

LCR ASSESSMENT OAK NO.5 PLC



PRIME COLLATERALISED SECURITIES (PCS) UK LIMITED

26th March 2025

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This is an LCR Assessment.

This LCR Assessment covers the LCR rules and guidelines as at the date of this document. This LCR 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 references in this document are to the prospectus unless otherwise stated.

It is important that the reader of this checklist reviews and understands the disclaimer referred to on the following page.

26th March 2025

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PRIME COLLATERALISED SECURITIES (PCS) LCR Assessment

Individual(s) undertaking the assessment	Robert Leach
Date of Verification	26 March 2025
The transaction to be verified (the "Transaction")	OAK NO.5 PLC
Issuer	OAK NO.5 PLC
Originator	Aldermore Bank PLC
Lead Manager(s)	Lloyds Bank Corporate Markets plc, BNP Paribas, Banco Santander, S.A.
Transaction Legal Counsel	Linklaters LLP
Rating Agencies	Fitch, Moody's
Stock Exchange	The London Stock Exchange plc
Closing Date	26 March 2026

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.

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 grey introductory boxes with specific criteria for our verification listed underneath.

Legislative Text and LCR Criteria (1)		
1a	<p>LCR Criteria</p> <p>1. Exposures in the form of asset-backed securities as referred to in Article 12(1)(a) shall qualify as level 2B securitisations where the following conditions are satisfied:</p> <p>(a) the designation 'STS' or 'simple, transparent and standardised', or a designation that refers directly or indirectly to those terms, is permitted to be used for the securitisation in accordance with Regulation (EU) 2017/2402 of the European Parliament and of the Council (*) and is being so used;</p>	<p>Meets Criteria? YES</p>
	<p>PCS Comments</p> <p><i>PCS is advised that the transaction, Oak No.5, is expected to be designated STS.</i></p>	
1b	<p>LCR Criteria</p> <p>1. Exposures in the form of asset-backed securities as referred to in Article 12(1)(a) shall qualify as level 2B securitisations where the following conditions are satisfied:</p> <p>(b) the criteria laid down in paragraph 2 and paragraphs 10 to 13 of this Article are met.</p>	<p>Meets Criteria? YES</p>
	<p>PCS Comments</p> <p><i>PCS has ticked the questions above as "yes". See the disclaimer above for a fuller analysis of the limitations of PCS's LCR assessment</i></p>	
2a	<p>LCR Criteria</p> <p>2. The securitisation position and the exposures underlying the position shall meet all the following requirements:</p> <p>(a) the position has been assigned a credit assessment of credit quality step 1 by a nominated ECAI in accordance with Article 264 of Regulation (EU) No 575/2013 or the equivalent credit quality step in the event of a short-term credit assessment;</p>	<p>Meets Criteria? YES</p>
	<p>PCS Comments</p> <p>See Prospectus, Ratings (Moody's/Fitch) Aaa(sf)/AAA(sf)</p>	

¹ Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation, and amending Directives 2009/65/EC, 2009/138/EC and 2011/61/EU and Regulations (EC) No 1060/2009 and (EU) No 648/2012 (OJ L 347, 28.12.2017, p. 35).

