

Yorkshire Building Society €7.5bn Covered Bond Programme - Monthly Investor Report: January 2017

Administration

| | |
|--|---|
| Name of issuer | Yorkshire Building Society |
| Name of RCB programme | Yorkshire Building Society €7.5 billion Global Covered Bond Programme |
| Name, job title and contact details of person validating this form | Richard Driver, Secured Funding Manager, rjdriver@ybs.co.uk |
| Date of form submission | 21/02/2017 |
| Start Date of reporting period | 01/01/2017 |
| End Date of reporting period | 31/01/2017 |
| Web links - prospectus, transaction documents, loan-level data | http://www.ybs.co.uk/your-society/treasury/wholesale_funding/covered-bonds/reports.html |

Counterparties, Ratings

| Covered bonds | Counterparty/ies | Fitch | | Moody's | |
|------------------------------------|----------------------------|----------------|----------------|----------------|----------------|
| | | Rating trigger | Current rating | Rating trigger | Current rating |
| Issuer | Yorkshire Building Society | - | AAA | - | Aaa |
| Seller(s) | Yorkshire Building Society | - | A-/F1 | - | Baa1/P2 |
| Cash Manager | Yorkshire Building Society | < BBB-, < F2 | A-/F1 | < Baa3, < P-2 | Baa1/P-2 |
| Back-up Cash Manager | Yorkshire Building Society | < BBB- | A-/F1 | <Baa1, < Baa3 | Baa1/P-2 |
| Account Bank | n/a | - | - | - | - |
| Stand-by Account Bank | Yorkshire Building Society | < F1 | A-/F1 | < P-1 | Baa1/P-2 |
| Servicer(s) | HSBC Bank plc | < F1 | AA-/F1+ | < P-1 | Aa2/P-1 |
| Back-up Servicer(s) | Yorkshire Building Society | < BBB- | A-/F1 | <Baa1, < Baa3 | Baa1/P-2 |
| Interest Rate Swap Provider | n/a | - | - | - | - |
| Swap notional amount(s) (GBP) | Yorkshire Building Society | < F3/BBB- | A-/F1 | < P-2/A3 | Baa1/P-2 |
| Swap notional maturity/ies | 3,129,777,975 | | | | |
| LLP receive rate/margin | Loan balance zero | | | | |
| LLP pay rate/margin | 1.52% | | | | |
| Collateral posting amount(s) (GBP) | 2.63% | | | | |
| | 0 | | | | |

