

CRR ASSESSMENT

OAK NO.3 PLC



PCS

PRIME COLLATERALISED SECURITIES (PCS) UK LIMITED

12th September 2019



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12th September 2019



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Prime Collateralised Securities (PCS) CRR Assessment

Individual(s) undertaking the assessment	Mark Lewis
Date of Verification	12th September 2019
The transaction to be verified (the “Transaction”)	OAK NO.3 PLC
Issuer	OAK NO.3 PLC
Originator	Aldermore Bank PLC
ISIN	
Arranger	BofA Merrill Lynch, Lloyds Bank Corporate Markets
Lead Manager(s)	BofA Merrill Lynch, BNP Paribas, Lloyds Bank Corporate Markets,
Transaction Legal Counsel	Ashurst LLP
Rating Agencies	Fitch, Moody’s
Stock Exchange	Euronext Dublin (Irish Stock Exchange)
Closing Date	12th September 2019

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>				
<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</p>	<p>See “The Loans – Characteristics of the loans”.</p> <p>“The aggregate Principal Balance of all Loans in the Portfolio made to a single Borrower does not exceed 2 per cent. of the aggregate Principal Balance of all Loans in the Provisional Pool Date Portfolio as of the Cut-Off Date.”</p> <p>Also, see loan level data tape.</p>		<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p>

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	considered as exposures to a single obligor.			
<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 third party eligible under Article 201(1);</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 third party eligible under Article 201(1);</p>			<p>Yes <input type="checkbox"/></p> <p>No <input type="checkbox"/></p> <p>N/A <input checked="" type="checkbox"/></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> <p>(i) 40 % on an exposure value-weighted average</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</p>	<p>2 (b) (i) applies:</p> <p>See the “Loan Warranties – Loans”</p> <p>(bb) No Loan shall cause the standardised risk weight calculated in respect of the Portfolio on an exposure value-weighted average basis for the portfolio to exceed 40% as at the Cut-Off Date, as such terms are</p>		<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p>

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<p>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>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>described in Article 243 of the CRR.</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>(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</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</p>	<p>2 (b) (i) applies - See the "Loan Warranties – Mortgages (a)".</p>		<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p> <p>N/A <input type="checkbox"/></p>

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that asset are also included in the securitisation;	that asset are also included in the securitisation;			
(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).	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 the “Loan Warranties – Loans (z)” “No Loan had an Indexed Current LTV greater than 95 per cent. as at the Cut-Off Date.”		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>