

## **IMPORTANT NOTICE**

**NOT FOR DISTRIBUTION DIRECTLY OR INDIRECTLY TO ANY U.S. PERSON OR TO ANY PERSON OR ADDRESS IN THE UNITED STATES OF AMERICA OTHER THAN AS PERMITTED BY REGULATION S UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR IN ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DISTRIBUTE THIS PROSPECTUS**

**IMPORTANT:** You must read the following notice before continuing. The following notice applies to the following prospectus (the "**Prospectus**"), whether received by e-mail, accessed from an internet page or otherwise received as a result of electronic communication, and you are therefore advised to read this notice carefully before reading, accessing or making any other use of the following Prospectus. In reading, accessing or making any other use the following Prospectus, you agree to be bound by the following terms and conditions and each of the restrictions set out in this Prospectus, including any modifications to them any time you receive any information from Natixis and BOFA SECURITIES (the "**Joint Lead Managers**") or their respective affiliates as a result of such access.

**YOU ACKNOWLEDGE THAT THIS ELECTRONIC TRANSMISSION AND THE DELIVERY OF THE PROSPECTUS IS CONFIDENTIAL AND INTENDED ONLY FOR YOU AND YOU AGREE YOU WILL NOT FORWARD, REPRODUCE OR PUBLISH THIS ELECTRONIC TRANSMISSION OR THE PROSPECTUS TO ANY OTHER PERSON. IF YOU ARE NOT THE INTENDED RECIPIENT OF THIS MESSAGE, PLEASE DO NOT DISTRIBUTE OR COPY THE INFORMATION CONTAINED IN THIS E-MAIL, BUT INSTEAD DELETE AND DESTROY ALL COPIES OF THIS E-MAIL.**

**INFORMATION CONTAINED HEREIN IS SUBJECT TO COMPLETION OR AMENDMENT. NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER TO SELL SECURITIES OR THE SOLICITATION OF AN OFFER TO BUY SECURITIES IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. CLASS A NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT, OR THE SECURITIES LAWS OF ANY STATE OF THE U.S. AND CLASS A NOTES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT), EXCEPT IN ACCORDANCE WITH REGULATION S OR PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.**

**THE SELLERS DO NOT INTEND TO RETAIN AT LEAST 5 PER CENT. OF THE CREDIT RISK OF THE SECURITISED ASSETS FOR PURPOSES OF COMPLIANCE WITH THE U.S. RISK RETENTION RULES BASED ON AN EXEMPTION FROM SUCH RULES AND THE ISSUANCE OF THE NOTES WAS NOT DESIGNED TO COMPLY WITH THE U.S. RISK RETENTION RULES. EXCEPT WITH THE PRIOR WRITTEN CONSENT OF THE TRANSACTION AGENT (ON BEHALF OF THE SELLERS) (A "U.S. RISK RETENTION CONSENT") AND AS PERMITTED BY THE EXEMPTION PROVIDED UNDER SECTION 20 OF THE U.S. RISK RETENTION RULES, THE NOTES SOLD ON THE ISSUE DATE MAY NOT BE PURCHASED BY, OR FOR THE ACCOUNT OR BENEFIT OF, PERSONS THAT ARE "U.S. PERSONS" AS DEFINED IN THE U.S. RISK RETENTION RULES ("RISK RETENTION U.S. PERSONS") AND EACH PURCHASER OF NOTES, INCLUDING BENEFICIAL INTERESTS THEREIN, WILL, BY ITS ACQUISITION OF A NOTE OR BENEFICIAL INTEREST THEREIN, BE DEEMED, AND, IN CERTAIN CIRCUMSTANCES, WILL BE REQUIRED TO REPRESENT AND AGREE THAT IT (1) EITHER (I) IS NOT A RISK RETENTION U.S. PERSON OR (II) HAS OBTAINED A U.S. RISK RETENTION CONSENT FROM THE TRANSACTION AGENT (ON BEHALF OF THE SELLERS), (2) IS ACQUIRING SUCH NOTE OR A BENEFICIAL INTEREST THEREIN FOR ITS OWN ACCOUNT AND NOT WITH A VIEW TO DISTRIBUTE SUCH NOTE AND (3) IS NOT ACQUIRING SUCH NOTE OR A BENEFICIAL INTEREST THEREIN AS PART OF A SCHEME TO EVADE THE REQUIREMENTS OF THE U.S. RISK RETENTION RULES, INCLUDING ACQUIRING SUCH NOTE THROUGH A NON-RISK RETENTION U.S. PERSON, RATHER THAN A RISK RETENTION U.S. PERSON, AS PART OF A SCHEME TO EVADE THE 10 PER**

**CENT. RISK RETENTION U.S. PERSON LIMITATION IN THE EXEMPTION PROVIDED FOR IN SECTION 20 OF THE U.S. RISK RETENTION RULES. ANY RISK RETENTION U.S. PERSON WISHING TO PURCHASE NOTES MUST INFORM THE ISSUER, THE TRANSACTION AGENT ON BEHALF OF THE SELLERS, THE JOINT ARRANGERS AND THE JOINT LEAD MANAGERS THAT IT IS A RISK RETENTION U.S. PERSON.**

**THE FOLLOWING PROSPECTUS MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER, AND IN PARTICULAR, MAY NOT BE FORWARDED TO ANY U.S. PERSON OR TO ANY UNITED STATES ADDRESS OTHER THAN AS PERMITTED BY REGULATION S UNDER THE SECURITIES ACT. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS PROSPECTUS IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.**

**Confirmation of your Representation:** In order to be eligible to view the following Prospectus or make an investment decision with respect to the Class A Notes, investors must be outside the United States, except as permitted by Regulation S. By accepting the e-mail and accessing the following Prospectus, you shall be deemed to have represented to the Joint Lead Managers and their respective affiliates that (i) you are located outside the United States, you are not a U.S. person (within the meaning of Regulation S under the Securities Act), the electronic mail address that you gave us and to which this e-mail has been delivered is not located in the United States (including, but not limited to, Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands), any States of the United States or the District of Columbia, and that you consent to delivery of the following Prospectus by electronic transmission; (ii) if you are in the United Kingdom of Great Britain and Northern Ireland (the "**UK**"), you are a qualified investor (a) who has professional experience in matters relating to investments falling within article 19(5) of the UK Financial Services and Markets Acts 2000 (Financial Promotion) Order 2005 (the "**Order**") or (b) a high net worth company (or other persons to whom this Prospectus may be lawfully communicated) falling within Article 49(2)(a) to (d) of the Order (any such persons in (i) and (ii) above being referred to as a "relevant person") and you acknowledge that this Prospectus must not be acted on or relied on in the United Kingdom by persons who are not relevant persons and that the Notes, or any investment or investment activity to which this Prospectus relates, are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire the Notes will be engaged in only with, relevant persons;; (iii) if you are in any Member State other than the UK, you are a "qualified investor" within the meaning of article 2(e) of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"); (iv) if you are acting as a financial intermediary (as that term is used in article 5(1) of the Prospectus Regulation), the securities acquired by you as a financial intermediary in the offer have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, any person in circumstances which may give rise to an offer of any securities to the public other than their offer or resale in any Member State; (v) if paragraphs (ii) through (iv) do not apply, you are outside of the UK or EEA (and the electronic mail addresses that you gave us and to which the following Prospectus has been delivered are not located in such jurisdictions); and (vi) in all cases, you are a person into whose possession the following Prospectus may lawfully be delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised to deliver the following Prospectus to any other person.

You are reminded that the following Prospectus has been delivered to you on the basis that you are a person into whose possession the following Prospectus may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised to, deliver the following Prospectus to any other person.

The materials relating to the offering do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licensed broker or dealer and the Joint Lead Managers or any affiliate of the Joint Lead Managers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the Joint Lead Managers or such affiliate on behalf of the Issuer in such jurisdiction.

The following Prospectus and the offer when made are only addressed to and directed (i) at persons in Member States who are "qualified investors" within the meaning of article 2(e) of the Prospectus Regulation and (ii) in the UK, at relevant persons. The following Prospectus must not be acted on or relied on (i) in the UK, by persons who are not relevant persons, and (ii) in any Member State other than the UK, by persons who are not qualified investors. Any investment or investment activity to which the following Prospectus relates is available only to (i) in the UK, relevant persons, and (ii) in any Member State other than the UK, qualified investors, and will be engaged in only with such persons.

The Class A Notes have not been and will not be offered or sold, directly or indirectly, in the Republic of France and neither the following Prospectus nor any other offering material relating to the Relevant Notes has been distributed or caused to be distributed or will be distributed or caused to be distributed in the Republic of France except to qualified investors (*investisseurs qualifiés*) as defined in article 2(e) of the Prospectus Regulation, and in accordance with, articles L. 411-1 and L. 411-2 of the French Monetary and Financial Code.

**PRIIPs Regulation / Prohibition of sales to EEA and UK retail investors** – The Class A Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (EEA) or in the United Kingdom (UK). For these purposes, a retail investor means a person who is one (or more) of (i) a retail client as defined in point (11) of article 4(1) of Directive 2014/65/EU (“**MiFID II**”); (ii) a customer within the meaning of Directive 2016/97/EC (IMD), where that customer would not qualify as a professional client as defined in point (10) of article 4(1) of MiFID II or (iii) not a qualified investor as defined in the Prospectus Regulation. Consequently, no key information document required by regulation (EU) no 1286/2014 (the “**PRIIPS Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Class A Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPS Regulation.

**MiFID II product governance / Professional investors and ECPs only type of clients** – Solely for the purposes of each manufacturer’s product approval process, the target market assessment in respect of the Class A Notes has led to the conclusion that: (i) the target market for the Class A Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Class A Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Class A Notes (a distributor) should take into consideration such manufacturer’s target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Class A Notes (by either adopting or refining such manufacturer’s target market assessment) and determining appropriate distribution channels.

Under no circumstances shall the following Prospectus constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Relevant Notes in any jurisdiction in which such offer, solicitation or sale would be unlawful.

The following Prospectus has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of the entities named in this Prospectus or the Joint Lead Managers or their respective affiliates or any person who controls them or any director, officer, employee or agent of them or affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the Preliminary Prospectus distributed to you in electronic format and the hard copy version available to you on request.

No entity named in the following Prospectus nor any Joint Lead Managers nor any of their respective affiliates is regarding you or any other person (whether or not a recipient of the following Prospectus) as its client in relation to the offer of the Class A Notes. Based on the following Prospectus, none of them will be responsible to you or anyone else for providing the protections afforded to their clients in connection with the offer of the Class A Notes nor for giving advice in relation to the offer of the Class A Notes or any transaction or arrangement referred to in the following Prospectus.

**You are responsible for protecting against viruses and other destructive items.** Your receipt of this electronic transmission is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

For more details and a more complete description of restrictions of offers and sales, see Section “*SUBSCRIPTION AND SALE*”.

# BPCE HOME LOANS FCT 2020

## FONDS COMMUN DE TITRISATION

(articles L. 214-166-1 to L. 214-175, L. 214-175-1 to L. 214-175-8, L. 214-180 to L. 214-186, L. 231-7 and R. 214-217 to R. 214-235 of the French Monetary and Financial Code)

### EUR 1,000,000,000 Class A Asset-Backed Floating Rate Notes due October 2054

(Issue Price: 101.167 per cent.)

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#### France Titrisation Management Company

BPCE HOME LOANS FCT 2020 is a French *fonds commun de titrisation* (the “**Issuer**”) established by France Titrisation (the “**Management Company**”) on the Issuer Establishment Date. The Issuer is governed by the provisions of articles L. 214-166-1 to L. 214-175, L. 214-175-1 to L. 214-175-8, L. 214-180 to L. 214-186, L. 231-7 and R. 214-217 to R. 214-235 of the French Monetary and Financial Code and by the Issuer regulations entered into on or before the Issuer Establishment Date by the Management Company (the “**Issuer Regulations**”). The purpose of the Issuer is to issue debt securities and to purchase home loan receivables from, notably, each of (i) any Banque Populaire and (ii) any Caisse d’Epargne (together, the “**Sellers**”).

On the Purchase Date (falling on the same date as the Issuer Establishment Date), the Issuer will purchase from the Sellers a portfolio of home loan receivables arising from home loan agreements (the “**Home Loan Agreements**”) entered into with certain individual borrowers domiciled in France in relation to the acquisition, the renovation, the construction or the refinancing of a residential property and complying with the Home Loan Eligibility Criteria (the “**Purchased Home Loans**”).

The Issuer will issue on the Issue Date Class A Asset-Backed Floating Rate Notes (the “**Class A Notes**”) and Class B Asset-Backed Fixed Rate Notes (the “**Class B Notes**”, and together with the Class A Notes, the “**Notes**”). The Class A Notes will only be offered and sold (i) in France only to qualified investors (*investisseurs qualifiés*), as defined in article 2(e) of the Prospectus Regulation, and in accordance with, articles L. 411-1 and L. 411-2 of the French Monetary and Financial Code, as it may be amended from time to time and/or (ii) to non-resident investors (*investisseurs non-résidents*), to the exclusion of any individuals. The Class B Notes will not be listed and will only be subscribed by each of the Sellers. The Issuer will also issue, on the Issue Date, 2 asset-backed units (in the denomination of EUR 6,500 each) (the “**Residual Units**”).

Application has been made to the *Autorité des marchés financiers* in France (the “**AMF**”) in its capacity as competent authority pursuant to the Prospectus Regulation and pursuant to the French Monetary and Financial Code for the approval of this Prospectus for the purposes of the Prospectus Regulation. The AMF only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of either the Issuer or the quality of the Class A Notes that are the subject of this Prospectus and investors should make their own assessment as to the suitability of investing in the Class A Notes.

Application has also been made to the regulated market of Euronext in Paris (“**Euronext Paris**”) for the Class A Notes to be admitted to trading on Euronext Paris. Euronext Paris is a regulated market for the purposes of Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments, as amended.

The Class A Notes are expected on the Issue Date to be assigned an AAA(sf) rating by Fitch Ratings Ireland Limited – Succursale française (“**Fitch**”) and an Aaa (sf) rating by Moody’s France SAS (“**Moody’s**” and, together with Fitch, the “**Rating Agencies**”). A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the Rating Agencies. As of 14 November 2019, “Fitch Ratings Ireland Limited – Succursale française” and “Moody’s France SAS” are registered under the Regulation 1060/2009/EC of the European Parliament and the Council of 16 September 2009 on credit rating agencies, as amended pursuant to Regulation 513/2011/EU of the European Parliament and the Council of 11 May 2011 and to Regulation 462/2013/EU of the European Parliament and of the Council of 21 May 2013 (the “**CRA Regulation**”) according to the list published by the European Securities and Markets Authority on its website (<http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>).

The Class A Notes will be issued in denominations of EUR 100,000 each and will at all times be represented in book entry form (*dématérialisée*). No physical documents of title will be issued in respect of the Notes. The Class A Notes will, upon issue, be registered in the books of Euroclear France (“**Euroclear France**”) (acting as central depository) which shall credit the accounts of Euroclear France account holders including Clearstream Banking, société anonyme (“**Clearstream Banking**”) and Euroclear Bank S.A./N.V. (“**Euroclear**”) and be admitted in the clearing systems of Euroclear France and Clearstream Banking (the “**Clearing Systems**”) (see Section “TERMS AND CONDITIONS OF THE NOTES – Form, Denomination and Title”).

The Notes and the Residual Units are backed by the Purchased Home Loans purchased by the Issuer on the Purchase Date.

Interest on the Class A Notes is payable on a quarterly basis by reference to successive Interest Periods. During the Amortisation Period and the Accelerated Amortisation Period, each Class A Note bears interest on the amount of its Principal Amount Outstanding at a floating interest rate to be set quarterly and which calculation will be specified in the Terms and Conditions of the Notes (see Section “TERMS AND CONDITIONS OF THE NOTES – Interest”).

During the Amortisation Period and the Accelerated Amortisation Period, the Notes are subject to mandatory partial redemption on each Payment Date on a sequential basis, subject to the amounts collected from the Home Loans and from any other Assets Allocated to the Issuer and the applicable Priority of Payments, until the earlier of (i) the date on which the Principal Amount Outstanding of each Note is reduced to zero or (ii) the Final Legal Maturity Date and provided that during the Accelerated Amortisation Period, the Class B Notes will not be redeemed until the

Class A Notes have been redeemed in full.

The Notes will be subject to early redemption in full on any Optional Redemption Date if the Management Company receives a request in writing by the Transaction Agent on behalf of the Sellers at the latest fifteen (15) calendar days prior to the contemplated early redemption date, to redeem all (but not some only) of the Notes (see section “TERMS AND CONDITIONS OF THE NOTES” – Redemption”).

On each Payment Date, payments of interest and principal due in respect of the Class B Notes will be subordinated to payments of interest and principal due in respect of the Class A Notes (see Section “TERMS AND CONDITIONS OF THE NOTES” – Redemption”).

Each Seller has undertaken to each of the Joint Lead Managers, the Joint Arrangers, the Management Company, the Custodian and the Issuer that, during the life of the Class A Notes, it shall comply with article 6 of Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation, and amending Directives 2009/65/EC, 2009/138/EC and 2011/61/EU and Regulations (EC) No 1060/2009 and (EU) No 648/2012 (the “**Securitisation Regulation**”), and therefore, retain on an ongoing basis a material net economic interest in the transaction which, in any event, shall not be less than 5 per cent. At the Issue Date, such material net economic interest shall be retained by each Seller, in accordance with option (d) of article 6(3) of the Securitisation Regulation, through the subscription of the Class B Notes in relation to the proportion of the total securitised exposures for which it is the originator (corresponding to its Contribution Ratio (adjusted to ensure that each Seller subscribes an integer number of Class B Notes). Each prospective Noteholder should ensure that it complies with the implementing provisions of article 6 of the Securitisation Regulation in its relevant jurisdiction.

The Transaction Agent acting on behalf of the Sellers, as originators, intends to submit on or about the Issue Date an STS notification to ESMA in relation to the securitisation transaction described in the Transaction Documents in accordance with article 27 of the Securitisation Regulation, pursuant to which compliance with the requirements of articles 19 to 22 of the Securitisation Regulation will be notified with the intention that the securitisation transaction described in this Prospectus is to be included in the list administered by ESMA within the meaning of article 27 of the Securitisation Regulation (for further details, please see Section entitled “*REGULATORY ASPECTS*” of this Prospectus).

For a discussion of certain significant factors affecting an investment in the Notes, see Sections “RISK FACTORS” and “SUBSCRIPTION AND SALE” of this Prospectus.

#### **Joint Arrangers**

**BPCE**

**NATIXIS**

#### **Joint Lead Managers**

**NATIXIS**

**BOFA SECURITIES**

**The date of this Prospectus is 22 October 2020.**

### **APPROVAL BY THE AUTORITE DES MARCHES FINANCIERS**



Le Prospectus a été approuvé par l’AMF, en sa qualité d’autorité compétente au titre du Règlement (UE) 2017/1129. L’AMF approuve ce Prospectus après avoir vérifié que les informations figurant dans le Prospectus sont complètes, cohérentes et compréhensibles au sens du Règlement (UE) 2017/1129.

Cette approbation ne doit pas être considérée comme un avis favorable sur l’émetteur et sur la qualité des titres financiers faisant l’objet du Prospectus. Les investisseurs sont invités à procéder à leur propre évaluation quant à l’opportunité d’investir dans les titres financiers concernés.

Le Prospectus a été approuvé le 22 octobre 2020 et est valide jusqu’à la date d’admission des titres financiers faisant l’objet du Prospectus et devra, pendant cette période et dans les conditions de l’article 23 du Règlement (UE) 2017/1129, être complété par un supplément au Prospectus en cas de faits nouveaux significatifs ou d’erreurs ou inexactitudes substantielles. Le Prospectus porte le numéro d’approbation suivant : FCT N°20-12.

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This Prospectus has been approved by the AMF, in its capacity as competent authority under Regulation (EU) 2017/1129. The AMF only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129.

This approval shall not be considered as an endorsement of the Issuer or of the quality of the securities described in this Prospectus. Investors should make their own assessment of the opportunity to invest in such securities.

The Prospectus has been approved on 22 October 2020 and shall be valid until the date of admission to trading of the notes subject of this Prospectus and shall, during such period and in accordance with the conditions set out in article 23 of Regulation (EU) 2017/1129, be completed by a supplement to the Prospectus in the event of every significant new factor, material mistake or material inaccuracy. The Prospectus bears the following approval number: FCT N°20-12.

## **IMPORTANT NOTICES ABOUT INFORMATION IN THIS PROSPECTUS**

### **Prospectus**

This Prospectus relates to the placement procedure for the Notes issued from time to time by a French *fonds commun de titrisation* as governed by the provisions of the AMF Regulations (*Règlement général de l'Autorité des Marchés Financiers*).

The purpose of this Prospectus is to set out (i) the general terms and conditions of the assets and liabilities of the Issuer, (ii) the general characteristics of the Home Loans which may be acquired from the Sellers, and (iii) the general principles of establishment and operation of the Issuer.

This Prospectus constitutes a prospectus within the meaning of article 6 of Prospectus Regulation. This Prospectus has been prepared by the Management Company solely for use in connection with the listing of the Class A Notes on the regulated market of Euronext in Paris (Euronext Paris) (see Section "SUBSCRIPTION AND SALE"). This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy the Class A Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction.

In connection with the issue and offering of the Class A Notes, no person has been authorised to give any information or to make any representations other than those contained in this Prospectus and, if given or made, such information or representations shall not be relied upon as having been authorised by or on behalf of the Sellers, the Servicers, the Transaction Agent or any other company within the BPCE Group, the Data Protection Agent, the Management Company, the Custodian, the Account Bank, the Paying Agent, the Listing Agent, the Specially Dedicated Account Bank, the Interest Rate Swap Counterparty, the Joint Arrangers or the Joint Lead Managers.

The distribution of this Prospectus and the offering or sale of the Class A Notes in certain jurisdictions may be restricted by law or regulations. Persons coming into possession of this Prospectus are required to enquire regarding, and to comply with, any such restrictions.

This Prospectus should not be construed as a recommendation, invitation, solicitation or offer by any of the Sellers, the Servicers, the Transaction Agent or any other company within the BPCE Group, the Data Protection Agent, the Management Company, the Custodian, the Account Bank, the Paying Agent, the Listing Agent, the Specially Dedicated Account Bank, the Interest Rate Swap Counterparty, the Joint Arrangers or the Joint Lead Managers to any recipient of this Prospectus, or any other information supplied in connection with the issue of Notes, to subscribe or acquire any such Notes. Each potential investor should conduct an independent investigation of the financial terms and conditions of the Notes, and an assessment of the creditworthiness of the Issuer, the risks associated with the Notes and of the tax, accounting, regulatory and legal consequences of an investment in the Notes and should consult an independent legal, tax, regulatory or accounting adviser to this effect.

### **Defined Terms**

For the purposes of this Prospectus, capitalised terms will have the meaning assigned to them in the Appendix to this Prospectus.

### **Notes are obligations of the Issuer only**

THE LIABILITIES IN CONNECTION WITH THE NOTES ARE EXCLUSIVELY BORNE BY THE ISSUER. NEITHER THE NOTES ISSUED BY THE ISSUER NOR THE ASSETS OF THE ISSUER, ARE, OR WILL BE, GUARANTEED IN ANY WAY BY ANY OF THE SELLERS, THE SERVICERS, THE TRANSACTION AGENT OR ANY OTHER COMPANY WITHIN THE BPCE GROUP, THE DATA PROTECTION AGENT, THE MANAGEMENT COMPANY, THE CUSTODIAN, THE ACCOUNT BANK, THE PAYING AGENT, THE LISTING AGENT, THE SPECIALLY DEDICATED ACCOUNT BANK, THE INTEREST RATE SWAP COUNTERPARTY, THE JOINT ARRANGERS OR THE JOINT LEAD MANAGERS OR BY ANY OF THEIR RESPECTIVE AFFILIATES. NONE OF THE SELLER, THE SERVICER OR ANY OTHER COMPANY WITHIN THE BPCE GROUP, THE DATA PROTECTION AGENT, THE MANAGEMENT COMPANY, THE CUSTODIAN, THE ACCOUNT BANK, THE PAYING AGENT, THE LISTING AGENT, THE SPECIALLY DEDICATED ACCOUNT BANK, THE INTEREST RATE SWAP COUNTERPARTY, THE JOINT ARRANGERS OR THE JOINT LEAD MANAGERS WILL BE LIABLE, OR PROVIDE ANY GUARANTEES



FOR, THE NOTES ISSUED BY THE ISSUER. ONLY THE MANAGEMENT COMPANY MAY ENFORCE THE RIGHTS OF THE HOLDERS OF NOTES AGAINST THIRD PARTIES.

### **U.S. Risk Retention Rules**

The Sellers do not intend to retain at least 5 per cent. of the credit risk of the securitised assets for purposes of compliance with the U.S. Risk Retention Rules based on an exemption from such rules and the issuance of the Notes was not designed to comply with the U.S. Risk Retention Rules. Except with the prior written consent of the Transaction Agent (on behalf of the Sellers) (a “**U.S. Risk Retention Consent**”) and as permitted by the exemption provided under Section 20 of the U.S. Risk Retention Rules, the Notes sold on the Issue Date may not be purchased by, or for the account or benefit of, persons that are “U.S. persons” as defined in the U.S. Risk Retention Rules (“**Risk Retention U.S. Persons**”) and each purchaser of Notes, including beneficial interests therein, will, by its acquisition of a Note or beneficial interest therein, be deemed, and, in certain circumstances, will be required to represent and agree that it (1) either (i) is not a Risk Retention U.S. Person or (ii) has obtained a U.S. Risk Retention Consent from the Transaction Agent (on behalf of the Sellers), (2) is acquiring such Note or a beneficial interest therein for its own account and not with a view to distribute such Note and (3) is not acquiring such Note or a beneficial interest therein as part of a scheme to evade the requirements of the U.S. Risk Retention Rules, including acquiring such Note through a non-Risk Retention U.S. Person, rather than a Risk Retention U.S. Person, as part of a scheme to evade the 10 per cent. Risk Retention U.S. Person limitation in the exemption provided for in Section 20 of the U.S. Risk Retention Rules described herein. See below Section “REGULATORY ASPECTS” and Section “SUBSCRIPTION AND SALE – United States of America”. Any Risk Retention U.S. Person wishing to purchase Notes must inform the Issuer, the Transaction Agent on behalf of the Sellers, the Joint Arrangers and the Joint Lead Managers that it is a Risk Retention U.S. Person.

### **Selling, distribution and transfer restrictions**

The Notes will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”) under applicable U.S. state securities laws or under the laws of any jurisdiction. The Notes have not and will not be offered for subscription or sale in the United States of America or to or for the account or benefit of U.S. persons as defined in Regulation S of the Securities Act, save under certain circumstances where the contemplated transactions do not require any registration under the Securities Act (see Section “SUBSCRIPTION AND SALE – United States of America”).

**PRIIPs Regulation / Prohibition of sales to EEA and UK retail investors** – The Class A Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (*EEA*) or in the United Kingdom (*UK*). For these purposes, a retail investor means a person who is one (or more) of (i) a retail client as defined in point (11) of article 4(1) of Directive 2014/65/EU (“**MiFID II**”); (ii) a customer within the meaning of Directive 2016/97/EC (*IMD*), where that customer would not qualify as a professional client as defined in point (10) of article 4(1) of MiFID II or (iii) not a qualified investor as defined in the Prospectus Regulation. Consequently, no key information document required by regulation (EU) no 1286/2014 (the “**PRIIPS Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Class A Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPS Regulation.

**MiFID II product governance / Professional investors and ECPs only type of clients** – Solely for the purposes of each manufacturer’s product approval process, the target market assessment in respect of the Class A Notes has led to the conclusion that: (i) the target market for the Class A Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Class A Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Class A Notes (a distributor) should take into consideration such manufacturer’s target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Class A Notes (by either adopting or refining such manufacturer’s target market assessment) and determining appropriate distribution channels.

No guarantee can be given to any potential investor with respect to the placement of the Class A Notes, as to the creation or development of a secondary market for the Class A Notes by way of their listing on the regulated market of Euronext in Paris (Euronext Paris).

## **Responsibility for the contents of this Prospectus**

The Management Company, in its capacity as founder of the Issuer, accepts responsibility for the information contained in this Prospectus as more fully set out in Section “PERSON ACCEPTING RESPONSIBILITY FOR THE PROSPECTUS”.

BPCE, in its capacity as central body (*organe central*) of the Banques Populaires and Caisse d’Epargne within the meaning of articles L. 512-106 to L. 512-108 of the French Monetary and Financial Code, accepts responsibility for the information contained (i) in Sub-Sections “Home Loan Eligibility Criteria” and “Ancillary Rights” of Section “DESCRIPTION OF CERTAIN TRANSACTION DOCUMENTS”, and (ii) in Sections “INFORMATION RELATING TO THE PROVISIONAL PORTFOLIO OF HOME LOANS”, “HISTORICAL PERFORMANCE DATA”, “ORIGINATION, UNDERWRITING AND MANAGEMENT PROCEDURES”, “DESCRIPTION OF THE BPCE GROUP, THE TRANSACTION AGENT, THE RESERVES PROVIDER, THE SELLERS AND THE SERVICERS” and Sub-Sections “Securitisation Regulation” and “STS Securitisation” of Section “REGULATORY ASPECTS” of this Prospectus and any other disclosure in this Prospectus in respect of article 6 and article 7 of the Securitisation Regulation (the “**BPCE Information**”). To the knowledge of BPCE, the BPCE Information is in accordance with the facts and does not omit anything likely to affect the import of the BPCE Information.

Natixis, in its capacity as Interest Rate Swap Counterparty, accepts responsibility for the information contained in the sub-section “The Interest Rate Swap Counterparty” in the Section entitled “DESCRIPTION OF THE RELEVANT ENTITIES”. To the best of the knowledge and belief of the Interest Rate Swap Counterparty, such information is in accordance with the facts and does not omit anything likely to affect the import of such information. The Interest Rate Swap Counterparty accepts responsibility accordingly. The Interest Rate Swap Counterparty accepts no responsibility for any other information contained in this Prospectus and has not separately verified any such other information.

Natixis, in its capacity as Custodian, accepts sole responsibility for the information contained in sub-section “General” of section “DESCRIPTION OF THE RELEVANT ENTITIES - The Custodian”.

Neither the Joint Arrangers, nor the Joint Lead Managers nor any of their respective affiliates (other than BPCE the responsibility of which is detailed in a paragraph below) has separately verified and will separately verify the information contained in this Prospectus and has authorised the whole or any part of this Prospectus. Accordingly none of them makes any representation or warranty (express or implied) or accepts any responsibility as to (i) the accuracy, completeness or sufficiency of the information contained or referred to in this Prospectus or any other information supplied by the Management Company, the Sellers, the Transaction Agent or the Rating Agencies in connection with the transactions described in this Prospectus or with the issue of the Class A Notes and the listing of the Class A Notes on Euronext Paris (including, without limitation, the STS notification within the meaning of article 27 of the Securitisation Regulation or any other rating documents expressed to be appended hereto) or (ii) compliance of the securitisation transaction described in this Prospectus with the requirements of the Securitisation Regulation. Neither the Joint Arrangers, nor the Joint Lead Managers nor any of their respective affiliates has undertaken and will undertake any investigation or other action to verify the detail of the Home Loan Agreement or the Home Loans. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Joint Arrangers or the Joint Lead Managers with respect to the information provided in connection with the Home Loan Agreements or the Home Loans. The Joint Arrangers and Joint Lead Managers accordingly disclaim all and any liability whether arising in tort, contract, or otherwise which they might otherwise have in respect of such document or any such statement.

## **Representations about the Notes**

Neither the delivery of this Prospectus, nor the offering of any of the Class A Notes shall, under any circumstances, constitute or create any representation or imply that the information (whether financial or otherwise) contained in this Prospectus regarding the Issuer, the Sellers, the Servicers, the Transaction Agent, the Data Protection Agent, the Management Company, the Custodian, the Account Bank, the Paying Agent, the Listing Agent, the Specially Dedicated Account Bank, the Interest Rate Swap Counterparty, the Joint Arranger, the Joint Lead Managers or any other entity involved in the distribution of the Class A Notes, shall remain valid at any time subsequent to the date of this Prospectus. While the information set out in this Prospectus comprises a description of certain provisions of the Transaction Documents, it should be read as a summary only and it is not intended as a full statement of the provisions of such Transaction Documents.

## Issuer Regulations

Upon subscription or purchase of any Notes, its holder shall be automatically and without any further formality (*de plein droit*) bound by the provisions of the Issuer Regulations, as amended from time to time by any amendments thereto made by the Management Company in accordance with the terms thereof. As a consequence, each holder of a Note is deemed to have full knowledge of the operation of the Issuer, and in particular, of the characteristics of the Home Loans purchased by the Issuer, of the Terms and Conditions of the Notes and of the identity of the parties participating in the management of the Issuer.

This Prospectus contains the main provisions of the Issuer Regulations. Any person wishing to obtain a copy of the Issuer Regulations, may request a copy from the Management Company with effect from the date of distribution of this Prospectus or may inspect an electronic copy of the signed Issuer Regulations on the EDW Website (or when a securitisation repository is registered in accordance with article 10 (*Registration of a securitisation repository*) of the Securitisation Regulation, on the Securitisation Repository's website) (for further details on the information available on the EDW Website please refer to sub-section "INFORMATION RELATING TO THE ISSUER – Securitisation Regulation Transparency Requirements").

## Benchmarks

Interest amounts payable under the Class A Notes will be calculated by reference to the applicable reference rate which, unless a Benchmark Rate Modification Event has occurred resulting in the adoption of an Alternative Benchmark Rate (and a Note Rate Maintenance Adjustment, as applicable), is the Euro Interbank Offered Rate ("**EURIBOR**") which is provided and administered by the European Money Markets Institute ("**EMMI**").

The Financial Services and Markets Authority ("**FSMA**") of Belgium, on 2 July 2019, has authorised EMMI as the administrator of EURIBOR under the Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (the "**Benchmark Regulation**"), following positive advice of the EURIBOR College of Supervisors pursuant to Article 36 of the Benchmark Regulation. EURIBOR is now considered BMR-compliant and was added to the ESMA benchmark register. This means that European Union (EU) supervised entities will be able to use EURIBOR also after the end of the applicable BMR transitional period.

## Currency

In this Prospectus, unless otherwise specified or required by the context, references to "**EURO**", "**EUR**" or "**€**" are to the lawful currency of the Republic of France as of 1 January 1999, such date being the commencement of the third stage of the Economic and Monetary Union pursuant to the Treaty establishing the European Economic Community, as amended by the Treaty on the European Union.

## Forward-looking statements and Statistical Information

Certain matters contained in the Prospectus are forward-looking statements. Such statements appear in a number of places in this Prospectus, including with respect to assumptions on prepayment and certain other characteristics of the Home Loans and reflect significant assumptions and subjective judgments by the Management Company that may or may not prove to be correct. Consequently, future results may differ from the Issuer's expectations due to a variety of factors, including (but not limited to) the economic environment and changes in governmental regulations, fiscal policy, planning or tax laws in France or elsewhere.

More generally, when issued in this Prospectus, the words "expect(s)", "intend(s)", "will" "may", "anticipate(s)" and similar expressions are intended to identify forward-looking statements. Such statements are subject to certain risks and uncertainties which could cause actual results to differ materially from those projected.

This Prospectus also contains certain tables and other statistical data (the "**Statistical Information**"). Numerous assumptions have been used in preparing the Statistical Information, which may or may not be reflected in the material. As such, no assurance can be given as to the Statistical Information's accuracy, appropriateness or completeness in any particular context, or as to whether the Statistical Information and/or the assumptions upon which they are based reflect present market conditions or future market performance. The Statistical Information should not be construed as either projections or predictions or as legal, regulatory, tax, financial or accounting advice. The

average life of or the potential yields on any security cannot be predicted, because the actual rate of repayment on the underlying assets, as well as a number of other relevant factors, cannot be determined.

Moreover, past financial performance should not be considered a reliable indicator of future performance and prospective purchasers of any Class A Note cautioned that any such statements are not guarantees of performance and involve risks and uncertainties, many of which are beyond the control of the Management Company. None of the Joint Arrangers nor the Joint Lead Managers has attempted or will attempt to verify any such statements, and do not make any representation, express or implied, with respect thereto.

Prospective purchasers of Class A Notes should therefore not place undue reliance on any of these forward-looking statements or Statistical Information. None of the Joints Arrangers, the Joint Lead Managers nor the parties to the Transaction Documents assumes any obligation to update these forward-looking statements or Statistical Information or to update the reasons for which actual results could differ materially from those anticipated in the forward-looking statements or Statistical Information, as applicable.

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## **RISK FACTORS**

*The following is a summary of certain aspects of the offering of the Class A Notes and the related transactions which prospective investors should consider (together with all of the information detailed in this Prospectus) before deciding to invest in the Class A Notes.*

*Prospective investors in the Class A Notes should ensure that they understand the nature of such Class A Notes issued by a French debt securitisation fund (fonds commun de titrisation) and the extent of their exposure to risk, that they have sufficient knowledge, experience and access to professional advisers in order to make their own legal, tax, accounting, prudential, regulatory and financial evaluation of the merits and risks of investing in such Class A Notes and that they consider the suitability of such Class A Notes as an investment in the light of their own circumstances and financial condition.*

*The Management Company believes that the risks described herein are a list of risks which are specific to the situation of the Issuer and/or the Notes and which are material for taking investment decisions by the potential Noteholders as at the date of this Prospectus but the inability of the Issuer to pay interest, principal or other amounts on or in connection with the Class A Notes may occur for other reasons and the following statements regarding the risk of investing in or holding the Class A Notes are not exhaustive. Although the Management Company believes that the various structural elements described in this document mitigate some of these risks for Noteholders, there can be no assurance that these measures will be sufficient to ensure payment to Noteholders of interest, principal or any other amounts on or in connection with the Notes on a timely basis or at all. Additional risks and uncertainties not presently known to the Management Company or that the Management Company currently believes to be immaterial could also have a material impact on the Issuer's financial strength in relation to this transaction.*

### **1. RISKS RELATING TO THE ISSUER**

#### **1.1 Notes not guaranteed - Recourse limited to the Assets Allocated to the Issuer**

The Class A Notes are exclusively an obligation of the Issuer. The Class A Notes are not obligations or responsibilities of, or guaranteed by the Management Company, the Custodian, the Transaction Agent, the Reserves Provider, the Account Bank, the Sellers, the Servicers, the Listing Agent, the Paying Agent, the Specially Dedicated Account Bank, the Joint Arrangers, the Joint Lead Managers, the Interest Rate Swap Counterparty, the Statutory Auditor, the Data Protection Agent or any of their respective affiliates, and none of such persons accepts any liability whatsoever in respect of any failure by the Issuer to make payment of any amount due on the Class A Notes. Furthermore, no person other than the Issuer will accept any liability whatsoever to the Class A Noteholders in respect of any failure by the Issuer to pay any amount due under the Class A Notes.

Pursuant to the Issuer Regulations, the right of recourse of the Noteholders with respect to their right to receive payment of principal and interest together with any arrears is limited to the Assets Allocated to the Issuer in proportion to their respective investment in the Class A Notes which they hold, and is subject to the applicable Funds Allocation Rules (and in particular the applicable Priority of Payments) contained therein, and also specified in Section "APPLICATION OF FUNDS".

#### **1.2 Limited financial resources of the Issuer**

The Issuer is a French securitisation debt fund (*fonds commun de titrisation*) with no capitalisation and no business operations other than the issue of the Notes and the Residual Units, the purchase of the relevant Home Loans on the Issue Date and the transactions ancillary thereto.

Accordingly, the cash flows arising from the Assets Allocated to the Issuer constitute the sole financial resources of the Issuer for the payment of principal and interest amounts due in respect of the Class A Notes.

The payments on the Purchased Home Loans by the relevant Borrowers (or any insurer under any Insurance Contracts relating to such Purchased Home Loans), the proceeds of enforcement of Ancillary Rights (as the case may be), the payments by the Interest Rate Swap Counterparty to the Issuer pursuant to the terms of the Interest Rate Swap Agreement, the payments to the Issuer of any Re-transfer Price, Rescission Amount, Indemnity Amount or Deemed Collection, the payments to the Issuer of any indemnity in respect of any Issuer's liability,

losses and damages directly resulting from breaches of Sellers' obligations by the Sellers in accordance with the terms of the Home Loans Purchase and Servicing Agreement, and the other funds standing to the credit of the Issuer Accounts (including cash reserves funded or to be funded, as the case may be, by the Reserves Provider but excluding any remuneration relating to any sums standing to the credit of the Commingling Reserve Account and the General Reserve Account) are the only sources of funds available to make payments of interest on and/or repayment of principal under the Notes and the Residual Units, always subject to, and in accordance with the Funds Allocation Rules (and in particular the applicable Priority of Payments contained therein). If such funds are insufficient to make such payments, no other assets will be available for payment of the deficiency.

In particular, but without limiting the generality of the foregoing, after the Final Legal Maturity Date, any part of the nominal value of the Class A Notes or of the interest due thereon which may remain unpaid will be automatically cancelled and extinguished, so that the Class A Noteholders after such date, shall have no right to assert a claim in this respect against the Issuer, the Management Company, the Custodian, the Transaction Agent, the Reserves Provider, the Account Bank, the Sellers, the Servicers, the Listing Agent, the Paying Agent, the Specially Dedicated Account Bank, the Joint Arrangers, the Joint Lead Managers, the Interest Rate Swap Counterparty, the Statutory Auditor, the Data Protection Agent or any of their respective affiliates, regardless of the amounts which may remain unpaid after the Final Legal Maturity Date.

### **1.3 Additional costs and expenses**

The Issuer may face additional any fees, costs, expenses or liabilities, which would impact its ability to make pay interest or other amounts due under the Notes.

In particular, but without limiting the generality of the foregoing, if the Class A Notes are not redeemed on the First Optional Redemption Date, the Issuer will be obliged to pay interest on the then outstanding Class A Notes at an increased margin until the Class A Notes are redeemed (including on any of the subsequent Optional Redemption Dates) or mature. Whilst the payment obligations of the Interest Rate Swap Counterparty under the Interest Rate Swap Agreement will be increased to cover the higher Class A Margin, there will be no other additional assets receipts or other sources of funds available to the Issuer on or after the First Optional Redemption Date to pay such increased Class A Margin.

In addition, indemnities that may be owed by the Issuer to other parties to the Transaction Documents or to any third parties are not subject to any cap on liability. Although those indemnities that may be owed to other parties to the Transaction Documents subordinated to the payment of interest on the Notes and shall be paid in accordance with the applicable Priority of Payments, this is not the case for indemnities that may be owed to third parties, which are not bound by the Priority of Payments.

More generally, if the Issuer is required to pay any fees, costs, expenses or liabilities, that are unusual, unanticipated and/or extraordinary in nature then, a shortfall in funds necessary to pay interest or other amounts on the Notes may occur.

## **2. RISKS RELATING TO THE ASSETS ALLOCATED TO THE ISSUER**

### **2.1 Borrowers' and Home Loan Guarantors' Ability to Pay – Exposure to losses and late payments**

The Issuer is exposed to the credit risk of the Borrowers and to the credit risk of the Home Loan Guarantors. If the Issuer does not receive the full amount due from the Borrowers in respect of the Purchased Home Loans, the Noteholders may receive by way of principal repayment an amount less than the face value of their Notes and the Issuer may be unable to pay, in whole or in part, interest due on the Notes.

Neither the Issuer nor any other person (including the Sellers) guarantees or warrants the full and timely payment by the Borrowers of any sums payable under the Purchased Home Loans.

The ability of a Borrower to make timely payment of amounts due under any Home Loan will mainly depend on its assets and its liabilities as well as its ability to generate sufficient income to make the required payments. Its ability to generate income may be adversely affected by a large number of factors, some of which (i) relate specifically to the Borrower itself (including but not limited to age, health, marital status, creditworthiness or employment) while others (ii) are more general in nature (such as, without limitation, changes in governmental



regulations (e.g. rent control regulations), fiscal policy, local property market conditions (e.g. the supply of and demand of residential homes) or interest rates) which may impact the market value of the property.

In particular, but without limitation, the outbreak of coronavirus SARS-CoV-2 and the related respiratory disease (coronavirus disease Covid-19) (the “**Covid 19 Crisis**”) has led to disruptions globally, resulting in restrictions on travel, imposition of quarantines and prolonged closures of workplaces, and a significant slowdown in activity due to the impact of confinement measures on consumption and the mistrust of economic agents, as well as production difficulties, disruptions in supply chains in some sectors, and a slowdown in investments. The unprecedented health, economic and financial challenges raised by the Covid-19 Crisis may result in a significant decrease in growth and even technical recessions in several countries.

The French government has announced economic measures aimed at protecting jobs, households’ wages and companies, such as social taxes payment holidays, guarantee schemes and compensation schemes for heavily affected sectors in the economy. However, the time that it will take to recover from the disruptions derived from Covid-19 Crisis cannot be predicted, and it is expected that these disruptions will have short-, mid- and long-term negative effects on the global economy in general, and France’s economy in particular.

These and other factors may have an adverse effect on the income of a particular Borrower, his/her ability to service payments under a Home Loan and/or the market value and the proceeds of any re-sale of a Property, the credit quality of any Home Loan Guarantor or his/her ability to make payment, which could trigger losses of principal on the Class A Notes and/or reduce the yield of the Class A Notes.

In addition, the Issuer is also subject to the risk of insufficient funds on any Payment Date as a result of payments being made late.

Credit enhancement mechanisms have been provided for as set out in Section “CREDIT STRUCTURE” to cover the exposure of the Issuer to losses and late payments. However, there is no guarantee that such credit enhancement mechanisms will be sufficient and that the Noteholders will ultimately receive the full principal amount of the Notes and interest thereon if uncovered losses are incurred in respect of the Home Loans.

## **2.2 Contractual rights to defer or adjust Home Loan instalments**

Under the terms of certain Home Loan Agreements, the Borrowers have an express contractual right to adjust their Home Loan instalments to their financial capacity or to postpone or suspend their Home Loan instalments provided that the initial duration of the relevant Home Loan is not increased by more than a certain limit to be agreed between the Borrower and the relevant Seller in each Home Loans Agreement. The Servicers will assess at their entire discretion any such request on a case-by-case basis.

In addition, beyond the exercise by the Borrowers of the contractual right mentioned above, the Servicers may be faced with requests for payment holidays, suspension or postponement from Borrowers who are in distress due to the Covid 19 Crisis. Any Borrower’s request shall be motivated and the decision remains always at the entire discretion of the relevant Servicer. In particular, the Servicers will analyse the Borrower’s situation and re-assess the Borrower’s repayment capacity. If the conclusion of this analysis is positive, the relevant Servicer will define together with the Borrower the suspension or postponement of payment of interest and/or principal under the Home Loan.

In the context of the Covid 19 Crisis, the Borrowers have, and may in the future, use such contractual rights or make such requests to a substantially greater extent than what was observed in the past. As of August 2020, approximately 2.8% of the total portfolio of home loans receivables (by aggregate Outstanding Principal Balance (versus, 0.6% and 3.3% (by aggregate Outstanding Principal Balance respectively as of January 2020 and June 2020), were subject to a payment deferral (consequence of the Covid 19 Crisis or other). Figures are based on the total book of non-regulated Home Loans originated by the Sellers (*Prêts relais* are excluded).

There can be no assurance whether, after having deferred a payment by exercising such contractual right or having obtained such a payment holiday, postponement or suspension, the relevant Borrower will be able to meet its payment obligations and whether it would opt for, or request, a new extension. This may result in payment disruptions and possibly higher losses under the Purchased Home Loans.

Based on the Home Loan Eligibility Criteria set out in the Home Loans Purchase and Servicing Agreement, on the Selection Date, any payment holiday, postponement or suspension of any Home Loan instalment granted to the Borrower further to a Commercial Renegotiation, as the case may be, shall have expired and the Borrower shall not be in the process of entering into a Commercial Renegotiation with the Seller (including to obtain any such payment holiday, postponement or suspension of any Home Loan instalment) nor subject of any amicable or contentious recovery process nor subject to a request for a partial or a total prepayment by the relevant Borrower.

However, if a significant number of Borrowers exercise such rights or make such requests on any date after the Selection Date, this could have a material impact on the receipt of interest payments and principal repayments by the Issuer, which could result in a lengthening of the weighted average life of the Class A Notes, and/or on the ability of the Issuer to timely and fully meet its payment obligations under the Class A Notes.

### **2.3 Considerations relating to yield and prepayment**

The yield to maturity of the Notes will depend on, *inter alia*, the amount and timing of payment of principal and interest on the Home Loans (including full and partial prepayments, proceeds of enforcement of the Home Loans or repurchase by the relevant Seller of any Home Loans), the amount and timing of delinquencies and defaults on the Home Loans, the occurrence of an Accelerated Amortisation Event or Issuer Liquidation Event and the price paid by the holders of the Notes. Such yield may be adversely affected by a higher or lower than anticipated rate of prepayment on the Home Loans. Prepayments on the Home Loans may result from refinancing, sales of Properties by Borrowers voluntarily or as a result of enforcement proceedings, as well as the receipt of proceeds under the insurance policies.

The rate of prepayment of Home Loans is influenced by a wide variety of economic, social and other factors, including prevailing market interest rates, changes in tax laws (including but not limited to amendments to mortgage interest tax deductibility), local and regional economic conditions and changes in the borrowers' behaviour (including but not limited to home-owner mobility). This issue is exacerbated by the significant macro-economic disruption resulting from the Covid 19 Crisis and the measures taken by authorities in response to it. Changes in the rate of prepayments on the Home Loans may result in changes to the amortisation profile of the Class A Notes. Accelerated pre-payments will generally lead to a reduction in the weighted average life of the Class A Notes. Because these and other relevant factors are not within the control of the Issuer, no assurance can be given as to the level of prepayments that the Portfolio will experience.

In addition, if the Sellers are required, per the terms of the Home Loans Purchase and Servicing Agreement, to repurchase a Home Loan and the attached Ancillary Rights from the Issuer because, for example, one of the Home Loans did not comply in all material respects with the Representations and Warranties related to the Home Loans, then the payment received by the Issuer for such repurchase will have the same effect as a prepayment of all the Home Loans under the Portfolio.

Accordingly, the actual yield may not be equal to the yield anticipated at the time the relevant Notes were purchased, and the expected total return on investment may not be realised. An independent decision by prospective investors in any Notes as to the appropriate prepayment assumptions should be made when deciding whether to purchase any Notes.

### **2.5 Interest rate renegotiation**

Based on the Home Loan Eligibility Criteria, each Home Loans transferred by the Sellers to the Issuer on the Purchase Date shall bear a fixed interest rate equal to or greater than one point seventy-five per cent (1.75%) *per annum* (excluding insurance premia). At any time after the Selection Date, the Borrowers under the Purchased Home Loans may attempt to renegotiate from time to time the interest rate prevailing on their Home Loan. Depending on the outcome of such renegotiation with the relevant Seller, such renegotiation may lead to a reduction in the interest rate on the relevant Home Loan. Such occurrences are more likely to happen in the current context of low market interest rates and no guarantee can be given as to, *inter alia*, the number of Home Loans that may experience an interest rate renegotiation, nor as to the magnitude of any such interest rate renegotiation. The variation in interest rate of any Home Loan may reduce the interest amounts received by the Issuer.

Pursuant to the terms of the Home Loan Purchase and Servicing Agreement, any Commercial Renegotiation relating to the interest rate of the relevant Performing Home Loan may be considered as a Permitted Amendment provided that *inter alia*: (A) the variation of the interest rate of the relevant Performing Home Loan is in line with market practices at the time of such Commercial Renegotiation, (B) the relevant Servicer shall not accept a variation of the interest rate which it would not have accepted for its own assets similar to the Purchased Home Loans and (C) the interest rate after such Commercial Renegotiation remains equal to or greater than one point twenty-five per cent (1.25%) *per annum* (excluding insurance premia). As a consequence, any Purchased Home Loan which interest rate is reduced below this minimum following Commercial Renegotiation shall be repurchased by the relevant Seller (or, when such repurchase is not made by the relevant Seller for any reason, it shall indemnify the Issuer accordingly). Such Home Loan repurchase may result in a reduction of the average life of the Class A Notes.

## **2.6 Geographical concentration of financed properties**

The financed properties in the provisional Home Loans portfolio were located throughout France (including Guadeloupe, Guyana (*Guyane française*), Martinique, Réunion and Saint-Martin) as at 31 July 2020, with the largest concentration of 18.4% of the Outstanding Principal Balance of the provisional portfolio being concentrated in the French région “Île-de-France”. If, due to the outcome of the selection process, or due to evolution of the portfolio after the Selection Date, in particular in the case of repayment or prepayment of the Home Loans, the geographic distribution of properties becomes concentrated in certain regions, cities, towns or areas, any deterioration in the economic condition of such regions, cities, towns or areas in which the properties are located, could adversely affect employment levels and consequently, the ability of the Borrowers to meet their payment obligations under the Home Loans or the market value of the properties, which could trigger losses of principal on the Class A Notes and/or reduce the yield of the Class A Notes.

In addition, any natural disasters or widespread health crises or the fear of such crises (such as Covid 19 Crisis) in a particular region may weaken economic conditions and reduce the market value of affected properties and/or negatively impact the ability of affected Borrowers to make timely payments on the Loans.

Given the unpredictable effect such factors may have on the local, national or global economy, no assurance can be given as to the impact of any of the matters described in this paragraph and, in particular, no assurance can be given that such matters would not adversely affect the ability of the Issuer to satisfy its obligations under the Notes.

## **2.7 Evolution of the Portfolio of Home Loans**

The characteristics of the Home Loans to be transferred by the Sellers on the Issue Date may not be identical to the characteristics of the Provisional Home Loans selected as of 31 July 2020 as described in the section entitled “INFORMATION RELATING TO THE PROVISIONAL PORTFOLIO OF HOME LOANS” due to, *inter alia*, the exclusion of: (i) Home Loans prepaid or subject to Commercial Renegotiation prior to the Issue Date and (ii) Home Loans which at any time prior to the Selection Date are found not to comply with the representations and warranties to be given by the Sellers in respect of the Home Loans on the Issue Date as set out in the Home Loans Purchase and Servicing Agreement.

On or after the Issue Date, the composition of the Portfolio may also change from time to time including by reason of rescission of the sale of any Home Loans which did not comply with the Home Loan Eligibility Criteria as at the Selection Date or at the relevant date specified under the Home Loan Eligibility Criteria, the repurchase by any Seller of any Purchased Home Loans and/or the repayment and the prepayments of any Home Loans and/or Commercial Renegotiations with respect to any Home Loan.

## **2.8 No valuation of properties except in limited circumstances; Limitations of estimations of the value of properties**

In most cases and in accordance with the general practice in the French residential loan market, the Sellers do not carry out an appraisal of the market value of a property when originating the Home Loans. Subject to consistency checks or subject to the following paragraph, the value of a property in relation to a Home Loan is determined as being equal to the price paid by the relevant Borrower for the acquisition of the said property.

In limited circumstances, appraisal of value (*expertise*) of a property in relation to a Home Loan may be carried out by staff members of the Sellers or external appraiser. Even when such an appraisal is obtained, investors should be aware that such estimations of value of the property express the opinion of the relevant staff members of the Sellers or external appraisers at such time and are not guarantees of the actual market value of such property at such time or on any future date. Given that such estimations of market value are expressions of opinion, different persons could have different opinions as to the estimated market value of a property in relation to a Home Loan. Moreover, valuations seek to establish the amount that a typically motivated buyer would pay a typically motivated seller and in certain cases, may have taken into consideration the purchase price being paid by the Borrower. There can be no assurance that the property in relation to a Home Loan could in fact be re-sold to a third party purchaser at a price which corresponds to the estimated value established by the relevant Seller (or, where applicable, an external appraiser) whether at the date of origination of a Home Loan or on any future date. Furthermore, if a property in relation to a Home Loan is sold following a default, there can be no assurance that the net proceeds of sale will be sufficient to pay the full amounts remaining due under such Home Loan. If the net proceeds of sale of a property in relation to a Home Loan are lower than the amount necessary to repay the full amount of principal and interest outstanding in respect of such Home Loan, this could result in a reduction of the receipts received by the Issuer in respect of such Home Loan and adversely impact the liquidity position of the Issuer. As a result, this may also adversely affect the ability of the Issuer to make payments of principal and/or interest due to the Noteholders.

## **2.9 Enforcement of Home Loans Guarantees or Mortgages**

Following an event of default under a Home Loan Agreement, enforcement of the relevant Home Loan Guarantee or the relevant Mortgage and recovery of the proceeds of such enforcement may not be immediate, potentially resulting in a significant delay in the recovery of amounts owed by the relevant Borrower under the relevant Home Loan.

In certain circumstances, a moratorium (or grant by a court of a delay for payment) may apply to prevent or delay enforcement. The procedure of seizure of real estate remains a long procedure under French law, which might delay the ability of the Issuer to be repaid through the sale of the property and, therefore, its ability to redeem the Class A Notes in a timely manner. It should also be noted that such procedures have been subject to suspensions in the context of the Covid 19 Crisis, and although French courts have re-opened, delays have accumulated and courts are still working at a slower pace than usual. Such enforcement procedures may therefore be all the longer.

Amounts received on enforcement of the security created to secure a Home Loan, following a default under the related Home Loan, including proceeds of any sale or other disposal of the properties and the amount recovered under any Home Loan Guarantee or Mortgage could be insufficient to pay such Home Loan in full, in which case Class A Noteholders may ultimately suffer a loss.

For more information on the enforcement of Home Loans, please refer to section entitled “SPECIFIC FRENCH LEGAL ASPECTS”.

## **2.10 Home Loan Guarantee**

If there is a failure to pay by the underlying Borrower under a Home Loan secured by a Home Loan Guarantee, the relevant Servicer acting as agent of the Issuer shall make a demand for payment under the Home Loan Guarantee (it being specified that each Home Loan Guarantee provides that, where the relevant default corresponds to an insured risk, the beneficiary shall first request an indemnification from the insurer). The Issuer would be thus exposed to the credit worthiness of the Home Loan Guarantor being either Parnasse Garanties (rated A+ by S&P) or CEGC (rated A+ by S&P and A(high) by DBRS). Upon payment of an amount by the Home Loan Guarantor in respect of a given Home Loan, the Home Loan Guarantor will be subrogated in the rights, actions and security interest of the Seller (or, after the transfer of the relevant Home Loans on the Purchase Date, of the Issuer), in respect of that Home Loan.

The enforcement of any Home Loan Guarantee remains subject to the compliance with certain conditions of enforcement, some of which depend on the performance by the relevant Servicer of its obligations under the Home Loan Guarantee. In the event that any of these conditions are not complied with, the Home Loan Guarantor may refuse to pay all or part of the amount due by the relevant defaulting Borrower. To mitigate this risk, each Servicer has undertaken under the Home Loans Purchase and Servicing Agreement to refrain from carrying out

any action which may adversely affect the enforcement of any Home Loan Guarantee and to take all necessary steps in order to comply with the conditions of enforcement of any Home Loan Guarantee. In the event that, following a default of any Borrower which had been granted a Home Loan secured by a Home Loan Guarantee, any Servicer calls the relevant Home Loan Guarantee and the relevant Home Loan Guarantor refuses to pay the amount due by such Borrower because the conditions of enforcement of the relevant Home Loan Guarantee have not been complied with by the relevant Servicer, such Servicer shall indemnify the Issuer up to the amount which the Home Loan Guarantor would have paid to such Servicer had the conditions of enforcement of the relevant Home Loan Guarantee been complied with. As a consequence, the investors are exposed to a credit risk *vis-à-vis* the Servicers in this respect.

Should Parnasse Garanties or CEGC default under any of their Home Loan Guarantees, the Issuer will use its recourse against the Borrower under the relevant Home Loan Agreement.

In case of insolvency of Parnasse Garanties or CEGC, the Servicer may rely on the fact that:

- (a) the relevant Home Loans guaranteed by a Home Loan Guarantee may also be secured by a mortgage or, where it is not the case, most of the time, the relevant Borrower has undertaken not to grant a mortgage for the benefit of another creditor (*engagement de ne pas hypothéquer*) and covenanted to grant a Mortgage to secure the Home Loan upon demand of the Home Loan Guarantor and/or the Lender in certain circumstances; and
- (b) the Servicer would also be entitled to ask the competent judge to grant him the right to register a conservatory mortgage (*hypothèque judiciaire conservatoire*) on the financed property for an amount equal to its claim against the Borrower. For more details on the registration of such a mortgage, please refer to the section entitled “SPECIFIC FRENCH LEGAL ASPECTS”.