Accounts, Ledgers

| | Value as of End Date of reporting period | Value as of Start Date of reporting period | TARGETED VALUE |
|---|--|--|----------------|
| Revenue receipts / ledger | | | |
| Beg Balance | 0 | n/a | n/a |
| Third party payments | (100) | n/a | n/a |
| Interest on Mortgages | 6,981,190 | n/a | n/a |
| Interest on GIC | 426 | n/a | n/a |
| Interest on Sub Assets | 0 | n/a | n/a |
| Interest on Authorised Investments | 0 | n/a | n/a |
| Transfer from Coupon payment ledger | 0 | n/a | n/a |
| Other Revenue | 0 | n/a | n/a |
| Amounts transferred from / (to) Reserve Fund | 0 | n/a | n/a |
| Cash Capital Contribution deemed to be revenue | 0 | n/a | n/a |
| Net Interest from / (to) Interest Rate Swap Provider | (3,037,337) | n/a | n/a |
| Interest (to) Covered Bond Swap Providers | (2,174,032) | n/a | n/a |
| Pre-funding of monthly swap payments / other payments | 0 | n/a | n/a |
| Interest paid on Covered Bonds without Covered Bonds Swaps | 0 | n/a | n/a |
| Deferred Consideration | (1,770,148) | n/a | n/a |
| Closing Balance | 0 | n/a | n/a |
| Principal receipts / ledger | | | |
| Beg Balance | 0 | n/a | n/a |
| Principal repayments under mortgages | 39,509,700 | n/a | n/a |
| Proceeds from Term Advances | 0 | n/a | n/a |
| Mortgages Purchased | (249,343,201) | n/a | n/a |
| Cash Capital Contributions deemed to be principal | 0 | n/a | n/a |
| Proceeds from Mortgage Sales | 3,388,808 | n/a | n/a |
| Principal payments to Covered Bonds Swap Providers | 0 | n/a | n/a |
| Principal paid on Covered Bonds without Covered Bonds Swaps | 0 | n/a | n/a |
| Capital Distribution | 206,444,693 | n/a | n/a |
| Closing Balance | 0 | n/a | n/a |
| Reserve receipts / ledger | | | |
| Beg Balance | 7,909,251 | n/a | n/a |
| Transfers to GIC | 0 | n/a | n/a |
| Interest on GIC | 0 | n/a | n/a |
| Reserve Required Amount movement | 0 | n/a | n/a |
| Transfers from GIC | 0 | n/a | n/a |
| Closing Balance | 7,909,251 | n/a | 6,795,325 |
| Capital Account receipts / ledger | | | |
| Beg Balance | 1,338,464,275 | n/a | n/a |
| Increase in loan balance due to Capitalised interest | 0 | n/a | n/a |
| Increase in loan balance due to Further Advances | 952,385 | n/a | n/a |
| Increase in loan balance due to insurance & fees | 157,242 | n/a | n/a |
| Capital Contributions | 0 | n/a | n/a |
| Capital Distribution | 206,444,693 | n/a | n/a |
| Losses from Capital Contribution in Kind | 0 | n/a | n/a |
| Closing Balance | 1,546,018,595 | n/a | n/a |

Asset Coverage Test

| | Value | Description |
|---|---------------|---------------------------------------|
| A | 2,791,331,898 | Adjusted current balance |
| B | 39,509,700 | Principal collections not yet applied |
| C | 0 | Qualifying additional collateral |
| D | 0 | Substitute assets |
| E | n/a | Proceeds of sold mortgage loans |
| V | n/a | Set-off offset loans |
| W | n/a | Personal secured loans |
| X | n/a | Flexible draw capacity |
| Y | 170,606,209 | Set-off |
| Z | 81,432,346 | Negative carry |
| Total: A + B + C + D - (Y + Z) | 2,578,803,044 | |
| Method Used for Calculating "A" (note 1) | | A (ii) |
| Asset Percentage (%) | | 88.00% |
| Maximum asset percentage from Fitch (%) | | 88.00% |
| Maximum asset percentage from Moody's (%) | | 89.50% |
| Maximum asset percentage from S&P (%) | | n/a |
| Credit support as derived from ACT (GBP) | | 700,803,044 |
| Credit support as derived from ACT (%) | | 37.3% |

Note 1
 (i) Adjusted True Balance less deemed reductions. (ii) Arrears Adjusted True Balance less deemed Reductions multiplied by the Asset Percentage

