

**Provisional**  
**STS Term Verification Checklist**  
**GEMGARTO 2023-1 PLC**



PRIME COLLATERALISED SECURITIES (PCS) UK LIMITED

24<sup>th</sup> November 2023

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This is the Provisional STS Term Verification Checklist for STS Term Verifications.

This Provisional STS Term Verification Checklist must be read together with the PCS Procedures Manual and the PCS Term Evidentiary Standards Manual. This document is based upon the draft materials received by PCS as at the date of this document. Any page references in this document are to the prospectus unless otherwise stated.

This Provisional STS Term Verification Checklist is not the final STS Term Verification and is based on the draft documents and information provided to PCS by or on behalf of the originator as of the date of this assessment.

PCS comments in this Provisional STS Term Verification Checklist are based on PCS' interpretation of the STS Regulation (the "Regulation") informed by (a) the text of the Regulation itself, (b) the EBA guidelines and recommendations issued in accordance with Article 19(2) of the Regulation (the "EBA Guidelines") and (c) any relevant national competent authorities interpretation of the STS criteria to the extent known to PCS.

It is anticipated at the date of this Provisional STS Term Verification Checklist a Final STS Term Verification Checklist for STS Term Verification will be made available at or around closing of the transaction. However, such Final STS Term Verification Checklist for STS Term Verifications will be based upon the final materials received by PCS and will only be made available on a fully ticked basis if no material adverse changes have been made to the transaction or the relevant material which, upon becoming known to PCS, would not adversely change our analysis. Therefore, no guarantees can be provided that such Final STS Term Verification Checklist for STS Term Verification will be made available on a fully ticked basis.

It is important that the reader of this checklist reviews and understands the disclaimer referred to on the following page. Note that all comments on the disclaimer relate to both Provisional STS Term Checklist for STS Term Verifications and the Final STS Term Checklist for STS Term Verifications.

**24<sup>th</sup> November 2023**

## STS Disclaimer

Neither an STS Verification, nor a CRR Assessment, nor an LCR Assessment is a recommendation to buy, sell or hold securities. None are investment advice whether generally or as defined under Markets in Financial Instruments Directive (2004/39/EC) and none are a credit rating whether generally or as defined under the Credit Rating Agency Regulation (1060/2009/EC) or any post-Brexit successor legislation in the United Kingdom.

PCS EU and PCS UK are authorised respectively by the French Autorité des Marchés Financiers and by the United Kingdom Financial Conduct Authority as third-party verification agents pursuant to article 28 of Regulation (EU) 2017/2402 (the “**STS Regulation**”) and The Securitisation (Amendment) (EU Exit) Regulations 2019.

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By assessing the CRR status of any securities or financing, neither the PCS Association nor PCS UK nor PCS EU express any views about the creditworthiness of these securities or financings or their suitability for any existing or potential investor or as to whether there will be a ready, liquid market for these securities or financings.

Equally, by completing (either positively or negatively) any CRR status assessment of certain instruments, no statement of any kind is made as to the value or price of these instruments or the appropriateness of the interest rate they carry (if any).

In the provision of any CRR Assessment, PCS has based its decision on information provided directly and indirectly by the originator or sponsor of the relevant securitisation. Specifically, it has relied on statements made in the relevant prospectus or deal sheet, documentation and/or in certificates provided by, or on behalf of, the originator or sponsor in accordance with PCS’ published procedures for the relevant PCS verification or assessment. You should make yourself familiar with these procedures to understand fully how any PCS service is completed. These can be found at <https://pcsmarket.org/> (the “**PCS Website**”). Neither the PCS Association nor PCS UK nor PCS EU undertake their own direct verification of the underlying facts stated in the prospectus, deal sheet, documentation or certificates for the relevant instruments and the completion of any CRR Assessment is not a confirmation or implication that the information provided to it by or on behalf of the originator or sponsor is accurate or complete.

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When entering any of the “Transaction” sections of the PCS Website, you will be asked to declare that you are allowed to do so under the legislation of your country. The circulation and distribution of information regarding securitisation instruments (including securities) that is available on the PCS Website may be restricted in certain jurisdictions. Persons receiving any information or documents with respect to or in connection with instruments (including securities) available on the PCS Website are required to inform themselves of and to observe all applicable restrictions.

## PRIME COLLATERALISED SECURITIES (PCS) STS Verification

Individual(s) undertaking the assessment	Robert Leach
Date of Verification	24 November 2023
<b>The transaction to be verified (the "Transaction")</b>	<b>GEMGARTO 2023-1 PLC</b>
Issuer	GEMGARTO 2023-1 PLC
Originator	Kensington Mortgage Company Limited
Lead Manager(s)	Barclays Bank PLC
Transaction Legal Counsel	Allen & Overy
Rating Agencies	DBRS, Moody's
Stock Exchange	London Stock Exchange
Closing Date	[TBD]

PCS confirms that all checklist points have been verified as detailed in the associated comment box in the checklist below.

A summary of the checklist points by article is set out in the table of contents on the next page together with a reference to the respective article contents. To examine a specific article from the list below, please click on the article description to be taken directly to the relevant section of the checklist.

Within the checklist, the relevant legislative text is set out in blue introductory boxes with specific criteria for our verification listed underneath.

Article	Summary of Article Contents	PCS Verified	
Article 20 – Simplicity			
20(1)	<a href="#">True sale</a>	1	✓
20(2-3)	<a href="#">Severe clawback</a>	2	✓
20(4)	<a href="#">True sale with intermediate steps</a>	3	✓
20(5)	<a href="#">Assignment perfection</a>	4	✓
20(6)	<a href="#">Encumbrances to enforceability of true sale</a>	5	✓
20(7)	<a href="#">Eligibility criteria, active portfolio management, and exposure transferred after closing</a>	6 - 8	✓
20(8)	<a href="#">Homogeneity, enforceability, full recourse, periodic payment streams, no transferable securities</a>	9 - 14	✓
20(9)	<a href="#">No securitisation positions</a>	15	✓
20(10)	<a href="#">Origination, underwriting standards, unverified residential loans, assessment of creditworthiness, originator expertise</a>	16 - 21	✓
20(11)	<a href="#">No undue delay after selection, no exposures in default or to credit-impaired or insolvent debtors/guarantors, portion of restructured debtors, adverse credit history, higher pool risk</a>	22 - 30	✓
20(12)	<a href="#">At least one payment made</a>	31	✓
20(13)	<a href="#">No predominant dependence on the sale of asset</a>	32	✓
Article 21 – Standardisation			
21(1)	<a href="#">Risk retention</a>	33	✓
21(2)	<a href="#">Appropriate mitigation of interest-rate and currency risks and disclosure, no further derivatives and hedging derivatives according to common standards</a>	34 - 39	✓
21(3)	<a href="#">Referenced interest payments</a>	40	✓
21(4)	<a href="#">Requirements in the event of enforcement or delivery of acceleration notice: no cash trap, sequential amortisation, no reversal, no automatic liquidation</a>	41 - 44	✓
21(5)	<a href="#">Non-sequential priority of payments</a>	45	✓
21(6)	<a href="#">Early amortisation provisions/triggers for termination of revolving period</a>	46 - 49	✓
21(7)	<a href="#">Duties, responsibilities, and replacement of transaction parties</a>	50 - 52	✓
21(8)	<a href="#">Expertise of the servicer</a>	53 - 54	✓
21(9)	<a href="#">Remedies and actions by servicer related to delinquency and default of debtor, priorities of payments, triggers for changes, obligation to report</a>	55 - 59	✓
21(10)	<a href="#">Resolution of investor conflicts and fiduciary party responsibilities and duties</a>	60 - 61	✓
Articles 22 and 7 – Transparency			
22(1)	<a href="#">Historical asset data</a>	62 - 64	✓
22(2)	<a href="#">AUP/asset verification</a>	65 - 66	✓
22(3)	<a href="#">Liability cashflow model</a>	67 - 68	✓
22(4)	<a href="#">Environmental performance of asset</a>	69	✓
22(5)	<a href="#">Responsibility for article 7, information disclosure before pricing and 15 days after closing</a>	70 - 73	✓
7(1)	<a href="#">Transparency requirements: underlying loan data, documentation, priority of payments, transaction summary, STS notification, investor report, inside information, significant event report, simultaneous, without delay</a>	74 - 83	✓
7(2)	<a href="#">Transparency requirements: securitisation repository, designation of responsible entity</a>	84 - 85	✓

**Article 20.1.** The title to the underlying exposures shall be acquired by the SSPE by means of a true sale or assignment or transfer with the same legal effect in a manner that is enforceable against the seller or any other third party. The transfer of the title to the SSPE shall not be subject to severe clawback provisions in the event of the seller's insolvency.

1

**STS Criteria**

1. The title to the underlying exposures shall be acquired by the SSPE by means of a true sale or assignment or transfer with the same legal effect in a manner that is enforceable against the seller or any other third party.

**Verified?****YES****PCS Comments**

See Prospectus, *ASSIGNMENT OF THE MORTGAGE LOANS AND RELATED SECURITY*.

Pursuant to the terms of the Mortgage Sale Agreement entered into on the Closing Date between the Seller and the Issuer, the Seller has agreed to sell Mortgage Loans and their Related Security to the Issuer. [...] KMC has previously sold an equitable interest in the Mortgage Loans and their Related Security to BBUKPLC, and is re-acquiring them pursuant to the KMC/BUK Mortgage Sale Agreement. KMC has remained the legal title holder and servicer of the Mortgage Loans in the Mortgage Portfolio since the origination of such loans.

As at the date of this Prospectus, the collateral to be sold by the Seller to the Issuer to support the Issuer's obligations under the Notes will comprise residential mortgage loans originated by the Seller and secured over Mortgaged Properties situated in England, Wales or Scotland.

**Acquisition of Mortgage Loans on the Closing Date**

KMC will acquire the beneficial interest to the Mortgage Loans in the Mortgage Portfolio on the Closing Date pursuant to the KMC/BUK Mortgage Sale Agreement. On the Closing Date, KMC will sell its interest in the Mortgage Portfolio to the Issuer.

**Sale by the Seller of Mortgage Loans and Related Security**

The Mortgage Portfolio will consist of Mortgage Loans and their Related Security sold by the Seller to the Issuer in accordance with the terms of the Mortgage Sale Agreement on the Closing Date.

In exchange for the sale of the Mortgage Loans and their Related Security to the Issuer, the Seller will receive a combination of:

- (a) the Initial Purchase Price (being a cash payment to be made by the Issuer from the proceeds of the issuance of the Notes); and
- (b) the deferred consideration consisting of the Senior Deferred Consideration and the Residual Deferred Consideration.

Any "sale" or "equitable assignment" of mortgage loans referred to in this Prospectus will, in relation to the Scottish Mortgage Loans, be given effect by the Scottish Declaration of Trust.

**Transfer of title to the Mortgage Loans to the Issuer**

English Mortgage Loans will be sold by the Seller to the Issuer by way of equitable assignment. Scottish Mortgage Loans will be sold by the Seller to the Issuer by way of the Scottish Declaration of Trust under which the beneficiary's interest in such trust will be vested in the Issuer. In relation to Scottish Mortgage Loans, references in this document to a sale or an equitable assignment of Mortgage Loans or to Mortgage Loans having been sold are to be read as references to the making of such Scottish Declaration of Trust. Such beneficiary's interest (as opposed to the legal title) cannot be registered or recorded in HM Land Registry or the Registers of Scotland. As a result, legal title to Mortgage Loans and their Related Security will remain with the Legal Title Holder until legal assignments (in relation to English Mortgage Loans) or assignments (in relation to Scottish Mortgage Loans) are delivered by the Legal Title Holder to the Issuer and notice of the sale is given by the Legal Title Holder to the Borrowers pursuant to the terms of the Servicing Agreement.

See Prospectus.

## Underlying assets

The Issuer's primary source of funds to make payments on the Notes, the Senior Deferred Consideration and the Residual Deferred Consideration will be payments received in respect of a portfolio of first ranking residential mortgage loans originated by Kensington Mortgage Company Limited and secured on properties located in England, Wales and Scotland which will be assigned to the Issuer on the Closing Date in accordance with the terms of the Mortgage Sale Agreement. The Rated Notes and the Class G Notes will be secured by the Mortgage Portfolio. KMC has previously sold an equitable interest in the Mortgage Loans and their Related Security to BBUKPLC, and is re-acquiring them pursuant to the KMC/BUK Mortgage Sale Agreement. KMC has remained the legal title holder and servicer of the Mortgage Loans in the Mortgage Portfolio since the origination of such loans.

See Prospectus, *THE SELLER, THE LEGAL TITLE HOLDER AND THE SERVICER*.

KMC will acquire the beneficial interest in the Mortgage Loans pursuant to the KMC/BUK Mortgage Sale Agreement. KMC is an originator pursuant to Article 2(3)(a) of the UK Securitisation Regulation with respect to those Mortgage Loans to which interest it acquires pursuant to the KMC/BUK Mortgage Sale Agreement.

*"True sale" is not a legal concept but a rating agency creation.*

*The essence of a "true sale" is that the property in the securitised assets has legally moved from the originator/seller to the SSPE in such a way that the SSPE's ownership will be recognised as a matter of law, including and especially in the case of the insolvency of the originator/seller. In a "true sale" the insolvency officer and creditors of the insolvent originator/seller are not able to satisfy the claims of the originator/seller's creditor out of the proceeds of the securitised assets. Following a "true sale" there is no legal device by which the assets can automatically revert to the originator/seller's ownership. Such automatic reversion is associated with security interests and anathema to a "true sale".*

*This is clearly stated in the wording of the Regulation (20.1). The expression "transfer to the same effect" indicates that, as long as the conditions in the preceding paragraph are met, the Regulation does not seek to limit the type of legal devices which can be used to effect such transfer of title.*

*The issue of "true sale" is separate from the issue of "clawback". "Clawback" refers to legal processes through which, in the insolvency of the seller of an asset, an insolvency officer is entitled to reverse the sale – even in cases where a "true sale" has taken place.*

*All European jurisdictions, to PCS' knowledge, have rules allowing for clawbacks. Clawbacks are usually rules to avoid a company heading towards insolvency from "defrauding" its existing creditors either by selling assets at very low prices (to friends and relations) or unfairly preferring certain creditors over others.*

*The Regulation (20.1) therefore does not require STS "true sales" to be clawback proof since this would mean that no European securitisation could ever be STS. It does require the sale not to be subject to "severe clawback". The Regulation does not define "severe clawback" but gives an example (20.2) where a clawback happens for no reasons. The Regulation (20.3) also explicitly excludes from the definition of "severe clawback" the traditional European basis for such devices which all come under the general category of "preferences".*

*PCS further notes that the examples (20.2 and 20.3) refer to the insolvency law of a jurisdiction and therefore believes that clawback risk is to be assessed on a jurisdictional basis rather than on a transactional basis. Finally, PCS does not believe and nor is there any evidence that the legislators or regulatory authorities are seeking to craft a higher standard than that which has been used for decades by the market and was the basis for the legislative text.*

*Based on the above considerations, PCS believes that transfers from jurisdictions meeting the following criteria – absent any other indications – shall not fall within the definition of "severe clawback":*

- *Clawback requires an unfair preference "defrauding" creditors;*
- *Clawback puts the burden of proof on the insolvency officer or creditors – in other words it cannot be automatic nor require the purchaser to prove their innocence.*

*Since "severe clawback" is a jurisdictional concept, in analysing this issue PCS will therefore first seek to determine the Originator's jurisdiction for the purposes of insolvency law. This would be its centre of main interest or "COMI".*

*The second step would be to determine whether the relevant COMI contains severe claw back provisions in its insolvency legislation. Although the determination of a COMI can be a technically fraught analysis of international conflicts of law, PCS notes that in the vast majority of securitisations there is no real issue as the COMI is self-evident.*

*The legal opinions from Allen & Overy and Shepherd and Wedderburn confirm that the equitable assignments of the beneficial interest which are described above meet the definition of "true sale" outlined above.*

*In the case of the Seller, Kensington, a company operating and registered in the United Kingdom, and the COMI is considered the United Kingdom. See section, THE SELLER, THE LEGAL TITLE HOLDER AND THE SERVICER, confirming that the COMI of the Seller is and will be maintained in England and Wales.*

*United Kingdom insolvency law provides for clawback in the cases of preferences and transactions at an undervalue and require the insolvency officer to prove that case. Therefore, and as confirmed by the Opinions, the transfer is not, in our view, subject to "severe clawback".*

**Article 20.1** [...] The transfer of the title to the SSPE shall not be subject to severe clawback provisions in the event of the seller's insolvency.

**Article 20.2** For the purpose of paragraph 1, any of the following shall constitute severe clawback provisions:

(a) provisions which allow the liquidator of the seller to invalidate the sale of the underlying exposures solely on the basis that it was concluded within a certain period before the declaration of the seller's insolvency;

(b) provisions where the SSPE can only prevent the invalidation referred to in point (a) if it can prove that it was not aware of the insolvency of the seller at the time of sale..

**Article 20.3.** For the purpose of paragraph 1, clawback provisions in national insolvency laws that allow the liquidator or a court to invalidate the sale of underlying exposures in case of fraudulent transfers, unfair prejudice to creditors or of transfers intended to improperly favour particular creditors over others, shall not constitute severe clawback provisions.

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**STS Criteria**

2. The transfer of the title to the SSPE shall not be subject to severe clawback provisions in the event of the seller's insolvency.

**Verified?****YES****PCS Comments**

See Prospectus, *THE SELLER, THE LEGAL TITLE HOLDER AND THE SERVICER*.

Pursuant to the Mortgage Sale Agreement, KMC undertakes that it will maintain its "centre of main interests" (as defined in the Recast EU Insolvency Regulation as it forms part of domestic law of the United Kingdom as amended by the Insolvency (Amendment) (EU Exit) Regulations 2019 (SI 2019/146)) and Insolvency (Amendment) (EU Exit) Regulations 2020 (SI 2020/647)) in England and Wales and that it has no "establishment" (as that expression is defined in the Recast EU Insolvency Regulation as it forms part of domestic law of the United Kingdom as amended by the Insolvency (Amendment) (EU Exit) Regulations 2019 (SI 2019/146)) and Insolvency (Amendment) (EU Exit) Regulations 2020 (SI 2020/647)) in any jurisdiction other than England and Wales.

*COMI is in the UK. The UK does not have severe clawback provisions. See comment under checklist point 1.*



**Article 20.4.** Where the seller is not the original lender, the true sale or assignment or transfer with the same legal effect of the underlying exposures to the seller, whether that true sale or assignment or transfer with the same legal effect is direct or through one or more intermediate steps, shall meet the requirements set out in paragraphs 1 to 3.

3	<p><b>STS Criteria</b></p> <p>3. Where the seller is not the original lender, the true sale or assignment or transfer with the same legal effect of the underlying exposures to the seller, whether that true sale or assignment or transfer with the same legal effect is direct or through one or more intermediate steps, shall meet the requirements set out in paragraphs 1 to 3.</p>	<p><b>Verified?</b> <b>YES</b></p>
	<p><b>PCS Comments</b></p> <p>See Prospectus, <i>THE SELLER, THE LEGAL TITLE HOLDER AND THE SERVICER</i>.</p> <p>KMC will acquire the beneficial interest in the Mortgage Loans pursuant to the KMC/BUK Mortgage Sale Agreement. KMC is an originator pursuant to Article 2(3)(a) of the UK Securitisation Regulation with respect to those Mortgage Loans to which interest it acquires pursuant to the KMC/BUK Mortgage Sale Agreement.</p> <p>See Prospectus, <i>ASSIGNMENT OF THE MORTGAGE LOANS AND RELATED SECURITY</i>.</p> <p>Representations and warranties</p> <p>(ss) each Mortgage Loan was originated by the Seller in the ordinary course of business pursuant to underwriting standards that were no less stringent than those that the Seller applied at the time of origination to similar loans that are not securitised;</p>	

**Article 20.5.** Where the transfer of the underlying exposures is performed by means of an assignment and perfected at a later stage than at the closing of the transaction, the triggers to affect such perfection shall, at least include the following events:

- (a) severe deterioration in the seller credit quality standing;
- (b) insolvency of the seller; and
- (c) unremedied breaches of contractual obligations by the seller, including the seller's default.