It is likely that the insolvency of the Home Loan Guarantor would not prevent the Servicer from asking the competent judge to grant him the right to register a conservatory mortgage (*hypothèque judiciaire conservatoire*) on the financed property for the following reasons:

- (a) the receiver (*administrateur judiciaire*) of the Home Loan Guarantor is likely to decide to terminate the home loan guarantee agreement (*convention-cadre de caution solidaire*) entered into between such Home Loan Guarantor and BPCE since the premium is due by the Borrower to the Home Loan Guarantor at the origination date of the Home Loan (rather than by BPCE);
- (b) should the receiver decide not to end the home loan guarantee agreement, BPCE will be entitled to terminate it should the Home Loan Guarantor not comply with its obligations thereunder (i.e., no payment will be made by the Home Loan Guarantor when called under the Home Loan Guarantee);
- (c) in any case and knowing the operated situation of the Home Loan Guarantor, the Servicer may choose not to call the Home Loan Guarantee and instead rely on its right to ask the judge to register a conservatory mortgage (*hypothèque judiciaire conservatoire*) on the financed property; and
- (d) more generally, as long as no payment is made by the Home Loan Guarantor to the Issuer, the Home Loan Guarantor will not be subrogated in the rights, actions and security interest of the Issuer – the Issuer then remains the sole owner of the relevant Home Loan and the related Ancillary Rights (such as the proceeds from the enforcement of any Mortgage, as the case may be).

However, such a course of action is less certain and straightforward than obtaining a payment from the Home Loan Guarantor and, therefore, a default or insolvency of a Home Loan Guarantor could result in a reduction of or delay in the receipts received by the Issuer in respect of such Home Loan and adversely impact the liquidity position of the Issuer. As a result, this may also adversely affect the ability of the Issuer to make payments of principal and/or interest due to the Noteholders.

## 2.11 Insurance Contracts

As a condition to being granted a Home Loan, Borrowers are generally required to obtain and to maintain an insurance policy to cover risks such as (i) the death (*décès*) and/or (ii) the total and irreversible loss of autonomy (*perte totale et irréversible d'autonomie*) and/or (iii) the total temporary incapacity to work (*incapacité temporaire*

*totale de travail*) and/or permanent invalidity (*invalidité permanente*) and/or work suspension (*arrêt de travail*) and/or work loss (*perte d'emploi*) (such policies "**Payment Protection Policies**") and, where such insurance is so required, as part of its origination process, before granting such Home Loan, each Lender obtains confirmation that the relevant Borrower has subscribed the relevant Payment Protection Policies. In accordance with article L. 313-25, 7° of the French Consumer Code, borrowers are entitled to freely choose the provider of payment protection insurance linked to loans. Hence, Borrowers can freely opt for an insurance company within the BPCE Group or affiliated to the BPCE Group or outside the BPCE Group.

Although there is an obligation on Borrowers to obtain and maintain Payment Protection Policies, no assurances can be given as to whether the relevant Borrowers will make effective payments of premiums or comply with other conditions to maintain these policies in full force and effect. The scope of coverage provided by the Payment Protection Policies will depend upon the specific terms and conditions (including deductibles) of the relevant policy.

*Likewise*, although Borrowers are required or encouraged under the Home Loan Agreements to obtain as at the relevant origination date a multi-risk home property insurance policy with respect to the Properties (such policies, a "**Property Insurance Policies**" and, together with the Payment Protection Policies, the "**Insurance Contracts**"), (i) there are, however, certain types of losses (such as losses resulting from war, terrorism, nuclear radiation, radioactive contamination, subsidence or settling of structures etc.) which may be or may become either uninsurable or not insurable on economic terms, or are otherwise not covered by the required insurance policies and (ii) no assurances can be given as to whether the relevant Borrowers will in fact take or renew any existing Property Insurance Policies, make payments of premiums or comply with other conditions to maintain Property Insurance Policies in full force and effect. In such circumstances, the relevant Borrower's ability to repay the corresponding Home Loan could be adversely affected and the ability of the Issuer to recover the unpaid amount by enforcing the Home Loan could be adversely and similarly affected.

Under the Home Loans Purchase and Servicing Agreement, the Sellers assign to the Issuer the Home Loans and the related Ancillary Rights, which term includes any right or interest which the relevant Seller may have in relation to Insurance Contracts. Whether the Issuer will obtain the full benefit and right to enforce such Insurance Contracts will depend upon whether such insurance policies permit assignment, whether the policies are in full force and effect and the nature of the rights and interest of the Sellers under or in relation to such insurance policies. There is no certainty that all such Insurance Contracts have been effectively subscribed nor that they remain at all times in full force and effect, nor that any claims to insurance proceeds have or will be validly assigned to the Issuer or will in practice be available to the Issuer, and whether the Issuer will in practice obtain all relevant information about such policies, as would be necessary to claim payment directly from the relevant insurer, assuming it is entitled to do so.

In addition, the Issuer will be exposed to the ability of the relevant insurance company to make payment of claims under the Insurance Contracts if an event which gives rise to a right to payment under such Insurance Contract occurs. This could result in a reduction of the receipts received by the Issuer in respect of such Home Loan and adversely impact the liquidity position of the Issuer. As a result, this may also adversely affect the ability of the Issuer to make payments of principal and/or interest due to the Noteholders.

## **2.12 Market value of the Purchased Home Loans**

In the event of the occurrence of an Issuer Liquidation Event, the amounts available to redeem the Class A Notes and repay all amounts outstanding under the Class A Notes will depend on the proceeds of the sale by the Management Company of the Assets Allocated to the Issuer. The market value of the Purchased Home Loans may be affected by a number of factors, including, without limitation, the Covid 19 Crisis. There is no assurance that the market value of the Purchased Home Loans (including the related Ancillary Rights) will at any time be equal to or greater than the Principal Amount Outstanding of the Class A Notes then outstanding plus the accrued interest thereon after payment of all other amounts due by the Issuer and ranking senior to the Notes in accordance with the Accelerated Priority of Payments. In such case, the liquidation of the Issuer would not occur, and the Class A Notes would not be redeemed, notwithstanding the occurrence of an Issuer Liquidation Event.

## **2.13 No independent investigation - Representations and Warranties**

None of the Account Bank, the Paying Agent, the Listing Agent, the Data Protection Agent, the Specially Dedicated Account Bank, the Interest Rate Swap Counterparty, the Joint Arrangers, the Joint Lead Managers or any of their respective affiliates have made or will make any investigations or searches or verify the characteristics of any Purchased Home Loans, the Home Loan Agreements or the Borrowers or the solvency of the Borrowers, the insurers or any Home Loan Guarantor, each of them relying only on the representations made, and on the warranties given, by each Seller regarding, among other things, the Home Loans, the Home Loan Agreements and the Borrowers.

Although the Management Company will rely on the representations made, and on the warranties given, by the Sellers regarding the Home Loans, it shall, pursuant to the provisions of the Home Loans Purchase and Servicing Agreement, on the basis of the information provided to it by the relevant Seller in any Home Loans Purchase Offer, carry out some consistency checks on such information in order to test through a computer-based process the compliance of the Home Loans offered for purchase on the Purchase Date with certain Home Loan Eligibility Criteria.

Pursuant to the provisions of article L.214-175-4 II 2° of the French Monetary and Financial Code, the Custodian will verify the existence of the Purchased Home Loans on the basis of samples.

However, the responsibility for the non-compliance of the Home Loans transferred by the Sellers to the Issuer with the Home Loan Eligibility Criteria on the Selection Date or at the relevant date specified under the Home Loan Eligibility Criteria will at all times remain with the Sellers only (and the Management Company, the Custodian, the Account Bank, the Paying Agent, the Listing Agent, the Data Protection Agent, the Specially Dedicated Account Bank, the Interest Rate Swap Counterparty, the Joint Arrangers, the Joint Lead Managers shall under no circumstance be liable therefor).

A specific rescission and indemnification procedure has been provided for in the Home Loans Purchase and Servicing Agreement to indemnify the Issuer in the case of non-conformity of one or several Purchased Home Loans with the Home Loan Eligibility Criteria (if such non-conformity is not, or not capable of being, remedied). The representations and warranties made or given by the Sellers in relation to the conformity of the Home Loans to the Home Loan Eligibility Criteria and this rescission and indemnification procedure is the sole remedy available to the Issuer in respect of the non-conformity of any Home Loan with the Home Loan Eligibility Criteria. Consequently, a risk of loss exists if such representation or warranty is breached and no corresponding indemnification payment is made by the relevant Seller. Under no circumstance may the Management Company request an additional indemnity from such Seller relating to a breach of any such representations or warranties. In addition, the Issuer will be exposed to the credit risk of the Sellers in respect of its claims for payment of any Rescission Amounts or Indemnity Amount.

To the extent that any loss arises as a result of a matter which is not covered by the representations and warranties, the loss will remain with the Issuer. In particular, none of the Sellers gives any warranty as to the ongoing solvency of the Borrowers of the Purchased Home Loans.

## **2.14 Article 1343-5 of the French Civil Code**

Pursuant to the provisions of article 1343-5 of the French Civil Code, debtors have a right to request the competent court to postpone (*reporter*) or extend (*échelonner*) for a period of two (2) years, the payment of sums owed by them. Following such a request, the court may, by special and justified decision (*décision spéciale et motivée*), order that the sums corresponding to the postponed instalments bear interest at a reduced rate which cannot be reduced below the then applicable legal interest rate or that the payments will first reimburse the principal. In such circumstances, the Class A Noteholders are likely to suffer a delay in the repayment of the principal of the Class A Notes and the Issuer may not be in a position to pay, in whole or in part, the accrued interest in respect of the Class A Notes if a substantial part of the Portfolio of Home Loans is subject to a decision of this kind.

This risk is mitigated by the provision of liquidity from alternative sources (including the General Reserve Account), as more fully described in Section "CREDIT STRUCTURE". However, no assurance can be made as to the sufficiency of such liquidity support features, or that such features will protect the Class A Noteholders from all risk of delayed payments.

## **2.16 Real Estate Credit Legislation**

## General

The Home Loans are subject to the provisions of the French Consumer Code applicable to mortgage loans (*crédits immobiliers*) ("**Real Estate Credit Law**"), which imposes obligations on lenders (i) to provide certain information to borrower consumers, (ii) to grant time to consumers before the entry into of a credit transaction is definitive, (iii) comply with detailed formalistic rules with regard to the contents of the credit contract, (iv) to limit the amounts that can be requested to the borrower in case of voluntary early prepayment or in case of acceleration of the loan (whether by way of indemnity, fees or through the compounding of interest) and (iv) to notify the borrowers of the global annual effective rate (*taux annuel effectif global*) applicable to the home loans which global effective rate shall not exceed the then applicable usury rate. These rules were significantly amended by the "Loi Lagarde" n° 2010-737 dated 1 July 2010 (the "**Lagarde Law**"). Certain provisions of these amended rules are subject to debate and interpretation. There is currently no or little relevant case-law on (i) how these rules should be interpreted, (ii) what should be done in practice to comply with these rules and (iii) what sanctions would apply in case of breach of or non-compliance with these provisions. The interpretation of these rules remains subject to the views of any competent court.

Infringement of those rules could lead in particular to the lender being sentenced to a fine and administrative sanctions and to pay damages to the relevant borrower and to the full or partial deprivation of interest on a credit.

In particular, articles L.314-1 to L.314-5 of the French Consumer Code require that any lender notifies the borrower of the global effective rate (*taux effectif global*) applicable to loan agreement. Pursuant to Article L. 341-1 and L. 341-48-1 of the French Consumer Code (as amended by ordinance no. 2019-740 dated 17 July 2019 relative aux sanctions civiles applicables en cas de défaut ou d'erreur du taux effectif global), if the global effective rate (*taux effectif global*) has not been notified to the borrower by the lender or has been wrongly notified (*défaute de mention ou mention erronée du taux annuel effectif global*), the right of the lender to receive interest may be reduced to an extent decided by the judge, taking into account, among other things, the damage suffered by the borrower. Pursuant to Article L. 341-48-1 of the French Consumer Code, when the lender is deprived of the right to receive all or part of the interest payments, the borrower shall only be obliged to repay the principal amount of the loan in accordance with the scheduled amortisation and, if any, to pay the portion of the interest amounts which the lender has not been deprived. Any interest amounts received by the lender, which will accrue interest at the legal interest rate (*taux de l'intérêt légal*) from the day on which they are received by the lender, shall be repaid by the lender or charged against the repayment of the principal.

Article L.314-6 of the French Consumer Code further prohibits (subject to criminal penalties specified in Article L. 341-50 of the French Consumer Code) the granting of loans which, at the time they were granted have a global effective rate (*taux effectif global*) which exceeds the then applicable usury rate (*taux d'usure*). The French Consumer Code provides that interest paid by the borrower above that threshold is allocated to the payment of regular accrued interest and, additionally, to the repayment of principal and if this is insufficient handed over to the borrower (with interest accrued at the legal rate).

If the above mentioned cases were to apply in respect of the Home Loan Agreements, this could create a restitution obligation on the relevant Seller and/or the Issuer in respect of part or all of interest amounts paid by the relevant Borrower and/or a suspension of payment of and/or reduction in the amounts of principal and/or interest due by the relevant Borrower under the relevant Loan Agreement and/or a set-off right of the Borrower in relation to such amounts.

However, the Sellers will represent and warrant that the Home Loans Agreement constitute legal, valid, binding and enforceable contractual obligations of the relevant Borrower with full recourse to the relevant Borrower (except that enforceability may be limited by (i) bankruptcy or insolvency of the Borrower or other laws relating to over-indebtedness (*surendettement*) or enforcement of general applicability affecting the enforcement rights of creditors generally or (ii) the existence of unfair contract terms (*clauses abusives*) as defined by articles L.212-1 *et seq.* of the French Consumer Code in the Home Loan Agreements (provided they would not (A) affect the right of the Issuer to purchase the Home Loan as contemplated under the Home Loan Purchase and Servicing Agreement or (B) deprive the Issuer of its rights to receive principal and to receive interest as provided for under the Home Loan) and that the Home Loan Agreement has been executed between the relevant Seller and a Borrower pursuant to the applicable provisions of the French Consumer Code applicable to mortgage loans (*crédits immobiliers*) and all other applicable legal and regulatory provisions.



### *Unfair contract terms (clauses abusives)*

The provisions of the French Consumer Code on unfair contract terms (*clauses abusives*) apply to the Home Loan Agreements. In a professional to consumer or nonprofessional relationship, an unfair contract term (*clause abusive*) is a term that creates a significant imbalance between the rights and obligations of the parties to the detriment of the consumer.

The French Consumer Code sets out a non-exhaustive list of clauses that are presumed to be unfair:

- (i) the "black list" relates to provisions that are always considered as unfair (i.e. the consumer does not have to establish that those provisions are indeed unfair); and
- (ii) there is a presumption that provisions included in the "grey list" are unfair, the proof that such clauses are not unfair falls on the professional.

In addition, the French Unfair Terms Committee (*Commission des clauses abusives*) regularly publishes recommendations listing provisions which, according to such committee, should be regarded as unfair terms. However, French courts are not bound by those recommendations. In any event, whether a provision is to be considered as an unfair term is determined, on a case by case basis, by the courts.

The assessment of the unfairness of a contractual provision cannot relate to the remuneration of the lender or the definition of the main purpose of the contract to the extent that such provision is stated in a clear and understandable manner.

If any Home Loan Agreement contains an unfair contract term, such term will be deemed "unwritten" (*réputée non écrite*) and is accordingly ineffective. The other provisions of such Home Loan Agreement shall remain valid to the extent such Home Loan Agreement may remain without the relevant unfair term.

If any unfair term is included in the aforementioned "black list", any Seller may also be sanctioned by an administrative fine (such fine being in a maximum amount of EUR 15,000 for a legal entity), an injunction to remove the relevant clauses from its terms and conditions and by publicity measures (by way of publication in newspapers, electronic means or billboard display).

In addition, article 1171 of the French Civil code, which was newly introduced by ordinance n° 2016-131 of 10 February 2016, and is a rule of public policy, deems as "unwritten" any clause that is contained in an adhesion contract (*contrat d'adhésion*) and creates a significant imbalance between the parties' respective rights and obligations (but the evaluation of any such imbalance does not extend to the main contract object itself or the adequacy of the consideration payable relative to the goods or services provided), regardless as to whether the contract is entered into with a consumer or not. Pursuant to article 1110 of the French Civil Code, an adhesion contract is one whose general terms and conditions are fixed in advance by one party and not open to negotiation and it cannot be excluded that the Home Loan Agreements, might be considered to qualify as such. For the purpose of the assessment of whether a clause creates an imbalance within the meaning of article 1171, there is no similar list as set out in the French Consumer Code in so far as regards unfair contract terms (*clauses abusives*) and, at the date of this Prospectus, it remains uncertain how a judge would make such assessment.

### *Protection of over-indebted consumers*

Pursuant to article L. 711-1 of the French *Code de la consommation* (the **French Consumer Code**), a situation of over-indebtedness is characterised by the manifest impossibility (*impossibilité manifeste*), for an individual, to satisfy all its non-professional debts, whether due and payable or unmatured. The benefit of the over-indebtedness treatment process is granted to any individual, provided that such individual acts in good faith. An individual will not be considered to be acting in good faith if he has organised his own insolvency or has dissipated his assets.

The over-indebtedness process may lead *inter alia* to a suspension of on-going enforcement procedures (*procédures d'exécution forcée*), a suspension of the due date of the debts of the over-indebted individual, a rescheduling of such debts, a reduction or a cancellation of such debts, a reduction or a cancellation of the interest rates applicable thereto, a liquidation of the individual's assets or the total cancellation of all personal debts of the

over-indebted individual (for further details in relation to protection of over-indebted consumers, please refer to Section “SPECIFIC FRENCH LAW ASPECTS”).

Upon the application of such measures in favour of any Borrowers, the Issuer may suffer a principal loss and/or a reduction in the yield of the Home Loans, which may affect the ability of the Issuer to fulfil its obligations under the Class A Notes.

## **2.17 Defences**

Notwithstanding the assignment by a Seller of the relevant Purchased Home Loans, related insurance claims under any Insurance Contract (as the case may be) or rights under any Home Loan Guarantee (as the case may be), the relevant Borrowers, insurance company or Home Loan Guarantor will be entitled to exercise against the Issuer:

- (a) all rights of defence arising from their relationship with such Seller (*exceptions nées de ses rapports avec le cédant*), such as the granting of a grace period, the reduction of the debt or the rights to set-off mutual debts that are not closely connected (*l'octroi d'un terme, la remise de dette ou la compensation de dettes non connexes*), where such rights of defence arose prior to such notice of such assignment; and
- (b) all rights of defence which are inherent to their respective debts (*exceptions inhérentes à la dette*), such as the nullity, the failure to perform, the rescission or the set-off of mutual debts that are closely connected (*la nullité, l'exception d'inexécution, la résolution ou la compensation de dettes connexes*), regardless of whether such rights of defence arose before or after such notice of such assignment.

Such defences, which may in particular, but without limitation, consist in set-off rights, may impact the principle, or the amount of, the payments expected from the Borrower under the relevant Purchased Home Loans, and adversely affect the ability of the Issuer to make payments of principal and/or interest due to the Noteholders.

## **2.18 Set-off by Borrowers**

### *Contractual set-off*

The Home Loan Agreements do not include any express provision granting a contractual right of set-off to a Borrower.

### *Legal set-off*

Absent an express exclusion by the Borrower of its set-off rights, set-off may still arise in accordance with and subject to the general rules pertaining to legal set-off (*compensation légale*), as provided for by articles 1347 and 1347-1 (or, prior to 1<sup>st</sup> October 2016, article 1289) of the French Civil Code. Under French law, two claims shall extinguish by way of legal set-off if:

- (i) they are reciprocal (*réiproques*);
- (ii) both are either monetary claims or fungible between themselves (*fongibles*);
- (iii) their respective amount can be determined (*liquides*); and
- (iv) they are due and payable (*exigibles*).

However, so long as a Borrower under a Home Loan has not been notified of the transfer of such Home Loan to the Issuer, the Borrower shall remain allowed to raise a defence of set-off against such Seller based on statutory set-off. After notification of the transfer to the Borrower, such Borrower may only be entitled to invoke statutory set-off if, prior to the notification of the transfer, the above-mentioned conditions for statutory set-off were satisfied.

### *Set-off of closely connected debts*

Rights of set-off can also arise, even if all the conditions for a statutory set-off are not met, when two or more payment obligations owed between two parties are closely connected (*dettes connexes*). This principle has been codified under new article 1348-1 of French Civil Code. The concept of closely connected claims remains undefined in the French Civil Code and French courts determine whether two debts are *dettes connexes* on a case by case basis. Claims created under a same contract are usually considered as closely connected, whereas claims created by different contracts can be considered as closely connected if they are related to the same global economic operation. The fact that a Borrower has been duly notified of the transfer of the Home Loan will not prevent such a Borrower invoking set-off based on debts between the relevant Seller and the Borrower which are *dettes connexes*. The Home Loan Agreement do not include any provision which expressly states that any right or claim of a Borrower against the original lender or a Seller is closely connected (*connexe*) to the Home Loan provided to such Borrower.

#### *Judicial set-off*

More generally, set-off can be decided by a court and, in this respect, new article 1348 of the French Civil Code provides that a judicial set-off may be granted by a court with respect to claims which are certain, even if such claims are not liquid and/or due. Such set-off must be requested before the court and the decision to grant such a set-off is at the discretion of the court.

In respect of Home Loans, the most likely circumstances where set-off would have to be considered are when counterclaims resulting from the existence of a current account opened in the name of the Borrower with any Seller will allow such Borrower to set-off its counterclaims arising from the existence of such current account against sums due under a Home Loan. In this situation however, several French Courts of Appeal have held that there was no connection (*connexité*) of claims, notwithstanding that the instalment under the Home Loan was to be paid by way of direct debit from the funds standing to the credit of the relevant current account, considering that, in the cases at hand, the parties did not intend to inter-relate their current account relationship and the lending transaction on an economic standpoint.

In this respect, this risk is mitigated by the facts that:

- (a) the following Home Loan Eligibility Criteria that have been introduced in the Home Loans Purchase and Servicing Agreement:
  - (i) “the Seller does not use set-off as means of payment of the amounts due and payable by the Borrower under the Home Loans”;
  - (ii) “the Borrower does not benefit from a contractual right of set-off pursuant to the relevant Home Loan Agreement”;
  - (iii) “the opening by the Borrower of a bank account dedicated to payments due under the Home Loan is not provided in the relevant contractual arrangements as a condition precedent to the originator of the Home Loan making the Home Loan available to the Borrower under the Home Loan”;
  - (iv) “the Borrower is not an employee of the relevant Seller (nor, if different, of the originator)”, provided that in case of a Home Loan granted to several co-borrowers, this criteria shall apply to the main borrower (*emprunteur principal*) only;
  - (v) “the Home Loan Agreement does not include any provision which expressly states that any right or claim of the relevant Seller against the relevant Borrower under the Home Loan Agreement from which the Home Loan is deriving is closely connected (*connexes*) to any reciprocal right or claim of the relevant Borrower against the relevant Seller under any other contractual arrangement”;
  - (vi) “the Home Loan is not secured by a cash deposit (*gage-espèces*)”;
- (b) French banking law provides that deposits, savings and other funds of the Sellers' clients benefit from a national deposit guarantee scheme. The French deposit guarantee fund (*Fonds de garantie des dépôts et de résolution*) intervenes at the request of the French banking authority (the *Autorité de contrôle*

*prudentiel et de résolution "ACPR")* as soon as it finds that a credit institution (such as a Seller) is no longer able, immediately or in the short term, to repay deposits, savings and funds received from its clients. In addition, following a proposal from the ACPR, the French deposit guarantee fund (*Fonds de garantie des dépôts et de résolution*) may also intervene as a preventive measure when the situation leads the French deposit guarantee fund to fear that deposits, savings and other funds may not be available to a credit institution in the future. When, following the intervention of the French deposit guarantee fund (*Fonds de garantie des dépôts et de résolution*), the Sellers' clients have been repaid their deposits, savings and other funds, such clients would not have any claim against the Sellers under such deposits, savings and other funds.

If, notwithstanding the above considerations, a Borrower is entitled to exercise a right of set-off against sums owing to the Issuer in respect of a Purchased Home Loan (whether such set-off is imposed by operation of law, by contract or by a competent court) and as a result of any such event, the Issuer is not lawfully entitled to receive all or part of the principal amount due with respect to such Purchased Home Loan, the Home Loans Purchase and Servicing Agreement provides that the Seller which has transferred such Purchased Home Loan to the Issuer shall pay to the Issuer such principal amount as Deemed Collections. Any Deemed Collections due in respect of any Quarterly Collection Period by a Seller with respect to Purchased Home Loans assigned to the Issuer by such Seller will be paid by such Seller on the Settlement Date following such Quarterly Collection Period, to the Issuer by way of cash settlement. Such amount will form part of the Available Distribution Amount corresponding to that Collection Period, as though such amount had been paid by the relevant Borrower in cash.

In the event of a failure by the relevant Seller to pay to the Issuer any Deemed Collections as described above, the Class A Noteholders may suffer from a risk of non-receipt of any amount of principal and/or interest due to them in respect of their Class A Notes.

#### *Set-off in relation to any Insurance Contract*

A risk of set-off may arise if an insurer under an Insurance Contract has a claim against the Lender and that insurer could raise a set-off between such claim and a claim assigned by the Lender to the Issuer. Such risk would continue to apply notwithstanding the assignment of the claim by the Lender to the Issuer and notwithstanding a notification of the assignment of that claim to the Issuer if (i) the condition of a legal set-off are met by the two claims prior to such notification or (ii) if the claim of that insurer is closely connected (*dettes connexes*) with the claim of the Lender under the relevant Home Loan Agreement.

In particular, if the Lender acting as agent of the insurer under any Insurance Contract in order to collect, on behalf of the insurer, the insurance premium paid by the Borrowers, has failed to transfer the insurance premium to the insurer, the insurer would have a claim against the Lender and may try to set off such claim with any debt towards the Lender under the relevant Insurance Contract. Under such circumstances, the relevant insurer could be entitled to raise such set-off *vis-à-vis* any assignee of the indemnity claims under the Insurance Contract (such as the Issuer, as the case may be), based on the principles mentioned above.

#### *Set-off risk in relation to any Home Loan Guarantees*

A risk of set-off would arise if the Home Loan Guarantor had a claim against the Lender and the Home Loan Guarantor could raise a set-off between such claim and a claim assigned by the Lender to the Issuer. Such risk would continue to apply notwithstanding the assignment of the claim by the Lender to the Issuer and notwithstanding a notification of the assignment of that claim to the Issuer if (i) the condition of a legal set-off are met by the two claims prior to such notification or (ii) if the claim of the Home Loan Guarantor is closely connected (*dettes connexes*) with the claim of the Lender under the relevant Home Loan Guarantee.

In particular, if a Home Loan Guarantor was to pay to the Lender an amount further to a call under a given guarantee, which appeared thereafter undue or excessive in view of the terms of the relevant Home Loan Guarantee, the Home Loan Guarantor would have a restitution claim against the Lender. Under such circumstances, the Home Loan Guarantor could be entitled to raise such set-off to any assignee of the indemnity claims under other guarantees (such as the Issuer), based on the principles mentioned above.

### **3. RISK RELATED TO THIRD PARTIES**

#### **3.1 Servicing**

### *Reliance on Servicing Procedures*

The Servicers will carry out the administration, the servicing, the recovery and the enforcement of the Home Loans. Accordingly, the Noteholders are relying on the expertise, the business judgement, the practices, the capacity and the continued ability to perform of the Servicers in respect of the administration, the servicing, the recovery and the enforcement of claims against Borrowers, selling the properties and/or enforcing Ancillary Rights. Each Servicer is required to follow the Servicing Procedures, being those practices, policies and procedures consistently used by such Servicer with respect to comparable home loans that it services for itself or its affiliates.

However, there is no certainty and no representation and warranty is hereby given by any of the Management Company, the Custodian, the Sellers, the Servicers, the Transaction Agent, the Account Bank, the Paying Agent, the Listing Agent, the Data Protection Agent, the Specially Dedicated Account Bank, the Interest Rate Swap Counterparty, the Joint Arrangers or the Joint Lead Managers that such Servicing Procedures will be sufficient for the efficient and successful servicing, administration, recovery and enforcement of the Home Loans.

The Servicers may sub-contract to third parties certain of its tasks and obligations under, the Home Loans Purchase and Servicing Agreement, which may give rise to additional risks (although the Servicers shall remain liable for its obligations under the Home Loans Purchase and Servicing Agreement, notwithstanding such sub-contracting).

Furthermore, any material amendment to or substitution of the Servicing Procedures shall require the prior written approval of the Management Company (with a copy to the Custodian). The Rating Agencies shall be informed by the Management Company of any such material amendment to or substitution of Servicing Procedures and an overview of any such substantial amendment to or substitution of Servicing Procedures will be provided to investors on a quarterly basis and within one (1) month of each Payment (provided that such information shall be reported prior to such date, if necessary to make sure that such information is reported to investors without undue delay).

### *Replacement of any Servicer*

If any of the Banques Populaires or the Caisses d'Epargne, were to cease to act as Servicer, the processing of payments on the Purchased Home Loans and information relating to their collection could be delayed as a result. Such delays may have a negative impact on the timely payment of amounts due to the Noteholders. However, a Commingling Reserve will be funded by the Reserves Provider to guarantee the full and timely payment by the Servicers of their payment obligations towards the Issuer under the Home Loans Purchase and Servicing Agreement (for further details on the commingling risk, see paragraph "Commingling" below).

In addition, pursuant to the provisions of article L. 214-172 of the French Monetary and Financial Code, the Borrowers will need to be informed of the change or transfer of all or part of the servicing of the Purchased Home Loans to another entity.

No back-up servicer has been appointed and there is no assurance that any substitute servicer could be found.

Furthermore, it should be noted that any substitute servicer is likely to charge fees on a basis different to that of the replaced Servicer.

The Noteholders have no right to give orders or direction to the Management Company in relation to the duties and/or appointment or removal of the Servicers. Such rights are vested solely in the Management Company.

### *Termination of servicing mandate*

An administrator (*administrateur judiciaire*) or, as applicable, the liquidator (*liquidateur judiciaire*) will have the ability, pursuant to article L. 622-13 of the Commercial Code, to require that the Home Loans Purchase and Servicing Agreement be continued. However, to the extent that, after the commencement of French insolvency proceedings against any Seller, such Seller does not perform its obligations as Servicer under the Home Loans Purchase and Servicing Agreement, then the Management Company will be entitled to terminate such mandate pursuant to the provisions of the Home Loans Purchase and Servicing Agreement.

### *No initial notification of assignment of Purchased Home Loans*

The Home Loans Purchase and Servicing Agreement provides that the transfer of the Purchased Home Loans (and any Ancillary Rights) will be effected through an assignment of these rights by the relevant Seller to the Issuer pursuant to article L.214-169 of the French Monetary and Financial Code. The assignment will not be initially notified to the relevant Borrowers, and any relevant insurance company under any Insurance Contract and Home Loan Guarantor under any Home Loan Guarantee relating to the relevant Home Loans.

The assignment will only be notified to the relevant Borrowers, and any relevant insurance company under any Insurance Contract (if known) and Home Loan Guarantor under any Home Loan Guarantee relating to the relevant Home Loans, upon termination of the appointment of any Servicer (or from the occurrence of a Servicer Termination Event in respect of that Servicer if necessary to protect the interest of the Issuer) pursuant to the Home Loans Purchase and Servicing Agreement, and subject to the receipt from the Data Protection Agent of the Decryption Key in accordance with the terms of the Data Protection Agreement.

Until a Borrower, any relevant insurance company under any Insurance Contract (if known) or Home Loan Guarantor is so notified, the latter can discharge its obligations by making payment to the relevant Servicer. Accordingly, the Issuer would be exposed, prior to such notification, to the credit risk of the Servicers in respect of any such payment.

### *Commingling*

There is a risk that Available Collections be commingled with other assets of any of the Servicers upon its insolvency. This risk is addressed by the fact that the Borrowers will in such case be instructed by the Management Company (or any third party or substitute servicer) to pay any amount owed under the Purchased Home Loans into any account specified by the Management Company in the notification. However, the commingling risk will arise as long as the proceeds arising out of or in connection with the Purchased Home Loans will keep on being paid by the Borrowers to the concerned Servicer. This risk is mitigated as follows.

First, in accordance with articles L. 214-173 and D. 214-228 of the French Monetary and Financial Code, the Management Company, the Custodian, each Servicer and the Specially Dedicated Account Bank will enter into a Specially Dedicated Account Bank Agreement on or before the Issuer Establishment Date pursuant to which at least one account of such Servicer shall be identified in order to be operated as a Specially Dedicated Bank Account (*compte spécialement affecté*). As a consequence, all the amounts credited to any Specially Dedicated Bank Account shall benefit exclusively (*au bénéfice exclusif*) to the Issuer and the other creditors of the Servicer in the name of which such Specially Dedicated Bank Account has been opened shall not be entitled to claim payment over the sums credited to such Specially Dedicated Bank Account, even if such Servicer becomes subject to a proceeding governed by Book VI of the French Commercial Code or any equivalent procedure governed by any foreign law (*procédure équivalente sur le fondement d'un droit étranger*). Subject to and in accordance with the provisions of the Home Loans Purchase and Servicing Agreement, each Servicer shall in an efficient and timely manner collect, transfer and credit directly or indirectly to its Specially Dedicated Bank Account(s) all Available Collections received in respect of the Purchased Home Loans transferred by it to the Issuer.

Under the Specially Dedicated Account Bank Agreement to which it is a party and under the Home Loans Purchase and Servicing Agreement, each Servicer has undertaken to transfer to the General Account, on each Settlement Date, any amount of Available Collections collected under any Purchased Home Loan (including its Ancillary Rights) during the immediately preceding Quarterly Collection Period and standing to the credit of its Specially Dedicated Bank Account(s) as of such date.

The efficiency of the Specially Dedicated Bank Account mechanism will however be dependent upon the fact that the Specially Dedicated Account Bank agrees to comply with its undertakings to follow solely the instructions of the Management Company and cease to comply with the instructions of any Servicer following receipt of a notification to that effect.

In any case, the part of the Available Collections not credited directly to the Specially Dedicated Bank Accounts but transiting via other accounts of the Servicers will not be protected against the commingling risk by the Specially Dedicated Bank Account mechanism, as it is highly likely that an administrator (*administrateur*

*judiciaire*) or, as applicable, liquidator (*liquidateur judiciaire*) of any Servicer will stop transferring any such amounts to its Specially Dedicated Bank Account(s).

To further mitigate the commingling risk, the Reserves Provider will, in accordance with the Reserves Cash Deposits Agreement, if the Management Company determines that the Commingling Reserve needs to be adjusted in order to comply with the Commingling Reserve Required Amount, credit the Commingling Reserve Account (A) within thirty (30) calendar days (in case of a downgrade by Moody's) or within fourteen (14) calendar days (in case of a downgrade by Fitch) following the date on which the Specially Dedicated Account Bank is downgraded below the Account Bank Required Ratings or (B) thereafter on the Settlement Date following the Calculation Date on which the Management Company makes such determination, with the necessary amounts in order for the credit standing to the Commingling Reserve Account to be at least equal to the Commingling Reserve Required Amount applicable on that date.

*Reliance on Servicers for the production of Individual Servicer Reports and on the Transaction Agent for the production of Master Servicer Reports*

In order for the Management Company to be aware of the amounts of Outstanding Principal Balance of the Performing Home Loans and Available Collections applicable for each Collection Period, which amounts are necessary to make payments in accordance with the relevant Priority of Payments applicable on any Payment Date and more generally, in order to gather information in relation to the Home Loans, the Management Company relies on the Master Servicer Reports provided to it on each Information Date by the Transaction Agent, prepared on the basis of each Individual Servicer Report received by the Transaction Agent from the Servicers on each Reporting Date.

In the event of a Master Servicer Report Delivery Failure, the Management Company will make any calculations that are necessary to make payments in accordance with the relevant Priority of Payments applicable on the following Payment Date, on the basis of the latest information received from the Servicers or the Transaction Agent, as applicable. As a consequence, on any Payment Date, Noteholders may receive less payments of principal than what they would otherwise have received, if the Master Servicer Report Delivery Failure occurs immediately following a period in which the Available Collections were particularly low.

To mitigate this risk, (i) determinations are made in that case on the basis of the last three (3) available Master Servicer Reports delivered to the Management Company and not only the last one and (ii) in the event that on three (3) consecutive Information Dates, the Transaction Agent has not provided the Management Company, with a copy to the Custodian, with a Master Servicer Report and except if all Servicers have provided the Management Company directly, with a copy to the Custodian, with their Individual Servicer Reports, a Master Servicer Termination Event shall occur.

Additionally, upon receipt of the relevant Master Servicer Report, the Management Company shall reconcile the calculations and the actual collections, determine the applicable regularisation amount and adjust the amounts to be paid to the Class A Noteholders, the Class B Noteholders, the Residual Unitholders and the Interest Rate Swap Counterparty (as the case may be) on the next applicable Payment Date(s).

*Notification of the Borrowers and ability to obtain the Decryption Key*

For the purpose of accessing personal data related to the Borrowers (such as, *inter alia*, their names and addresses) provided in encrypted form to the Management Company in the Encrypted Data File and notifying the relevant Borrowers (as the case may be), the Management Company will need the Decryption Key, which will not be in its possession but under the control of BNP Paribas Securities Services, in its capacity as Data Protection Agent if it has not been replaced. Accordingly, there cannot be any assurance, in particular, as to:

- (x) the possibility to obtain in practice such Decryption Key and to read the relevant data; and
- (y) on the ability, as the case may be, of BNP Paribas Securities Services to provide the Decryption Key if it faces difficulties; and
- (z) the ability of the Management Company (or any person appointed by it) to obtain such data in time for it to validly implement the procedure of notification of the Borrowers (as the case may be) before the

corresponding Home Loans become due and payable (and to give the appropriate payment instructions to the Borrowers).

As a result, the notification to the Borrowers of the assignment to the Issuer of the Home Loans in order to obtain the direct payment of sums due to the Issuer under the Home Loans may be considerably delayed. Until such notification has occurred, the Borrowers may validly pay with discharging effect to the Sellers or enter into any other transaction with regard to the Home Loans, which may affect the rights of the Issuer under the Home Loans.

That being said, it is worth noting that, pursuant to the Data Protection Agreement: in relation to paragraph (x) above, the Management Company shall on the Issuer Establishment Date and on or about each anniversary date of the Issuer Establishment Date and may, at any time, upon reasonable request, request the Data Protection Agent to test the decryption of each Encrypted Data File and, notably, test if such Encrypted Data File is capable of being decrypted and, in relation to paragraph (y) above, if BNP Paribas Securities Services faces difficulties and a Data Protection Agent Termination Event occurs, the Management Company shall, as soon as possible, terminate the appointment of the Data Protection Agent and appoint a new data protection agent.

### **3.2 Reliance of the Issuer on third parties**

The Management Company represents the Issuer and provides all necessary advice and assistance and know-how, whether technical or otherwise, including that which is in connection with the day to day management and administrative tasks of the Issuer and to ensure that all the rights and obligations of the Issuer under the Transaction Documents will be exercised and/or, as applicable, performed. Pursuant to Article L. 214-183 of the French Monetary and Financial Code the Management Company will represent the Issuer and will act in the best interests of the Issuer in accordance with the Article 319-3 of the AMF General Regulations. The Management Company has the exclusive right to exercise contractual rights against the parties which have entered into agreements with the Issuer, including the Seller and the Servicer. The Noteholders will not have the right to give directions or to claim against the Management Company in relation to the exercise of their respective rights or to exercise any such rights directly, even following the occurrence of an Accelerated Amortisation Event. As a result, Noteholders may be adversely and/or materially affected by decision taken by the Management Company on their behalf.

In addition, the Issuer has entered into agreements with a number of other third parties, which have agreed to perform services to the Issuer on an on-going basis.

The ability of the Management Company and of any such third parties to perform their respective obligations towards the Issuer may be affected by a number of factors, including, without limitation, the Covid 19 Crisis. If the Management Company or any such third-parties fails to perform any such obligations, the ability of the Issuer to make payments under the Notes may be affected.

The Transaction Documents provide for the ability of the Issuer under certain circumstances to terminate the appointment of any relevant third party service provider under the relevant Transaction Documents and to replace them by a suitable successor. However, there is no guarantee or assurance that a suitable successor can be appointed or as to the financial terms on which they would agree to be appointed.

### **3.3 Credit risk of the parties to the Transaction Documents**

The ability of the Issuer to make any principal and interest payments in respect of the Class A Notes depends, to a large extent, upon the ability of the parties to the Transaction Documents to perform their payment obligations towards the Issuer. In particular and without limiting the generality of the foregoing, the timely payment of amounts due in respect of the Class A Notes depends on (a) the ability of the Servicers to transfer to the Issuer any amount collected or recovered under in relation to the Purchased Home Loans, (b) the ability of the Sellers to meet their payment obligations under the Home Loans Purchase and Servicing Agreement, (c) the creditworthiness of the Account Bank and the Specially Dedicated Account Bank and (d) the ability of the Interest Rate Swap Counterparty to pay any Interest Rate Swap Net Amount when due to the Issuer.



Failure of any such party to make a payment as expected and when due may, if the mitigants included in the structure of the Transaction are insufficient, would affect the ability of the Issuer to make principal and interest payments in respect of the Class A Notes.

### **3.4 Potential Conflicts of Interest of the parties**

Conflicts of interest may arise as a result of various factors involving in particular the Issuer, the Management Company, the Custodian, the Account Bank, the Paying Agent, the Listing Agent, the Data Protection Agent, the Specially Dedicated Account Bank, the Sellers, the Servicers, the Transaction Agent, the Borrowers, the Interest Rate Swap Counterparty, the Joint Arrangers, the Joint Lead Managers, their respective affiliates and the other parties named herein.

For example (but without limitation), in France, any Servicer may hold and/or service claims against the Borrowers other than the Purchased Home Loans. The interests or obligations of such Servicer in its capacities with respect to such other claims may in certain aspects conflict with the interests of the Noteholders. In this respect, it should however be noted that:

- (a) the payment of the remaining excess cash of the Issuer after payment of all other amounts by the Issuer, together with the repayment of the General Reserve Decrease Amount, pursuant to the applicable Priority of Payments, to the Reserves Provider can be considered as economic incentives for the Reserves Provider to comply with its duties under the Transaction Documents;
- (b) pursuant to the Home Loans Purchase and Servicing Agreement:
  - (i) each Servicer has undertaken to the Management Company and the Custodian that it shall devote to the performance of its obligations at least the same amount of time and attention and overall diligence that it would normally exercise for the administration, recovery and collection of its own assets similar to the Purchased Home Loans, with the due care that would be exercised by a prudent and informed manager and, more generally, with the standard of care that it applies for its own business; and
  - (ii) in the event the Issuer and any Seller are respectively the creditors of a same Borrower, and in the absence of any specific instructions from the Borrower in respect of a payment made by the said Borrower to the creditors, such Servicer has undertaken to allocate the amounts paid by the Borrower between the receivables owed to it (or any other third party for which it is acting as agent) and the receivables owed to the Issuer, in accordance with the practices and allocation rules it would usually apply for its own receivables.

BPCE or related entities in the BPCE Group are involved in this transaction under the following capacities: Joint Arrangers, Joint Lead Manager, Custodian, Sellers, Servicers, Account Bank, Specially Dedicated Account Bank, Transaction Agent, Reserves Provider, Interest Rate Swap Counterparty and Home Loan Guarantors. Conflicts of interest may exist or may arise as a consequence of entities of the BPCE Group having different roles in this transaction, although some of these entities are organised in such a manner as to avoid any potential conflict of interest.

In addition, pursuant to Article 318-13 of the AMF General Regulations, the Management Company shall maintain and operate effective organisational and administrative arrangements with a view to taking all reasonable steps designed to identify, anticipate, manage and monitor conflicts of interest in order to prevent them from adversely affecting the interests of the Issuer and the Noteholders and the Residual Unitholders.

All of the aforementioned parties may engage in commercial relationships, in particular, be lender, provide general banking, investment and other financial services to the Borrowers and other parties and take part in other securitisation transactions. In such relationships the aforementioned parties are not obliged to take into account the interests of the Noteholders. Accordingly, because of these relationships, potential conflicts of interest may arise out of the transaction.

## **4. RISKS RELATING TO THE CLASS A NOTES**

#### **4.1 Rights to payment that are senior to or *pari passu* with payments on the Class A Notes**

Certain amounts payable by the Issuer to third parties such as the Management Company, the Custodian, the Account Bank, the Paying Agent, the Listing Agent, the Data Protection Agent, the Specially Dedicated Account Bank, the Servicers, the Transaction Agent and the Interest Rate Swap Counterparty rank in priority to, or *pari passu* with, payments of interest and, as applicable, principal on the Class A Notes. The payment of such amounts will reduce the amount available to the Issuer to make payments of interest and, as applicable, principal on the Class A Notes.

No assurances can be given regarding the amount of any such reduction or its impact on the Class A Notes.

#### **4.2 Risk of early redemption in full – Impact on yield**

The Management Company shall be entitled to declare the dissolution of the Issuer and liquidate the Issuer in one single transaction in case of the occurrence of any of the Issuer Liquidation Events.

If any of these events occur, the Notes may be redeemed earlier than would otherwise have been the case. This, in combination with an issue price on the Class A Notes above par, may have an adverse effect on the investment yield of the Class A Notes as compared with the expectations of investors.

#### **4.3 Risk that the Class A Notes might not be redeemed on the First Optional Redemption Date or any of the subsequent Optional Redemption Dates**

The Class A Notes may not be redeemed on the First Optional Redemption Date or any of the subsequent Optional Redemption Dates if the Sellers or any other authorised purchaser do not agree with the Management Company, according to the provisions of the Home Loans Purchase and Servicing Agreement for the re-assignment of all Purchased Home Loans then held by the Issuer.

If this occurs, the average maturity of the Class A Notes will be longer than expected and is estimated to be 4.11 years, based on the hypothesis of a 12% CPR, as mentioned in Section "WEIGHTED AVERAGE LIFE OF THE CLASS A NOTES AND ASSUMPTIONS" below.

Investors who had anticipated that the Class A Notes would be redeemed on the First Optional Redemption Date or any of the subsequent Optional Redemption Dates will not receive redemption proceeds on the date they had anticipated and may be locked into holding their investment in the Class A Notes for a longer duration than they had anticipated. The fact that the Class A Notes are not redeemed on any Optional Redemption Date may have an adverse effect on the market value and/or liquidity of the Class A Notes. However, this is mitigated by the fact that the Class A Margin after the First Optional Redemption Date will be x1.6 the level of the initial Class A Margin and that investors would as a consequence receive greater interest payments after the First Optional Redemption Date in the event that the Class A Notes would not be redeemed on any Optional Redemption Date.

For further details, please refer to "LIQUIDATION OF THE ISSUER, CLEAN-UP OFFER AND RE-PURCHASE OF THE HOME LOANS" and "Condition 4 (*Redemption*) - (f) Early redemption in full on the First Optional Redemption Date or on any of the subsequent Optional Redemption Dates".

#### **4.5 Credit enhancement and liquidity support mechanisms provide only limited protection**

Credit enhancement and liquidity mechanisms established in respect of the Issuer through the issue of the Class B Notes and the Residual Units, the constitution of the General Reserve, the possibility to use principal to pay interest on the Class A Notes due to the combined nature of the Priority of Payments and the excess margin (a part of which is reliant on the Interest Rate Swap Counterparty paying the Interest Rate Swap Net Amounts, as the case may be) provide only limited protection to the Class A Noteholders. Although the credit enhancement and the General Reserve is intended to reduce the effect of delinquent payments or losses incurred in respect of the Purchased Home Loans, the amount of such liquidity support and credit enhancement is limited and, if reduced to zero (0), the Class A Noteholders will suffer from late payments or losses. As a consequence, the credit enhancement mechanisms might not be sufficient in the event of late payments or will directly bear the risk of loss in respect of interest and principal.

#### 4.6 Interest-related matters

##### *No default interest*

In the event that on any applicable Payment Date, the amounts available to make payments of interest or principal in respect of the Class A Notes by the Issuer after payment of any amounts ranking in priority, are insufficient to pay in full any amount of interest or principal which is then due and payable in respect of the Class A Notes, such unpaid amount will not accrue default interest until full payment.

Such risk is mitigated by the fact that the failure by the Issuer to pay any amount of interest due and payable on the Class A Notes in accordance with the Conditions, where non-payment continues for a period of five (5) Business Days, will constitute an Accelerated Amortisation Event.

However, no assurance can be given that the Issuer will have sufficient resources on a Payment Date or on the Final Legal Maturity Date to pay any deferred amount calculated as being due on the Class A Notes.

##### *Market Disruption*

The rate of interest in respect of the Class A Notes for each Interest Period contains provisions for the calculation of such underlying rates based on rates given by various market information sources and Condition 3 (Interest) contains an alternative method of calculating the underlying rate should any of those market information sources, including the EURIBOR, be unavailable. The market information sources might become unavailable for various reasons, including suspensions or limitations on trading, events which affect or impair the ability of market participants in general, or early closure of market institutions. These could be caused by *force majeure* events impacting the publishers of the market information sources, market institutions or market participants in general, or unusual trading, or matters such as currency changes. In such case, the Terms and Conditions of the Class A Notes provides that the Management Company shall determine the applicable rate based on quotations from several banks or, failing which, by applying a fixed rate based on the rate which applied in the previous period when EURIBOR was available.

The outcome of such alternative determination methods cannot be foreseen and could be materially different, and possibly result in the Class A Noteholders receiving a materially different, possibly lower, interest amount than what would have been received had the EURIBOR been available.

##### *Potential Reform of EURIBOR determinations*

In June 2016, the European Union adopted Regulation (EU) 2016/1011 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (the “**Benchmark Regulation**”). The Benchmark Regulation entered into force on 20 June 2016 with the majority of its provisions applying since 1 January 2018. It provides that administrators of benchmarks in the European Union generally must be authorized by or registered with regulators no later than 1 January 2020, and that they must comply with a code of conduct designed primarily to ensure reliability of input data, governing issues such as conflicts of interest, internal controls and benchmark methodologies. The Benchmark Regulation could have a material impact on the Notes, in particular, if the methodology or other terms of EURIBOR are changed in order to comply with the requirements of the Benchmark Regulation.

Furthermore, EURIBOR is subject to ongoing national and international regulatory reforms. Some of these reforms are already effective while others are still to be implemented. Following the implementation of any such reforms, the manner of the administration of such benchmarks may change with the result that they may perform differently than in the past, or their calculation method may be revised, or they could be eliminated entirely, or there could be other consequences that cannot be predicted.

Investors should note that in case of any change in the definition, methodology, or formula for EURIBOR, or other means of calculating EURIBOR, this shall not constitute a Benchmark Rate Modification Event and shall not require the consent of the Noteholders, and references to EURIBOR in the Conditions shall be to EURIBOR as changed.

These initiatives may impact in the future the determination of EURIBOR for the purposes of the Class A Notes and the Interest Rate Swap Agreement, and this may result in a decrease in EURIBOR rates and/or have an adverse impact on the liquidity or the market value of the Class A Notes.

#### *Discontinuity of EURIBOR*

Pursuant to the Terms and Conditions of the Notes, following a Benchmark Rate Modification Event, (a) the Management Company shall, as soon as reasonably practicable and after discussion with the Transaction Agent, (A) elect to act as Rate Determination Agent, or (B) appoint the Rate Determination Agent (where the Rate Determination Agent is not the Management Company); and (b) the Rate Determination Agent shall determine (acting in good faith, in a commercially reasonable manner, taking into account the then prevailing market practice and in accordance with the applicable laws and regulations), (save where the Rate Determination Agent is the Transaction Agent or its Affiliate) after discussion with the Transaction Agent, an alternative reference rate to be substituted for EURIBOR in respect of the Class A Notes (an “**Alternative Benchmark Rate**”), as well as such other amendments to the Terms and Conditions of the Notes or any Transaction Document as are necessary or advisable in the reasonable judgment of the Management Company to facilitate the changes envisaged pursuant to Condition 8(c) (*Additional right of modification without Noteholders’ consent in relation to a Benchmark Rate Modification Event*) (including any Note Rate Maintenance Adjustment, if required), provided that where the Rate Determination Agent is not the Management Company, it shall make any determination in consultation with the Management Company. Any of the foregoing determinations or actions by the Rate Determination Agent could result in adverse consequences for the rate of interest of the Class A Notes. Any such consequences could have adverse effect on the value and marketability of, and return on, such Notes.

To mitigate this risk, it is a condition to any such Benchmark Rate Modification that (a) either the Management Company (A) has obtained from each of the Rating Agencies written confirmation (or certifies in the Benchmark Rate Modification Certificate that it has been unable to obtain written confirmation, but has received oral confirmation from an appropriately authorised person at each of the Rating Agencies) that the proposed Benchmark Rate Modification would not result in a Negative Rating Action or (B) the Management Company certifies in the Benchmark Rate Modification Certificate that it has given the Rating Agencies at least 10 Business Days prior written notice of the proposed modification and none of the Rating Agencies has indicated that such modification would result in a Negative Rating Action and that (b) the Management Company has provided at least 40 days’ prior written notice to the Noteholders of the proposed Benchmark Rate Modification in accordance with Condition 9 (*Notice to Noteholders*). If Class A Noteholders representing at least ten (10) per cent. of the aggregate Principal Amount Outstanding of the Class A Notes then outstanding have notified the Management Company in writing (or otherwise in accordance with the then current practice of any applicable clearing system through which such Notes may be held) within the notification period referred to above that they do not consent to the proposed Benchmark Rate Modification, then such Benchmark Rate Modification will not be made unless an Extraordinary Resolution of the holders of the Class A Notes then outstanding is passed in favour of such modification in accordance with Condition 7 (*Meetings of the Noteholders*).

Investors should note that the Alternative Benchmark Rate, the Note Rate Maintenance Adjustment and any other additional Benchmark Rate Modification determined in respect of the Class A Notes in accordance with the procedure set out in Condition 8(c) (*Additional right of modification without Noteholders’ consent in relation to a Benchmark Rate Modification Event*) may differ from the ones determined in respect of the Interest Rate Swap Transaction in accordance with the fallback provisions of the Interest Rate Swap Agreement and that any such mismatch may result in the Available Distribution Amount being insufficient to make the required payments on the Class A Notes. In addition, it is possible that implementation of a replacement floating rate in respect of the Interest Rate Swap Agreement will not occur at the same time as any corresponding changes to the floating rate applicable to the Class A Notes since the definition of Benchmark Rate Modification Event is not the same as the definition of benchmark trigger event used in the Interest Rate Swap Agreement and since the implementation of the fallback provisions of the Terms and Conditions of the Notes and the Interest Rate Swap Agreement may not be performed at the same pace; therefore there can be no assurance that the interest rate risk will be fully or effectively mitigated. Investors should consider these matters when making their investment decision with respect to the Class A Notes.

### *Interest rate risk – Interest rate hedging*

The Purchased Home Loans bear a fixed interest rate but the Issuer will pay interest on the Class A Notes issued in connection with its acquisition of such Purchased Home Loans based on the EURIBOR. The Issuer will hedge this interest rate risk by entering into an Interest Rate Swap Agreement with the Interest Rate Swap Counterparty.

### *Insufficiency of funds*

During periods in which floating rate payments payable by the Interest Rate Swap Counterparty under the Interest Rate Swap Agreement are less than the fixed rate payments payable by the Issuer under the Interest Rate Swap Agreement, the Issuer will be obliged under the Interest Rate Swap Agreement to make a net payment to the Interest Rate Swap Counterparty. The Interest Rate Swap Counterparty's claims for payment (including certain termination payments required to be made by the Issuer upon a termination of the Interest Rate Swap Agreement) under the Interest Rate Swap Agreement will rank higher in priority than payments on the Class A Notes. If a net payment under the Interest Rate Swap Agreement is due to the Interest Rate Swap Counterparty on a Payment Date, the then Available Distribution Amount may be insufficient to make such net payment to the Interest Rate Swap Counterparty and, in turn, interest and principal payments to the Class A Noteholders, so that the Noteholders may experience delays and/or reductions in the interest and principal payments on the Class A Notes.

### *Credit risk of the Interest Rate Swap Counterparty*

During periods in which floating rate payments payable by the Interest Rate Swap Counterparty under the Interest Rate Swap Agreement are greater than the fixed rate payments payable by the Issuer under the Interest Rate Swap Agreement, the Issuer will be more dependent on receiving net payments from the Interest Rate Swap Counterparty in order to make interest payments on the Class A Notes. If in such a period the Interest Rate Swap Counterparty fails to pay any amounts when due under the Interest Rate Swap Agreement, the Available Distribution Amount may be insufficient to make the required payments on the Class A Notes and the Class A Noteholders may experience delays and/or reductions in the interest and principal payments on the Class A Notes. The Issuer is therefore exposed to the credit risk of the Interest Rate Swap Counterparty (for further details on the risk linked to the opening of resolution procedures in relation to the Interest Rate Swap Counterparty, please refer to risk factor entitled “European Bank Recovery and Resolution Directive and Single Resolution Mechanism” below).

To mitigate such risk, in the event that the Interest Rate Swap Counterparty suffers a rating downgrade below the required ratings, the Issuer may terminate any relevant Interest Rate Swap Agreement if the Interest Rate Swap Counterparty fails, within a set period of time, to take certain actions intended to mitigate the effects of such downgrade. Such actions may include the Interest Rate Swap Counterparty collateralising its obligations under the Interest Rate Swap Agreement, transferring its obligations to a replacement interest rate swap counterparty having the required ratings or procuring that an entity with the required ratings becomes a co-obligor with or guarantor of the Interest Rate Swap Counterparty. However, in the event the Interest Rate Swap Counterparty is downgraded below the required ratings there can be no assurance that a co-obligor, guarantor or replacement interest rate swap counterparty will be found or that the amount of collateral provided will be sufficient to meet the Interest Rate Swap Counterparty's obligations (see the Section "DESCRIPTION OF THE INTEREST RATE SWAP AGREEMENT").

### *Risk of termination of the Interest Rate Swap Agreement*

The Management Company and the Interest Rate Swap Counterparty may also terminate the Interest Rate Swap Agreement upon the occurrence of certain termination events further described in Sub-Section “Certain other cases of termination” in Section "DESCRIPTION OF THE INTEREST RATE SWAP AGREEMENT”.

In the event that the Interest Rate Swap Agreement is terminated by either party:

- (a) then, depending on the total losses and costs incurred in connection with the termination of the swap (including but not limited to loss of bargain, cost of funding and losses and costs incurred as a result of termination, liquidating, obtaining or re-establishing any hedge or related trading position), a termination

payment may be due to the Issuer or to the Interest Rate Swap Counterparty. Any such termination payment could be substantial;

- (b) the Issuer will endeavour but may not be able to enter into a replacement interest rate swap agreement with a replacement interest rate swap counterparty immediately or at a later date. If a replacement interest rate swap counterparty cannot be contracted, the Issuer will no longer be hedged against interest rate risk and the amount available to pay principal of and interest on the Class A Notes will be reduced if the floating rate applicable to the Class A Notes exceeds the fixed rate the Issuer would have been required to pay the Interest Rate Swap Counterparty under the terminated Interest Rate Swap Agreement.

In these circumstances, the Available Distribution Amount may be insufficient to make the required payments on the Notes and the Noteholders may experience delays and/or reductions in the interest and principal payments on the Notes.

#### **4.7 Meetings of the Noteholders**

Subject to specific cases (in particular but without limitation following the occurrence of a Benchmark Rate Modification Event), the terms and conditions of the Notes contain provisions for calling meetings of each relevant Class of Noteholders and/or seeking approval of a Written Resolution (including by way of Electronic Consent (both expressions as defined in Condition 7(e) of the Notes)) by the relevant Class of Noteholders to consider matters affecting their interests generally (but the Noteholders of any Class will not be grouped in a masse having legal personality governed by the provisions of the French Commercial Code and will not be represented by a representative of the masse), including without limitation the modification of the terms and conditions. These provisions permit in certain cases defined majorities to bind all Noteholders of any Class including the Noteholders of such Class who did not attend and vote at the relevant General Meeting (as defined in Condition 7 (*Meetings of the Noteholders*) of the Notes), Noteholders who voted in a manner contrary to the required majority and Noteholders who did not respond to, or rejected, the relevant Written Resolution.