Programme-Level Characteristics

| | EUR |
|---|-------------------|
| Programme Currency | |
| Programme size | 7,500,000,000 |
| Covered bonds principal amount outstanding (GBP, non-GBP series converted at swap FX rate) | 1,878,000,000 |
| Covered bonds principal amount outstanding (GBP, non-GBP series converted at current spot rate) | 2,038,125,000 |
| Cover pool balance (GBP) | 3,173,791,298 |
| GIC account balance (GBP) | 54,400,567 |
| Any additional collateral (please specify) | 0 |
| Any additional collateral (GBP) | 0 |
| Aggregate balance of off-set mortgages (GBP) | 1,028,320,988 |
| Aggregate deposits attaching to the cover pool (GBP) | 170,606,209 |
| Aggregate deposits attaching specifically to the off-set mortgages (GBP) | 167,948,821 |
| Nominal level of overcollateralisation (GBP) | 1,295,791,298 |
| Nominal level of overcollateralisation (%) | 169.0% |
| Total Outstanding Current Balance of Mortgages in the Portfolio | 3,173,791,298 |
| Number of Mortgages in Pool | 29,391 |
| Average loan balance (GBP) | 107,985 |
| Weighted average indexed LTV (%) | 47.54 |
| Weighted average non-indexed LTV (%) | 56.74 |
| Weighted average seasoning (months) | 76.13 |
| Weighted average remaining term (months) | 214.01 |
| Weighted average interest rate (%) | 3.00 |
| Standard Variable Rate(s) (%) | 4.74 |
| Constant Pre-Payment Rate (%; current month) | 10.39 |
| Constant Pre-Payment Rate (%; quarterly average) | 16.13 |
| Principal Payment Rate (%; current month) | 15.22 |
| Principal Payment Rate (%; quarterly average) | 20.89 |
| Constant Default Rate (%; current month) | 0 |
| Constant Default Rate (%; quarterly average) | 0 |
| Fitch Discontinuity Factor (%) | 4 (moderate risk) |
| Moody's Timely Payment Indicator | Probable |
| Moody's Collateral Score (%) | 5.0 / 3.1 |

Mortgage Collections

| | |
|--|------------|
| Mortgage collections (scheduled - interest) | 6,981,190 |
| Mortgage collections (scheduled - principal) | 12,475,132 |
| Mortgage collections (unscheduled - interest) | 0 |
| Mortgage collections (unscheduled - principal) | 27,034,568 |

Loan Redemptions & Replenishments Since Previous Reporting Date

| | Number | % of total number | Amount (GBP) | % of total amount |
|--|--------|-------------------|--------------|-------------------|
| Loan redemptions since previous reporting date | 235 | 88.01% | 20,359,300 | 85.03% |
| Loans bought back by seller(s) | 32 | 11.99% | 3,585,296 | 14.97% |
| of which are non-performing loans | 3 | 9.38% | 268,347 | 7.48% |
| of which have breached RfWs | 0 | 0.00% | 0 | 0.00% |
| Loans sold into the cover pool | 480 | n/a | 99,648,717 | n/a |

Product Rate Type and Reversionary Profiles

| | Number | % of total number | Amount (GBP) | % of total amount | Weighted average | | | | |
|--|---------------|-------------------|------------------------|-------------------|------------------|---------------------------------|----------------|---------------------|--------------|
| | | | | | Current rate | Remaining teaser period (month) | Current margin | Reversionary margin | Initial rate |
| Fixed at origination, reverting to SVR | 20,116 | 68.48% | 2,514,408,989 | 79.2% | 2.90% | 24.42 | 0.00% | 0.00% | |
| Fixed at origination, reverting to Libor | 0.00 | 0.0% | 0.00 | 0.0% | 0.00% | 0.00 | 0.00% | 0.00% | |
| Fixed at origination, reverting to tracker | 0.00 | 0.0% | 0.00 | 0.0% | 0.00% | 0.00 | 0.00% | 0.00% | |
| Fixed for life | 0.00 | 0.0% | 0.00 | 0.0% | 0.00% | 0.00 | 0.00% | 0.00% | |
| Tracker at origination, reverting to SVR | 31 | 0.1% | 8,099,654 | 0.3% | 1.57% | 5.81 | 1.17% | 0.00% | |
| Tracker at origination, reverting to Libor | 0.00 | 0.0% | 0.00 | 0.0% | 0.00% | 0.00 | 0.00% | 0.00% | |
| Tracker for life | 4,600 | 15.7% | 361,126,103 | 11.4% | 2.33% | 0.00 | 2.01% | 2.01% | |
| SVR, including discount to SVR | 4,642 | 15.8% | 289,927,804 | 9.1% | 4.70% | 0.00 | -0.01% | 0.03% | |
| Libor | 0.00 | 0.0% | 0.00 | 0.0% | 0.00% | 0.00 | 0.00% | 0.00% | |
| Total | 29,391 | 100.0% | £ 3,173,791,298 | 100.0% | | | | | |