4	<p><b>STS Criteria</b></p> <p>4. Where the transfer of the underlying exposures is performed by means of an assignment and perfected at a later stage than at the closing of the transaction, the triggers to effect such perfection shall, at least include the following events:</p> <ul style="list-style-type: none"> <li>(a) severe deterioration in the seller credit quality standing;</li> <li>(b) insolvency of the seller; and</li> <li>(c) unremedied breaches of contractual obligations by the seller, including the seller's default.</li> </ul>	<p><b>Verified?</b> <b>YES</b></p>
	<p><b>PCS Comments</b></p> <p>See Prospectus, <i>ASSIGNMENT OF THE MORTGAGE LOANS AND RELATED SECURITY</i>.</p> <p>Transfer of title to the Mortgage Loans to the Issuer</p>	

Legal assignment or assignation (as appropriate) of the Mortgage Loans and their Related Security to the Issuer (including any notification of such legal assignment or assignation (as appropriate) to the Borrower and, where appropriate, their registration or recording in the relevant property register) will be deferred and will be completed after the earliest of the following events (each a "Perfection Trigger Event"):

- (a) the occurrence of an Event of Default and delivery of an Enforcement Notice;
- (b) the occurrence of an Insolvency Event in relation to the Seller;
- (c) unless otherwise agreed by the Security Trustee, the termination of the Legal Title Holder's role as Servicer under the Servicing Agreement, unless as at the relevant date of termination any substitute servicer is a member of the Barclays Group;
- (d) the Legal Title Holder and/or the Issuer being required to perfect legal title to the Mortgage Loans and their Related Security by an order of a court of competent jurisdiction, a change in law occurring after the Closing Date, or by a regulatory authority of which the Legal Title Holder is a member or any organisation whose members comprise (but are not necessarily limited to) mortgage lenders with whose instructions it is customary for the Legal Title Holder to comply;
- (e) the Security created under or granted pursuant to the Deed of Charge or any material part of that Security being, in the opinion of the Security Trustee, in jeopardy;
- (f) the Legal Title Holder requesting a transfer by way of assignment or assignation (as appropriate) by giving notice in writing to the Issuer and the Security Trustee;
- (g) a default by the Seller in the performance of its covenants and obligations under the Servicing Agreement such breach, where capable of remedy, is not remedied to the reasonable satisfaction of the Security Trustee within 90 calendar days;
- (h) all or any part of the property, business, undertakings, assets or revenues of the Seller having an aggregate value in excess of £25,000,000 having been attached as a result of any distress, execution or diligence being levied or any encumbrancer taking possession or similar attachment and such attachment having not been lifted within 30 days.

*Criterion 4 requires two steps:*

- *To determine whether the transfer of the assets is by means of an unperfected assignment; and*
- *If it is, whether the transaction contains the requisite triggers.*

*In the absence of any definition of "an assignment perfected at a later stage" in the Regulation or the EBA Guidelines and without additional views from the UK Financial Conduct Authority it is not possible to determine with finality whether an English equitable assignment is "unperfected" within the meaning of the Regulation – as distinguished from the meaning of the English rules of equity.*

*PCS believes there are good reasons why the Regulation's term of "an assignment perfected at a later stage" does not encompass an English equitable assignment.*

*However, this is not a question that is required to be answered in the case of the Transaction since, even if equitable assignments are unperfected assignments as defined in the Regulation, the requirements of the criterion are met by the Transaction.*

*PCS has measured the trigger events against the EBA Guidelines.*

*20.5(a) No absolute definition of "severe deterioration" can be given, but clearly the Regulation is seeking to avoid requiring a "hair trigger" deterioration. In other words, an originator could provide a "hair trigger" deterioration if it wanted to. Therefore, the rule does not require an originator or investor to weigh carefully the severity of the trigger so long as it meets the requirements of the EBA Guidelines to be related to the seller's credit standing, be observable and related to financial health.*

*The trigger provided in the Transaction meets these requirements. (g)*

*20.5(b) The insolvency trigger is in the Transaction. (b)*

20.5(c) The Regulation refers to “unremedied breaches of contractual obligations by the seller, including the seller’s default”.

PCS notes that neither the Regulation nor the EBA Guidelines specify which contractual obligations are targeted. One can assume that this cannot possibly mean any seller contractual obligation since most financial institutions have millions of contractual obligations under tens of thousands of contracts. It is not conceivable that, in order to protect a securitisation, a transfer could be required resulting from a trivial breach of a totally unrelated contractual provision (e.g. to keep the walls painted on a leased property unconnected to the transaction).

PCS also notes that the Regulation clearly does not say “any breaches of contractual obligations”. Therefore, the Regulation must be aiming at an undefined sub-set of contractual obligations. In the absence of any indication in the Regulation or EBA Guidelines as to what this sub-set may be, PCS concludes, until clarification may be provided, that it is up to the originator to define which sub-set of obligations should trigger a possible perfection.

PCS does believe though that the Regulation must be interpreted in a purposive manner – as evidenced by the EBA Guidelines. Therefore, the sub-set of obligations selected by the originator cannot be capricious but should have some connection with the risks that would be run by investors if the seller should encounter a problem prior to perfection of the title.

The unremedied breach trigger is in the Transaction.

**Article 20.6.** The seller shall provide representations and warranties that, to the best of its knowledge, the underlying exposures included in the securitisation are not encumbered or otherwise in a condition that can be foreseen to adversely affect the enforceability of the true sale or assignment or transfer with the same legal effect.

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**STS Criteria**

5. The seller shall provide representations and warranties that, to the best of its knowledge, the underlying exposures included in the securitisation are not encumbered or otherwise in a condition that can be foreseen to adversely affect the enforceability of the true sale or assignment or transfer with the same legal effect.

**Verified?**  
**YES**

**PCS Comments**

See Prospectus, ASSIGNMENT OF THE MORTGAGE LOANS AND RELATED SECURITY.

Representations and warranties

(b) subject to completion of any registration which may be pending at HM Land Registry or the Registers of Scotland, the Legal Title Holder is the absolute unencumbered legal owner and beneficial owner of the Mortgage Loan, the Related Security and all property to be sold and assigned by the Seller to the Issuer pursuant to the Mortgage Sale Agreement, and the Seller has not assigned (whether by way of absolute assignment or assignation or by way of security only), transferred, charged, disposed of, created a trust in respect of or dealt with the benefit of any of the Mortgage Loans or their related Mortgages, any of the other rights relating thereto or any of the property, rights, titles, interests or benefits to be sold and assigned pursuant to the Mortgage Sale Agreement other than pursuant to the Mortgage Sale Agreement and the KMC/BUK Mortgage Sale Agreement;

(h) subject to completion of any registration or recording which may be pending at HM Land Registry or the Registers of Scotland, the relevant Mortgages are not over land, title to which is not registered or recorded at HM Land Registry or the Registers of Scotland;

(i) all steps necessary to perfect the Legal Title Holder's title to each Mortgage Loan and its Related Security were duly taken at the appropriate time or are in the process of being taken with all due diligence;

(j) no lien or right of set-off or counterclaim (including analogous rights under Scots law) has been created or arisen between the Legal Title Holder and any Borrower which would entitle such Borrower to reduce the amount of any payment otherwise due under the relevant Mortgage Loan save in relation to the Unfair Terms in Consumer Contracts Regulations 1994, the Unfair Terms in Consumer Contracts Regulations 1999 or the Consumer Rights Act (as applicable) and save in relation to Section 150 of the FSMA;

(hh) all formal approvals, consents and other steps necessary to permit an equitable or beneficial transfer of, or a declaration of trust over, and a transfer of servicing away from the Seller of the Mortgage Loan and their related Mortgages to be sold under the Mortgage Sale Agreement and the KMC/BUK Mortgage Sale Agreement whenever required under the Transaction Documents have been obtained or taken and there is no requirement in order for such transfer to be effective to notify the Borrower before, on or after any such equitable or beneficial transfer or declaration of trust. Neither the entry by the Seller into the Mortgage Sale Agreement, the KMC/BUK Mortgage Sale Agreement (in its capacity as as purchaser), nor any sale, transfer, assignment, assignation or creation of trust contemplated by the Mortgage Sale Agreement or the KMC/BUK Mortgage Sale Agreement and their related agreements, materially adversely affects or will materially adversely affect any of the Mortgage Loans and their Related Security and the Seller may enter into the Mortgage Sale Agreement, and the KMC/BUK Mortgage Sale Agreement (in its capacity as purchaser) and, as applicable, freely sell, transfer, assign and enter into trust arrangements in respect of all its respective rights, title, interests and benefits therein as contemplated in the Transaction Documents without breaching any term or condition applying to any of the Mortgage Loans or their Related Security;

#### Product Switches

The obligation of the Issuer to accept any Product Switch in respect of a Mortgage Loan which is in arrears will be subject to satisfaction by the third Business Day of the following month after the Product Switch was made of the following conditions:

(c) there was no breach of the Mortgage Loan Warranties in respect of the Mortgage Loan subject to that Product Switch on the last day of the Monthly Calculation Period in which the relevant Product Switch Effective Date occurred that could have a material adverse effect on that Mortgage Loan or its Related Security.

**Article 20.7.** The underlying exposures transferred from, or assigned by, the seller to the SSPE shall meet pre-determined, clear and documented eligibility criteria which do not allow for active portfolio management of those exposures on a discretionary basis. For the purpose of this paragraph, substitution of exposures that are in breach of representations and warranties shall not be considered active portfolio management. Exposures transferred to the SSPE after the closing of the transaction shall meet the eligibility criteria applied to the initial underlying exposures.

#### 6 STS Criteria

6. The underlying exposures transferred from, or assigned by, the seller to the SSPE shall meet pre-determined, clear and documented eligibility criteria....

#### Verified?

YES

#### PCS Comments

See Prospectus, *ASSIGNMENT OF THE MORTGAGE LOANS AND RELATED SECURITY*.

#### Eligibility Criteria

The sale of a Mortgage Loan and its Related Security to the Issuer will be subject to that Mortgage Loan satisfying the following "Eligibility Criteria" on, and as at, the Cut-Off Date: [...]

#### Representations and warranties

Warranties will be given as of the Cut-Off Date by the Seller in respect of the relevant Mortgage Loans and their Related Security sold by the Seller to the Issuer on the Closing Date, pursuant to the Mortgage Sale Agreement ("Mortgage Loan Warranties"). None of the Issuer, the Security Trustee or the Note Trustee has made or has caused to be made on its behalf any enquiries, searches or investigations in respect of the Mortgage Loans and their Related Security to be sold to the Issuer. Instead, each is relying entirely on the Mortgage Loan Warranties. The Mortgage Loan Warranties are as follows: [...]

*The EBA Guidelines clarify that "clear" does not mean easily readable or comprehended by a non-expert. In the Regulation a criterion is "clear" when a court or tribunal could determine whether, presumably in all cases, the criterion is met for each asset. In the Regulation, "clear" is about certainty of determination.*

PCS has read the eligibility criteria in the Prospectus. As they are mandatory, they meet the “predetermined” requirement. As they are in the Prospectus, they meet the “documented” requirement. PCS has also concluded that they allow determination in each case and so meet the “clear” requirement.		
7	<b>STS Criteria</b> 7. Which do not allow for active portfolio management of those exposures on a discretionary basis. For the purpose of this paragraph, substitution of exposures that are in breach of representations and warranties shall not be considered active portfolio management.	<b>Verified?</b> <b>YES</b>
	<b>PCS Comments</b> <p>See Prospectus, <i>ASSIGNMENT OF THE MORTGAGE LOANS AND RELATED SECURITY</i>.</p> <p>No active portfolio management</p> <p>The Seller’s rights or obligations to sell the Mortgage Loans and their Related Security to the Issuer and/or the Seller’s and/or Legal Title Holder’s rights or obligations to repurchase the Mortgage Loans and their Related Security from the Issuer pursuant to the Mortgage Sale Agreement (including with respect to breach of the Mortgage Loan Warranties or pursuant to a Further Advances Notice or Product Switches Notice (as applicable)), do not constitute active portfolio management for the purposes of Article 20(7) of the UK Securitisation Regulation.</p> <p>See Prospectus, <i>ASSIGNMENT OF THE MORTGAGE LOANS AND RELATED SECURITY</i>.</p> <p>Repurchases and notification of breach of Mortgage Loan Warranty</p> <p>See Prospectus, <i>THE SERVICER AND THE SERVICING AGREEMENT</i>.</p> <p>Repurchases</p> <p>Further Advances</p> <p>Product Switches</p> <p>See Prospectus, <i>OVERVIEW OF MORTGAGE PORTFOLIO AND SERVICING</i>.</p> <p>Mandatory repurchase of the Mortgage Loans and Related Security The Seller will be required to repurchase the relevant Mortgage Loans and their Related Security if (i) any Mortgage Loan Warranty proves to have been untrue, and such breach has a material adverse effect on a Mortgage Loan or its Related Security, as at the Cut-Off Date, and (ii) following the making of a Further Advance or the granting of a Product Switch (provided that the relevant Mortgage Loan subject to a Further Advance or Product Switch is not in arrears on the first Business Day following the Product Switch Effective Date or the date the Further Advance was made (as applicable)).</p> <p>Portfolio Purchase Option</p> <p>Refinancing Option</p> <p>Clean-up Purchase Option</p> <p>Risk Retention Regulatory Change Option</p> <p>Regulatory Change Event Option</p> <p>Optional redemption of the Notes for tax and other reasons</p>	

The EBA Guidelines set out seven devices to repurchase securitised assets which are not to be considered indicative of “active portfolio management”. To the extent that a transaction only contains some or all of those seven devices and does not provide any other form of repurchase, then the STS criterion will be met. If the transaction should contain a repurchase device that is not included in the EBA’s list, then an analysis will need to be conducted as to whether this additional device offends against the principles set out in the EBA Guidelines (15.a and b) as defining “active portfolio management”. PCS has reviewed the repurchase devices set out in the Prospectus they are within the allowable repurchase devices.

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**STS Criteria**

8. Exposures transferred to the SSPE after the closing of the transaction shall meet the eligibility criteria applied to the initial underlying exposures.

**Verified?****YES****PCS Comments**

The transaction is not structured with a revolving period.

With regard to Product Switches:

See Prospectus, ASSIGNMENT OF THE MORTGAGE LOANS AND RELATED SECURITY.

Product Switches

The obligation of the Issuer to accept any Product Switch in respect of a Mortgage Loan which is in arrears will be subject to satisfaction by the third Business Day of the following month after the Product Switch was made of the following conditions:

(c) there was no breach of the Mortgage Loan Warranties in respect of the Mortgage Loan subject to that Product Switch on the last day of the Monthly Calculation Period in which the relevant Product Switch Effective Date occurred that could have a material adverse effect on that Mortgage Loan or its Related Security.

*This criterion is a future event criterion. In other words, it cannot be either met or failed at the outset of the transaction. But if, at a later stage, it is not met, then the Originator will need to inform the FCA and the STS status of the securitisation will be lost.*

*Therefore, as a technical matter, this criterion is not applicable at the closing of a transaction. However, PCS will nevertheless look to see if there is a covenant on the part of the originator to comply in the future with this requirement whilst noting at the same time that the absence of any such covenant – although possibly unsettling for some investors – would not invalidate the STS status of the transaction at closing.*

**Article 20.8.** The securitisation shall be backed by a pool of underlying exposures that are homogeneous in terms of asset type, taking into account the specific characteristics relating to the cash flows of the asset type including their contractual, credit risk and prepayment characteristics. A pool of underlying exposures shall only comprise one asset type. The underlying exposures shall contain obligations that are contractually binding and enforceable, with full recourse to debtors and, where applicable, guarantors.

9

**STS Criteria**

9. The securitisation shall be backed by a pool of underlying exposures that are homogeneous in terms of asset type, taking into account the specific characteristics relating to the cash flows of the asset type including their contractual, credit risk and prepayment characteristics. A pool of underlying exposures shall only comprise one asset type.

**Verified?****YES****PCS Comments**

See Prospectus, THE MORTGAGE LOANS AND THE MORTGAGE PORTFOLIO.

## Other characteristics

The Mortgage Loans in the Mortgage Portfolio are homogeneous for purposes of Article 20(8) of the UK Securitisation Regulation, on the basis that all Mortgage Loans in the Mortgage Portfolio: (i) have been underwritten by Kensington Mortgage Company Limited, in accordance with similar underwriting standards applying similar approaches with respect to the assessment of a potential borrower's credit risk; (ii) are Repayment Mortgage Loans, Interest Only Mortgage Loans or Part and Part Mortgage Loans entered into substantially on the terms of similar standard documentation for residential mortgage loans; (iii) are serviced by the Servicer pursuant to the Servicing Agreement in accordance with the same servicing procedures with respect to monitoring, collections and administration of cash receivables generated from the Mortgage Loans; and (iv) form one asset category, namely residential loans secured with one or several mortgages on residential immovable property in England, Wales or Scotland.

*In the Transaction, the loans were underwritten on a similar basis, they are being serviced by Kensington Mortgage Company Limited according to similar servicing procedures, they are a single asset class – residential mortgage loans – and, based on the EBA's suggested approach, the loans are all originated in the same jurisdiction.*

*PCS also takes comfort that transactions containing pools with similar characteristics have always been considered to be "homogenous" by a wide consensus of market participants.*

10

**STS Criteria**

10. The underlying exposures shall contain obligations that are contractually binding and enforceable.

**Verified?****YES****PCS Comments**

See Prospectus, *ASSIGNMENT OF THE MORTGAGE LOANS AND RELATED SECURITY*.

## Representations and warranties

(c) each Mortgage Loan and the Related Security constitutes a valid and binding obligation of the Borrower enforceable in accordance with its terms and each Related Security secures the repayment of all advances, interest, costs and expenses payable by the relevant Borrower to the Seller in priority to any other charges or security registered against the relevant Mortgaged Property, provided however that this representation and warranty will not be deemed to have been breached if the reason for the invalidity, non-binding nature or enforceability is a failure to comply with the Unfair Terms in Consumer Contracts Regulations 1994 or 1999, the Consumer Rights Act 2015, the Consumer Credit Act 1974 (where such legislation applies to a particular Mortgage Loan) or the FSMA (where such legislation applies to a particular Mortgage Loan) unless there is also a breach of representation and warranty under paragraphs (d), (e) and/or (ii) below;

See Prospectus, *THE MORTGAGE LOANS AND THE MORTGAGE PORTFOLIO*.