The Conditions also provide that the Management Company may, without the consent or sanction of the Noteholders at any time and from time to time, agree to (i) any modification of the Conditions or of any of the Transaction Documents which, in the opinion of the Management Company, is not materially prejudicial to the interests of the Noteholders of any Class or (ii) any modification of the Conditions or of any of the Transaction Documents which, in the opinion of the Management Company, is of a formal, minor or technical nature, to correct a manifest error or an error which is, in the opinion of the Management Company, proven (see Condition 8(a) (*Modifications*)).

Further, the Management Company may agree with the relevant Transaction Party to amend from time to time the Conditions and/or any Transaction Documents, without any consent or sanction of the Noteholders as set out in Condition 8(b)) (*General Additional Right of Modification without Noteholders' consent*)).

In addition, notwithstanding the potential Basic Terms Modification in respect of the Class A Notes that would be triggered by any change in the definition, methodology, or formula for EURIBOR, or other means of calculating EURIBOR (including any amendment to a Transaction Document as a result of such change), or any modification to the way of determining the Class A Notes Interest Rate implemented in accordance with the procedure set out in Condition 8(c) (*Additional right of modification without Noteholders' consent in relation to a Benchmark Rate Modification Event*), such modification will not require to call a General Meeting of the Class A Noteholders, except in the specific circumstance provided for in such Condition (see in this respect "*Discontinuity of EURIBOR*" above). In addition, if at any time one or more investors that are affiliated hold a majority of the Class A Notes, it may be more difficult for other investors to take certain actions that require consent of such Class of Notes without their consent.

#### **4.8 Potential impact of the Covid 19 Crisis**

The Covid 19 Crisis has led to volatility in the capital markets and may lead to volatility in or disruption of the credit markets at any time.

Governments, regulators and central banks, including the ECB, have also announced that they are taking or considering taking measures in order to safeguard the stability of the financial sector, to prevent lending to the

business sector from being severely impaired and to ensure the payment system continues to function properly. The exact ramifications of the Covid 19 Crisis are highly uncertain. It is not possible to predict the further spread or duration of the pandemic and the economic effects thereof, including in France. It is not possible to predict how adverse the effect of the Covid 19 Crisis will be on the economy (including that of France). Likewise it is not possible to predict the efficacy of any current or future measures aimed at preventing further spread of the Covid 19 and at limiting damage to the economy and financial markets, whether direct or indirect, such as by increasing sovereign debt. Both the uncertainty as to the effects and the effects themselves may result in increased volatility and widening credit spreads. In an attempt to mitigate the economic fallout caused by the Coronavirus pandemic, various fiscal initiatives as well as an expanded purchase programme of the ECB have been implemented. These measures are designed to improve confidence in Eurozone equities and encourage private bank lending. In addition, the French government has also announced economic measures aimed at protecting jobs, households' wages and companies, such as social taxes payment holidays, guarantee schemes and compensation schemes for heavily affected sectors in the economy. However there remains considerable uncertainty as to whether such measures will be sufficient to ensure economic recovery or avert the threat of sovereign default.

These circumstances may adversely affect the liquidity and the market value of the Class A Notes. None of the Sellers, the Servicers, the Transaction Agent, the Management Company, the Custodian, the Account Bank, the Specially Dedicated Account Bank, the Interest Rate Swap Counterparty, the Joint Arrangers, the Joint Lead Managers, the Paying Agent, the Listing Agent or any of their respective affiliates gives any assurance to any prospective investor or purchaser of the Notes as to this matter, on the Issue Date or at any time in the future.

## **5. RISKS RELATING TO OTHER SELECTED FRENCH LAW ASPECTS**

### **5.1 Transfer of receivables and hardening period**

The hardening period (*période suspecte*) is a period of time the duration of which is determined by the bankruptcy judge upon the judgement recognising that the cessation of payments (*cessation des paiements*) of the insolvent company has occurred. The hardening period commences on a date which can be set at up to eighteen (18) months prior to the date of such judgement. Article L. 632-1 of the French Commercial Code provides *inter alia* that transactions carried out during the hardening period and in respect of which the obligations of the insolvent company notably exceeds (*n'excèdent pas notablement*) the obligation of its counterparty shall be automatically null and void and article L. 632-2 of the French Commercial Code provides *inter alia* for a potential nullity of acts carried out during the hardening period which are onerous (*actes à titre onéreux*) if the counterparty of an insolvent company was aware, at the time of conclusion of such acts, that such company was unable to pay its debts due with its available funds (*en état de cessation des paiements*).

Pursuant to article L. 214-169 of the French Monetary and Financial Code:

- (a) the assignment of Home Loans by such Seller shall remain valid (*conserve ses effets*), notwithstanding the state of cessation of payments (*l'état de cessation des paiements*) of the Seller on the Purchase Date or the commencement of any proceeding governed by Book VI of the French Commercial Code or any equivalent proceeding governed by any foreign law (*procédure équivalente sur le fondement d'un droit étranger*) against any Seller after the Purchase Date;
- (b) the provisions of article L. 632-2 of the French Commercial Code shall not apply to payments made by the Issuer or to any acts against remuneration received by the Issuer or to its benefit (*ne sont pas applicables aux paiements reçus par un organisme de financement, ni aux actes à titre onéreux accomplis par un organisme de financement ou à son profit*) to the extent such payments and such acts are directly connected with the transactions made pursuant to Article L. 214-168 of the French Monetary and Financial Code (*dès lors que ces paiements ou ces actes sont directement relatifs aux opérations prévues à l'article L. 214-168*).

Based on (a) and (b) above, the rules pertaining to the nullity of acts concluded during the hardening period (*période suspecte*) provided for in articles L. 632-2 of the French Commercial Code will not apply in respect of the transfer of the Home Loans by the Sellers to the Issuer. Although it cannot be excluded based on (a) above that article L. 214-169 of the French Monetary and Financial Code would also exclude the application of L. 632-1 of the French Commercial Code to such transfer, this remains subject to debate given that only article L. 632-2 is explicitly mentioned by article L. 214-169 of the French Monetary and Financial Code. It can therefore not be

excluded that said article L. 632-1 could still entail the nullity of a transfer carried out during the hardening period if the obligations of a Seller were held to notably exceed (*excédent notablement*) the obligations of the Issuer.

## 5.2 Impact of the hardening period on French law cash deposits

The General Reserve Initial Cash Deposit and the Commingling Reserve are governed by articles L. 211-36 *et seq.* of the French Monetary and Financial Code being the applicable rules of French law implementing directive 2002/47/EC of the European Parliament and of the Council of 6 June 2002 on financial collateral arrangements (the “**Directive**”).

Article L. 211-40 of the French Monetary and Financial Code states that the provisions of book VI of the French Commercial Code (pertaining to insolvency proceedings as a matter of French law) shall not impede (“*ne font pas obstacle*”) the application of article L. 211-38 of the French Monetary and Financial Code. This provision should lead to the conclusion that the rules pertaining to the nullity of acts concluded during the hardening period (*période suspecte*) (as provided for in articles L. 632-1 and L. 632-2 of the French Commercial Code) will not apply in respect of guarantees governed by said article L. 211-38. The hardening period (*période suspecte*) is a period of time the duration of which is determined by the bankruptcy judge upon the judgement recognising that the cessation of payments (*cessation des paiements*) of the insolvent company has occurred. The hardening period commences on a date which can be set at up to eighteen (18) months prior to the date of such judgement.

Given the provisions of the Directive it is reasonable to consider that article L. 211-40 of the French Monetary and Financial Code will exclude application of articles L. 632-1, I, 6° of French Commercial Code, which provides for an automatic nullity of security interest granted during the hardening period to secure past obligations of a debtor and, therefore, that the General Reserve Initial Cash Deposit and the Commingling Reserve, would not be void on the basis of said article L. 632-1, I, 6° of the French Commercial Code.

Although, it cannot be excluded that article L. 211-40 of the French Monetary and Financial Code does not intend to overrule article L. 632-2 of the French Commercial Code, which provides for a potential nullity of acts which are onerous (*actes à titre onéreux*) if the counterparty of the Borrower was aware, at the time of conclusion of such acts, that the Borrower was unable to pay its debts due with its available funds (*en état de cessation des paiements*), pursuant to article L. 214-169 of the Monetary and Financial Code, the provisions of article L. 632-2 of the French Commercial Code shall not apply to payments made by the Issuer or to any acts against remuneration received by the Issuer or to its benefit (*ne sont pas applicables aux paiements reçus par un organisme de financement, ni aux actes à titre onéreux accomplis par un organisme de financement ou à son profit*) to the extent such payments and such acts are directly connected with the transactions made pursuant to Article L. 214-168 of the Monetary and Financial Code (*dès lors que ces paiements ou ces actes sont directement relatifs aux opérations prévues à l'article L. 214-168*). In the case at hand, should the General Reserve Initial Cash Deposit and/or the Commingling Reserve be considered as directly connected with the acquisition of Home Loans by the Issuer (a matter of fact on which there is, to date, no court decision), article L. 632-2 of the French Commercial Code would not be deemed applicable. Should it not be the case, it cannot be excluded that nullity of the General Reserve Initial Cash Deposit or the Commingling Reserve could be sought, if the Issuer was aware, at the time where the General Reserve Initial Cash Deposit and/or the Commingling Reserve were constituted (or the subject of an increase), that BPCE was unable to pay its debt due with its available funds (*en état de cessation des paiements*).

## 6. RISKS RELATING TO TAXATION

### 6.1 Withholding Tax under the Class A Notes

Payments of interest and other income with respect to debt instruments are not subject to the withholding tax set out under article 125 A III of the French *Code général des Impôts* (the “**French General Tax Code**”), unless such payments are made outside of France in a non-cooperative State or territory (“*Etat ou territoire non-coopératif*”, a “**Non-Cooperative State**”) within the meaning of article 238-0 A of the French General Tax Code. If such payments are made in a Non-Cooperative State, a 75% withholding tax is applicable, (subject (where relevant) to certain exceptions summarised below and the more favorable provisions of any applicable double tax treaty) pursuant to article 125 A III of the French General Tax Code.



Notwithstanding the foregoing, article 125 A III of the French General Tax Code provides that the 75% withholding tax does not apply if the issuer of the debt instrument can prove that the principal purpose and effect of the transaction is not that of allowing the payments of interest or other income to be made in a Non-Cooperative State (the “Exception”). Pursuant to the official doctrine of the French tax authorities (BOI-INT-DG-20-50-20140211), an issue of debt instruments is deemed to have a qualifying purpose and effect, and accordingly is able to benefit from the Exception, if such instruments are:

- (a) offered by means of a public offer within the meaning of article L. 411-1 of the French Monetary and Financial Code or pursuant to an equivalent offer in a State other than a Non-Cooperative State. For this purpose, an “equivalent offer” means any offer requiring the registration or submission of an offer document by or with a foreign securities market authority; or
- (b) admitted to trading on a regulated market or on a French or foreign multilateral securities trading system, provided that such market or system is not located in a Non-Cooperative State and that the operation of such market is carried out by a market operator, an investment services provider, or by a similar foreign entity, provided further that such market operator, investment services provider or entity is not located in a Non-Cooperative State; or
- (c) admitted, at the time of their issue, to the clearing operations of a central depository or of a securities clearing, delivery and payments systems operator within the meaning of article L. 561-2 of the French Monetary and Financial Code, or of one or more similar foreign depositories or operators, provided that such depository or operator is not located in a Non-Cooperative State.

In the present case, application has been made to the *Autorité des Marchés Financiers* in its capacity as competent authority under French law for the Class A Notes issued from time to time under the Transaction to be listed on the Paris Stock Exchange (Euronext Paris), and, subject to the effective listing of each such Class A Note, the exemption referred to in (b) above will apply.

Consequently, under current law, all payments in respect of the Class A Notes will be made free from any withholding or deduction for or on account of any tax imposed in France (subject as provided in Section entitled “FRENCH TAXATION REGIME” of this Prospectus). However, there can be no assurance that the law or practice will not change.

Pursuant to articles 125 A and 125 D of the French General Tax Code, subject to certain limited exceptions, interest and assimilated income received from 1 January 2018 by individuals who are fiscally domiciled (*domiciliés fiscalement*) in France are subject to a 12.8% withholding tax, which is deductible from their personal income tax liability in respect of the year in which the payment has been made. Social contributions (CSG (*contribution sociale généralisée*), CRDS (*contribution au remboursement de la dette sociale*) and other related contributions) are also levied by way of withholding tax at an aggregate rate of 17.2% on interest and assimilated income paid to individuals who are fiscally domiciled (*domiciliés fiscalement*) in France.

In the event withholding taxes are imposed in respect of payments due to holders of Class A Notes, neither the Issuer nor the Paying Agent nor any other party to the Programme Documents will be obliged to gross-up or otherwise compensate the holders of Class A Notes for the lesser amounts such holders will receive as a result of the imposition of withholding taxes.

## **6.2 Withholding pursuant to the U.S. Foreign Account Tax Compliance Act**

Sections 1471 through 1474 of the U.S. Internal Revenue Code (“**FATCA**”) impose a reporting regime and potentially a 30 per cent. withholding tax with respect to certain payments to a non-U.S. financial institution (a “**foreign financial institution**”, or “**FFI**” (as defined by FATCA)) unless such FFI (i) becomes a “**participating FFI**” by entering into an agreement with the U.S. Internal Revenue Service (“**IRS**”) to provide the IRS with certain information in respect of its account holders and investors or (ii) is otherwise exempt from, or in deemed compliance with, FATCA.

The FATCA withholding regime applies to certain U.S.-source payments, including interest and dividends. The FATCA withholding regime also applies to certain “**foreign passthru payments**” (a term not yet defined) made two years after the date on which applicable final U.S. Treasury Regulations defining “foreign passthru

payments” are issued. Withholding on foreign passthru payments could potentially apply (no earlier than two years after the date on which applicable final U.S. Treasury Regulations defining “foreign passthru payments” are issued) to payments in respect of (i) any Class A Notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are materially modified after the date that is six months after the date on which final U.S. Treasury regulations defining the term foreign passthru payments are filed with the U.S. Federal Register and (ii) any Class A Notes characterised as equity or which do not have a fixed term for U.S. federal tax purposes.

The United States and a number of other jurisdictions have entered into intergovernmental agreements to facilitate the implementation of FATCA (each, an “**IGA**”). Pursuant to FATCA and the “Model 1” IGA released by the United States, an FFI in a Model 1 IGA jurisdiction could be treated as a reporting financial institution (a “**Reporting FI**”) not subject to withholding under FATCA on any payments it receives. Further, under the terms of the Model 1 IGA, an FFI in a Model 1 IGA jurisdiction generally would not be required to withhold under FATCA or an IGA (or any law implementing an IGA) from payments it makes. On 14 November 2013, the United States and France signed an IGA largely based on the Model 1 IGA. This IGA was ratified by the French parliament on 29 September 2014.

The Issuer may be classified as an FFI and a Reporting FI under the IGA between the United States and France. As a Reporting FI, the Issuer would not be required to enter into an agreement with the IRS, but may instead be required to register with the IRS and comply with any French legislation that is implemented to give effect to the French IGA, including a requirement to provide information regarding direct and indirect U.S. investors in the Issuer to the French tax authorities, which would provide such information to the U.S. tax authorities. As such the Issuer does not expect to suffer any withholding under FATCA on payments it receives or to be required to make any FATCA withholding with respect to payments on the Class A Notes. There can be no assurance, however, that the Issuer will in the future not suffer withholding under FATCA on payments it receives or be required to withhold under FATCA from payments it makes.

If an amount in respect of FATCA withholding were to be deducted or withheld either from amounts due to the Issuer or from interest, principal or other payments made in respect of the Class A Notes, neither the Issuer nor any paying agent nor any other person would, pursuant to the conditions of the Class A Notes, be required to pay additional amounts as a result of the deduction or withholding. As a result, investors may receive less interest or principal than expected.

FATCA is particularly complex. Prospective investors should consult their tax advisers on how these rules may apply to the Issuer and to payments they may receive in connection with the Class A Notes.

## **7. RISKS RELATING TO REGULATORY CONSIDERATIONS**

### **7.1 Simple, Transparent and Standardised (“STS”) Securitisation**

It is the intention of the Sellers, in their capacity as originator within the meaning of Article 2(3) of the Securitisation Regulation, that the securitisation transaction described in this Prospectus qualifies as simple, transparent and standardised transaction within the meaning of Article 18 (Use of the designation ‘simple, transparent and standardised securitisation’) of the Securitisation Regulation. Consequently, the securitisation transaction described in this Prospectus aims to fulfil on the date of this Prospectus the requirements of articles 19 up to and including 22 of the Securitisation Regulation. The Transaction Agent acting on behalf of the Sellers, as originators, intends to submit on or about the Issue Date a STS notification to the European Securities Markets Authority (ESMA) in accordance with article 27 of the Securitisation Regulation. No assurance can be provided that the securitisation transaction described in this Prospectus does or continues to qualify as an “STS” securitisation under the Securitisation Regulation at any point in time in the future.

Non-compliance with such status may result in higher capital requirements for investors and pursuant to the terms of the Commission delegated regulation 2018/1620 of 13 July 2018, which applies since 30 April 2020, the Class A Notes may longer qualify as a Level 2B securitisation and a haircut greater than 35 per cent. shall apply. Furthermore, non-compliance could result in various administrative sanctions and/or remedial measures being imposed on the Issuer or the Sellers which may be payable by the Issuer or the Sellers. The payments to be made by the Issuer, as the case may be, in respect of any such administrative sanctions and/or remedial measures

would not be subject to the Priority of Payments and, accordingly, the payment of interest and/or principal under the Notes may be adversely affected.

No representation or assurance by any of the Issuer, the Sellers, the Servicers, the Transaction Agent, the Management Company, the Custodian, the Account Bank, the Specially Dedicated Account Bank, the Interest Rate Swap Counterparty, the Joint Arrangers, the Joint Lead Managers, the Paying Agent, the Listing Agent or any of their respective affiliate is given with respect to (i) the compliance of the securitisation transaction described in this Prospectus with the requirements of articles 19 up to and including 22 of the Securitisation Regulation or (ii) the inclusion of the securitisation transaction described in this Prospectus in the list administered by ESMA within the meaning of article 27(5) of the Securitisation Regulation, and (iii) the fact that this securitisation transaction qualifies as an "STS securitisation" under the Securitisation Regulation and will continue to qualify as such in the future until the date on which all Notes have been redeemed.

The designation of the securitisation transaction described in this Prospectus as an STS-securitisation is not a recommendation to buy, sell or hold securities. It is not investment advice whether generally or as defined under MiFID II and it is not a credit rating whether generally or as defined under the CRA Regulation or Section 3(a) of the United States Securities Exchange Act of 1934 (as amended).

By designating the securitisation transaction described in this Prospectus as an STS-securitisation, no views are expressed about the creditworthiness of the Notes or their suitability for any existing or potential investor or as to whether there will be a ready, liquid market for the Notes.

## **7.2 Securitisation Regulation**

On 17 January 2018, as part of the implementation of the European Commission's Action Plan on Building a Capital Markets Union, Regulation (EU) 2017/2402 came into force which— together with the Regulation (EU) 2017/2401 of the European Parliament and of the Council of 12 December 2017 (the "**CRR Amending Regulation**") harmonise rules on risk retention, due diligence and disclosure across the different categories of European institutional investors which apply to all securitisations (subject to grandfathering provisions) and introduces a new framework for simple, transparent and standardised securitisations (the "**Securitisation Regulation**"). The Securitisation Regulation has applied since 1 January 2019.

Investors should carefully consider (and, where appropriate, take independent advice) the changes introduced by the Securitisation Regulation and the CRR Amending Regulation, in particular, the effects of such changes on the capital charges associated with an investment in the Class A Notes as well as the risk retention, transparency, due diligence and underwriting criteria requirements set out in the Securitisation Regulation.

However, there is at present some uncertainty in relation to some of these requirements, including with regard to the risk retention requirements under Article 6 (*Risk retention*) of the Securitisation Regulation. The Regulatory Technical Standards relating to the risk retention requirements are not yet in final form. Therefore, the final scope of application of such Regulatory Technical Standards and the compliance of the securitisation described in this Prospectus with the same is not assured. Non-compliance with final Regulatory Technical Standards may adversely affect the value, liquidity of, and the amount payable under the Notes. Prospective investors in the Notes must make their own assessment in this regard.

## **7.3 European Market Infrastructure Regulation, Securities Financing Transactions Regulation and MiFIDII**

Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories, known as the European Market Infrastructure Regulation ("**EMIR**") came into force on 16 August 2012 and was recently amended by Regulation (EU) 2019/834 of the European Parliament and of the Council of 20 May 2019 which came into force on 17 June 2019.

EMIR provides certain requirements in respect of "over the counter" ("**OTC**") derivative contracts applying to financial counterparties ("**FCPs**"), such as investment firms, credit institutions, insurance companies and alternative investment funds (other than securitisation special purpose entities, like the Issuer) and certain non-financial counterparties ("**Non-FCPs**"). Such requirements include, amongst other things, the mandatory clearing of certain OTC derivative contracts (the "**Clearing Obligation**") through an authorised central counterparty

("CCP"), the reporting of OTC derivative contracts to a trade repository (the "**Reporting Obligation**"), margin posting and certain risk mitigation requirements in relation to derivative contracts which are not centrally cleared.

The Reporting Obligation applies to all types of counterparties and covers the entry into, modification or termination of cleared and non-cleared derivative contracts which were entered into (i) before 12 February 2014 and which remain outstanding on that date, or (ii) on or after 12 February 2014. The details of all such derivative contracts are required to be reported to a trade repository. It will therefore apply to the Interest Rate Swap Agreement and any replacement Interest Rate Swap Agreement.

Under EMIR, OTC derivative contracts entered into by Non-FCPs whose positions exceed a specified threshold (such entities, "**Non-FCPs+**", and together with FCPs, the "**In-scope Counterparties**") and FCPs entities (and/or third country equivalent entities) that are not cleared by a CCP may be subject to margining requirements unless certain exemptions apply. However, on the basis that the Issuer is a Non-FCP- (being a Non-FCP entity whose positions do not exceed the specified threshold), OTC derivative contracts that are entered into by the Issuer would not be subject to any margining requirements.

EMIR has been amended by Regulation (EU) No 2015/2365 of 25 November 2015 which was published in the Official Journal of the European Union on 23 December 2015 and took effect as of 12 January 2016 known as the Securities Financing Transactions Regulation ("**SFTR**"). The SFTR introduces certain requirements in respect of OTC derivative contracts applying to financial counterparties ("**SFTR FCPs**"), such as investment firms, credit institutions and insurance companies and certain non-financial counterparties ("**SFTR Non-FCPs**"). Such requirements include, amongst other things, the reporting of each "Securities Financing Transaction" that has been concluded between SFTR FCPs and SFTR Non-FCPs, together with any modification or termination of a Securities Financing Transaction, to a trade repository (the "**SFTR Reporting Obligation**"). The definition of Securities Financing Transaction could potentially include the credit support agreements. The requirements also include an obligation to disclose certain information before counterparties (including SFTR FCPs and SFTR Non-FCPs) can reuse financial instruments (but not cash) received as collateral from 13 July 2016, which obligation applies irrespective of whether the transaction is a "Securities Financing Transaction".

EMIR has further been amended by Securitisation Regulation, which provides that the Clearing Obligation shall not apply with respect to OTC derivative contracts that are concluded by a securitisation special purpose entity in connection with a securitisation provided that: (i) such securitisation complies with each of the criteria for an STS Securitisation, (ii) the OTC derivative contract is used only to hedge interest rate or currency mismatches under the securitisation; and (iii) the arrangements under the securitisation adequately mitigate counterparty credit risk with respect to the OTC derivative contracts concluded by the securitisation special purpose entity in connection with the securitisation. Accordingly, as long as the securitisation transaction described in this Prospectus complies with the requirements of articles 19 up to and including 22 of the Securitisation Regulation and qualifies as an STS Securitisation, the Clearing Obligation will not apply to the Interest Rate Swap Agreement.

The EU regulatory framework and legal regime relating to derivatives is set not only by EMIR or the Securitisation Regulation but also by the directive and regulation which have been adopted by the European Parliament and of the European Council and published in the Official Journal of the European Union on 12 June 2014 which amend the existing Markets in Financial Instruments Directive 2004/39/EC (together known as "**MiFID II**"). MiFID II took effect on 3 January 2018 and now applies within Member States.

Prospective investors should be aware that the regulatory changes arising from the Securitisation Regulation, EMIR and MiFID II may in due course significantly raise the costs of entering into derivative contracts and may adversely affect the Issuer's ability to engage in transactions in OTC derivatives.

As a result of such increased costs or increased regulatory requirements, investors may receive less interest or return, as the case may be. Investors should be aware that such risks are material and that the Issuer could be materially and adversely affected thereby. As such, investors should consult their own independent advisers and make their own assessment about the potential risks posed by the Securitisation Regulation, EMIR, technical standards made thereunder (including the regulatory technical standards and implementing technical standards adopted by the European Commission in relation with EMIR) and MiFID II, in making any investment decision in respect of the Notes.

## **7.4 ECB Purchase Transaction**

Between 21 November 2014 and 19 December 2018 the Eurosystem conducted net purchases of asset-backed securities under the asset-backed securities purchase programme (ABSPP) in line with the ECB's objective to maintain the price stability in the euro area and, also, to help enterprises across Europe to enjoy better access to credit, boost investments, create jobs and thus support the overall economic growth. As from January 2019, the Eurosystem no longer conducts net purchases, but continues to reinvest redemptions from securities held in the ABSPP portfolio. On 7 March 2019, the Governing Council indicated that it intends to continue reinvesting, in full, the principal payments from maturing securities purchased under the asset purchase programme for an extended period of time past the date when the Governing Council starts raising the key ECB interest rates, and in any case for as long as necessary to maintain favourable liquidity conditions and an ample degree of monetary accommodation (TLTRO III). On 12 September 2019, the Governing Council of the ECB decided to modify some of the key parameters of the third series of targeted longer-term refinancing operations (TLTRO III) to preserve favourable bank lending conditions, ensure the smooth functioning of the monetary policy transmission mechanism and further support the accommodative stance of monetary policy. On 12 September 2019, the Governing Council of the ECB announced that net purchases under asset purchase programme will be restarted at a monthly pace of EUR 20 billion as from 1 November 2019. Furthermore, the Governing Council announced on 12 September 2019 that reinvestments of the principal payments from maturing securities purchased under the asset purchase programme will continue in full for an extended period of time past the date when the Governing Council starts raising the key ECB interest rates, and in any case for as long as necessary to maintain favourable liquidity conditions and an ample degree of monetary accommodation. On 18 March 2020, the Governing Council of the ECB decided to launch a new temporary asset purchase programme of private and public sector securities to counter the serious risks to the monetary policy transmission mechanism and the outlook for the euro area posed by the outbreak and escalating diffusion of the Coronavirus. This new Pandemic Emergency Purchase Programme will have an overall envelope of EUR 750 billion. Purchases will be conducted until at least the end of 2020 and will include all the asset categories eligible under the existing asset purchase programme. As the Class A Notes to be issued under the Transaction are intended to be held in a manner which will allow Eurosystem eligibility, the termination of these asset purchase programmes could have an adverse effect on the volatility in the financial markets and economy generally and on the secondary market value of the Notes and the liquidity in the secondary market for the Class A Noteholders and potential investors should take account of these factors when deciding whether to acquire, to hold or to dispose of an investment in any Class of Notes.

## **7.5 Eurosystem Eligibility**

The Class A Notes to be issued under the Transaction are intended to be held in a manner which will allow Eurosystem eligibility.

This means that the Class A Notes to be issued under the Transaction are intended upon issue to be deposited with one of Euroclear or Clearstream, Luxembourg as common safekeeper but does not necessarily mean nor imply any guarantee that the Class A Notes will be recognised as eligible collateral for Eurosystem monetary policy and intraday credit operations by the Eurosystem either upon issue or at any or all times during their life.

Such recognition will, inter alia, depend upon satisfaction of the Eurosystem eligibility criteria. Such criteria may be amended by the European Central Bank from time to time or new criteria may be added and such amendments or additions may render the Class A Notes non eligible to the Eurosystem monetary policy and intraday credit operations, as no grandfathering would be guaranteed. If the new requirements are not met, this may cause the Class A Notes of any Note Series to be non-eligible to the Eurosystem monetary policy operations.

If the Class A Notes do not or cease to satisfy the criteria specified by the European Central Bank, there is a risk that the Class A Notes will not be eligible collateral for Eurosystem. Neither the Issuer, the Management Company, the Custodian, the Account Bank, the Paying Agent, the Listing Agent, the Data Protection Agent, the Specially Dedicated Account Bank, the Interest Rate Swap Counterparty, the Joint Arrangers, the Joint Lead Managers, the Sellers, the Servicers, the Transaction Agent nor any of their respective affiliates nor any other party gives any representation, warranty, confirmation or guarantee to any investor in the Class A Notes that the Class A Notes to be issued under the Transaction will, either upon issue, or at any or all times during their life, satisfy all or any requirements for Eurosystem eligibility and be recognised as Eurosystem eligible collateral. Any potential investor in the Class A Notes should make their own conclusions and seek their own advice with respect to whether or not the Class A Notes to be issued under the Transaction constitute Eurosystem eligible collateral.

## 7.6 European Bank Recovery and Resolution Directive

The BRRD, the stated aim of which is to provide supervisory authorities with common tools and powers to address banking crises pre-emptively in order to safeguard financial stability and minimize taxpayers' contributions to bank bail-outs and/or exposure to losses has been formally transposed into French law by the French Separation Law, as amended and supplemented by the 2015 Order, which, among other provisions, gave various resolution powers to the resolution board of the ACPR (together: the "**French Resolution Regime**"). Such resolution powers include:

- (a) the appointment by the ACPR of a provisional administrator, it being specified that any contractual provision providing that such appointment triggers an event of default would be void;
- (b) (i) the transfer to a third party of all or part of one or several business units (*branches d'activités*) of the French bank or the French investment firm; and/or (ii) the transfer to a bridge institution (*établissement-relais*), a third party, an asset management vehicle wholly or partially owned by one or more public authorities, or the deposit guarantee and resolution fund (*fonds de garantie des dépôts et de résolution*) of all or part of its assets, rights and obligations (each such measure being referred to herein as a "**Transfer**"). It is further provided that in case of Transfer, outstanding agreements relating to the business, assets, rights or obligations so transferred shall remain executory and may not be terminated nor give rise to any set off merely as a result of such Transfer, notwithstanding any contractual or statutory provisions to the contrary;
- (c) the suspension of close-out netting rights in relation to any contracts entered into by the credit institution (*établissement de crédit*) until 0:00 (midnight) at the latest on the business day following the day of publication of the decision, of the ACPR;
- (d) a bail-in (*mesure de renflouement interne*) of all or part of the credit institution's or the investment firm's liability under which the ACPR may decide to exercise write-down or conversion powers; and/or
- (e) a modification or an amendment to the contractual terms if a contract to which the credit institution or the investment firm is a party (including a financial contract).

If at any time any resolution powers would be used by the *Autorité de contrôle prudentiel et de résolution* under the French Resolution Regime or, as applicable, the Single Resolution Board or any other relevant authority in relation to the Sellers, the Servicers, the Reserves Provider, the Account Bank, the Specially Dedicated Account Bank, the Interest Rate Swap Counterparty, the Data Protection Agent and the Paying Agent or otherwise, this could adversely affect the proper performance by each of the Sellers, the Servicers, the Reserves Provider, the Account Bank, the Specially Dedicated Account Bank, the Interest Rate Swap Counterparty, the Data Protection Agent and the Paying Agent under the Transaction Documents and result in losses to, or otherwise affect the rights of, the Noteholders and/or could affect the market value and the liquidity of the Class A Notes and/or the credit ratings assigned to the Class A Notes.

For further details on resolution measures provided under the BRRD and the French Resolution Regime please refer to Section "REGULATORY ASPECTS - European Bank Recovery and Resolution Directive and Single Resolution Mechanism".

## 7.7 Risks relating to Data Protection Aspects

Under Law N°78-17 of 6 January 1978 (as amended) relating to the protection of personal data (Loi relative à l'informatique, aux fichiers et aux libertés) (the "French Data Protection Law") the processing of personal nominative data relating to individuals has to comply with certain requirements. In addition, EU 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation) (the "**GDPR**", together with the "**French Data Protection Law**", the "**Data Protection Requirements**") has come into force in all EU Member States on 25 May 2018. Although a number of basic existing principles remain the same as in the French Data Protection Law, the GDPR introduces new obligations on data controllers and rights for data subjects, including, among others (i) accountability and transparency requirements, which require data controllers to demonstrate and record compliance with the GDPR and to provide more detailed information to data subjects regarding processing; (ii) enhanced data consent

requirements, which includes “explicit” consent in relation to the processing of sensitive data; (iii) obligations to consider data privacy as any new products or services are developed and limit the amount of information collected, processed, stored and its accessibility; (iv) constraints on using data to profile data subjects; (v) providing data subjects with personal data in a useable format on request and erasing personal data in certain circumstances; and (v) reporting of breaches without undue delay (72 hours where feasible).

A breach of the Data Protection Requirements may result in corrective measures, sanctions from the *Commission nationale de l'informatique et des libertés*, criminal offences or, from the civil perspective, indemnity claims. Depending on the requirement considered, the author of the breach can be sentenced to significant fines of up to the greater of EUR 20,000,000 or 4% of its worldwide turnover). Additionally, pursuant to article 37 ter of the French Data Protection Law, if several individuals suffer a damage from the relevant breach, they may launch a class action, the purpose of which is to ensure the cessation of such breach and/or obtain the indemnification of such damage.

Pursuant to the provisions of the relevant Transaction Documents, personal data regarding the Borrowers will be included in an Encrypted Data File and transmitted to the Management Company and the Decryption Key to decrypt such documents will be delivered by each Seller or the Transaction Agent on its behalf to the Data Protection Agent. The Decryption Key will only be released to the Management Company or the person designated by the Management Company for this purpose in certain limited circumstances (See Section “DESCRIPTION OF THE DATA PROTECTION AGREEMENT”). The Data Protection Agent will also carry out some tests from time to time, and for such purpose receive the Encrypted Data File, decrypt the same to verify whether such files are not unreadable, partially empty or corrupted, and destroy the data immediately after having carried out such test. In view of its autonomy in defining the purposes and means of the processing of personal data, and as it is now the most generic view to consider that encrypted data would still constitute personal data given the possibility to reverse the encryption process, the Management Company will act as a data controller, and the Data Protection Agent will act as a processor of the Management Company.

Under the Transaction Documents, the respective rights and obligations of any party in connection with the provision or the use of or access to information under the Transaction Documents are expressed to be subject and without prejudice to the obligation of such party to comply with the applicable Data Protection Requirements and each party to the Transaction Documents has undertaken to comply therewith when exercising such rights or performing such obligations. However, at today’s date, there is no case law, publication or guidelines from a court or other competent authority available confirming the above and the traditional view on the manner and procedures for the processing of personal data that underly an assignment of loan receivables to be in compliance with the GDPR. Therefore, certain aspects of the implementation of the Data Protection Requirements in the context of securitisation transactions remain unclear and subject to interpretation, it can not be excluded that some of the parties to the Transaction may have to take further steps to comply with the Data Protection Requirements which may result in the need to amend the provisions of certain Transaction Documents in the future.

#### **7.8 New legal regime applicable to custodians of French securitisation vehicles (*fonds communs de titrisation*)**

New Articles L. 214-175-2 to L. 214-175-8 of the French Monetary and Financial Code which are applicable to custodians of French securitisation vehicles have entered into force on 1 January 2020. These new Articles contain several references to the provisions of the AMF General Regulations which will provide additional regulatory implementation measures.

As at the date of this Prospectus, the AMF General Regulations have not been amended and updated to reflect the provisions of Articles L. 214-175-2 to L. 214-175-8 of the French Monetary and Financial Code.

However, as a mitigant to the above mentioned risk, the parties to the Transaction Documents have agreed, depending on the content of the implementation measures to be introduced in the AMF General Regulations, that the relevant documents may need to be amended and/or supplemented and have undertaken to discuss in good faith and immediately initiate the negotiations with all other parties to the such documents in order to reflect and implement such amendments and/or supplements.

Further, the Management Company may agree, with any relevant Transaction Party, to amend and/or supplement from time to time the provisions of any Transaction Document, without any consent or sanction of the

Noteholders, in order to implement the changes required by or comply with the OT Reform (including, without limitation, (i) any amendment made to the provisions of the AMF General Regulations following the Issue Date in order to implement the OT Reform and (ii) any other text implementing or ratifying the OT Reform as will be adopted or will enter into force following the Issue Date).

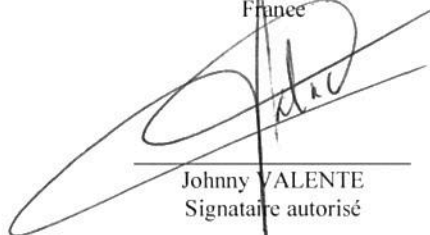


#### **PERSONNE RESPONSABLE DU PROSPECTUS**

Nous attestons qu'à notre connaissance, les informations contenues dans le présent Prospectus sont conformes à la réalité : elles comprennent toutes les informations nécessaires aux investisseurs pour fonder leur jugement sur les règles régissant le fonds commun de titrisation. Le Prospectus ne comporte pas d'omission de nature à en altérer la portée.

Fait à Paris, le 22 octobre 2020.

**France Titrisation**  
*Société de Gestion*  
1, Boulevard Haussmann  
75009 Paris  
France



Johnny VALENTE  
Signataire autorisé

**COMMISSAIRE AUX COMPTES DU FCT**

**Mazars**  
61 rue Henri Regnault  
92400 Courbevoie  
France  
Commissaire aux comptes  
(représenté par Pierre MASIERI)

**PERSON ACCEPTING RESPONSIBILITY FOR THE PROSPECTUS**

**TRANSLATION FOR INFORMATION PURPOSE**

To our knowledge, the data contained in this Prospectus is in accordance with the facts: they contain all information necessary for investors to make their judgement on the rules governing the securitisation vehicle (*fonds commun de titrisation*). The Prospectus contains no omission likely to affect its import.

Executed in Paris, on 22 October 2020.

**France Titrisation**  
*Management Company*  
1, Boulevard Haussmann  
75009 Paris  
France



Johnny VALENTE  
Authorised Signatory

**STATUTORY AUDITOR OF THE ISSUER**

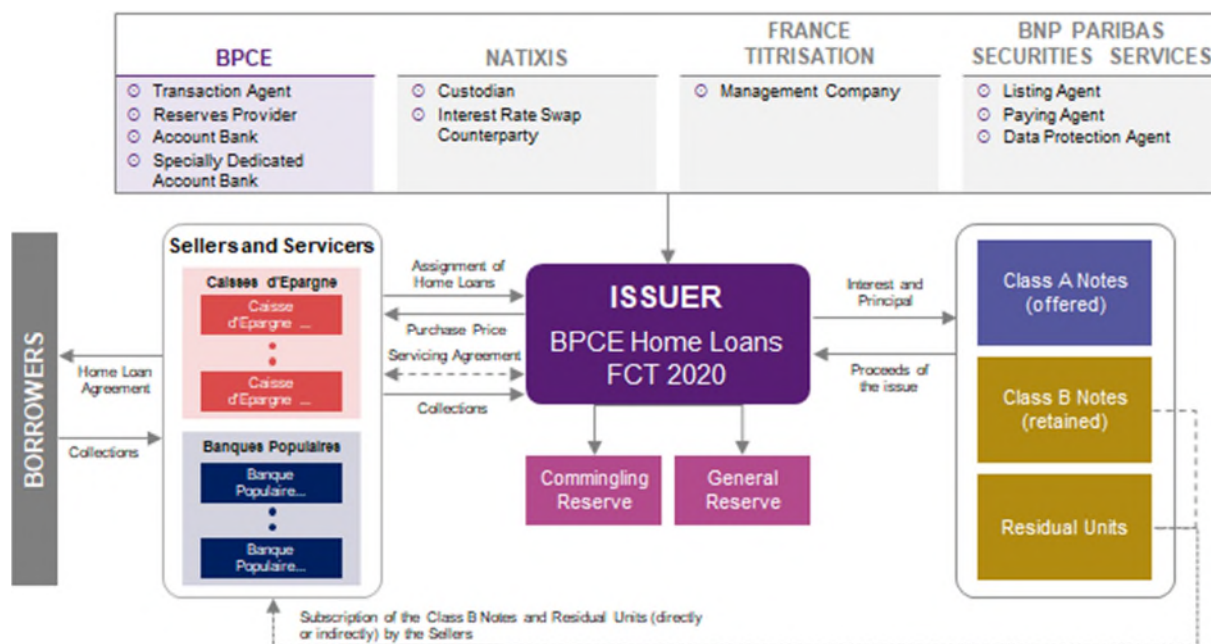
**Mazars**

Statutory Auditor  
(represented by Mr. Pierre MASIERI)  
61 rue Henri Regnault  
92400 Courbevoie  
France

## OVERVIEW OF THE TRANSACTION

The attention of potential investors in the Class A Notes is drawn to the fact that the following Section only sets out a summary of the information relating to the Issuer and should be considered by reference to the detailed information provided in this Prospectus. In addition, as the nominal amount of the Class A Notes will be equal to EUR 100,000, the following section is not, and is not to be regarded as, a “résumé” within the meaning of article 212-8 of the AMF Regulations (*Règlement Général de l'Autorité des Marchés Financiers*). Capitalised words or expressions shall have the meanings given to them in the glossary of terms in the Appendix to this Prospectus.

## STRUCTURE DIAGRAM OF THE TRANSACTION



## THE PARTIES AND THE TRANSACTION DOCUMENTS

### Issuer

**BPCE HOME LOANS FCT 2020**, is a French *fonds commun de titrisation* established on the Issuer Establishment Date by the Management Company.

The Issuer is governed by the provisions of articles L. 214-24 I and II, L. 214-166-1 to 167 to L. 214-175, L.214-175-1 to L. 214-175-8, L. 214-180 to L. 214-186, L. 231-7 and R. 214-217 to D. 214-240 of the French Monetary and Financial Code and by its Issuer Regulations.

In accordance with article L. 214-180 of the French Monetary and Financial Code, the Issuer is a co-ownership entity (*copropriété*) of receivables, which does not have a legal personality (*personnalité morale*).

The Issuer is neither subject to the provisions of the French Civil Code relating to the rules of co-ownership (*indivision*) nor to the provisions of articles 1871 to 1873 of the French Civil Code relating to partnerships (*sociétés en participation*).

For further details, please refer to the Section of this Prospectus entitled "GENERAL DESCRIPTION OF THE ISSUER".

## Management Company

**FRANCE TITRISATION**, a *société par actions simplifiée*, whose registered office is located at 1, Boulevard Haussmann, 75009 Paris, France, registered with the Trade and Companies Registry of Paris (France) under number 353 053 531, licensed and supervised by the AMF (*Autorité des Marchés Financiers*) as portfolio management company authorised to manage securitisation vehicles (*société de gestion de portefeuille habilitée à gérer des organismes de titrisation*) under number GP-14000030.

For further details, please refer to the Section of this Prospectus entitled "*DESCRIPTION OF THE RELEVANT ENTITIES*".

## Custodian

**NATIXIS**, a *société anonyme*, incorporated under the laws of France, whose registered office is located at 30, avenue Pierre Mendès France, 75013 Paris (France), registered with the Trade and Companies Registry of Paris (France) under number 542 044 524, licensed as a credit institution (*établissement de crédit*) with the status of bank (*banque*) by the *Autorité de Contrôle Prudentiel et de Résolution*, in its capacity as Custodian of the Assets Allocated to the Issuer, under the Issuer Regulations.

Pursuant to Article L. 214-175-2 of the French Monetary and Financial Code and the relevant provisions of the AMF General Regulations, Natixis has been designated by the Management Company to act as the Custodian. This designation has been acknowledged and agreed by Natixis pursuant to the Custodian Acceptance Letter. In accordance with the Custodian Acceptance Letter, the Custodian has also acknowledged and agreed to the provisions of the Issuer Regulations.

For further details, please refer to the Section of this Prospectus entitled "*DESCRIPTION OF THE RELEVANT ENTITIES*".

## Sellers

Each of (i) the Banque Populaire and (ii) the Caisse d'Épargne, acting in their capacity as seller of the Home Loans on the date of signing of the Home Loans Purchase and Servicing Agreement, where:

**"Banque Populaire"** means each of the following entities, licensed as a credit institution (*établissement de crédit*) with the status of bank (*banque*) by the *Autorité de Contrôle Prudentiel et de Résolution* and regulated by articles L. 512-2 *et seq.* of the French Monetary and Financial Code:

- (a) Banque Populaire Alsace Lorraine Champagne, a *société anonyme coopérative de banque populaire*, whose registered office is at 3, rue François de Curel, - BP 40124, 57021 Metz cedex 1, registered with the Trade and Companies Register of Metz under registration no. 356 801 571;
- (b) Banque Populaire Aquitaine Centre Atlantique, a *société anonyme coopérative de banque populaire*, whose registered office is at 10, quai des Queyries, 33072 Bordeaux, registered with the Trade and Companies Register of Bordeaux under registration no. 755 501 590;
- (c) Banque Populaire Auvergne Rhône Alpes, a *société anonyme coopérative de banque populaire*, whose registered office is at 4, boulevard Eugène Deruelle, 69003 Lyon, registered with the Trade and Companies Register of Lyon under registration no. 605 520 071;
- (d) Banque Populaire Bourgogne Franche Comté, a *société anonyme coopérative de banque populaire*, whose registered office is at 14,

boulevard de La Trémouille, 21000 Dijon, registered with the Trade and Companies Register of Dijon under registration no. 542 820 352;

- (e) Banque Populaire Grand Ouest, a *société anonyme coopérative de banque populaire*, whose registered office is at 15, boulevard de la Boutière, 35768 Saint Gregoire Cedex, registered with the Trade and Companies Register of Rennes under registration no. 857 500 227;
- (f) Banque Populaire Méditerranée, a *société anonyme coopérative de banque populaire*, whose registered office is at 457 Promenade des Anglais, 06200 Nice, registered with the Trade and Companies Register of Nice under registration no. 058 801 481;
- (g) Banque Populaire du Nord, a *société anonyme coopérative de banque populaire*, whose registered office is at 847, avenue de la République, 59700 Marcq en Baroeul, registered with the Trade and Companies Register of Lille Métropole under registration no. 457 506 566;
- (h) Banque Populaire Occitane, a *société anonyme coopérative de banque populaire*, whose registered office is at 33-43, avenue Georges Pompidou, 31130 Balma, registered with the Trade and Companies Register of Toulouse under registration no. 560 801 300;
- (i) Banque Populaire Rives de Paris, a *société anonyme coopérative de banque populaire*, whose registered office is at 76-78, avenue de France, 75013 Paris, registered with the Trade and Companies Register of Paris under registration no. 552 002 313;
- (j) Banque Populaire du Sud, a *société anonyme coopérative de banque populaire*, whose registered office is at 38, boulevard Georges Clémenceau, 66000 Perpignan, registered with the Trade and Companies Register of Perpignan under registration no. 554 200 808; and
- (k) Banque Populaire Val de France, a *société anonyme coopérative de banque populaire*, whose registered office is at 9, avenue Newton, 78180 Montigny le Bretonneux, registered with the Trade and Companies Register of Versailles under registration no. 549 800 373.

“**Caisse d’Epargne**” means any of the following entities, duly licensed as a French credit institution (*établissement de crédit*) with the status of bank (*banque*) by the *Autorité de Contrôle Prudentiel et de Résolution* and regulated by articles L. 512-87 *et seq.* of the French Monetary and Financial Code:

- (a) Caisse d'Epargne CEPAC, a *banque coopérative* and a *société anonyme à directoire et conseil de surveillance dénommé Conseil d’Orientation et de surveillance*, whose registered office is at Place Estrangin Pastré, BP 108, 13254 Marseille cedex 06, registered with the Trade and Companies Register of Marseille under registration no. 775 559 404;
- (b) Caisse d'Epargne et de Prévoyance Aquitaine Poitou-Charentes, a *banque coopérative* and a *société anonyme à directoire et conseil de surveillance dénommé Conseil d’Orientation et de surveillance*, whose registered office is at 1, Parvis Corto Maltese, 33000 Bordeaux, registered with the Trade and Companies Register of Bordeaux under registration no. 353 821 028;
- (c) Caisse d'Epargne et de Prévoyance d'Auvergne et du Limousin, a *banque coopérative* and a *société anonyme à directoire et conseil de surveillance*

*dénommé Conseil d'Orientation et de surveillance*, whose registered office is at 63, rue Montlosier, 63000 Clermont-Ferrand, registered with the Trade and Companies Register of Clermont-Ferrand under registration no. 382 742 013;

- (d) Caisse d'Epargne et de Prévoyance de Bourgogne Franche-Comté, a *banque coopérative* and a *société anonyme à directoire et conseil de surveillance dénommé Conseil d'Orientation et de surveillance*, whose registered office is at 1, Rond Point de la Nation, 21000 Dijon, registered with the Trade and Companies Register of Dijon under registration no. 352 483 341;
- (e) Caisse d'Epargne et de Prévoyance de Bretagne – Pays de Loire, a *banque coopérative* and a *société anonyme à directoire et conseil de surveillance dénommé Conseil d'Orientation et de surveillance*, whose registered office is at 2, place Graslin, CS 10305, 44003 Nantes Cedex 1, registered with the Trade and Companies Register of Nantes under registration no. 392 640 090;
- (f) Caisse d'Epargne et de Prévoyance Côte d'Azur, a *banque coopérative* and a *société anonyme à directoire et conseil de surveillance dénommé Conseil d'Orientation et de surveillance*, whose registered office is at 455, promenade des Anglais, 06200 Nice, registered with the Trade and Companies Register of Nice under registration no. 384 402 871;
- (g) Caisse d'Epargne et de Prévoyance Grand Est Europe, a *banque coopérative* and a *société anonyme à directoire et conseil de surveillance dénommé Conseil d'Orientation et de surveillance*, whose registered office is at 1, avenue du Rhin, 67100 Strasbourg, registered with the Trade and Companies Register of Strasbourg under registration no. 775 618 622;
- (h) Caisse d'Epargne et de Prévoyance Hauts de France, a *banque coopérative* and a *société anonyme à directoire et conseil de surveillance dénommé Conseil d'Orientation et de surveillance*, whose registered office is at 135, Pont de Flandres, 59777 Euralille, registered with the Trade and Companies Register of Lille Métropole under registration no. 383 000 692;
- (i) Caisse d'Epargne et de Prévoyance Ile-de-France, a *banque coopérative* and a *société anonyme à directoire et conseil de surveillance dénommé Conseil d'Orientation et de surveillance*, whose registered office is at 19, rue du Louvre, 75001 Paris, registered with the Trade and Companies Register of Paris under registration no. 382 900 942;
- (j) Caisse d'Epargne et de Prévoyance du Languedoc Roussillon, a *banque coopérative* and a *société anonyme à directoire et conseil de surveillance dénommé Conseil d'Orientation et de surveillance*, whose registered office is at Zone d' Activités Commerciales d' Alco, 254 rue Michel Teule, 34000 Montpellier, registered with the Trade and Companies Register of Montpellier under registration no. 383 451 267;
- (k) Caisse d'Epargne et de Prévoyance Loire-Centre, a *banque coopérative* and a *société anonyme à directoire et conseil de surveillance dénommé Conseil d'Orientation et de surveillance*, whose registered office is at 7, rue d'Escures, 45000 Orleans, registered with the Trade and Companies Register of Orleans under registration no. 383 952 470;



- (l) Caisse d'Epargne et de Prévoyance de Loire Drôme Ardèche, a *banque coopérative* and a *société anonyme à directoire et conseil de surveillance dénommé Conseil d'Orientation et de surveillance*, whose registered office is at 17, rue des Frères Ponchardier, Espace Fauriel, 42100 St Etienne, registered with the Trade and Companies Register of St Etienne under registration no. 383 686 839;
- (m) Caisse d'Epargne et de Prévoyance de Midi Pyrénées, a *banque coopérative* and a *société anonyme à directoire et conseil de surveillance dénommé Conseil d'Orientation et de surveillance*, whose registered office is at 10, avenue James Clerk Maxwell, 31100 Toulouse, registered with the Trade and Companies Register of Toulouse under registration no. 383 354 594;
- (n) Caisse d'Epargne et de Prévoyance Normandie, a *banque coopérative* and a *société anonyme à directoire et conseil de surveillance dénommé Conseil d'Orientation et de surveillance*, whose registered office is at 151, rue d'Uelzen, 76230 Bois-Guillaume, registered with the Trade and Companies Register of Rouen under registration no. 384 353 413; and
- (o) Caisse d'Epargne et de Prévoyance de Rhône Alpes, a *banque coopérative* and a *société anonyme à directoire et conseil de surveillance dénommé Conseil d'Orientation et de surveillance*, whose registered office is at 116 Cours Lafayette, 69003 Lyon, registered with the Trade and Companies Register of Lyon under registration no. 384 006 029.

For further details, please refer to the Section of this Prospectus entitled "*DESCRIPTION OF THE BPCE GROUP, THE TRANSACTION AGENT, THE RESERVES PROVIDER, THE SELLERS AND THE SERVICERS*" and "*DESCRIPTION OF CERTAIN TRANSACTION DOCUMENTS*".

## Servicers

Each of the Sellers, appointed by the Management Company as servicer of the Purchased Home Loans transferred by it to the Issuer under the Home Loans Purchase and Servicing Agreement in accordance with the provisions of article L. 214-172 of the French Monetary and Financial Code.

Each of the following events shall constitute a "**Servicer Termination Event**" in respect of any Servicer, in each case after expiry of any applicable grace period:

- (a) such Servicer fails to comply with any of its material obligations or undertakings (other than a default referred to in item (e) or (f)) under the Transaction Documents to which it is a party, and the same is not remedied (if capable of remedy) within thirty (30) Business Days after the Management Company (with copy to the Custodian) has given notice thereof to the relevant Servicer or (if sooner) the relevant Servicer has knowledge of the same, unless the Management Company determines that such failure is not prejudicial to the interests of the Class A Noteholders provided that, in such case, the Management Company shall notify the Class A Noteholders (with copy to the Custodian) its decision by written notice duly justifying its decision;
- (b) any representation or warranty made by such Servicer under the Transaction Documents to which it is a party, proves to be materially inaccurate or incorrect when made or repeated or ceases to be accurate at any later stage, and the same is not remedied (if capable of remedy) within thirty (30) Business Days after the Management Company (with copy to the Custodian) has given notice thereof to the relevant Servicer or (if sooner) the relevant Servicer has knowledge of the same, unless the

Management Company determines that it is not prejudicial to the interests of the Class A Noteholders provided that, in such case, the Management Company shall notify the Class A Noteholders (with copy to the Custodian) its decision by written notice duly justifying its decision;

- (c) an Insolvency Event occurs in respect of such Servicer;
- (d) at any time it is or becomes unlawful for such Servicer to perform or comply with any or all of its material obligations under the Home Loans Purchase and Servicing Agreement or any or all of its material obligations under the Home Loans Purchase and Servicing Agreement are not, or cease to be, legal, valid and binding and no appropriate solutions are found within ten (10) calendar days between the parties to the Home Loans Purchase and Servicing Agreement to remedy such illegality, invalidity or unenforceability;
- (e) any failure by such Servicer to make any payment under any Transaction Documents to which it is a party and any failure by such Servicer, in its capacity as Seller, to pay any Deemed Collections, when due, except if such failure is due to technical reasons and is remedied by the relevant Servicer or any other member of the BPCE Group within five (5) Business Days;
- (f) on three (3) consecutive Reporting Dates, the Transaction Agent is not provided with a complete Individual Servicer Report in relation to the Purchased Home Loans transferred by such Servicer in its capacity as Seller;
- (g) on three (3) consecutive Information Dates, the Transaction Agent has not provided the Management Company, with a copy to the Custodian, with a Master Servicer Report except if all Servicers have provided the Management Company directly, with a copy to the Custodian, with their Individual Servicer Reports;
- (h) on any date on which the Commingling Reserve needs to be constituted or increased, as the case may be, pursuant to the Reserve Cash Deposits Agreement, the Commingling Reserve is lower than the applicable Commingling Reserve Required Amount and the same is not remedied by the Reserves Provider or any other member of the BPCE Group within five (5) Business Days; or
- (i) as long as BPCE is acting as Transaction Agent, an Insolvency Event occurs in respect of the Transaction Agent.

**"Individual Servicer Termination Event"** means any of the events referred to in item (a) to (f) of the definition of "Servicer Termination Event", in each case after expiry of any applicable grace period.

**"Master Servicer Termination Event"** means any of the events referred to in item (g) to (i) of the definition of "Servicer Termination Event", in each case after expiry of any applicable grace period.

Following the occurrence of an Individual Servicer Termination Event as set out above, the Management Company shall:

- (i) immediately send a Notification of Control to the Specially Dedicated Account Bank (with a copy to the Custodian and the relevant Servicer) with the effect of preventing it from implementing any further debit

instruction from such Servicer with respect to its Specially Dedicated Bank Account; and

- (ii) within a period of thirty (30) calendar days and with the prior approval of the Custodian (such approval not to be unreasonably withheld or delayed, and provided that, if the Management Company considers, having regards to the interest of the Noteholders and Residual Unitholders, that the Custodian is holding or delaying its consent unreasonably, the Management Company shall be entitled to set aside the opinion of the Custodian), replace the Servicer with any entity fit for that purpose and duly authorized to carry out such activity in France (such replacement servicer being appointed with respect to the Purchased Home Loans whose servicing is the responsibility of such Servicer only), in accordance with article L. 214-172 of the French Monetary and Financial Code, it being provided that any other Servicer in respect of which no Individual Servicer Termination Event and no event which could, through the passage of time or the giving of a notice, become an Individual Servicer Termination Event, has occurred, may be appointed as a replacement servicer.

For the avoidance of doubt, the occurrence of an Individual Servicer Termination Event with respect to a Servicer shall not in itself constitute an Individual Servicer Termination Event with respect to the other Servicers nor a Master Servicer Termination Event.

Following the occurrence of a Master Servicer Termination Event as set out above, the Management Company shall:

- (i) immediately send a Notification of Control to the Specially Dedicated Account Bank (with a copy to the Custodian and each Servicer) with the effect of preventing it from implementing any further debit instruction from all Servicers with respect to their respective Specially Dedicated Bank Accounts; and
- (ii) within a period of thirty (30) calendar days and with the prior approval of the Custodian (such approval not to be unreasonably withheld or delayed, and provided that, if the Management Company considers, having regards to the interest of the Noteholders and Residual Unitholders, that the Custodian is holding or delaying its consent unreasonably, the Management Company shall be entitled to set aside the opinion of the Custodian), replace all Servicers with any entity or entities fit for that purpose and duly authorized to carry out such activity in France, in accordance with article L. 214-172 of the French Monetary and Financial Code.

Upon termination of the appointment of any Servicer (or from the occurrence of a Servicer Termination Event in respect of that Servicer if necessary to protect the interest of the Issuer) pursuant to the Home Loans Purchase and Servicing Agreement, the Management Company shall promptly request the receipt from the Data Protection Agent of the Decryption Key in accordance with the terms of the Data Protection Agreement and shall, as soon as possible upon receipt of such Decryption Key and at the latest within thirty (30) calendar days of such receipt (or shall instruct any substitute servicer or any third party appointed by it, following prior information of the Custodian, to) (i) notify the relevant Borrowers, and any relevant insurance company under any Insurance Contract (if known) and Home Loan Guarantor under any Home Loan Guarantee relating to the relevant Home Loans, of the assignment of the relevant Home Loans to the Issuer and (ii) instruct the relevant Borrowers, insurance company and Home Loan

Guarantor, to pay any amount owed by them under the relevant Purchased Home Loans, Insurance Contract or Home Loan Guarantee (as applicable) into any account specified by the Management Company (or the relevant third party or substitute servicer) in the notification.

For further details, please refer to the Section of this Prospectus entitled "*DESCRIPTION OF THE BPCE GROUP, THE TRANSACTION AGENT, THE RESERVES PROVIDER, THE SELLERS AND THE SERVICERS*" and "*DESCRIPTION OF CERTAIN TRANSACTION DOCUMENTS*".