Stratifications

| Arrears Breakdown | Number | % of Total Number | Amount | % of Total Amount |
|--|---------------|-------------------|------------------------|-------------------|
| Current | 29,147 | 99.17% | 3,153,006,595 | 99.35% |
| 0-1 month in arrears | 131 | 0.45% | 11,069,372 | 0.35% |
| 1-2 months in arrears (greater than 1 month, includes 2 months) | 56 | 0.19% | 4,971,115 | 0.16% |
| 2-3 months in arrears (greater than 2 months, includes 3 months) | 27 | 0.09% | 2,096,273 | 0.07% |
| 3-6 months in arrears (greater than 3 month, includes 6 months) | 27 | 0.09% | 2,379,597 | 0.07% |
| 6-12 months in arrears (greater than 6 months, includes 12 months) | 3 | 0.01% | 268,347 | 0.01% |
| 12+ months in arrears (greater than 12 months) | 0 | 0.00% | 0 | 0.00% |
| Total | 29,391 | 100.00% | £ 3,173,791,298 | 100.00% |

| Current LTV (Non-Indexed) | Number | % of Total Number | Amount | % of Total Amount |
|---------------------------|---------------|-------------------|------------------------|-------------------|
| 0-50% - Non Indexed | 15,882 | 54.04% | 1,087,799,702 | 34.27% |
| 50-55% | 1,908 | 6.49% | 254,257,412 | 8.01% |
| 55-60% | 2,154 | 7.33% | 317,968,717 | 10.02% |
| 60-65% | 2,077 | 7.07% | 316,112,030 | 9.96% |
| 65-70% | 2,249 | 7.65% | 379,582,096 | 11.96% |
| 70-75% | 1,509 | 5.13% | 240,647,063 | 7.58% |
| 75-80% | 1,272 | 4.33% | 200,307,321 | 6.31% |
| 80-85% | 1,214 | 4.13% | 199,335,900 | 6.28% |
| 85-90% | 746 | 2.54% | 119,135,504 | 3.75% |
| 90-95% | 288 | 0.98% | 43,606,810 | 1.37% |
| 95-100% | 74 | 0.25% | 12,345,567 | 0.39% |
| 100-105% | 12 | 0.04% | 1,577,012 | 0.05% |
| 105-110% | 1 | 0.00% | 277,348 | 0.01% |
| 110-125% | 2 | 0.01% | 297,489 | 0.01% |
| 125%+ | 3 | 0.01% | 541,328 | 0.02% |
| Total | 29,391 | 100.00% | £ 3,173,791,298 | 100.00% |

| Current LTV (Indexed as Defined in OC) | Number | % of Total Number | Amount | % of Total Amount |
|--|---------------|-------------------|------------------------|-------------------|
| 0-50% - Indexed | 19,718 | 67.09% | 1,688,307,397 | 53.20% |
| 50-55% | 2,109 | 7.18% | 328,300,905 | 10.34% |
| 55-60% | 1,968 | 6.70% | 306,098,087 | 9.64% |
| 60-65% | 1,632 | 5.55% | 255,121,006 | 8.04% |
| 65-70% | 1,287 | 4.38% | 199,803,704 | 6.30% |
| 70-75% | 1,138 | 3.87% | 171,039,258 | 5.39% |
| 75-80% | 831 | 2.83% | 121,510,492 | 3.83% |
| 80-85% | 457 | 1.55% | 67,733,643 | 2.13% |
| 85-90% | 167 | 0.57% | 23,254,007 | 0.73% |
| 90-95% | 43 | 0.15% | 5,711,753 | 0.18% |
| 95-100% | 24 | 0.08% | 4,322,669 | 0.14% |
| 100-105% | 12 | 0.04% | 1,746,941 | 0.06% |
| 105-110% | 3 | 0.01% | 376,744 | 0.01% |
| 110-125% | 2 | 0.01% | 464,692 | 0.01% |
| 125%+ | 0 | 0.00% | 0 | 0.00% |
| Total | 29,391 | 100.00% | £ 3,173,791,298 | 100.00% |