## Other characteristics

The Mortgage Loans in the Mortgage Portfolio, as at the relevant Cut-Off Date, do not include: (i) any transferable securities for purposes of Article 20(8) of the UK Securitisation Regulation; (ii) any securitisation positions for purposes of Article 20(9) of the UK Securitisation Regulation; or (iii) any derivatives for purposes of Article 21(2) of the UK Securitisation Regulation, in each case on the basis that the Mortgage Loans in the Mortgage Portfolio have been entered into substantially on the terms of similar standard documentation for residential mortgages loans. For the purposes of Article 20(8) of the UK Securitisation Regulation, the Mortgage Loans in the Mortgage Portfolio contain obligations that are in all material respects contractually binding and enforceable, with full recourse to the relevant Borrowers and, where applicable, the relevant guarantors, subject to any laws from time to time in effect relating to bankruptcy, insolvency or other similar laws of general applicability affecting the enforcement of creditors' rights generally and the court's discretion in relation to equitable remedies. The Mortgage Loans in the Mortgage Portfolio do not include: (A) at the time of origination any loans that were marketed and underwritten on the premise that the loan applicant or, where applicable, intermediaries were made aware that the information provided by the loan applicant might not be verified by the Seller for purposes of Article 20(10) of the UK Securitisation Regulation or (B) at the time of selection for inclusion in the portfolio any exposures in default within the meaning of Article 178(1) of Regulation (EU) No 575/2013 for purposes of Article 20(11) of the UK Securitisation Regulation. The Mortgage Loans in the Mortgage Portfolio have been transferred to the Issuer after selection for inclusion in the Mortgage Portfolio without undue delay for purposes of Article 20(11) of the UK Securitisation Regulation.



11	<b><u>STS Criteria</u></b> 11. With full recourse to debtors and, where applicable, guarantors.	<b><u>Verified?</u></b> <b>YES</b>
	<b><u>PCS Comments</u></b> See point 10 above.	

**Article 20.8.** The underlying exposures shall have defined periodic payment streams, the instalments of which may differ in their amounts, relating to rental, principal, or interest payments, or to any other right to receive income from assets supporting such payments. The underlying exposures may also generate proceeds from the sale of any financed or leased assets.

12	<b><u>STS Criteria</u></b> 12. The underlying exposures shall have defined periodic payment streams, the instalments of which may differ in their amounts.	<b><u>Verified?</u></b> <b>YES</b>
	<b><u>PCS Comments</u></b> <p>See Prospectus, <i>THE MORTGAGE LOANS AND THE MORTGAGE PORTFOLIO</i>.</p> <p>Other characteristics</p> <p>The Mortgage Loans in the Mortgage Portfolio are homogeneous for purposes of Article 20(8) of the UK Securitisation Regulation, on the basis that all Mortgage Loans in the Mortgage Portfolio: (i) have been underwritten by Kensington Mortgage Company Limited, in accordance with similar underwriting standards applying similar approaches with respect to the assessment of a potential borrower's credit risk; (ii) are Repayment Mortgage Loans, Interest Only Mortgage Loans or Part and Part Mortgage Loans entered into substantially on the terms of similar standard documentation for residential mortgage loans; (iii) are serviced by the Servicer pursuant to the Servicing Agreement in accordance with the same servicing procedures with respect to monitoring, collections and administration of cash receivables generated from the Mortgage Loans; and (iv) form one asset category, namely residential loans secured with one or several mortgages on residential immovable property in England, Wales or Scotland.</p> <p>See Prospectus, <i>THE MORTGAGE LOANS AND THE MORTGAGE PORTFOLIO</i>.</p> <p>Mortgage products offered by the Seller</p> <p>The Seller offers a variety of fixed rate, variable rate and hybrid mortgage products to Borrowers. The Seller may sell to the Issuer any of the following of its mortgage products, which in each case may comprise one, or a combination, of the following:</p> <p>(a) Repayment Mortgage Loans. Borrowers typically make payments of interest and repay principal on their Mortgage Loans on a monthly basis so that, when the Mortgage Loan is scheduled to mature, the Borrower will have repaid the full amount of the principal of the Mortgage Loan ("Repayment Mortgage Loans").</p> <p>(b) Interest Only Mortgage Loans. Borrowers typically make monthly payments of interest but not of principal (ignoring, for these purposes, any temporary waiver or deferral of the payment of principal that may be granted to a Borrower from time to time) and when the Mortgage Loan matures, the entire principal amount of the Mortgage Loan is still outstanding and Borrowers must repay that amount in one lump sum; and</p> <p>(c) Part and Part Mortgage Loans. Monthly payments in respect of Part and Part Mortgage Loans are comprised of the interest due on both portions of the Mortgage Loan and the principal repayable on the portion in respect of which the Borrower is required to pay both interest and principal. The principal amount relating to the portion in respect of which the Borrower is required to pay interest only is repayable at maturity.</p>	



	Each Mortgage Loan to be included in the Mortgage Portfolio will be:	
	(a) Mortgage Loans subject to a fixed interest rate for a specified period of time and which at the expiration of that period reverts to being a Floating Rate Mortgage Loan ("Fixed Rate Mortgage Loans"); and	
	(b) Mortgage Loans subject to a variable rate of interest that is linked to the Kensington Standard Rate ("Floating Rate Mortgage Loans").	
13	<p><b>STS Criteria</b></p> <p>13. Relating to rental, principal, or interest payments, or to any other right to receive income from assets supporting such payments. The underlying exposures may also generate proceeds from the sale of any financed or leased assets.</p> <p><b>PCS Comments</b></p> <p>See point 12 above.</p> <p>See Prospectus, <i>THE MORTGAGE LOANS AND THE MORTGAGE PORTFOLIO</i>.</p> <p>The Mortgage Portfolio will consist of Mortgage Loans and their Related Security sold by the Seller to the Issuer, in accordance with the terms of the Mortgage Sale Agreement.</p> <p>Security in respect of the Mortgage Loans</p> <p>Each Mortgage Loan is secured by a charge by way of a first ranking legal mortgage over a residential property in England or Wales, or a first ranking standard security over a residential property in Scotland. Each Mortgage Loan secured over a property located in England or Wales is subject to English law and each Mortgage Loan secured over a property located in Scotland is subject to Scots law.</p> <p>Title Insurance</p> <p>In respect of Mortgage Loans in the Mortgage Portfolio, either (a) solicitors will have carried out usual investigations, searches and other actions and enquiries which a Prudent Mortgage Lender or its solicitors or conveyancers normally make when lending to an individual on the security of residential property in England, Wales or Scotland (as applicable) and in each case received a certificate of title or report on title relating to such property, or (b) title insurance will have been obtained. If title insurance was obtained, this will have been provided by a suitable provider of such insurance policies, which may include First Title Limited or XL Catlin Insurance Company UK Limited ("Title Insurance Provider") and the Issuer will have the benefit of the title policy in respect of the relevant Mortgage Loans sold to the Issuer pursuant to the Mortgage Sale Agreement.</p> <p>See Prospectus, <i>GLOSSARY</i>.</p> <p>"Mortgage Portfolio</p> <p>The portfolio of Mortgage Loans and their Related Security assigned by the Seller to the Issuer on or prior to the Closing Date, particulars of which are set out in the Mortgage Sale Agreement, but excluding any such Mortgage Loan and its Related Security which has been redeemed in full on or before the Closing Date, and (subject where applicable to the subsisting rights of redemption of the Borrowers) all right, title, interest and benefit of the Seller in and to:</p> <p>(a) all sums of principal, interest and any other sum payable or to become payable under such Mortgage Loans after the relevant Cut-Off Date, all arrears of interest and other sums payable (but not paid by the Cut-Off Date) in respect of any period before such date and the right to demand, sue for, recover, receive and give receipts for all such sums and other sums payable (but not paid before such date) in respect of any period before such date and the right to demand, sue for, recover, receive and give receipts for all such sums;</p> <p>(b) the benefit of all securities for such principal monies and interest and other sums payable, the benefit of all consents to mortgage, ranking agreements and deeds of postponement signed by occupiers and/or owners of the Mortgaged Properties, the benefit of all related MH/CP Documentation, the benefit of and the right to sue on all covenants</p>	<p><b>Verified?</b></p> <p><b>YES</b></p>

and undertakings in favour of the Seller in each such Mortgage Loan and the benefit of any guarantee, indemnity or surety contract in respect of any such Mortgage Loan and the right to exercise all powers of the Seller in relation to each such Mortgage Loan;

(c) all the estate and interest in the Mortgaged Properties in favour of the Seller, subject to redemption or cesser;

(d) to the extent that they are assignable, all causes and rights of action of the Seller against any person in connection with any report, valuation, opinion, certificate, consent or other statement of fact or opinion given in connection with any such Mortgage Loan or any such Mortgaged Property or received by the Seller in connection with the origination of any such Mortgage Loan;

(e) all proceeds from the enforcement of such Mortgage Loans and their Related Security;

(f) all right, title, interest and benefit of the Seller (both present and future) in, to and under the Third Party Building Policies (including the right to demand, sue for, receive and recover the proceeds of any claims); and

(g) all right, title, interest and benefit of the Seller (both present and future) in, to and under the Insurance Contracts to the extent they relate to the Mortgage Portfolio (including the right to demand, sue for, receive and recover the proceeds of any claims).

"Related Security"

In relation to a Mortgage Loan, the security for the repayment of that Mortgage Loan including the relevant Mortgage and all other matters applicable thereto acquired as part of the Mortgage Portfolio.

**Article 20.8.** The underlying exposures shall not include transferable securities, as defined in Article 4(1), (24) of Article 2(1) of Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012 of the European Parliament and of the Council other than corporate bonds, provided that they are not listed on a trading venue.

#### 14 STS Criteria

14. The underlying exposures shall not include transferable securities, as defined in Article 4(1), (24) of Article 2(1) of Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012 of the European Parliament and of the Council other than corporate bonds, provided that they are not listed on a trading venue.

**Verified?**  
**YES**

#### PCS Comments

See Prospectus, *THE MORTGAGE LOANS AND THE MORTGAGE PORTFOLIO*.

Other characteristics

The Mortgage Loans in the Mortgage Portfolio, as at the relevant Cut-Off Date, do not include: (i) any transferable securities for purposes of Article 20(8) of the UK Securitisation Regulation; (ii) any securitisation positions for purposes of Article 20(9) of the UK Securitisation Regulation; or (iii) any derivatives for purposes of Article 21(2) of the UK Securitisation Regulation, in each case on the basis that the Mortgage Loans in the Mortgage Portfolio have been entered into substantially on the terms of similar standard documentation for residential mortgages loans. For the purposes of Article 20(8) of the UK Securitisation Regulation, the Mortgage Loans in the Mortgage Portfolio contain obligations that are in all material respects contractually binding and enforceable, with full recourse to the relevant Borrowers and, where applicable, the relevant guarantors, subject to any laws from time to time in effect relating to bankruptcy, insolvency or other similar laws of general applicability affecting the enforcement of creditors' rights generally and the court's discretion in relation to equitable remedies. The Mortgage Loans in the Mortgage Portfolio do not include: (A) at the time of origination any loans that were marketed and underwritten on the premise that the loan applicant or, where applicable, intermediaries were made aware that the information provided by the loan applicant might not be verified by the Seller for

purposes of Article 20(10) of the UK Securitisation Regulation or (B) at the time of selection for inclusion in the portfolio any exposures in default within the meaning of Article 178(1) of Regulation (EU) No 575/2013 for purposes of Article 20(11) of the UK Securitisation Regulation. The Mortgage Loans in the Mortgage Portfolio have been transferred to the Issuer after selection for inclusion in the Mortgage Portfolio without undue delay for purposes of Article 20(11) of the UK Securitisation Regulation.

**Article 20.9.** The underlying exposures shall not include any securitisation position.

15	<b>STS Criteria</b> 15. The underlying exposures shall not include any securitisation position.	<b>Verified?</b> <b>YES</b>
	<b>PCS Comments</b> See point 14 above.	

**Article 20.10.** The underlying exposures shall be originated in the ordinary course of the originator's or original lender's business pursuant to underwriting standards that are no less stringent than those that the originator or original lender applied at the time of origination to similar exposures that are not securitised.

16	<b>STS Criteria</b> 16. The underlying exposures shall be originated in the ordinary course of the originator's or original lender's business.	<b>Verified?</b> <b>YES</b>
	<b>PCS Comments</b> See Prospectus, <i>ASSIGNMENT OF THE MORTGAGE LOANS AND RELATED SECURITY</i> . Representations and warranties (ss) each Mortgage Loan was originated by the Seller in the ordinary course of business pursuant to underwriting standards that were no less stringent than those that the Seller applied at the time of origination to similar loans that are not securitised;	
17	<b>STS Criteria</b> 17. Pursuant to underwriting standards that are no less stringent than those that the originator or original lender applied at the time of origination to similar exposures that are not securitised.	<b>Verified?</b> <b>YES</b>
	<b>PCS Comments</b> See Point 16 above. Information regarding the policies and procedures of the Seller The Seller has applied the same sound and well-defined credit-granting criteria for the Mortgage Loans as it has applied to equivalent Mortgage Loans that are not part of the Mortgage Portfolio. In particular:	

- (a) the Seller has applied the same clearly established processes for approving and, where relevant, amending, renewing and refinancing Mortgage Loans as it has applied to equivalent Mortgage Loans that are not part of the Mortgage Portfolio; and
- (b) the Seller has effective systems in place to apply those criteria and processes in order to ensure that credit-granting is based on a thorough assessment of the Borrower's creditworthiness taking appropriate account of factors relevant to verifying the prospect of the Borrower meeting his obligations under the relevant Mortgage Loan Agreement, as to which see "The Mortgage Loans and the Mortgage Portfolio – Lending Criteria".

**Article 20.10.** The underwriting standards pursuant to which the underlying exposures are originated and any material changes from prior underwriting standards shall be fully disclosed to potential investors without undue delay.

18	<p><b><u>STS Criteria</u></b></p> <p>18. The underwriting standards pursuant to which the underlying exposures are originated and any material changes from prior underwriting standards shall be fully disclosed to potential investors without undue delay.</p>	<p><b><u>Verified?</u></b></p> <p><b>YES</b></p>
	<p><b><u>PCS Comments</u></b></p> <p>See Prospectus, <i>THE MORTGAGE LOANS AND THE MORTGAGE PORTFOLIO</i>.</p> <p>Underwriting</p> <p>Lending Criteria</p> <p>See Prospectus, <i>ASSIGNMENT OF THE MORTGAGE LOANS AND RELATED SECURITY</i>.</p> <p><i>Although somewhat confusingly drafted, the EBA Guidelines make clear that the part of the criterion referring to changes from prior underwriting is a future event criterion. It applies changes in underwriting criteria that occur post-closing. In other words, it cannot be either met or failed at the outset of the transaction. But if, at a later stage, it is not met, then the Originator will need to inform ESMA and the STS status of the securitisation will be lost.</i></p> <p><i>Therefore, as a technical matter, this criterion is not applicable at the closing of a transaction. However, PCS will nevertheless look to see if there is a covenant on the part of the originator to comply in the future with this requirement whilst noting at the same time that the absence of any such covenant – although possibly unsettling for some investors – would not invalidate the STS status of the transaction at closing.</i></p> <p><i>This transaction does not have a revolving period.</i></p>	

**Article 20.10.** In the case of securitisations where the underlying exposures are residential loans, the pool of loans shall not include any loan that was marketed and underwritten on the premise that the loan applicant or, where applicable intermediaries, were made aware that the information provided might not be verified by the lender.

19	<p><b>STS Criteria</b></p> <p>19. In the case of securitisations where the underlying exposures are residential loans, the pool of loans shall not include any loan that was marketed and underwritten on the premise that the loan applicant or, where applicable intermediaries, were made aware that the information provided might not be verified by the lender.</p>	<p><b>Verified?</b> <b>YES</b></p>
	<p><b>PCS Comments</b></p> <p>See Prospectus, <i>THE MORTGAGE LOANS AND THE MORTGAGE PORTFOLIO</i>.</p> <p>Other characteristics</p> <p>The Mortgage Loans in the Mortgage Portfolio, as at the relevant Cut-Off Date, do not include: (i) any transferable securities for purposes of Article 20(8) of the UK Securitisation Regulation; (ii) any securitisation positions for purposes of Article 20(9) of the UK Securitisation Regulation; or (iii) any derivatives for purposes of Article 21(2) of the UK Securitisation Regulation, in each case on the basis that the Mortgage Loans in the Mortgage Portfolio have been entered into substantially on the terms of similar standard documentation for residential mortgages loans. For the purposes of Article 20(8) of the UK Securitisation Regulation, the Mortgage Loans in the Mortgage Portfolio contain obligations that are in all material respects contractually binding and enforceable, with full recourse to the relevant Borrowers and, where applicable, the relevant guarantors, subject to any laws from time to time in effect relating to bankruptcy, insolvency or other similar laws of general applicability affecting the enforcement of creditors' rights generally and the court's discretion in relation to equitable remedies. The Mortgage Loans in the Mortgage Portfolio do not include: (A) at the time of origination any loans that were marketed and underwritten on the premise that the loan applicant or, where applicable, intermediaries were made aware that the information provided by the loan applicant might not be verified by the Seller for purposes of Article 20(10) of the UK Securitisation Regulation or (B) at the time of selection for inclusion in the portfolio any exposures in default within the meaning of Article 178(1) of Regulation (EU) No 575/2013 for purposes of Article 20(11) of the UK Securitisation Regulation. The Mortgage Loans in the Mortgage Portfolio have been transferred to the Issuer after selection for inclusion in the Mortgage Portfolio without undue delay for purposes of Article 20(11) of the UK Securitisation Regulation.</p>	

**Article 20.10.** The assessment of the borrower's creditworthiness shall meet the requirements set out in Article 8 of Directive 2008/48/EC or paragraphs 1 to 4, point (a) of paragraph 5, and paragraph 6 of Article 18 of Directive 2014/17/EU or, where applicable, equivalent requirements in third countries.

20	<p><b>STS Criteria</b></p> <p>20. The assessment of the borrower's creditworthiness shall meet the requirements set out in Article 8 of Directive 2008/48/EC or paragraphs 1 to 4, point (a) of paragraph 5, and paragraph 6 of Article 18 of Directive 2014/17/EU or, where applicable, equivalent requirements in third countries.</p>	<p><b>Verified?</b> <b>YES</b></p>
	<p><b>PCS Comments</b></p> <p>See Prospectus, <i>CERTAIN REGULATORY REQUIREMENTS</i>.</p> <p>Information regarding the policies and procedures of the Seller</p> <p>The Seller has applied the same sound and well-defined credit-granting criteria for the Mortgage Loans as it has applied to equivalent Mortgage Loans that are not part of the Mortgage Portfolio. In particular:</p>	

- (a) the Seller has applied the same clearly established processes for approving and, where relevant, amending, renewing and refinancing Mortgage Loans as it has applied to equivalent Mortgage Loans that are not part of the Mortgage Portfolio; and
- (b) the Seller has effective systems in place to apply those criteria and processes in order to ensure that credit-granting is based on a thorough assessment of the Borrower's creditworthiness taking appropriate account of factors relevant to verifying the prospect of the Borrower meeting his obligations under the relevant Mortgage Loan Agreement, as to which see "The Mortgage Loans and the Mortgage Portfolio – Lending Criteria".
- The criterion requires consumer loans or mortgages to have been underwritten in accordance with one of two European Directives. European Directives, in contrast to Regulations, do not have direct effect but must be implemented into national law country by country.*
- Therefore, if the assets concerned, as in the case of the Transaction, are residential mortgages, the relevant Directive is 2014/17/EU. The next step is to determine which UK law transcribed this Directive into local law.*
- PCS assumes, although the Regulation and the EBA Guidelines are silent on this point, that the requirement for mortgages and consumer loans to have been underwritten in compliance with the Directives only applies to assets underwritten after these Directives were transcribed into national law. This was done in the UK via the MCD Order issued in March 2016.*

**Article 20.10.** The originator or original lender shall have expertise in originating exposures of a similar nature to those securitised.

