

# **CRR ASSESSMENT**

## **LANEBROOK MORTGAGE TRANSACTION 2021-1 PLC**



PRIME COLLATERALISED SECURITIES (PCS) UK LIMITED

22<sup>nd</sup> September 2021

**IMPORTANT NOTICE: THIS CHECKLIST IS TO BE USED ONLY FOR UK TRANSACTIONS NOTIFIED ON OR AFTER 1 JANUARY 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.**

**22<sup>nd</sup> September 2021**

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## Prime Collateralised Securities (PCS) CRR Assessment

Individual(s) undertaking the assessment	Fazel Ahmed
Date of Verification	22 September 2021
<b>The transaction to be verified (the “Transaction”)</b>	<b>LANEBROOK MORTGAGE TRANSACTION 2021-1 PLC</b>
Issuer	LANEBROOK MORTGAGE TRANSACTION 2021-1 PLC
Originator	Shawbrook Bank Limited
Lead Manager(s)	Barclays, BofA Securities, Lloyds Bank Corporate Markets
Transaction Legal Counsel	Clifford Chance LLP
Rating Agencies	S&P/Moody's
Stock Exchange	Euronext Dublin
Target Closing Date	22 September 2021

Legislative Text and CRR Criteria	Identifying Document and Checking Page Reference	Checking Comments	Criteria Fulfilled Yes / No
<p>Article 243 (<sup>1</sup>)</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>			
<p><b>1</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.</p>	<p>See Prospectus.</p>	<p>See section, <i>THE LOANS</i>. Other characteristics of the Loans</p> <p>For the purposes of Article 243 of the CRR:</p> <p>(a) at the time of inclusion in the Transaction, under the Standardised Approach and taking into account any eligible credit risk mitigation, the aggregate Current Value of all Loans to a single Borrower in the Portfolio does not exceed 2 per cent. of the aggregate Current Balance of the Portfolio as at the Cut-Off Date;</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-determined</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>

<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.

Legislative Text and CRR Criteria		Identifying Document and Checking Page Reference	Checking Comments	Criteria Fulfilled Yes / No
	amount by a third party eligible under Article 201(1);			
2	<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 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 <sup>(2)</sup>;</p> <p>for any other exposures, 100 % on an individual exposure basis;</p>	See Prospectus.	<p>2(b)(i) applies.</p> <p>See section, <i>THE LOANS</i>. Other characteristics of the Loans</p> <p>For the purposes of Article 243 of the CRR:</p> <p>(b) at the time of inclusion in the Transaction, under the Standardised Approach and taking into account any eligible credit risk mitigation, the Loans have a risk weight equal to or smaller than 40 per cent. on an value-weighted average basis for the Portfolio; and</p>	<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></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	<p>See Prospectus, <i>SUMMARY OF THE KEY TRANSACTION DOCUMENTS</i>.</p> <p>Mortgage Sale Agreement</p> <p><i>Representations and Warranties</i></p>	All of the Loans are secured by first ranking mortgages.	<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p> <p>N/A <input type="checkbox"/></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).

Legislative Text and CRR Criteria		Identifying Document and Checking Page Reference	Checking Comments	Criteria Fulfilled Yes / No
	ranking security rights on that asset are also included in the securitisation;	(g) Subject to completion of any registration or recording of a Mortgage which may be pending (which the Legal Title Holder shall use all reasonable endeavours to complete) such Mortgage constitutes a first valid and subsisting first ranking legal mortgage or standard security (as applicable) and secures in priority to all other mortgages or standard securities all monies owing under the Loan.		
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 Prospectus	See section, <i>THE LOANS</i> . Other characteristics of the Loans  For the purposes of Article 243 of the CRR:  (c) at the time of inclusion in the Transaction, none of the Loans have an indexed loan-to-value ratio of higher than 100 per cent.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>