**Class B Notes Subscribers**

Each of the Banques Populaires and Caisses d'Epargne, in their capacity as subscribers of Class B Notes pursuant to the Class B Notes Subscription Agreement.

**Account Bank**

**BPCE**, a *société anonyme à directoire et conseil de surveillance*, whose registered office is located at 50, avenue Pierre Mendès France, 75013 Paris (France), registered with the Trade and Companies Registry of Paris (France) under number 493 455 042, licensed as a credit institution (*établissement de crédit*) with the status of bank (*banque*) by the *Autorité de Contrôle Prudentiel et de Résolution*.

The Account Bank is the credit institution in the books of which the Management Company has opened the Issuer Accounts under the responsibility of the Custodian, pursuant to the provisions of the Account Bank Agreement.

Pursuant to the Account Bank Agreement, at any time during the lifetime of the Issuer:

- (i) the Custodian shall (i) as soon as possible if an Account Bank Termination Event occurs or (ii) within thirty (30) calendar days, if the Account Bank ceases to have the Account Bank Required Ratings, terminate the appointment of the Account Bank; and
- (ii) the Account Bank may resign on giving 30-day prior written notice to the Management Company and the Custodian,

provided that the conditions precedent set out therein are satisfied (and in particular but without limitation that a new account bank with the Account Bank Required Ratings has been effectively appointed).

Each of the following events shall constitute an "**Account Bank Termination Event**":

- (a) any material representation or warranty made by the Account Bank is or proves to have been incorrect in any material respect when made, and the same is not remedied (if capable of remedy) within thirty (30) Business Days after the Management Company (with copy to the Custodian) has given notice thereof to the Account Bank or (if sooner) the Account Bank has knowledge of the same;
- (b) the Account Bank fails to comply with any of its material obligations (other than a default referred to in item (e) below) under the Account Bank Agreement unless such breach is capable of remedy and is remedied within thirty (30) Business Days after the Management Company (with copy to the Custodian) has given notice thereof to the Account Bank or (if sooner) the Account Bank has knowledge of the same;
- (c) an Insolvency Event occurs in respect of the Account Bank;

- (d) at any time it is or becomes unlawful for the Account Bank to perform or comply with any or all of its material obligations under the Account Bank Agreement or any or all of its material obligations under the Account Bank Agreement are not, or cease to be, legal, valid and binding and no appropriate solutions are found within ten (10) calendar days between the parties to the Account Bank Agreement to remedy such illegality, invalidity or unenforceability; or
- (e) any failure by the Account Bank to make any payment under any Transaction Documents to which it is a party, when due, except if such failure is due to technical reasons and is remedied within five (5) Business Days.

An entity shall have the “**Account Bank Required Ratings**” if:

- (i) the long-term deposit rating of such entity is, or if it is not assigned any deposit rating, its long-term issuer default rating is rated at least A by Fitch; and
- (ii) the deposit rating of such entity is, or if it is not assigned any deposit rating, its unsecured subordinated and unguaranteed debt obligations are rated at least A3 (long term) by Moody’s.

For further details, please refer to the Section of this Prospectus entitled “*DESCRIPTION OF THE RELEVANT ENTITIES*”.

## **Transaction Agent**

### **BPCE.**

Pursuant to the Home Loans Purchase and Servicing Agreement, each Seller and each Servicer will appoint BPCE as its agent (*mandataire*) in relation to the provision of certain services (the “**Transaction Agent**”). The Transaction Agent will in particular:

- (a) assume the general representation of each Seller and each Servicer towards the Issuer, the Management Company and the Custodian and as such act as the primary contact of the Issuer, the Management Company and the Custodian for all matters regarding the Sellers and the Servicers;
- (b) act as agent on behalf of each Seller as regards the selection of Home Loans to be assigned to the Issuer on the Purchase Date complying with the Home Loan Eligibility Criteria and accordingly prepare the Transfer Documents;
- (c) prepare, sign and send each Re-transfer Request to the Management Company on each Re-transfer Date and prepare, sign and send to the Management Company any documents required for the implementation of the rescission (*résolution*) of the sale of any relevant Purchased Home Loans on any relevant date;
- (d) on the basis of each Individual Servicer Report received from the Servicers on each Reporting Date, prepare a Master Servicer Report and provide it to the Management Company, with a copy to the Custodian, on each Information Date, together with the up-to-date Encrypted Data File;
- (e) as applicable, on the First Optional Redemption Date or any of the subsequent Optional Redemption Dates, prepare, sign and send a request to the Management Company to redeem all (but not some only) of the Notes;

- (f) prepare, sign and send a request to the Management Company to liquidate the Issuer upon the occurrence of an Issuer Liquidation Event referred to in item (c), (d) or (f) of the definition of “Issuer Liquidation Event”;
- (g) use reasonable commercial endeavours (*obligation de moyens*) to ensure that the loan-level data with respect to the Purchased Home Loans is made available on a quarterly basis on the EDW Website within one (1) month of each Payment Date, for as long as the loan-level data reporting requirements for asset-backed securities with respect to the Eurosystem's collateral framework is effective and to the extent such information is available to it and in the format required by the then applicable ECB rules and unless such task has been delegated to the Management Company;
- (h) use reasonable commercial endeavours (*obligation de moyens*) to make available to the Management Company any information that may reasonably be requested by the Management Company in relation to its obligation under the Transaction Documents to publish the cash flows and the performance overview on Bloomberg and on any other relevant modelling platform on each Investor Reporting Date or following a request the Management Company may receive from the Rating Agencies or the modelling platform, in accordance with the provisions of the Home Loans Purchase and Servicing Agreement;
- (i) if and when the relevant information on environmental performance of the properties financed by the Home Loans becomes available, the Transaction Agent will use reasonable commercial endeavours (*obligation de moyens*) to communicate such information to the Management Company;
- (j) deliver the STS notification to ESMA in accordance with article 27 of the Securitisation Regulation and act as first contact point for investors and competent authorities within the meaning of paragraph 3 of article 27(1) of the Securitisation Regulation; and
- (k) be entitled to agree to, and execute, any amendment, modification, alteration, waiver or supplement to the Transaction Documents and all other related documents necessary for the implementation of the same, in the name and on behalf of each Seller and each Servicer, provided that:
  - (i) if the relevant amendment, modification, alteration, waiver or supplement materially and adversely affects the interest of the Sellers and/or the Servicers or materially increases the undertakings and other obligations of the Sellers and/or the Servicers under the Transaction Documents and all other related documents necessary for the implementation of the same, such amendment, modification, alteration, waiver or supplement shall be subject to a prior agreement of the Sellers and/or the Servicers (to be obtained separately by BPCE);
  - (ii) the Transaction Agent, in the name and on behalf of each Seller and each Servicer, will be entitled to agree to, and execute, without the Transaction Agent obtaining the prior agreement of the Sellers or the Servicers, any amendment, modification, alteration, waiver or supplement to the Transaction Documents and all other related documents necessary for the implementation of the same:

- (A) which is technical or which is aimed at curing any ambiguity, omission, defect, inconsistency or manifest error; and
- (B) subject to a prior information of the Sellers and the Servicers:
  - (I) to effect a change, exercise an option or use a possibility in accordance with the terms and conditions already provided for in the relevant Transaction Document (such as the accession of a new party, the amendment or the substitution of any party to that Transaction Document, subject to the terms and conditions of that Transaction Document); or
  - (II) to comply with any mandatory requirements of applicable laws and regulations or to implement any amendment required in order to (aa) to obtain or maintain the eligibility of the Class A Notes to the Eurosystem legal framework related to monetary policy, (bb) for the Transaction to be able to qualify as a simple, transparent and standardised securitisation in accordance with the provisions of Regulation 2017/2402 of the European Parliament and of the Council dated 12 December 2017 relating to transparent and standardised securitisation transactions (the “**Securitisation Regulation**”) and the related regulatory technical standards and implementing technical standards or maintain such qualification, (cc) to comply with any new requirement received from the Rating Agencies in relation to their rating methodology, (dd) to comply with the LCR Delegated Regulation as amended by the provisions of Regulation 2017/2402 of the European Parliament and of the Council dated 12 December 2017 relating to transparent and standardised securitisation transactions and as further amended from time to time (the “**LCR Regulation**”) and the related regulatory technical standards and implementing technical standards, (ee) to implement the changes required by or comply with government order n°2017-1432 of 4 October 2017 (*ordonnance n°2017-1432 of 4 October 2017 portant modernisation du cadre juridique de la gestion d’actifs et du financement par la dette*) (the “**2017 Order**”) as completed by two decrees n°2018-1004 and n°2018-1008 (*décrets du 19 novembre 2018 n°2018-1004 et n°2018-1008 portant modernisation du cadre juridique de la gestion d’actifs et du*

*financement par la dette*) (the “**2018 Decrees**” and, together with the 2017 Order, the “**OT Reform**”) (including, without limitation, (i) any amendment made to the provisions of the AMF General Regulations following the Issue Date in order to implement the OT Reform and (ii) any other text implementing or ratifying the OT Reform as will be adopted or will enter into force following the Issue Date), (ff) to comply with any changes in the requirements of the CRA Regulation, (gg) to enable the Class A Notes to be (or to remain) listed and admitted to trading on Euronext Paris, (hh) to enable the Issuer and/or the Interest Rate Swap Counterparty to comply with any obligation which applies to it under EMIR or (ii) to make such changes as are necessary to facilitate the transfer of the Interest Rate Swap Agreement to a replacement swap counterparty, in circumstances where such Interest Rate Swap Counterparty does not satisfy the applicable rating requirement or has breached its terms of appointment and subject to such replacement swap counterparty satisfying the applicable rating requirements, provided that, for the avoidance of doubt, in each case referred to in (aa) to (ii) above, the Transaction Agent shall be entitled to, but shall be under no obligation to, execute the required amendment, modification, alteration, waiver or supplement to the Transaction Documents; or

- (III) to effect an amendment, modification, alteration, waiver or supplement to the Transaction Documents and all other related documents necessary for the implementation of the same where doing so does not materially and adversely affect the interest of the Sellers or the Servicers nor materially increases the undertakings and other obligations of the Sellers or the Servicers under the Transaction Documents and all other related documents necessary for the implementation of the same.

For further details, please refer to the Section of this Prospectus entitled "*DESCRIPTION OF CERTAIN TRANSACTION DOCUMENTS*" and to the Section of this Prospectus entitled "*DESCRIPTION OF THE BPCE GROUP, THE TRANSACTION AGENT, THE RESERVES PROVIDER, THE SELLERS AND THE SERVICERS*".

#### **Reserves Provider**

#### **BPCE.**

The Reserves Provider has (i) undertaken to guarantee, in its own name and for its own account, the performance of the Purchased Home Loans, up to an amount



equal to, on the Issuer Establishment Date, the General Reserve Initial Cash Deposit Amount credited on the General Reserve Account, as a guarantee for its financial obligations under such performance guarantee, in accordance with and subject to the provisions of the Reserve Cash Deposits Agreement and (ii) agreed to be jointly and severally liable (*co-débiteur solidaire*) for the full and timely payment by each Servicer of its payment obligations towards the Issuer under the Home Loans Purchase and Servicing Agreement, within the limit of an amount standing at any time to the credit of the Commingling Reserve Account and undertaken to credit the Commingling Reserve Account with such amount, as a guarantee for its financial obligations as joint and several debtor (*co-débiteur solidaire*), in accordance with and subject to the provisions of the Reserve Cash Deposits Agreement. For the avoidance of doubt, no provision in the Home Loans Purchase and Servicing Agreement shall be interpreted as implying joint or several obligation(s) between any of the Servicers.

For further details, please refer to the Sections of this Prospectus entitled "*DESCRIPTION OF CERTAIN TRANSACTION DOCUMENTS*" and "*CREDIT STRUCTURE*".

#### **Paying Agent**

**BNP PARIBAS SECURITIES SERVICES**, a French *société en commandite par actions*, whose registered office is located at 3, rue d'Antin, 75002 Paris (France) registered with the Trade and Companies Registry of Paris (France) under number 552 108 011, licensed as a credit institution (*établissement de crédit*) with the status of bank (*banque*) by the *Autorité de Contrôle Prudentiel et de Résolution*, acting through its office located at Les Grands Moulins de Pantin, 9 rue du Débarcadère, 93500 Pantin (France), in its capacity as paying agent under the terms of the Paying Agency Agreement.

#### **Listing Agent**

##### **BNP PARIBAS SECURITIES SERVICES.**

In accordance with, and subject to the Paying Agency Agreement, the Listing Agent shall ensure the provision and performance of all services relating to the listing of the Class A Notes on the regulated market of Euronext in Paris. In particular, the Listing Agent shall with respect to the listing of the Class A Notes on the regulated market of Euronext in Paris on the Issue Date:

- (a) centralise the documents required for the listing of the Class A Notes to the regulated market of Euronext in Paris;
- (b) provide the Management Company or the Custodian, as applicable, with the confirmation of such listing; and
- (c) publish any relevant notices on the regulated market of Euronext in Paris upon written instruction of the Management Company.

#### **Data Protection Agent**

##### **BNP PARIBAS SECURITIES SERVICES.**

In accordance with, and subject to, the Data Protection Agreement, on or prior to the Purchase Date, each Seller, or the Transaction Agent on behalf of the Sellers, shall encrypt using the Decryption Key communicated to the Data Protection Agent on or prior to the Issuer Establishment Date the personal data related to the Borrowers and provide it through an electronic transfer in encrypted form (the "**Encrypted Data File**") directly to the Management Company and on each Information Date, the Transaction Agent, on behalf of each Servicer, shall send through an electronic transfer an up-to-date Encrypted Data File to the Management Company together with the Master Servicer Report. For such purposes, each Servicer shall update any relevant information with respect to each

Purchased Home Loan on a monthly basis to the extent that any such Purchased Home Loan remains outstanding on such date.

Such Encrypted Data File shall consist in an electronically readable data tape containing encrypted information such as, *inter alia*, the names and addresses of the Borrowers in respect of, (i) as at the Purchase Date, each Borrower for each Home Loan identified in the Home Loans Purchase Offer and (ii) in relation to any Information Date, each Borrower of an outstanding Purchased Home Loan.

The Management Company and the Custodian will keep each version of an Encrypted Data File they receive in safe custody and protect it against unauthorised access by any third parties. For the avoidance of doubt, the Management Company will not be able to access the data contained in any Encrypted Data Files without the Decryption Key.

The Data Protection Agent shall hold the Decryption Key (and any new Decryption Key generated by any Servicer or the Transaction Agent on its behalf, as the case may be) in safe custody and protect it against unauthorised access by any third parties until the Management Company requires the delivery of the Decryption Key. The Management Company may request the Decryption Key to the Data Protection Agent and use (or permit the use of) the data contained in the Encrypted Data Files relating to the Borrowers only in the following circumstances:

- (a) upon the occurrence of a Servicer Termination Event in respect of a Servicer (including without limitation in the event that the appointment of that Servicer under the Home Loans Purchase and Servicing Agreement has been terminated), provided that where the Servicer Termination Event is an Individual Servicer Termination Event, the Decryption Key shall only be used to decrypt the data provided by that Servicer); or
- (b) the Management Company reasonably considers it needs to have access to such data in order to protect the interest of the Noteholders and Residual Unitholders or the Issuer.

Each of the following events shall constitute a "**Data Protection Agent Termination Event**":

- (a) any material representation or warranty made by the Data Protection Agent is or proves to have been incorrect or misleading in any material respect when made, and the same is not remedied (if capable of remedy) within thirty (30) Business Days after the Management Company (with copy to the Custodian) has given notice thereof to the Data Protection Agent or (if sooner) the Data Protection Agent has knowledge of the same;
- (b) the Data Protection Agent fails to comply with any of its material obligations under the Data Protection Agreement unless such breach is capable of remedy and is remedied within thirty (30) Business Days after the Management Company (with copy to the Custodian) has given notice thereof to the Data Protection Agent or (if sooner) the Data Protection Agent has knowledge of the same;
- (c) an Insolvency Event occurs in respect of the Data Protection Agent;
- (d) at any time it is or becomes unlawful for the Data Protection Agent to perform or comply with any or all of its material obligations under the Data Protection Agreement or any or all of its material obligations under

the Data Protection Agreement are not, or cease to be, legal, valid and binding and no appropriate solutions are found within ten (10) calendar days between the parties to the Data Protection Agreement to remedy such illegality, invalidity or unenforceability.

**Specially Dedicated Account Bank BPCE.**

In accordance with articles L. 214-173 and D. 214-228 of the French Monetary and Financial Code and pursuant to the terms of the Specially Dedicated Account Bank Agreement, one bank account specially dedicated (*compte spécialement affecté*) to the benefit of the Issuer has been opened by each Servicer with the Specially Dedicated Account Bank (the “**Specially Dedicated Bank Accounts**”).

Pursuant to the Home Loans Purchase and Servicing Agreement, each Servicer shall in an efficient and timely manner collect, transfer and credit directly or indirectly to the relevant Specially Dedicated Bank Account all Available Collections received in respect of the Purchased Home Loans transferred by it to the Issuer, provided that each Servicer has undertaken vis-à-vis the Issuer:

- (i) that all Home Loan instalments paid by the Borrowers by direct debit shall be either (1) credited directly to its Specially Dedicated Bank Account(s), provided that such amounts will include any amount of insurance premium or services fees paid by the relevant Borrower, as applicable (such amount of insurance premium or services fees to be repaid to the relevant Seller by the Management Company in accordance with the provisions of the Specially Dedicated Bank Account Agreement) or (2) credited to another of its bank accounts and transferred on the same day to its Specially Dedicated Bank Account(s), provided that such transferred amounts shall not include any amount of insurance premium or services fees paid by the relevant Borrower, as applicable; and
- (ii) to transfer to its Specially Dedicated Bank Account(s), as soon as possible and at the latest on the Business Day following receipt, any other amount of Available Collections standing to the credit of any of its bank accounts, provided that such amount shall not include any amount of insurance premium or services fees paid by the relevant Borrower, as applicable.

Under the Specially Dedicated Account Bank Agreement to which it is a party and the Home Loans Purchase and Servicing Agreement, each Servicer has undertaken to transfer to the General Account, on each Settlement Date, any amount of Available Collections collected under any Purchased Home Loan (including its Ancillary Rights) during the immediately preceding Quarterly Collection Period and standing to the credit of its Specially Dedicated Bank Account(s) as of such date.

If the Specially Dedicated Account Bank ceases to have the Account Bank Required Ratings or an Insolvency Event occurs in respect of the Specially Dedicated Account Bank, each Servicer shall terminate its Specially Dedicated Account Bank Agreement and will appoint, with the prior approval of the Management Company (such approval not to be unreasonably withheld or delayed) a new specially dedicated account bank within thirty (30) calendar days and close its Specially Dedicated Bank Account, provided that the conditions precedent set out therein are satisfied (and in particular but without limitation that new specially dedicated accounts have been opened with a new specially dedicated account bank with the Account Bank Required Ratings) unless (if the Specially Dedicated Account Bank ceases to have the Account Bank Required Ratings only) the Reserves Provider has increased within thirty (30) calendar days after the downgrade of the ratings of the Specially Dedicated Account Bank below the

Account Bank Required Ratings (in case of a downgrade by Moody's) or within fourteen (14) calendar days after such downgrade (in case of a downgrade by Fitch), the Commingling Reserve up to the applicable Commingling Reserve Required Amount.

Either the Specially Dedicated Account Bank or any Servicer (on giving a thirty (30) calendar days prior notice) may terminate a Specially Dedicated Account Bank Agreement, provided that the conditions precedent set out therein are satisfied (and in particular but without limitation that a new specially dedicated account has been opened with a new specially dedicated account bank with the Account Bank Required Ratings).

For further details, please refer to the Section of this Prospectus entitled "*DESCRIPTION OF THE RELEVANT ENTITIES*".

## **Interest Rate Swap Counterparty**

### **Initial Interest Rate Swap Counterparty**

**NATIXIS.**

### **Ratings of the Interest Rate Swap Counterparty by Moody's and termination of the Interest Rate Swap Agreement**

A termination by reasons of Change of Circumstances (as defined in the Interest Rate Swap Agreement) under the Interest Rate Swap Agreement entitling the Management Company to terminate (without being obliged to) the Interest Rate Swap Agreement will occur if (A) the Moody's Qualifying Transfer Trigger Requirements apply and thirty (30) or more Business Days have elapsed since the last time the Moody's Qualifying Transfer Trigger Requirements did not apply and (B) at least one Moody's Eligible Replacement has made a Firm Offer (as defined in the Interest Rate Swap Agreement) after that would, assuming the occurrence of an early termination, qualify as a Replacement Value (as defined in the Interest Rate Swap Agreement) and remain capable of becoming legally binding upon acceptance.

A termination by reasons of Event of Default (as defined in the Interest Rate Swap Agreement) under the Interest Rate Swap Agreement entitling the Management Company to terminate (without being obliged to) the Interest Rate Swap Agreement will occur if the Moody's Collateral Trigger Requirements apply and the Interest Rate Swap Counterparty has failed to transfer collateral as required pursuant to the Collateral Annex.

### **Ratings of the Interest Rate Swap Counterparty by Fitch and termination of the Interest Rate Swap Agreement**

Following the occurrence of a Fitch Collateral Trigger Event, the provision of additional collateral or credit support to the Issuer under the Interest Rate Swap Agreement; if at any time the Interest Rate Swap Counterparty is required to provide collateral in respect of any of its obligations under the Interest Rate Swap Agreement following a credit ratings downgrade of the Interest Rate Swap Counterparty, in accordance with the terms of the Interest Rate Swap Agreement, the amount of collateral (if any) that, from time to time, (i) the Interest Rate Swap Counterparty is obliged to transfer to the Issuer or (ii) the Issuer is obliged to return to the Interest Rate Swap Counterparty, shall be calculated in accordance with the terms of the Interest Rate Swap Agreement.

Following the occurrence of a Fitch Replacement Trigger Event, an obligation of the Interest Rate Swap Counterparty to use commercially reasonable efforts for its obligations under the Interest Rate Swap Agreement to be transferred to or

guaranteed by an entity with the ratings required pursuant to the Interest Rate Swap Agreement.

Furthermore, a failure of the Interest Rate Swap Counterparty to comply with such requirements within the required time frame will constitute a Change of Circumstances (as defined in the Interest Rate Swap Agreement) with the Interest Rate Swap Counterparty being the sole Affected Party (as defined in the Interest Rate Swap Agreement) and all transactions being Affected Transactions (as defined in the Interest Rate Swap Agreement). Accordingly, in such circumstances, the Management Company will be entitled to terminate the Interest Rate Swap Agreement.

#### **Certain other cases of termination**

The Interest Rate Swap Counterparty may terminate the Interest Rate Swap Agreement upon the occurrence of either of the following events (such list not being exhaustive):

- (a) if the Issuer fails to make a payment under the Interest Rate Swap Agreement when due and such failure is not remedied after the notice of such failure being given;
- (b) if any amendment to the Transaction Documents is made without the prior consent of the Interest Rate Swap Counterparty, (i) where such amendment has or could have a material adverse effect on the interests of the Interest Rate Swap Counterparty under the Interest Rate Swap Agreement or under the relevant Transaction Documents or (ii) if any Funds Allocation Rules are amended;
- (c) if the Class A Notes are to be redeemed early in accordance with Condition 4(f), Condition 4(g) or Condition 4(h); or
- (d) if, in respect of an amendment to the Transaction Documents which is to be made in order for the Interest Rate Swap Counterparty to comply with any obligation which applies to it under EMIR, the Noteholders and/or the Residual Unitholders are consulted and do not approve such amendment.

The Management Company may terminate the Interest Rate Swap Agreement upon the occurrence of either of the following events (such list not being exhaustive):

- (i) the Interest Rate Swap Counterparty fails to make a payment under the Interest Rate Swap Agreement when due and such failure is not remedied after the notice of such failure being given;
- (ii) the Interest Rate Swap Counterparty fails to perform any other obligation pursuant to the Interest Rate Swap Agreement and such failure is not remedied after the notice of such failure being given;
- (iii) any representation made by the Interest Rate Swap Counterparty under the Interest Rate Swap Agreement proves to have been incorrect in any material respect when made or repeated, or ceases to be correct;
- (iv) the Interest Rate Swap Counterparty becomes insolvent;
- (v) any event capable of resulting in any security interest or guarantee granted in favour of the Issuer in respect of one or more transactions becoming void, unenforceable or ceasing to exist or any failure to comply with, or any breach of, a representation or an obligation under the relevant

security interest or guarantee (in each case, after the expiry of the applicable cure period), or certain event mentioned in the Interest Rate Swap Agreement affecting a third party which has guaranteed one or more transactions;

- (vi) if performance of the Interest Rate Swap Agreement becomes illegal; or
- (vi) if, in respect of an amendment to the Transaction Documents which is to be made in order for the Issuer to comply with any obligation which applies to it under EMIR, the Noteholders and/or the Residual Unitholders are consulted and do not approve such amendment.

For further details and a definition of the capitalised terms used above, please refer to the Sections of this Prospectus entitled "*DESCRIPTION OF THE INTEREST RATE SWAP AGREEMENT*".

**Joint Arrangers**

**BPCE and NATIXIS.**

**Joint Lead Managers**

**NATIXIS and BOFA SECURITIES.**

**Transaction Documents**

means the Issuer Regulations, the Home Loans Purchase and Servicing Agreement and any Transfer Document, the Account Bank Agreement, the Paying Agency Agreement, the Interest Rate Swap Agreement, the Class A Notes Subscription Agreement, the Class B Notes Subscription Agreement and the Residual Units Subscription Agreement, the Specially Dedicated Account Bank Agreements, the Data Protection Agreement, the Reserve Cash Deposits Agreement and the Custodian Acceptance Letter.

**ASSETS OF THE ISSUER**

**Assets Allocated to the Issuer**

Pursuant to the Issuer Regulations, the Assets Allocated to the Issuer by the Management Company comprise:

- (i) all Home Loans assigned to the Issuer on the Purchase Date by the Sellers pursuant to the terms of the Home Loans Purchase and Servicing Agreement and which have not been retransferred, or been the subject of a transfer rescission (the "**Purchased Home Loans**") and any Ancillary Rights attached to the Purchased Home Loans;
- (ii) all amounts standing from time to time to the credit of the Issuer Accounts (excluding the Interest Rate Swap Collateral Account); and
- (iii) any other rights transferred or attributed to the Issuer under the terms of the Transaction Documents.

**Home Loans**

The "**Home Loans**" assigned to the Issuer by the Sellers on the Purchase Date pursuant to the Home Loans Purchase and Servicing Agreement are any and all receivables arising from home loans denominated in Euros granted pursuant to the Home Loan Agreements entered into with Borrowers.

"**Home Loan Agreement**" means a loan agreement entered into between any Seller and a Borrower in order to acquire, to renovate, to build or to refinance a property, being a residential (and not a commercial) property.

Pursuant to the Home Loans Purchase and Servicing Agreement, each Seller will represent and warrant in respect of the Home Loans such Seller transfers to the Issuer on the relevant Purchase Date that such Home Loans satisfy the Home Loan

Eligibility Criteria as of the Selection Date or, as applicable, on the relevant date specified in the relevant Home Loan Eligibility Criteria.

The "**Outstanding Principal Balance**" of a given Home Loan shall be on any date, the remaining amount of principal to be paid by the relevant Borrower under the relevant Home Loan.

## Purchase Price

### General

The aggregate "**Purchase Price**" to be paid by the Issuer to each Seller for the purchase of the Home Loans shall be equal to the sum of the "**Principal Component Purchase Price**" of the Home Loans and the "**Interest Component Purchase Price**" of the Home Loans, being respectively (i) an amount equal to the aggregate of the Initial Principal Balance, as of the Selection Date, of the Home Loans to be purchased on the Purchase Date and (ii) an amount equal to the aggregate of the accrued but unpaid interest of such Home Loans on the Selection Date (excluded).

### Home Loans

The Principal Component Purchase Price of the Home Loans to be purchased by the Issuer on the Purchase Date shall be paid on the Issuer Establishment Date by the Issuer to each Seller, by debiting the General Account (to the extent, as the case may be, not paid by way of set-off) outside any applicable Priority of Payments.

The Interest Component Purchase Price of the Home Loans shall be paid by debiting the General Account on the first Payment Date following the Purchase Date and/or, as the case may be, each Payment Date thereafter, in accordance with, and subject to, the applicable Priority of Payments.

It is agreed between the parties to the Home Loans Purchase and Servicing Agreement that the effective date (*date de jouissance*) with respect to the assignment of the Home Loans shall be the Selection Date (included). Accordingly, each Seller will transfer to the Issuer on the first Settlement Date, an amount equal to the aggregate of all the collections received under all the Home Loans sold by it to the Issuer between the Selection Date (included) and the Purchase Date (excluded).

## Home Loan Eligibility Criteria

Each Home Loan offered for sale by each Seller to the Issuer shall satisfy each the following criteria (the "**Home Loan Eligibility Criteria**") as of the Selection Date or, as the case may be, the relevant date specified below:

- (a) the Home Loan has been originated in its ordinary course of business by an original lender with an expertise of at least 5 years in originating exposures of a similar nature as the Home Loan, being either the Seller or any other entity of the BPCE Group which has transferred the Home Loan to the Seller through merger and:
  - (i) prior to the date on which the Home Loan had been made available to the Borrower, all lending criteria and preconditions as applied by the originator of the Home Loan pursuant to the Credit Guidelines were satisfied and the lending procedures applied to the Home Loan was not less stringent than the lending procedure applied to similar exposures which are not securitised;
  - (ii) the relevant Home Loan has not been marketed and underwritten on the premise that the Borrower as loan applicant or, where

applicable, intermediaries were made aware that the information provided might not be verified by the relevant Seller,

where:

**“BPCE Group”** means the group constituted by the members of the Networks and the companies affiliated thereto in accordance with the conditions of article L. 511-31 of the French Monetary and Financial Code, as provided for in article L. 512-106 of the French Monetary and Financial Code;

**“Networks”** means the group of entities composed of: (i) the Banques Populaires network, as defined in article L. 512-11 of the French Monetary and Financial Code, (ii) the Caisses d’Epargnes network as defined in article L. 512-86 of the French Monetary and Financial Code, (iii) the credit institution and financing companies which are affiliated thereto and (iv) the Crédit Maritime Mutuel network, as defined in articles L. 512-68 et seq. of the French Monetary and Financial Code;

**“Credit Guidelines”** mean the Sellers’ usual policies, procedures and practices relating to the operation of their home loan business including, without limitation, the usual policies, procedures and practices adopted by them as the grantor of credit in relation to Home Loans and/or (as the case may be) their usual policies, procedures and practices for dealing with matters relating to the obligations and liabilities of the Sellers under applicable laws and regulations (including “Know Your Customer”, anti-bribery, money laundering and sanctions checks), for determining the creditworthiness of home loans borrowers, the extension of the credit, as such policies, procedures and practices may be amended or varied from time to time and as described in Sub-Section “Origination and Underwriting Procedures (Credit Guidelines)” of Section “ORIGINATION, UNDERWRITING AND MANAGEMENT PROCEDURES”;

the expressions **“similar exposures”** or **“exposures of a similar nature”** refer to any residential loans secured with one or several mortgages on residential immovable property, or residential loans fully guaranteed by an eligible protection provider among those referred to in article 201(1) of Regulation (EU) No 575/2013 qualifying for credit quality step 2 or above as set out in part three, title II, chapter 2 of that regulation.

- (b) prior to the Selection Date, the Home Loan has been managed in accordance with the Servicing Procedures;
- (c) the Borrower or, in case of a Home Loan granted to several co-borrowers, the Borrower that is the main borrower (*emprunteur principal*) under that Home Loan, is an Eligible Borrower,

where **“Eligible Borrower”** refers to someone who complies with items (i) to (vii) below:



- (i) it is an individual, who was domiciled in France on the date of granting of the relevant Home Loan (including for tax purposes), where:

“**France**” refers to Metropolitan France and Guadeloupe, Guyana (*Guyane française*), Martinique, Réunion or Saint-Martin,

- (ii) it is not an employee of the relevant Seller (nor, if different, of the originator);
- (iii) it is neither unemployed (provided that pensioners shall not be considered as “unemployed”) nor a student;
- (iv) it is not subject to any legal protective regime (*tutelle, curatelle* or *sauvegarde de justice*);
- (v) it has a current debt to income ratio (“**DTI**”) determined according to the Credit Guidelines of the relevant Seller not exceeding 45%; and
- (vi) to the best knowledge of the Seller, it is not subject to any proceeding before the commission responsible for reviewing the over-indebtedness of consumers (*commission de surendettement des particuliers*) pursuant to the provisions of Title II of Book VII (Titre II du Livre VII) of the French Consumer Code or any conservatory measures or forced execution measures which the Seller may apply on the financed property subject to the Home Loan Guarantee or Mortgage;
- (vii) it is not a credit-impaired obligor, where a credit-impaired obligor is any obligor that, to the best of the Seller’s knowledge:

(a) (1) has been declared insolvent (meaning for the purpose of this Home Loan Eligibility Criteria, being subject to a judicial liquidation proceedings (*procédure de rétablissement personnel*), pursuant to the provisions of Title IV of Livre VII of the French Consumer Code (or, before the 1st of July 2016, Titre III of Livre III of the French Consumer Code), to any insolvency proceeding pursuant to the provisions of articles L. 620-1 *et seq.* of the French Commercial Code or to a review by a jurisdiction pursuant to article 1343-5 of the French Civil Code (or, before the 1st of October 2016, article 1244-1 of the French Civil Code) before a court), or (2) had a court grant his creditors a final non-appealable right of enforcement or material damages as a result of a missed payment, in relation to each of items (1) and (2), within three (3) years prior to the date of origination of the relevant Home Loan, or (3) has undergone a debt restructuring process with regard to his non-performing exposures within three years prior to the Purchase Date;

(b) was, at the time of origination, on an official registry of persons with adverse credit history (meaning for the purpose of this Home Loan Eligibility Criteria being registered in the Banque de France’s FICP file); or

(c) has a credit assessment by an ECAI or has a credit score indicating that the risk of contractually agreed payments not being

made is significantly higher than for comparable exposures held by the Seller which are not securitised,

within the meaning of article 20(11) of the Securitisation Regulation, and, in each case, in accordance with any official guidance issued in relation thereto,

it being specified for the interpretation of the above that:

- (A) the Seller will not necessarily have been made aware of the occurrence of the events listed in (a) having occurred and the Seller's information is limited to the period elapsed since the date the Seller first entered into an agreement with the Borrower, which may be shorter than three (3) years preceding the date of origination of the relevant Home Loan;
  - (B) the "*Fichier National des Incidents de remboursement des Crédits aux Particuliers*" ("FICP") file does not keep track of any historical information on the credit profile of the Borrower to the extent that the circumstances that would have justified its inclusion on the FICP have disappeared; and
  - (C) for the purpose of assessing whether the Borrower is not a credit-impaired obligor within the meaning of this Home Loan Eligibility Criteria, the Seller only takes into account the internal Basel II credit score assigned by BPCE to the Borrower as of the Selection Date which (x) is between 1 and 8, (y) is not and has not been classified as "RX" (restructured) within three (3) years prior to the Purchase Date and within three (3) years to the relevant origination date and (z) is not and has not been classified as "CX" (contentious) within three (3) years prior to the relevant origination date ; and which is based on information obtained by it from any of the following combinations of sources and circumstances: (i) the Borrower for the purpose of the origination of the Home Loan and any other exposures, (ii) the Seller as originator, in the course of its servicing of the exposures or in the course of its risk management procedures, (iii) notifications by a third party (including BPCE) and (iv) the consultation of the Banque de France's FICP file at the time of origination of the relevant Home Loan;
  - (D) for a given Borrower and the related Home Loan, such internal credit score is considered by the Seller as not "indicating that the risk of contractually agreed payments not being made is significantly higher than for comparable exposures held by the Seller which are not securitised, where such internal credit score is such that the Home Loan is not classified as doubtful, impaired, non-performing or classified to the similar effect under the accounting principles applied by the Seller;
- (d) the Home Loan Agreement is governed by French law;

- (e) in respect of each Home Loan Agreement entered into by several co-borrowers, these co-borrowers were, at the time such Home Loan Agreement has been executed, jointly and severally liable (*co-débiteurs solidaires*) for the full payment of the corresponding Home Loan;
- (f) the Home Loan is denominated and payable in Euro;
- (g) all sums due under the Home Loan are fully secured either:
  - (i) by a Mortgage, provided that in such case, the relevant Home Loan was granted to finance the acquisition of one (1) single property located in France, being the main residence (*résidence principale*) of that Borrower; or
  - (ii) by a Home Loan Guarantee, provided that in such case:
    - (A) the relevant Home Loan was granted to acquire, to renovate, to build or to refinance one (1) single property located in France, being the main residence (*résidence principale*) of that Borrower;
    - (B) there was no Mortgage lien on the underlying property on the date on which the Home Loan was granted;
    - (C) if the Home Loan was granted from the 1<sup>st</sup> of January 2014, the Borrower is contractually committed not to grant any Mortgage lien on the underlying property without the consent of the relevant Seller; and
    - (D) the benefit of the Home Loan Guarantee will be transferred to the Issuer by way of the Transfer Document, without the need to obtain the prior consent of the relevant Home Loan Guarantor;
- (h) the current Outstanding Principal Balance of such Home Loan is no more than EUR 1,000,000 and not less than EUR 500;
- (i) the Current LTV of the Home Loan is no more than one hundred per cent. (100%);
- (j) the Current Indexed LTV of the Home Loan is no more than one hundred per cent. (100%);
- (k) the Home Loan has a remaining maturity not exceeding twenty-five (25) years and which is at least six (6) months;
- (l) the Borrower has paid at least one (1) instalment in respect of the Home Loan;
- (m) the Home Loan is not in arrears, has not been accelerated or declared due and payable and is not subject to legal proceedings;
- (n) no Home Loan is considered by the relevant Seller as being in default within the meaning of Article 178(1) of Regulation (EU) No 575/2013 (the "CRR"), as further specified by the Delegated Regulation on the materiality threshold for credit obligations past due developed in accordance with Article 178 of the CRR and by the EBA Guidelines on

the application of the definition of default developed in accordance with Article 178(7) of the CRR;

- (o) the Home Loan is monthly amortising with an instalment consisting of interest and principal over the term of such Home Loan (i.e. no bullet loans and no interest-only loans);
- (p) the Seller does not use set-off as means of payment of the amounts due and payable by the Borrower under the Home Loans;
- (q) the Borrower does not benefit from a contractual right of set-off pursuant to the relevant Home Loan Agreement;
- (r) the Home Loan Agreement does not include any provision which expressly states that any right or claim of the relevant Seller against the relevant Borrower under the Home Loan Agreement from which the Home Loan is deriving is closely connected (*connexes*) to any reciprocal right or claim of the relevant Borrower against the relevant Seller under any other contractual arrangement;
- (s) the opening by the Borrower of a bank account dedicated to payments due under the Home Loan is not provided in the relevant contractual arrangements as a condition precedent to the originator of the Home Loan making the Home Loan available to the Borrower under the Home Loan;
- (t) under the Home Loan Agreement from which the Home Loan is deriving, the Borrower is not entitled to redraw any amount drawn down under the Home Loan;
- (u) the Home Loan has been disbursed in full by the relevant lender to the relevant Borrower;
- (v) each Home Loan Agreement constitutes the legal, valid, binding and enforceable contractual obligations of the relevant Borrower, with full recourse to the relevant Borrower (except that enforceability may be limited by (i) bankruptcy or insolvency of the Borrower or other laws relating to over-indebtedness (*surendettement*) or enforcement of general applicability affecting the enforcement rights of creditors generally or (ii) the existence of unfair contract terms (*clauses abusives*) as defined by articles L.212-1 *et seq.* of the French Consumer Code in the Home Loan Agreements (provided they would not (A) affect the right of the Issuer to purchase the Home Loan as contemplated under the Home Loan Purchase and Servicing Agreement or (B) deprive the Issuer of its rights to receive principal and to receive interest as provided for under the Home Loan);
- (w) neither the Home Loan Agreement, the Mortgage or the Home Loan Guarantee is not tainted with any legal default making it voidable, rescindable, or subject to legal termination;
- (x) each Home Loan is separately individualised and identified in the systems of the relevant Seller on or before the relevant Purchase Date such that the Management Company may at any time separately identify the relevant Purchased Home Loans;
- (y) the Home Loan is not secured by a cash deposit (*gage-espèces*);

- (z) the Home Loan Agreement has been executed between the relevant Seller and a Borrower pursuant to the applicable legal and regulatory provisions;
- (aa) the Home Loan Agreement does not require the relevant Borrower's consent to be obtained before an assignment of the relevant Home Loan and the associated Ancillary Rights to the Issuer can occur;
- (bb) the relevant Seller has complied with all its obligations in originating the relevant Home Loan Agreement, including without limitation any duty of care (*obligation de conseil*) in the execution of such Home Loan Agreement;
- (cc) the Home Loan bears a fixed interest rate equal to or greater than one point seventy-five per cent (1.75%) *per annum* (excluding insurance premia);
- (dd) the relevant Home Loan Agreement has been originally entered into on or after 1 January 2009 and on or before 30 April 2020;
- (ee) the Home Loan is not a bridge loan (*crédit relais*) the purpose of which is to bridge the financing of the purchase of the underlying property;
- (ff) the Home Loan is not a subsidised loan (such as a “interest-free loan”, “*prêt à taux zéro*” (PTZ)) nor regulated loan (such as “*prêt épargne logement*” (PEL) or FGAS or “*prêt à l’accession sociale*” (PAS));
- (gg) the underlying property which is subject to the Home Loan Agreement is either a residential house or a residential flat, and not used for partially commercial use;
- (hh) the Home Loan does not result from an equity release loan where the Borrower has monetized its property for either a lump sum of cash or regular periodic income;
- (ii) to the best of the relevant Seller’s knowledge, such Seller has not been notified in writing by the Borrower or the relevant insurance company of any material default of the Borrower to maintain adequate insurance with respect to the mortgaged property in accordance with the corresponding Home Loan;
- (jj) the Borrower makes all instalments under the Home Loan through monthly automatic debit of a bank account located in France;
- (kk) on the Selection Date, any payment holiday, postponement or suspension of any Home Loan instalment granted to the Borrower further to a Commercial Renegotiation, as the case may be, has expired and the Borrower is not in the process of entering into a Commercial Renegotiation with the Seller (including to obtain any such payment holiday, postponement or suspension of any Home Loans instalment) nor subject of any amicable or contentious recovery process nor subject to a request for a partial or a total prepayment by the relevant Borrower; and
- (ll) when one or several other Home Loans have been granted to the Borrower by the same Seller in relation to the same property as the relevant Home Loan and are secured by the same Home Loan Guarantee or Mortgage as the relevant Home Loan, each such other Home Loans shall (i) comply with the Home Loan Eligibility Criteria as of the relevant Selection Date or, as the case may be, the relevant date specified in the Home Loan

Eligibility Criteria, and (ii) be transferred to the Issuer on the Purchase Date together with the relevant Home Loan.

For the avoidance of doubt, (i) the Home Loans do not include transferable securities, as defined in point (44) of Article 4(1) of Directive 2014/65/EU nor any securitisation position nor any derivatives and (ii) no guarantor (other than, where applicable, the Home Loan Guarantors) has been taken into account for the purpose of assessing compliance with the Home Loan Eligibility Criteria.

Pursuant to the Home Loans Purchase and Servicing Agreement, each Seller will confirm that the Home Loan Eligibility Criteria (v) shall be understood as referring to a full recourse of such Seller to the relevant Borrower and, where applicable, the relevant guarantor.

### Portfolio Conditions

As of the Selection Date, the Home Loans offered for sale to the Issuer shall comply with the LTV Criteria, the RWA Limit, the Borrower Concentration and the Seller Concentration (together the “**Portfolio Conditions**”), where:

- (a) “**LTV Criteria**” refers to the following loan-to-value (“**LTV**”) portfolio limits:
  - (1) the weighted average of the Current LTV and the weighted average of the Current Indexed LTV of the Home Loans offered for sale by all Sellers and benefiting from Home Loan Guarantees does not exceed eighty per cent (80%); and
  - (2) the weighted average of the Current LTV and the weighted average of the Current Indexed LTV of the Home Loans offered for sale by all Sellers and benefiting from Mortgages does not exceed eighty per cent (80%);
- (b) “**RWA Limit**” refers to the following limit: the weighted average of the Home Loans risk weights under the Standardised Approach (as defined in the Capital Requirements Regulations) is equal to or smaller than 40%;
- (c) “**Borrower Concentration**” refers to the following limit: the aggregate Outstanding Principal Balance of the Home Loans granted to a single Borrower as of the Selection Date and offered for sale by all Sellers on the Purchase Date is lower than an amount equal to two per cent. (2%) of the aggregate Outstanding Principal Balance as of the Selection Date of all the Home Loans offered for sale by all Sellers on the Purchase Date; and
- (d) “**Seller Concentration**” refers to the following limit: in respect of each Seller, the prorated share of the sum of the Outstanding Principal Balance, at the Selection Date, of the Home Loans assigned by such Seller in the sum of the Outstanding Principal Balance at the Selection Date of all Home Loans purchased by the Issuer from all Sellers, shall be equal to its relevant Contribution Ratio as set out in Appendix 2 of this Prospectus.

### Mortgage

means any *in rem* security interests being either first ranking:

- (a) lender’s privileges (*privilèges du prêteur de deniers*) as provided under article 2374-2 of the French Civil Code; or
- (b) mortgages (*hypothèques de premier rang*), as provided under article 2393 of the French Civil Code.

<b>Home Loan Guarantee</b>	means any joint and several guarantee ( <i>cautionnement solidaire</i> ) or other type of guarantee securing the full repayment of any given Home Loan and granted by:
	<ul style="list-style-type: none"> <li>(a) Parnasse Garanties; or</li> <li>(b) Compagnie Européenne de Garanties et Cautions ("<b>CEGC</b>" and together with Parnasse Garanties, the "<b>Home Loan Guarantors</b>").</li> </ul>
<b>Ancillary Rights</b>	Pursuant to the terms of the Home Loans Purchase and Servicing Agreement, the Sellers will sell and transfer together with the Purchased Home Loans, the related Ancillary Rights. In respect of any Home Loan, " <b>Ancillary Rights</b> " means:
	<ul style="list-style-type: none"> <li>(a) the benefit of any Mortgage and/or any Home Loan Guarantee;</li> <li>(b) any and all present and future claims benefiting to the Sellers under any Insurance Contract relating to the Purchased Home Loans to the extent that such Insurance Contract does not provide for a restriction to the transfer of such claims;</li> <li>(c) the benefit of any other security interest or guarantee or equivalent right attached to the Home Loans (including without limitation, mortgage promises (<i>promesses d'hypothèques</i>), bank account pledges (<i>nantissements de comptes bancaires</i>), securities account pledges (<i>nantissements de comptes titres</i>), personal guarantees (<i>cautions ou autres types de garanties personnelles</i>), life insurance policies), to the extent that the transfer of such security interest, guarantee or equivalent right is not subject to restrictions; and</li> <li>(d) the benefit of any claim or right of action the relevant Seller may have against any notaries (<i>notaires</i>) in relation to any Mortgage or Home Loan.</li> </ul>
<b>Rescission and indemnity in case of non-conformity</b>	Under the Home Loans Purchase and Servicing Agreement, if the Management Company, any Seller or the Transaction Agent becomes aware that any of the representations or warranties given or made by such Seller in relation to the conformity of any Purchased Home Loans to the Home Loan Eligibility Criteria was false or incorrect in any material respect by reference to the facts and circumstances existing on the Selection Date or, as applicable, on the relevant date specified in the relevant Home Loan Eligibility Criteria or in the event that, for any reason whatsoever, the Transfer Document executed by such Seller in respect of the assignment of such Purchased Home Loan is not or ceases to be effective, the Management Company, the relevant Seller or the Transaction Agent (as the case may be) will promptly inform the other parties to the Home Loans Purchase and Servicing Agreement. Such breach will be corrected by the Seller, by (i) to the extent possible, taking any appropriate steps and as soon as practicable, to rectify the breach by no later than the second Payment Date following the date on which the Management Company or the Seller, as applicable, has become aware of the relevant non-compliance or (ii) if the relevant breach cannot be rectified, implementing one of the below remedies, by no later than the second Payment Date following the date on which the Management Company, the Seller or the Transaction Agent, as applicable, has become aware of the relevant non-compliance:
	<ul style="list-style-type: none"> <li>(a) by the rescission (<i>résolution</i>) of the sale of the relevant Purchased Home Loan, provided that such rescission shall only occur subject to the payment by the relevant Seller to the Issuer of a rescission amount equal to (i) the then Outstanding Principal Balance of such Purchased Home Loan as at the Determination Date immediately preceding the date of rescission, plus (ii) any unpaid amounts of principal, interest, expenses</li> </ul>

and other ancillary amounts (excluding, for the avoidance of doubt, any insurance premium and administrative and handling fees (*frais de dossier*)) relating to such Purchased Home Loan as at the Determination Date immediately preceding the date of rescission and plus (iii) any accrued interest under such Purchased Home Loan during the period from and excluding the preceding Determination Date to, and excluding such date of rescission (a “**Rescission Amount**”); or

- (b) should the relevant breach be such that the sale of the relevant Purchased Home Loan will be deemed not to have occurred or the rescission is not possible, by paying to the Issuer an indemnity equal to (i) the then Outstanding Principal Balance of such Purchased Home Loan as at the Determination Date immediately preceding the date of indemnification, plus (ii) any unpaid amounts of principal, interest, expenses and other ancillary amounts (excluding, for the avoidance of doubt, any insurance premium and administrative and handling fees (*frais de dossier*)) relating to such Purchased Home Loan as at the Determination Date immediately preceding the date of indemnification and plus (iii) any accrued interest under such Purchased Home Loan during the period from and excluding the preceding Determination Date to, and excluding such date of indemnification (an “**Indemnity Amount**”).

Once a rescission or indemnification has occurred in accordance with the above, any collections received by the Issuer (if any) after the Determination Date preceding such rescission or indemnification in relation to the relevant Purchased Home Loans will be repaid by the Issuer to the relevant Seller outside any Priority of Payments and shall not constitute Available Collections.

The remedies above are the sole remedy available to the Issuer in respect of the non compliance of any Home Loan or Ancillary Rights with the Home Loan Eligibility Criteria or in the event that, for any reason whatsoever, the Transfer Document executed by such Seller in respect of the assignment of such Purchased Home Loan is not or ceases to be effective. Under no circumstances may the Management Company request an additional indemnity from any Seller relating to the non compliance of any Home Loan or Ancillary Rights with the Home Loan Eligibility Criteria or in the event that, for any reason whatsoever, the Transfer Document executed by such Seller in respect of the assignment of such Purchased Home Loan is not or ceases to be effective. In particular, the Sellers give no warranty as to the ongoing solvency of Borrowers. Furthermore, the representations, warranties and undertakings of the Sellers shall not entitle the Noteholders to assert any claim directly against the Sellers, the Management Company having the exclusive competence under article L. 214-183 of the French Monetary and Financial Code to represent the Issuer as against third parties and in any legal proceedings.

### **Deemed Collections**

If, in relation to any Purchased Home Loan assigned by a Seller, any decrease in the principal amount of such Purchased Home Loan has arisen as a result of any set-off (whether such set-off is imposed by operation of law, by contract or by a competent court) and as a result of any such event, the Issuer is not lawfully entitled to receive all or part of the principal amount due with respect to such Purchased Home Loan, then such Seller will pay to the Issuer such principal amount as deemed collections, each, “**Deemed Collections**”.

Any Deemed Collections due in respect of any Quarterly Collection Period by a Seller with respect to Purchased Home Loans assigned to the Issuer by such Seller will be determined by the Management Company on each Calculation Date and paid by such Seller on the Settlement Date following such Quarterly Collection Period, to the Issuer by way of cash settlement. In the event that, any Deemed



Collection has arisen as a result of any set-off imposed by contract and as a consequence a Rescission Amount or an Indemnity Amount has been paid to the Issuer in relation to the relevant Purchased Home Loan in accordance with paragraph “Rescission and indemnity in case of non-conformity” above, no Deemed Collection will be due in respect of such Home Loan.

## **Re-transfers**

Pursuant to the Home Loans Purchase and Servicing Agreement and in accordance with, and subject to the provisions of article L. 214-183 of the French Monetary and Financial Code:

- (a) if it is in the interest of the Noteholders and the Residual Unitholders, the Management Company may (but shall not be under the obligation to) offer to any Seller to repurchase Purchased Home Loans transferred by it to the Issuer which have become entirely due (*échues*) or have been entirely accelerated (*déchues de leur terme*), provided that such Seller shall in any case be free to accept or refuse such offer. Any such repurchase shall take place on a Re-transfer Date and the repurchase price of the Purchased Home Loans repurchased by any Seller shall be equal to the Re-transfer Price;
- (b) any Seller may (but shall not be under the obligation to) request to repurchase Purchased Home Loans which raise management and/or operational issues for such Seller or the corresponding Servicer, provided that the Management Company shall in any case be free to accept or refuse such request, considering the interest of the Noteholders and the Residual Unitholders. Any such repurchase shall take place on a Re-transfer Date and the repurchase price of the Purchased Home Loans repurchased by the relevant Seller shall be equal to the Re-transfer Price; and
- (c) in the event that any Servicer enters into any Commercial Renegotiation which is not a Permitted Amendment, the corresponding Seller shall repurchase the corresponding Home Loan within two calendar months following the date on which the modification was notified by a party to the other (or within such delay otherwise agreed with the Management Company) for a price equal to the Re-transfer Price.

Once the re-transfer of any Purchased Home Loans has occurred, any collections received by the Issuer (if any) after the Determination Date preceding the relevant Re-transfer Date in relation to such Home Loans will be repaid to the relevant Seller, outside of the relevant Priority of Payments.

For the avoidance of doubt, re-transfers of Purchased Home Loans by the Issuer shall only occur in the circumstances pre-defined above or in case of liquidation of the Issuer, and in any such case of re-transfer, the Management Company shall not carry out any active management of the portfolio of Purchased Home Loans on a discretionary basis (meaning, (a) a management that would make the performance of the securitisation dependent both on the performance of the Purchased Home Loans and on the performance of the portfolio management of the securitisation or (b) a management performed for speculative purposes aiming to achieve better performance, increased yield, overall financial returns or other purely financial or economic benefit).

**“Re-transfer Price”** means the price to be paid by any Seller to the Issuer for the retransfer of that Home Loan, which shall be equal to:

- (a) with respect to a Performing Home Loan: the aggregate of (i) the then Outstanding Principal Balance of such Home Loan as at the Determination Date preceding the relevant Re-transfer Date (as applicable

before any commercial renegotiation); plus (ii) any unpaid outstanding amount of principal, interest, expenses and other ancillary amounts but excluding any insurance premium and administrative and handling fees (*frais de dossier*) relating to such Home Loan as at the Determination Date immediately preceding the relevant Re-transfer Date; and plus (iii) any accrued interest under such Purchased Home Loan during the period from and excluding to the preceding Determination Date to, and excluding such Re-transfer Date (as applicable before any commercial renegotiation); and

(b) with respect to any Defaulted Home Loan secured by a Mortgage, the product of:

(i) the fair market value of assets having similar characteristics to the relevant Purchased Home Loans (expressed in percentage); and

(ii) the aggregate of: (i) the then Outstanding Principal Balance of such Home Loan as at the Determination Date preceding the relevant Re-transfer Date (as applicable before any commercial renegotiation); plus (ii) any unpaid outstanding amount of principal, interest, expenses and other ancillary amounts but excluding any insurance premium and administrative and handling fees (*frais de dossier*) relating to such Home Loan as at the Determination Date immediately preceding the relevant Re-transfer Date; and plus (iii) any accrued interest under such Purchased Home Loan during the period from and excluding to the preceding Determination Date to, and excluding such Re-transfer Date (as applicable before any commercial renegotiation);

provided that, except if additional information is provided by the Seller to the Management Company for the purposes of the establishment of the Re-transfer Price, such “fair market value” will be considered as being equal to one hundred per cent. (100%); and

(c) with respect to any Defaulted Home Loan secured by a Home Loan Guarantee, the positive difference between:

(i) the aggregate of: (i) the then Outstanding Principal Balance of such Home Loan as at the Determination Date preceding the relevant Re-transfer Date (as applicable before any commercial renegotiation); plus (ii) any unpaid outstanding amount of principal, interest, expenses and other ancillary amounts but excluding any insurance premium and administrative and handling fees (*frais de dossier*) relating to such Home Loan as at the Determination Date immediately preceding the relevant Re-transfer Date and plus (iii) any accrued interest under such Purchased Home Loan during the period from and excluding to the preceding Determination Date to, and excluding such Re-transfer Date (as applicable before any commercial renegotiation); and

(ii) any indemnity amount paid to the Issuer by the relevant Servicer in the event that, following a default of the relevant Borrower, and following the call made by such Servicer of the relevant Home Loan Guarantee, the relevant Home Loan Guarantor has refused to pay the amount due by such Borrower because the conditions of enforcement of the relevant Home

Loan Guarantee had not been complied with by the relevant Servicer.

## THE NOTES AND THE RESIDUAL UNITS

### Description of the Notes and Residual Units

### Issue of the Notes and the Residual Units

Pursuant to the Issuer Regulations, on the Issuer Establishment Date, the Issuer will issue the Class A Notes, the Class B Notes and the Residual Units.

The Issuer will not issue any further Notes or Residual Units after the Issuer Establishment Date.

### Denomination and Issue Price

The 10,000 Class A Notes will be issued by the Issuer in denominations of EUR 100,000 each with an aggregate amount of EUR 1,000,000,000 due October 2054.

The 90,000 Class B Notes will be issued by the Issuer in denominations of EUR 1,000 each with an aggregate amount of EUR 90,000,000 due October 2054.

The 2 Residual Units will be issued by the Issuer in denominations of EUR 6,500 each with an aggregate amount of EUR 13,000 with unlimited duration.

The Notes and the Residual Units will be backed by the Assets Allocated to the Issuer.

The Class A Notes will be issued at a price of 101.167 per cent. of their Initial Principal Amount.

The Class B Notes and the Residual Units will be issued at a price of 100 per cent. of their Initial Principal Amount.

### Form and title

#### *Transferable securities and financial instruments*

The Notes and the Residual Units are transferable securities (*valeurs mobilières*) within the meaning of article L. 211-2 of the French Monetary and Financial Code. The Notes and the Residual Units are financial instruments (*instruments financiers*) within the meaning of article L. 211-1 of the French Monetary and Financial Code. The Notes are bonds (*obligations*) within the meaning of article L. 213-5 of the French Monetary and Financial Code. The Residual Units are units (*parts*) within the meaning of article L. 214-169 of the French Monetary and Financial Code.

#### *Book-entry securities and registration*

The Notes and the Residual Units are issued in book entry form (*dématérialisées*). No physical documents of title will be issued in respect of the Notes or the Residual Units. The Class A Notes will be issued in bearer form (*au porteur*) and the Class B Notes will be issued in registered form (*au nominatif*).

The Class A Notes will, upon issue (i) be admitted to the operations of Euroclear France (acting as central depository) which shall credit the accounts of Account Holders affiliated with Euroclear France and (ii) be admitted in the Clearing Systems. In this paragraph, “**Account Holder**” shall mean any investment services

provider, including Clearstream Banking, société anonyme (“**Clearstream Banking**”) and Euroclear Bank S.A./N.V. (“**Euroclear Bank S.A./N.V.**”).

### ***Title***

Title to the Class A Notes passes upon the credit of those Class A Notes to an account of an intermediary affiliated with the Clearing Systems. The transfer of the Class A Notes in registered form shall become effective in respect of the Issuer and third parties by way of transfer from the transferor’s account to the transferee’s account following the delivery of a transfer order (*ordre de mouvement*) signed by the transferor or its agent. Any fee in connection with such transfer shall be borne by the transferee unless agreed otherwise by the transferor and the transferee.

Title to the Class B Notes shall at all times be evidenced by entries in the register of the Custodian, in its capacity as registrar, and a transfer of such Class B Notes may only be effected through registration of the transfer in such register. The transfer of the Class B Notes shall take place and be effective *vis-à-vis* the Issuer and third parties by way of an account transfer from the transferor’s account to the transferee’s account upon presentation to the Custodian, in its capacity as registrar, of a transfer order (*ordre de mouvement*) duly completed and executed by the transferor (or its attorney or agent). Unless otherwise agreed between the transferor and the transferee, the transferee shall bear the cost incurred in respect of any transfer of Class B Notes.