2b	<p>LCR Criteria</p> <p>2. The securitisation position and the exposures underlying the position shall meet all the following requirements:</p> <p>(b) the position is in the most senior tranche or tranches of the securitisation and possesses the highest level of seniority at all times during the ongoing life of the transaction. For these purposes, a tranche shall be deemed to be the most senior where after the delivery of an enforcement notice and where applicable an acceleration notice, the tranche is not subordinated to other tranches of the same securitisation transaction or scheme in respect of receiving principal and interest payments, without taking into account amounts due under interest rate or currency derivative contracts, fees or other similar payments in accordance with Article 242(6) of Regulation (EU) No 575/2013;</p>	<p>Meets Criteria? YES</p>
	<p>PCS Comments</p> <p>See Prospectus, <i>CASHFLOWS</i>.</p> <p><i>PCS notes that the Class A Notes meet the required attributes, based on the prospectus that has been reviewed.</i></p>	
3	<p>LCR Criteria</p> <p>(g) the securitisation position is backed by a pool of underlying exposures and those underlying exposures either all belong to only one of the following subcategories or else they consist of a combination of residential loans referred to in point (i):</p> <p>(i) residential loans secured with a first-ranking mortgage granted to individuals for the acquisition of their main residence, provided that one of the two following conditions is met:</p> <ul style="list-style-type: none"> – the loans in the pool meet on average the loan-to-value requirement laid down in point (i) of Article 129(1)(d) of Regulation (EU) No 575/2013 (); –the loans were originated in the United Kingdom and the law of the United Kingdom provides for a loan-to-income limit on the amount that an obligor may borrow in a residential loan. The loan-to-income limit is calculated on the gross annual income of the obligor, taking into account the tax obligations and other commitments of the obligor and the risk of changes in the interest rates over the term of the loan. For each residential loan in the pool, the percentage of the obligor's gross income that may be spent to service the loan, including interest, principal and fee payments, does not exceed 45 %; <p>(iii) commercial loans, leases and credit facilities to undertakings established in the United Kingdom to finance capital expenditures or business operations other than the acquisition or development of commercial real estate, provided that at least 80 % of the borrowers in the pool in terms of portfolio balance are small and medium- sized enterprises at the time of issuance of the securitisation, and none of the borrowers is an institution as defined in Article 4(1)(3) of Regulation (EU) No 575/2013; ()</p> <p>(iv) auto loans and leases to borrowers or lessees established or resident in the United Kingdom. For these purposes, auto loans and leases shall include loans or leases for the financing of motor vehicles or trailers as defined in points (11) and (12) of Article 3 of Directive 2007/46/EC of the European Parliament and of the Council, tractors as defined in point (8) of Article 3 of Regulation (EU) No 167/2013 of the European Parliament and of the Council (as it had effect immediately before IP completion day), powered two-wheelers or powered tricycles as defined in points (68) and (69) of Article 3 of Regulation (EU) No 168/2013 of the European Parliament and of the Council (as it</p>	<p>Meets Criteria? YES</p>

had effect immediately before IP completion day) or tracked vehicles as referred to in point (c) of Article 2(2) of Directive 2007/46/EC. ()
Such loans or leases may include ancillary insurance and service products or additional vehicle parts, and in the case of leases, the residual value of leased vehicles. All loans and leases in the pool shall be secured with a first-ranking charge or security over the vehicle or an appropriate guarantee in favour of the SSPE, such as a retention of title provision;
(v) loans and credit facilities to individuals resident in the United Kingdom for personal, family or household consumption purposes.

PCS Comments

(g)(i) applies.

See Prospectus, *THE LOANS*.

Characteristics of the Loans

The weighted average Indexed Current LTV of the Loans in the Cut-Off Date Portfolio was not greater than 80 per cent as at the Cut-Off Date.

The Portfolio consists of Loans which are intended for Borrowers who wish to use the Loans as a means to purchase or refinance a residential property to be used solely as the Borrower's own residence.

See Prospectus, *SUMMARY OF THE KEY TRANSACTION DOCUMENTS*.

Mortgage Sale Agreement

Representations and Warranties

The "Loan Warranties" to be given by the Seller will include, inter alia, the following warranties: [...]

Loans

2.6 Regulatory requirements

(b) Each Loan is of a type described in paragraph 2(g)(i) of Article 13 (Level 2B securitisations) in the UK LCR Regulation and/or in accordance with any official guidance issued in relation thereto.