21	<p><b>STS Criteria</b></p> <p>21. The originator or original lender shall have expertise in originating exposures of a similar nature to those securitised.</p>	<p><b>Verified?</b></p> <p><b>YES</b></p>
	<p><b>PCS Comments</b></p> <p>See Prospects, <i>THE SELLER, THE LEGAL TITLE HOLDER AND THE SERVICER</i>.</p> <p>KMC has significantly more than five years of experience in the servicing, origination and underwriting of mortgage loans similar to those in the Mortgage Portfolio.</p>	

**Article 20.11.** The underlying exposures shall be transferred to the SSPE after selection without undue delay and shall not include, at the time of selection, exposures in default within the meaning of Article 178(1) of Regulation (EU) No 575/2013...

22	<p><b>STS Criteria</b></p> <p>22. The underlying exposures shall be transferred to the SSPE after selection without undue delay...</p>	<p><b>Verified?</b></p> <p><b>YES</b></p>
	<p><b>PCS Comments</b></p> <p>See Prospectus, <i>THE MORTGAGE LOANS AND THE MORTGAGE PORTFOLIO</i>.</p> <p>Other characteristics</p> <p>The Mortgage Loans in the Mortgage Portfolio, as at the relevant Cut-Off Date, do not include: (i) any transferable securities for purposes of Article 20(8) of the UK Securitisation Regulation; (ii) any securitisation positions for purposes of Article 20(9) of the UK Securitisation Regulation; or (iii) any derivatives for purposes of Article 21(2) of the UK Securitisation Regulation.</p>	

Regulation, in each case on the basis that the Mortgage Loans in the Mortgage Portfolio have been entered into substantially on the terms of similar standard documentation for residential mortgages loans. For the purposes of Article 20(8) of the UK Securitisation Regulation, the Mortgage Loans in the Mortgage Portfolio contain obligations that are in all material respects contractually binding and enforceable, with full recourse to the relevant Borrowers and, where applicable, the relevant guarantors, subject to any laws from time to time in effect relating to bankruptcy, insolvency or other similar laws of general applicability affecting the enforcement of creditors' rights generally and the court's discretion in relation to equitable remedies. The Mortgage Loans in the Mortgage Portfolio do not include: (A) at the time of origination any loans that were marketed and underwritten on the premise that the loan applicant or, where applicable, intermediaries were made aware that the information provided by the loan applicant might not be verified by the Seller for purposes of Article 20(10) of the UK Securitisation Regulation or (B) at the time of selection for inclusion in the portfolio any exposures in default within the meaning of Article 178(1) of Regulation (EU) No 575/2013 for purposes of Article 20(11) of the UK Securitisation Regulation. The Mortgage Loans in the Mortgage Portfolio have been transferred to the Issuer after selection for inclusion in the Mortgage Portfolio without undue delay for purposes of Article 20(11) of the UK Securitisation Regulation.

See Prospectus, *GLOSSARY*.

"Cut-Off Date": 31 October 2023.

*PCS has assumed that any period of three-and-a-half months or less between pool cut date and closing will meet the requirements of the criterion. This is in line with market standards.*

23

**STS Criteria**

23. And shall not include, at the time of selection, exposures in default within the meaning of Article 178(1) of Regulation (EU) No 575/2013...

**Verified?****YES****PCS Comments**

See Prospectus, *THE MORTGAGE LOANS AND THE MORTGAGE PORTFOLIO*.

Other characteristics

The Mortgage Loans in the Mortgage Portfolio, as at the relevant Cut-Off Date, do not include: (i) any transferable securities for purposes of Article 20(8) of the UK Securitisation Regulation; (ii) any securitisation positions for purposes of Article 20(9) of the UK Securitisation Regulation; or (iii) any derivatives for purposes of Article 21(2) of the UK Securitisation Regulation, in each case on the basis that the Mortgage Loans in the Mortgage Portfolio have been entered into substantially on the terms of similar standard documentation for residential mortgages loans. For the purposes of Article 20(8) of the UK Securitisation Regulation, the Mortgage Loans in the Mortgage Portfolio contain obligations that are in all material respects contractually binding and enforceable, with full recourse to the relevant Borrowers and, where applicable, the relevant guarantors, subject to any laws from time to time in effect relating to bankruptcy, insolvency or other similar laws of general applicability affecting the enforcement of creditors' rights generally and the court's discretion in relation to equitable remedies. The Mortgage Loans in the Mortgage Portfolio do not include: (A) at the time of origination any loans that were marketed and underwritten on the premise that the loan applicant or, where applicable, intermediaries were made aware that the information provided by the loan applicant might not be verified by the Seller for purposes of Article 20(10) of the UK Securitisation Regulation or (B) at the time of selection for inclusion in the portfolio any exposures in default within the meaning of Article 178(1) of Regulation (EU) No 575/2013 for purposes of Article 20(11) of the UK Securitisation Regulation. The Mortgage Loans in the Mortgage Portfolio have been transferred to the Issuer after selection for inclusion in the Mortgage Portfolio without undue delay for purposes of Article 20(11) of the UK Securitisation Regulation.

**Article 20.11.** The underlying exposures shall be transferred to the SSPE after selection without undue delay and shall not include, at the time of selection, exposures in default within the meaning of Article 178(1) of Regulation (EU) No 575/2013 or exposures to a credit-impaired debtor or guarantor, who, to the best of the originator's or original lender's knowledge:

(a) has been declared insolvent or had a court grant his creditors a final non-appealable right of enforcement or material damages as a result of a missed payment within three years prior to the date of origination or has undergone a debt-restructuring process with regard to his non-performing exposures within three years prior to the date of transfer or assignment of the underlying exposures to the SSPE, except if:

- (i) a restructured underlying exposure has not presented new arrears since the date of the restructuring which must have taken place at least one year prior to the date of transfer or assignment of the underlying exposures to the SSPE; and
- (ii) the information provided by the originator, sponsor and SSPE in accordance with points (a) and (e)(i) of the first subparagraph of Article 7(1) explicitly sets out the proportion of restructured underlying exposures, the time and details of the restructuring as well as their performance since the date of the restructuring;

(b) was, at the time of origination, where applicable, on a public credit registry of persons with adverse credit history or, where there is no such public credit registry, another credit registry that is available to the originator or original lender; or

(c) has a credit assessment or a credit score indicating that the risk of contractually agreed payments not being made is significantly higher than for comparable exposures held by the originator which are not securitised.

24	<b>STS Criteria</b> 24. Or exposures to a credit-impaired debtor or guarantor, who, to the best of the originator's or original lender's knowledge:	<b>Verified?</b> <b>YES</b>
	<b>PCS Comments</b> See Prospectus, <i>ASSIGNMENT OF THE MORTGAGE LOANS AND RELATED SECURITY</i> . Representations and warranties (ww) no Mortgage Loan, so far as the Seller or the Legal Title Holder is aware, is a Mortgage Loan to a Borrower who is a "credit-impaired debtor" as described in Article 20(11) of the UK Securitisation Regulation and in accordance with any official guidance issued in relation thereto;	
25	<b>STS Criteria</b> 25.(a) has been declared insolvent or had a court grant his creditors a final non-appealable right of enforcement or material damages as a result of a missed payment within three years prior to the date of origination.	<b>Verified?</b> <b>YES</b>
	<b>PCS Comments</b> See point 24 above.	
26	<b>STS Criteria</b> 26. Or has undergone a debt-restructuring process with regard to his non-performing exposures within three years prior to the date of transfer or assignment of the underlying exposures to the SSPE, except if:	<b>Verified?</b> <b>YES</b>
	<b>PCS Comments</b> See point 24 above.	



27	<b><u>STS Criteria</u></b> 27. (i) a restructured underlying exposure has not presented new arrears since the date of the restructuring which must have taken place at least one year prior to the date of transfer or assignment of the underlying exposures to the SSPE; and	<b><u>Verified?</u></b> <b>YES</b>
	<b><u>PCS Comments</u></b> See point 24 above.	
28	<b><u>STS Criteria</u></b> 28. (ii) the information provided by the originator, sponsor and SSPE in accordance with points (a) and (e)(i) of the first subparagraph of Article 7(1) explicitly sets out the proportion of restructured underlying exposures, the time and details of the restructuring as well as their performance since the date of the restructuring;	<b><u>Verified?</u></b> <b>YES</b>
	<b><u>PCS Comments</u></b> See point 24 above.	
29	<b><u>STS Criteria</u></b> 29. (b) was, at the time of origination, where applicable, on a public credit registry of persons with adverse credit history or, where there is no such public credit registry, another credit registry that is available to the originator or original lender;	<b><u>Verified?</u></b> <b>YES</b>
	<b><u>PCS Comments</u></b> See point 24 above.	
30	<b><u>STS Criteria</u></b> 30. (c) has a credit assessment or a credit score indicating that the risk of contractually agreed payments not being made is significantly higher than for comparable exposures held by the originator which are not securitised.	<b><u>Verified?</u></b> <b>YES</b>
	<b><u>PCS Comments</u></b> See point 24 above.	

**Article 20.12.** The debtors shall at the time of transfer of the exposures, have made at least one payment, except in the case of revolving securitisations backed by exposures payable in a single instalment or having a maturity of less than one year, including without limitation monthly payments on revolving credits.

31	<p><b>STS Criteria</b></p> <p>31. The debtors shall at the time of transfer of the exposures, have made at least one payment, except in the case of revolving securitisations backed by exposures payable in a single instalment or having a maturity of less than one year, including without limitation monthly payments on revolving credits.</p> <p><b>PCS Comments</b></p> <p>See Prospectus, <i>ASSIGNMENT OF THE MORTGAGE LOANS AND RELATED SECURITY</i>.</p> <p>Eligibility Criteria</p> <p>(m) the Borrower has made at least one full Monthly Payment in respect of that Mortgage Loan;</p> <p>Representations and warranties</p> <p>(x) the first payment due has been paid by the relevant Borrower in respect of each Mortgage Loan;</p>	<p><b>Verified?</b></p> <p><b>YES</b></p>
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**Article 20.13.** The repayment of the holders of the securitisation positions shall not have been structured to depend predominantly on the sale of assets securing the underlying exposures. This shall not prevent such assets from being subsequently rolled-over or refinanced.

The repayment of the holders of the securitisation positions whose underlying exposures are secured by assets the value of which is guaranteed or fully mitigated by a repurchase obligation by the seller of the assets securing the underlying exposures or by another third party shall not be considered to depend on the sale of assets securing those underlying exposures.

32	<p><b>STS Criteria</b></p> <p>32. The repayment of the holders of the securitisation positions shall not have been structured to depend predominantly on the sale of assets securing the underlying exposures.</p> <p><b>PCS Comments</b></p> <p>See Prospectus, <i>THE MORTGAGE LOANS AND THE MORTGAGE PORTFOLIO</i>.</p> <p>Other characteristics</p> <p>The Mortgage Loans in the Mortgage Portfolio are homogeneous for purposes of Article 20(8) of the UK Securitisation Regulation, on the basis that all Mortgage Loans in the Mortgage Portfolio: (i) have been underwritten by Kensington Mortgage Company Limited, in accordance with similar underwriting standards applying similar approaches with respect to the assessment of a potential borrower's credit risk; (ii) are Repayment Mortgage Loans, Interest Only Mortgage Loans or Part and Part Mortgage Loans entered into substantially on the terms of similar standard documentation for residential mortgage loans; (iii) are serviced by the Servicer pursuant to the Servicing Agreement in accordance with the same servicing procedures with respect to monitoring, collections and administration of cash receivables generated from the Mortgage Loans; and (iv) form one asset category, namely residential loans secured with one or several mortgages on residential immovable property in England, Wales or Scotland.</p> <p>See Prospectus, <i>THE MORTGAGE LOANS AND THE MORTGAGE PORTFOLIO</i>.</p> <p>Mortgage products offered by the Seller</p>	<p><b>Verified?</b></p> <p><b>YES</b></p>
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The Seller offers a variety of fixed rate, variable rate and hybrid mortgage products to Borrowers. The Seller may sell to the Issuer any of the following of its mortgage products, which in each case may comprise one, or a combination, of the following:

- (a) Repayment Mortgage Loans. Borrowers typically make payments of interest and repay principal on their Mortgage Loans on a monthly basis so that, when the Mortgage Loan is scheduled to mature, the Borrower will have repaid the full amount of the principal of the Mortgage Loan ("Repayment Mortgage Loans").
- (b) Interest Only Mortgage Loans. Borrowers typically make monthly payments of interest but not of principal (ignoring, for these purposes, any temporary waiver or deferral of the payment of principal that may be granted to a Borrower from time to time) and when the Mortgage Loan matures, the entire principal amount of the Mortgage Loan is still outstanding and Borrowers must repay that amount in one lump sum; and
- (c) Part and Part Mortgage Loans. Monthly payments in respect of Part and Part Mortgage Loans are comprised of the interest due on both portions of the Mortgage Loan and the principal repayable on the portion in respect of which the Borrower is required to pay both interest and principal. The principal amount relating to the portion in respect of which the Borrower is required to pay interest only is repayable at maturity.

**Article 21.1.** The originator, sponsor or original lender shall satisfy the risk retention requirement in accordance with Article 6.

33	<p><b>STS Criteria</b></p> <p>33.The originator, sponsor or original lender shall satisfy the risk retention requirement in accordance with Article 6.</p>	<p><b>Verified?</b> <b>YES</b></p>
	<p><b>PCS Comments</b></p> <p>See Prospectus, <i>CERTAIN REGULATORY REQUIREMENTS</i>.</p> <p>Barclays Bank PLC will retain, as sponsor (the "Retention Holder"), on an ongoing basis, a material net economic interest of not less than 5 per cent. in the securitisation in accordance with Article 6(1) of the UK Securitisation Regulation.</p> <p>As at the Closing Date, such interest will be comprised of the Retention Holder holding no less than 5 per cent. of the nominal value of each Class of Notes and a 5 per cent. interest in the Senior Deferred Consideration in accordance with Article 6(3)(a) of the UK Securitisation Regulation and Article 6(3)(a) of the EU Securitisation Regulation (as if it were applicable to the Retention Holder and solely as it applies on the Closing Date) (the "Retained Interest").</p>	

**Article 21.2.** The interest rate and currency risks arising from the securitisation shall be appropriately mitigated and any measures taken to that effect shall be disclosed.

34	<p><b>STS Criteria</b></p> <p>34. The interest rate...risks arising from the securitisation shall be appropriately mitigated.</p>	<p><b>Verified?</b> <b>YES</b></p>
	<p><b>PCS Comments</b></p> <p>See Prospectus, <i>THE INTEREST RATE SWAP AGREEMENT</i>.</p> <p>The Interest Rate Swap Agreement</p> <p>The Issuer will be required to enter into an Interest Rate Swap Agreement and an Interest Rate Swap with respect to the Fixed Rate Mortgage Loans sold to the Issuer under the Mortgage Sale Agreement. Those Fixed Rate Mortgage Loans will pay a fixed rate of interest for a period of time. The purpose of the initial Interest Rate Swap is to mitigate the Issuer's interest rate risk with respect to the Fixed Rate Mortgage Loans sold to the Issuer under the Mortgage Sale Agreement, and to provide for the Issuer to receive from the Interest Rate Swap Counterparty amounts, which will enable it to meet interest payments due on the Notes. In addition, pursuant to the terms of the initial Interest Rate Swap, the Issuer will make a payment of the fixed amount equal to £[●] to the Interest Rate Swap Counterparty on the Closing Date. In return for such amounts, in respect of each calculation period under the initial Interest Rate Swap, the Issuer will pay to the Interest Rate Swap Counterparty fixed amounts based on the product of the fixed notional amount set out in the schedule thereto applicable to the relevant calculation period, a fixed rate of [●] per cent. per annum and the applicable day count fraction, which will have an economic effect of the Issuer paying to the Interest Rate Swap Counterparty fixed amounts based on the rates of interest on the relevant portfolio of Fixed Rate Mortgage Loans sold to the Issuer under the Mortgage Sale Agreement. The scheduled termination date of the Interest Rate Swap is [16 March 2029].</p> <p>See Prospectus, <i>RISK FACTORS</i>.</p> <p>The Notes may be subject to interest rate risks</p>	

As at the Closing Date, the Mortgage Loans in the Mortgage Portfolio are Fixed Rate Mortgage Loans that pay interest at a fixed rate for a specified period of time, and at the expiration of such period are subject to a variable rate of interest that is reset quarterly for the subsequent quarterly period and applied monthly (a forward-looking calculation), as the sum of (a) (i) the Bank of England base rate and (ii) a lender funding cost adjustment of between 0.00 per cent. and 1.00 per cent ("Kensington Standard Rate"), and (b) a margin set out in the applicable Mortgage Conditions, and Floating Rate Mortgage Loans that are subject to such variable rate of interest. However, these interest rates on the Mortgage Loans will not necessarily match the rates of interest payable on the Notes, which is calculated pursuant to a margin over SONIA. The Issuer has entered into an Interest Rate Swap Agreement and an Interest Rate Swap with respect to the Fixed Rate Mortgage Loans sold to the Issuer under the Mortgage Sale Agreement in order to hedge its exposure against the variance between the fixed rate of interest payable in respect of those Fixed Rate Mortgage Loans and any Floating Rate Notes. Note, however, that as at the date of this Prospectus, the Issuer has not entered into any Interest Rate Swap Agreement with respect to any Floating Rate Mortgage Loans in the Mortgage Portfolio, and, accordingly, no assurance can be given that the Issuer may be exposed to basis risk in respect of these Mortgage Loans.

*Clearly and explicitly, "appropriate" hedging does not require "perfect" hedging. This is confirmed by the EBA Guidelines which require the hedges to cover a "major share" of the risk from an "economic perspective". However, the definition of "appropriate" hedging or a "major share" of the risk will always contain an element of subjectivity and must be analysed on a case-by-case basis.*

*The fact that the Regulation was crafted by the legislators to recognise existing high-quality European securitisations rather than raise the bar to a level not previously encountered, together with the common-sense approach of the EBA, leads to the conclusion that transactions considered adequately hedged by common investor and rating agency consensus should be held to meet this criterion.*

*This still requires an analysis of the matter. Since PCS is not a quantitative analysis provider or a credit rating agency, our verification is based on a second-hand analysis which focuses on:*

- *A statement in the Prospectus or other document setting out the boundary conditions of the hedging. This should state in effect how far the hedging stretches and under what scenario's it will break. For example, if interbank rates rise above X%. This will provide a common-sense feel for whether, at first glance, the hedging is reasonable.*
- *Risk Factors section of the prospectus to check that no statements refer to the risks of "unhedged positions". This is based on the legal requirement to disclose any relevant information to investors. If the originator or its advisers believed that the hedging in a transaction was unusually light, this should be disclosed in the Risk Section.*
- *The "pre-sale" report from a recognised credit rating agency (if used) so as to identify any issues with hedging. Again, rating agencies as credit specialists should highlight in their analysis any substantial and unusual hedging risks.*

*In the case of the Transaction, payments from the mortgage loans represent fixed rate payments, while the notes are floating rate. An interest rate swap is used in the Transaction to mitigate fixed-to-floating interest rate risk, covering the period during which the underlying assets have fixed rates. Information provided in the transaction documents indicate that interest rate risk has been appropriately mitigated.*

### 35 **STS Criteria**

35. Currency risks arising from the securitisation shall be appropriately mitigated.

**Verified?**  
**YES**

### **PCS Comments**

Assets:

(n) each Mortgage Loan was originated in pounds Sterling and is denominated in pounds Sterling and is currently repayable in pounds Sterling.

Liabilities:

See Prospectus, OVERVIEW OF THE TERMS AND CONDITIONS OF THE NOTES AND THE SENIOR DEFERRED CONSIDERATION AND RESIDUAL DEFERRED CONSIDERATION.