Title to the Residual Units shall at all times be evidenced by entries in the register of the Custodian, in its capacity as registrar, and a transfer of such Residual Units may only be effected through registration of the transfer in such register.

### **Terms and Conditions of the Notes**

The terms and conditions of the Notes are set out in Section “Terms and Conditions” of the Prospectus.

### **Listing**

The Class A Notes to be issued under the Transaction will be listed on the regulated market of Euronext in Paris (Euronext Paris).

The estimate of the total expenses related to admission to trading on the regulated market of Euronext in Paris (Euronext Paris) of the Class A Notes to be issued on the Issue Date is equal to EUR 17,500 (taxes excluded). Such expenses will be paid by the Transaction Agent on behalf of the Sellers.

In accordance with article L. 214-181 and the first paragraph of article L. 412-1, I of the French Monetary and Financial Code, the Management Company has prepared the Prospectus.

The Class B Notes and the Residual Units shall not be listed.

### **Placement**

#### ***Class A Notes***

The Class A Notes must be sold in accordance with and subject to the selling restrictions set out in the Class A Notes Subscription Agreement and any other applicable laws and regulations.

### ***Class B Notes and Residual Units***

The Class B Notes will be subscribed by the Class B Notes Subscribers on the Issue Date in a proportion corresponding to the Contribution Ratio of each Class B Notes Subscriber (adjusted to ensure that each Seller subscribes an integer number of Class B Notes) in accordance with the provisions set out in the Class B Notes Subscription Agreement.

The Residual Units will be subscribed by the Residual Units Subscriber on the Issue Date in accordance with the provisions set out in the Residual Units Subscription Agreement.

### **Rating**

#### ***Class A Notes***

It is a condition precedent to the issuance of the Class A Notes on the Issue Date that the Class A Notes are assigned an AAA(sf) rating by Fitch and an Aaa (sf) rating by Moody's.

There is no assurance that any such ratings will continue for any period of time or that they will not be reviewed, revised, qualified, suspended or withdrawn entirely by either or both of the Rating Agencies as a result of changes in or unavailability of information or if, in the judgment of the Rating Agencies, circumstances so warrant. If the ratings initially assigned to the Class A Notes by the Rating Agencies are subsequently lowered, qualified, suspended or withdrawn, for any reason, no person or entity is obliged to provide any additional support or credit enhancement to the Class A Notes and the market value of the Class A Notes may be adversely affected and/or the ability of the holders of Class A Notes to sell such Class A Notes may be adversely affected. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the Rating Agencies. As of 14 November 2019, Fitch and Moody's are registered under the Regulation 1060/2009/EC of the European Parliament and the Council of 16 September 2009 on credit rating agencies, as amended pursuant to Regulation 513/2011/EU of the European Parliament and the Council of 11 May 2011 and to Regulation 462/2013/EU of the European Parliament and of the Council of 21 May 2013 (the "**CRA Regulation**") according to the list published by the European Securities and Markets Authority on its website (<http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>).

### ***Class B Notes and Residual Units***

The Class B Notes and the Residual Units shall not be rated.

### **Paying Agency Agreement**

Under the terms of a paying agency agreement entered into on or before the Issuer Establishment Date and made between the Management Company, the Custodian, the Paying Agent and the Listing Agent (the ***Paying Agency Agreement***), provision is made for the payment, on behalf of the Issuer, of principal and interest payable on the Class A Notes on each Payment Date and for the administrative aspects of the issuance and listing of the Class A Notes.

### **Status and Relationship between the Class A Notes, the Class B Notes and the Residual Units**

#### **Status**

The Class A Notes constitute direct, unsubordinated and limited recourse obligations of the Issuer and all payments of principal and interest on the Class A

Notes shall be made to the extent of the Available Distribution Amount, subject to the relevant Priority of Payments.

The Class B Notes constitute direct, subordinated and limited recourse obligations of the Issuer and all payments of principal and interest on the Class B Notes shall be made to the extent of the Available Distribution Amount, subject to the relevant Priority of Payments.

#### **Relationship between the Class A Notes, the Class B Notes and the Residual Units**

During the Amortisation Period and the Accelerated Amortisation Period, (i) payments of interest and principal due and payable in respect of the Class B Notes are subordinated to payments of interest and principal due and payable in respect of the Class A Notes and (ii) payments of interest and principal due and payable in respect of the Residual Units are subordinated to payments of interest and principal in respect of the Notes of all Classes.

#### **Use of Proceeds**

On the Issue Date, the proceeds arising from the issue of the Class A Notes, the Class B Notes and the Residual Units will be applied by the Management Company (i) to finance the purchase of the Home Loans from the Sellers in accordance with and subject to the terms of the Home Loans Purchase and Servicing Agreement and (ii) to pay by using in full the Issuance Premium on the Issue Date the Initial Swap Premium to the Interest Rate Swap Counterparty as premium according to the Interest Rate Swap Agreement.

#### **Resolutions of Noteholders**

In accordance with Article L. 213-6-3 I of the French Monetary and Financial Code the Terms and Conditions of the Notes contain provisions pursuant to which the Noteholders may agree by resolution to amend the Terms and Conditions of the Conditions and to decide upon certain other matters regarding the Notes including, without limitation, the appointment or removal of a chairman for the Noteholders of any Class. Any Resolution passed at a General Meeting of Noteholders of one or more Classes duly convened and held in accordance with the Issuer Regulations and Condition 7 (*Meetings of the Noteholders*) and any Written Resolution shall be binding on all Noteholders of each Class, regardless of whether or not a Noteholder was present at such General Meeting and whether or not, in the case of a Written Resolution, they have participated in such Written Resolution and each of them shall be bound to give effect to the Resolution accordingly. Any Resolution duly passed by a holder of any Notes will be irrevocable and binding as to such holder and on all future holders of such Notes, regardless of the date on which such Resolution was passed (see Condition 7 (*Meetings of the Noteholders*)).

#### **Rate of Interest**

The rate of interest applicable to the Class A Notes (the “**Class A Notes Interest Rate**”) will be equal to the aggregate of EURIBOR plus the Class A Margin provided that, if EURIBOR plus the Class A Margin is less than zero (0), the Class A Notes Interest Rate will be deemed to be zero (0).

Where:

“**EURIBOR**” means the interest rate applicable to deposits in euros in the Eurozone for three (3) month-Euro deposits (or in the case of the first Interest Period, the linear interpolation of three (3) and six (6) month Euro deposits) as determined by the Management Company on any Interest Rate Determination Date in accordance with Condition 3(c)(ii).

**“Class A Margin”** means before and including the First Optional Redemption Date, 0.65% *per annum* and from and excluding the First Optional Redemption Date, 1.04% *per annum*.

The Class A Notes interest rate will be determined by the Management Company on each Interest Rate Determination Date prior to the commencement of each Interest Period.

The rate of interest applicable to the Class B Notes (the **“Class B Notes Interest Rate”**) in respect of any Interest Period will be a fixed rate of 0.25% *per annum*.

#### **Interest under the Notes**

The Notes will bear interest on their respective Principal Amount Outstanding from (and including) the Issue Date, where the **“Principal Amount Outstanding”** of a Note on a particular date is equal to the Initial Principal Amount of that Note less the aggregate amount of all principal payments paid in respect of that Note prior to such date. The principal payments shall be calculated by the Management Company in accordance with the amortisation formula applicable during (i) the Amortisation Period and (ii) the Accelerated Amortisation Period, as set forth in Condition 4 of the Notes.

Interest in respect of the Notes is payable in Euro quarterly in arrears on each Payment Date in respect of the Interest Period ending immediately prior thereto.

Interest applicable to the Class A Notes in respect of any Interest Period or any other period will be calculated on the basis of the actual number of days in the relevant Interest Period and a 360 day year.

Interest applicable to the Class B Notes in respect of any Interest Period or any other period will be calculated on the basis of 30-day months and a 360 day year

#### **Interest under the Units**

As interest, the Residual Unitholders will receive payment of the remaining credit balance of the General Account, if any, on *pari passu* and *pro rata* basis, after payment of all items ranking higher in the applicable Priority of Payment, on each Payment Date during the Amortisation Period and the Accelerated Amortisation Period.

#### **Payment Date**

means, in respect of any principal and/or interest payment in respect of the Notes or the Residual Units, the last Business Day of the first calendar month of each quarter (being the months of January, April, July and October in each year), provided that the first Payment Date will fall on 29 January 2021.

#### **Interest Period**

means, in respect of the Notes, the period commencing on (and including) the Issue Date and ending on (but excluding) the first Payment Date, and, thereafter, each period from (and including) the next (or first) Payment Date to (but excluding) the next following Payment Date.

#### **Redemption**

##### **Amortisation Period**

On each Payment Date during the Amortisation Period, all Class A Notes shall be subject to mandatory partial redemption on a *pari passu* and *pro rata* basis, to the extent of the Class A Notes Amortisation Amount, and in accordance with and subject to the Normal Priority of Payments, until the earlier of (i) the date on which the Principal Amount Outstanding of each Class A Note is reduced to zero and (ii) the Final Legal Maturity Date and, provided that the Class A Notes have been redeemed in full, all Class B Notes shall be subject to mandatory partial redemption on a *pari passu* and *pro rata* basis, to the extent of the Class B Notes Amortisation Amount, and in accordance with and subject to the Normal Priority of Payments, until the earlier of (a) the date on which the Principal Amount

Outstanding of each Class B Note is reduced to zero and (b) the Final Legal Maturity Date.

### **Accelerated Amortisation Period**

On each Payment Date during the Accelerated Amortisation Period and on the Issuer Liquidation Date, all Class A Notes shall be subject to mandatory redemption on a *pari passu* and *pro rata* basis, to the extent of the Class A Notes Amortisation Amount, and in accordance with and subject to the Accelerated Priority of Payments, until the earlier of (i) the date on which the Principal Amount Outstanding of each Class A Note is reduced to zero and (ii) the Final Legal Maturity Date and, provided that the Class A Notes have been redeemed in full, all Class B Notes shall be subject to mandatory redemption on a *pari passu* and *pro rata* basis, to the extent of the Class B Notes Amortisation Amount, and in accordance with and subject to the Accelerated Priority of Payments, until the earlier of (a) the date on which the Principal Amount Outstanding of each Class B Note is reduced to zero and (b) the Final Legal Maturity Date.

### **Amortisation Amounts**

On each Calculation Date, the Management Company will determine:

- (a) if the Payment Date immediately following such Calculation Date falls in the Amortisation Period, the Expected Amortisation Amount and the Principal Amortisation Amount in respect of such Payment Date;
- (b) the Class A Notes Amortisation Amount in respect of the then outstanding Class A Notes on the Payment Date immediately following such Calculation Date;
- (c) the Class B Notes Amortisation Amount in respect of the then outstanding Class B Notes on the Payment Date immediately following such Calculation Date; and
- (d) the Principal Amount Outstanding of each Note on the Payment Date immediately following such Calculation Date,

it being provided that:

- (a) the “**Expected Amortisation Amount**” shall be equal to the amount as calculated on each Calculation Date with respect to the immediately following Payment Date during the Amortisation Period, an amount equal to the positive difference between (A) and (B), where:
  - (A) is the aggregate of the Class A Notes Outstanding Amount and the Class B Notes Outstanding Amount, both as at the immediately preceding Payment Date after giving effect to any payment in accordance with the Normal Priority of Payments (or, as the case may be, on the Issuer Establishment Date in case of the first Payment Date), and of the Residual Units nominal amount; and
  - (B) is the sum of the aggregate Outstanding Principal Balance of the Performing Home Loans on the Determination Date immediately preceding such Calculation Date, excluding the Purchased Home Loans subject to a re-transfer or rescission or



in relation to which an Indemnity Amount has been paid on or prior the immediately following Payment Date; where:

**“Performing Home Loan”** means, as of any Calculation Date, any Purchased Home Loan which is not a Defaulted Home Loan;

**“Defaulted Home Loan”** means, with reference to a given date, any Purchased Home Loan in respect of which:

- (I) the Borrower has been classified as “CX” (contentious) by the Servicer in accordance with the Servicing Procedures (a) following the decision of the Servicer (i) to declare such Purchased Home Loan as due and payable (*déchéance du terme*) and/or (ii) to transfer such Purchased Home Loan to the litigation department and/or (b) because the related Borrower has become subject to an insolvency (*procédure de rétablissement personnel*); and/or
- (II) the Borrower has been classified as “RX” (restructured) by the Servicer in accordance with its Servicing Procedures because of (i) the decision of the Servicer to agree with the Borrower a debt dismissal (i.e. reduction of principal, interest and/or fees) and/or a significant reschedule in the framework of an amicable or contentious recovery proceedings (*restructuration forcée*) as a result of a deterioration of the credit quality of the Borrower or (ii) the Borrower has become subject to an overindebtedness commission (*commission de surendettement des particuliers*) in accordance with the applicable provisions of the French Consumer Code (*Code de la consommation*); and/or
- (III) more than five (5) Home Loan instalments remain unpaid past their respective due date provided however that, any Home Loan instalment which has been postponed or deferred by the relevant Servicer in accordance with the Servicing Procedures shall to that extent not be treated as in arrears;

provided that, for the avoidance of doubt, a Purchased Home Loan will be considered as a Defaulted Home Loan as of the occurrence of the first of the events described above and the classification of a Defaulted Home Loan shall be irrevocable.

**“Class A Notes Outstanding Amount”** means, at any time, the aggregate Principal Amount Outstanding of all Class A Notes;

- (b) the **“Class A Notes Amortisation Amount”** on a given Payment Date shall be an amount (rounded down to the nearest Euro cent) equal to in respect of each Class A Note:
  - (i) during the Amortisation Period, (A) the minimum of (x) the Principal Amortisation Amount as calculated on the immediately preceding Calculation Date and (y) the Class A Notes Outstanding Amount as at the previous Payment Date after

giving effect to any payment in accordance with the relevant Priority of Payments, (B) divided by the aggregate number of Class A Notes outstanding;

- (ii) during the Accelerated Amortisation Period: (A) the Class A Notes Outstanding Amount as at the immediately preceding Payment Date after giving effect to any payment in accordance with the relevant Priority of Payments, (B) divided by the aggregate number of Class A Notes outstanding;
- (c) the “**Class B Notes Amortisation Amount**” on a given Payment Date shall be an amount (rounded down to the nearest Euro cent) equal to in respect of each Class B Note:
  - (i) during the Amortisation Period, (A) the minimum of (x) the Principal Amortisation Amount, as calculated on the immediately preceding Calculation Date and (y) the Class B Notes Outstanding Amount as at the previous Payment Date after giving effect to any payment in accordance with the relevant Priority of Payments, (B) divided by the aggregate number of Class B Notes outstanding;
  - (ii) during the Accelerated Amortisation Period, (A) the Class B Notes Outstanding Amount as at the previous Payment Date after giving effect to any payment in accordance with the relevant Priority of Payments (B) divided by the aggregate number of Class B Notes outstanding.

where the “**Class B Notes Outstanding Amount**” means, at any time, the aggregate Principal Amount Outstanding of the Class B Notes;

- (d) the “**Principal Amortisation Amount**” shall be equal to the amount as calculated on each Calculation Date during the Amortisation Period, equal to:
  - (i) for the purpose of calculating the Class A Notes Amortisation Amount, the lower of:
    - (A) the Available Distribution Amount on such Calculation Date minus all amounts falling due and payable under items (1) to (4) of the Normal Priority of Payments on the immediately following Payment Date; and
    - (B) the Expected Amortisation Amount on such Calculation Date;
  - (ii) for the purpose of calculating the Class B Notes Amortisation Amount, the lower of:
    - (A) the Available Distribution Amount on such Calculation Date minus all amounts falling due and payable under items (1) to (9) of the Normal Priority of Payments on the immediately following Payment Date; and
    - (B) the positive difference between (i) the Expected Amortisation Amount and (ii) the amount paid in

accordance with item (5) of the Normal Priority of Payments on such Calculation Date.

### **Residual Units**

The Residual Unitholders will not receive any repayment of principal on any Payment Date, except on the Issuer Liquidation Date, on which they will be redeemed to the extent of the Available Distribution Amount and subject to the applicable Priority of Payments.

### **Early redemption in full on any Optional Redemption Date**

The Notes will be subject to early redemption in full on the First Optional Redemption Date or on any of the subsequent Optional Redemption Dates if the Management Company receives a request in writing by the Transaction Agent on behalf of the Sellers at the latest fifteen (15) calendar days prior to the contemplated early redemption date, to redeem all (but not some only) of the Notes, subject to the Sellers or any other entity authorised to purchase the Home Loan having agreed to repurchase the outstanding Purchased Home Loans at a purchase price which shall be sufficient, taking into account for this purpose the Issuer Cash, excluding the amount of the Commingling Reserve, to enable the Issuer to repay in full all amounts outstanding in respect of the Notes after payment of all other amounts due by the Issuer and ranking senior to the Notes in accordance with the Accelerated Priority of Payments.

The Management Company will send a notice to the Transaction Agent at the latest ninety (90) calendar days before the First Optional Redemption Date to remind the Transaction Agent with the early redemption option available to the Sellers.

### **Early redemption in full in case of Tax Event**

The Class A Notes will also be redeemed in whole by the Issuer following the occurrence of a Tax Event and following a request of the Class A Noteholders acting by a general assembly resolution or of the sole holder of the Class A Notes, as the case may be, to liquidate the Issuer, subject to the Sellers or any other entity authorised to purchase the Home Loan having agreed to repurchase the outstanding Purchased Home Loans at a purchase price which shall be sufficient, taking into account for this purpose the Issuer Cash, excluding the amount of the Commingling Reserve, to enable the Issuer to repay in full all amounts outstanding in respect of the Notes after payment of all other amounts due by the Issuer and ranking senior to the Notes in accordance with the Accelerated Priority of Payments.

A “**Tax Event**” will occur when, by reason of a change in, or amendment to, tax law (or regulation or the application or official interpretation thereof), which change becomes effective on or after the Issue Date, on the next or any subsequent Payment Date, the Issuer or the Paying Agent on its behalf would become obliged to deduct or withhold from any payment of principal or interest in respect of the Class A Notes any amount for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the French Republic.

### **Final Legal Maturity Date**

Unless previously redeemed, each of the Notes will be redeemed at its Principal Amount Outstanding on the Payment Date falling in October 2054 (the “**Final Legal Maturity Date**”), subject to the Priority of Payments applicable during the Accelerated Amortisation Period and to the extent of the Available Distribution Amount.

### **Prescription**

If the Issuer has not been liquidated earlier, on the Final Legal Maturity Date, any principal and/or interest amount remaining unpaid in respect of the Notes (after applying on such date the Priority of Payments applicable during the Accelerated Amortisation Period) shall be automatically and without any formalities (*de plein*

*droit*) cancelled, and as a result, with effect from the relevant Final Legal Maturity Date, the Noteholders shall no longer have any right to assert a claim in respect of the Notes against the Issuer, regardless of the amounts which may remain unpaid after the relevant Final Legal Maturity Date.

**Non petition and Limited  
Recourse – Decisions  
binding**

**Non Petition**

Pursuant to article L. 214-175, III of the French Monetary and Financial Code, Book VI of the French Commercial Code is not applicable to the Issuer.

**Limited Recourse**

In accordance with article L. 214-169 II of the French Monetary and Financial Code, the Noteholders, the Residual Unitholders and the creditors which have agreed to them (*créanciers les ayant acceptés*), shall be bound by each of the Funds Allocation Rules (including, without limitation, the Priority of Payments) as set out in the Issuer Regulations, notwithstanding the opening against them of an insolvency proceeding pursuant to the provisions of Book VI of the French Commercial Code or any equivalent procedure governed by any foreign law (*procédure équivalente sur le fondement d'un droit étranger*) and such Funds Allocation Rules (including, without limitation, the Priority of Payments) shall apply even in case of liquidation of the Issuer.

In accordance with article L. 214-169 II of the French Monetary and Financial Code, the Issuer's assets may only be subject to civil proceedings (*mesures civiles d'exécution*) to the extent (*dans le respect*) of the applicable Funds Allocation Rules (including, without limitation, the applicable Priority of Payments).

In accordance with article L. 214-175, III of the French Monetary and Financial Code, the Issuer is liable for its debts (*n'est tenu de ses dettes*) to the extent of its assets (*qu'à concurrence de son actif*) and in accordance with the rank of its creditors as provided by law (*selon le rang de ses créanciers défini par la loi*) or, pursuant to article L. 214-169 II of the French Monetary and Financial Code, in accordance with the provisions of the Issuer Regulations.

Pursuant to article L. 214-183, I of the French Monetary and Financial Code, only the Management Company may enforce the rights of the Issuer against third parties. Accordingly, no Noteholder or Residual Unitholder will have the right to give any binding directions to the Management Company in relation to the exercise of any such rights or to exercise any such rights directly and in particular, the Noteholders and Residual Unitholders shall have no recourse whatsoever against the Borrowers under the Purchased Home Loans.

In addition, each party to the Transaction Documents has undertaken, to the extent that it may have any claim (including any contractual claim or action (*action en responsabilité contractuelle*)) against the Issuer the payment of which is not expressly contemplated under any applicable Funds Allocation Rules (including, without limitation, the Priority of Payments) set out in these Issuer Regulations, to waive to demand payment of any such claim as long as all Notes and Residual Units issued by the Issuer have not been repaid in full.

**Decisions binding**

In accordance with Article L. 214-169 II of the French Monetary and Financial Code, the Noteholders, the Residual Unitholders and any creditors of the Issuer and the creditors which have agreed to them (*créanciers les ayant acceptés*) will be bound by the rules governing the decisions made by the Management Company in accordance with the provisions of the Issuer Regulations and the decisions made by the Management Company on the basis of such rules.

<b>Withholding Tax</b>	Payments of interest and principal in respect of the Notes will be made subject to any applicable withholding or deduction for or on account of any tax and neither the Issuer nor the Paying Agent will be obliged to pay any additional amounts as a consequence.
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## **MAIN DATES AND PERIODS UNDER THE TRANSACTION**

<b>Issuer Establishment Date and Issue Date</b>	means the date of establishment of the Issuer and of issuance of the Class A Notes, the Class B Notes and the Residual Units falling on or around 28 October 2020.
<b>Purchase Date</b>	means the date of transfer of the Purchased Home Loans to the Issuer, falling on the same date as the Issuer Establishment Date.
<b>Settlement Date</b>	means the date falling two (2) Business Days prior to each Payment Date. The first Settlement Date will fall on 27 January 2021.
<b>Selection Date</b>	means the date on which the Home Loans shall be selected by the Sellers, i.e. 15 October 2020.
<b>Re-transfer Date</b>	means, with respect to any Purchased Home Loan, the date on which the relevant Seller repurchases such Purchased Home Loan to the Issuer, under and subject to the terms of the Home Loans Purchase and Servicing Agreement, which shall be agreed between such Seller and the Management Company.
<b>Monthly Collection Period</b>	means each calendar month, from a Determination Date (excluded) to the next Determination Date (included); provided that the first Monthly Collection Period shall begin on (and exclude) the Selection Date and shall end on (and include) the first Determination Date.
<b>Quarterly Collection Period</b>	means, in respect of a Payment Date, the three (3) Monthly Collection Periods immediately preceding such Payment Date provided that the first Quarterly Collection Period shall begin on (and exclude) the Selection Date and shall end on (and include) the second (2 <sup>nd</sup> ) Determination Date.
<b>Reporting Date</b>	means a date at the latest on the second (2 <sup>nd</sup> ) Business Day before each Information Date.
<b>Calculation Date</b>	means a date at the latest on the sixth (6 <sup>th</sup> ) Business Day prior to each Payment Date.
<b>Interest Rate Determination Date</b>	In respect of the first Interest Period, two (2) TARGET Business Days before the Issue Date and, in respect of all subsequent Interest Periods, the day which is two (2) TARGET Business Days before the first day of each such Interest Period.
<b>Information Date</b>	means a date at the latest on the seventh (7 <sup>th</sup> ) Business Day after each Determination Date.
<b>Determination Date</b>	means the last calendar day of each calendar month, provided that the first Determination Date will be 30 November 2020.
<b>Management Reporting Date</b>	means a date falling three (3) Business Days prior to the last Business Day of each calendar month and which is not an Investor Reporting Date.
<b>Investor Reporting Date</b>	means the date falling three (3) Business Days prior to each Payment Date.
<b>First Optional Redemption Date</b>	means the Payment Date falling in October 2025.

<b>Optional Redemption Date</b>	means any Payment Date from (and including) the First Optional Redemption Date up to (and excluding) the Final Legal Maturity Date.
<b>Amortisation Period</b>	<p>The Amortisation Period is the period commencing on and excluding the Issuer Establishment Date, and ending on and excluding the earlier of (a) the Payment Date falling on or after the occurrence of an Accelerated Amortisation Event and (b) the Issuer Liquidation Date.</p> <p>During the Amortisation Period, the Issuer shall not be entitled to purchase additional Home Loans and shall repay the Notes in accordance with the Normal Priority of Payments.</p>
<b>Accelerated Amortisation Event</b>	The occurrence of the following event during the Amortisation Period shall constitute an Accelerated Amortisation Event: any amount of interest due and payable on the Class A Notes remains partially or totally unpaid after five (5) Business Days following the relevant Payment Date.
<b>Accelerated Amortisation Period</b>	<p>The Accelerated Amortisation Period will start from and including the Payment Date falling on or after the occurrence of an Accelerated Amortisation Event and end on and including the Issuer Liquidation Date.</p> <p>During the Accelerated Amortisation Period, the Issuer shall not be entitled to purchase additional Home Loans and shall repay the Notes in accordance with the Accelerated Priority of Payments.</p>
<b>Other events and triggers</b>	Other relevant events and triggers are listed throughout this Section “Overview of the Transaction”.

## RESERVES

<b>General Reserve</b>	<p>Under the Home Loans Purchase and Servicing Agreement, the Reserves Provider has undertaken to guarantee the performance of the Purchased Home Loans, up to an amount equal to, on the Issuer Establishment Date, the General Reserve Initial Cash Deposit Amount, in accordance with and subject to the provisions of the Reserve Cash Deposits Agreement.</p> <p>Under the performance guarantee referred to above, the financial obligations (<i>obligations financières</i>) of the Reserves Provider towards the Issuer will consist in the obligation to make a payment to the Issuer if and to the extent where the Issuer is not able to make any of the following payments on any relevant Payment Date:</p> <ul style="list-style-type: none"> <li>(a) during the Amortisation Period: any of the payments set out in paragraphs (1), (2) and (3) of the Normal Priority of Payments; and</li> <li>(b) during the Accelerated Amortisation Period: any of the payments set out in paragraphs (1) to (4) of the Accelerated Priority of Payments,</li> </ul> <p>on the basis of the funds available to it on such date, provided that in any case, whatever the amount of any such payments which the Issuer would not be able to make, the amount of the corresponding financial obligation (<i>obligation financière</i>) of the Reserves Provider under its performance guarantee shall be equal to the minimum of (i) the amount of that payment and (ii) the amount of the General Reserve Cash Deposit still outstanding as of the date on which that financial obligation (<i>obligation financière</i>) becomes due and payable pursuant to the performance guarantee referred to above, so that the aggregate of all financial obligations (<i>obligations financières</i>) of the Reserves Provider under its</p>
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performance guarantee will never exceed the amount of the General Reserve Initial Cash Deposit.

In accordance with articles L. 211-36 and L. 211-38 to L. 211-40 of the French Monetary and Financial Code and with the provisions of the Reserve Cash Deposits Agreement, as security for the full and timely payment of its financial obligations (*obligations financières*) under such performance guarantee, the Reserves Provider will make, on the Issuer Establishment Date, the General Reserve Initial Cash Deposit with the Issuer by way of full transfer of title (*remise de sommes d'argent en pleine propriété à titre de garantie*).

The General Reserve Initial Cash Deposit Amount will be equal to the General Reserve Required Amount applicable on the Issuer Establishment Date. The General Reserve Initial Cash Deposit will constitute the initial balance standing to the credit of the General Reserve Account. For the purpose of the above:

**“General Reserve Cash Deposit”** means, pursuant to the Reserve Cash Deposits Agreement, the sum of the General Reserve Initial Cash Deposit less any amount reimbursed directly to the Reserves Provider or used in accordance with the applicable Priority of Payments;

**“General Reserve”** means the amounts standing to the credit of the General Reserve Account from time to time. Subject to sufficient funds being available and the applicable Priority of Payments, the General Reserve shall, at any time, be equal to the General Reserve Required Amount;

**“General Reserve Initial Cash Deposit”** means the cash deposit for an amount equal to the General Reserve Initial Cash Deposit Amount made by the Reserves Provider under the terms of the Reserve Cash Deposits Agreement on the Issuer Establishment Date. The General Reserve Initial Cash Deposit will be credited to the General Reserve Account;

**“General Reserve Initial Cash Deposit Amount”** means EUR 5,000,000;

**“General Reserve Required Amount”** means:

- (c) on any Payment Date falling before the General Reserve Final Utilisation Date, the higher of:
  - (i) an amount equal to 0.50% of the Principal Amount Outstanding of the Class A Notes as of the immediately preceding Payment Date (after the application of the relevant Priority of Payments) (rounded upward to the nearest € 1,000); and
  - (ii) EUR 500,000.
- (d) on any Payment Date falling on or after the General Reserve Final Utilisation Date, zero.

**“General Reserve Final Utilisation Date”** means the earlier of (i) the Payment Date following the Calculation Date on which the Management Company determines that the Class A Notes Outstanding Amount is lower than the amount standing to the credit of the General Reserve Account as at such Calculation Date, (ii) the first Payment Date of the Accelerated Amortisation Period and (iii) the Final Legal Maturity Date.

## Commingling Reserve

The Commingling Reserve is made available to protect the Issuer against the risk of delay or default of any Servicer in its financial obligations under the Home Loans Purchase and Servicing Agreement.

The amount standing to the credit of the Commingling Reserve Account shall at least be equal to the Commingling Reserve Required Amount.

Pursuant to the Reserves Cash Deposits Agreement, the Reserves Provider has agreed to be jointly and severally liable (*co-débiteur solidaire*) for the full and timely payment by the Servicers of their payment obligations towards the Issuer under the Home Loans Purchase and Servicing Agreement, within the limit of an amount standing at any time to the credit of the Commingling Reserve Account, and undertaken to credit within thirty (30) calendar days (in case of a downgrade by Moody's) or within fourteen (14) calendar days (in case of a downgrade by Fitch) following the date on which the Specially Dedicated Account Bank is downgraded below the Account Bank Required Ratings, the Commingling Reserve Account with the Commingling Reserve Required Amount applicable on that date, as a guarantee for its financial obligations as joint and several debtor (*co-débiteur solidaire*), pursuant to articles L. 211-36 and L. 211-38 to L. 211-40 of the French Monetary and Financial Code (*remise de sommes d'argent en pleine propriété à titre de garantie*).

For the purpose of the above:

**“Commingling Reserve Required Amount”** means:

- (a) if the Class A Notes are redeemed in full or if the Specially Dedicated Account Bank (or, as the case may be, the replacement specially dedicated account bank appointed by the Management Company and the Custodian in accordance with the provisions of the Specially Dedicated Account Agreement) has the Account Bank Required Ratings, zero (0),
- (b) as long as the Class A Notes are not redeemed in full and if the Specially Dedicated Account Bank ceases to have the Account Bank Required Ratings, on a Settlement Date (or for the initial amount within thirty (30) calendar days after such downgrade (in case of a downgrade by Moody's) or within fourteen (14) calendar days after such downgrade (in case of a downgrade by Fitch)), the sum (rounded upward to the nearest EUR 1,000) as calculated by the Management Company of:
  - 1) the product as calculated by the Management Company of:
    - (A) AOB; and
    - (B) MPR; and
  - 2) the aggregate of the Home Loans instalments which are expected to be collected by the Servicers on the Performing Home Loans (as at the preceding Determination Date) during the next three (3) Monthly Collection Periods (from such preceding Determination Date), in accordance with the amortisation schedule of such Home Loans.

where:

**“AOB”** means the aggregate amount of the Outstanding Principal Balances of the Performing Home Loans as of the preceding Determination Date (excluding the Purchased Home Loans subject to a re-transfer or rescission or in relation to which an Indemnity Amount has been paid on or prior the immediately following Settlement Date);



“MPR” means three (3) months of prepayments calculated by using the higher of (i) the Monthly Prepayment Rate on a base of a 8% annual rate and (ii) the maximum of the Monthly Prepayment Rate on the last 12 Determination Dates as determined by the Management Company (and for dates before the Issuer Establishment Date, assuming that the Monthly Prepayment Rate is equal to 8%), provided that the “**Monthly Prepayment Rate**” shall be equal in respect of a given Calculation Date to the ratio of:

- (I) the part of the AOB of the Performing Home Loans which have been subject to a Prepayment during the immediately preceding Monthly Collection Period; and
- (II) the AOB of the Performing Home Loans calculated on the Determination Date preceding such immediately preceding Monthly Collection Period.

In the event of a breach by any Servicer of its payment obligations towards the Issuer under the Home Loans Purchase and Servicing Agreement, the payment obligations of the Reserves Provider under the Reserves Cash Deposits Agreement in its capacity as joint and several debtor (*co-débiteur solidaire*) for the full and timely payment by the Servicers of their payment obligations towards the Issuer under the Home Loans Purchase and Servicing Agreement shall become immediately due and payable and the Management Company will be entitled to set off the restitution obligations of the Issuer under the Commingling Reserve against the amount of the breached financial obligations of the Reserves Provider, up to the lowest of (i) the unpaid amount of Available Collections arisen during such Quarterly Period which are under the responsibility of such Servicer and which is calculated by the Management Company on the basis of the relevant Master Servicer Reports; and (ii) the amount then standing to the credit of the Commingling Reserve Account, in accordance with the article L. 211-38 of the French Monetary and Financial Code, and to apply the corresponding funds as part of the Available Distribution Amount in accordance with the Priority of Payments applicable on the immediately following Payment Date, without the need to give prior notice of intention to enforce the Commingling Reserve (*sans mise en demeure préalable*).

Under the Home Loans Purchase and Servicing Agreement, it has been expressly agreed that, as long as the Servicers meet their financial obligations (*obligations financières*) under the Home Loans Purchase and Servicing Agreement (failing which the above provisions shall apply), the Commingling Reserve shall not be included in the Available Distribution Amount nor be applied to cover any payments due in accordance with and subject to the applicable Priority of Payments and that, under no circumstance shall the Commingling Reserve be used to cover any Borrowers’ defaults.

## ISSUER ACCOUNTS, FUNDS ALLOCATION RULES AND PRIORITIES OF PAYMENTS

### Issuer Accounts

All payments received or to be received by the Issuer shall be credited to the Issuer Accounts opened with the Account Bank in accordance with the terms of the Account Bank Agreement. The Issuer Accounts comprise:

- (a) the General Account;
- (b) the General Reserve Account;
- (c) the Commingling Reserve Account;

- (d) the Interest Rate Swap Collateral Account; and
- (e) any additional or replacement accounts (including, if applicable, any securities accounts) opened in the name of the Issuer pursuant to Account Bank Agreement after the Issuer Establishment Date.

The Issuer Accounts will be credited and debited upon instructions given by the Management Company in accordance with the provisions of the Issuer Regulations, to the extent of available funds standing to the credit of such Issuer Accounts.

#### **Interest Rate Swap Collateral Accounts**

The Interest Rate Swap Collateral Accounts, which shall be credited from time to time with collateral transferred by the Interest Rate Swap Counterparty in accordance with the terms of the Interest Rate Swap Agreement and shall be debited with such amounts as are due to be transferred to the Interest Rate Swap Counterparty, as the case may be, under the Interest Rate Swap Agreement.

The Interest Rate Swap Collateral Accounts will comprise (a) a collateral cash account; and (b) a collateral securities account (which shall be opened in the books of (i) the Account Bank or (ii) any other credit institution designated by the Account Bank with the prior consent of the Custodian which has the Account Bank Required Ratings, when collateral is posted in the form of eligible securities by the Interest Rate Swap Counterparty to the Issuer pursuant to the terms of the Interest Rate Swap Agreement).

Subject to the specific provisions applicable in case of early termination of the Interest Rate Swap Agreement, no payments or deliveries may be made in respect of the Interest Rate Swap Collateral Accounts other than the transfer of collateral to the Issuer or the return of excess collateral to the Interest Rate Swap Counterparty in accordance with the terms of the Interest Rate Swap Agreement, such payments or deliveries being made outside any applicable Priority of Payments.

#### **Funds Allocation Rules and Priority of Payments**

Pursuant to the Issuer Regulations, the Management Company will make appropriate calculation and give appropriate instructions to the Custodian and the Account Bank in order to ensure that all allocations, distributions and payments required under the rules pertaining to the allocation of the funds received by the Issuer (*règles d'affectation de sommes reçues par l'organisme*) set out in the Issuer Regulations (together, the “**Funds Allocation Rules**”), including without limitation, the relevant priority of payments (the “**Priorities of Payments**”), are made in a timely manner and in accordance with such Funds Allocation Rules and Priority of Payments during the Amortisation Period and, as the case may be, the Accelerated Amortisation Period.

#### **Priority of Payments during the Amortisation Period (Normal Priority of Payments)**

On each Payment Date falling within the Amortisation Period, the Management Company shall apply the Available Distribution Amount standing to the credit of the General Account (and calculated on the Calculation Date preceding such Payment Date), towards the following payments or provisions in the following order of priority but in each case only to the extent that all payments or provisions of a higher priority due to be paid or provided for on such Payment Date have been made in full:

- (1) payment on a *pro rata* basis and *pari passu* basis of the Issuer Expenses then due and payable by the Issuer to each relevant creditor;
- (2) payment to the Interest Rate Swap Counterparty of the Interest Rate Swap Net Amount due and payable by the Issuer (if any) and/or of any Interest Rate Swap Senior Termination Payment due and payable by the Issuer (if

any);

- (3) payment *pari passu* and *pro rata* of the Class A Notes Interest Amount then due and payable in respect of the Class A Notes;
- (4) transfer into the General Reserve Account of an amount being equal to the General Reserve Required Amount applicable on such Payment Date;
- (5) payment of the Class A Notes Amortisation Amount then due and payable in respect of each Class A Note, until the full and definitive redemption of the Class A Notes;
- (6) if a Servicer Termination Event referred to in paragraph (h) of the definition of “Servicer Termination Event” has occurred and is continuing, transfer into the Commingling Reserve Account with the necessary amount in order for the Commingling Reserve to be at least equal to the Commingling Reserve Required Amount applicable on the previous Settlement Date;
- (7) payment *pari passu* and *pro rata* of the Class B Notes Interest Amount then due and payable in respect of the Class B Notes;
- (8) payment to the Reserves Provider of the General Reserve Decrease Amount (if positive), as repayment of the General Reserve Cash Deposit not otherwise repaid;
- (9) payment to the Sellers (or as the case may be to the Transaction Agent, on behalf of each relevant Seller) of the Interest Component Purchase Price due and remaining unpaid on such Payment Date;
- (10) only once the Class A Notes have been redeemed in full, payment of the Class B Notes Amortisation Amount then due and payable in respect of each Class B Notes, until the full and definitive redemption of the Class B Notes;
- (11) payment to the Interest Rate Swap Counterparty of the Interest Rate Swap Subordinated Termination Payment due and payable by the Issuer (if any);
- (12) payment on *pari passu* and *pro rata* basis of any reasonable and duly documented fees and expenses (other than the Issuer Expenses) as well as any indemnities as the case may be incurred by the Issuer in connection with the operation of the Issuer pursuant to the relevant terms of the Transaction Documents and then due and payable by the Issuer to the relevant creditors; and
- (13) payment of the remaining credit balance of the General Account to the Residual Unitholders, on *pari passu* and *pro rata* basis, as interest under the Residual Units.

**Priority of Payments during the Accelerated Amortisation Period and on the Issuer Liquidation Date (Accelerated Priority of Payments)**

On any Payment Date falling within the Accelerated Amortisation Period, and on the Issuer Liquidation Date, the Management Company shall apply the Available Distribution Amount standing to the credit of the General Account as calculated on the Calculation Date preceding such Payment Date, towards the following payments or provisions in the following order of priority but in each case only to the extent that all payments or provisions of a higher priority due to be paid or provided for on such Payment Date have been made in full:

- (1) payment on a *pro rata* basis and *pari passu* basis of the Issuer Expenses then due and payable by the Issuer to each relevant creditor;
- (2) payment of the Interest Rate Swap Net Amount due and payable by the Issuer to the Interest Rate Swap Counterparty (if any) and/or of any Interest Rate Swap Senior Termination Payment then due and payable to the relevant Interest Rate Swap Counterparty under the Interest Rate Swap Agreement;
- (3) payment *pari passu* and *pro rata* of the Class A Notes Interest Amount then due and payable in respect of the Class A Notes;
- (4) payment of the Class A Notes Amortisation Amount then due and payable in respect of each Class A Note, until the full and definitive redemption of the Class A Notes;
- (5) repayment to the Reserves Provider of any part of the General Reserve Cash Deposit not otherwise repaid;
- (6) only once the Class A Notes have been redeemed in full, payment *pari passu* and *pro rata* of the Class B Notes Interest Amount then due and payable in respect of the Class B Notes;
- (7) payment to the Sellers (or, as the case may be, to the Transaction Agent, on behalf of each relevant Seller) of the Interest Component Purchase Price due and remaining unpaid on such Payment Date;
- (8) payment of the Class B Notes Amortisation Amount then due and payable in respect of each Class B Notes, until the full and definitive redemption of the Class B Notes;
- (9) payment of any Interest Rate Swap Subordinated Termination Payment then due and payable;
- (10) payment on *pari passu* and *pro rata* basis of any reasonable and duly documented fees and expenses (other than the Issuer Expenses) as well as any indemnities as the case may be incurred by the Issuer in connection with the operation of the Issuer pursuant to the relevant terms of the Transaction Documents and then due and payable by the Issuer to the relevant creditors; and
- (11) on the Issuer Liquidation Date, repayment to the Residual Unitholders of the nominal amount of the Residual Units and payment on a *pro rata* basis of the Liquidation Surplus.

## **Deferral**

If on any applicable Payment Date, the Available Distribution Amount is not sufficient to pay, transfer to another Issuer Account or redeem any amount then due and payable (including, without limitation, any amount of principal or interest in respect of any class of Notes) or to be transferred or to be redeemed, such unpaid amount shall constitute arrears which will become due and payable by the Issuer on the next following Payment Date, at the same rank, but in priority to the payment of the amounts of same nature in the applicable Priority of Payments and to the extent of the Available Distribution Amount. Such unpaid amount will not accrue default interest until full payment. For the avoidance of doubt, the failure by the Issuer to pay in full any amount of interest due and payable on the Class A Notes in accordance with the Conditions, where non-payment continues for a

period of five (5) Business Days, will constitute an Accelerated Amortisation Event.

**Payments outside the  
Priorities of Payments**

The Management Company shall make the following payments on any relevant date (which does not need to be a Payment Date) whenever applicable from the relevant Issuer Account:

- (1) payment by the Issuer to the Transaction Agent (on behalf of the Sellers) on the Purchase Date of the Principal Component Purchase Price of the Home Loans purchased by the Issuer (to the extent, as the case may be, not paid by way of set-off);
- (2) payment by the Issuer to the Interest Rate Swap Counterparty on the Issue Date of the Initial Swap Premium;
- (3) repayment to the relevant Seller of the collections received by the Issuer (if any) in relation to the relevant Purchased Home Loans from and including the Determination Date immediately preceding the date of rescission or indemnification;
- (4) repayment to the relevant Seller of the collections received by the Issuer (if any) in relation to the relevant Purchased Home Loans from and including the Determination Date immediately preceding the relevant Re-transfer Date;
- (5) repayment by the Issuer to the Reserve Provider on each Payment Date of any Commingling Reserve Decrease Amount (if any);
- (6) payment by the Issuer to the Reserve Provider on each Settlement Date of any positive remuneration of the Issuer Cash standing on the Commingling Reserve Account and the General Reserve Account (if any);
- (7) repayment by the Issuer to the Interest Rate Swap Counterparty on any Payment Date of any amount of collateral in accordance with the Interest Rate Swap Agreement; and
- (8) payment by the Issuer to the replacement Interest Rate Swap Counterparty of any Replacement Swap Premium in accordance with the Issuer Regulations.

**Return of swap collateral**

On any Payment Date, any amount of collateral credited to the Interest Rate Swap Collateral Accounts due to be retransferred by the Issuer to the Interest Rate Swap Counterparty pursuant to the terms and conditions of the Interest Rate Swap Agreement will be transferred directly to the Interest Rate Swap Counterparty, outside of any Priority of Payments, subject to the below.

**Allocations in case of early  
termination of Interest Rate  
Swap Agreement**

In case of early termination of the Interest Rate Swap Agreement, if an Interest Rate Swap Termination Amount is owed by the Interest Rate Swap Counterparty to the Issuer, any amount received from the Interest Rate Swap Counterparty upon such termination, and, as the case may be, the Interest Rate Swap Collateral Liquidation Amount, shall be applied by the Management Company as follows:

- (a) up to the Interest Rate Swap Termination Amount:
  - (i) to pay any Replacement Swap Premium to any replacement Interest Rate Swap Counterparty, such payment being made outside any Priority of Payments, and provided that any remaining

part of such amounts (as the case may be) after such payment shall form part of the Available Distribution Amount; or

- (ii) if, in the opinion of the Management Company acting in the interest of the Noteholders and the Residual Unitholders, such amounts will not be used to pay any Replacement Swap Premium to any replacement Interest Rate Swap Counterparty, the Interest Rate Swap Termination Amount payable to the Issuer or the Interest Rate Swap Collateral Liquidation Amount (as the case may be) shall form part of the Available Distribution Amount; and

- (b) any Interest Rate Swap Collateral Account Surplus shall form part of the Available Distribution Amount.

## LIQUIDATION OF THE ISSUER

**Issuer Liquidation Date** means the date on which the Issuer is liquidated, which shall be the Final Legal Maturity Date, unless the Issuer is liquidated earlier following the occurrence of an Issuer Liquidation Event, in which case the Issuer Liquidation Date shall be the Payment Date on which all of the then outstanding Purchased Home Loans will have been sold by the Issuer.

**Issuer Liquidation Event - Clean-up offer** Pursuant to the Issuer Regulations, the Management Company may decide to declare the dissolution of the Issuer and liquidate the Issuer in one single transaction in case of the occurrence of any of the following events, provided that the Management Company shall not declare any such event to have occurred unless it has found an entity agreeing to purchase the then outstanding Purchased Home Loans under the conditions set out hereinafter) (each a “**Issuer Liquidation Event**”):

- (a) the liquidation is in the interest of the Noteholders and the Residual Unitholders; or
- (b) the Notes and the Residual Units issued by the Issuer are held by a single holder and such holder requests the liquidation of the Issuer; or
- (c) the Notes and the Residual Units issued by the Issuer are held solely by the Sellers and the Management Company receives a request in writing by the Sellers (or the Transaction Agent on their behalf), acting unanimously, to liquidate the Issuer; or
- (d) at any time, the aggregate of the Outstanding Principal Balances (*capital restant dû*) of the undue (*non échues*) Performing Home Loans held by the Issuer falls below 10 per cent. of the maximum aggregate of the Outstanding Principal Balances (*capital restant dû*) of the undue (*non échues*) Performing Home Loans recorded since the Issuer Establishment Date and the Management Company receives a request in writing by the Sellers (or the Transaction Agent on their behalf), acting unanimously, to liquidate the Issuer; or
- (e) after the occurrence of a Tax Event, a general assembly resolution of the Class A Noteholders is passed, or a decision of the sole holder of the Class A Notes is made, as the case may be, requesting the liquidation of the Issuer; or
- (f) on the First Optional Redemption Date or any of the subsequent Optional Redemption Dates, the Management Company receives a request in

writing by the Sellers (or the Transaction Agent on their behalf), acting unanimously, to liquidate the Issuer.

In such case, the Management Company will propose to each Seller to repurchase in a single transaction all Purchased Home Loans transferred by it to the Issuer and comprised within the Assets Allocated to the Issuer (See Section "Liquidation of the Issuer, Clean-up Offer and Re-purchase of the Home Loans").

The purchase price of the Home Loans proposed by the Management Company to each Seller shall be based on the fair market value of assets having similar characteristics to the Home Loans having regard to the sum of the Outstanding Principal Balances of those Home Loans on the preceding Determination Date. In addition, the purchase price of the Home Loans, taking into account for this purpose the Issuer Cash, excluding the amount of the Commingling Reserve, must be sufficient to enable the Issuer to repay in full all amounts outstanding in respect of the Notes after payment of all other amounts due by the Issuer and ranking senior to the Notes in accordance with the Accelerated Priority of Payments.

On the Issuer Liquidation Date, the Management Company will apply the Issuer Cash (excluding the amounts of the Commingling Reserve) in accordance with and subject to the applicable Priority of Payments, and any amount standing to the credit of the Commingling Reserve Account upon the liquidation of the Issuer shall be released and retransferred directly to the Reserves Provider, in accordance with and subject to the Home Loans Purchase and Servicing Agreement.

In accordance with the provisions set out in the Issuer Regulations, the Management Company shall inform of its decision to liquidate the Issuer (i) the Noteholders and the Residual Unitholders, (ii) the Rating Agencies and (iii) the AMF.

## MISCELLANEOUS

### Credit Enhancement

Credit enhancement for the Class A Notes will be provided by (a) the excess margin which will provide the first loss protection, (b) the General Reserve (subject to the specific rules pertaining to the allocation of the General Reserve), (c) the subordination of the Residual Units and (d) on each Payment Date, the subordination of payments of interest and principal due in respect of the Class B Notes to payments of interest and principal due in respect of the Class A Notes.

In the event that the credit enhancement provided by the General Reserve is reduced to zero without any possibility of being further increased by debiting the General Account and the protection provided by the excess margin and the subordination of the Residual Units and the Class B Notes is reduced to zero, the Class A Noteholders will directly bear the risk of loss of principal and interest related to the Purchased Home Loans.

### Interest Rate Swap Agreement

#### ***FBF Master Agreement***

On or prior to the Issuer Establishment Date, the Issuer, represented by the Management Company, will enter into an interest rate swap agreement (the "**Interest Rate Swap Agreement**") with Natixis (the "**Interest Rate Swap Counterparty**"), which will be governed by the 2013 *Fédération Bancaire Française* (FBF) master agreement relating to transactions on forward financial instruments (*convention-cadre FBF relative aux opérations sur instruments financiers à terme* or the "**FBF Master Agreement**") as amended by a supplementary schedule and confirmed by one written swap confirmation (the "**Swap Confirmation**").

### ***Purpose of the Interest Rate Swap Agreement***

The purpose of the Interest Rate Swap Agreement is to enable the Issuer to hedge in an appropriate manner the risk of a difference between the EURIBOR-based floating rate applicable for the relevant Interest Period (on each relevant Payment Date) with respect to the Class A Notes and the fixed interest rate payments received in respect of the Purchased Home Loans.

### ***Notional Amount***

In accordance with the Interest Rate Swap Agreement, the “**Notional Amount**” shall be, on any Payment Date, equal to the lesser of:

- (i) the aggregate of the Principal Amount Outstanding of the Class A Notes on the immediately preceding Payment Date after giving effect to the applicable Priority of Payments (or the Issue Date in respect of the first Payment Date) as determined by the Management Company; and
- (ii) the Outstanding Principal Balance of the Performing Home Loans on the Determination Date immediately preceding such Payment Date (or in case of the first Payment Date, the Selection Date).

### ***Payments under the Interest Rate Swap Agreement***

#### ***Initial Swap Premium***

Pursuant to the Interest Rate Swap Agreement, the Issuer shall pay to the Interest Rate Swap Counterparty on the Issue Date the Initial Swap Premium in consideration for its entering into the Interest Rate Swap Agreement on the terms contemplated therein.

#### ***Floating Amount and Fixed Amount***

Pursuant to the Interest Rate Swap Agreement, on each Payment Date, the Interest Rate Swap Counterparty shall pay to the Issuer the swap floating amount (the “**Floating Amount**”) and the Issuer shall pay to the Interest Rate Swap Counterparty the swap fixed amount (the “**Fixed Amount**”). On each Payment Date, a set-off shall be made between the Floating Amount and the Fixed Amount so that the relevant party will only pay to the other party the net swap amount (if positive) resulting from such set-off (the “**Interest Rate Swap Net Amount**”).

The Interest Rate Swap Counterparty, acting as “Agent” under the Interest Rate Swap Agreement will calculate the Interest Rate Swap Net Amount due and payable on each Payment Date on the basis of the data provided by the Management Company as set out in the definition of Notional Amount.

The Interest Rate Swap Net Amount, when payable by the Issuer, will be paid by the Issuer to the Interest Rate Swap Counterparty on the relevant Payment Date in accordance with the applicable Priority of Payments.

The Floating Amount shall, on any Payment Date in respect of the Interest Period ending on such Payment Date, be an amount equal to the product of (A) the number of days in the relevant Interest Period divided by 360, (B) the greater between: (x) zero and (y) the aggregate of (i) EURIBOR (as determined for such Interest Period ending on such Payment Date or any replacement rate as determined in accordance with the Interest Rate Swap Agreement (including, as the case may be, any Adjustment Payment or Adjustment Spread)) and (ii) the Class A Margin, both for



the relevant Interest Period and (C) the Notional Amount of the Interest Rate Swap Transaction.

If the definition, methodology, or formula for EURIBOR, or other means of calculating EURIBOR, is changed, the Floating Amount shall be calculated based on the definition, methodology, or formula, or other means of calculating EURIBOR, in accordance with the terms of the Interest Rate Swap Agreement.

The Fixed Amount shall be equal to the product of (i) the Interest Rate Swap Fixed Rate, (ii) the Notional Amount, (iii) the number of days in the relevant Interest Period (for the avoidance of doubt, in the case of the first Payment Date only, starting on the Issue Date) divided by 360, where the **"Interest Rate Swap Fixed Rate"** means the fixed rate determined on or about 23 October 2020 and not greater than 0.60% *per annum*.

#### **Retention and disclosure requirements under the Securitisation Regulation**

The Sellers have undertaken to each of the Joint-Arrangers, the Joint Lead Managers, the Management Company and the Custodian pursuant to the Class A Notes Subscription Agreement that, during the life of the Class A Notes, they shall comply with the provisions of article 6 of Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation, and amending Directives 2009/65/EC, 2009/138/EC and 2011/61/EU and Regulations (EC) No 1060/2009 and (EU) No 648/2012 (the **"Securitisation Regulation"**) and therefore retain on an ongoing basis a material net economic interest in the transaction which, in any event, shall not be less than 5 per cent.

At the Issue Date, such material net economic interest shall be retained by each Seller as originator, pursuant to option (d) of article 6(3) of the Securitisation Regulation, through the subscription of the Class B Notes in relation to the proportion of the total securitised exposures for which it is the originator (corresponding to its Contribution Ratio (adjusted to ensure that each Seller subscribes an integer number of Class B Notes)).

For further details on retention requirements, please refer to the Section of this Prospectus entitled *"REGULATORY ASPECTS – Retention Statement and information undertaking"*.

For further information on information to be made available pursuant to the Securitisation Regulation, see the sections entitled *"INFORMATION RELATING TO THE ISSUER – Securitisation Regulation Transparency Requirements"*

#### **Simple, Transparent and Standardised (STS) Securitisation**

It is the intention of the Sellers, in their capacity as originator within the meaning of Article 2(3) of the Securitisation Regulation, that the securitisation transaction described in this Prospectus qualifies as simple, transparent and standardised transaction within the meaning of Article 18 (Use of the designation 'simple, transparent and standardised securitisation') of the Securitisation Regulation. Consequently, the securitisation transaction described in this Prospectus aims to fulfil on the date of this Prospectus the requirements of articles 19 up to and including 22 of the Securitisation Regulation. The Transaction Agent acting on behalf of the Sellers, as originators, intends to submit on or about the Issue Date an STS notification to European Securities Markets Authority (ESMA) in accordance with article 27 of the Securitisation Regulation. No assurance can be provided that the securitisation transaction described in this Prospectus does or continues to qualify as an "STS" securitisation under the Securitisation Regulation at any point in time in the future. For further details please refer to the Section of this Prospectus entitled *"RISK FACTORS – Regulatory Considerations"*.

**Volcker Rule**

Please refer to the Section of this Prospectus entitled "*REGULATORY ASPECTS*".

**Eurosystem Eligibility**

The Class A Notes to be issued under the Transaction are intended to be held in a manner which will allow Eurosystem eligibility. This means that the Class A Notes to be issued under the Transaction are intended upon issue to be deposited with one of Euroclear or Clearstream, Luxembourg as common safekeeper but does not necessarily mean nor imply any guarantee that the Class A Notes will be recognised as eligible collateral for Eurosystem monetary policy and intraday credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will, *inter alia*, depend upon satisfaction of the Eurosystem eligibility criteria.

**Modifications to the Transaction****Modification of the elements contained in the Prospectus**

The Management Company may agree to any modification of the elements contained in the Prospectus, except in the case of a transfer of the management further to a withdrawal of the licence of the Management Company, in respect of which the decision is taken solely by the Custodian.

After the listing of the Class A Notes on the regulated market of Euronext in Paris (Eurolist by Euronext Paris S.A.), any event which may have an impact on the Class A Notes and any modification of characteristic elements (*éléments caractéristiques*) contained in the Prospectus shall be made public in accordance with article 223-21 of the AMF General Regulations (*Règlement Général de l'Autorité des Marchés Financiers*).

Every significant new factor, material mistake or inaccuracy relating to the information contained in the Prospectus which may have a material impact on the valuation of the Class A Notes and which arises or is noted on a date falling between the date of the visa granted by the AMF in relation to the Prospectus and the Issue Date, shall be mentioned in a supplement to the Prospectus without undue delay which, prior to its diffusion, is submitted to the approval of the *Autorité des Marchés Financiers*.

This supplement to the Prospectus shall be published on the website of the Management Company and incorporated in the next Investor Report. Any such modification will be binding with respect to the Class A Noteholders within three (3) Business Days after they have been informed thereof.

**Modification of the Transaction Documents**

The Management Company may agree, with any relevant Transaction Party, to amend or waive from time to time the provisions of the Issuer Regulations or any other Transaction Documents, *provided that*:

- (a) other than for amendments of a minor or mere technical nature or made to correct a manifest error, and, unless otherwise consented to or directed by the Noteholders (in accordance with the Conditions) and the Residual Unitholders (acting unanimously), amendments to the Issuer Regulations or to any other Transaction Documents shall be made provided that the Rating Agencies have received prior notice of any amendment and that such amendment shall not result, in the reasonable opinion of the Management Company, in the placement on "negative outlook" or as the case may be on "rating watch negative" or on "review for possible downgrade", or the downgrading or the withdrawal of any of the ratings of the Class A Notes or that such amendment limits such downgrading or avoids such withdrawal;

- (b) any Basic Terms Modification in respect of the Class A Notes shall require the prior approval of the Class A Noteholders (by a decision of the General Meeting of the Class A Noteholders or Written Resolution passed under the applicable quorum and/or majority rule or of the sole holder of the Class A Notes, as the case may be), save as otherwise provided in the Terms and Conditions of the Notes (see Condition 7 (*Meetings of the Noteholders*));
- (c) any Basic Terms Modification in respect of the Class B Notes issued by the Issuer shall require the prior approval of the Class B Noteholders (by a decision of the General Meeting of the Class B Noteholders or Written Resolution passed under the applicable quorum and/or majority rule or of the sole holder of the Class B Notes, as the case may be), save as otherwise provided in the Terms and Conditions of the Notes (see Condition 7 (*Meetings of the Noteholders*));
- (d) any Basic Terms Modification in respect of the Residual Units issued by the Issuer shall require the prior approval of the relevant Residual Unitholder(s);
- (e) subject to paragraphs (a) to (d) above, any amendments to the Issuer Regulations shall be notified to the Noteholders and the Residual Unitholder(s), it being specified that such amendments shall be, automatically and without any further formalities (*de plein droit*), enforceable as against such Noteholders and Residual Unitholder(s) within three (3) Business Days after they have been notified thereof; and
- (f) in relation to any amendment to the provisions of the Issuer Regulations, by no later than the effective date of such amendment, the Custodian has executed a new Custodian Acceptance Letter referring to the Issuer Regulations as amended or any other document in which the Custodian acknowledges and agrees to be bound to the Issuer Regulations as amended.

