

Yorkshire Building Society cracks Egg

Yorkshire Building Society has entered into an agreement with Egg Banking plc, a subsidiary of Citigroup Inc., to acquire its mortgage and savings business, comprising a £2.5 billion savings book and a £430 million mortgage book. As part of the transaction the Yorkshire will also acquire the Egg brand.

Yorkshire Building Society, which is the UK's second largest building society with assets exceeding £30 billion, focuses on providing its members with financial security and long-term value across a comprehensive range of products backed up with excellent customer service.

“We were able at very short notice (within days which is not unusual in this type of transaction) to mobilise a sizeable due diligence team to arrive onsite at the vendor. This in itself can be a challenge but with our considerable experience of 12 years as the UK's largest firm in our field we are able to balance the vendor and client demands.”

Clayton Euro Risk (CER) represented the Yorkshire Building Society (YBS) in its recent acquisition of the 550,000 mortgage and savings customers of Egg from Citigroup, the US owner that bought the online bank in 2007. CER has worked with the YBS since late 2009 with the merger of the Chelsea Building Society. The team was overseen by Tim Keast CEO of Clayton Euro Risk.

“The main challenge of the deal was to assess outcomes including losses under varying macroeconomic and risk scenarios. To overcome this we loaded loan level data onto our MIAC|Acadmetrics DataRaptor analytics and WinOAS cash flow platforms and used our integrated models to undertake loan by loan revaluation, stress testing, and cash flow analytics.”

David Pickles Strategy & Development Director led the MIAC-Acadmetrics team, that acted on behalf of Yorkshire B.S on the deal.

Yorkshire Building Society Acquisition Of Egg Banking plc's mortgage and savings business

Legal Adviser to the Purchaser

ADDLESHAW GODDARD

Financial Adviser to the Purchaser

LEXICON PARTNERS

Legal Adviser to the Vendor

Linklaters

**Hogan
Lovells**

Tax Adviser

ADDLESHAW GODDARD **Deloitte.**

IP Due Diligence Provider

ADDLESHAW GODDARD

Risk & Insurance Due Diligence Provider

CLAYTON | EURO RISK

MIAC | ACADMETRICS
Superior Analytics is in our DNA.

Virtual Data Room Provider

InterLink