Minimum Denomination: £100,000 and integral multiples of £1,000 in excess thereof

	See PCS comments under 34 above. Both notes and Loans are denominated in Sterling. In the absence of any currency mismatch, no currency hedging is therefore necessary.	
36	<b><u>STS Criteria</u></b> 36. Any measures taken to that effect shall be disclosed.	<b><u>Verified?</u></b> <b>YES</b>
	<b><u>PCS Comments</u></b> See PCS comments under 34 above.	

**Article 21.2.** Except for the purpose of hedging currency risk or interest rate risk, the SSPE shall not enter into derivative contracts and shall ensure that the pool of underlying exposures does not include derivatives.

Those derivatives shall be underwritten and documented according to common standards in international finance.

37	<b><u>STS Criteria</u></b> 37. Except for the purpose of hedging currency risk or interest rate risk, the SSPE shall not enter into derivative contracts and...	<b><u>Verified?</u></b> <b>YES</b>
	<b><u>PCS Comments</u></b> See Prospectus, <i>THE INTEREST RATE SWAP AGREEMENT</i> . Except for the purpose of hedging interest rate risk, the Issuer will not enter into derivative contracts.	
38	<b><u>STS Criteria</u></b> 38. ...Shall ensure that the pool of underlying exposures does not include derivatives.	<b><u>Verified?</u></b> <b>YES</b>
	<b><u>PCS Comments</u></b> See Prospectus, <i>THE MORTGAGE LOANS AND THE MORTGAGE PORTFOLIO</i> . Other characteristics The Mortgage Loans in the Mortgage Portfolio, as at the relevant Cut-Off Date, do not include: (i) any transferable securities for purposes of Article 20(8) of the UK Securitisation Regulation; (ii) any securitisation positions for purposes of Article 20(9) of the UK Securitisation Regulation; or (iii) any derivatives for purposes of Article 21(2) of the UK Securitisation Regulation, in each case on the basis that the Mortgage Loans in the Mortgage Portfolio have been entered into substantially on the terms of similar standard documentation for residential mortgages loans. For the purposes of Article 20(8) of the UK Securitisation Regulation, the Mortgage Loans in the Mortgage Portfolio contain obligations that are in all material respects contractually binding and enforceable, with full recourse to the relevant Borrowers and, where applicable, the relevant guarantors, subject to any laws from time to time in effect relating to bankruptcy, insolvency or other similar laws of general applicability affecting the enforcement of creditors' rights generally and the court's discretion in relation to equitable remedies. The Mortgage Loans in the Mortgage Portfolio do not include: (A) at the time of origination any loans that were marketed and underwritten on the premise that the loan applicant or, where applicable, intermediaries were made aware that the information provided by the loan applicant might not be verified by the Seller for purposes of Article 20(10) of the UK Securitisation Regulation or (B) at the time of selection for inclusion in the portfolio any exposures in default within the meaning of Article 178(1)	

of Regulation (EU) No 575/2013 for purposes of Article 20(11) of the UK Securitisation Regulation. The Mortgage Loans in the Mortgage Portfolio have been transferred to the Issuer after selection for inclusion in the Mortgage Portfolio without undue delay for purposes of Article 20(11) of the UK Securitisation Regulation.

39	<p><b><u>STS Criteria</u></b></p> <p>39. Those derivatives shall be underwritten and documented according to common standards in international finance.</p>	<p><b><u>Verified?</u></b></p> <p><b>YES</b></p>
	<p><b><u>PCS Comments</u></b></p> <p>See Prospectus, <i>GLOSSARY</i>.</p> <p>"Interest Rate Swap Agreement"</p> <p>The ISDA Master Agreement and schedule thereto entered into between the Issuer and Barclays Bank PLC as the Interest Rate Swap Counterparty on or about [●] 2023 (or with any other Interest Rate Swap Counterparty on any later date), each as amended or supplemented from time to time, relating to the Interest Rate Swap and any confirmations thereunder, and any credit support annex or other credit support document entered into at any time among the Issuer and Barclays Bank PLC or any other such Interest Rate Swap Counterparty (as applicable) and/or any credit support provider.</p> <p>"ISDA Master Agreement"</p> <p>The ISDA 2002 Master Agreement published by the International Swaps and Derivatives Association, Inc.</p>	

**Article 21.3.** Any referenced interest payments under the securitisation assets and liabilities shall be based on generally used market interest rates, or generally used sectoral rates reflective of the cost of funds, and shall not reference complex formulae or derivatives.

40	<p><b><u>STS Criteria</u></b></p> <p>40. Any referenced interest payments under the securitisation assets and liabilities shall be based on generally used market interest rates, or generally used sectoral rates reflective of the cost of funds and shall not reference complex formulae or derivatives.</p>	<p><b><u>Verified?</u></b></p> <p><b>YES</b></p>
	<p><b><u>PCS Comments</u></b></p> <p>Notes:</p> <p>See Prospectus.</p> <p>Reference Rate</p> <p>Compounded Daily SONIA</p> <p>Assets:</p> <p>See Prospectus, THE MORTGAGE LOANS AND THE MORTGAGE PORTFOLIO.</p> <p>Mortgage products offered by the Seller</p> <p>Each Mortgage Loan to be included in the Mortgage Portfolio will be:</p>	

- |  |  |
|--|--|
|  | <p>(a) Mortgage Loans subject to a fixed interest rate for a specified period of time and which at the expiration of that period reverts to being a Floating Rate Mortgage Loan ("Fixed Rate Mortgage Loans"); and</p> <p>(b) Mortgage Loans subject to a variable rate of interest that is linked to the Kensington Standard Rate ("Floating Rate Mortgage Loans").</p> |
|--|--|

**Article 21.4.** Where an enforcement or an acceleration notice has been delivered:

- (a) no amount of cash shall be trapped in the SSPE beyond what is necessary to ensure the operational functioning of the SSPE or the orderly repayment of investors in accordance with the contractual terms of the securitisation, unless exceptional circumstances require that amount is trapped in order to be used, in the best interests of investors, for expenses in order to avoid the deterioration in the credit quality of the underlying exposures;
- (b) Principal receipts from the underlying exposures shall be passed to investors via sequential amortisation of the securitisation positions, as determined by the seniority of the securitisation position;
- (c) Repayment of the securitisation positions shall not be reversed with regard to their seniority; and
- (d) No provisions shall require automatic liquidation of the underlying exposures at market value.

**41** **STS Criteria**

41. Where an enforcement or an acceleration notice has been delivered:

- (a) no amount of cash shall be trapped in the SSPE beyond what is necessary to ensure the operational functioning of the SSPE or the orderly repayment of investors in accordance with the contractual terms of the securitisation, unless exceptional circumstances require that amount is trapped in order to be used, in the best interests of investors, for expenses in order to avoid the deterioration in the credit quality of the underlying exposures;

**Verified?**  
**YES**

**PCS Comments**

See Prospectus, *OVERVIEW OF CREDIT STRUCTURE AND CASHFLOWS*.

Post Enforcement Priority of Payments

See Prospectus, *CREDIT STRUCTURE AND CASHFLOWS*.

**4. APPLICATION OF AVAILABLE FUNDS FOLLOWING THE DELIVERY OF AN ENFORCEMENT NOTICE**

The Cash Management Agreement sets out the order of priority for the application by the Security Trustee (or the Cash Manager on its behalf), following the delivery by the Note Trustee of an Enforcement Notice to the Issuer, of amounts received or recovered by the Security Trustee or a Receiver appointed on its behalf.

On each Payment Date following the delivery of an Enforcement Notice, the Security Trustee (or the Cash Manager on its behalf) will be required to apply all amounts received or recovered by the Security Trustee (or a Receiver appointed on its behalf) (whether of principal or interest or otherwise) (excluding Swap Collateral Excluded Amounts (if any) due to the Interest Rate Swap Counterparty by the Issuer under the Interest Rate Swap Agreement, which will be paid directly to the Interest Rate Swap Counterparty) in accordance with the following order of priority (together, in each case, with any amount in respect of VAT which is payable pursuant to the relevant Transaction Document or which must be accounted for directly by the Issuer to the relevant Tax Authority) (the "Post Enforcement Priority of Payments")): [...]

*Post-enforcement priority of payments indicates that no cash is trapped.*



42	<b>STS Criteria</b> 42. (b) Principal receipts from the underlying exposures shall be passed to investors via sequential amortisation of the securitisation positions, as determined by the seniority of the securitisation position;	<b>Verified?</b> <b>YES</b>
	<b>PCS Comments</b> See Prospectus, <i>OVERVIEW OF CREDIT STRUCTURE AND CASHFLOWS</i> . Post Enforcement Priority of Payments See Prospectus, <i>CREDIT STRUCTURE AND CASHFLOWS</i> . 4. APPLICATION OF AVAILABLE FUNDS FOLLOWING THE DELIVERY OF AN ENFORCEMENT NOTICE <i>Principal is paid sequentially under post enforcement order of priority.</i>	
43	<b>STS Criteria</b> 43. (c) Repayment of the securitisation positions shall not be reversed with regard to their seniority; and	<b>Verified?</b> <b>YES</b>
	<b>PCS Comments</b> See Prospectus, <i>CREDIT STRUCTURE AND CASHFLOWS</i> . <i>The priority of payments post-enforcement maintains repayment in line with seniority.</i>	
44	<b>STS Criteria</b> 44. (d) No provisions shall require automatic liquidation of the underlying exposures at market value.	<b>Verified?</b> <b>YES</b>
	<b>PCS Comments</b> See Prospectus, <i>SECURITY FOR THE ISSUER'S OBLIGATIONS – DEED OF CHARGE</i> . Enforcement The Security will become enforceable immediately upon the occurrence of an Event of Default. No provision of the Deed of Charge requires automatic liquidation upon default. See Prospectus, <i>TERMS AND CONDITIONS OF THE NOTES</i> . 12. ENFORCEMENT See underlying transaction documents, Deed of Charge.	

**Article 21.5.** Transactions which feature non-sequential priority of payments shall include triggers relating to the performance of the underlying exposures resulting in the priority of payments reverting to sequential payments in order of seniority. Such performance-related triggers shall include at least the deterioration in the credit quality of the underlying exposures below a pre-determined threshold.

45	<p><b>STS Criteria</b></p> <p>45. Transactions which feature non-sequential priority of payments shall include triggers relating to the performance of the underlying exposures resulting in the priority of payments reverting to sequential payments in order of seniority. Such performance-related triggers shall include at least the deterioration in the credit quality of the underlying exposures below a pre-determined threshold.</p>	<p><b>Verified?</b> <b>YES</b></p>
	<p><b>PCS Comments</b></p> <p>See Prospectus, <i>CREDIT STRUCTURE AND CASHFLOWS</i>.</p> <p><i>Not applicable – the transaction does not feature non-sequential priority pr payments.</i></p>	

**Article 21.6.** The transaction documentation shall include appropriate early amortisation provisions or triggers for termination of the revolving period where the securitisation is a revolving securitisation, including at least the following:

- (a) a deterioration in the credit quality of the underlying exposures to or below a pre-determined threshold;
- (b) the occurrence of an insolvency-related event with regard to the originator or the servicer;
- (c) the value of the underlying exposures held by the SSPE falls below a pre-determined threshold (early amortisation event);
- (d) a failure to generate sufficient new underlying exposures that meet the pre-determined credit quality (trigger for termination of the revolving period).

46	<p><b>STS Criteria</b></p> <p>46. The transaction documentation shall include appropriate early amortisation provisions or triggers for termination of the revolving period where the securitisation is a revolving securitisation, including at least the following:</p> <p>(a) a deterioration in the credit quality of the underlying exposures to or below a pre-determined threshold;</p>	<p><b>Verified?</b> <b>YES</b></p>
	<p><b>PCS Comments</b></p> <p><i>Not applicable – transaction does not feature a revolving period.</i></p>	
47	<p><b>STS Criteria</b></p> <p>47. (b) the occurrence of an insolvency-related event with regard to the originator or the servicer;</p>	<p><b>Verified?</b> <b>YES</b></p>
	<p><b>PCS Comments</b></p> <p><i>Not applicable – transaction does not feature a revolving period.</i></p>	

48	<b><u>STS Criteria</u></b> 48. (c) the value of the underlying exposures held by the SSPE falls below a pre-determined threshold (early amortisation event);	<b><u>Verified?</u></b> <b>YES</b>
	<b><u>PCS Comments</u></b> <i>Not applicable – transaction does not feature a revolving period.</i>	
49	<b><u>STS Criteria</u></b> 49. (d) a failure to generate sufficient new underlying exposures that meet the pre-determined credit quality (trigger for termination of the revolving period).	<b><u>Verified?</u></b> <b>YES</b>
	<b><u>PCS Comments</u></b> <i>Not applicable – transaction does not feature a revolving period.</i>	

**Article 21.7.** The transaction documentation shall clearly specify:

- (a) the contractual obligations, duties and responsibilities of the servicer and the trustee, if any, and other ancillary service providers;
- (b) the processes and responsibilities necessary to ensure that a default by or an insolvency of the servicer does not result in a termination of servicing, such as a contractual provision which enables the replacement of the servicer in such cases; and
- (c) provisions that ensure the replacement of derivative counterparties, liquidity providers and the account bank in the case of their default, insolvency, and other specified events, where applicable.

50	<b><u>STS Criteria</u></b> 50. The transaction documentation shall clearly specify: (a) the contractual obligations, duties and responsibilities of the servicer and the trustee, if any, and other ancillary service providers;	<b><u>Verified?</u></b> <b>YES</b>
	<b><u>PCS Comments</u></b> See Prospectus, <i>THE SERVICER AND THE SERVICING AGREEMENT</i> . See Prospectus, <i>CASH MANAGEMENT</i> . Cash Management Agreement Account Bank Agreement and Issuer Accounts Standby Account Bank Agreement See Prospectus, <i>THE INTEREST RATE SWAP AGREEMENT</i> . See Prospectus, <i>SPONSOR ADMINISTRATION AGREEMENT</i> .	

51	<p><b><u>STS Criteria</u></b></p> <p>51. (b) the processes and responsibilities necessary to ensure that a default by or an insolvency of the servicer does not result in a termination of servicing, such as a contractual provision which enables the replacement of the servicer in such cases; and</p>	<p><b><u>Verified?</u></b> <b>YES</b></p>
	<p><b><u>PCS Comments</u></b></p> <p>See Prospectus, <i>RISK FACTORS</i>.</p> <p>5. COUNTERPARTY RISKS</p> <p>Termination of the Servicer and/or the Legal Title Holder and appointment of a substitute Servicer and/or Legal Title Holder</p> <p>The Legal Title Holder has been appointed by the Issuer as Servicer to service the Mortgage Loans. If a Servicer Termination Event occurs, then the Issuer will be entitled to and, if instructed to do so by the Security Trustee, shall terminate the appointment of the Servicer and appoint a substitute Servicer. If a Legal Title Holder Termination Event occurs, then the Issuer will be entitled to and, if instructed to do so by the Security Trustee, shall terminate the appointment of the Legal Title Holder and appoint a replacement Legal Title Holder. The Back-up Servicer Facilitator has been appointed to provide assistance with the appointment of a replacement Servicer and a replacement Legal Title Holder.</p>	
52	<p><b><u>STS Criteria</u></b></p> <p>52. (c) provisions that ensure the replacement of derivative counterparties, liquidity providers and the account bank in the case of their default, insolvency, and other specified events, where applicable.</p>	<p><b><u>Verified?</u></b> <b>YES</b></p>
	<p><b><u>PCS Comments</u></b></p> <p><i>Derivative counterparty:</i></p> <p>See Prospectus, <i>THE INTEREST RATE SWAP AGREEMENT</i>.</p> <p>Termination of the Interest Rate Swap</p> <p>In the event that an Interest Rate Swap terminates prior to the delivery by the Note Trustee of an Enforcement Notice to the Issuer or the latest occurring Final Redemption Date of any Note, the Issuer will be required to use commercially reasonable endeavours to find a replacement Interest Rate Swap Counterparty. If the Issuer receives a Swap Termination Payment from an Interest Rate Swap Counterparty, then the Issuer may be required to use those funds towards meeting its costs in effecting applicable hedging transactions until a replacement Interest Rate Swap is entered into and/or to acquire a replacement Interest Rate Swap. Noteholders will not receive extra amounts (over and above interest and principal payable on the Notes) as a result of the Issuer receiving a Swap Termination Payment.</p> <p><i>Account banks:</i></p> <p>See Prospectus, <i>CASH MANAGEMENT</i>.</p> <p>Account Bank Agreement and Issuer Accounts</p> <p>Account Bank Required Ratings and replacement of the Transaction Account Bank</p> <p>Standby Account Bank Agreement</p> <p>Standby Account Bank ceasing to satisfy the Account Bank Required Ratings</p> <p>See Prospectus, <i>THE SERVICER AND THE SERVICING AGREEMENT</i>.</p>	

## Collection Accounts

## Replacement of Collection Accounts Provider

If the rating of the Collection Accounts Provider falls below the Collection Account Provider Required Rating from at least one of the Rating Agencies (such failure a "Collection Accounts Provider Downgrade Event"), the Issuer will use its commercially reasonable endeavours to procure that the Collection Accounts shall be transferred to another institution authorised under FSMA which has the Collection Accounts Provider Required Ratings pursuant to an agreement with such institution in substantially the form of the Main Collection Account Agreement, the F Collection Account Agreement and the R Collection Account Agreement (to the extent applicable to the Collection Accounts) or to procure the opening of replacement Collection Accounts with another institution authorised under FSMA which has the Collection Accounts Provider Required Ratings within a period not exceeding 60 calendar days (or such longer period as the Note Trustee and the Rating Agencies may agree) (but no less than 35 calendar days) from the date on which such downgrade occurs and the Collection Accounts Provider will, at the request and cost of the Issuer, use its commercially reasonable endeavours to assist with the same.

See underlying transactions documents.

## Servicing Agreement

## 23. TERMINATION OF THE SERVICER'S APPOINTMENT

## Account Bank Agreement

## 11. TERMINATION

## Main Collection Account Agreement

## 6. CHANGE OF BANK OR SERVICER

## Standby Account Bank Agreement

## 11. TERMINATION OR RESIGNATION

**Article 21.8.** The servicer shall have expertise in servicing exposures of a similar nature to those securitised and shall have well documented and adequate policies, procedures and risk management controls relating to the servicing of exposures.

**53 STS Criteria**

53. The servicer shall have expertise in servicing exposures of a similar nature to those securitised

**Verified?****YES****PCS Comments**

See Prospects, *THE SELLER, THE LEGAL TITLE HOLDER AND THE SERVICER*.

KMC has significantly more than five years of experience in the servicing, origination and underwriting of mortgage loans similar to those in the Mortgage Portfolio.

54	<b>STS Criteria</b> 54. And shall have well documented and adequate policies, procedures and risk management controls relating to the servicing of exposures.	<b>Verified?</b> <b>YES</b>
	<b>PCS Comments</b> <p>See Prospects, <i>THE SELLER, THE LEGAL TITLE HOLDER AND THE SERVICER</i>.</p> <p>KMC is an entity which is subject to prudential, capital and liquidity regulation in the UK and it has regulatory authorisation and permissions which are relevant to the provision of servicing in relation to the Mortgage Loans in the Mortgage Portfolio and other loans originated by KMC which do not form part of the Mortgage Portfolio.</p> <p><i>The EBA Guidelines specify that this criterion should be considered to have the requisite elements of the criterion if it is a prudentially regulated financial institution.</i></p>	

**Article 21.9.** The transaction documentation shall set out in clear and consistent terms definitions, remedies and actions relating to delinquency and default of debtors, debt restructuring, debt forgiveness, forbearance, payment holidays, losses, charge offs, recoveries and other asset performance remedies

55	<b>STS Criteria</b> 55. The transaction documentation shall set out in clear and consistent terms, remedies and actions relating to delinquency and default of debtors debt restructuring, debt forgiveness, forbearance, payment holidays, losses, charge offs, recoveries and other asset performance remedies.	<b>Verified?</b> <b>YES</b>
	<b>PCS Comments</b> <p>See Prospectus, <i>THE SERVICER AND THE SERVICING AGREEMENT</i>.</p> <p>Arrears and default procedures</p> <p>See Prospectus, <i>CERTAIN REGULATORY REQUIREMENTS</i>.</p> <p>1. THE SECURITISATION REGULATION</p> <p>Transparency and reporting</p> <p>Kensington Mortgage Company Limited, as originator and Barclays Bank PLC, as sponsor, confirms that the required definitions, remedies and actions in accordance with Article 21(9) of the UK Securitisation Regulation, including, where relevant, where comprised in the Seller's Policy, has been made available to investors.</p>	

**Article 21.9.** The transaction documentation shall clearly specify the priorities of payment, events which trigger changes in such priorities of payment as well as the obligation to report such events. Any change in the priorities of payments which will materially adversely affect the repayment of the securitisation position shall be reported to investors without undue delay.

