust, which secures the repayment of the relevant Loan pursuant to the Mortgage Conditions applicable to it.</p>	

<sup>2</sup> 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).

	<p>"English Mortgage" means a first fixed charge by way of legal mortgage over a Property located in England or Wales.</p> <p>"Scottish Mortgage" means a first ranking standard security over a Property located in Scotland.</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>PCS Comments</b></p> <p><i>Not applicable.</i></p> <p><i>See prospectus:</i></p> <p><i>Representations and Warranties</i></p> <p>(eee) no loan has an Indexed LTV higher than 100; and</p>	<p><b>Meets Criteria?</b></p> <p><b>YES</b></p>