If it is required, in the reasonable opinion of the parties to the Transaction Documents, that the Transaction Documents be amended or supplemented after the date hereof, in order to comply with the Securitisation Regulation and/or any of its implementation measures, the parties to the Transaction Documents shall cooperate in good faith to amend and/or supplement the Transaction Documents without undue delay. Any reasonable and justified fees and expenses incurred in relation to any such amendment and/or supplement of the Transaction Documents shall be borne by BPCE.

In the case of a conflict between the interests of the holders of one Class of Notes and the holder of any other Class(es) of Notes and/or between the decisions taken by the Classes of Notes and the Residual Unitholders, the Management Company will (other than as set out in the Issuer Regulations, in particular with regards to modifications, consents and waivers) be required to have regard only to the Noteholders of the Most Senior Class of Notes Outstanding (unless such decision would result in a Basic Terms Modification in respect of another Class of Notes (including those of a junior rank) or of the Residual Units issued by the Issuer – in such a case, and unless the holders affected by such decision agree to such Basic Terms Modification, the Management Company shall not be bound to act pursuant to such decisions and shall incur no liability for such inaction) and will not have regard to any lower ranking Class of Notes nor to the interests of the Residual Unitholder except to ensure the application of the Issuer's funds in accordance with the relevant Priority of Payments.

Any modification of any of the provisions of the Transaction Documents which is made in order (a) to obtain or maintain the eligibility of the Class A Notes to the Eurosystem legal framework related to monetary policy, (b) for the Transaction to be able to qualify as a simple, transparent and standardised securitisation in accordance with the provisions of Regulation 2017/2402 of the European Parliament and of the Council dated 12 December 2017 relating to transparent and standardised securitisation transactions (the “**Securitisation Regulation**”) and the related regulatory technical standards and implementing technical standards or maintain such qualification, (c) to comply with any new requirement received from the Rating Agencies in relation to their rating methodology, (d) to comply with the LCR Delegated Regulation as amended by the provisions of Regulation 2017/2402 of the European Parliament and of the Council dated 12 December 2017 relating to transparent and standardised securitisation transactions and as further amended from time to time (the “**LCR Regulation**”) and the related regulatory technical standards and implementing technical standards, (e) to implement the changes required by or comply with government order n°2017-1432 of 4 October 2017 (*ordonnance n°2017-1432 of 4 October 2017 portant modernisation du cadre juridique de la gestion d’actifs et du financement par la dette*) (the “**2017 Order**”) as completed by two decrees n°2018-1004 and n°2018-1008 (*décrets du 19 novembre 2018 n°2018-1004 et n°2018-1008 portant modernisation du cadre juridique de la gestion d’actifs et du financement par la dette*) (the “**2018 Decrees**”) and, together with the 2017 Order, the “**OT Reform**”) (including, without limitation, (i) any amendment made to the provisions of the AMF General Regulations following the Issue Date in order to implement the OT Reform and (ii) any other text implementing or ratifying the OT Reform as will be adopted or will enter into force following the Issue Date), (f) to comply with any changes in the requirements of the CRA Regulation, (g) to enable the Class A Notes to be (or to remain) listed and admitted to trading on Euronext Paris, (h) to enable the Issuer and/or the Interest Rate Swap Counterparty to comply with any obligation which applies to it under EMIR or (i) to make such changes as are necessary to facilitate the transfer of the Interest Rate Swap Agreement to a replacement swap counterparty, in circumstances where such Interest Rate Swap Counterparty does not satisfy the applicable rating requirement or has breached its terms of appointment and subject to such replacement swap counterparty satisfying the applicable rating requirements, will not necessarily require consent from the Noteholders or the Residual Unitholders, if such modification (1) (i) does not result in the placement on “negative outlook”, “rating watch negative” or “review for possible downgrade” or the downgrading or withdrawal of any of the ratings of the Class A Notes or (ii) limits such downgrading of or avoids such withdrawal of the rating of any Class A Notes which could have otherwise occurred and (2) is not a Basic Terms Modification in respect of the Notes, provided that the Management Company shall remain entitled to consult the Noteholders and the Residual Unitholders in relation to any such modification to obtain their view on the same.

In addition, for the avoidance of doubt, notwithstanding the above provisions and notwithstanding the potential Basic Terms Modification in respect of the Class A Notes, the potential Basic Terms Modification in respect of the Class B Notes and potential Basic Terms Modification in respect of the Residual Units that would be triggered by any modification to the way of determining the Class A Notes Interest Rate implemented in accordance with the procedure set out in Condition 8(c) (*Additional right of modification without Noteholders’ consent in relation to a Benchmark Rate Modification Event*), such modification will not require to call a General Meeting of the Class A Noteholders (except in the specific circumstance provided for in such Condition) or the Class B Noteholders or to consult the Residual Unitholders.

Any amendment to the relevant Transaction Documents shall require the prior consent of the Interest Rate Swap Counterparty:

- (i) where such amendment has or could have a material adverse effect on the interests of the Interest Rate Swap Counterparty under the Interest Rate Swap Agreement or under the relevant Transaction Documents; or
- (ii) if any Funds Allocation Rules are amended.

Notwithstanding the provisions set out in the sections “Modification of the elements contained in the Prospectus” and “Modification of the Transaction Documents” above, the Management Company will, under all circumstances, act in the interest of the Noteholders and the Residual Unitholders.

**Governing Law**

The Transaction Documents, the Notes and the Residual Units will be governed by and interpreted in accordance with French Law.

**Jurisdiction**

The parties to the Transaction Documents have agreed to submit any dispute that may arise in connection with the Transaction Documents to the exclusive jurisdiction of the competent courts in commercial matters within the jurisdiction the *Cour d’Appel* of Paris.

## GENERAL DESCRIPTION OF THE ISSUER

### Legal Framework

BPCE HOME LOANS FCT 2020 is a French *fonds commun de titrisation* established by the Management Company on the Issuer Establishment Date under the laws of France. The Issuer is established in accordance with the provisions of articles L. 214-166-1 to L. 214-175, L. 214-175-1 to L. 214-175-8, L. 214-180 to L. 214-186, L. 231-7 and R. 214-217 to R. 214-235 of the French Monetary and Financial Code. The Issuer is governed by the provisions of L. 214-166-1 to L. 214-175, L. 214-175-1 to L. 214-175-8, L. 214-180 to L. 214-186, L. 231-7 and R. 214-217 to R. 214-235 of the French Monetary and Financial Code and by the Issuer Regulations.

In accordance with article L. 214-180 of the French Monetary and Financial Code, the Issuer is a co-ownership entity (*copropriété*) of receivables, and has been established as a special purpose entity, the sole purpose of which is to purchase, on the Purchase Date, Home Loans from the Sellers and issue the asset-backed securities which are the Class A Notes, Class B Notes and Residual Units.

The Issuer does not have a legal personality (*personnalité morale*) and is neither subject to the provisions of the French Civil Code relating to the rules of *indivision* (co-ownership) nor to the provisions of articles 1871 to 1873 of the French Civil Code relating to *sociétés en participation* (partnerships).

The Issuer has no place of registration, no registration number, no telephone number and no website.

The role of the Custodian may need to be amended in order to comply with the requirements of the OT Reform (including, without limitation, (i) any amendment made to the provisions of the AMF General Regulations following the Issuer Establishment Date in order to implement the OT Reform and (ii) any other text implementing or ratifying the OT Reform as will be adopted or will enter into force following the Issuer Establishment Date). The Custodian will have the obligations to comply with any new duties resulting from the OT Reform in accordance with the terms of the Issuer Regulations.

### Issuer Regulations

The Management Company will enter into, on or before the Issuer Establishment Date, the Issuer Regulations which include, among other things, the general operating rules of the Issuer, the general rules concerning the creation, the operation and the liquidation of the Issuer, the characteristics of the Purchased Home Loans purchased by the Issuer, the characteristics of the Residual Units and the Notes issued in respect of the Issuer in connection with its funding strategy, the Funds Allocations Rules (including, without limitation, the Priorities of Payments), the credit enhancement set up in relation to the Issuer, any specific third party undertakings and the respective duties, obligations, rights and responsibilities of the Management Company and of the Custodian.

In accordance with the Custodian Acceptance Letter, the Custodian has also acknowledged and agreed the provisions of the Issuer Regulations.

The Issuer Regulations are governed by French law. Any dispute regarding the establishment, the operation or the liquidation of the Issuer, the Notes and the Residual Units and the Transaction Documents will be submitted to the exclusive jurisdiction of the competent courts in commercial matters within the jurisdiction the *Cour d'Appel* of Paris.

As a matter of French law, the Noteholders and the Residual Unitholders are bound by the Issuer Regulations. A hard copy of the Issuer Regulations shall be made available for inspection by the Noteholders and Residual Unitholders free of charge during normal business hours at the registered office of the Management Company and the Custodian upon request by the Noteholders or the Residual Unitholders. An electronic version of the Issuer Regulations shall be sent by email by the Management Company upon request by the Noteholders. In addition, the Management Company shall publish the Prospectus on its website.

## **Non-Petition**

Pursuant to article L. 214-175, III of the French Monetary and Financial Code, the provisions of Book VI of the French Commercial Code (which govern insolvency proceedings in France) are not applicable to the Issuer.

## **Limited Recourse**

In accordance with article L. 214-169 II of the French Monetary and Financial Code, the Noteholders, the Residual Unitholders and the creditors which have agreed to them (*créanciers les ayant acceptés*), shall be bound by each of the Funds Allocation Rules (including, without limitation, the Priority of Payments) as set out in the Issuer Regulations, notwithstanding the opening against them of an insolvency proceeding pursuant to the provisions of Book VI of the French Commercial Code or any equivalent procedure governed by any foreign law (*procédure équivalente sur le fondement d'un droit étranger*) and such Funds Allocation Rules (including, without limitation, the Priority of Payments) shall apply even in case of liquidation of the Issuer.

In accordance with article L. 214-169 II of the French Monetary and Financial Code, the Issuer's assets may only be subject to civil proceedings (*mesures civiles d'exécution*) to the extent (*dans le respect*) of the applicable Funds Allocation Rules (including, without limitation, the applicable Priority of Payments).

In accordance with article L. 214-175, III of the French Monetary and Financial Code, the Issuer is liable for its debts (*n'est tenu de ses dettes*) to the extent of its assets (*qu'à concurrence de son actif*) and in accordance with the rank of its creditors as provided by law (*selon le rang de ses créanciers défini par la loi*) or, pursuant to article L. 214-169 II of the French Monetary and Financial Code, in accordance with the provisions of the Issuer Regulations.

Pursuant to article L. 214-183, I of the French Monetary and Financial Code, only the Management Company may enforce the rights of the Issuer against third parties. Accordingly, no Noteholder or Residual Unitholder will have the right to give any binding directions to the Management Company in relation to the exercise of any such rights or to exercise any such rights directly and in particular, the Noteholders and Residual Unitholders shall have no recourse whatsoever against the Borrowers under the Purchased Home Loans.

In addition, each party to the Transaction Documents has undertaken, to the extent that it may have any claim (including any contractual claim or action (*action en responsabilité contractuelle*)) against the Issuer the payment of which is not expressly contemplated under any applicable Funds Allocation Rules (including, without limitation, the Priority of Payments) set out in these Issuer Regulations, to waive to demand payment of any such claim as long as all Notes and Residual Units issued by the Issuer have not been repaid in full.

## **Decision binding**

In accordance with Article L. 214-169 II of the French Monetary and Financial Code, the Noteholders, the Residual Unitholders and any creditors of the Issuer and the creditors which have agreed to them (*créanciers les ayant acceptés*) will be bound by the rules governing the decisions made by the Management Company in accordance with the provisions of the Issuer Regulations and the decisions made by the Management Company on the basis of such rules.

## **Purpose of the Issuer**

The purpose of the Issuer is (i) to purchase from the Sellers Home Loans arising from Home Loan Agreements entered into with Borrowers and (ii) to issue Notes and Residual Units backed by such Home Loans.

The Issuer will not issue any further Notes or Residual Units after the Issue Date.

Information relating to the Management Company can be found in Section "DESCRIPTION OF THE RELEVANT ENTITIES – The Management Company".

## **Funding Strategy of the Issuer**

The funding strategy (*stratégie de financement*) of the Issuer is to issue on the Issue Date the Class A Notes, the Class B Notes and the Residual Units in order (i) to finance the purchase the Home Loans on that date from the Sellers in accordance with and subject to the terms of the Home Loans Purchase and Servicing Agreement and (ii) to pay on the Issue Date the Initial Swap Premium to the Interest Rate Swap Counterparty as premium in accordance with the Interest Rate Swap Agreement.

## **Hedging Strategy**

In accordance with articles R.214-217-2° and R.214-224 of the French Monetary and Financial Code and pursuant to the terms of the Issuer Regulations, the hedging strategy (*stratégie de couverture*) of the Issuer is to enter into the Interest Rate Swap Agreement to hedge the mismatch between interest rates payable under the Purchased Home Loans and the floating rate payable on the Class A Notes (see the Section entitled "*DESCRIPTION OF THE INTEREST RATE SWAP AGREEMENT*"). Aside from the Interest Rate Swap Agreement, the Issuer shall not enter into derivative contracts.

## **Limitations**

Without prejudice to the obligations and rights of the Issuer, as a matter of French law the Noteholders and Residual Unitholders have no direct recourse whatsoever toward the Borrowers (nor toward any related insurer under any insurance policies).

## **Material Contracts**

Apart from the Transaction Documents to which it is a party, the Issuer has not entered into any material contracts other than in the ordinary course of its business.

## **Financial Statements**

The Issuer has not commenced operations before the Issue Date and no financial statements have been made up as at the date of this Prospectus.

## **Litigation**

The Issuer has not been and is not involved in any litigation or arbitration proceedings that may have any material adverse effect on the financial position of the Issuer. The Issuer is not aware that any such proceedings or arbitration proceedings are imminent or threatening, which could adversely affect the Issuer's business, results of operations or financial condition.



### **Issuer Indebtedness and liabilities**

The provisional Issuer's indebtedness when it is established (taking into account, the issue of the Notes and the Residual Units on the Issue Date) will be as follows:

<b>Indebtedness (on the Issue Date, subject to, and taking into account, the issue of the Notes and the Residual Units)</b>	<b>EUR</b>
Class A Notes	1,000,000,000
Class B Notes	90,000,000
Residual Units	13,000
Total	1,090,013,000

The General Reserve Initial Cash Deposit to be credited by the Reserves Provider to the General Reserve Account on the Issuer Establishment Date will be EUR 5,000,000.

## DESCRIPTION OF THE RELEVANT ENTITIES

### THE MANAGEMENT COMPANY

France Titrisation  
1, Boulevard Haussmann  
75009 Paris  
France

#### *General*

The Management Company is France Titrisation, a *société par actions simplifiée*, whose registered office is located at 1, Boulevard Haussmann, 75009 Paris, France, registered with the Trade and Companies Registry (*Registre du commerce et des sociétés*) of Paris (France) under number 353 053 531, licensed and supervised by the AMF (*Autorité des Marchés Financiers*) as a *société de gestion de portefeuille* (portfolio management company) under number GP 14000030 and authorised to manage securitisation vehicles (*organismes de titrisation*), acting through its office located at Les Grands Moulins de Pantin, 9 rue du Débarcadère, 93500 Pantin (France).

The sole corporate purpose of France Titrisation is to manage French securitisation vehicles (*organismes de titrisation*). The Management Company is regulated, *inter alia*, under the provisions of articles L. 214-180 to L. 214-186 of the French Monetary and Financial Code and of the AMF Regulations (*Règlement général de l'Autorité des Marchés Financiers*). As of the date of this Prospectus, France Titrisation is a wholly-owned subsidiary of BNP Paribas Securities Services.

The Noteholders may obtain a copy of the financial statements of the Management Company at the Trade and Companies Registry of Paris (France).

As of the date of this Prospectus, France Titrisation had a share capital of EUR 240,160.00. The Management Company's telephone number is +33 1 40 14 57 05 and its website is [www.france-titrisation.fr](http://www.france-titrisation.fr), it being specified that the information available on such website does not form part of the Prospectus.

#### *President and Supervisory Committee of the Management Company as at the date of this Prospectus*

<i>Names</i>	<i>Function</i>	<i>Business Address</i>
Frédéric Ruet	Chairman ( <i>Président</i> )	1, Boulevard Haussmann, 75009 Paris, France
<i>Supervisory Committee (Comité de surveillance)</i>		
Paul Simon Scully	Member of the Supervisory Committee ( <i>Membre du Comité de surveillance</i> )	1, Boulevard Haussmann, 75009 Paris, France
Michel Duhourcau	Member of the Supervisory Committee ( <i>Membre du Comité de surveillance</i> )	1, Boulevard Haussmann, 75009 Paris, France
Franck Dubois	Member of the Supervisory Committee ( <i>Membre du Comité de surveillance</i> )	1, Boulevard Haussmann, 75009 Paris, France

The Noteholders may obtain a copy of the financial statements of the Management Company at the Trade and Companies Registry (*Registre du commerce et des sociétés*) of Paris (France).

#### *Role of the Management Company*

The Management Company establishes the Issuer in accordance with the provisions of article L.214-181 of the French Monetary and Financial Code and of the conditions described in the Issuer Regulations. The

Management Company represents the Issuer as against third parties, in particular in any legal action or proceedings. The Management Company is responsible for the management of the Issuer.

Pursuant to the provisions of the Issuer Regulations, the Management Company is specifically in charge of:

- (a) verifying that the payments received by the Issuer are consistent with the sums due to it with respect to the Assets Allocated to the Issuer, and, if necessary, enforcing the rights of the Issuer under the Transaction Documents;
- (b) providing all necessary information and instructions to the Custodian and/or the Account Bank in order for it to operate the Issuer Accounts in accordance with the Issuer Regulations and the Account Bank Agreement;
- (c) determining, and giving effect to, the occurrence of an Accelerated Amortisation Event, an Issuer Liquidation Event or a Servicer Termination Event and informing the Noteholders of the same without undue delay;
- (d) allocating any payment received by the Issuer in accordance with the Issuer Regulations in particular the applicable Priority of Payments and the Funds Allocation Rules;
- (e) making such determinations, estimations and calculations as are necessary to operate the Issuer in the manner, and prepare the allocations, distributions and payment instructions, provided for in the Issuer Regulations, for the purposes notably of applying the Funds Allocation Rules (including, without limitation, the relevant Priority of Payments) and notifying accordingly the relevant parties to the Transaction Documents, in particular:
  - (i) on each Interest Rate Determination Date, the Class A Notes Interest Rate in order to determine the Class A Notes Interest Amount due to the Class A Noteholders in relation to the immediately following Interest Period;
  - (ii) on each Calculation Date, determining (A) the Class B Notes Interest Amount due in respect of each Interest Period, (B) the Class A Notes Amortisation Amount and the Class B Notes Amortisation Amount, (C) the Principal Amount Outstanding of each Note (and arrears thereof);
  - (iii) on each Calculation Date, as applicable, determining (or ensuring that these amounts are determined) any Interest Rate Swap Termination Amount and/or any Replacement Swap Premium and/or any Interest Rate Swap Collateral Liquidation Amount and/or any Interest Rate Swap Collateral Account Surplus;
  - (iv) (A) within five (5) Business Days following the date on which the Specially Dedicated Account Bank is downgraded below the Account Bank Required Ratings, and (B) then on each Calculation Date, determining the Commingling Reserve Required Amount (if positive) on the basis of the latest information provided to it in the Master Servicer Report and notifying such amount to the Reserves Provider; and
  - (v) on each Calculation Date, determining the General Reserve Required Amount and the General Reserve Decrease Amount (if any);
- (f) ensuring that all allocations, distributions and payments required under the applicable Funds Allocation Rules (including, without limitation, the relevant Priority of Payments) are made in a timely manner and in accordance with such applicable Funds Allocations Rules and Priority of Payments during the Amortisation Period and, as the case may be, the Accelerated Amortisation Period, and giving appropriate instructions to the Custodian, the Account Bank, the Servicers, the Paying Agent and the Data Protection Agent for such purpose, provided that such allocations, distributions and payments shall be made only in accordance with the instructions of the Management Company, provided that no amount will be withdrawn from an Issuer Account if the relevant Issuer Account would have a debit balance as a result thereof (see Section “DESCRIPTION OF THE ISSUER ACCOUNTS”);

- (g) executing, renewing and terminating with the other Transaction Parties involved, the Transaction Documents necessary for the establishment and the operation of the Issuer;
- (h) monitoring the performance of the Issuer Regulations and any agreements to which the Management Company (acting on behalf of the Issuer) is a party and, performing the obligations expressed to be performed by the Management Company or the Issuer under such documents;
- (i) ensuring, on the basis of the information made available to it, that the Transaction Agent, the Reserves Provider, each Seller and each Servicer will comply with the provisions of the Home Loans Purchase and Servicing Agreement, the Specially Dedicated Account Bank Agreements and the Reserve Cash Deposits Agreement to which it is a party;
- (j) appointing and, if applicable, replacing the statutory auditor of the Issuer, pursuant to article L. 214-185 of the French Monetary and Financial Code;
- (k) preparing, under the supervision of the Custodian, the documents required, under article L. 214-175, articles D. 214-227 to D. 214-233 and R. 214-230 to R. 214-235 of the French Monetary and Financial Code and the other applicable laws and regulations, for the information of, if applicable, the *Autorité des Marchés Financiers*, the *Banque de France*, the Noteholders, the Residual Unitholders, the Rating Agencies and any relevant supervisory authority, securities market (such as Euronext Paris S.A.) and clearing systems (such as Euroclear France and Clearstream Banking). In particular, the Management Company shall prepare the various documents required to provide to the Noteholders and the Residual Unitholders on a regular basis the information which is required to be disclosed to them;
- (l) taking the decision to liquidate the Issuer in accordance with applicable laws and regulations and, upon any liquidation of the Issuer, releasing any Liquidation Surplus to the Residual Unitholders as payment of principal and interest under the Residual Units;
- (m) notifying (or instructing any authorised third party to notify) the Borrowers, any relevant insurance company under any Insurance Contract (if known) and Home Loan Guarantor under any Home Loan Guarantee relating to the relevant Home Loans in accordance with the provisions of the Home Loans Purchase and Servicing Agreement;
- (n) replacing (and for this purpose endeavouring to find a replacement entity for), if applicable, the Paying Agent, the Listing Agent, the Specially Dedicated Account Bank, the Data Protection Agent and/or any Servicer under the terms and conditions provided by applicable laws at the time of such replacement and the terms of the relevant Transaction Documents;
- (o) replacing (and for this purpose endeavouring to find a replacement entity within ninety (90) calendar days for), if applicable, the Interest Rate Swap Counterparty in accordance with the terms of the Interest Rate Swap Agreement and under the terms and conditions provided by applicable laws at the time of such replacement and in particular if the Interest Rate Swap Counterparty becomes insolvent, or fails to make a payment under the Interest Rate Swap Agreement when due and such failure is not remedied after the notice of such failure being given;
- (p) giving such instructions as are necessary to the Custodian and the Account Bank to ensure that each of the Issuer Accounts is credited or, as the case may be, debited in the manner described below under the Section “DESCRIPTION OF THE ISSUER ACCOUNTS – The Issuer Accounts”;
- (q) preparing and providing to the Custodian the Investor Report on each Calculation Date and, after validation by the Custodian which shall occur at the latest at 3:00 p.m. on the date falling three (3) Business Days before the immediately following Payment Date (each, an “**Investor Reporting Date**”), making available and publishing on its internet website, the Investor Report on such Investor Reporting Date;
- (r) preparing and publishing, in accordance with Section “INFORMATION RELATING TO THE ISSUER” the annual, half-yearly and any additional information in respect of the Issuer;
- (s) sending each Investor Report to Bloomberg (and if required, on any other relevant modelling platform) on each Investor Reporting Date;

- (t) on each Management Reporting Date, providing the Transaction Agent and the Custodian with the Monthly Management Report concerning the preceding Monthly Collection Period;
- (u) publishing on a website complying with paragraph (2) of article 7 of the Securitisation Regulation (or as applicable, on the relevant securitisation repository) any information required by such article 7 of the Securitisation Regulation to be provided to investors, to the competent authorities referred to in article 29 of the Securitisation Regulation and potential investors (in accordance with Section “INFORMATION RELATING TO THE ISSUER”);
- (v) controlling any evidence brought by any Servicer in relation to sums standing to the credit of its Specially Dedicated Bank Account(s) but which would correspond to amounts not owed (directly or indirectly) to the Issuer;
- (w) computing all the information and sending all relevant notifications in relation with the issuance of Notes on the Issue Date and any retransfer of Purchased Home Loans;
- (x) to the extent applicable to the Management Company or the Issuer, complying with the requirements deriving from the CRA Regulation as amended from time to time, EMIR and SFTR;
- (y) making any each FATCA and AEOI declaration required on behalf of the Issuer;
- (z) as from the date upon which the Sellers and the Transaction Agent decide to delegate such task to the Management Company and the Management Company accepts such delegation, ensuring that the loan-level data with respect to the Purchased Home Loans is made available on a quarterly basis on the EDW Website within one (1) month of each Payment Date, for as long as the loan-level data reporting requirements for asset-backed securities with respect to the Eurosystem's collateral framework is effective and to the extent such information is available to it and in the format required by the then applicable ECB rules;
- (aa) reporting the Issuer to the *Autorité des Marchés Financiers* within the month of its establishment in accordance with article 425-18 of the AMF General Regulations; and
- (bb) ensuring that at all times a custodian:
  - (i) is appointed as custodian of the Issuer;
  - (ii) within a reasonable timeframe after the entry into force of the Updated AMF Regulations, is bound to the Management Company with respect to the Issuer by a custodian agreement; and
  - (iii) is bound to the Issuer under a custodian acceptance letter in the form of the Custodian Acceptance Letter.

The Management Company may terminate all Transaction Documents if (i) the entire issue of the Notes and the Residual Units has not been completed on the Issue Date or at any later date agreed between the parties to the relevant subscription agreement or (ii) the total amount received in respect of the subscription of the Notes and the Residual Units from the corresponding subscribers is less than the sum of the Principal Component Purchase Prices of the Purchased Home Loans.

#### *Performance of the Obligations of the Management Company*

Pursuant to article L.214-175-2 II of the French Monetary and Financial Code, the Management Company shall at all times act in an honest, loyal, professional, independent manner (*de manière honnête, loyale, professionnelle, indépendante*) and, under all circumstances, act in the interest of the Issuer, the Noteholders and of the Residual Unitholders. Accordingly, the Management Company may not agree to an amendment or a waiver of a Transaction Document if the Management Company considers, in its discretion (after consulting, if it deems necessary, the Noteholders of other Classes and/or the Residual Unitholders in accordance with the applicable Conditions), that such amendment or waiver is detrimental to the interest of some of the Noteholders or the Residual Unitholders.

In general, the Management Company will give priority to the interests of the holders of the Most Senior Class of Notes Outstanding such that:

- (1) the Management Company will give priority to the interests of the Class A Noteholders in the event of a conflict between the interests of the Class A Noteholders on the one hand and the Class B Noteholders and/or the Residual Unitholder(s) on the other hand; and
- (2) if there are no Class A Notes outstanding, the Management Company will give priority to the interests of the Class B Noteholders in the event of a conflict between the interests of the Class B Noteholders on the one hand and the Residual Unitholders on the other hand,

provided always that, pursuant to Condition 7, in the case of a conflict between the interests of the holders of one Class of Notes and the holder of any other Class(es) of Notes and/or between the decisions taken by the Classes of Notes and the Residual Unitholders, the Management Company will (other than as set out in the Issuer Regulations, in particular with regards to modifications, consents and waivers) be required to have regard only to the Noteholders of the Most Senior Class of Notes Outstanding (unless such decision would result in a Basic Terms Modification in respect of another Class of Notes (including those of a junior rank) or of the Residual Units issued by the Issuer – in such a case, and unless the holders affected by such decision agree to such Basic Terms Modification, the Management Company shall not be bound to act pursuant to such decisions and shall incur no liability for such inaction) and will not have regard to any lower ranking Class of Notes nor to the interests of the Residual Unitholder except to ensure the application of the Issuer's funds in accordance with the relevant Priority of Payments.

The Management Company irrevocably waives all its rights of recourse against the Issuer with respect to the contractual liability of the Issuer. In particular, the Management Company will have no recourse against the Issuer or the Assets Allocated to the Issuer in respect of a default in the payment, for whatever reason, of the fees due to the Management Company.

#### *Delegation*

The Management Company may sub-contract or delegate all or part of its obligations with respect to the management of the Issuer or appoint any third party (other than an entity within the BPCE Group) to perform all or part of its obligations, subject to:

- (a) the Management Company arranging for the sub-contractor, the delegate, the agent or the appointee to irrevocably waive all its rights of recourse against the Issuer with respect to the contractual liability of the Issuer;
- (b) such sub-contracting, delegation, agency or appointment complying with the applicable laws and regulations;
- (c) the *Autorité des Marchés Financiers* having received prior notice, if required by the AMF General Regulations (*Règlement général de l'Autorité des Marchés Financiers*);
- (d) the Rating Agencies having received prior notice and such sub-contract, delegation, agency or appointment will not result, in the reasonable opinion of the Management Company, in the placement on “negative outlook”, or as the case may be on “rating watch negative” or “review for possible downgrade”, or the downgrading or the withdrawal of any of the ratings of the Class A Notes or that such sub-contract, delegation, agency or appointment limits such downgrading or avoids such withdrawal; and
- (e) the Custodian having been informed reasonably in advance of such sub-contract, delegation, agency or appointment and the identity of the relevant entity,

provided that notwithstanding such sub-contracting, delegation, agency or appointment, the Management Company shall continue to be bound to comply with its obligations to the Noteholders, the Residual Unitholders and the Custodian pursuant to the Issuer Regulations.

### *Substitution of the Management Company*

The cases and conditions of substitution of the Management Company are provided for in the Issuer Regulations.

### **THE CUSTODIAN**

Natixis  
30, avenue Pierre Mendès France  
75013 Paris  
France

#### *General*

The Custodian is Natixis, a *société anonyme*, incorporated under the laws of France, whose registered office is located at 30, avenue Pierre Mendès France, 75013 Paris (France), registered with the Trade and Companies Registry of Paris (France) under number 542 044 524, licensed as a credit institution (*établissement de crédit*) with the status of bank (*banque*) by the *Autorité de Contrôle Prudentiel et de Résolution* in its capacity as Custodian of the assets of the Issuer, under the Issuer Regulations.

#### *Designation of the Custodian*

Pursuant to article L. 214-175-2 of the French Monetary and Financial Code and the relevant provisions of the AMF General Regulations, Natixis has been designated by the Management Company to act as custodian of the Issuer. This designation by the Management Company has been acknowledged and agreed by Natixis pursuant to the Custodian Acceptance Letter.

#### *Duties of the Custodian*

Pursuant to the provisions of Issuer Regulations and within the framework of the Custodian Agreement, the Custodian shall:

- (a) in accordance with article L.214-175-2, I of the French Monetary and Financial Code:
  - (i) be in charge of custody (*garde*) of the Issuer's assets in accordance with the provisions of article L.214-175-4, II of the French Monetary and Financial Code and the Issuer Regulations; and
  - (ii) ascertain the regularity (*régularité*) of the decisions made by Management Company with respect to the Issuer, it being provided that the Custodian shall take all necessary and appropriate steps in the event of failure by, incapacity or wilful misconduct (*faute dolosive*) of, the Management Company to perform its duties under the Transaction Documents;
- (b) in accordance with article L. 214-175-4, I, 1° of the French Monetary and Financial Code and in accordance with the conditions which may be further provided or detailed in the updated AMF General Regulations, ensure that all payments made by Noteholders and Residual Unitholders or in their name at the time of the subscription of the relevant Notes and Residual Units have been received and that all cash has been recorded;
- (c) in accordance with article L. 214-175-4, I, 2° of the French Monetary and Financial Code and in accordance with the conditions which may be further provided or detailed in the updated AMF General Regulations, in general ensure that the Issuer's cash flows are properly monitored;
- (d) in accordance with article L. 214-175-4, II, 2° of the French Monetary and Financial Code and in accordance with the conditions which may be further provided or detailed in the Updated AMF General Regulations:
  - (i) hold the Transfer Documents;
  - (ii) hold the register of the Purchased Home Loans;

- (iii) verify the existence of the Purchased Home Loans on the basis of samples;
- (e) in accordance with article L. 214-175-4, II, 3° of the French Monetary and Financial Code and in accordance with the conditions which may be further provided or detailed in the Updated AMF General Regulations, hold the register of all other assets of the Issuer (i.e. other than the Purchased Home Loans) and control the reality of the sale or purchase of such assets of the Issuer and of any security, guarantee and ancillary rights thereto;
- (f) in accordance with to Article L. 214-175-4 III of the French Monetary and Financial Code:
  - (i) ensure that the sale, the issuance, the redemption and the cancellation of the Notes and the Residual Units carried by the Issuer or on its behalf are made in accordance with applicable laws and regulations as well as with the Issuer Regulations;
  - (ii) ensure that the computation of the value of the Notes and the Residual Units is made in accordance with applicable laws and regulations as well as with the Issuer Regulations;
  - (iii) comply with the instructions of the Management Company provided always that such instructions do not breach any applicable laws and regulations or the Issuer Regulations;
  - (iv) ensure that, in the context of any transaction relating to the assets of the Issuer, the consideration is remitted to it within the usual time limits;
  - (v) ensure that any proceeds of the Issuer will be allocated in accordance with the applicable laws and regulations as well as with the Issuer Regulations,

in each case, in accordance with the conditions which may be further provided or detailed in the updated AMF General Regulations or any other text implementing the 2017 Order;
- (g) control that the Management Company has, pursuant to Article L. 214-175 II of the French Monetary and Financial Code, no later than six (6) weeks following the end of each semi-annual period of each financial period of the Issuer, prepared an inventory report of the assets of the Issuer (*inventaire de l'actif*);
- (h) control that the Management Company has, pursuant to Article 425-15 of the AMF General Regulations, drawn up and published and subject to a verification made by the auditor of the Issuer:
  - (i) no later than four (4) months following the end of each financial period of the Issuer, the annual activity report (*compte rendu d'activité de l'exercice*) of the Issuer; and
  - (ii) no later than three (3) months following the end of the first semi-annual period of each financial period of the Issuer, the semi-annual activity report (*compte rendu d'activité semestriel*) of the Issuer;
- (i) in accordance with Article D. 214-233 of the French Monetary and Financial Code, ensure the custody of the Issuer Cash (*conservation de la trésorerie*) and ensure, on the basis of a representation (*déclaration*) of each Servicer, that such Servicer established appropriate documented custody procedures allowing the safekeeping (*garantissant la réalité*) of the Purchased Home Loans transferred by it to the Issuer, their security interest (*sûretés*) and their related ancillary rights (*accessoires*) (including the Ancillary Rights) and that such Purchased Home Loans are collected for the sole benefit of the Issuer;
- (j) in accordance with Article 323-52 of the AMF General Regulations, issue and deliver to the Management Company, no later than within seven (7) weeks following the end of each financial year of the Issuer, a statement (*attestation*) relating to the assets of the Issuer;
- (k) control that the Management Company has, pursuant to Article 425-14 of the AMF General Regulations, prepared the financial statement of the Issuer and, more generally supervise the information published by the Management Company with respect to the Issuer, save for the additional information published by the Management Company within the conditions set out in Section "INFORMATION RELATING TO THE ISSUER – Securitisation Regulation Transparency Requirements";



- (l) verify the instructions given by the Management Company to the Account Bank to debit or credit, as the case may be, the Issuer Accounts, in accordance with the provisions of the Issuer Regulations and the performance of such instructions by the Account Bank;
- (m) replace (and for this purpose endeavour to find a replacement entity for), if applicable, the Account Bank under the terms and conditions provided by applicable laws at the time of such replacement and by the Account Bank Agreement;
- (n) in its capacity as a registrar, keep and maintain the register of Class B Noteholders and Residual Unitholders; and
- (o) ensure that it has established appropriate procedures and steps in accordance with the provisions of Title VI on the obligations relating to anti-money laundering and combating financial terrorism of Book V of the French Monetary and Financial Code.

In case of a dispute arising between the Management Company and the Custodian, each of them will be able to inform the *Autorité des Marchés Financiers* and will be able, if applicable, to take all precautionary measures which it considers appropriate to protect the interests of the Noteholders and of the Residual Unitholders.

Pursuant to the provisions of the Issuer Regulations, the parties to the Transaction have acknowledged and agreed that:

- (1) although the New Custodian Rules have entered into force on 1st January 2020, the Updated AMF Regulations have neither been adopted nor published;
- (2) on 26 December 2019, the AMF confirmed in a letter addressed to the Fédération Bancaire Française that (i) it will set up a meeting to consult on the Updated AMF General Regulations with the main market participants and (ii) as a result, custodians “will benefit from a reasonable delay of several months to implement the new regime for OT custodians”; and
- (3) depending on (i) the position that may be expressed from time to time by the AMF, and the content of the implementation measures to be introduced through the Updated AMF General Regulations and (ii) generally the content of any further implementation texts that may be adopted in respect of the 2017 Order, the Issuer Regulations and the other Transaction Documents may need to be further amended and/or supplemented and the parties to the Transaction have agreed to discuss in good faith to proceed with such amendments and/or supplements. In addition, the parties to the Transaction have also acknowledged that these amendments and/or supplements may trigger an increase in the fees and costs payable by the Issuer, in particular, to the Management Company and the Custodian, provided that any increase in such fees and costs shall be discussed in good faith and shall be duly documented, and any related legal fees and costs shall be submitted to the Issuer for pre-approval.

The Management Company and the Custodian have further undertaken to each other to enter into good faith discussions with a view to conclude the Custodian Agreement (a first draft of which will be provided by the Custodian (or its advisers) to the Management Company) in accordance with the New Custodian Rules, within a reasonable timeframe after the entry into force of the Updated AMF Regulations.

#### *Performance of the obligations of the Custodian*

Pursuant to Article L. 214-175-2 II of the French Monetary and Financial Code, the Custodian shall, at all times, act in an honest, loyal, professional, independent manner (*de manière honnête, loyale, professionnelle, indépendante*) in all circumstances, in the interests of the Issuer, the Noteholders and of the Residual Unitholders. The Custodian irrevocably waives all its rights of recourse against the Issuer with respect to the contractual liability of the Issuer.

In order to allow the Custodian to perform its supervisory duties, the Management Company has undertaken to provide the Custodian with:

- (a) each Monthly Management Report and each Investor Report;

- (b) any information provided by the Sellers, the Servicers, the Transaction Agent, the Specially Dedicated Account Bank, the Account Bank and the Interest Rate Swap Counterparty pursuant to the Home Loans Purchase and Servicing Agreement, the Specially Dedicated Account Bank Agreements, the Account Bank Agreement and the Interest Rate Swap Agreement, as applicable;
- (c) any information provided by the Data Protection Agent pursuant to the Data Protection Agreement including any report relating to consistency tests performed by the Data Protection Agent and to inform the Custodian in the event that (i) the Management Company has not received any Encrypted Data File within three (3) Business Days following any Information Date; (ii) the Management Company requests the delivery of the Decryption Key to the Data Protection Agent either upon the occurrence of a Servicer Termination Event or if it reasonably considers it needs to have access to such personal data in order to protect the interest of the Noteholders and Residual Unitholders or the Issuer; (iii) a Data Default occurs; (iv) it sends a written notice to the Data Protection Agent following the occurrence of a Data Protection Agent Termination Event, in order to terminate the appointment of the Data Protection Agent and appoint a new data protection agent; or (v) the Data Protection Agent has sent to the Management Company a written notice informing it of its resignation; and
- (d) all calculations made by the Management Company on the basis of such information to make payments due with respect to the Issuer.

In addition, and more generally, the Management Company has undertaken to provide the Custodian, on first demand and before any distribution to a third party, with any information or document related to the Issuer generally in order to allow the Custodian to perform its supervision duty as described above and in the Custodian Agreement.

#### *Delegation*

The Custodian may sub-contract or delegate all or part of its obligations with respect to the Issuer or appoint any third party to perform part of its obligations, subject to:

- (i) the Custodian arranging for the sub-contractor, the delegate, the agent or the appointee to irrevocably waive all its rights of recourse against the Issuer with respect to the contractual liability of the Issuer;
- (ii) such sub-contracting, delegation, agency or appointment complying with applicable laws and regulations;
- (iii) the *Autorité des Marchés Financiers* having received prior notice to the extent required by the AMF General Regulations;
- (iv) the Rating Agencies having received prior notice and such sub-contract, delegation, agency or appointment will not result, in the reasonable opinion of the Management Company, in the placement on “negative outlook”, or as the case may be on “rating watch negative” or “review for possible downgrade”, or the downgrading or the withdrawal of any of the ratings of the Class A Notes or that the such sub-contract, delegation, agency or appointment limits such downgrading or avoids such withdrawal; and
- (v) the Management Company having previously and expressly approved such sub-contract, delegation, agency or appointment and the identity of the relevant entity, provided that such approval may not be refused without a material and justified reason and if it is exclusively in the interests of the Noteholders and of the Residual Unitholders,

*provided that:*

- (1) in any case, notwithstanding such sub-contracting, delegation, agency or appointment, the Custodian shall continue to be bound to comply with its obligations to the Noteholders, the Residual Unitholders and the Management Company pursuant to the Issuer Regulations and such subcontracting, delegation, agency or appointment shall not exonerate the Custodian from its liability;

- (2) pursuant to article 323-57 of the AMF General Regulations, the Custodian shall not sub-contract or delegate its duties with respect to monitoring the regularity (*régularité*) of the Management Company's decisions; and
- (3) pursuant to article L. 214-175-5 of the French Monetary and Financial Code, the Custodian:
  - (a) shall not delegate to any third party its obligations under Article L. 214-175-4, I and article L. 214-175-4, III of the French Monetary and Financial Code; and
  - (b) may delegate, in accordance with the relevant provisions of the AMF General Regulations, to third party the custody of the Issuer's assets referred to in article L. 214-175-4, II of the French Monetary and Financial Code, other than the task mentioned in article L. 214-175-4, II, 2° of the French Monetary and Financial Code, and always subject to the conditions set out in paragraphs (i) to (v) above and the relevant provisions of the AMF General Regulations

#### *Substitution of the Custodian*

The cases and conditions of substitution of the Custodian are provided for in the Issuer Regulations.

#### **THE SELLERS**

The Sellers are each of (i) the Banque Populaire; and (ii) the Caisse d'Epargne, acting in their capacity as seller of the Home Loans on the date of signing of the Home Loans Purchase and Servicing Agreement, where:

- (i) a ***Banque Populaire*** is each of the following entities, licensed as a credit institution (*établissement de crédit*) with the status of bank (*banque*) by the *Autorité de Contrôle Prudentiel et de Résolution* and regulated by articles L. 512-2 *et seq.* of the French Monetary and Financial Code:
  - (a) Banque Populaire Alsace Lorraine Champagne, a société anonyme coopérative de banque populaire, whose registered office is at 3, rue François de Curel, - BP 40124, 57021 Metz cedex 1, registered with the Trade and Companies Register of Metz under registration no. 356 801 571;
  - (b) Banque Populaire Aquitaine Centre Atlantique, a *société anonyme coopérative de banque populaire*, whose registered office is at 10, quai des Queyries, 33072 Bordeaux, registered with the Trade and Companies Register of Bordeaux under registration no. 755 501 590;
  - (c) Banque Populaire Auvergne Rhône Alpes, a *société anonyme coopérative de banque populaire*, whose registered office is at 4, boulevard Eugène Deruelle, 69003 Lyon, registered with the Trade and Companies Register of Lyon under registration no. 605 520 071;
  - (d) Banque Populaire Bourgogne Franche Comté, a *société anonyme coopérative de banque populaire*, whose registered office is at 14, boulevard de La Trémouille, 21000 Dijon, registered with the Trade and Companies Register of Dijon under registration no. 542 820 352;
  - (e) Banque Populaire Grand Ouest, a société anonyme coopérative de banque populaire, whose registered office is at 15, boulevard de la Boutière, 35768 Saint Gregoire Cedex, registered with the Trade and Companies Register of Rennes under registration no. 857 500 227;
  - (f) Banque Populaire Méditerranée, a *société anonyme coopérative de banque populaire*, whose registered office is at 457 Promenade des Anglais, 06200 Nice, registered with the Trade and Companies Register of Nice under registration no. 058 801 481;
  - (g) Banque Populaire du Nord, a *société anonyme coopérative de banque populaire*, whose registered office is at 847, avenue de la République, 59700 Marcq en Baroeul, registered with the Trade and Companies Register of Lille Métropole under registration no. 457 506 566;

- (h) Banque Populaire Occitane, a *société anonyme coopérative de banque populaire*, whose registered office is at 33-43, avenue Georges Pompidou, 31130 Balma, registered with the Trade and Companies Register of Toulouse under registration no. 560 801 300;
  - (i) Banque Populaire Rives de Paris, a *société anonyme coopérative de banque populaire*, whose registered office is at 76-78, avenue de France, 75013 Paris, registered with the Trade and Companies Register of Paris under registration no. 552 002 313;
  - (j) Banque Populaire du Sud, a *société anonyme coopérative de banque populaire*, whose registered office is at 38, boulevard Georges Clémenceau, 66000 Perpignan, registered with the Trade and Companies Register of Perpignan under registration no. 554 200 808; and
  - (k) Banque Populaire Val de France, a *société anonyme coopérative de banque populaire*, whose registered office is at 9, avenue Newton, 78180 Montigny le Bretonneux, registered with the Trade and Companies Register of Versailles under registration no. 549 800 373; and
- (ii) a **Caisse d'Epargne** is any of the following entities, duly licensed as a credit institution (*établissement de crédit*) with the status of bank (*banque*) by the *Autorité de Contrôle Prudentiel et de Résolution* and regulated by articles L. 512-87 *et seq.* of the French Monetary and Financial Code:
- (a) Caisse d'Epargne CEPAC, a *banque coopérative* and a *société anonyme à directoire et conseil de surveillance dénommé Conseil d'Orientation et de surveillance*, whose registered office is at Place Estrangin Pastré, BP 108, 13254 Marseille cedex 06, registered with the Trade and Companies Register of Marseille under registration no. 775 559 404; and
  - (b) Caisse d'Epargne et de Prévoyance Aquitaine Poitou-Charentes, a *banque coopérative* and a *société anonyme à directoire et conseil de surveillance dénommé Conseil d'Orientation et de surveillance*, whose registered office is at 1, Parvis Corto Maltese, 33000 Bordeaux, registered with the Trade and Companies Register of Bordeaux under registration no. 353 821 028 ;
  - (c) Caisse d'Epargne et de Prévoyance d'Auvergne et du Limousin, a *banque coopérative* and a *société anonyme à directoire et conseil de surveillance dénommé Conseil d'Orientation et de surveillance*, whose registered office is at 63, rue Montlosier, 63000 Clermont-Ferrand, registered with the Trade and Companies Register of Clermont-Ferrand under registration no. 382 742 013;
  - (d) Caisse d'Epargne et de Prévoyance de Bourgogne Franche-Comté, a *banque coopérative* and a *société anonyme à directoire et conseil de surveillance dénommé Conseil d'Orientation et de surveillance*, whose registered office is at 1, Rond Point de la Nation, 21000 Dijon, registered with the Trade and Companies Register of Dijon under registration no. 352 483 341;
  - (e) Caisse d'Epargne et de Prévoyance de Bretagne – Pays de Loire, a *banque coopérative* and a *société anonyme à directoire et conseil de surveillance dénommé Conseil d'Orientation et de surveillance*, whose registered office is at 2, place Graslin, CS 10305, 44003 Nantes Cedex 1, registered with the Trade and Companies Register of Nantes under registration no. 392 640 090;
  - (f) Caisse d'Epargne et de Prévoyance Côte d'Azur, cooperative bank (*banque coopérative*), a *société anonyme à directoire et conseil de surveillance* referred to as "Conseil d'Orientation et de surveillance", whose registered office is at 455, promenade des Anglais, 06200 Nice, registered with the Trade and Companies Register of Nice under registration no. 384 402 871;
  - (g) Caisse d'Epargne et de Prévoyance Grand Est Europe, a *banque coopérative* and a *société anonyme à directoire et conseil de surveillance dénommé Conseil d'Orientation et de surveillance*, whose registered office is at 1, avenue du Rhin, 67100 Strasbourg, registered with the Trade and Companies Register of Strasbourg under registration no. 775 618 622;
  - (h) Caisse d'Epargne et de Prévoyance Hauts de France, a *banque coopérative* and a *société anonyme à directoire et conseil de surveillance dénommé Conseil d'Orientation et de*

*surveillance*, whose registered office is at 135, Pont de Flandres, 59777 Euralille, registered with the Trade and Companies Register of Lille Métropole under registration no. 383 000 692;

- (i) Caisse d'Epargne et de Prévoyance Ile-de-France, a *banque coopérative* and a *société anonyme à directoire et conseil de surveillance dénommé Conseil d'Orientation et de surveillance*, whose registered office is at 19, rue du Louvre, 75001 Paris, registered with the Trade and Companies Register of Paris under registration no. 382 900 942;
- (j) Caisse d'Epargne et de Prévoyance du Languedoc Roussillon, a *banque coopérative* and a *société anonyme à directoire et conseil de surveillance dénommé Conseil d'Orientation et de surveillance*, whose registered office is at Zone d'Activités Commerciales d'Alco, 254 rue Michel Teule, 34000 Montpellier, registered with the Trade and Companies Register of Montpellier under registration no. 383 451 267;
- (k) Caisse d'Epargne et de Prévoyance Loire-Centre, a *banque coopérative* and a *société anonyme à directoire et conseil de surveillance dénommé Conseil d'Orientation et de surveillance*, whose registered office is at 7, rue d'Escures, 45000 Orleans, registered with the Trade and Companies Register of Orleans under registration no. 383 952 470
- (l) Caisse d'Epargne et de Prévoyance de Loire Drôme Ardèche, a *banque coopérative* and a *société anonyme à directoire et conseil de surveillance dénommé Conseil d'Orientation et de surveillance*, whose registered office is at 17, rue des Frères Ponchardier, Espace Fauriel, 42100 St Etienne, registered with the Trade and Companies Register of St Etienne under registration no. 383 686 839;
- (m) Caisse d'Epargne et de Prévoyance de Midi Pyrénées, a *banque coopérative* and a *société anonyme à directoire et conseil de surveillance dénommé Conseil d'Orientation et de surveillance*, whose registered office is at 10, avenue James Clerk Maxwell, 31100 Toulouse, registered with the Trade and Companies Register of Toulouse under registration no. 383 354 594;
- (n) Caisse d'Epargne et de Prévoyance Normandie, a *banque coopérative* and a *société anonyme à directoire et conseil de surveillance dénommé Conseil d'Orientation et de surveillance*, whose registered office is at 151, rue d'Uelzen, 76230 Bois-Guillaume, registered with the Trade and Companies Register of Rouen under registration no. 384 353 413;
- (o) Caisse d'Epargne et de Prévoyance de Rhône Alpes, a *banque coopérative* and a *société anonyme à directoire et conseil de surveillance dénommé Conseil d'Orientation et de surveillance*, whose registered office is at 116 Cours Lafayette, 69003 Lyon, registered with the Trade and Companies Register of Lyon under registration no. 384 006 029.

On the Purchase Date, the Sellers will sell Home Loans to the Issuer in accordance with the Home Loans Purchase and Servicing Agreement.

For further details on the Sellers, please refer to Section “Description of the BPCE Group, the Transaction Agent, the Reserves Provider, the Sellers and the Servicers”.

## **THE SERVICERS**

The Servicers are each of the Sellers, appointed by the Management Company, with the prior approval of the Custodian, as servicer of the Purchased Home Loans transferred by it to the Issuer under the Home Loans Purchase and Servicing Agreement in accordance with the provisions of article L. 214-172 of the French Monetary and Financial Code.

For further details on the Servicers, please refer to Sections “Description of the BPCE Group, the Transaction Agent, the Reserves Provider, the Sellers and the Servicers” and “Description of certain Transaction Documents – II Servicing of the Home Loans”.

## **THE TRANSACTION AGENT**

BPCE  
50, avenue Pierre Mendès France  
75013 Paris  
France

The Transaction Agent is BPCE, a *société anonyme à directoire et conseil de surveillance*, whose registered office is located at 50, avenue Pierre Mendès France, 75013 Paris (France), registered with the Trade and Companies Registry of Paris (France) under number 493 455 042, licensed as a credit institution (*établissement de crédit*) with the status of bank (*banque*) by the *Autorité de Contrôle Prudentiel et de Résolution*.

The Transaction Agent has been appointed by each Seller and each Servicer as its agent (*mandataire*) in relation to the provision of certain services pursuant to the provisions of the Home Loans Purchase and Servicing Agreement.

For further details on the Transaction Agent, please refer to Section “Description of certain Transaction Documents – III Transaction Agent”.

## **THE SPECIALLY DEDICATED ACCOUNT BANK**

BPCE  
50, avenue Pierre Mendès France  
75013 Paris  
France

The Specially Dedicated Account Bank is BPCE, a *société anonyme à directoire et conseil de surveillance*, whose registered office is located at 50, avenue Pierre Mendès France, 75013 Paris (France), registered with the Trade and Companies Registry of Paris (France) under number 493 455 042, licensed as a credit institution (*établissement de crédit*) with the status of bank (*banque*) by the *Autorité de Contrôle Prudentiel et de Résolution*.

The Specially Dedicated Account Bank is the bank in the books of which each Specially Dedicated Bank Account is opened in the name of each Servicer in accordance with articles L. 214-173 and D. 214-228 of the French Monetary and Financial Code and pursuant to the terms of the relevant Specially Dedicated Account Bank Agreement.

For further details on the Specially Dedicated Account Bank, please refer to Section “SPECIALLY DEDICATED ACCOUNT BANK AGREEMENT” below.

## **THE ACCOUNT BANK**

BPCE  
50, avenue Pierre Mendès France  
75013 Paris  
France

The Account Bank is BPCE, a *société anonyme à directoire et conseil de surveillance*, whose registered office is located at 50, avenue Pierre Mendès France, 75013 Paris (France), registered with the Trade and Companies Registry of Paris (France) under number 493 455 042, licensed as a credit institution (*établissement de crédit*) with the status of bank (*banque*) by the *Autorité de Contrôle Prudentiel et de Résolution*.

The Account Bank is the credit institution in the books of which the Management Company has opened the Issuer Accounts under the responsibility of the Custodian, pursuant to the provisions of the Account Bank Agreement.

## **THE PAYING AGENT**

BNP Paribas Securities Services  
3, rue d'Antin  
75002 Paris  
France

The Paying Agent is BNP Paribas Securities Services, a French *société en commandite par actions*, whose registered office is located at 3, rue d'Antin, 75002 Paris (France), registered with the Trade and Companies Registry of Paris (France) under number 552 108 011, licensed as a credit institution (*établissement de crédit*) with the status of bank (*banque*) by the *Autorité de Contrôle Prudentiel et de Résolution*, acting through its office located at Les Grands Moulins de Pantin, 9 rue du Débarcadère, 93500 Pantin (France).

The Paying Agent has been appointed by the Management Company, with the prior approval of the Custodian to (i) make the payment, on the Payment Dates, of the amount of principal and interest due to the Class A Noteholders pursuant to the provisions of the Paying Agency Agreement and, as the case may be, (ii) perform the administrative servicing (*service titre*) of any registered account in respect of the relevant Class A Notes if a Class A Noteholder requests that the relevant Class A Notes it has subscribed be in the registered form.

## **THE DATA PROTECTION AGENT**

BNP Paribas Securities Services  
3, rue d'Antin  
75002 Paris  
France

The Data Protection Agent is BNP Paribas Securities Services, a French *société en commandite par actions*, whose registered office is located at 3, rue d'Antin, 75002 Paris (France), registered with the Trade and Companies Registry of Paris (France) under number 552 108 011, licensed as a credit institution (*établissement de crédit*) with the status of bank (*banque*) by the *Autorité de Contrôle Prudentiel et de Résolution*, acting through its office located at 3-5-7 rue du General Compans, 93500 Pantin (France).

## **THE INTEREST RATE SWAP COUNTERPARTY**

Natixis  
30, avenue Pierre Mendès France  
75013 Paris  
France

The Interest Rate Swap Counterparty is Natixis, a *société anonyme*, incorporated under the laws of France, whose registered office is located at 30, avenue Pierre Mendès France, 75013 Paris (France), registered with the Trade and Companies Registry of Paris (France) under number 542 044 524, licensed as a credit institution (*établissement de crédit*) with the status of bank (*banque*) by the *Autorité de Contrôle Prudentiel et de Résolution*.

## **THE JOINT ARRANGERS**

BPCE  
50, avenue Pierre Mendès France  
75013 Paris  
France

Natixis  
30, avenue Pierre Mendès France  
75013 Paris  
France

#### **THE JOINT LEAD MANAGERS**

Natixis  
30, avenue Pierre Mendès France  
75013 Paris  
France

BofA Securities  
2 King Edward Street  
London EC1A 1HQ  
United Kingdom

#### **THE STATUTORY AUDITOR OF THE ISSUER**

Mazars  
61 rue Henri Regnault  
92075 La Défense Cedex  
France

In accordance with article L. 214-185 of the French Monetary and Financial Code and following approval by the *Autorité des Marchés Financiers*, the statutory auditor of the Issuer is appointed by the Management Company. It will inform the *Autorité des Marchés Financiers* and the Management Company of any irregularities and errors that it discovers in the course of its duties. It will verify the semi-annual and annual information given to the Noteholders and the Residual Unitholders by the Management Company.

#### **THE RATING AGENCIES**

Fitch Ratings Ireland Limited – Succursale française  
60 rue de Monceau  
75008 Paris  
France

Moody's France SAS  
96 Boulevard Haussmann  
75008 Paris  
France

#### **The Listing Agent**

BNP Paribas Securities Services  
3, rue d'Antin  
75002 Paris

#### **The Legal Adviser to the Joint Arrangers**

Orrick Herrington & Sutcliffe (Europe) LLP  
31 avenue Pierre 1er de Serbie  
75016 Paris  
France

#### **The Legal Adviser to the Joint Lead Managers and the Interest Rate Swap Counterparty**

Jones Day  
2 Rue Saint-Florentin  
75001 Paris  
France



## APPLICATION OF FUNDS

### FUNDS ALLOCATION RULES

Pursuant to the Issuer Regulations, the Management Company make appropriate calculation and give appropriate instructions to the Custodian and the Account Bank in order to ensure that all allocations, distributions and payments required under the rules pertaining to the Funds Allocation Rules (*règles d'affectation de sommes reçues par l'organisme*) set out in the Issuer Regulations, including without limitation, the Priorities of Payments, are made in a timely manner and in accordance with such Funds Allocation Rules and Priority of Payments during the Amortisation Period and, as the case may be, the Accelerated Amortisation Period and on the Issuer Liquidation Date.

### PRIORITY OF PAYMENTS DURING THE AMORTISATION PERIOD

On each Payment Date falling within the Amortisation Period, the Management Company shall apply the Available Distribution Amount standing to the credit of the General Account (and calculated on the Calculation Date preceding such Payment Date), towards the following payments or provisions in the following order of priority but in each case only to the extent that all payments or provisions of a higher priority due to be paid or provided for on such Payment Date have been made in full:

- (1) payment on a *pro rata* basis and *pari passu* basis of the Issuer Expenses then due and payable by the Issuer to each relevant creditor;
- (2) payment to the Interest Rate Swap Counterparty of the Interest Rate Swap Net Amount due and payable by the Issuer (if any) and/or of any Interest Rate Swap Senior Termination Payment due and payable by the Issuer (if any) ;
- (3) payment *pari passu* and *pro rata* of the Class A Notes Interest Amount then due and payable in respect of the Class A Notes;
- (4) transfer into the General Reserve Account of an amount being equal to the General Reserve Required Amount applicable on such Payment Date;
- (5) payment of the Class A Notes Amortisation Amount then due and payable in respect of each Class A Note, until the full and definitive redemption of the Class A Notes;
- (6) if a Servicer Termination Event referred to in paragraph (h) of the definition of “Servicer Termination Event” has occurred and is continuing, transfer into the Commingling Reserve Account with the necessary amount in order for the Commingling Reserve to be at least equal to the Commingling Reserve Required Amount applicable on the previous Settlement Date;
- (7) payment *pari passu* and *pro rata* of the Class B Notes Interest Amount then due and payable in respect of the Class B Notes;
- (8) payment to the Reserves Provider of the General Reserve Decrease Amount (if positive), as repayment of the General Reserve Cash Deposit not otherwise repaid;
- (9) payment to the Sellers (or as the case may be to the Transaction Agent, on behalf of each relevant Seller) of the Interest Component Purchase Price due and remaining unpaid on such Payment Date;
- (10) only once the Class A Notes have been redeemed in full, payment of the Class B Notes Amortisation Amount then due and payable in respect of each Class B Notes, until the full and definitive redemption of the Class B Notes;
- (11) payment to the Interest Rate Swap Counterparty of the Interest Rate Swap Subordinated Termination Payment due and payable by the Issuer (if any);

- (12) payment on *pari passu* and *pro rata* basis of any reasonable and duly documented fees and expenses (other than the Issuer Expenses) as well as any indemnities as the case may be incurred by the Issuer in connection with the operation of the Issuer pursuant to the relevant terms of the Transaction Documents and then due and payable by the Issuer to the relevant creditors; and
- (13) payment of the remaining credit balance of the General Account to the Residual Unitholders, on *pari passu* and *pro rata* basis, as interest under the Residual Units.

