

CRR ASSESSMENT

SOL LION II RMBS

FONDO DE TITULIZACIÓN



PRIME COLLATERALISED SECURITIES (PCS) EU SAS

4th December 2020



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4th December 2020

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Prime Collateralised Securities (PCS) CRR Assessment

Individual(s) undertaking the assessment	Dr Martina Spaeth
Date of Assessment /Version	4th December 2020
The transaction to be assessed (the “Transaction”)	SOL LION II RMBS
Issuer	SOL LION II RMBS
Originator	ING BANK, N.V., Spanish Branch
Seller	ING BANK, N.V., Spanish Branch
Lead Manager(s)	ING BANK, N.V., Spanish Branch
Transaction Legal Counsel	Cuatrecasas Gonçaves Pereira S.L.P
Rating Agencies	DBRS and Fitch Ratings
Stock Exchange	AIAF Fixed-Income Market (AIAF Mercado de Renta Fija).
Closing Date	4th December 2020

Legislative Text and CRR Criteria	Identifying Document and Checking Page Reference	Checking Comments	Criteria Fulfilled Yes / No	
Article 243 (1) 2. Positions in a securitisation, other than an ABCP programme or ABCP transaction, that qualify as positions in an STS securitisation, shall be eligible for the treatment set out in Articles 260, 262 and 264 where the following requirements are met:				
1	(a) at the time of inclusion in the securitisation, the aggregate exposure value of all exposures to a single obligor in the pool does not exceed 2 % of the exposure values of the aggregate outstanding exposure values of the pool of underlying exposures. For the purposes of this calculation, loans or leases to a group of connected clients shall be considered as exposures to a single obligor.	See Prospectus, 2.2.2.1.2. Initial Portfolio statistics based on various criteria (xix) Concentration The following table shows the distribution of the Initial Portfolio depending on the concentration of Mortgage Loans among Borrowers. See also Prospectus, 2.2.2.2.3 Eligibility Criteria (i) Individual Eligibility Criteria “Replenishment Conditions” means that on the relevant Purchase Date: (v) no Borrower will make up more than 0.25% of the Initial Portfolio balance;	PCS notes that the maximum concentration to one single Borrower is 0.00%.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
	In the case of securitised residual leasing values, the first subparagraph of this point shall not apply where those values are not exposed to refinancing or resell risk due to a legally enforceable commitment to repurchase or refinance the exposure at a pre-determined amount by a third party eligible under Article 201(1);	Not applicable.		Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input checked="" type="checkbox"/>

¹ REGULATION (EU) 2017/2401 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 12 December 2017 amending Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms.

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<p>2 (b) at the time of their inclusion in the securitisation, the underlying exposures meet the conditions for being assigned, under the Standardised Approach and taking into account any eligible credit risk mitigation, a risk weight equal to or smaller than:</p> <p>(i) 40 % on an exposure value-weighted average basis for the portfolio where the exposures are loans secured by residential mortgages or fully guaranteed residential loans, as referred to in point (e) of Article 129(1);</p> <p>(ii) 50 % on an individual exposure basis where the exposure is a loan secured by a commercial mortgage;</p> <p>(iii) 75 % on an individual exposure basis where the exposure is a retail exposure ⁽²⁾;</p> <p>for any other exposures, 100 % on an individual exposure basis;</p>		<p>The Originator confirmed to PCS the standardised risk weight of the portfolio to be below 40% (35%).</p>	<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p>
<p>3 (c) where points (b)(i) and (b)(ii) apply, the loans secured by lower ranking security rights on a given asset shall only be included in the securitisation where all loans secured by prior ranking security rights on that asset are also included in the securitisation;</p>	<p>See Prospectus, section 2.2.8 Representations and collateral given to the issuer relating to the assets, 2.2.8.2 In relation to the Mortgages Loans</p> <p>(bb) The Mortgage Loans are secured by a first-priority real estate mortgage over the relevant properties (all of them over residential</p>		<p>Yes <input type="checkbox"/></p> <p>No <input type="checkbox"/></p> <p>N/A <input checked="" type="checkbox"/></p>

² See article 123, "Retail exposures" of the Regulation (EU) No 575/2013; for Consumer loans see the amendments to article 123 in (59) REGULATION (EU) 2019/876 and REGULATION (EU) 2020/873, article 2 (1) (a).

See article 501 on "Adjustment of risk-weighted non-defaulted SME exposures for "SME Loans" of the Regulation (EU) No 575/2013, as amended in Regulation (EU) 2019/876 and Regulation 2020/873 in (19) and Article 2.1(b).

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	<p>properties), with the exception of those where there is a prior ranking mortgage registered with the relevant Land Registry and the mortgage loan which they secure has been economically cancelled but the relevant entry is still pending cancellation in the relevant Land Registry. Furthermore, the mortgaged properties (i) are not affected by prohibitions concerning their availability, cancellation or any other ownership limitation and (ii) are not subject to any charges, liens or encumbrances in force ranking ahead the mortgages securing the Mortgage Loans, save preferential statutory credit rights originated in the ordinary course of business (i.e. statutory preferential credit rights arising in the ordinary course of business such as town planning charges, easements on the properties, or any other legal charge that is preferable to the mortgages).</p>		
<p>4 (d) where point (b)(i) of this paragraph applies, no loan in the pool of underlying exposures shall have a loan-to-value ratio higher than 100 %, at the time of inclusion in the securitisation, measured in accordance with point (d)(i) of Article 129(1) and Article 229(1).</p>	<p>See Prospectus, section 2.2.8 Representations and collateral given to the issuer relating to the assets, 2.2.8.2 In relation to the Mortgages Loans</p> <p>(bbb) The Loan to Indexed Market Value for each of the Receivables is not higher than 100% in accordance with CRR..</p>		<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p> <p>N/A <input type="checkbox"/></p>