

CRR ASSESSMENT

Bastion 2020-1 NHG B.V.



PRIME COLLATERALISED SECURITIES (PCS) EU SAS

15 May 2020

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15 May 2020

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Prime Collateralised Securities (PCS) CRR Assessment

Individual(s) undertaking the assessment	Mark Lewis
Date of Assessment /Version	15 May 2020
The transaction to be assessed (the “Transaction”)	Bastion 2020-1 NHG B.V.
Issuer	Bastion 2020-1 NHG B.V.
Seller / Originator (for STS art 2. purposes)	MeDirect Bank SA/NV
Arranger	ABN AMRO
Transaction Legal Counsel	NautaDutilh N.V.
Rating Agencies	DBRS and Moody’s
Stock Exchange	Luxembourg Stock Exchange
Closing Date	15 May 2020

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>Section 7.3 (i): (i) the Outstanding Principal Balance under a Mortgage Loan entered into with a single Borrower shall not exceed 2.0 per cent. of the aggregate Outstanding Principal Balance of the Mortgage Receivables under or in connection with all the Mortgage Loans;</p>		<p>Yes <input checked="" type="checkbox"/> 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 amount by a</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 amount by a</p>	<p>Not applicable.</p>		<p>Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input checked="" type="checkbox"/></p>

Legislative text	CRR criteria	Identifying document and checking page reference	Checking comments	Criteria fulfilled Yes / No
third party eligible under Article 201(1);	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. See Section 7.3 Mortgage Loan Criteria (k)</p> <p>“the Mortgage Receivable relating to the relevant Mortgage Loan(s) meet on the date it is sold and assigned by the Seller to the Issuer the conditions for being assigned a risk weight equal to or smaller than 40% on an exposure value-weighted average for the portfolio of such Mortgage Receivables as set out and within the meaning of article 243(2)(b) of the CRR Amendment Regulation;”</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
<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 7.3 (h) “the Mortgage Loan is secured by a first priority Mortgage or, in the case of Mortgage Loans (including, as the case may be, any Further Advance) secured on the same Mortgaged Asset, first and sequentially lower priority rights of mortgage over (i) real estate (onroerende zaak), (ii) an apartment right (appartementsrecht) or (iii) a long lease (erfpacht), in each case situated in the Netherlands and, if applicable, a right of pledge (pandrecht); and is governed by Dutch Law;”</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
<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>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 Section 7.3 – Mortgage Loan Criteria, (j) “the Mortgage Loan does not have a Current Loan to Indexed Market Value Ratio higher than 100 per cent. (or, if a different percentage is required or sufficient from time to time for the Notes to comply with article 243(2) of the CRR Amendment Regulation and the Issuer wishes to apply such different percentage, then such different percentage);”</p>	<p>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>	<p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p>