**PRIORITY OF PAYMENTS DURING THE ACCELERATED AMORTISATION PERIOD AND ON THE ISSUER LIQUIDATION DATE**

On any Payment Date falling within the Accelerated Amortisation Period, and on the Issuer Liquidation Date, the Management Company shall apply the Available Distribution Amount standing to the credit balance of the General Account as calculated on the Calculation Date preceding such Payment Date, towards the following payments or provisions in the following order of priority but in each case only to the extent that all payments or provisions of a higher priority due to be paid or provided for on such Payment Date have been made in full:

- (1) payment on a *pro rata* basis and *pari passu* basis of the Issuer Expenses then due and payable by the Issuer to each relevant creditor;
- (2) payment of the Interest Rate Swap Net Amount due and payable by the Issuer to the Interest Rate Swap Counterparty (if any) and/or of any Interest Rate Swap Senior Termination Payment then due and payable to the relevant Interest Rate Swap Counterparty under the Interest Rate Swap Agreement;
- (3) payment *pari passu* and *pro rata* of the Class A Notes Interest Amount then due and payable in respect of the Class A Notes;
- (4) payment of the Class A Notes Amortisation Amount then due and payable in respect of each Class A Note, until the full and definitive redemption of the Class A Notes;
- (5) repayment to the Reserves Provider of any part of the General Reserve Cash Deposit not otherwise repaid;
- (6) only once the Class A Notes have been redeemed in full, payment *pari passu* and *pro rata* of the Class B Notes Interest Amount then due and payable in respect of the Class B Notes;
- (7) payment to the Sellers (or, as the case may be, to the Transaction Agent, on behalf of each relevant Seller) of the Interest Component Purchase Price due and remaining unpaid on such Payment Date;
- (8) payment of the Class B Notes Amortisation Amount then due and payable in respect of each Class B Notes, until the full and definitive redemption of the Class B Notes;
- (9) payment of any Interest Rate Swap Subordinated Termination Payment then due and payable;
- (10) payment on *pari passu* and *pro rata* basis of any reasonable and duly documented fees and expenses (other than the Issuer Expenses) as well as any indemnities as the case may be incurred by the Issuer in connection with the operation of the Issuer pursuant to the relevant terms of the Transaction Documents and then due and payable by the Issuer to the relevant creditors; and
- (11) on the Issuer Liquidation Date, repayment to the Residual Unitholders of the nominal amount of the Residual Units and payment on a *pro rata* basis of the Liquidation Surplus.

**DEFERRAL**

If on any applicable Payment Date, the Available Distribution Amount is not sufficient to pay, transfer or redeem any amount then due and payable (including, without limitation, any amount of principal or interest in respect of any class of Notes) or to be transferred or to be redeemed, such unpaid amount shall constitute arrears which will become due and payable by the Issuer on the next following Payment Date, at the same rank, but in

priority to the payment of the amounts of same nature in the applicable Priority of Payments and to the extent of the Available Distribution Amount. Such unpaid amount will not accrue default interest until full payment. For the avoidance of doubt, the failure by the Issuer to pay in full any amount of interest due and payable on the Class A Notes in accordance with the Conditions, where non-payment continues for a period of five (5) Business Days, will constitute an Accelerated Amortisation Event.

#### **PAYMENTS OUTSIDE THE PRIORITIES OF PAYMENTS**

The Management Company shall make the following payments on any relevant date (which does not need to be a Payment Date) whenever applicable from the relevant Issuer Account:

- (1) payment by the Issuer to the Transaction Agent (on behalf of the Sellers) on the Initial Establishment Date of the Principal Component Purchase Price of the Home Loans purchased by the Issuer (to the extent, as the case may be, not paid by way of set-off);
- (2) payment by the Issuer to the Interest Rate Swap Counterparty on the Issue Date of the Initial Swap Premium;
- (3) repayment to the relevant Seller of the collections received by the Issuer (if any) in relation to the relevant Purchased Home Loans from and including the Determination Date immediately preceding the date of rescission or indemnification;
- (4) repayment to the relevant Seller of the collections received by the Issuer (if any) in relation to the relevant Purchased Home Loans from and including the Determination Date immediately preceding the relevant Re-transfer Date;
- (5) repayment by the Issuer to the Reserve Provider on each Payment Date of any Commingling Reserve Decrease Amount (if any);
- (6) payment by the Issuer to the Reserve Provider on each Settlement Date of any positive remuneration of the Issuer Cash standing on the Commingling Reserve Account and the General Reserve Account (if any); and
- (7) repayment by the Issuer to the Interest Rate Swap Counterparty on any Payment Date of any amount of collateral in accordance with the Interest Rate Swap Agreement; and
- (8) payment by the Issuer to the replacement Interest Rate Swap Counterparty of any Replacement Swap Premium in accordance with the provisions set out in Sub-section “Allocation in case of early termination of Interest Rate Swap Agreement” below.

#### **RETURN OF SWAP COLLATERAL**

On any Payment Date, any amount of collateral credited to the Interest Rate Swap Collateral Accounts due to be retransferred by the Issuer to the Interest Rate Swap Counterparty, pursuant to the terms and conditions of the Interest Rate Swap Agreement will be transferred directly to the Interest Rate Swap Counterparty, outside of any Priority of Payments (subject to the paragraph below).

#### **ALLOCATIONS IN CASE OF EARLY TERMINATION OF THE INTEREST RATE SWAP AGREEMENT**

In case of early termination of the Interest Rate Swap Agreement, if an Interest Rate Swap Termination Amount is owed by the Interest Rate Swap Counterparty to the Issuer, any amount received from the Interest Rate Swap Counterparty upon such termination, and, as the case may be, the Interest Rate Swap Collateral Liquidation Amount, shall be applied by the Management Company as follows:

- (a) up to the Interest Rate Swap Termination Amount:

- (i) to pay any Replacement Swap Premium to any replacement Interest Rate Swap, such payment being made outside any Priority of Payments, and provided that any remaining part of such amounts (as the case may be) after such payment shall form part of the Available Distribution Amount; or
  - (ii) if, in the opinion of the Management Company acting in the interest of the Noteholders and the Residual Unitholders, such amounts will not be used to pay any Replacement Swap Premium to any replacement Interest Rate Swap Counterparty but shall form part of the Available Distribution Amount; and
- (b) any Interest Rate Swap Collateral Account Surplus shall form part of the Available Distribution Amount.

#### **MASTER SERVICER REPORT DELIVERY FAILURE**

In the event of a Master Servicer Report Delivery Failure, the Management Company will make any calculations that are necessary to make payments in accordance with the relevant Priority of Payments applicable on the following Payment Date, on the basis of the latest information received from the Servicers or the Transaction Agent, as applicable. In particular:

- (a) the Outstanding Principal Balance of the Performing Home Loans as at the Determination Date preceding such Calculation Date; and
- (b) the Available Collections arisen during the Quarterly Collection Period preceding such Calculation Date,

will be determined on the basis of the last Master Servicer Report received, including the last available amortisation schedule contained in such Master Servicer Report and using, as prepayment default and recovery rates assumptions, the average prepayment rates, default rates and recovery rates calculated by the Management Company on the basis of the last three (3) available Master Servicer Reports delivered to the Management Company, provided that upon receipt of the relevant Master Servicer Report, the Management Company shall reconcile the calculations and the actual collections, determine the applicable regularisation amount and adjust the amounts to be paid to the Class A Noteholders, the Class B Noteholders, the Residual Unitholders and the Interest Rate Swap Counterparty (as the case may be) on the next applicable Payment Date(s).

## DESCRIPTION OF THE NOTES AND THE RESIDUAL UNITS

### TRANSFERABLE SECURITIES AND FINANCIAL INSTRUMENTS

The Notes and the Residual Units are (i) transferable securities (*valeurs mobilières*) within the meaning of article L. 211-2 of the French Monetary and Financial Code and (ii) financial instruments (*instruments financiers*) within the meaning of article L. 211-1 of the French Monetary and Financial Code. The Notes are bonds (*obligations*) within the meaning of article L. 213-5 of the French Monetary and Financial Code. The Residual Units are units (*parts*) within the meaning of article L. 214-169 of the French Monetary and Financial Code.

### BOOK-ENTRY SECURITIES AND REGISTRATION

The Notes and the Residual Units are issued in book entry form (*dématérialisées*). No physical documents of title will be issued in respect of the Notes or the Residual Units.

The Class A Notes will, upon issue, be registered in the books of Euroclear France (acting as central depository) which shall (i) be admitted to the operations of Euroclear France (acting as central depository) which shall credit the accounts of Account Holders affiliated with Euroclear France and (ii) be admitted in the Clearing Systems. In this paragraph, “**Account Holder**” shall mean any investment services provider, including Clearstream Banking, société anonyme (“**Clearstream Banking**”) and Euroclear Bank S.A./N.V. (“**Euroclear Bank S.A./N.V.**”).

### TRANSFER

Title to the Class A Notes passes upon the credit of those Class A Notes to an account of an intermediary affiliated with the Clearing Systems. The transfer of the Class A Notes in registered form shall become effective in respect of the Issuer and third parties by way of transfer from the transferor’s account to the transferee’s account following the delivery of a transfer order (*ordre de mouvement*) signed by the transferor or its agent. Any fee in connection with such transfer shall be borne by the transferee unless agreed otherwise by the transferor and the transferee.

Title to the Class B Notes shall at all times be evidenced by entries in the register of the Custodian, in its capacity as registrar, and a transfer of such Class B Notes may only be effected through registration of the transfer in such register.

Title to the Residual Units shall at all times be evidenced by entries in the register of the Custodian, in its capacity as registrar, and a transfer of such Residual Units may only be effected through registration of the transfer in such register.

### REGULATORY CAPITAL TREATMENT OF THE CLASS A NOTES

All subscribers or prospective purchasers of Class A Notes are responsible for obtaining information on the accounting and regulatory capital consequences of such subscription or purchase, and of the holding and the transfer of Class A Notes under French law or under any other legal framework which may apply (see Sections “SUBSCRIPTION AND SALE” and “REGULATORY ASPECTS”).

### ISSUE AND LISTING

In accordance with the Issuer Regulations, on the Issue Date, the Issuer shall issue the Class A Notes, the Class B Notes and the Residual Units.

The Class A Notes to be issued under the Transaction will be listed on the regulated market of Euronext in Paris (Euronext Paris).

The Class B Notes and the Residual Units will not be listed.

The estimate of the total expenses related to admission to trading on the regulated market of Euronext in Paris (Euronext Paris) of the Class A Notes to be issued on the Issue Date is equal to EUR 17,500 (taxes excluded). Such expenses will be paid by the Transaction Agent on behalf of the Sellers.

## **PLACEMENT AND SUBSCRIPTION**

The Class A Notes must be sold in accordance with and subject to the selling restrictions set out in the Section “SUBSCRIPTION AND SALE” of this Prospectus and any other applicable laws and regulations.

The Class B Notes will be subscribed by each of the Sellers in a proportion corresponding to its Contribution Ratio (adjusted to ensure that each Seller subscribes an integer number of Class B Notes and the Residual Units will be subscribed by a special purpose vehicle (the “**Residual Units Subscriber**”), the sole purpose of which is to subscribe the Residual Units and issue several categories of financial instruments. Pursuant to the Class A Notes Subscription Agreement, each Seller (i) has represented to the Management Company, the Custodian, the Issuer, the Joint Arrangers and the Joint Lead Managers that the Residual Units will be subscribed on the Issuer Establishment Date by the Residual Units Subscriber and that each of the categories of financial instruments issued by the Residual Units Subscriber will be entirely subscribed by one of the Sellers, and will give right to the excess spread specifically computed in relation to the part of the Purchased Home Loans assigned by that Seller to the Issuer, and (ii) has undertaken to subscribe for, and hold until redemption in full of the Class A Notes, all instruments issued by such special purpose vehicle, in respect of the category corresponding to that Seller.

## **RATING**

### **Class A Notes**

It is a condition precedent to the issuance of the Class A Notes on the Issue Date that the Class A Notes are assigned an AAA(sf) rating by Fitch and an Aaa (sf) rating by Moody's.

There is no assurance that any such ratings will continue for any period of time or that they will not be reviewed, revised, qualified, suspended or withdrawn entirely by either or both of the Rating Agencies as a result of changes in or unavailability of information or if, in the judgment of the Rating Agencies, circumstances so warrant. If the ratings initially assigned to the Class A Notes by the Rating Agencies are subsequently lowered, qualified, suspended or withdrawn, for any reason, no person or entity is obliged to provide any additional support or credit enhancement to the Class A Notes and the market value of the Class A Notes may be adversely affected and/or the ability of the holders of Class A Notes to sell such Class A Notes may be adversely affected. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the Rating Agencies. As of 14 November 2019, “Fitch Ratings Ireland Limited – Succursale française” and “Moody's France SAS” are registered under the CRA Regulation 1060/2009/EC of the European Parliament and the Council of 16 September 2009 on credit rating agencies, as amended pursuant to Regulation 513/2011/EU of the European Parliament and the Council of 11 May 2011 and to Regulation 462/2013/EU of the European Parliament and of the Council of 21 May 2013 (the “**CRA Regulation**”) according to the list published by the European Securities and Markets Authority on its website (<http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>).

### **Rating Procedure**

The principles governing the rating procedure of the Class A Notes are defined in APPENDIX II of this Prospectus.

## **PAYING AGENCY AGREEMENT**

According to the provisions of the Paying Agency Agreement, provision is made for, amongst other things, the payment of principal and interest in respect of the Class A Notes by the Paying Agent.

## DESCRIPTION OF THE ASSETS ALLOCATED TO THE ISSUER

### GENERAL CHARACTERISTICS OF THE ASSETS ALLOCATED TO THE ISSUER

The Assets Allocated to the Issuer by the Management Company mainly comprise all Home Loans assigned to the Issuer on the Purchase Date by the Sellers pursuant to the terms of the Home Loans Purchase and Servicing Agreement and which have not been retransferred, or been the subject of a transfer rescission (the “**Purchased Home Loans**”) and any Ancillary Rights attached to the Purchased Home Loans.

The Assets Allocated to the Issuer by the Management Company also include:

- (a) any amounts standing from time to time to the credit of the Issuer Accounts (excluding the Interest Rate Swap Collateral Accounts); and
- (b) any other rights transferred or attributed to the Issuer under the terms of the Transaction Documents.

### ALLOCATION OF THE CASH FLOWS GENERATED BY THE ASSETS ALLOCATED TO THE ISSUER

The cash flows generated by the Assets Allocated to the Issuer are allocated by the Management Company exclusively to the payment of all amounts due by the Issuer, pursuant to the applicable Funds Allocation Rules (including, without limitation, the relevant Priority of Payments).

### RETRANSFER OF HOME LOANS AND RESCISSION OF ASSIGNMENT

Pursuant to articles L. 214-169 and L. 214-183 of the French Monetary and Financial Code, the Issuer may assign the Purchased Home Loans only:

- (a) if it is in the interest of the Noteholders and the Residual Unitholders and such Purchased Home Loans have become entirely due (*échues*) or have been entirely accelerated (*déchues de leur terme*), according to the provisions of the Home Loans Purchase and Servicing Agreement (see Section “DESCRIPTION OF CERTAIN TRANSACTION DOCUMENTS”);
- (b) if any Seller has exercised its option to repurchase certain Purchased Home Loans which raise management and/or operational issues according to the provisions of the Home Loans Purchase and Servicing Agreement (see Section “DESCRIPTION OF CERTAIN TRANSACTION DOCUMENTS”);
- (c) if any Servicer enters into any Commercial Renegotiation which is not a Permitted Amendment (see Section “DESCRIPTION OF CERTAIN TRANSACTION DOCUMENTS”);
- (d) in the case of liquidation of the Issuer (see Section “LIQUIDATION OF THE ISSUER, CLEAN-UP OFFER AND RE-PURCHASE OF THE RECEIVABLES AND THE RESERVES CASH DEPOSIT AGREEMENT”).

Pursuant to the Home Loans Purchase and Servicing Agreement, the assignment of Home Loans may be rescinded in case of non-conformity of the Home Loans with the Home Loan Eligibility Criteria (see Section “DESCRIPTION OF CERTAIN TRANSACTION DOCUMENTS – Failure to conform and remedies”).

## INFORMATION RELATING TO THE PROVISIONAL PORTFOLIO OF HOME LOANS

### General

The following section sets out the aggregated information relating to the provisional portfolio of Home Loans complying with the Home Loan Eligibility Criteria selected by the Sellers as at the close of business on 31 July 2020.

The size of the selected portfolio will be smaller than the size of the provisional portfolio due to *inter alia* (i) the application of the Home Loan Eligibility Criteria and the Portfolio Conditions as at the Selection Date, (ii) the scheduled payment and prepayments made in respect of such Home Loans between 31 July 2020 and the Selection Date and (iii) the alignment of the size of the selected portfolio with the nominal amount of the Class A Notes, Class B Notes and the Residual Units to be issued on the Issue Date. The information contained in this section will not be updated to reflect any decrease in the size of the Portfolio of Purchased Home Loans from that of the provisional portfolio.

### Homogeneity

The provisional portfolio satisfies the homogeneous conditions of Article 1(a), (b), (c) and (d) of the Commission Delegated Regulation (EU) 2019/1851 of 28 May 2019 supplementing Regulation (EU) 2017/2402 of the European Parliament and of the Council with regard to regulatory technical standards on the homogeneity of the underlying exposures in securitisation (the ***Homogeneity Commission Delegated Regulation***). The Home Loans of the provisional portfolio (i) have been underwritten according to similar underwriting standards which apply similar approaches to the assessment of credit risk associated with the Home Loans and without prejudice to Article 9(1) of the Securitisation Regulation (as described in Section “ORIGINATION AND UNDERWRITING PROCEDURES (CREDIT GUIDELINES)” of this Prospectus) (ii) are serviced according to similar servicing procedures with respect to monitoring, collection and administration of Home Loans (as described in Section “SERVICING PROCEDURES”), (iii) fall within the same asset category, being that of “residential loans secured with one or several mortgages on residential immovable property or residential loans fully guaranteed by an eligible protection provider among those referred to in Article 201(1) of Regulation (EU) No 575/2013 qualifying for the credit quality step 2 or above as set out in Part Three, Title II, Chapter 2 of that Regulation” and (iv) are homogeneous with reference to the homogeneity factors set forth in article 2(1)(c) of the Homogeneity Commission Delegated Regulation, since, in accordance with the Home Loan Eligibility Criteria (g), the Home Loans were granted to finance the acquisition, renovation, building or refinancing of one (1) sole property located in France, being the main residence (*résidence principale*) of that Borrower; and therefore “in one jurisdiction only” for the purposes of said article 2(1)(c).

### External verification of a sample of Home Loans

Article 22(2) of Securitisation Regulation requires that: “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.” On 12 December 2018 the European Banking Authority issued guidance on the STS criteria for non-ABCP securitisation stating that, for the purposes of Article 22(2) of Regulation (EU) 2017/2402, confirmation that this verification has occurred and that no significant adverse findings have been found should be disclosed.

Accordingly, an independent third party has performed on or about September 2020 an agreed upon procedures review on a statistically sample randomly selected out of the Sellers eligible home loans pool (in existence on 30 April 2020) in the framework of this securitisation transaction. The size of the sample has been determined on the basis of a confidence level of 99% and a maximum accepted error rate of 1%. The pool agreed-upon procedures review includes (i) the review of 33 loan characteristics of the sample of selected Home Loans as of 30 April 2020, which include but are not limited to the outstanding principal amount, the interest rate, the loan purpose, the occupancy type, the country of the property, the security type, the original valuation amount of the property, the guarantor name, the originator name, the instalment amount, the maturity date and the borrower’s debt ratio and (ii) the compliance of the provisional portfolio with certain eligibility criteria as of 31 July 2020 disclosed in Section “STATISTICAL INFORMATION RELATING TO THE PROVISIONAL PORTFOLIO OF HOME LOANS”. This independent third party has also performed agreed upon procedures in order to re-calculate: (i) the projections of weighted average life of the Class A Notes set out in Section “WEIGHTED AVERAGE LIFE



OF THE CLASS A NOTES AND ASSUMPTIONS” and (ii) the stratification tables disclosed in Section “INFORMATION RELATING TO THE PROVISIONAL PORTFOLIO OF HOME LOANS” in respect of the exposures of the provisional portfolio, and to verify the accuracy of these two relevant sections. The third party undertaking the review has reported the factual findings to the parties to the engagement letter. The third party undertaking the review only accepts a duty of care to the parties to the engagement letters governing the performance of the agreed upon procedures and to the fullest extent permitted by law shall have no responsibility to anyone else in respect of the work it has performed or the reports it has produced save where terms are expressly agreed.

The Sellers have confirmed in the Home Loans Purchase and Servicing Agreement that no significant adverse findings have been found by such third party during its review.

### **Statistical Information relating to the provisional portfolio of Home Loans**

On 31 July 2020 and for the purposes of this Prospectus, the provisional portfolio comprised 12,240 Home Loan Agreements for an aggregate Outstanding Principal Balance of EUR 1,248,412,242. The average Outstanding Principal Balance by Home Loan Agreement of the provisional portfolio was EUR 101,994, a weighted average seasoning of the selected Home Loan Agreements (as of their date of origination) of 46.3 months and a weighted average remaining term to maturity of 221.5 months, all weighted average being weighted by the Outstanding Principal Balance of the selected receivables.

The statistical information set out in the following tables shows the characteristics of the provisional portfolio of Home Loan Agreements selected by the Sellers on close of business on 31 July 2020 (columns of percentages may not add up to 100% due to rounding). The Home Loans arising from the Home Loan Agreements of the provisional portfolio complied on such date with the Home Loan Eligibility Criteria set out in the section “DESCRIPTION OF CERTAIN TRANSACTION DOCUMENTS”.

The portfolio of the Home Loans to be transferred by the Sellers to the Issuer on the Purchase Date will be selected, firstly, among this provisional portfolio in a manner that will not be adverse to the Issuer and so that the selected portfolio will comply with the Home Loan Eligibility Criteria as at the Selection Date, as the case may be, the relevant date specified in the Home Loan Eligibility Criteria and the Portfolio Condition as at the Selection Date. Secondly, if the size of the provisional portfolio meeting the Home Loan Eligibility Criteria and the Portfolio Condition is not at least equal to the expected Principal Outstanding Balance of the Notes as at the Issue Date, additional receivables will be randomly selected on the Selection Date from a pool of receivables complying with the Home Loan Eligibility Criteria and the Portfolio Condition and selected in accordance with the same methodology as the provisional portfolio. Therefore, the characteristics of the Purchased Home Loans on the Issuer Establishment Date may differ from the provisional portfolio of the receivables selected on 31 July 2020 due to inter alia scheduled payments and prepayments, delinquencies and defaults. The composition of the portfolio of Purchased Home Loans will change after the Issuer Establishment Date as a result of the amortisation of the Purchased Home Loans, any prepayments, any losses related to the Purchased Home Loans, any retransfer or rescission of Purchased Home Loans or renegotiations entered into by the Servicer in accordance with the Servicing Procedures.

These differences could result in faster or slower repayments or greater losses on the Notes than what would have been the case based on the portfolio of Purchased Home Loans as of the Issuer Establishment Date.

The Investor Reports (with a description of the Purchased Home Loans) are and will be published by the Management Company on its website ([www.france-titrisation.fr](http://www.france-titrisation.fr)).

## Provisional Portfolio Summary

Total Outstanding Principal Balance	1,248,412,242
Number of Home Loans	12,240
Number of households	11,444
Average Outstanding Principal Balance	101,994
Maximum Outstanding Principal Balance	946,870
WA Debt-To-Income ratio (Total / Guaranteed Loan / First Lien Mortgage Loan)	31.24% / 31.04% / 32.29%
WA Original LTV (Total / Guaranteed Loan / First Lien Mortgage Loan)	91.58% / 91.71% / 90.86%
WA Current LTV (Total / Guaranteed Loan / First Lien Mortgage Loan)	77.62% / 77.92% / 75.99%
WA Current indexed LTV (Total / Guaranteed Loan / First Lien Mortgage Loan)	68.97% / 69.13% / 68.14%
WA Interest Rate	2.1%
WA Seasoning (months)	46.3
WA Remaining Term (months)	221.5
% Monthly Payment Frequency	100.0%
% Fixed Interest Rate	100.0%
% Defaulted / Delinquent	0.0% / 0.0%
% Interest only	0.0%
% Owner-occupied	100.0%
% Self-certified	0.0%
% Individuals	100.0%
% Security Type (Guaranteed Home Loan / First Lien Mortgage Home Loan)	84.14% / 15.86%
% Amortising	100.0%
% Annuity	100.0%

## Statistical information

Originator	Nb. Of Home Loans	% Of Home Loans	Outstanding Principal Balance	% Outstanding Principal Balance	Cumulated percentage	WA Interest Rate (%)	WA Seasoning (months)	WA Remaining Term (months)
<b>Banque Populaire</b>	<b>3,828</b>	<b>31.27%</b>	<b>484,028,364</b>	<b>38.8%</b>	<b>38.8%</b>	<b>2.0%</b>	<b>42.8</b>	<b>234.9</b>
Banque Populaire Aquitaine Centre Atlantique	411	3.4%	52,599,978	4.2%	4.2%	2.0%	43.2	237.0
Banque Populaire Alsace Lorraine Champagne	458	3.7%	61,375,652	4.9%	9.1%	1.9%	40.5	228.8
Banque Populaire Auvergne Rhône Alpes	624	5.1%	77,660,376	6.2%	15.4%	2.0%	48.4	232.1
Banque Populaire Bourgogne Franche Comté	447	3.7%	45,035,278	3.6%	19.0%	2.1%	46.2	231.3
Banque Populaire Méditerranée	158	1.3%	21,405,793	1.7%	20.7%	2.0%	34.7	241.7
Banque Populaire du Nord	305	2.5%	37,750,856	3.0%	23.7%	2.1%	43.5	221.4
Banque Populaire Grand Ouest	519	4.2%	51,803,983	4.1%	27.8%	2.0%	43.9	227.9
Banque Populaire Occitane	221	1.8%	29,060,258	2.3%	30.2%	2.0%	45.6	231.5
Banque Populaire Rives de Paris	413	3.4%	72,261,680	5.8%	36.0%	2.0%	40.3	246.6
Banque Populaire du Sud	116	0.9%	11,627,387	0.9%	36.9%	2.0%	37.9	243.3
Banque Populaire Val de France	156	1.3%	23,447,123	1.9%	38.8%	2.0%	33.4	257.1
<b>Caisse D'Epargne</b>	<b>8,412</b>	<b>68.73%</b>	<b>764,383,878</b>	<b>61.2%</b>	<b>100.0%</b>	<b>2.1%</b>	<b>48.5</b>	<b>213.1</b>
Caisse d'Epargne et de Prévoyance Aquitaine Poitou-Charentes	623	5.1%	49,898,413	4.0%	42.8%	2.1%	52.4	208.1
Caisse d'Epargne et de Prévoyance de Bourgogne Franche-Comté	304	2.5%	27,080,280	2.2%	44.9%	2.0%	47.0	227.2
Caisse d'Epargne et de Prévoyance de Bretagne – Pays de Loire	1,093	8.9%	67,481,875	5.4%	50.3%	2.1%	63.1	167.8
Caisse d'Epargne et de Prévoyance Côte d'Azur	302	2.5%	35,681,438	2.9%	53.2%	2.1%	45.5	233.4
Caisse d'Epargne et de Prévoyance de Grand Est	667	5.4%	59,727,534	4.8%	58.0%	2.1%	52.5	209.7
Caisse d'Epargne et de Prévoyance Hauts de France	886	7.2%	87,871,643	7.0%	65.0%	2.1%	48.4	212.5
Caisse d'Epargne et de Prévoyance Ile-de-France	949	7.8%	138,682,967	11.1%	76.1%	2.1%	35.3	248.9
Caisse d'Epargne et de Prévoyance Loire-Centre	392	3.2%	32,722,561	2.6%	78.8%	2.1%	52.0	213.4
Caisse d'Epargne et de Prévoyance de Loire Drôme Ardèche	267	2.2%	21,482,057	1.7%	80.5%	2.1%	53.8	201.6
CELR Caisse d'Epargne et de Prévoyance du Languedoc Roussillon	280	2.3%	29,973,779	2.4%	82.9%	2.0%	39.9	238.4
Caisse d'Epargne et de Prévoyance de Midi Pyrénées	365	3.0%	28,395,995	2.3%	85.2%	2.1%	48.6	197.4
Caisse d'Epargne et de Prévoyance Normandie	522	4.3%	41,738,375	3.3%	88.5%	2.1%	45.5	212.4
Caisse d'Epargne CEPAC	458	3.7%	45,932,951	3.7%	92.2%	2.1%	43.5	227.4
Caisse d'Epargne et de Prévoyance d'Auvergne et du Limousin	284	2.3%	21,128,896	1.7%	93.9%	2.1%	53.1	204.5
Caisse d'Epargne et de Prévoyance de Rhône Alpes	1,020	8.3%	76,585,115	6.1%	100.0%	2.2%	59.9	173.3
<b>Total</b>	<b>12,240</b>	<b>100.0%</b>	<b>1,248,412,242</b>	<b>100.0%</b>	<b>100.0%</b>	<b>2.1%</b>	<b>46.3</b>	<b>221.5</b>

Original Principal Balance	Nb. Of Home Loans	% Of Home Loans	Outstanding Principal Balance	% Outstanding Principal Balance	Cumulated percentage	WA Interest Rate (%)	WA Seasoning (months)	WA Remaining Term (months)
[ 0 ; 50,000 [	1,281	10.5%	28,551,754	2.3%	2.3%	2.2%	58.6	140.7
[ 50,000 ; 75,000 [	1,649	13.5%	78,258,608	6.3%	8.6%	2.1%	56.1	170.1
[ 75,000 ; 100,000 [	2,091	17.1%	148,437,408	11.9%	20.4%	2.1%	50.5	198.5
[ 100,000 ; 150,000 [	3,892	31.8%	404,689,027	32.4%	52.9%	2.1%	46.7	221.3
[ 150,000 ; 200,000 [	1,947	15.9%	285,210,749	22.8%	75.7%	2.0%	44.7	232.9
[ 200,000 ; 250,000 [	850	6.9%	162,647,809	13.0%	88.7%	2.0%	42.8	240.6
[ 250,000 ; 500,000 [	516	4.2%	133,098,722	10.7%	99.4%	2.0%	40.0	246.5
[ 500,000 ; 750,000 [	12	0.1%	5,786,316	0.5%	99.9%	2.0%	46.8	233.7
[ 750,000 ; 1,000,000 [	1	0.0%	784,980	0.1%	99.9%	2.2%	45.0	255.2
Equal or over 1,000,000	1	0.0%	946,870	0.1%	100.0%	1.8%	17.8	282.4
<b>Total</b>	<b>12,240</b>	<b>100.0%</b>	<b>1,248,412,242</b>	<b>100.0%</b>	<b>100.0%</b>	<b>2.1%</b>	<b>46.3</b>	<b>221.5</b>
<b>Min</b>	<b>1,000</b>							
<b>Max</b>	<b>1,200,000</b>							
<b>Average</b>	<b>121,757</b>							
Outstanding Principal Balance	Nb. Of Home Loans	% Of Home Loans	Outstanding Principal Balance	% Outstanding Principal Balance	Cumulated percentage	WA Interest Rate (%)	WA Seasoning (months)	WA Remaining Term (months)
[ 0 ; 50,000 [	2,400	19.6%	68,713,240	5.5%	5.5%	2.2%	64.0	116.5
[ 50,000 ; 75,000 [	1,966	16.1%	123,682,156	9.9%	15.4%	2.1%	57.7	175.5
[ 75,000 ; 100,000 [	2,287	18.7%	199,861,598	16.0%	31.4%	2.1%	51.4	205.8
[ 100,000 ; 150,000 [	3,381	27.6%	412,208,636	33.0%	64.4%	2.1%	45.5	230.1
[ 150,000 ; 200,000 [	1,380	11.3%	236,993,952	19.0%	83.4%	2.0%	40.9	245.0
[ 200,000 ; 250,000 [	535	4.4%	117,938,422	9.4%	92.9%	2.0%	37.2	253.7
[ 250,000 ; 500,000 [	282	2.3%	83,520,925	6.7%	99.6%	2.0%	35.2	256.8
[ 500,000 ; 750,000 [	7	0.1%	3,761,463	0.3%	99.9%	2.0%	41.9	258.5
[ 750,000 ; 1,000,000 [	2	0.0%	1,731,850	0.1%	100.0%	1.9%	30.2	270.0
Equal or over 1,000,000	0	0.0%	0	0.0%	100.0%	-	-	-
<b>Total</b>	<b>12,240</b>	<b>100.0%</b>	<b>1,248,412,242</b>	<b>100.0%</b>	<b>100.0%</b>	<b>2.1%</b>	<b>46.3</b>	<b>221.5</b>
<b>Min</b>	<b>871.87</b>							
<b>Max</b>	<b>946,870</b>							
<b>Average</b>	<b>101,994</b>							

Original Loan Term (months)	Nb. Of Home Loans	% Of Home Loans	Outstanding Principal Balance	% Outstanding Principal Balance	Cumulated percentage	WA Interest Rate (%)	WA Seasoning (months)	WA Remaining Term (months)
[ 1 ; 12 [	0	0.0%	0	0.0%	0.0%	0.0%	0.0	0.0
[ 12 ; 24 [	0	0.0%	0	0.0%	0.0%	0.0%	0.0	0.0
[ 24 ; 36 [	0	0.0%	0	0.0%	0.0%	0.0%	0.0	0.0
[ 36 ; 48 [	2	0.0%	8,444	0.0%	0.0%	1.8%	30.7	14.0
[ 48 ; 60 [	3	0.0%	29,245	0.0%	0.0%	1.8%	36.4	13.8
[ 60 ; 72 [	11	0.1%	138,799	0.0%	0.0%	1.9%	48.5	17.0
[ 72 ; 84 [	27	0.2%	346,393	0.0%	0.0%	1.9%	55.3	22.2
[ 84 ; 96 [	106	0.9%	1,546,734	0.1%	0.2%	2.0%	60.6	26.5
[ 96 ; 108 [	108	0.9%	2,184,462	0.2%	0.3%	2.1%	65.6	34.8
[ 108 ; 120 [	135	1.1%	3,917,442	0.3%	0.7%	2.1%	64.7	48.2
[ 120 ; 180 [	1,436	11.7%	66,810,008	5.4%	6.0%	2.1%	63.5	86.9
[ 180 ; 240 [	2,267	18.5%	170,716,684	13.7%	19.7%	2.1%	59.7	144.2
[ 240 ; 300 [	2,955	24.1%	314,654,862	25.2%	44.9%	2.1%	52.0	208.6
[ 300 ; 360 [	5,190	42.4%	688,059,168	55.1%	100.0%	2.1%	38.5	261.9
Equal or over 360	0	0.0%	0	0.0%	100.0%	0.0%	0.0	0.0
<b>Total</b>	<b>12,240</b>	<b>100.0%</b>	<b>1,248,412,242</b>	<b>100.0%</b>	<b>100.0%</b>	<b>2.1%</b>	<b>46.3</b>	<b>221.5</b>
<b>Min</b>	<b>43.99</b>							
<b>Max</b>	<b>333.24</b>							
<b>Average</b>	<b>246.76</b>							
<b>Weighted Average</b>	<b>267.84</b>							

Seasoning (months)	Nb. Of Home Loans	% Of Home Loans	Outstanding Principal Balance	% Outstanding Principal Balance	Cumulated percentage	WA Interest Rate (%)	WA Seasoning (months)	WA Remaining Term (months)
[ 1 ; 12 [	359	2.9%	52,309,496	4.2%	4.2%	1.9%	6.9	289.1
[ 12 ; 24 [	837	6.8%	111,978,034	9.0%	13.2%	1.9%	18.5	272.2
[ 24 ; 36 [	2,187	17.9%	286,011,906	22.9%	36.1%	1.9%	31.1	257.6
[ 36 ; 48 [	2,332	19.1%	266,201,112	21.3%	57.4%	2.0%	41.8	239.6
[ 48 ; 60 [	3,165	25.9%	290,904,897	23.3%	80.7%	2.1%	53.9	190.1
[ 60 ; 72 [	1,555	12.7%	115,036,930	9.2%	89.9%	2.2%	64.5	165.7
[ 72 ; 84 [	593	4.8%	40,850,455	3.3%	93.2%	2.2%	78.4	160.1
[ 84 ; 96 [	345	2.8%	25,095,137	2.0%	95.2%	2.3%	88.8	156.9
[ 96 ; 108 [	324	2.6%	22,788,003	1.8%	97.0%	2.5%	103.0	155.0
[ 108 ; 120 [	288	2.4%	20,971,932	1.7%	98.7%	2.4%	113.8	143.3
[ 120 ; 180 [	255	2.1%	16,264,340	1.3%	100.0%	2.4%	128.2	132.7
Equal or over 180	0	0.0%	0	0.0%	100.0%	0.0%	0.0	0.0
<b>Total</b>	<b>12,240</b>	<b>100.0%</b>	<b>1,248,412,242</b>	<b>100.0%</b>	<b>100.0%</b>	<b>2.1%</b>	<b>46.3</b>	<b>221.5</b>
<b>Min</b>	<b>3.95</b>							
<b>Max</b>	<b>138.90</b>							
<b>Average</b>	<b>51.63</b>							
<b>Weighted Average</b>	<b>46.30</b>							

Remaining Term (months)	Nb. Of Home Loans	% Of Home Loans	Outstanding Principal Balance	% Outstanding Principal Balance	Cumulated percentage	WA Interest Rate (%)	WA Seasoning (months)	WA Remaining Term (months)
[ 1 ; 12 [	53	0.4%	372,960	0.0%	0.0%	2.5%	87.4	9.9
[ 12 ; 24 [	144	1.2%	1,744,181	0.1%	0.2%	2.3%	79.2	17.7
[ 24 ; 36 [	156	1.3%	2,855,566	0.2%	0.4%	2.2%	78.2	30.2
[ 36 ; 48 [	170	1.4%	4,572,722	0.4%	0.8%	2.3%	82.3	42.1
[ 48 ; 60 [	302	2.5%	10,069,255	0.8%	1.6%	2.1%	78.5	54.4
[ 60 ; 72 [	293	2.4%	11,629,962	0.9%	2.5%	2.1%	72.3	65.5
[ 72 ; 84 [	241	2.0%	10,759,819	0.9%	3.4%	2.1%	74.4	77.9
[ 84 ; 96 [	278	2.3%	15,233,430	1.2%	4.6%	2.1%	69.6	89.8
[ 96 ; 108 [	241	2.0%	15,066,697	1.2%	5.8%	2.1%	75.3	101.9
[ 108 ; 120 [	402	3.3%	26,389,380	2.1%	7.9%	2.1%	68.4	114.8
[ 120 ; 180 [	2,180	17.8%	177,807,735	14.2%	22.1%	2.1%	66.1	150.3
[ 180 ; 240 [	2,719	22.2%	285,490,863	22.9%	45.0%	2.1%	54.7	206.8
[ 240 ; 300 [	5,061	41.3%	686,419,672	55.0%	100.0%	2.0%	33.8	265.7
Equal or over 300	0	0.0%	0	0.0%	100.0%	0.0%	0.0	0.0
<b>Total</b>	<b>12,240</b>	<b>100.0%</b>	<b>1,248,412,242</b>	<b>100.0%</b>	<b>100.0%</b>	<b>2.1%</b>	<b>46.3</b>	<b>221.5</b>
<b>Min</b>	<b>8.15</b>							
<b>Max</b>	<b>296.19</b>							
<b>Average</b>	<b>195.13</b>							
<b>Weighted Average</b>	<b>221.54</b>							

Year of Loan Origination	Nb. Of Home Loans	% Of Home Loans	Outstanding Principal Balance	% Outstanding Principal Balance	Cumulated percentage	WA Interest Rate (%)	WA Seasoning (months)	WA Remaining Term (months)
2009	151	1.2%	9,117,285	0.7%	0.7%	2.4%	132.0	127.5
2010	218	1.8%	15,287,565	1.2%	2.0%	2.5%	120.2	139.7
2011	352	2.9%	24,207,141	1.9%	3.9%	2.4%	109.0	146.5
2012	253	2.1%	19,528,463	1.6%	5.5%	2.4%	97.2	159.0
2013	509	4.2%	37,723,358	3.0%	8.5%	2.3%	83.9	156.8
2014	705	5.8%	45,713,454	3.7%	12.1%	2.3%	72.0	162.5
2015	2,490	20.3%	207,330,833	16.6%	28.7%	2.2%	60.1	173.1
2016	2,886	23.6%	285,626,235	22.9%	51.6%	2.1%	49.2	210.6
2017	2,415	19.7%	302,734,576	24.2%	75.9%	2.0%	36.3	250.3
2018	1,463	12.0%	187,883,237	15.0%	90.9%	1.9%	26.3	263.5
2019	577	4.7%	79,226,002	6.3%	97.3%	1.9%	14.3	278.6
2020	221	1.8%	34,034,092	2.7%	100.0%	1.8%	5.4	291.1
<b>Total</b>	<b>12,240</b>	<b>100.0%</b>	<b>1,248,412,242</b>	<b>100.0%</b>	<b>100.0%</b>	<b>2.1%</b>	<b>46.3</b>	<b>221.5</b>



Payment Due	Nb. Of Home Loans	% Of Home Loans	Outstanding Principal Balance	% Outstanding Principal Balance	Cumulated percentage	WA Interest Rate (%)	WA Seasoning (months)	WA Remaining Term (months)
[ 0 ; 300 [	1,671	13.7%	76,315,181	6.1%	6.1%	2.2%	50.4	215.4
[ 300 ; 400 [	1,193	9.7%	72,737,821	5.8%	11.9%	2.1%	47.6	214.9
[ 400 ; 500 [	1,625	13.3%	122,445,184	9.8%	21.7%	2.1%	44.7	224.3
[ 500 ; 600 [	1,770	14.5%	158,876,016	12.7%	34.5%	2.0%	43.6	224.6
[ 600 ; 700 [	1,587	13.0%	164,624,766	13.2%	47.7%	2.0%	45.0	225.2
[ 700 ; 800 [	1,290	10.5%	151,355,252	12.1%	59.8%	2.0%	45.4	223.7
[ 800 ; 900 [	939	7.7%	122,241,309	9.8%	69.6%	2.0%	47.5	220.7
[ 900 ; 1000 [	689	5.6%	100,041,025	8.0%	77.6%	2.1%	48.5	219.6
[ 1000 ; 1250 [	944	7.7%	161,711,504	13.0%	90.5%	2.0%	46.5	222.7
[ 1250 ; 1500 [	318	2.6%	64,360,035	5.2%	95.7%	2.1%	46.7	219.6
Equal or over 1500	214	1.7%	53,704,150	4.3%	100.0%	2.0%	49.0	211.0
<b>Total</b>	<b>12,240</b>	<b>100.0%</b>	<b>1,248,412,242</b>	<b>100.0%</b>	<b>100.0%</b>	<b>2.1%</b>	<b>46.3</b>	<b>221.5</b>
<b>Average</b>	<b>635.14</b>							
<b>Weighted Average</b>	<b>782.73</b>							

Current Interest Rate	Nb. Of Home Loans	% Of Home Loans	Outstanding Principal Balance	% Outstanding Principal Balance	Cumulated percentage	WA Interest Rate (%)	WA Seasoning (months)	WA Remaining Term (months)
[ 0 ; 2% [	5,448	44.5%	598,136,087	47.9%	47.9%	1.8%	38.2	231.7
[ 2% ; 2.25% [	3,934	32.1%	405,629,557	32.5%	80.4%	2.1%	48.2	215.6
[ 2.25% ; 2.5% [	1,601	13.1%	148,231,632	11.9%	92.3%	2.3%	57.6	208.3
[ 2.5% ; 2.75% [	719	5.9%	61,241,078	4.9%	97.2%	2.6%	64.3	212.4
[ 2.75% ; 3% [	204	1.7%	14,955,945	1.2%	98.4%	2.8%	70.0	207.8
[ 3% ; 4% [	271	2.2%	16,639,500	1.3%	99.7%	3.4%	90.2	174.6
Equal or over 4%	63	0.5%	3,578,443	0.3%	100.0%	4.3%	107.7	169.3
<b>Total</b>	<b>12,240</b>	<b>100.0%</b>	<b>1,248,412,242</b>	<b>100.0%</b>	<b>100.0%</b>	<b>2.1%</b>	<b>46.3</b>	<b>221.5</b>
<b>Min</b>	<b>1.75%</b>							
<b>Max</b>	<b>5.68%</b>							
<b>Average</b>	<b>2.10%</b>							
<b>Weighted Average</b>	<b>2.06%</b>							
<b>Loan Purpose</b>	<b>Nb. Of Home Loans</b>	<b>% Of Home Loans</b>	<b>Outstanding Principal Balance</b>	<b>% Outstanding Principal Balance</b>	<b>Cumulated percentage</b>	<b>WA Interest Rate (%)</b>	<b>WA Seasoning (months)</b>	<b>WA Remaining Term (months)</b>

Purchase	8,313	67.9%	913,150,170	73.1%	73.1%	2.1%	44.9	231.8
Remortgage	2,723	22.2%	238,082,061	19.1%	92.2%	2.1%	52.2	183.1
Construction	721	5.9%	78,080,619	6.3%	98.5%	2.0%	44.5	229.7
Renovation	483	3.9%	19,099,392	1.5%	100.0%	2.1%	46.2	175.4
<b>Total</b>	<b>12,240</b>	<b>100.0%</b>	<b>1,248,412,242</b>	<b>100.0%</b>	<b>100.0%</b>	<b>2.1%</b>	<b>46.3</b>	<b>221.5</b>

Security Type : "Total"

Original LTV	Nb. Of Home Loans	% Of Home Loans	Outstanding Principal Balance	% Outstanding Principal Balance	Cumulated percentage	WA Interest Rate (%)	WA Seasoning (months)	WA Remaining Term (months)
[ 0% ; 10% [	6	0.0%	46,201	0.0%	0.0%	2.2%	54.6	105.3
[ 10% ; 20% [	36	0.3%	778,320	0.1%	0.1%	2.0%	53.2	116.6
[ 20% ; 30% [	97	0.8%	3,328,847	0.3%	0.3%	2.2%	63.9	128.9
[ 30% ; 40% [	157	1.3%	8,806,742	0.7%	1.0%	2.1%	54.7	160.2
[ 40% ; 50% [	233	1.9%	16,370,646	1.3%	2.3%	2.1%	51.9	182.3
[ 50% ; 60% [	360	2.9%	28,940,259	2.3%	4.7%	2.1%	52.7	194.8
[ 60% ; 70% [	477	3.9%	43,293,675	3.5%	8.1%	2.1%	49.2	210.1
[ 70% ; 80% [	754	6.2%	79,195,810	6.3%	14.5%	2.1%	47.8	219.5
[ 80% ; 90% [	1,242	10.1%	141,793,342	11.4%	25.8%	2.0%	44.0	232.6
[ 90% ; 100% [	3,423	28.0%	420,461,132	33.7%	59.5%	2.0%	41.3	240.1
[ 100% ; 110% [	5,455	44.6%	505,397,268	40.5%	100.0%	2.1%	49.8	209.0
Equal or over 110%	0	0.0%	0	0.0%	100.0%	-	-	-
<b>Total</b>	<b>12,240</b>	<b>100.0%</b>	<b>1,248,412,242</b>	<b>100.0%</b>	<b>100.0%</b>	<b>2.1%</b>	<b>46.3</b>	<b>221.5</b>
<b>Min</b>	<b>4.0%</b>							
<b>Max</b>	<b>108.0%</b>							
<b>Average</b>	<b>90.4%</b>							
<b>Weighted Average</b>	<b>91.6%</b>							

Security Type : "First Lien Mortgage Loan"

Original LTV	Nb. Of Home Loans	% Of Home Loans	Outstanding Principal Balance	% Outstanding Principal Balance	Cumulated percentage	WA Interest Rate (%)	WA Seasoning (months)	WA Remaining Term (months)
[ 0% ; 10% [	0	0.0%	0	0.0%	0.0%	-	-	-
[ 10% ; 20% [	3	0.2%	117,006	0.1%	0.1%	2.1%	59.2	101.9
[ 20% ; 30% [	16	0.9%	738,039	0.4%	0.4%	2.5%	77.6	116.0
[ 30% ; 40% [	20	1.1%	1,908,152	1.0%	1.4%	2.1%	58.4	170.0
[ 40% ; 50% [	29	1.7%	2,351,261	1.2%	2.6%	2.3%	59.8	168.9
[ 50% ; 60% [	33	1.9%	3,252,007	1.6%	4.2%	2.0%	55.0	187.7
[ 60% ; 70% [	63	3.6%	7,411,751	3.7%	8.0%	2.1%	59.7	195.7
[ 70% ; 80% [	103	5.9%	12,909,275	6.5%	14.5%	2.1%	54.4	209.3
[ 80% ; 90% [	196	11.2%	24,301,556	12.3%	26.8%	2.1%	50.1	220.1
[ 90% ; 100% [	615	35.0%	78,778,138	39.8%	66.6%	2.2%	50.8	227.7
[ 100% ; 110% [	678	38.6%	66,228,327	33.4%	100.0%	2.2%	60.4	206.8
Equal or over 110%	0	0.0%	0	0.0%	100.0%	-	-	-
<b>Total</b>	<b>1,756</b>	<b>100.0%</b>	<b>197,995,509</b>	<b>100.0%</b>	<b>100.0%</b>	<b>2.2%</b>	<b>54.8</b>	<b>215.0</b>
<b>Min</b>	<b>17.0%</b>							
<b>Max</b>	<b>105.0%</b>							
<b>Average</b>	<b>90.6%</b>							
<b>Weighted Average</b>	<b>90.9%</b>							

Security Type : "Guaranteed Loan"

Original LTV	Nb. Of Home Loans	% Of Home Loans	Outstanding Principal Balance	% Outstanding Principal Balance	Cumulated percentage	WA Interest Rate (%)	WA Seasoning (months)	WA Remaining Term (months)
[ 0% ; 10% [	6	0.1%	46,201	0.0%	0.0%	2.2%	54.6	105.3
[ 10% ; 20% [	33	0.3%	661,314	0.1%	0.1%	2.0%	52.2	119.2
[ 20% ; 30% [	81	0.8%	2,590,809	0.2%	0.3%	2.1%	60.0	132.6
[ 30% ; 40% [	137	1.3%	6,898,591	0.7%	1.0%	2.1%	53.7	157.4
[ 40% ; 50% [	204	1.9%	14,019,385	1.3%	2.3%	2.0%	50.6	184.6
[ 50% ; 60% [	327	3.1%	25,688,253	2.4%	4.8%	2.1%	52.4	195.7
[ 60% ; 70% [	414	3.9%	35,881,924	3.4%	8.2%	2.1%	47.0	213.0
[ 70% ; 80% [	651	6.2%	66,286,534	6.3%	14.5%	2.1%	46.5	221.5
[ 80% ; 90% [	1,046	10.0%	117,491,787	11.2%	25.7%	2.0%	42.7	235.2
[ 90% ; 100% [	2,808	26.8%	341,682,994	32.5%	58.2%	2.0%	39.1	242.9
[ 100% ; 110% [	4,777	45.6%	439,168,942	41.8%	100.0%	2.0%	48.2	209.3
Equal or over 110%	0	0.0%	0	0.0%	100.0%	-	-	-
<b>Total</b>	<b>10,484</b>	<b>100.0%</b>	<b>1,050,416,733</b>	<b>100.0%</b>	<b>100.0%</b>	<b>2.0%</b>	<b>44.7</b>	<b>222.8</b>
<b>Min</b>	<b>4.0%</b>							
<b>Max</b>	<b>108.0%</b>							
<b>Average</b>	<b>90.4%</b>							
<b>Weighted Average</b>	<b>91.7%</b>							

Security Type : "Total"

Current LTV	Nb. Of Home Loans	% Of Home Loans	Outstanding Principal Balance	% Outstanding Principal Balance	Cumulated percentage	WA Interest Rate (%)	WA Seasoning (months)	WA Remaining Term (months)
[ 0% ; 10% [	148	1.2%	2,240,030	0.2%	0.2%	2.4%	80.8	58.7
[ 10% ; 20% [	243	2.0%	7,694,895	0.6%	0.8%	2.2%	73.7	90.3
[ 20% ; 30% [	322	2.6%	15,880,658	1.3%	2.1%	2.1%	71.2	125.1
[ 30% ; 40% [	431	3.5%	26,873,345	2.2%	4.2%	2.1%	65.1	151.7
[ 40% ; 50% [	609	5.0%	46,038,565	3.7%	7.9%	2.1%	61.5	169.2
[ 50% ; 60% [	841	6.9%	69,443,626	5.6%	13.5%	2.1%	59.6	180.4
[ 60% ; 70% [	1,326	10.8%	124,530,503	10.0%	23.4%	2.1%	58.0	192.2
[ 70% ; 80% [	2,262	18.5%	225,275,352	18.0%	41.5%	2.1%	54.7	201.8
[ 80% ; 90% [	3,989	32.6%	470,167,490	37.7%	79.2%	2.1%	42.4	237.6
[ 90% ; 100% [	2,069	16.9%	260,267,778	20.8%	100.0%	2.0%	29.7	262.3
Equal or over 100%	0	0.0%	0	0.0%	100.0%	-	-	-
<b>Total</b>	<b>12,240</b>	<b>100.0%</b>	<b>1,248,412,242</b>	<b>100.0%</b>	<b>100.0%</b>	<b>2.1%</b>	<b>46.3</b>	<b>221.5</b>
<b>Min</b>	<b>0.7%</b>							
<b>Max</b>	<b>99.1%</b>							
<b>Average</b>	<b>72.8%</b>							
<b>Weighted Average</b>	<b>77.6%</b>							

Security Type : "First Lien Mortgage Loan"

Current LTV	Nb. Of Home Loans	% Of Home Loans	Outstanding Principal Balance	% Outstanding Principal Balance	Cumulated percentage	WA Interest Rate (%)	WA Seasoning (months)	WA Remaining Term (months)
[ 0% ; 10% [	13	0.7%	305,487	0.2%	0.2%	2.5%	85.1	41.7
[ 10% ; 20% [	22	1.3%	854,891	0.4%	0.6%	2.3%	72.2	95.0
[ 20% ; 30% [	43	2.4%	3,118,233	1.6%	2.2%	2.3%	77.0	134.5
[ 30% ; 40% [	50	2.8%	3,794,040	1.9%	4.1%	2.2%	75.8	142.2
[ 40% ; 50% [	80	4.6%	7,425,617	3.8%	7.8%	2.2%	74.4	149.4
[ 50% ; 60% [	112	6.4%	11,141,928	5.6%	13.5%	2.1%	66.9	170.3
[ 60% ; 70% [	222	12.6%	23,152,861	11.7%	25.1%	2.2%	69.3	182.6
[ 70% ; 80% [	441	25.1%	49,970,047	25.2%	50.4%	2.2%	65.0	202.4
[ 80% ; 90% [	553	31.5%	70,902,925	35.8%	86.2%	2.1%	45.8	240.3
[ 90% ; 100% [	220	12.5%	27,329,480	13.8%	100.0%	2.1%	30.9	260.8
Equal or over 100%	0	0.0%	0	0.0%	100.0%	-	-	-
<b>Total</b>	<b>1,756</b>	<b>100.0%</b>	<b>197,995,509</b>	<b>100.0%</b>	<b>100.0%</b>	<b>2.2%</b>	<b>54.8</b>	<b>215.0</b>
<b>Min</b>	<b>3.8%</b>							
<b>Max</b>	<b>99.0%</b>							
<b>Average</b>	<b>73.1%</b>							
<b>Weighted Average</b>	<b>76.0%</b>							

Security Type : "Guaranteed loan"

Current LTV	Nb. Of Home Loans	% Of Home Loans	Outstanding Principal Balance	% Outstanding Principal Balance	Cumulated percentage	WA Interest Rate (%)	WA Seasoning (months)	WA Remaining Term (months)
[ 0% ; 10% [	135	1.3%	1,934,543	0.2%	0.2%	2.3%	80.1	61.4
[ 10% ; 20% [	221	2.1%	6,840,004	0.7%	0.8%	2.2%	73.9	89.8
[ 20% ; 30% [	279	2.7%	12,762,424	1.2%	2.1%	2.1%	69.8	122.8
[ 30% ; 40% [	381	3.6%	23,079,305	2.2%	4.2%	2.1%	63.3	153.3
[ 40% ; 50% [	529	5.0%	38,612,948	3.7%	7.9%	2.1%	59.1	173.1
[ 50% ; 60% [	729	7.0%	58,301,698	5.6%	13.5%	2.1%	58.3	182.4
[ 60% ; 70% [	1,104	10.5%	101,377,641	9.7%	23.1%	2.1%	55.5	194.4
[ 70% ; 80% [	1,821	17.4%	175,305,305	16.7%	39.8%	2.1%	51.7	201.6
[ 80% ; 90% [	3,436	32.8%	399,264,565	38.0%	77.8%	2.0%	41.8	237.1
[ 90% ; 100% [	1,849	17.6%	232,938,298	22.2%	100.0%	1.9%	29.5	262.5
Equal or over 100%	0	0.0%	0	0.0%	100.0%	-	-	-
<b>Total</b>	<b>10,484</b>	<b>100.0%</b>	<b>1,050,416,733</b>	<b>100.0%</b>	<b>100.0%</b>	<b>2.0%</b>	<b>44.7</b>	<b>222.8</b>
<b>Min</b>	<b>0.7%</b>							
<b>Max</b>	<b>99.1%</b>							
<b>Average</b>	<b>72.8%</b>							
<b>Weighted Average</b>	<b>77.9%</b>							

Security Type : "Total"

Current indexed LTV	Nb. Of Home Loans	% Of Home Loans	Outstanding Principal Balance	% Outstanding Principal Balance	Cumulated percentage	WA Interest Rate (%)	WA Seasoning (months)	WA Remaining Term (months)
[ 0% ; 10% [	178	1.5%	2,990,282	0.2%	0.2%	2.3%	81.1	60.7
[ 10% ; 20% [	298	2.4%	11,181,164	0.9%	1.1%	2.2%	72.4	101.0
[ 20% ; 30% [	391	3.2%	20,802,730	1.7%	2.8%	2.1%	71.5	133.2
[ 30% ; 40% [	566	4.6%	40,833,553	3.3%	6.1%	2.1%	61.8	162.8
[ 40% ; 50% [	841	6.9%	68,150,861	5.5%	11.5%	2.1%	60.9	176.1
[ 50% ; 60% [	1,395	11.4%	126,145,275	10.1%	21.6%	2.1%	58.1	187.8
[ 60% ; 70% [	2,556	20.9%	260,077,182	20.8%	42.5%	2.1%	52.4	207.0
[ 70% ; 80% [	3,752	30.7%	434,149,626	34.8%	77.2%	2.1%	43.5	236.2
[ 80% ; 90% [	1,989	16.3%	245,035,746	19.6%	96.9%	2.0%	33.6	256.4
[ 90% ; 100% [	274	2.2%	39,045,823	3.1%	100.0%	1.9%	13.0	280.8
Equal or over 100%	0	0.0%	0	0.0%	100.0%	-	-	-
<b>Total</b>	<b>12,240</b>	<b>100.0%</b>	<b>1,248,412,242</b>	<b>100.0%</b>	<b>100.0%</b>	<b>2.1%</b>	<b>46.3</b>	<b>221.5</b>
<b>Min</b>	<b>0.6%</b>							
<b>Max</b>	<b>99.7%</b>							
<b>Average</b>	<b>64.7%</b>							
<b>Weighted Average</b>	<b>69.0%</b>							



