

# **CRR ASSESSMENT**

## **SILK ROAD FINANCE NUMBER SIX PLC**



PRIME COLLATERALISED SECURITIES (PCS) UK LIMITED

3<sup>rd</sup> December 2019

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**This is a CRR Assessment.**

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**3<sup>rd</sup> December 2019**

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## Prime Collateralised Securities (PCS) CRR Assessment

Individual(s) undertaking the assessment	Robert Leach
Date of Verification	3 December 2019
<b>The transaction to be verified (the “Transaction”)</b>	<b>SILK ROAD FINANCE NUMBER SIX PLC</b>
Issuer	SILK ROAD FINANCE NUMBER SIX PLC
Originator	The Co-operative Bank p.l.c.
ISIN	XS2078665127
Arranger(s)	HSBC Bank plc, BofA Securities
Lead Manager(s)	HSBC Bank plc, BofA Securities
Transaction Legal Counsel	Allen & Overy LLP
Rating Agencies	Moody’s, Fitch
Stock Exchange	Euronext Dublin (Irish Stock Exchange)
Closing Date	3 December 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 Prospectus, SUMMARY OF THE KEY TRANSACTION DOCUMENTS</p> <p>Representations and Warranties in the Mortgage Sale Agreement</p> <p>See also Prospectus, CHARACTERISTICS OF THE PROVISIONAL PORTFOLIO</p>	<p>Aggregate exposure to a single obligor does not exceed 2% of the pool.</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>See Prospectus, SUMMARY OF THE KEY TRANSACTION DOCUMENTS</p> <p>Mortgage Sale Agreement</p> <p>Representations and Warranties in the Mortgage Sale Agreement (sss) as at the Closing Date, each Loan has a standardised risk weight equal to or smaller than</p>	<p>2(b)(i) applies.</p> <p>As at the Closing Date, each Loan has a standardised risk weight equal to or smaller than 40 per cent. on an exposure value-weighted average basis for the Portfolio, as such terms are described in Article 243 of the CRR</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 (e)</i> 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 (e)</i> 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>40 per cent. on an exposure value-weighted average basis for the Portfolio, as such terms are 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>See Prospectus, <i>THE LOANS</i>. Security All of the Mortgages are secured by first ranking mortgages.</p>	<p>All of the Mortgages are secured by first ranking mortgages.</p>	<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p> <p>N/A <input type="checkbox"/></p>

Legislative text	CRR criteria	Identifying document and checking page reference	Checking comments	Criteria fulfilled Yes / No
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 Prospectus, <i>CHARACTERISTICS OF THE PROVISIONAL PORTFOLIO</i> .  The maximum, minimum and weighted average current indexed Loan to Value Ratio as at the Portfolio Reference Date of all the Loans is 97.79 per cent, 4.00 per cent. and 68.86 per cent. respectively.	No loan in the transaction has a current indexed LTV greater than 100%.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>