| Current outstanding balance of loan | Number | % of total number | Amount (GBP) | % of total amount |
|-------------------------------------|---------------|-------------------|------------------------|-------------------|
| 0-5,000 | 990 | 3.37% | 1,778,260 | 0.06% |
| 5,000-10,000 | 680 | 2.31% | 5,150,179 | 0.16% |
| 10,000-25,000 | 2,643 | 8.99% | 47,428,272 | 1.49% |
| 25,000-50,000 | 4,670 | 15.89% | 174,767,534 | 5.51% |
| 50,000-75,000 | 4,383 | 14.91% | 273,279,492 | 8.61% |
| 75,000-100,000 | 3,852 | 13.11% | 336,289,133 | 10.60% |
| 100,000-150,000 | 5,596 | 19.04% | 685,896,882 | 21.61% |
| 150,000-200,000 | 2,827 | 9.62% | 485,702,403 | 15.30% |
| 200,000-250,000 | 1,481 | 5.04% | 329,054,002 | 10.37% |
| 250,000-300,000 | 846 | 2.88% | 231,173,441 | 7.28% |
| 300,000-350,000 | 472 | 1.61% | 152,471,790 | 4.80% |
| 350,000-400,000 | 309 | 1.05% | 115,370,159 | 3.64% |
| 400,000-450,000 | 206 | 0.70% | 87,771,361 | 2.77% |
| 450,000-500,000 | 144 | 0.49% | 68,045,951 | 2.14% |
| 500,000-600,000 | 158 | 0.54% | 86,335,746 | 2.72% |
| 600,000-700,000 | 87 | 0.30% | 55,778,189 | 1.76% |
| 700,000-800,000 | 25 | 0.09% | 18,457,077 | 0.58% |
| 800,000-900,000 | 17 | 0.06% | 14,287,428 | 0.45% |
| 900,000-1,000,000 | 5 | 0.02% | 4,753,998 | 0.15% |
| 1,000,000 + | 0 | 0.00% | 0 | 0.00% |
| Total | 29,391 | 100.00% | £ 3,173,791,298 | 100.00% |

| Regional Distribution | Number | % of Total Number | Amount | % of Total Amount |
|-----------------------|---------------|-------------------|------------------------|-------------------|
| East Anglia | 832 | 2.83% | 95,828,985 | 3.02% |
| East Midlands | 1,417 | 4.82% | 154,085,142 | 4.85% |
| Greater London | 2,337 | 7.95% | 519,754,574 | 16.38% |
| Northern Ireland | 174 | 0.59% | 16,745,681 | 0.53% |
| North | 1,707 | 5.81% | 134,960,853 | 4.25% |
| North West | 4,769 | 16.23% | 412,936,020 | 13.01% |
| Scotland | 3,627 | 12.34% | 319,528,373 | 10.07% |
| South East | 3,341 | 11.37% | 528,283,811 | 16.65% |
| South West | 1,345 | 4.58% | 152,568,899 | 4.81% |
| Wales | 1,264 | 4.30% | 106,787,476 | 3.36% |
| West Midlands | 1,550 | 5.27% | 165,467,560 | 5.21% |
| Yorkshire and Humber | 7,028 | 23.91% | 566,843,924 | 17.86% |
| Other | 0 | 0.00% | 0 | 0.00% |
| Total | 29,391 | 100.00% | £ 3,173,791,298 | 100.00% |