56	<b>STS Criteria</b> 56. The transaction documentation shall clearly specify the priorities of payment,	<b>Verified?</b> <b>YES</b>
	<b>PCS Comments</b> See Prospectus, <i>OVERVIEW OF CREDIT STRUCTURE AND CASHFLOWS</i> . See Prospectus, <i>CREDIT STRUCTURE AND CASHFLOWS</i> . 2. AVAILABLE REVENUE RECEIPTS Pre Enforcement Revenue Priority of Payments 3. AVAILABLE PRINCIPAL RECEIPTS 4. APPLICATION OF AVAILABLE FUNDS FOLLOWING THE DELIVERY OF AN ENFORCEMENT NOTICE Post Enforcement Priority of Payments	
57	<b>STS Criteria</b> 57. The transaction documentation shall clearly specify the events which trigger changes in such priorities of payment.	<b>Verified?</b> <b>YES</b>
	<b>PCS Comments</b> See Prospectus, <i>TERMS AND CONDITIONS OF THE NOTES</i> . 11. EVENTS OF DEFAULT See Prospectus, <i>CREDIT STRUCTURE AND CASHFLOWS</i> .	
58	<b>STS Criteria</b> 58. The transaction documentation shall clearly specify the obligation to report such events.	<b>Verified?</b> <b>YES</b>
	<b>PCS Comments</b> See Prospectus, <i>OVERVIEW OF CREDIT STRUCTURE AND CASHFLOWS</i> . Changes to Priorities of Payments Any events which trigger changes in any priority of payments and any change in any priority of payment which will materially adversely affect the repayment of the Notes shall be disclosed without undue delay to the extent required under Article 21(9) of the UK Securitisation Regulation.	

59	<p><b>STS Criteria</b></p> <p>59. Any change in the priorities of payments which will materially adversely affect the repayment of the securitisation position shall be reported to investors without undue delay.</p>	<p><b>Verified?</b> <b>YES</b></p>
	<p><b>PCS Comments</b></p> <p>See Prospectus, <i>OVERVIEW OF CREDIT STRUCTURE AND CASHFLOWS</i>.</p> <p>Changes to Priorities of Payments</p> <p>Any events which trigger changes in any priority of payments and any change in any priority of payment which will materially adversely affect the repayment of the Notes shall be disclosed without undue delay to the extent required under Article 21(9) of the UK Securitisation Regulation.</p>	

**Article 21.10.** The transaction documentation shall include clear provisions that facilitate the timely resolution of conflicts between different classes of investors, voting rights shall be clearly defined and allocated to bondholders and the responsibilities of the trustee and other entities with fiduciary duties to investors shall be clearly identified.

60	<p><b>STS Criteria</b></p> <p>60. The transaction documentation shall include clear provisions that facilitate the timely resolution of conflicts between different classes of investors, voting rights shall be clearly defined and allocated to bondholders</p>	<p><b>Verified?</b> <b>YES</b></p>
	<p><b>PCS Comments</b></p> <p>See Prospectus, <i>OVERVIEW OF RIGHTS OF NOTEHOLDERS AND CERTIFICATEHOLDERS</i>.</p> <p>Convening a meeting</p> <p>Noteholders' meeting provisions</p> <p>See also underlying transaction documents, Trust Deed.</p> <p>SCHEDULE 5</p> <p>PROVISIONS FOR MEETINGS OF NOTEHOLDERS AND CERTIFICATEHOLDERS</p> <p><i>Although the wording of the Regulation as to what constitutes the “facilitation of timely resolution of conflicts” is very vague, the EBA Guidelines have helpfully set out the five minimum requirements that the documents should contain to meet this criterion.</i></p> <p><i>PCS notes that the Prospectus covers the five provisions detailed in the EBA Guidelines.</i></p> <p><i>Although the wording of the Regulation as to what constitutes the “facilitation of timely resolution of conflicts” is very vague, the EBA Guidelines have helpfully set out the five minimum requirements that the documents should contain to meet this criterion. The documentation covers the following:</i></p> <p><i>(a) the method for calling meetings; as for method (Prospectus: Convening a meeting); (b) the maximum timeframe for setting up a meeting: (Prospectus: Notice period); (c) the required quorum: (Prospectus: Quorum); (d) the minimum threshold of votes to validate such a decision, with clear differentiation between the minimum thresholds for each type of decision (Prospectus: Required majority); (e) where applicable, a location for the meetings which should be in the UK: (Prospectus: Convening a meeting)</i></p>	



**Article 21.10.** The transaction documentation shall include clear provisions that facilitate the timely resolution of conflicts between different classes of investors, voting rights shall be clearly defined and allocated to bondholders and the responsibilities of the trustee and other entities with fiduciary duties to investors shall be clearly identified.

61	<p><b>STS Criteria</b></p> <p>61. and the responsibilities of the trustee and other entities with fiduciary duties to investors shall be clearly identified.</p>	<p><b>Verified?</b></p> <p><b>YES</b></p>
	<p><b>PCS Comments</b></p> <p>See Prospectus, <i>DESCRIPTION OF THE TRUST DEED, THE GLOBAL NOTES AND THE GLOBAL CERTIFICATES</i>.</p> <p>See Prospectus, <i>SECURITY FOR THE ISSUER'S OBLIGATIONS – DEED OF CHARGE</i>.</p>	

**Article 22.1.** The originator and the sponsor shall make available data on static and dynamic historical default and loss performance, such as delinquency and default data, for substantially similar exposures to those being securitised, and the sources of those data and the basis for claiming similarity, to potential investors before pricing. Those data shall cover a period no shorter than five years.

62	<p><b>STS Criteria</b></p> <p>62. The originator and the sponsor shall make available data on static and dynamic historical default and loss performance, such as delinquency and default data, for substantially similar exposures to those being securitised,</p>	<p><b>Verified?</b> <b>YES</b></p>
	<p><b>PCS Comments</b></p> <p>See Prospectus, <i>THE MORTGAGE LOANS AND THE MORTGAGE PORTFOLIO</i>.</p> <p>Data on static and dynamic historical default and loss performance of loans similar to the Mortgage Loans</p> <p>Static and dynamic historical performance data in relation to loans originated by the Seller was made available prior to pricing of the Notes on the the website of SecRep Limited at <a href="https://www.secrep.co.uk/">https://www.secrep.co.uk/</a> and the website of EuroABS at <a href="https://www.secrep.eu">https://www.secrep.eu</a> and covers the Historical Data Extract Period. The loans which are included in such data are originated under and serviced in accordance with the same policies and procedures as the loans comprising the Provisional Portfolio and, as such, it is expected that the performance of such loans, over a period of five years, would not be significantly different to the performance of the loans in the Provisional Portfolio.</p> <p>See Prospectus, <i>HISTORICAL PERFORMANCE</i>.</p> <p>Kensington Mortgage Company Limited, as originator has provided the following information regarding the historical performance of approximately 37,378 first charge owner-occupied mortgage loans, originated by the originator (the "Wider Portfolio") between 30 September 2018 and 31 August 2023 (the "Historical Data Extract Period").</p> <p>The information consists of CPR, Loss Severity and Months in Arrears and no assurance can be made as to the performance of a particular pool of loans, whether similar to the information shown below for loans originated during any particular period or otherwise.</p> <p><i>PCS has reviewed historical static and dynamic data made available in connection with the transaction.</i></p>	
63	<p><b>STS Criteria</b></p> <p>63. and the sources of those data and the basis for claiming similarity, to potential investors before pricing.</p>	<p><b>Verified?</b> <b>YES</b></p>
	<p><b>PCS Comments</b></p> <p>See point 62 above.</p>	
64	<p><b>STS Criteria</b></p> <p>64. Those data shall cover a period no shorter than five years.</p>	<p><b>Verified?</b> <b>YES</b></p>
	<p><b>PCS Comments</b></p> <p>See point 62 above.</p>	

**Article 22.2.** A sample of the underlying exposures shall be subject to external verification prior to issuance of the securities resulting from the securitisation by an appropriate and independent party, including verification that the data disclosed in respect of the underlying exposures is accurate.

65	<b>STS Criteria</b> 65. A sample of the underlying exposures shall be subject to external verification prior to issuance of the securities resulting from the securitisation by an appropriate and independent party,	<b>Verified?</b> <b>YES</b>
	<b>PCS Comments</b> See Prospectus, <i>CERTAIN REGULATORY REQUIREMENTS</i> . Verification of data The Provisional Portfolio has been subjected to (i) an agreed upon procedures review of a representative sample of Mortgage Loans selected from the Provisional Portfolio; and (ii) a verification of the conformity of the Mortgage Loans in the Provisional Portfolio with the Mortgage Loan Warranties that were able to be tested, by a third party which was completed on or about [insert] with respect of the Provisional Portfolio in existence as of the Cut-Off Date (the "AUP Report") and no significant adverse findings have been found. This independent third party has also performed agreed upon procedures in order to verify that the stratification tables disclosed above in respect of the underlying exposures are accurate. The third party undertaking the review only has obligations to the parties to the engagement letters governing the performance of the agreed upon procedures subject to the limitations and exclusions contained therein <i>PCS has reviewed the report on "agreed upon procedures" (AUP) commonly known as a "pool audit". PCS can confirm that this was done by an appropriate and independent third party.</i>	
66	<b>STS Criteria</b> 66. Including verification that the data disclosed in respect of the underlying exposures is accurate.	<b>Verified?</b> <b>YES</b>
	<b>PCS Comments</b> <i>See comment 65 above.</i>	

**Article 22.3.** The originator or the sponsor shall, before the pricing of the securitisation, make available to potential investors a liability cash flow model which precisely represents the contractual relationship between the underlying exposures and the payments flowing between the originator, sponsor, investors, other third parties and the SSPE, and shall, after pricing, make that model available to investors on an ongoing basis and to potential investors upon request.

67	<b>STS Criteria</b> 67. The originator or the sponsor shall, before the pricing of the securitisation, make available to potential investors a liability cash flow model which precisely represents the contractual relationship between the underlying exposures and the payments flowing between the originator, sponsor, investors, other third parties and the SSPE.	<b>Verified?</b> <b>YES</b>
	<b>PCS Comments</b> See Prospectus, <i>CERTAIN REGULATORY REQUIREMENTS</i> . Liability cashflow model	

	The Seller will make available a liability cashflow model, either directly or indirectly through one or more entities which provide such liability cashflow models to investors generally, which precisely represents the contractual relationship between the loans and the payments flowing between the Seller, investors in the Notes, other third parties and the Issuer (i) prior to pricing of the Notes, to potential investors and (ii) on an ongoing basis to investors and to potential investors in the Notes upon request.	
68	<p><b>STS Criteria</b></p> <p>68. And shall, after pricing, make that model available to investors on an ongoing basis and to potential investors upon request.</p> <p><b>PCS Comments</b></p> <p>See point 69 above.</p> <p><i>Although technically covering the period between pricing and close, this is primarily a future event criterion. In other words, it cannot be either met or failed at the outset of the transaction. But if, at a later stage, it is not met, then the Originator will need to inform ESMA and the STS status of the securitisation will be lost. Therefore, as a technical matter, this criterion is not applicable at the closing of a transaction.</i></p> <p><i>However, PCS will nevertheless look to see if there is a covenant on the part of the originator to comply in the future with this requirement whilst noting, at the same time, that the absence of any such covenant – although possibly unsettling for some investors - would not invalidate the STS status of the transaction at closing.</i></p>	<p><b>Verified?</b></p> <p><b>YES</b></p>

**Article 22.4.** In case of a securitisation where the underlying exposures are residential loans or car loans or leases, the originator and sponsor shall publish the available information related to the environmental performance of the assets financed by such residential loans or car loans or leases, as part of the information disclosed pursuant to point (a) of the first subparagraph of Article 7(1).

69	<p><b>STS Criteria</b></p> <p>69. In case of a securitisation where the underlying exposures are residential loans or car loans or leases, the originator and sponsor shall publish the available information related to the environmental performance of the assets financed by such residential loans or car loans or leases, as part of the information disclosed pursuant to point (a) of the first subparagraph of Article 7(1).</p> <p><b>PCS Comments</b></p> <p>See Prospectus, <i>THE MORTGAGE LOANS AND THE MORTGAGE PORTFOLIO</i>.</p> <p>Environmental performance of the Mortgage Loans</p> <p>As at the Cut-Off Date, for purposes of Article 22(4) of the UK Securitisation Regulation the administrative records of the Legal Title Holder do not contain complete and accurate available information relating to the environmental performance of the Mortgaged Properties securing the Mortgage Loans in the Provisional Portfolio. The Legal Title-Holder may from time to time obtain environmental performance certificate (EPC) ratings of the properties financed by loans originated by the Legal Title Holder from time to time, including Mortgage Loans in the Provisional Portfolio, from an external third party service provider. The Legal Title Holder will make such third party information available to potential investors prior to pricing of the Notes. Such third party information may be incomplete, inaccurate or condensed, and by making such third party information available from time to time the Legal Title Holder does not imply that it has endorsed or accepted responsibility for such third party information. In addition, the Legal Title Holder does not consider such third party information to constitute available information relating to the environmental performance of the Mortgage Loans in the Provisional Portfolio for purposes of Article 22(4) of the UK Securitisation Regulation. To the extent that information relating to the environmental performance of the Mortgage Loans in the Mortgage Portfolio is available to the Legal Title Holder, such information will be made available as required under Articles 7(1)(a)</p>	<p><b>Verified?</b></p> <p><b>YES</b></p>
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*This environmental impact criterion only applies to mortgages and car loan securitisations. The EBA Guidelines though make it clear that an originator is only required to disclose information that is in its possession and captured in its internal data base or IT systems. PCS notes the statement made in the prospectus by the originator that it does not possess such information in its internal data base or IT systems.*

**Article 22.5.** The originator and the sponsor shall be responsible for compliance with Article 7 of this Regulation. The information required by point (a) of the first subparagraph of Article 7(1) shall be made available to potential investors before pricing upon request. The information required by points (b) to (d) of the first subparagraph of Article 7(1) shall be made available before pricing at least in draft or initial form.

70	<b>STS Criteria</b> 70. The originator and the sponsor shall be responsible for compliance with Article 7 of this Regulation.	<b>Verified?</b> <b>YES</b>
	<b>PCS Comments</b> See Prospectus, <i>CERTAIN REGULATORY REQUIREMENTS</i> . 1. THE SECURITISATION REGULATION Transparency and reporting For the purposes of Article 7(2) of the UK Securitisation Regulation, the Issuer, as SSPE, has been designated as the entity responsible for compliance with the requirements of Article 7 of the UK Securitisation Regulation (the "Reporting Entity"). The Reporting Entity will either fulfil such requirements itself or shall procure that such requirements are fulfilled on its behalf. In relation to any Notes which are awarded UK STS status, Kensington Mortgage Company Limited, as originator, and Barclays Bank PLC, as sponsor are responsible for compliance with Article 7 of the UK Securitisation Regulation.	

**Article 22.5.** The originator and the sponsor shall be responsible for compliance with Article 7 of this Regulation. The information required by point (a) of the first subparagraph of Article 7(1) shall be made available to potential investors before pricing upon request. The information required by points (b) to (d) of the first subparagraph of Article 7(1) shall be made available before pricing at least in draft or initial form.

71	<b>STS Criteria</b> 71. The information required by point (a) the first subparagraph of Article 7(1) shall be made available to potential investors before pricing upon request.	<b>Verified?</b> <b>YES</b>
	<b>PCS Comments</b> See Prospectus, <i>THE SERVICER AND THE SERVICING AGREEMENT</i> . Servicer Reports and transparency requirements The Issuer will procure that: (k) the Servicer will (i) prepare and provide to the Issuer and the Reporting Agent prior to pricing of the Notes (where required, upon request to potential investors) and on the Closing Date an anonymised individual loan-level data tape in respect of the Mortgage Portfolio as at the Closing Date in the format required by the Reporting Agent (in accordance with Article 7(1)(a) of the EU Securitisation Regulation and UK Securitisation Regulation and in the form prescribed under the EU Securitisation Regulation and UK Securitisation	

Regulation, respectively), and (ii) upon 10 Business Days' written request by the Issuer, provide to the Issuer such information as is reasonably within its knowledge and possession or reasonably ascertainable by the Servicer in relation to the Mortgage Loans, the Mortgages and any matter reasonably incidental thereto;

(m) the Corporate Services Provider will procure that the Reporting Agent (i) uploads to the relevant Securitisation Repository Website this Prospectus and the Transaction Documents, the KMC/BUK Mortgage Sale Agreement and the Scottish Deed of Release (in draft form) as required by Article 7(1)(b) of the UK Securitisation Regulation and Article 7(1)(b) of the EU Securitisation Regulation (as if such requirement applied to it) prior to the pricing of the Notes and that the final Prospectus and Transaction Documents are provided no later than 15 days after the Closing Date and (ii) prepares and uploads to the relevant Securitisation Repository Website a cash flow model pursuant to requirements in relation to eligible collateral for the purpose of the Bank of England's Sterling monetary framework and following receipt of the data tape prepared by the Servicer referred to in paragraph (k) above, an anonymised individual loan-level data tape in respect of the Mortgage Portfolio in the format required by the Reporting Agent (in accordance with Article 7(1)(a) of the EU Securitisation Regulation and UK Securitisation Regulation and in the form prescribed under the EU Securitisation Regulation and UK Securitisation Regulation, respectively) prior to pricing of the Notes (where required, upon request to potential investors) and as at the Closing Date;

72	<p><b><u>STS Criteria</u></b></p> <p>72. The information required by points (b) to (d) of the first subparagraph of Article 7(1) shall be made available before pricing at least in draft or initial form.</p>	<p><b><u>Verified?</u></b></p> <p><b>YES</b></p>
	<p><b><u>PCS Comments</u></b></p> <p>See Prospectus, <i>THE SERVICER AND THE SERVICING AGREEMENT</i>.</p> <p>Servicer Reports and transparency requirements</p> <p>The Issuer will procure that:</p> <p>(m) the Corporate Services Provider will procure that the Reporting Agent (i) uploads to the relevant Securitisation Repository Website this Prospectus and the Transaction Documents, the KMC/BUK Mortgage Sale Agreement and the Scottish Deed of Release (in draft form) as required by Article 7(1)(b) of the UK Securitisation Regulation and Article 7(1)(b) of the EU Securitisation Regulation (as if such requirement applied to it) prior to the pricing of the Notes and that the final Prospectus and Transaction Documents are provided no later than 15 days after the Closing Date and (ii) prepares and uploads to the relevant Securitisation Repository Website a cash flow model pursuant to requirements in relation to eligible collateral for the purpose of the Bank of England's Sterling monetary framework and following receipt of the data tape prepared by the Servicer referred to in paragraph (k) above, an anonymised individual loan-level data tape in respect of the Mortgage Portfolio in the format required by the Reporting Agent (in accordance with Article 7(1)(a) of the EU Securitisation Regulation and UK Securitisation Regulation and in the form prescribed under the EU Securitisation Regulation and UK Securitisation Regulation, respectively) prior to pricing of the Notes (where required, upon request to potential investors) and as at the Closing Date;</p> <p>(o) the Seller will procure that the Reporting Agent (i) prepares and uploads to the relevant Securitisation Repository Website a liability cashflow model for the purpose of complying with the STS requirements under Article 22(3) of the UK Securitisation Regulation, and (ii) uploads to the relevant Securitisation Repository Website the UK STS notification required pursuant to Article 7(1)(d) of the UK Securitisation Regulation (and prepared in accordance with the UK STS Notification Technical Standards) (in draft form) prior to the pricing of the Notes and the final UK STS notification (once available).</p>	

**Article 22.5.** The final documentation shall be made available to investors at the latest 15 days after closing of the transaction.