4	<p>LCR Criteria</p> <p>10. The underlying exposures shall not have been originated by the credit institution holding the securitisation position in its liquidity buffer, its subsidiary, its parent undertaking, a subsidiary of its parent undertaking or any other undertaking closely linked with that credit institution.</p>	<p>Meets Criteria? YES</p>
	<p>PCS Comments</p> <p><i>The investor should confirm that it is not a group entity of the Originator to meet this point. We have ticked this point positive but ultimately it is the investors responsibility to confirm.</i></p>	
5	<p>LCR Criteria</p> <p>11. The issue size of the tranche shall be at least £88 million (or the equivalent amount in domestic currency).</p>	<p>Meets Criteria? YES</p>
	<p>PCS Comments</p> <p>See Prospectus, Initial Principal Amount</p> <p><i>PCS has received confirmation that the senior tranche will exceed £100 million. This will be confirmed in the final Prospectus.</i></p>	
6	<p>LCR Criteria</p> <p>12. The remaining weighted average life of the tranche shall be 5 years or less, which shall be calculated using the lower of either the transaction's pricing prepayment assumption or a 20 % constant prepayment rate, for which the credit institution shall assume that the call is exercised on the first permitted call date.</p>	<p>Meets Criteria? YES</p>
	<p>PCS Comments</p> <p>See Prospectus, <i>ESTIMATED WEIGHTED AVERAGE LIVES OF THE NOTES.</i></p> <p>Assuming Issuer call on Step-Up Date</p> <p><i>The weighted average life of Class A Notes assuming the call is exercised on the step-up date ranges from 5.02 to 2.14 years assuming a constant annual rate of prepayment ranging from 0 to 30 per cent, respectively. PCS understands that the transaction pricing prepayment assumption is 20% CPR, which results in a weighted average life of the Class A Notes of 2.86 years.</i></p>	

7	<p>LCR Criteria</p> <p>13. The originator of the exposures underlying the securitisation shall be an institution as defined in Article 4(3) of Regulation (EU) No 575/2013 or an undertaking whose principal activity is to pursue one or more of the activities listed in points 2 to 12 and point 15 of Annex I to Directive 2013/36/EU, as that Directive has effect immediately before IP completion day, provided that for the purposes of this paragraph the reference in point 4 of Annex 1 to that Directive to point (3) of Article 4 of Directive (EU) 2015/2366 is to be read as a reference to regulation 2 of the Payment Services Regulations 2017.</p>	<p>Meets Criteria? YES</p>
	<p>PCS Comments</p> <p>See Prospectus, <i>SUMMARY OF THE KEY TRANSACTION DOCUMENTS</i>.</p> <p>Mortgage Sale Agreement</p> <p>Representations and Warranties</p> <p>The "Loan Warranties" to be given by the Seller will include, inter alia, the following warranties: [...]</p> <p>Loans</p> <p>(c) Each Loan was originated by the Seller and the Seller was, at the time of the origination of each loan, a credit institution as defined in points (1) and (2) of Article 4(1) of the UK CRR.</p> <p><i>The seller, as a credit institution as defined in Article 4(1), is an institution as defined in Article 4(3) of Regulation (EU) No 575/2013.</i></p>	
8	<p>LCR Criteria</p> <p>Article 37 Transitional provision for securitisations backed by residential loans</p> <p>1. By derogation from Article 13, securitisations issued before 1 October 2015, where the underlying exposures are residential loans as referred to in point (g)(i) of Article 13(2), shall qualify as Level 2B assets if they meet all the requirements set out in Article 13 other than the loan-to-value or loan-to-income requirements set out in that point (g)(i) of Article 13(2).</p> <p>2. By derogation from Article 13, securitisations issued after 1 October 2015, where the underlying exposures are residential loans as referred to in point (g)(i) of Article 13(2) that do not meet the average loan-to-value or the loan-to-income requirements set out in that point, shall qualify as Level 2B assets until 1 October 2025, provided that the underlying exposures include residential loans that were not subject to a national law regulating loan-to-income limits at the time they were granted and such residential loans were granted at any time prior to 1 October 2015.</p>	<p>Meets Criteria? YES</p>
	<p>PCS Comments</p> <p><i>Points 1 and 2 are not applicable.</i></p>	