| Repayment type | Number | % of total number | Amount (GBP) | % of total amount |
|-------------------|---------------|-------------------|------------------------|-------------------|
| Capital repayment | 17,633 | 59.99% | 1,949,392,658 | 61.43% |
| Part-and-part | 0 | 0.00% | 0 | 0.00% |
| Interest-only | 1,743 | 5.93% | 195,877,653 | 6.17% |
| Offset | 10,015 | 34.08% | 1,028,320,988 | 32.40% |
| Total | 29,391 | 100.00% | £ 3,173,791,298 | 100.00% |

| Seasoning | Number | % of total number | Amount (GBP) | % of total amount |
|----------------|---------------|-------------------|------------------------|-------------------|
| 0-12 months | 221 | 0.75% | 46,965,206 | 1.48% |
| 13-24 months | 1,132 | 3.85% | 226,498,075 | 7.14% |
| 25-36 months | 5,552 | 18.89% | 997,746,924 | 31.44% |
| 36-48 months | 1,759 | 5.98% | 287,487,005 | 9.06% |
| 48-60 months | 522 | 1.78% | 75,551,784 | 2.38% |
| 60-72 months | 842 | 2.86% | 107,970,036 | 3.40% |
| 72-84 months | 1,326 | 4.51% | 158,207,567 | 4.98% |
| 84-96 months | 752 | 2.56% | 76,836,489 | 2.42% |
| 96-108 months | 1,254 | 4.27% | 131,422,980 | 4.14% |
| 108-120 months | 2,604 | 8.86% | 247,088,594 | 7.79% |
| 120-150 months | 6,079 | 20.68% | 452,790,353 | 14.27% |
| 150-180 months | 5,558 | 18.91% | 283,974,725 | 8.95% |
| 180+ months | 1,790 | 6.09% | 81,241,562 | 2.56% |
| Total | 29,391 | 100.00% | £ 3,173,791,298 | 100.00% |

| Interest payment type | Number | % of total number | Amount (GBP) | % of total amount |
|------------------------|---------------|-------------------|------------------------|-------------------|
| Fixed | 20,120 | 68.46% | 2,514,820,128 | 79.24% |
| SVR | 4,642 | 15.79% | 290,234,523 | 9.14% |
| Tracker | 4,629 | 15.75% | 368,736,647 | 11.62% |
| Other (please specify) | 0 | 0.00% | 0.00 | 0.00% |
| Total | 29,391 | 100.00% | £ 3,173,791,298 | 100.00% |

| Loan purpose type | Number | % of total number | Amount (GBP) | % of total amount |
|-------------------|---------------|-------------------|------------------------|-------------------|
| Owner-occupied | 29,391 | 100.00% | 3,173,791,298 | 100.00% |
| Buy-to-let | 0 | 0.00% | 0 | 0.00% |
| Second home | 0 | 0.00% | 0 | 0.00% |
| Total | 29,391 | 100.00% | £ 3,173,791,298 | 100.00% |

| Income verification type | Number | % of total number | Amount (GBP) | % of total amount |
|--------------------------|---------------|-------------------|------------------------|-------------------|
| Fully verified | 29,391 | 100.00% | 3,173,791,298 | 100.00% |
| Fast-track | 0 | 0.00% | 0 | 0.00% |
| Self-certified | 0 | 0.00% | 0 | 0.00% |
| Total | 29,391 | 100.00% | £ 3,173,791,298 | 100.00% |

| Remaining term of loan | Number | % of total number | Amount (GBP) | % of total amount |
|------------------------|---------------|-------------------|------------------------|-------------------|
| 0-30 months | 1,250 | 4.25% | 35,840,898 | 1.13% |
| 30-60 months | 1,776 | 6.04% | 70,721,892 | 2.23% |
| 60-120 months | 5,732 | 19.50% | 332,637,738 | 10.48% |
| 120-180 months | 8,211 | 27.94% | 722,781,784 | 22.77% |
| 180-240 months | 5,298 | 18.03% | 721,677,098 | 22.74% |
| 240-300 months | 4,578 | 15.58% | 820,349,183 | 25.85% |
| 300-360 months | 1,744 | 5.93% | 318,721,334 | 10.04% |
| 360+ months | 802 | 2.73% | 151,061,372 | 4.76% |
| Total | 29,391 | 100.00% | £ 3,173,791,298 | 100.00% |