73	<p><b><u>STS Criteria</u></b></p> <p>73. The final documentation shall be made available to investors at the latest 15 days after closing of the transaction.</p>	<p><b><u>Verified?</u></b></p> <p><b>YES</b></p>
	<p><b><u>PCS Comments</u></b></p> <p>See Prospectus, <i>THE SERVICER AND THE SERVICING AGREEMENT</i>.</p> <p>Servicer Reports and transparency requirements</p> <p>The Issuer will procure that:</p> <p>(m) the Corporate Services Provider will procure that the Reporting Agent (i) uploads to the relevant Securitisation Repository Website this Prospectus and the Transaction Documents, the KMC/BUK Mortgage Sale Agreement and the Scottish Deed of Release (in draft form) as required by Article 7(1)(b) of the UK Securitisation Regulation and Article 7(1)(b) of the EU Securitisation Regulation (as if such requirement applied to it) prior to the pricing of the Notes and that the final Prospectus and Transaction Documents are provided no later than 15 days after the Closing Date and (ii) prepares and uploads to the relevant Securitisation Repository Website a cash flow model pursuant to requirements in relation to eligible collateral for the purpose of the Bank of England's Sterling monetary framework and following receipt of the data tape prepared by the Servicer referred to in paragraph (k) above, an anonymised individual loan-level data tape in respect of the Mortgage Portfolio in the format required by the Reporting Agent (in accordance with Article 7(1)(a) of the EU Securitisation Regulation and UK Securitisation Regulation and in the form prescribed under the EU Securitisation Regulation and UK Securitisation Regulation, respectively) prior to pricing of the Notes (where required, upon request to potential investors) and as at the Closing Date;</p> <p><i>This criterion speaks to document disclosure within 15 days of closing and therefore is a future event criterion. In other words, it cannot be either met or failed at the outset of the transaction. But if it is not met within the specified 15-day period, then the Originator will need to inform ESMA and the STS status of the securitisation will be lost.</i></p> <p><i>Therefore, as a technical matter, this criterion is not applicable at the closing of a transaction. However, PCS will nevertheless look to see if there is a covenant on the part of the originator to comply in the future with this requirement whilst noting at the same time that the absence of any such covenant – although possibly unsettling for some investors – would not invalidate the STS status of the transaction at closing.</i></p>	

**Article 7.1.** The originator, sponsor and SSPE of a securitisation shall, in accordance with paragraph 2 of this Article, make at least the following information available to holders of a securitisation position, to the competent authority referred to in Article 29 and, upon request, to potential investors:

(a) information on the underlying exposures on a quarterly basis, or, in the case of ABCP, information on the underlying receivables or credit claims on a monthly basis;

#### 74 STS Criteria

74. The originator, sponsor and SSPE of a securitisation shall, in accordance with paragraph 2 of this Article, make at least the following information available to holders of a securitisation position, to the competent authority referred to in Article 29 and, upon request, to potential investors:

(a) information on the underlying exposures on a quarterly basis,

**Verified?**  
**YES**

#### PCS Comments

See Prospectus, *THE SERVICER AND THE SERVICING AGREEMENT*.

Servicer Reports and transparency requirements

The Issuer will procure that:

(i) the Corporate Services Provider will procure that the Reporting Agent will, provided that it receives the relevant reports from the Corporate Services Provider, the Cash Manager and the Servicer, including the Monthly Loan Level Data Tapes for the relevant Calculation Period, (A) prepare by no later than the last Business Day of the calendar month in which a Payment Date falls (i) the BOE Quarterly Loan Level Data Tape and make such data tape available to the Cash Manager, (ii) the SR Quarterly Loan Level Data Tape, (iii) the SR Quarterly Report and (iii) the quarterly report in relation to (x) any inside information required to be made available pursuant to Article 7(1)(f) of the UK Securitisation Regulation and the UK Article 7 Technical Standards and information on any significant event required to be made available pursuant to Article 7(1)(g) of the UK Securitisation Regulation and the UK Article 7 Technical Standards, and (y) any inside information required to be made available pursuant to Article 7(1)(f) of the EU Securitisation Regulation and EU Article 7 Technical Standards, and information on any significant event required to be made available pursuant to Article 7(1)(g) of the EU Securitisation Regulation and EU Article 7 Technical Standards, and (B) make available by means of the relevant Securitisation Repository Website by no later than the last Business Day of the calendar month in which a Payment Date falls, (i) the SR Quarterly Loan Level Data Tape, (ii) the SR Quarterly Report and (iii) the quarterly report in relation to (x) any inside information required to be made available pursuant to Article 7(1)(f) of the UK Securitisation Regulation and the UK Article 7 Technical Standards and information on any significant event required to be made available pursuant to Article 7(1)(g) of the UK Securitisation Regulation and the UK Article 7 Technical Standards, and (y) any inside information required to be made available pursuant to Article 7(1)(f) of the EU Securitisation Regulation and EU Article 7 Technical Standards; and information on any significant event required to be made available pursuant to Article 7(1)(g) of the EU Securitisation Regulation and EU Article 7 Technical Standards. The SR Quarterly Loan Level Data Tape shall be made available simultaneously with the SR Quarterly Report each quarter by no later than the last Business Day of the calendar month in which a Payment Date falls;

See Prospectus, *GENERAL INFORMATION*.

UK Securitisation Regulation reporting

The Reporting Entity has undertaken in the Cash Management Agreement:

(b) that it will procure that:

- (i) on a monthly basis, the Monthly Servicer Report will be made available to the Issuer, the Reporting Agent, the Cash Manager and the Sponsor Administrator;
- (ii) on a monthly basis, the Monthly Investor Report and the Monthly Loan Level Data Tape will be published;
- (iii) on a quarterly basis, the Quarterly Servicer Report will be made available to the Issuer, the Reporting Agent, the Cash Manager and the Sponsor Administrator;



- (iii) on a quarterly basis, the Quarterly Servicer Report will be made available to the Issuer, the Reporting Agent, the Cash Manager and the Sponsor Administrator;
- (iv) on a quarterly basis, the Quarterly Report, SR Quarterly Report, the BOE Quarterly Loan Level Data Tape and the SR Quarterly Loan Level Data Tape will be published;
- (c) that:
  - (i) it will procure that the information referred to above is made available to the Noteholders, persons entitled to receive the Senior Deferred Consideration and the Residual Deferred Consideration, the FCA, the Bank of England, the PRA and/or the Pensions Regulator and, upon request, to potential investors and that it is provided in a manner consistent with the requirements of Article 7(2) of the UK Securitisation Regulation by means of the Securitisation Repository at <https://www.secrep.co.uk/>; and

See Prospectus, *GLOSSARY*.

"Monthly Loan Level Data Tape"

An anonymised individual loan-level data tape in respect of the Mortgage Portfolio in the format required by the Reporting Agent in respect of each Collection Period (in accordance with Article 7(1)(a) of the EU Securitisation Regulation and UK Securitisation Regulation and in the form prescribed under the EU Securitisation Regulation and UK Securitisation Regulation, respectively or as otherwise adopted by the Issuer from time to time) which shall be delivered by the Servicer to the Issuer, and the Reporting Agent, by no later than each Servicer Reporting Date.

"SR Quarterly Loan Level Data Tape"

An anonymised individual loan-level data tape in respect of the Mortgage Portfolio in the format required by the Reporting Agent (in accordance with Article 7(1)(a) of the EU Securitisation Regulation and UK Securitisation Regulation and in the form prescribed under the EU Securitisation Regulation and UK Securitisation Regulation, respectively) in respect of each Calculation Period which the Reporting Agent shall prepare and make available on the relevant Securitisation Repository Website on a quarterly basis by no later than the last Business Day of the calendar month in which a Payment Date falls.

"SR Quarterly Report"

The EU Quarterly Report and the UK Quarterly Report made available at <https://pivot.usbank.com> and then by the Reporting Agent by means of the relevant Securitisation Repository Website in the case of the EU Quarterly Report and the UK Quarterly Report respectively.

"UK Quarterly Report"

A quarterly investor report prepared and published by the Reporting Agent containing the information required to be made available pursuant to Article 7(1)(e) of the UK Securitisation Regulation and the UK Article 7 Technical Standards.

*Certain criteria from 73 onwards are future event criteria, as to which we refer you to PCS' comment under point 73 above.*

**Article 7.1.** The originator, sponsor and SSPE of a securitisation shall, in accordance with paragraph 2 of this Article, make at least the following information available to holders of a securitisation position, to the competent authority referred to in Article 29 and, upon request, to potential investors:

(b) all underlying documentation that is essential for the understanding of the transaction, including but not limited to, where applicable, the following documents:

- (i) the final offering document or the prospectus together with the closing transaction documents, excluding legal opinions;
- (ii) for traditional securitisation the asset sale agreement, assignment, novation or transfer agreement and any relevant declaration of trust;
- (iii) the derivatives and guarantees agreements as well as any relevant documents on collateralisation arrangements where the exposures being securitised remain exposures of the originator;
- (iv) the servicing, back-up servicing, administration and cash management agreements;
- (v) the trust deed, security deed, agency agreement, account bank agreement, guaranteed investment contract, incorporated terms or master trust framework or master definitions agreement or such legal documentation with equivalent legal value;
- (vi) any relevant inter-creditor agreements, derivatives documentation, subordinated loan agreements, start-up loan agreements and liquidity facility agreements;

## 75 **STS Criteria**

75. (b) all underlying documentation that is essential for the understanding of the transaction, including but not limited to, where applicable, the following documents:

- (i) the final offering document or the prospectus together with the closing transaction documents, excluding legal opinions
- (ii) for traditional securitisation the asset sale agreement, assignment, novation or transfer agreement and any relevant declaration of trust;
- (iii) the derivatives and guarantees agreements as well as any relevant documents on collateralisation arrangements where the exposures being securitised remain exposures of the originator;
- (iv) the servicing, back-up servicing, administration and cash management agreements;
- (v) the trust deed, security deed, agency agreement, account bank agreement, guaranteed investment contract, incorporated terms or master trust framework or master definitions agreement or such legal documentation with equivalent legal value;
- (vi) any relevant inter-creditor agreements, derivatives documentation, subordinated loan agreements, start-up loan agreements and liquidity facility agreements;

**Verified?**  
**YES**

## **PCS Comments**

See Prospectus, *THE SERVICER AND THE SERVICING AGREEMENT*.

Servicer Reports and transparency requirements

The Issuer will procure that:

- (m) the Corporate Services Provider will procure that the Reporting Agent (i) uploads to the relevant Securitisation Repository Website this Prospectus and the Transaction Documents, the KMC/BUK Mortgage Sale Agreement and the Scottish Deed of Release (in draft form) as required by Article 7(1)(b) of the UK Securitisation Regulation and Article 7(1)(b) of the EU Securitisation Regulation (as if such requirement applied to it) prior to the pricing of the Notes and that the final Prospectus and Transaction Documents are provided no later than 15 days after the Closing Date and (ii) prepares and uploads to the relevant Securitisation Repository Website a cash flow model pursuant to requirements in relation to eligible collateral for the purpose of the Bank of England's Sterling monetary framework and following receipt of the data tape prepared by the Servicer referred to in paragraph (k) above, an anonymised individual loan-level data tape in respect of the Mortgage Portfolio in the format required by the Reporting Agent (in accordance with Article

7(1)(a) of the EU Securitisation Regulation and UK Securitisation Regulation and in the form prescribed under the EU Securitisation Regulation and UK Securitisation Regulation, respectively) prior to pricing of the Notes (where required, upon request to potential investors) and as at the Closing Date;

See Prospectus, *GLOSSARY*.

"Transaction Documents"

*Certain criteria from 73 onwards are future event criteria, as to which we refer you to PCS' comment under point 73 above.*

**Article 7.1.** That underlying documentation shall include a detailed description of the priority of payments of the securitisation;

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**STS Criteria**

76. That underlying documentation shall include a detailed description of the priority of payments of the securitisation;

**Verified?**

**YES**

**PCS Comments**

See Prospectus, *OVERVIEW OF CREDIT STRUCTURE AND CASHFLOWS*.

See Prospectus, *CREDIT STRUCTURE AND CASHFLOWS*.

See also underlying transaction documents, Cash Management Agreement.

PART 3

PRIORITIES OF PAYMENT

*Certain criteria from 73 onwards are future event criteria, as to which we refer you to PCS' comment under point 73 above.*

**Article 7.1.** The originator, sponsor and SSPE of a securitisation shall, in accordance with paragraph 2 of this Article, make at least the following information available to holders of a securitisation position, to the competent authorities referred to in Article 29 and, upon request, to potential investors:

(c) where section 85 of the 2000 Act (prohibition of dealing etc in transferable securities without approved prospectus) and rules made by the FCA for the purposes of Part 6 of the 2000 Act (official listing)<sup>1</sup> do not require a prospectus to be drawn up, a transaction summary or overview of the main features of the securitisation, including, where applicable:

- (i) details regarding the structure of the deal, including the structure diagrams containing an overview of the transaction, the cash flows and the ownership structure;
- (ii) details regarding the exposure characteristics, cash flows, loss waterfall, credit enhancement and liquidity support features;
- (iii) details regarding the voting rights of the holders of a securitisation position and their relationship to other secured creditors;
- (iv) a list of all triggers and events referred to in the documents provided in accordance with point (b) that could have a material impact on the performance of the securitisation position;

#### 77 STS Criteria

77. (c) section 85 of the 2000 Act (prohibition of dealing etc in transferable securities without approved prospectus) and rules made by the FCA for the purposes of Part 6 of the 2000 Act (official listing) do not require a prospectus to be drawn up, a transaction summary or overview of the main features of the securitisation, including, where applicable:

- (i) details regarding the structure of the deal, including the structure diagrams containing an overview of the transaction, the cash flows and the ownership structure;
- (ii) details regarding the exposure characteristics, cash flows, loss waterfall, credit enhancement and liquidity support features;
- (iii) details regarding the voting rights of the holders of a securitisation position and their relationship to other secured creditors;
- (iv) a list of all triggers and events referred to in the documents provided in accordance with point (b) that could have a material impact on the performance of the securitisation position;

**Verified?**  
**YES**

#### PCS Comments

*Not applicable.*

*Certain criteria from 73 onwards are future event criteria, as to which we refer you to PCS' comment under point 73 above.*

**Article 7.1.** The originator, sponsor and SSPE of a securitisation shall, in accordance with paragraph 2 of this Article, make at least the following information available to holders of a securitisation position, to the competent authorities referred to in Article 29 and, upon request, to potential investors:

(d) in the case of STS securitisations, the STS notification referred to in Article 27;

#### 78 STS Criteria

78. (d) in the case of STS securitisations, the STS notification referred to in Article 27;

**Verified?**  
**YES**

#### PCS Comments

See Prospectus, *THE SERVICER AND THE SERVICING AGREEMENT*.

<sup>1</sup> These are "prospectus rules"; see section 73A of the Financial Services and Markets Act 2000 (Part 6 Rules), inserted by S.I. 2005/381

## Servicer Reports and transparency requirements

The Issuer will procure that:

(n) on behalf of the Sponsor Administrator and itself, the Seller will prepare the draft and final STS notifications to the relevant Securitisation Repository Website and make (or procure the making of) such notifications to the FCA;

(o) the Seller will procure that the Reporting Agent (i) prepares and uploads to the relevant Securitisation Repository Website a liability cashflow model for the purpose of complying with the STS requirements under Article 22(3) of the UK Securitisation Regulation, and (ii) uploads to the relevant Securitisation Repository Website the UK STS notification required pursuant to Article 7(1)(d) of the UK Securitisation Regulation (and prepared in accordance with the UK STS Notification Technical Standards) (in draft form) prior to the pricing of the Notes and the final UK STS notification (once available).

*Certain criteria from 73 onwards are future event criteria, as to which we refer you to PCS' comment under point 73 above.*

**Article 7.1.** The originator, sponsor and SSPE of a securitisation shall, in accordance with paragraph 2 of this Article, make at least the following information available to holders of a securitisation position, to the competent authorities referred to in Article 29 and, upon request, to potential investors:

(e) quarterly investor reports, or, in the case of ABCP, monthly investor reports, containing the following:

- (i) all materially relevant data on the credit quality and performance of underlying exposures;
- (ii) information on events which trigger changes in the priority of payments or the replacement of any counterparties, and, in the case of a securitisation which is not an ABCP transaction, data on the cash flows generated by the underlying exposures and by the liabilities of the securitisation;
- (iii) information about the risk retained, including information on which of the modalities provided for in Article 6(3) has been applied, in accordance with Article 6.

**79 STS Criteria**

79. (e) quarterly investor reports, or, in the case of ABCP, monthly investor reports, containing the following:

- (i) all materially relevant data on the credit quality and performance of underlying exposures;
- (ii) information on events which trigger changes in the priority of payments or the replacement of any counterparties,
- (ii)...and, in the case of a securitisation which is not an ABCP transaction, data on the cash flows generated by the underlying exposures and by the liabilities of the securitisation;
- (iii) information about the risk retained, including information on which of the modalities provided for in Article 6(3) has been applied, in accordance with Article 6.

**Verified?**  
**YES**

**PCS Comments**

See Prospectus, *THE SERVICER AND THE SERVICING AGREEMENT*.

Servicer Reports and transparency requirements

The Issuer will procure that:

- (i) the Corporate Services Provider will procure that the Reporting Agent will, provided that it receives the relevant reports from the Corporate Services Provider, the Cash Manager and the Servicer, including the Monthly Loan Level Data Tapes for the relevant Calculation Period, (A) prepare by no later than the last Business Day of the calendar month in which a Payment Date falls (i) the BOE Quarterly Loan Level Data Tape and make such data tape available to the Cash Manager, (ii) the SR Quarterly Loan Level Data Tape, (iii) the SR

Quarterly Report and (iii) the quarterly report in relation to (x) any inside information required to be made available pursuant to Article 7(1)(f) of the UK Securitisation Regulation and the UK Article 7 Technical Standards and information on any significant event required to be made available pursuant to Article 7(1)(g) of the UK Securitisation Regulation and the UK Article 7 Technical Standards, and (y) any inside information required to be made available pursuant to Article 7(1)(f) of the EU Securitisation Regulation and EU Article 7 Technical Standards, and information on any significant event required to be made available pursuant to Article 7(1)(g) of the EU Securitisation Regulation and EU Article 7 Technical Standards, and (B) make available by means of the relevant Securitisation Repository Website by no later than the last Business Day of the calendar month in which a Payment Date falls, (i) the SR Quarterly Loan Level Data Tape, (ii) the SR Quarterly Report and (iii) the quarterly report in relation to (x) any inside information required to be made available pursuant to Article 7(1)(f) of the UK Securitisation Regulation and the UK Article 7 Technical Standards and information on any significant event required to be made available pursuant to Article 7(1)(g) of the UK Securitisation Regulation and the UK Article 7 Technical Standards, and (y) any inside information required to be made available pursuant to Article 7(1)(f) of the EU Securitisation Regulation and EU Article 7 Technical Standards, and information on any significant event required to be made available pursuant to Article 7(1)(g) of the EU Securitisation Regulation and EU Article 7 Technical Standards. The SR Quarterly Loan Level Data Tape shall be made available simultaneously with the SR Quarterly Report each quarter by no later than the last Business Day of the calendar month in which a Payment Date falls;

See Prospectus, *GENERAL INFORMATION*.