| Employment status | Number | % of total number | Amount (GBP) | % of total amount |
|-------------------|---------------|-------------------|------------------------|-------------------|
| Employed | 20,239 | 68.86% | 2,603,773,816 | 82.04% |
| Self-employed | 868 | 2.95% | 132,960,234 | 4.19% |
| Unemployed | 78 | 0.27% | 6,053,886 | 0.19% |
| Retired | 334 | 1.14% | 16,224,845 | 0.51% |
| Guarantor | 0 | 0.00% | 0 | 0.00% |
| Other | 7,872 | 26.78% | 414,778,517 | 13.07% |
| Total | 29,391 | 100.00% | £ 3,173,791,298 | 100.00% |

Covered Bonds Outstanding, Associated Derivatives (please disclose for all bonds outstanding)

| Series | 7 | 9 | 10 | 11 |
|---|-------------------|-----------------|-------------------|-------------------|
| Issue date | 12/04/11 | 11/06/14 | 19/06/15 | 10/11/15 |
| Original rating (Moody's/StP/Fitch/DBRS) | Aa1/AAA | Aa1/AA+ | Aaa/AAA | Aaa/AAA |
| Current rating (Moody's/StP/Fitch/DBRS) | Aaa/AAA | Aaa/AAA | Aaa/AAA | Aaa/AAA |
| Denomination | GBP | EUR | EUR | EUR |
| Amount at issuance | 750,000,000 | 500,000,000 | 500,000,000 | 500,000,000 |
| Amount outstanding | 750,000,000 | 500,000,000 | 500,000,000 | 500,000,000 |
| FX swap rate (rate/£1) | n/a | 1.230 | 1.372 | 1.401 |
| Maturity type (hard/soft-bullet/pass-through) | soft-bullet | soft-bullet | soft-bullet | soft-bullet |
| Scheduled final maturity date | 12/04/18 | 11/06/21 | 19/06/20 | 10/11/22 |
| Legal final maturity date | 12/04/19 | 11/06/22 | 19/06/21 | 10/11/23 |
| ISIN | XS0616210752 | XS1076256400 | XS1248340587 | XS1318364731 |
| Stock exchange listing | London | London | London | London |
| Coupon payment frequency | Annual | Annual | Annual | Annual |
| Coupon payment date | 12th | 11th | 19th | 10th |
| Coupon (rate if fixed, margin and reference rate if floating) | 4.750% | 1.250% | 0.500% | 0.750% |
| Margin payable under extended maturity period (%) | 1.275% | 0.220% | 0.040% | 0.250% |
| Swap counterparty/ies | HSBC Bank Plc | Natixis | HSBC Bank Plc | HSBC Bank Plc |
| Swap notional denomination | GBP | EUR | EUR | EUR |
| Swap notional amount | 750,000,000 | 500,000,000 | 500,000,000 | 500,000,000 |
| Swap notional maturity | 12/04/18 | 11/06/21 | 19/06/20 | 10/11/22 |
| LLP receive rate/margin | 4.750% | 1.250% | 0.500% | 0.750% |
| LLP pay rate/margin | 1.495% / 3m Libor | 0.6% / 3m Libor | 0.445% / 3m Libor | 0.799% / 3m Libor |
| Collateral posting amount | 0 | 0 | 0 | 0 |

Programme triggers

| Counterparty / Events | Summary of Event | Trigger (Moody's, Fitch; short-term, long-term) | Trigger breached (yes/no) | Consequence of a trigger breach |
|--|---|--|---------------------------|---|
| Issuer Event of Default | Issuer failure to pay, insolvency, etc | Issuer failure to pay, insolvency, etc | No | Triggers a Notice to Pay on the LLP |
| Seller / Transfer of Legal Title | Seller long term ratings fall below Trigger | Long term: Baa3 (Moody's), BBB- (Fitch) | No | Details of the Borrowers with Loans to be delivered to the LLP, the Security Trustee (upon request) and the Rating Agencies |
| Seller / CB Collection Account | Seller long term ratings fall below Trigger | Short term: P-2 (Moody's), F2 (Fitch) | No | Set up a separate CB Collection Account |
| Account Bank | Account Bank long and short term ratings fall below Trigger | Short term: P-1 (Moody's), F1 (Fitch) | Yes | GIC Account and Transaction account to be closed with the credit transferred to the Stand-by GIC Account and Stand-by Transaction Account |
| Stand-by Account Bank | Standby Account Bank long and short term ratings fall below Trigger | Short term: P-1 (Moody's), F1 (Fitch) | No | Move to higher rated bank/guarantee required |
| Servicer (appointment of Back-up Servicer) | Servicer long term rating fall below Trigger | Long term: Baa1 (Moody's), BBB- (Fitch) | No | Appointment of the Back-up Servicer |
| Servicer (transfer servicing obligation) | Servicer long term rating fall below Trigger | Long term: Baa3 (Moody's) | No | Transfer servicing obligation to the Back-up Servicer |
| Cash Manager (appointment of Back-up Cash Manager) | Cash Manager long term ratings fall below Trigger | Long term: Baa1 (Moody's) | No | Appointment of the Back-up Cash Manager |
| Cash Manager (transfer cash management obligation) | Cash Manager long term ratings fall below Trigger | Long term: Baa3 (Moody's), BBB- (Fitch) | No | Transfer cash management obligation to the Back-up Cash Manager. The Asset Monitor to report on arithmetic accuracy of the Asset Coverage Test. |
| Cash Manager Relevant Event | Cash Manager long term ratings fall below Trigger | Long term: Baa1 (Moody's) | No | Seller to pre-fund the LLP with the coupon amount due in respect of the covered bonds |
| Interest Rate Swap Provider | Interest Rate Swap provider ratings fall below Trigger | Replacement Trigger Short term: P-2 (Moody's), F3(Fitch) Long term: A3 (Moody's), BBB- (Fitch) | No | Replace Interest Rate Swap Provider or procure co-obligor or guarantee from sufficiently rated counterparty |
| Covered Bond Swap Provider - CB7 | Covered Bond Swap Provider ratings fall below Trigger | Replacement Trigger Short term: P-2 (Moody's), F3 (Fitch) Long term: A3 (Moody's), BBB- (Fitch) | No | Replace Swap Provider with sufficiently rated counterparty |
| Covered Bond Swap Provider - CB9 | Covered Bond Swap Provider ratings fall below Trigger | Replacement Trigger Short term: P-2 (Moody's), F3 (Fitch) Long term: A3 (Moody's), BBB- (Fitch) | No | Replace Swap Provider with sufficiently rated counterparty |
| Covered Bond Swap Provider - CB10 | Covered Bond Swap Provider ratings fall below Trigger | Replacement Trigger Short term: N/A (Moody's), F3 (Fitch) Long term: Baa1 (Moody's), BBB- (Fitch) | No | Replace Swap Provider with sufficiently rated counterparty |
| Covered Bond Swap Provider - CB11 | Covered Bond Swap Provider ratings fall below Trigger | Replacement Trigger Short term: N/A (Moody's), F3 (Fitch) Long term: Baa1 (Moody's), BBB- (Fitch) | No | Replace Swap Provider with sufficiently rated counterparty |
| LLP Event of Default | LLP failure to pay, Amortisation Test failure, etc | LLP failure to pay, Amortisation Test failure, etc | No | Bonds becoming immediately due and payable |