UK Securitisation Regulation reporting

The Reporting Entity has undertaken in the Cash Management Agreement:

- (b) that it will procure that:
  - (iv) on a quarterly basis, the Quarterly Report, SR Quarterly Report, the BOE Quarterly Loan Level Data Tape and the SR Quarterly Loan Level Data Tape will be published;
- (c) that:
  - (i) it will procure that the information referred to above is made available to the Noteholders, persons entitled to receive the Senior Deferred Consideration and the Residual Deferred Consideration, the FCA, the Bank of England, the PRA and/or the Pensions Regulator and, upon request, to potential investors and that it is provided in a manner consistent with the requirements of Article 7(2) of the UK Securitisation Regulation by means of the Securitisation Repository at <https://www.secrep.co.uk/>;

See Prospectus, *GLOSSARY*.

"Quarterly Report"

The quarterly investor report prepared by the Cash Manager in accordance with the provisions of the Cash Management Agreement and made available at <https://pivot.usbank.com> by no later than each Calculation Date.

"SR Quarterly Report"

The EU Quarterly Report and the UK Quarterly Report made available at <https://pivot.usbank.com> and then by the Reporting Agent by means of the relevant Securitisation Repository Website in the case of the EU Quarterly Report and the UK Quarterly Report respectively.

"UK Quarterly Report"

A quarterly investor report prepared and published by the Reporting Agent containing the information required to be made available pursuant to Article 7(1)(e) of the UK Securitisation Regulation and the UK Article 7 Technical Standards.

*Certain criteria from 73 onwards are future event criteria, as to which we refer you to PCS' comment under point 73 above.*

**Article 7.1.** The originator, sponsor and SSPE of a securitisation shall, in accordance with paragraph 2 of this Article, make at least the following information available to holders of a securitisation position, to the competent authorities referred to in Article 29 and, upon request, to potential investors:

(f) any inside information relating to the securitisation that the originator, sponsor or SSPE is obliged to make public in accordance with Article 17 of Regulation (EU) No 596/2014 of the European Parliament and of the Council on insider dealing and market manipulation;

80	<p><b>STS Criteria</b></p> <p>80. (f) any inside information relating to the securitisation that the originator, sponsor or SSPE is obliged to make public in accordance with Article 17 of Regulation (EU) No 596/2014 of the European Parliament and of the Council on insider dealing and market manipulation;</p>	<p><b>Verified?</b> <b>YES</b></p>
	<p><b>PCS Comments</b></p> <p>See Prospectus, <i>THE SERVICER AND THE SERVICING AGREEMENT</i>.</p> <p>Servicer Reports and transparency requirements</p> <p>The Issuer will procure that:</p> <p>(i) the Corporate Services Provider will procure that the Reporting Agent will, provided that it receives the relevant reports from the Corporate Services Provider, the Cash Manager and the Servicer, including the Monthly Loan Level Data Tapes for the relevant Calculation Period, (A) prepare by no later than the last Business Day of the calendar month in which a Payment Date falls (i) the BOE Quarterly Loan Level Data Tape and make such data tape available to the Cash Manager, (ii) the SR Quarterly Loan Level Data Tape, (iii) the SR Quarterly Report and (iii) the quarterly report in relation to (x) any inside information required to be made available pursuant to Article 7(1)(f) of the UK Securitisation Regulation and the UK Article 7 Technical Standards and information on any significant event required to be made available pursuant to Article 7(1)(g) of the UK Securitisation Regulation and the UK Article 7 Technical Standards, and (y) any inside information required to be made available pursuant to Article 7(1)(f) of the EU Securitisation Regulation and EU Article 7 Technical Standards, and information on any significant event required to be made available pursuant to Article 7(1)(g) of the EU Securitisation Regulation and EU Article 7 Technical Standards, and (B) make available by means of the relevant Securitisation Repository Website by no later than the last Business Day of the calendar month in which a Payment Date falls, (i) the SR Quarterly Loan Level Data Tape, (ii) the SR Quarterly Report and (iii) the quarterly report in relation to (x) any inside information required to be made available pursuant to Article 7(1)(f) of the UK Securitisation Regulation and the UK Article 7 Technical Standards and information on any significant event required to be made available pursuant to Article 7(1)(g) of the UK Securitisation Regulation and the UK Article 7 Technical Standards, and (y) any inside information required to be made available pursuant to Article 7(1)(f) of the EU Securitisation Regulation and EU Article 7 Technical Standards, and information on any significant event required to be made available pursuant to Article 7(1)(g) of the EU Securitisation Regulation and EU Article 7 Technical Standards. The SR Quarterly Loan Level Data Tape shall be made available simultaneously with the SR Quarterly Report each quarter by no later than the last Business Day of the calendar month in which a Payment Date falls;</p> <p>See Prospectus, <i>GENERAL INFORMATION</i>.</p> <p>UK Securitisation Regulation reporting</p> <p>The Reporting Entity has undertaken in the Cash Management Agreement:</p> <p>(b) that it will procure that:</p> <p>(v) on a quarterly basis and, where required, without delay, any inside information required to be made available pursuant to Article 7(1)(f) of the UK Securitisation Regulation and the UK Article 7 Technical Standards and information on any significant event required to be made available pursuant to Article 7(1)(g) of the UK Securitisation Regulation and the UK Article 7 Technical Standards will be published; and</p> <p><i>Certain criteria from 73 onwards are future event criteria, as to which we refer you to PCS' comment under point 73 above.</i></p>	

**Article 7.1.** The originator, sponsor and SSPE of a securitisation shall, in accordance with paragraph 2 of this Article, make at least the following information available to holders of a securitisation position, to the competent authorities referred to in Article 29 and, upon request, to potential investors:

(g) where point (f) does not apply, any significant event such as:

- (i) a material breach of the obligations laid down in the documents provided in accordance with point (b), including any remedy, waiver or consent subsequently provided in relation to such a breach;
- (ii) a change in the structural features that can materially impact the performance of the securitisation;
- (iii) a change in the risk characteristics of the securitisation or of the underlying exposures that can materially impact the performance of the securitisation;
- (iv) in the case of STS securitisations, where the securitisation ceases to meet the STS requirements or where competent authorities have taken remedial or administrative actions;
- (v) any material amendment to transaction documents.

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**STS Criteria**

81. (g) where point (f) does not apply, any significant event such as:

- (i) a material breach of the obligations laid down in the documents provided in accordance with point (b), including any remedy, waiver or consent subsequently provided in relation to such a breach;
- (ii) a change in the structural features that can materially impact the performance of the securitisation
- (iii) a change in the risk characteristics of the securitisation or of the underlying exposures that can materially impact the performance of the securitisation;
- (iv) in the case of STS securitisations, where the securitisation ceases to meet the STS requirements or where the competent authority has taken remedial or administrative actions;
- (v) any material amendment to transaction documents.

**Verified?**  
**YES**

**PCS Comments**

See Prospectus, *THE SERVICER AND THE SERVICING AGREEMENT*.

Servicer Reports and transparency requirements

The Issuer will procure that:

- (i) the Corporate Services Provider will procure that the Reporting Agent will, provided that it receives the relevant reports from the Corporate Services Provider, the Cash Manager and the Servicer, including the Monthly Loan Level Data Tapes for the relevant Calculation Period, (A) prepare by no later than the last Business Day of the calendar month in which a Payment Date falls (i) the BOE Quarterly Loan Level Data Tape and make such data tape available to the Cash Manager, (ii) the SR Quarterly Loan Level Data Tape, (iii) the SR Quarterly Report and (iii) the quarterly report in relation to (x) any inside information required to be made available pursuant to Article 7(1)(f) of the UK Securitisation Regulation and the UK Article 7 Technical Standards and information on any significant event required to be made available pursuant to Article 7(1)(g) of the UK Securitisation Regulation and the UK Article 7 Technical Standards, and (y) any inside information required to be made available pursuant to Article 7(1)(f) of the EU Securitisation Regulation and EU Article 7 Technical Standards, and information on any significant event required to be made available pursuant to Article 7(1)(g) of the EU Securitisation Regulation and EU Article 7 Technical Standards, and (B) make available by means of the relevant Securitisation Repository Website by no later than the last Business Day of the calendar month in which a Payment Date falls, (i) the SR Quarterly Loan Level Data Tape, (ii) the SR Quarterly Report and (iii) the quarterly report in relation to (x) any inside information required to be made available pursuant to Article 7(1)(f) of the UK Securitisation Regulation and the UK Article 7 Technical Standards and information on any significant event required to be made available pursuant to Article 7(1)(g) of the UK Securitisation Regulation and the UK Article 7 Technical Standards, and (y) any inside information required to be made available pursuant to Article 7(1)(f) of the EU Securitisation Regulation and EU Article 7 Technical Standards, and information on any significant event required to be made available pursuant to Article 7(1)(g) of the EU



Securitisation Regulation and EU Article 7 Technical Standards. The SR Quarterly Loan Level Data Tape shall be made available simultaneously with the SR Quarterly Report each quarter by no later than the last Business Day of the calendar month in which a Payment Date falls;

See Prospectus, *GENERAL INFORMATION*.

UK Securitisation Regulation reporting

The Reporting Entity has undertaken in the Cash Management Agreement:

(b) that it will procure that:

(v) on a quarterly basis and, where required, without delay, any inside information required to be made available pursuant to Article 7(1)(f) of the UK Securitisation Regulation and the UK Article 7 Technical Standards and information on any significant event required to be made available pursuant to Article 7(1)(g) of the UK Securitisation Regulation and the UK Article 7 Technical Standards will be published; and

**Article 7.1.** The information described in points (a) and (e) of the first subparagraph shall be made available simultaneously each quarter at the latest one month after the due date for the payment of interest [...ABCP provisions]

## 82 STS Criteria

82. The information described in points (a) and (e) of the first subparagraph shall be made available simultaneously each quarter at the latest one month after the due date for the payment of interest [...ABCP provisions]

**Verified?**  
**YES**

## PCS Comments

See Prospectus, *THE SERVICER AND THE SERVICING AGREEMENT*.

Servicer Reports and transparency requirements

The Issuer will procure that:

(j) the Corporate Services Provider will procure that the Reporting Agent will, provided that it receives the relevant reports from the Corporate Services Provider, the Cash Manager and the Servicer, including the Monthly Loan Level Data Tapes for the relevant Calculation Period, (A) prepare by no later than the last Business Day of the calendar month in which a Payment Date falls (i) the BOE Quarterly Loan Level Data Tape and make such data tape available to the Cash Manager, (ii) the SR Quarterly Loan Level Data Tape, (iii) the SR Quarterly Report and (iii) the quarterly report in relation to (x) any inside information required to be made available pursuant to Article 7(1)(f) of the UK Securitisation Regulation and the UK Article 7 Technical Standards and information on any significant event required to be made available pursuant to Article 7(1)(g) of the UK Securitisation Regulation and the UK Article 7 Technical Standards, and (y) any inside information required to be made available pursuant to Article 7(1)(f) of the EU Securitisation Regulation and EU Article 7 Technical Standards, and information on any significant event required to be made available pursuant to Article 7(1)(g) of the EU Securitisation Regulation and EU Article 7 Technical Standards, and (B) make available by means of the relevant Securitisation Repository Website by no later than the last Business Day of the calendar month in which a Payment Date falls, (i) the SR Quarterly Loan Level Data Tape, (ii) the SR Quarterly Report and (iii) the quarterly report in relation to (x) any inside information required to be made available pursuant to Article 7(1)(f) of the UK Securitisation Regulation and the UK Article 7 Technical Standards and information on any significant event required to be made available pursuant to Article 7(1)(g) of the UK Securitisation Regulation and the UK Article 7 Technical Standards, and (y) any inside information required to be made available pursuant to Article 7(1)(f) of the EU Securitisation Regulation and EU Article 7 Technical Standards, and information on any significant event required to be made available pursuant to Article 7(1)(g) of the EU Securitisation Regulation and EU Article 7 Technical Standards. The SR Quarterly Loan Level Data Tape shall be made available simultaneously with the SR Quarterly Report each quarter by no later than the last Business Day of the calendar month in which a Payment Date falls;

See Prospectus, *GLOSSARY*.

"SR Quarterly Report"

The EU Quarterly Report and the UK Quarterly Report made available at <https://pivot.usbank.com> and then by the Reporting Agent by means of the relevant Securitisation Repository Website in the case of the EU Quarterly Report and the UK Quarterly Report respectively.

"SR Quarterly Loan Level Data Tape"

An anonymised individual loan-level data tape in respect of the Mortgage Portfolio in the format required by the Reporting Agent (in accordance with Article 7(1)(a) of the EU Securitisation Regulation and UK Securitisation Regulation and in the form prescribed under the EU Securitisation Regulation and UK Securitisation Regulation, respectively) in respect of each Calculation Period which the Reporting Agent shall prepare and make available on the relevant Securitisation Repository Website on a quarterly basis by no later than the last Business Day of the calendar month in which a Payment Date falls.

"UK Quarterly Report"

A quarterly investor report prepared and published by the Reporting Agent containing the information required to be made available pursuant to Article 7(1)(e) of the UK Securitisation Regulation and the UK Article 7 Technical Standards.

*Certain criteria from 73 onwards are future event criteria, as to which we refer you to PCS' comment under point 73 above.*

**Article 7.1.** Without prejudice to Regulation (EU) No 596/2014, the information described in points (f) and (g) of the first subparagraph shall be made available without delay

When complying with this paragraph, the originator, sponsor and SSPE of a securitisation shall comply with national and United Kingdom law governing the protection of confidentiality of information and the processing of personal data in order to avoid potential breaches of such law as well as any confidentiality obligation relating to customer, original lender or debtor information, unless such confidential information is anonymised or aggregated.

In particular, with regard to the information referred to in point (b) the originator, sponsor and SSPE may provide a summary of the concerned documentation.

Competent authorities referred to in Article 29 shall be able to request the provision of such confidential information to them in order to fulfil their duties under this Regulation.

### 83 STS Criteria

83. Without prejudice to Regulation (EU) No 596/2014, the information described in points (f) and (g) of the first subparagraph shall be made available without delay

Verified?  
**YES**

### PCS Comments

See point 80 above.

See Prospectus, *GENERAL INFORMATION*.

UK Securitisation Regulation reporting

The Reporting Entity has undertaken in the Cash Management Agreement:

(b) that it will procure that:

(v) on a quarterly basis and, where required, without delay, any inside information required to be made available pursuant to Article 7(1)(f) of the UK Securitisation Regulation and the UK Article 7 Technical Standards and information on any significant event required to be made available pursuant to Article 7(1)(g) of the UK Securitisation Regulation and the UK Article 7 Technical Standards will be published;

*Certain criteria from 73 onwards are future event criteria, as to which we refer you to PCS' comment under point 73 above.*

**Article 7.2.** The originator, sponsor and SSPE of a securitisation shall designate amongst themselves one entity to fulfil the information requirements pursuant to points (a), (b), (d), (e), (f) and (g) of the first subparagraph of paragraph 1.

The entity designated in accordance with the first subparagraph shall make the information for a securitisation transaction available by means of a securitisation repository.

Or

The obligations referred to in the second and fourth subparagraphs shall not apply to securitisations where no prospectus has to be drawn up in compliance with Directive 2003/71/EC.

#### 84 **STS Criteria**

84. The originator, sponsor and SSPE of a securitisation shall designate amongst themselves one entity to fulfil the information requirements pursuant to points (a), (b), (d), (e), (f) and (g) of the first subparagraph of paragraph 1.

The entity designated in accordance with the first subparagraph shall make the information for a securitisation transaction available by means of a securitisation repository.

Or

The obligations referred to in the second and fourth subparagraphs shall not apply to securitisations where no prospectus has to be drawn up in compliance with Directive 2003/71/EC.

**Verified?**  
**YES**

#### **PCS Comments**

See Prospectus, *CERTAIN REGULATORY REQUIREMENTS*.

##### 1. THE SECURITISATION REGULATION

###### Transparency and reporting

For the purposes of Article 7(2) of the UK Securitisation Regulation, the Issuer, as SSPE, has been designated as the entity responsible for compliance with the requirements of Article 7 of the UK Securitisation Regulation (the "Reporting Entity"). The Reporting Entity will either fulfil such requirements itself or shall procure that such requirements are fulfilled on its behalf.

See Prospectus, *GENERAL INFORMATION*.

###### UK Securitisation Regulation reporting

The Issuer and the Retention Holder (as SSPE and sponsor, respectively, within the meaning of the UK Securitisation Regulation), have agreed that the Issuer is designated as the reporting entity (the "Reporting Entity") as required under Article 7(2) of the UK Securitisation Regulation.

*Certain criteria from 73 onwards are future event criteria, as to which we refer you to PCS' comment under point 73 above.*

85	<p><b>STS Criteria</b></p> <p>85. The entity responsible for reporting the information, and the securitisation repository where the information is made available shall be indicated in the documentation regarding the securitisation.</p>	<p><b>Verified?</b> <b>YES</b></p>
	<p><b>PCS Comments</b></p> <p>See Prospectus, <i>GENERAL INFORMATION</i>.</p> <p>UK Securitisation Regulation reporting</p> <p>The Reporting Entity has undertaken in the Cash Management Agreement:</p> <p>(c) that:</p> <p>(i) it will procure that the information referred to above is made available to the Noteholders, persons entitled to receive the Senior Deferred Consideration and the Residual Deferred Consideration, the FCA, the Bank of England, the PRA and/or the Pensions Regulator and, upon request, to potential investors and that it is provided in a manner consistent with the requirements of Article 7(2) of the UK Securitisation Regulation by means of the Securitisation Repository at <a href="https://www.secrep.co.uk/">https://www.secrep.co.uk/</a>; and</p> <p>(ii) it will provide information to and comply with written confirmation requests of the Securitisation Repository, as required under the UK Securitisation Repository Operational Standards,</p> <p>See Prospectus, <i>GLOSSARY</i>.</p> <p>"Securitisation Repository"</p> <p>(i) SecRep Limited, or its substitute, successor or replacement that is registered with the FCA under the UK Securitisation Regulation, and (ii) SecRep BV, or its substitute, successor or replacement that is registered as a securitisation repository under Article 10 of the EU Securitisation Regulation.</p> <p>"Securitisation Repository Website"</p> <p>(i) The website of SecRep Limited at <a href="https://www.secrep.co.uk/">https://www.secrep.co.uk/</a>, being a website that conforms with the requirements set out in Article 7(2) of the UK Securitisation Regulation, and</p> <p>(ii) the website of SecRep BV at <a href="https://www.secrep.eu">https://www.secrep.eu</a>, being a website that conforms with the requirements set out in Article 7(2) of the EU Securitisation Regulation, or in each case such other website as may be notified by the Servicer to the Issuer, the Cash Manager, the Security Trustee, each Rating Agency, the Noteholders and the Certificateholders from time to time.</p> <p>See point 84 above.</p> <p>Certain criteria from 73 onwards are future event criteria, as to which we refer you to PCS' comment under point 73 above.</p>	