Security Type : "First Lien Mortgage Loan"

Current indexed LTV	Nb. Of Home Loans	% Of Home Loans	Outstanding Principal Balance	% Outstanding Principal Balance	Cumulated percentage	WA Interest Rate (%)	WA Seasoning (months)	WA Remaining Term (months)
[ 0% ; 10% [	17	1.0%	420,570	0.2%	0.2%	2.6%	84.1	45.4
[ 10% ; 20% [	31	1.8%	1,611,199	0.8%	1.0%	2.4%	75.3	108.8
[ 20% ; 30% [	50	2.8%	3,614,601	1.8%	2.9%	2.3%	76.6	141.8
[ 30% ; 40% [	68	3.9%	6,086,836	3.1%	5.9%	2.2%	74.1	145.5
[ 40% ; 50% [	122	6.9%	11,978,277	6.0%	12.0%	2.1%	70.3	165.2
[ 50% ; 60% [	196	11.2%	21,129,739	10.7%	22.6%	2.2%	67.8	182.8
[ 60% ; 70% [	419	23.9%	47,720,947	24.1%	46.7%	2.2%	61.1	204.0
[ 70% ; 80% [	527	30.0%	65,162,662	32.9%	79.7%	2.2%	50.9	233.3
[ 80% ; 90% [	287	16.3%	34,655,473	17.5%	97.2%	2.2%	40.0	248.6
[ 90% ; 100% [	39	2.2%	5,615,204	2.8%	100.0%	2.0%	13.6	280.5
Equal or over 100%	0	0.0%	0	0.0%	100.0%	-	-	-
<b>Total</b>	<b>1,756</b>	<b>100.0%</b>	<b>197,995,509</b>	<b>100.0%</b>	<b>100.0%</b>	<b>2.2%</b>	<b>54.8</b>	<b>215.0</b>
<b>Min</b>	<b>3.7%</b>							
<b>Max</b>	<b>99.7%</b>							
<b>Average</b>	<b>65.7%</b>							
<b>Weighted Average</b>	<b>68.1%</b>							

Security Type : "Guaranteed Loan"

Current indexed LTV	Nb. Of Home Loans	% Of Home Loans	Outstanding Principal Balance	% Outstanding Principal Balance	Cumulated percentage	WA Interest Rate (%)	WA Seasoning (months)	WA Remaining Term (months)
[ 0% ; 10% [	161	1.5%	2,569,712	0.2%	0.2%	2.3%	80.6	63.2
[ 10% ; 20% [	267	2.5%	9,569,964	0.9%	1.2%	2.1%	71.9	99.6
[ 20% ; 30% [	341	3.3%	17,188,129	1.6%	2.8%	2.1%	70.4	131.4
[ 30% ; 40% [	498	4.8%	34,746,717	3.3%	6.1%	2.1%	59.6	165.8
[ 40% ; 50% [	719	6.9%	56,172,583	5.3%	11.4%	2.1%	58.9	178.4
[ 50% ; 60% [	1,199	11.4%	105,015,536	10.0%	21.4%	2.1%	56.2	188.8
[ 60% ; 70% [	2,137	20.4%	212,356,235	20.2%	41.7%	2.1%	50.5	207.6
[ 70% ; 80% [	3,225	30.8%	368,986,965	35.1%	76.8%	2.0%	42.2	236.7
[ 80% ; 90% [	1,702	16.2%	210,380,273	20.0%	96.8%	2.0%	32.5	257.7
[ 90% ; 100% [	235	2.2%	33,430,619	3.2%	100.0%	1.9%	12.9	280.8
Equal or over 100%	0	0.0%	0	0.0%	100.0%	-	-	-
<b>Total</b>	<b>10,484</b>	<b>100.0%</b>	<b>1,050,416,733</b>	<b>100.0%</b>	<b>100.0%</b>	<b>2.0%</b>	<b>44.7</b>	<b>222.8</b>
<b>Min</b>	<b>0.6%</b>							
<b>Max</b>	<b>99.2%</b>							
<b>Average</b>	<b>64.5%</b>							
<b>Weighted Average</b>	<b>69.1%</b>							

Debt-To-Income	Nb. Of Home Loans	% Of Home Loans	Outstanding Principal Balance	% Outstanding Principal Balance	Cumulated percentage	WA Interest Rate (%)	WA Seasoning (months)	WA Remaining Term (months)
[ 0% ; 20% [	931	7.6%	64,672,421	5.2%	5.2%	2.1%	49.8	194.4
[ 20% ; 25% [	1,627	13.3%	139,822,182	11.2%	16.4%	2.1%	48.7	206.8
[ 25% ; 30%[	2,930	23.9%	290,050,658	23.2%	39.6%	2.1%	47.2	218.0
[ 30% ; 35% [	3,627	29.6%	388,398,146	31.1%	70.7%	2.1%	46.0	225.9
[ 35% ; 40% [	2,344	19.2%	274,454,197	22.0%	92.7%	2.0%	43.6	232.3
[ 40% ; 45% [	702	5.7%	85,061,114	6.8%	99.5%	2.1%	44.4	227.3
[ 45% ; 50% [	79	0.6%	5,953,523	0.5%	100.0%	2.3%	75.4	169.5
Equal or over 50%	0	0.0%	0	0.0%	100.0%	-	-	-
<b>Total</b>	<b>12,240</b>	<b>100.0%</b>	<b>1,248,412,242</b>	<b>100.0%</b>	<b>100.0%</b>	<b>2.1%</b>	<b>46.3</b>	<b>221.5</b>
<b>Min</b>	<b>1.3%</b>							
<b>Max</b>	<b>45.0%</b>							
<b>Average</b>	<b>30.3%</b>							
<b>Weighted Average</b>	<b>31.2%</b>							

Security Type : "First Lien Mortgage Loan"

Debt-To-Income	Nb. Of Home Loans	% Of Home Loans	Outstanding Principal Balance	% Outstanding Principal Balance	Cumulated percentage	WA Interest Rate (%)	WA Seasoning (months)	WA Remaining Term (months)
[ 0% ; 20% [	122	6.9%	11,097,667	5.6%	5.6%	2.1%	58.6	190.1
[ 20% ; 25% [	185	10.5%	17,781,219	9.0%	14.6%	2.2%	58.2	201.2
[ 25% ; 30%[	374	21.3%	40,358,642	20.4%	35.0%	2.2%	56.5	212.2
[ 30% ; 35% [	469	26.7%	53,914,250	27.2%	62.2%	2.1%	55.2	217.6
[ 35% ; 40% [	373	21.2%	45,647,615	23.1%	85.3%	2.2%	51.8	224.4
[ 40% ; 45% [	220	12.5%	28,215,929	14.3%	99.5%	2.1%	52.1	219.7
[ 45% ; 50% [	13	0.7%	980,188	0.5%	100.0%	2.7%	80.4	140.0
Equal or over 50%	0	0.0%	0	0.0%	100.0%	-	-	-
<b>Total</b>	<b>1,756</b>	<b>100.0%</b>	<b>197,995,509</b>	<b>100.0%</b>	<b>100.0%</b>	<b>2.2%</b>	<b>54.8</b>	<b>215.0</b>
<b>Min</b>	<b>6.3%</b>							
<b>Max</b>	<b>45.0%</b>							
<b>Average</b>	<b>31.6%</b>							
<b>Weighted Average</b>	<b>32.3%</b>							

Security Type : "Guaranteed Loan"

Debt-To-Income	Nb. Of Home Loans	% Of Home Loans	Outstanding Principal Balance	% Outstanding Principal Balance	Cumulated percentage	WA Interest Rate (%)	WA Seasoning (months)	WA Remaining Term (months)
[ 0% ; 20% [	809	7.7%	53,574,754	5.1%	5.1%	2.1%	47.9	195.3
[ 20% ; 25% [	1,442	13.8%	122,040,963	11.6%	16.7%	2.0%	47.3	207.6
[ 25% ; 30%[	2,556	24.4%	249,692,017	23.8%	40.5%	2.0%	45.7	218.9
[ 30% ; 35% [	3,158	30.1%	334,483,896	31.8%	72.3%	2.0%	44.6	227.2
[ 35% ; 40% [	1,971	18.8%	228,806,582	21.8%	94.1%	2.0%	42.0	233.9
[ 40% ; 45% [	482	4.6%	56,845,185	5.4%	99.5%	2.0%	40.6	231.0
[ 45% ; 50% [	66	0.6%	4,973,335	0.5%	100.0%	2.2%	74.5	175.3
Equal or over 50%	0	0.0%	0	0.0%	100.0%	-	-	-
<b>Total</b>	<b>10,484</b>	<b>100.0%</b>	<b>1,050,416,733</b>	<b>100.0%</b>	<b>100.0%</b>	<b>2.0%</b>	<b>44.7</b>	<b>222.8</b>
<b>Min</b>	<b>1.3%</b>							
<b>Max</b>	<b>45.0%</b>							
<b>Average</b>	<b>30.1%</b>							
<b>Weighted Average</b>	<b>31.0%</b>							

Borrower Credit Quality	Nb. Of Home Loans	% Of Home Loans	Outstanding Principal Balance	% Outstanding Principal Balance	Cumulated percentage	WA Interest Rate (%)	WA Seasoning (months)	WA Remaining Term (months)
1	3,458	28.3%	298,184,587	23.9%	23.9%	2.0%	47.6	211.3
2	2,456	20.1%	262,327,706	21.0%	44.9%	2.0%	46.6	220.0
3	3,252	26.6%	354,310,831	28.4%	73.3%	2.0%	44.7	226.3
4	1,304	10.7%	135,897,967	10.9%	84.2%	2.1%	45.9	224.4
5	585	4.8%	63,784,257	5.1%	89.3%	2.1%	46.0	227.8
6	656	5.4%	74,978,070	6.0%	95.3%	2.1%	44.9	232.9
7	292	2.4%	32,494,690	2.6%	97.9%	2.2%	51.2	223.4
8	237	1.9%	26,434,133	2.1%	100.0%	2.2%	51.6	223.0
<b>Total</b>	<b>12,240</b>	<b>100.0%</b>	<b>1,248,412,242</b>	<b>100.0%</b>	<b>100.0%</b>	<b>2.1%</b>	<b>46.3</b>	<b>221.5</b>

Borrower's Employment Status	Nb. Of Home Loans	% Of Home Loans	Outstanding Principal Balance	% Outstanding Principal Balance	Cumulated percentage	WA Interest Rate (%)	WA Seasoning (months)	WA Remaining Term (months)
Employed or full loan is guaranteed	9,075	74.1%	915,154,901	73.3%	73.3%	2.1%	45.8	223.0
Pensioner	220	1.8%	10,568,133	0.8%	74.2%	2.2%	64.6	122.8
Protected life-time employment	2,351	19.2%	253,236,312	20.3%	94.4%	2.0%	46.6	224.8
Self employed	594	4.9%	69,452,896	5.6%	100.0%	2.1%	49.5	205.5
<b>Total</b>	<b>12,240</b>	<b>100.0%</b>	<b>1,248,412,242</b>	<b>100.0%</b>	<b>100.0%</b>	<b>2.1%</b>	<b>46.3</b>	<b>221.5</b>

Primary Income	Nb. Of Home Loans	% Of Home Loans	Outstanding Principal Balance	% Outstanding Principal Balance	Cumulated percentage	WA Interest Rate (%)	WA Seasoning (months)	WA Remaining Term (months)
[ 0 ; 10,000 [	21	0.2%	1,173,413	0.1%	0.1%	2.3%	59.9	184.4
[ 10,000 ; 20,000 [	1,487	12.1%	105,681,553	8.5%	8.6%	2.0%	39.8	235.9
[ 20,000 ; 25,000 [	1,816	14.8%	146,218,940	11.7%	20.3%	2.0%	41.9	230.5
[ 25,000 ; 30,000 [	1,297	10.6%	116,580,471	9.3%	29.6%	2.0%	42.9	228.1
[ 30,000 ; 35,000 [	1,417	11.6%	139,182,105	11.1%	40.8%	2.1%	45.1	225.8
[ 35,000 ; 40,000 [	1,519	12.4%	160,054,679	12.8%	53.6%	2.1%	45.9	226.2
[ 40,000 ; 45,000 [	1,327	10.8%	151,002,167	12.1%	65.7%	2.1%	48.1	220.9
[ 45,000 ; 50,000 [	1,010	8.3%	123,860,348	9.9%	75.6%	2.1%	47.9	221.4
[ 50,000 ; 60,000 [	1,110	9.1%	137,406,918	11.0%	86.6%	2.1%	49.4	213.9
[ 60,000 ; 70,000 [	524	4.3%	67,679,635	5.4%	92.0%	2.1%	50.1	207.1
[ 70,000 ; 80,000 [	251	2.1%	33,014,015	2.6%	94.7%	2.1%	54.5	204.2
Equal or over 80,000	461	3.8%	66,557,997	5.3%	100.0%	2.1%	54.4	188.6
<b>Total</b>	<b>12,240</b>	<b>100.0%</b>	<b>1,248,412,242</b>	<b>100.0%</b>	<b>100.0%</b>	<b>2.1%</b>	<b>46.3</b>	<b>221.5</b>
<b>Max</b>	<b>737,124.00</b>							
<b>Average</b>	<b>38,963.29</b>							
<b>Weighted Average</b>	<b>42,586.80</b>							

Security Type	Nb. Of Home Loans	% Of Home Loans	Outstanding Principal Balance	% Outstanding Principal Balance	Cumulated percentage	WA Interest Rate (%)	WA Seasoning (months)	WA Remaining Term (months)
<b>Guaranteed Loan</b>	<b>10,484</b>	<b>85.7%</b>	<b>1,050,416,733</b>	<b>84.1%</b>	<b>84.1%</b>	<b>2.0%</b>	<b>44.7</b>	<b>222.8</b>
PARNASSE GARANTIE	1,408	11.5%	187,382,002	15.0%	15.0%	2.0%	40.4	244.6
CEGC	9,076	74.2%	863,034,731	69.1%	84.1%	2.1%	45.6	218.0
<b>First Lien Mortgage Loan</b>	<b>1,756</b>	<b>14.3%</b>	<b>197,995,509</b>	<b>15.9%</b>	<b>100.0%</b>	<b>2.2%</b>	<b>54.8</b>	<b>215.0</b>
<b>Total</b>	<b>12,240</b>	<b>100.0%</b>	<b>1,248,412,242</b>	<b>100.0%</b>	<b>100.0%</b>	<b>2.1%</b>	<b>46.3</b>	<b>221.5</b>

Geographical Region	Nb. Of Home Loans	% Of Home Loans	Outstanding Principal Balance	% Outstanding Principal Balance	Cumulated percentage	WA Interest Rate (%)	WA Seasoning (months)	WA Remaining Term (months)
Auvergne-Rhone-Alpes	2,022	16.5%	181,418,567	14.5%	14.5%	2.1%	54.0	202.4
Bourgogne-Franche-Comte	679	5.5%	64,350,808	5.2%	19.7%	2.1%	47.6	227.7
Bretagne	644	5.3%	46,062,629	3.7%	23.4%	2.1%	56.3	186.9
Centre-Val de Loire	460	3.8%	41,195,434	3.3%	26.7%	2.1%	47.0	224.4
Corse	40	0.3%	4,888,869	0.4%	27.1%	2.1%	41.1	227.7
Grand Est	1,071	8.8%	111,773,728	9.0%	36.0%	2.0%	46.4	219.9
Hauts-de-France	1,269	10.4%	137,030,188	11.0%	47.0%	2.1%	46.0	218.2
Ile-de-France	1,492	12.2%	230,277,303	18.4%	65.4%	2.0%	38.1	245.5
Normandie	583	4.8%	47,779,668	3.8%	69.3%	2.1%	43.8	220.5
Nouvelle-Aquitaine	1,205	9.8%	116,718,054	9.3%	78.6%	2.1%	47.6	222.8
Occitanie	980	8.0%	96,786,663	7.8%	86.4%	2.0%	44.1	223.6
Departements d'outre-mer (DOM)	46	0.4%	5,422,209	0.4%	86.8%	2.1%	47.3	185.8
Pays-de-la-Loire	842	6.9%	61,969,307	5.0%	91.8%	2.1%	55.1	191.7
Provence-Alpes-Cote d'Azur	907	7.4%	102,738,816	8.2%	100.0%	2.1%	42.3	235.0
<b>Total</b>	<b>12,240</b>	<b>100.0%</b>	<b>1,248,412,242</b>	<b>100.0%</b>	<b>100.0%</b>	<b>2.1%</b>	<b>46.3</b>	<b>221.5</b>

Property Type	Nb. Of Home Loans	% Of Home Loans	Outstanding Principal Balance	% Outstanding Principal Balance	Cumulated percentage	WA Interest Rate (%)	WA Seasoning (months)	WA Remaining Term (months)
Residential (Flat/Apartment)	1,321	10.8%	147,945,337	11.9%	11.9%	2.0%	42.2	231.7
Residential (House)	9,554	78.1%	991,282,441	79.4%	91.3%	2.1%	46.7	223.5
Other(*)	1,365	11.2%	109,184,464	8.7%	100.0%	2.0%	48.5	189.8
<b>Total</b>	<b>12,240</b>	<b>100.0%</b>	<b>1,248,412,242</b>	<b>100.0%</b>	<b>100.0%</b>	<b>2.1%</b>	<b>46.3</b>	<b>221.5</b>

(\*) Other refers either to Residential (Flat/Apartment) or Residential (House), but this information is not available in BPCE IT system.

Loan Status	Nb. Of Home Loans	% Of Home Loans	Outstanding Principal Balance	% Outstanding Principal Balance	Cumulated percentage	WA Interest Rate (%)	WA Seasoning (months)	WA Remaining Term (months)
Current (< 30 days arrears)	12,240	100.0%	1,248,412,242	100.0%	100.0%	2.1%	46.3	221.5
Delinquent	0	0.0%	0	0.0%	100.0%	0.0%	0.0	0.0
Defaulted	0	0.0%	0	0.0%	100.0%	0.0%	0.0	0.0
<b>Total</b>	<b>12,240</b>	<b>100.0%</b>	<b>1,248,412,242</b>	<b>100.0%</b>	<b>100.0%</b>	<b>2.1%</b>	<b>46.3</b>	<b>221.5</b>

Top Borrowers	Nb. Of Home Loans	% Of Home Loans	Outstanding Principal Balance	% Outstanding Principal Balance
1	1	0.0%	946,870	0.1%
2	2	0.0%	1,731,850	0.1%
3	3	0.0%	2,297,947	0.2%
4	4	0.0%	2,853,696	0.2%
5	5	0.0%	3,409,068	0.3%
6	6	0.0%	3,944,204	0.3%
7	7	0.1%	4,466,032	0.4%
8	8	0.1%	4,982,361	0.4%
9	9	0.1%	5,493,313	0.4%
10	10	0.1%	5,948,170	0.5%
11	11	0.1%	6,396,177	0.5%
12	12	0.1%	6,843,609	0.5%
13	13	0.1%	7,278,324	0.6%
14	14	0.1%	7,708,403	0.6%
15	15	0.1%	8,132,871	0.7%
16	17	0.1%	8,555,744	0.7%
17	18	0.1%	8,975,332	0.7%
18	19	0.2%	9,392,359	0.8%
19	20	0.2%	9,803,592	0.8%
20	21	0.2%	10,214,585	0.8%
30	34	0.3%	14,164,742	1.1%
40	45	0.4%	17,807,378	1.4%
50	55	0.4%	21,324,836	1.7%
100	109	0.9%	37,623,637	3.0%



## HISTORICAL PERFORMANCE DATA

*The historical information and the other information set out below represent the historical experience of the Sellers. None of the Management Company, the Custodian, the Account Bank, the Paying Agent, the Listing Agent, the Specially Dedicated Account Bank, the Interest Rate Swap Counterparty, the Joint Arrangers or the Joint Lead Managers has undertaken or will undertake any investigation, review or searches to verify the historical information. Because this historical information was extracted for the period from January 2010 to July 2020, a significant number of Home Loans purchased by the Issuer may not have arisen from a Home Loan Agreement being part of the provisional portfolio of Home Loan Agreements. In addition, the future performance of the Purchased Home Loans might differ from this historical information and such differences might be significant.*

### **General**

The information presented in this section have been prepared based on BPCE's internal records and provide historical performances based on both static and dynamic formats covering a period of at least (5) years for substantially similar home loans receivables than to those being securitised by means of the securitisation transaction described in the Transaction Documents. The below information has not been audited by any auditor.

Since 2020, BPCE has been developing a new tool of the historical performances monitoring under "Microsoft PowerBI" in order to refine the perimeter of historical performances and to strengthen its representativeness by approaching the system's filters and output data to the definition of Home Loan Eligibility Criteria.

In this context, BPCE has established a method to identify performances of the Home Loans, which (i) was granted to finance the acquisition of the main residence (*résidence principale*) of the Borrower and (ii) bear a fixed interest rate.

However, a certain category of the Home Loans for which the purpose of such Home Loan is classified as "blank" was identified. In addition and on the same basis, some Home Loans for which the interest rate applied thereto is classified as "blank" was also identified.

Therefore in order to adhere to the conservative approach, BPCE has decided to include into the perimeter of historical performances the ascribed above categories for which the purpose and/or applied interest rate are classified as "blank". BPCE permanently continues to improve the monitoring system and tools to further restrain the perimeter in purpose of reflecting the data performances approaching to the definition of Home Loan Eligibility Criteria.

### **Perimeter**

In order for the below data to cover home loans substantially similar to those being securitised by means of the securitisation transaction described in the Transaction Documents, BPCE has extract-ed historical performances of Home Loans from the new tool of historical performances monitoring, considering the following criteria:

- the Home Loan is denominated in Euro;
- the Borrower is an individual;
- the property is located in Metropolitan France or French overseas departments;
- the Home Loan is secured by a Home Loan Guarantee or a first ranking Mortgage;
- the originator and the servicer of the Home Loan is a Seller in the securitisation transaction described in the Transaction Documents;
- the purpose of the Home Loan is (i) the financing of the main residence's (*résidence principale*) acquisition of the Borrower, or (ii) classified as "blank";
- the interest rate type of the Home Loan is (i) fixed or (ii) classified as "blank"; and
- all Home Loans have been underwritten according to similar underwriting standards than the Home Loans being securitised and are (or were) serviced according to similar servicing procedures than the Home Loans being securitised.

Unless otherwise specified, the historical performance data has been extracted starting from January 2010 until July 2020.

Actual performance may be influenced by a variety of economic, social, geographic and other factors beyond the control of BPCE. It may also be influenced by changes in the Sellers' origination and servicing policies.

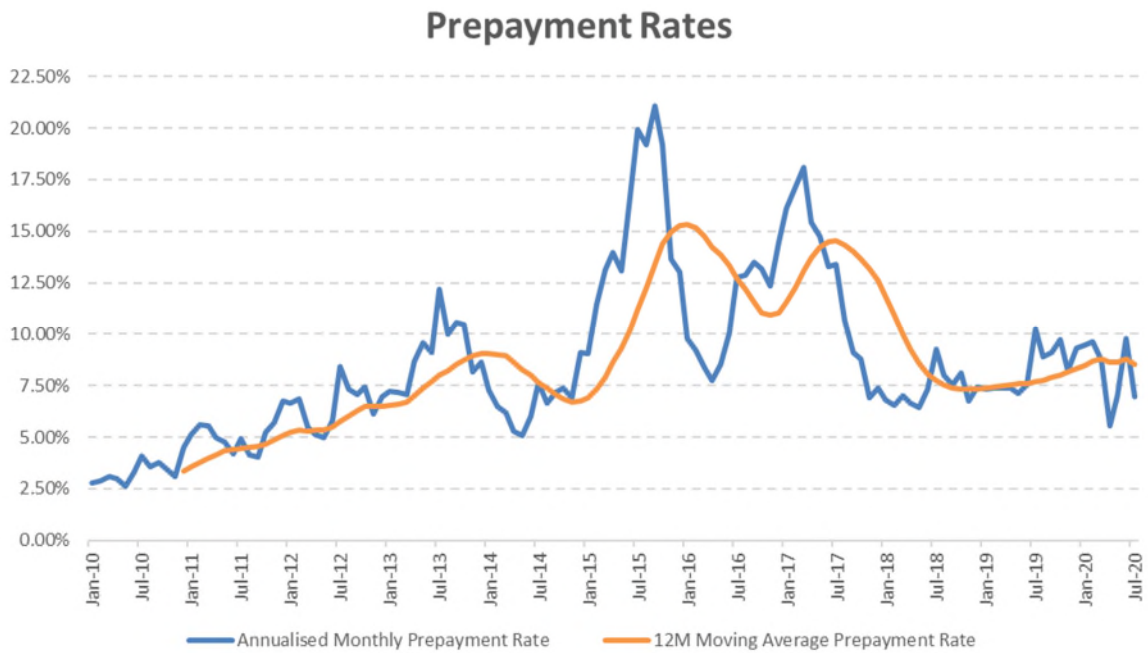
There can be no assurance that the future experience and performance of the Purchased Home Loans will be similar to the historical performance set out in the graphs below.

The notion of “Defaulted Home Loans” used in this section refers to any Home Loans (i) which have been accelerated pursuant to the Sellers’ collection and servicing procedures or (ii) in respect of which the related Borrower has an internal credit rating equal to “restructuring” (RX) or “litigation” (CX) or (iii) in respect of which more than five (5) Home Loan instalments remain unpaid past their respective due date.

### ***Prepayment Rates***

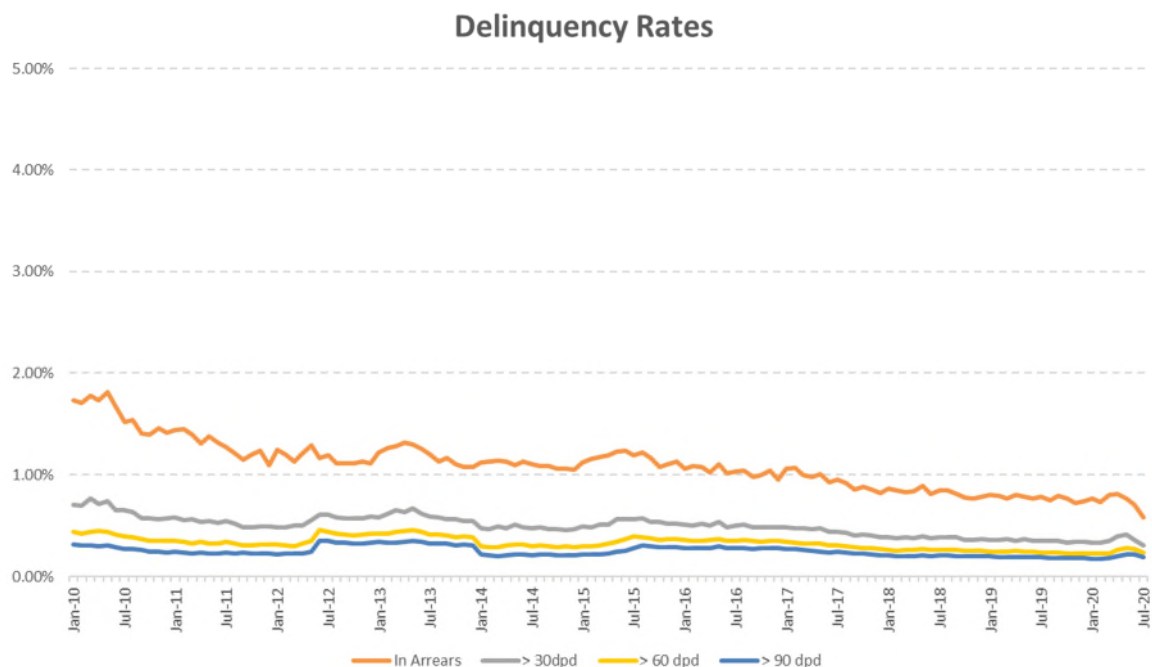
The Annualised Monthly Prepayment Rate is calculated on any particular month as the ratio between (i) the aggregate prepayments (including partial and total prepayments) received in such month and (ii) the aggregate Outstanding Principal Balance of all Home Loans at the beginning of this month (net of any Defaulted Home Loans), multiplied by 12 and expressed as a percentage.

The 12M Moving Average Prepayment Rate is calculated as the 12 months moving average of the Annualised Monthly Prepayment Rate.



## Delinquency Rates

The delinquency graph shows delinquencies calculated on any particular month as the ratio between (i) the aggregate Outstanding Principal Balance of all delinquent Home Loans other than the Defaulted Home Loans, in respect to the respective overdue bucket in such month, and (ii) the aggregate Outstanding Principal Balance of all Home Loans at the beginning of this month (net of any Defaulted Home Loans), expressed as a percentage.



### ***Dynamic Default and Loss Rates***

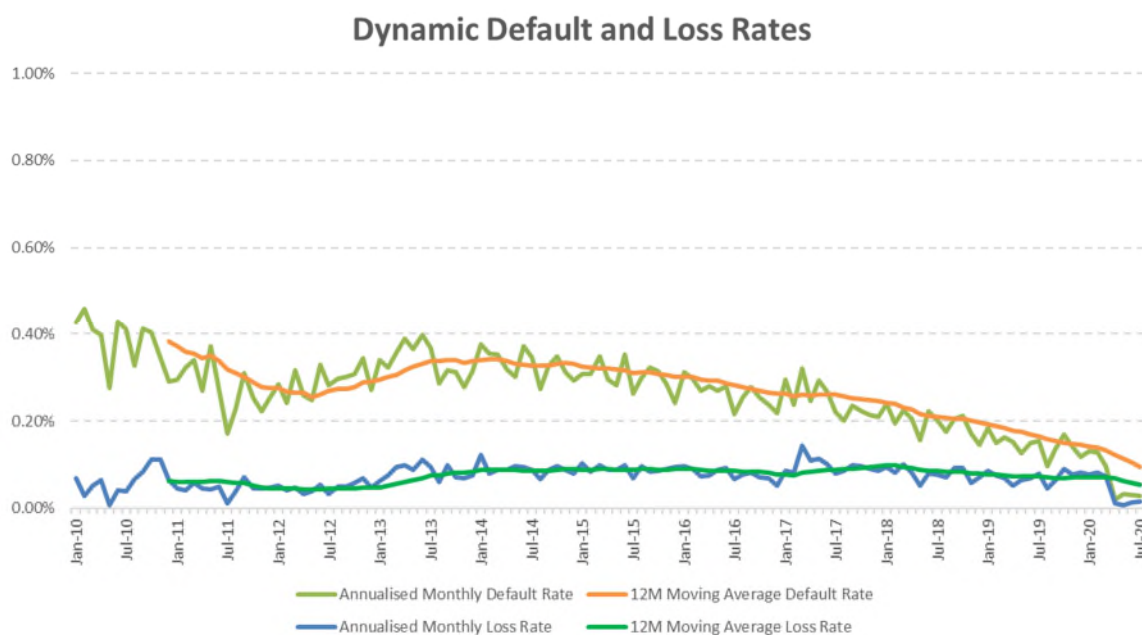
The Annualised Monthly Default Rate is calculated on any particular month as the ratio between (i) the aggregate amount due (including principal, interest and fees) on all Home Loans, regardless the vintage of origination, which became Defaulted Home Loans in such month and (ii) the aggregate Outstanding Principal Balance of all Home Loans at the beginning of this month (net of any Defaulted Home Loans), multiplied by 12 and expressed as a percentage.

The 12M Moving Average Default Rate is calculated as the 12 months moving average of the Annualised Monthly Default Rate.

The Annualised Monthly Loss Rate is calculated on any particular month as the ratio between (i) the positive difference between (aa) the aggregate amount due (including principal, interest and fees) on all Home Loans, regardless the vintage of origination, which became Defaulted Home Loans in such month and (bb) the total amount recovered in such month in relation to all Home Loans which became Defaulted Home Loans prior or on such month, and (ii) the aggregate Outstanding Principal Balance of all Home Loans at the beginning of this month (net of any Defaulted Home Loans), multiplied by 12 and expressed as a percentage.

The 12M Moving Average Loss Rate is calculated as the 12 months moving average of the Annualised Monthly Loss Rate.

The Dynamic Default and Loss Rate on a particular month may capture the vintages of Home Loans originated prior to the initial cut-off date (i.e. January 2010).

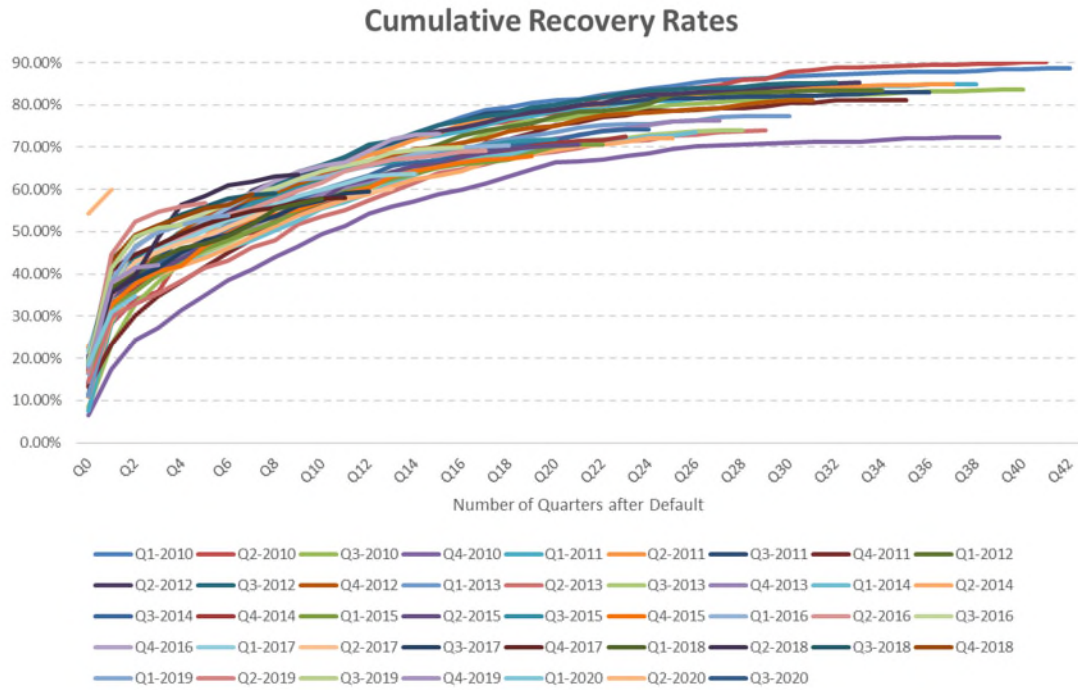


For a generation of Home Loans (being all Home Loans which were originated during the same quarter), the Cumulative Default Rate in respect of that generation and a specific subsequent quarter is calculated as the ratio between: (i) the aggregate amount due (including principal, interest and fees) on all Home Loans which became Defaulted Home Loans between their quarter of origination and the relevant subsequent quarter, and (ii) the aggregate Outstanding Principal Balance of these Home Loans when originated.



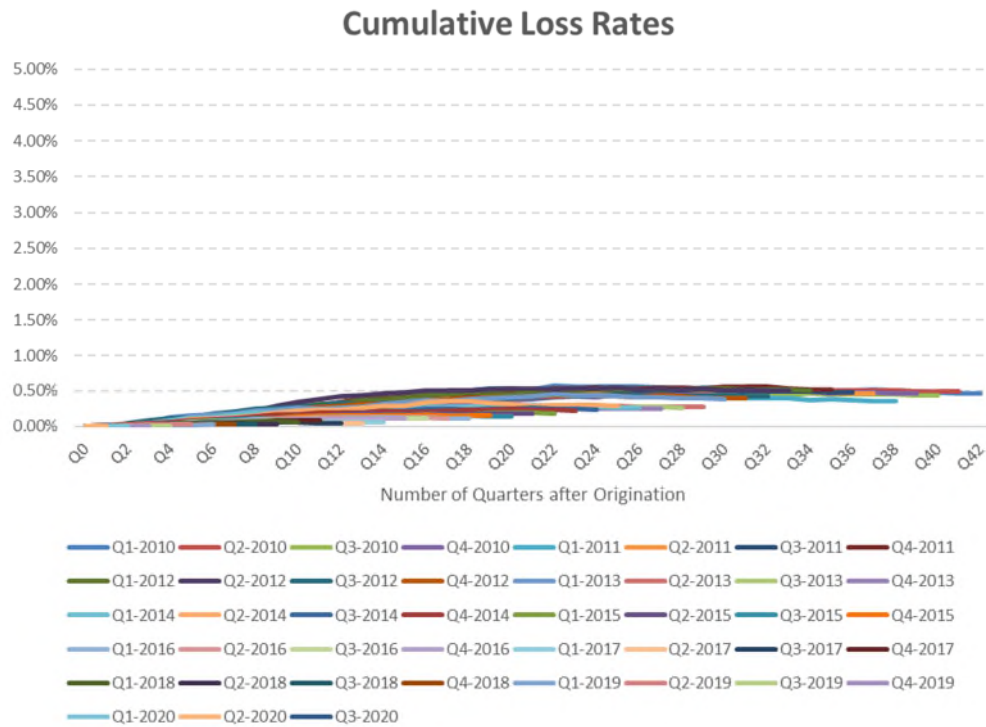
### ***Cumulative Recovery Rates (static)***

For a generation of Defaulted Home Loans (being all Home Loans which became Defaulted Home Loans during the same quarter), the Cumulative Recovery Rate in respect of a subsequent quarter is calculated as the ratio between: (i) the cumulative amounts recovered between the quarter when the Home Loans became Defaulted Home Loans and the relevant subsequent quarter, and (ii) the aggregate amount due (including principal, interest and fees) on these Defaulted Home Loans.



### Cumulative Loss Rates (static)

For a generation of Home Loans (being all Home Loans which were originated during the same quarter of origination), the Cumulative Losses Rate in respect of that generation and a specific subsequent quarter is calculated as the ratio between: (i) the positive difference between (aa) the aggregate amount due (including principal, interest and fees) on all Home Loans which became Defaulted Home Loans between such quarter and the relevant subsequent quarter and (bb) the amounts recovered on the same vintage of the origination between their quarter of origination and the relevant subsequent quarter, and (ii) the aggregate Outstanding Principal Balance of these Home Loans when originated.





## DESCRIPTION OF CERTAIN TRANSACTION DOCUMENTS

### I. PURCHASE OF THE HOME LOANS

#### INTRODUCTION

Pursuant to the Home Loans Purchase and Servicing Agreement, each Seller may transfer Home Loans to the Issuer on the Purchase Date.

#### PROCEDURE

The procedure for the purchase of Home Loans from the Sellers on the Purchase Date is as follows:

1. at the latest on the Purchase Date, each Seller may offer Home Loans randomly selected on the Selection Date, which satisfy individually the Home Loan Eligibility Criteria as at the Selection Date or, as applicable, on the relevant date specified under the Home Loan Eligibility Criteria for purchase by the Issuer on the Purchase Date, by providing the Management Company with an executed but not dated Transfer Document complying with the requirements of article D. 214-227 of the French Monetary and Financial Code, together with an Electronic File identifying and individualising the said Home Loans (a “**Home Loans Purchase Offer**”). Each Seller shall also ensure by coordinating with the Transaction Agent, that the Home Loans offered for sale by such Seller do not prevent all Home Loans offered for sale to the Issuer to comply with the Portfolio Conditions. The time necessary between the Selection Date and the Purchase Date has been determined based on the technical constraints of the Sellers’ IT systems, without any undue delay;
2. in connection with any Home Loans Purchase Offer, each Seller will make representations and warranties in favour of the Management Company with respect to the compliance of the corresponding Home Loans with the Home Loan Eligibility Criteria as at the Selection Date or, as applicable, on the relevant date specified under the Home Loan Eligibility Criteria. Any Home Loans Purchase Offer will constitute an irrevocable binding offer made by the relevant Seller, with respect to the sale and transfer of the relevant Home Loans together with the corresponding Ancillary Rights, to the Management Company;
3. on receipt of any Home Loans Purchase Offer, the Management Company shall verify (i) on the basis of the information provided to it by the relevant Seller in the said Home Loans Purchase Offer and to the extent that such information enables the Management Company to perform the said verification, that the Home Loans which are offered for purchase on the Purchase Date comply with the applicable Home Loan Eligibility Criteria and (ii) whether the conditions precedent to the purchase of Home Loans on the Purchase Date are fulfilled; and
4. on the Purchase Date, the Management Company shall mark its acceptance of any Home Loans Purchase Offer in respect of certain Home Loans by countersigning the Transfer Document upon delivery of the same by the Sellers and dating such Transfer Document as of the Purchase Date. The Management Company shall provide to the Transaction Agent a copy of each duly signed Transfer Document and the original of the relevant duly signed Transfer Document will be delivered to and kept by the Custodian.

For the avoidance of doubt, no Home Loans shall be acquired on the Purchase Date, if none of the Home Loans included in the Home Loans Purchase Offers received by the Issuer satisfies the Home Loan Eligibility Criteria as at the Selection Date or, as applicable, on the relevant date specified under the Home Loan Eligibility Criteria or if the conditions precedent as set out above are not fulfilled.

#### ASSIGNMENT OF THE HOME LOANS AND ANCILLARY RIGHTS

The assignment of the Home Loans subject to any Home Loans Purchase Offer shall take effect between the Issuer and the relevant Seller and be enforceable against third parties (for the avoidance of doubt, including, without limitation, the Borrowers) at the date affixed by the Management Company on the relevant Transfer Document upon its delivery by each Seller, irrespective of the date on which the said Home Loans came into existence or their maturity or due date, without any further formalities being required, and irrespective of the law

governing the said Home Loans or the debtor's place of residence (*quelle que soit la date de naissance, d'échéance ou d'exigibilité des créances, sans qu'il soit besoin d'autre formalité, et ce quelle que soit la loi applicable aux créances et la loi du pays de résidence des débiteurs*) in accordance with the provisions of articles L. 214-169 and D. 214-227 of the French Monetary and Financial Code.

In accordance with article L. 214-169 of the French Monetary and Financial Code:

- (a) the assignment of Home Loans by such Seller shall remain valid (*conserve ses effets*), notwithstanding the state of cessation of payments (*l'état de cessation des paiements*) of the Seller on the Purchase Date or the commencement of any proceeding governed by Book VI of the French Commercial Code or any equivalent proceeding governed by any foreign law (*procédure équivalente sur le fondement d'un droit étranger*) against any Seller after the Purchase Date;
- (b) the Ancillary Rights shall be transferred to the Issuer together with the Home Loans to which they are attached, and such transfer shall be enforceable against third parties (for the avoidance of doubt, including, without limitation, the Borrowers), without any further formality; and
- (c) the provisions of article L. 632-2 of the French Commercial Code shall not apply to payments made by the Issuer or to any acts against remuneration received by the Issuer or to its benefit (*ne sont pas applicables aux paiements reçus par un organisme de financement, ni aux actes à titre onéreux accomplis par un organisme de financement ou à son profit*) to the extent such payments and such acts are directly connected with the transactions made pursuant to Article L. 214-168 of the French Monetary and Financial Code (*dès lors que ces paiements ou ces actes sont directement relatifs aux opérations prévues à l'article L. 214-168*).

#### **PURCHASE PRICE OF THE HOME LOANS**

The Purchase Price of the Home Loans transferred to the Issuer on the Purchase Date will be equal to the sum of the Principal Component Purchase Price (equal to the aggregate of the Initial Principal Balance, as at the Selection Date, of the Home Loans to be purchased on the Purchase Date) and the Interest Component Purchase Price (equal to the aggregate of the accrued but unpaid interest of such Home Loans on the Selection Date (excluded)).

In respect of each Seller, the Principal Component Purchase Price of the Home Loans to be purchased by the Issuer on the Purchase Date shall be paid on the Issuer Establishment Date by the Issuer to the Transaction Agent, on behalf of each relevant Seller, by debiting the General Account (to the extent, as the case may be, not paid by way of set-off), provided that the Transaction Agent will then redistribute such Principal Component Purchase Price to the relevant Seller.

The Interest Component Purchase Price of the Home Loans shall be paid to the Sellers or to the Transaction Agent, on behalf of each relevant Seller, by debiting the General Account on the first Payment Date following the Purchase Date and/or, as the case may be, each Payment Date thereafter, in accordance with, and subject to, the applicable Priority of Payments, provided that, if paid to the Transaction Agent, on behalf of each relevant Seller, the Transaction Agent will then redistribute such and Interest Component Purchase Price to the relevant Seller.

As it is agreed between the parties to the Home Loans Purchase and Servicing Agreement that the effective date (*date de jouissance*) with respect to the assignment of the Home Loans shall be the Selection Date (included), each Seller will transfer to the Issuer, on the first Settlement Date, an amount equal to the aggregate of all the collections received under all the Home Loans sold by it to the Issuer between the Selection Date (included) and the Issuer Establishment Date (excluded).

#### **REPRESENTATIONS AND WARRANTIES OF THE SELLERS IN RESPECT OF HOME LOAN ELIGIBILITY CRITERIA**

Pursuant to the provisions of the Home Loans Purchase and Servicing Agreement, each Seller represents and warrants (and it is determining condition (*condition essentielle et déterminante*) of the purchase of each Home Loan by the Issuer) that the Home Loans such Seller assigns to the Issuer satisfy the Home Loan Eligibility Criteria as at the Selection Date or, as the case may be, the relevant date specified in the Home Loan Eligibility Criteria themselves.

## HOME LOAN ELIGIBILITY CRITERIA

In order for a Home Loan offered for sale to the Issuer on the Purchase Date to meet the Home Loan Eligibility Criteria, the Home Loan must satisfy the following as at the Selection Date or, as the case may be, the relevant date specified below:

- (a) the Home Loan has been originated in its ordinary course of business by an original lender with an expertise of at least 5 years in originating exposures of a similar nature as the Home Loan, being either the Seller or any other entity of the BPCE Group which has transferred the Home Loan to the Seller through merger and:
  - (i) prior to the date on which the Home Loan had been made available to the Borrower, all lending criteria and preconditions as applied by the originator of the Home Loan pursuant to the Credit Guidelines were satisfied and the lending procedures applied to the Home Loan was not less stringent than the lending procedure applied to similar exposures which are not securitised;
  - (ii) the relevant Home Loan has not been marketed and underwritten on the premise that the Borrower as loan applicant or, where applicable, intermediaries were made aware that the information provided might not be verified by the relevant Seller,

where:

“**BPCE Group**” means the group constituted by the members of the Networks and the companies affiliated thereto in accordance with the conditions of article L. 511-31 of the French Monetary and Financial Code, as provided for in article L. 512-106 of the French Monetary and Financial Code;

“**Networks**” means the group of entities composed of: (i) the Banques Populaires network, as defined in article L. 512-11 of the French Monetary and Financial Code, (ii) the Caisses d’Epargnes network as defined in article L. 512-86 of the French Monetary and Financial Code, (iii) the credit institution and financing companies which are affiliated thereto and (iv) the Crédit Maritime Mutuel network, as defined in articles L. 512-68 et seq. of the French Monetary and Financial Code;

“**Credit Guidelines**” mean the Sellers’ usual policies, procedures and practices relating to the operation of their home loan business including, without limitation, the usual policies, procedures and practices adopted by them as the grantor of credit in relation to Home Loans and/or (as the case may be) their usual policies, procedures and practices for dealing with matters relating to the obligations and liabilities of the Sellers under applicable laws and regulations (including “Know Your Customer”, anti-bribery, money laundering and sanctions checks), for determining the creditworthiness of home loans borrowers, the extension of the credit, as such policies, procedures and practices may be amended or varied from time to time and as described in Sub-Section “Origination and Underwriting Procedures (Credit Guidelines)” of Section “ORIGINATION, UNDERWRITING AND MANAGEMENT PROCEDURES”;

the expressions “**similar exposures**” or “**exposures of a similar nature**” refers to any residential loans secured with one or several mortgages on residential immovable property, or residential loans fully guaranteed by an eligible protection provider among those referred to in article 201(1) of Regulation (EU) No 575/2013 qualifying for credit quality step 2 or above as set out in part three, title II, chapter 2 of that regulation.

- (b) prior to the Selection Date, the Home Loan has been managed in accordance with the Servicing Procedures;
- (c) the Borrower or, in case of a Home Loan granted to several co-borrowers, the Borrower that is the main borrower (*emprunteur principal*) under that Home Loan, is an Eligible Borrower,

where “**Eligible Borrower**” refers to someone who complies with items (i) to (vii) below:

- (i) it is an individual, who was domiciled in France on the date of granting of the relevant Home Loan (including for tax purposes), where:

“**France**” refers to Metropolitan France and Guadeloupe, Guyana (*Guyane française*), Martinique, Réunion or Saint-Martin,

- (ii) it is not an employee of the relevant Seller (nor, if different, of the originator);
- (iii) it is neither unemployed (provided that pensioners shall not be considered as “unemployed”) nor a student;
- (iv) it is not subject to any legal protective regime (*tutelle, curatelle* or *sauvegarde de justice*);
- (v) it has a current debt-to-income ratio (“**DTI**”) determined according to the Credit Guidelines of the relevant Seller not exceeding 45%; and
- (vi) to the best knowledge of the Seller, it is not subject to any proceeding before the commission responsible for reviewing the over-indebtedness of consumers (*commission de surendettement des particuliers*) pursuant to the provisions of Title II of Book VII (Titre II du Livre VII) of the French Consumer Code or any conservatory measures or forced execution measures which the Seller may apply on the financed property subject to the Home Loan Guarantee or Mortgage;
- (vii) is not a credit-impaired obligor, where a credit-impaired obligor is any obligor that, to the best of the Seller’s knowledge:
  - (a) (1) has been declared insolvent (meaning for the purpose of this Home Loan Eligibility Criteria, being subject to a judicial liquidation proceedings (*procédure de rétablissement personnel*), pursuant to the provisions of Title IV of Livre VII of the French Consumer Code (or, before the 1st of July 2016, Titre III of Livre III of the French Consumer Code), to any insolvency proceeding pursuant to the provisions of articles L. 620-1 *et seq.* of the French Commercial Code or to a review by a jurisdiction pursuant to article 1343-5 of the French Civil Code (or, before the 1st of October 2016, article 1244-1 of the French Civil Code) before a court), or (2) had a court grant his creditors a final non-appealable right of enforcement or material damages as a result of a missed payment, in relation to each of items (1) and (2), within three (3) years prior to the date of origination of the relevant Home Loan, or (3) has undergone a debt restructuring process with regard to his non-performing exposures within three years prior to the Purchase Date;
  - (b) was, at the time of origination, on an official registry of persons with adverse credit history (meaning for the purpose of this Home Loan Eligibility Criteria being registered in the Banque de France’s FICP file); or
  - (c) has a credit assessment by an ECAI or has a credit score indicating that: the risk of contractually agreed payments not being made is significantly higher than for comparable exposures held by the Seller which are not securitised,

within the meaning of article 20(11) of the Securitisation Regulation, and, in each case, in accordance with any official guidance issued in relation thereto,

it being specified for the interpretation of the above that:

- (A) the Seller will not necessarily have been made aware of the occurrence of the events listed in (a) having occurred and the Seller’s information is limited to the period elapsed since the date the Seller first entered into an agreement with the Borrower, which may be shorter than three (3) years preceding the date of origination of the relevant Home Loan;
- (B) the “*Fichier National des Incidents de remboursement des Crédits aux Particuliers*” (“FICP”) file does not keep track of any historical information on the credit profile of the

Borrower to the extent that the circumstances that would have justified its inclusion on the FICP have disappeared;

- (C) for the purpose of assessing whether the Borrower is not a credit-impaired obligor within the meaning of this Home Loan Eligibility Criteria, the Seller only takes into account the internal Basel II credit score assigned by BPCE to the Borrower as of the Selection Date which (x) is between 1 and 8, (y) is not and has not been classified as “RX” (restructured) within three (3) years prior to the Purchase Date and within three (3) years to the relevant origination date and (z) is not and has not been classified as “CX” (contentious) within three (3) years prior to the relevant origination date; and which is based on information obtained by it from any of the following combinations of sources and circumstances: (i) the Borrower for the purpose of the origination of the Home Loan and any other exposures, (ii) the Seller as originator, in the course of its servicing of the exposures or in the course of its risk management procedures, (iii) notifications by a third party (including BPCE) and (iv) the consultation of the Banque de France’s FICP file at the time of origination of the relevant Home Loan; and
  - (D) for a given Borrower and the related Home Loan, such internal credit score is considered by the Seller as not “indicating that the risk of contractually agreed payments not being made is significantly higher than for comparable exposures held by the Seller which are not securitised, where such internal credit score is such that the Home Loan is not classified as doubtful, impaired, non-performing or classified to the similar effect under the accounting principles applied by the Seller;
- (d) the Home Loan Agreement is governed by French law;
  - (e) in respect of each Home Loan Agreement entered into by several co-borrowers, these co-borrowers were, at the time such Home Loan Agreement has been executed, jointly and severally liable (*co-débiteurs solidaires*) for the full payment of the corresponding Home Loan;
  - (f) the Home Loan is denominated and payable in Euro;
  - (g) all sums due under the Home Loan are fully secured either:
    - (i) by a Mortgage, provided that in such case, the relevant Home Loan was granted to finance the acquisition of one (1) single property located in France, being the main residence (*résidence principale*) of that Borrower; or
    - (ii) by a Home Loan Guarantee, provided that in such case:
      - (A) the relevant Home Loan was granted to acquire, to renovate, to build or to refinance one (1) single property located in France, being the main residence (*résidence principale*) of that Borrower;
      - (B) there was no Mortgage lien on the underlying property on the date on which the Home Loan was granted;
      - (C) if the Home Loan was granted from the 1<sup>st</sup> of January 2014, the Borrower is contractually committed not to grant any Mortgage lien on the underlying property without the consent of the relevant Seller; and
      - (D) the benefit of the Home Loan Guarantee will be transferred to the Issuer by way of the Transfer Document, without the need to obtain the prior consent of the relevant Home Loan Guarantor;
  - (h) the current Outstanding Principal Balance of such Home Loan is no more than EUR 1,000,000 and not less than EUR 500;

- (i) the Current LTV of the Home Loan is no more than one hundred per cent. (100%);
- (j) the Current Indexed LTV of the Home Loan is no more than one hundred per cent. (100%);
- (k) the Home Loan has a remaining maturity not exceeding twenty-five (25) years and which is at least six (6) months;
- (l) the Borrower has paid at least one (1) instalment in respect of the Home Loan;
- (m) the Home Loan is not in arrears, has not been accelerated or declared due and payable and is not subject to legal proceedings;
- (n) no Home Loan is considered by the relevant Seller as being in default within the meaning of Article 178(1) of CRR, as further specified by the Delegated Regulation on the materiality threshold for credit obligations past due developed in accordance with Article 178 of the CRR and by the EBA Guidelines on the application of the definition of default developed in accordance with Article 178(7) of the CRR;
- (o) the Home Loan is monthly amortising with an instalment consisting of interest and principal over the term of such Home Loan (i.e. no bullet loans and no interest-only loans);
- (p) the Seller does not use set-off as means of payment of the amounts due and payable by the Borrower under the Home Loans;
- (q) the Borrower does not benefit from a contractual right of set-off pursuant to the relevant Home Loan Agreement;
- (r) the Home Loan Agreement does not include any provision which expressly states that any right or claim of the relevant Seller against the relevant Borrower under the Home Loan Agreement from which the Home Loan is deriving is closely connected (*connexes*) to any reciprocal right or claim of the relevant Borrower against the relevant Seller under any other contractual arrangement;
- (s) the opening by the Borrower of a bank account dedicated to payments due under the Home Loan is not provided in the relevant contractual arrangements as a condition precedent to the originator of the Home Loan making the Home Loan available to the Borrower under the Home Loan;
- (t) under the Home Loan Agreement from which the Home Loan is deriving, the Borrower is not entitled to redraw any amount drawn down under the Home Loan;
- (u) the Home Loan has been disbursed in full by the relevant lender to the relevant Borrower;
- (v) each Home Loan Agreement constitutes the legal, valid, binding and enforceable contractual obligations of the relevant Borrower, with full recourse to the relevant Borrower (except that enforceability may be limited by (i) bankruptcy or insolvency of the Borrower or other laws relating to over-indebtedness (*surendettement*) or enforcement of general applicability affecting the enforcement rights of creditors generally or (ii) the existence of unfair contract terms (*clauses abusives*) as defined by articles L.212-1 *et seq.* of the French Consumer Code in the Home Loan Agreements (provided they would not (A) affect the right of the Issuer to purchase the Home Loan as contemplated under the Home Loan Purchase and Servicing Agreement or (B) deprive the Issuer of its rights to receive principal and to receive interest as provided for under the Home Loan);
- (w) neither the Home Loan Agreement, the Mortgage or the Home Loan Guarantee is not tainted with any legal default making it voidable, rescindable, or subject to legal termination;
- (x) each Home Loan is separately individualised and identified in the systems of the relevant Seller on or before the relevant Purchase Date such that the Management Company may at any time separately identify the relevant Purchased Home Loans;
- (y) the Home Loan is not secured by a cash deposit (*gage-espèces*);

- (z) the Home Loan Agreement has been executed between the relevant Seller and a Borrower pursuant to the applicable legal and regulatory provisions;
- (aa) the Home Loan Agreement does not require the relevant Borrower's consent to be obtained before an assignment of the relevant Home Loan and the associated Ancillary Rights to the Issuer can occur;
- (bb) the relevant Seller has complied with all its obligations in originating the relevant Home Loan Agreement, including without limitation any duty of care (*obligation de conseil*) in the execution of such Home Loan Agreement;
- (cc) the Home Loan bears a fixed interest rate equal to or greater than one point seventy-five per cent (1.75%) *per annum* (excluding insurance premia);
- (dd) each Home Loan Agreement has been originally entered into on or after 1 January 2009 and on or before 30 April 2020;
- (ee) the Home Loan is not a bridge loan (*crédit relais*) the purpose of which is to bridge the financing of the purchase of the underlying property;
- (ff) the Home Loan is not a subsidised loan (such as a “interest-free loan”, “prêt à taux zéro”(PTZ)) nor regulated loan (such as “prêt épargne logement” (PEL) or FGAS or “prêt à l’accession sociale” (PAS));
- (gg) the underlying property which is subject to the Home Loan Agreement is either a residential house or a residential flat, and not used for partially commercial use;
- (hh) the Home Loan does not result from an equity release loan where the Borrower has monetized its property for either a lump sum of cash or regular periodic income;
- (ii) to the best of the relevant Seller’s knowledge, such Seller has not been notified in writing by the Borrower or the relevant insurance company of any material default of the Borrower to maintain adequate insurance with respect to the mortgaged property in accordance with the corresponding Home Loan;
- (jj) the Borrower makes all instalments under the Home Loan through monthly automatic debit of a bank account located in France;
- (kk) on the Selection Date, any payment holiday, postponement or suspension of any Home Loan instalment granted to the Borrower further to a Commercial Renegotiation, as the case may be, has expired and the Borrower is not in the process of entering into a Commercial Renegotiation with the Seller (including to obtain any such payment holiday, postponement or suspension of any Home Loan instalment) nor subject of any amicable or contentious recovery process nor subject to a request for a partial or a total prepayment by the relevant Borrower; and
- (ll) when one or several other Home Loans have been granted to the Borrower by the same Seller in relation to the same property as the relevant Home Loan and are secured by the same Home Loan Guarantee or Mortgage as the relevant Home Loan, each such other Home Loans shall (i) comply with the Home Loan Eligibility Criteria as of the relevant Selection Date or, as the case may be, the relevant date specified in the Home Loan Eligibility Criteria, and (ii) be transferred to the Issuer on the Purchase Date together with the relevant Home Loan.

For the avoidance of doubt, (i) the Home Loans do not include transferable securities, as defined in point (44) of Article 4(1) of Directive 2014/65/EU nor any securitisation position nor any derivatives and (ii) no guarantor (other than, where applicable, the Home Loan Guarantors) has been taken into account for the purpose of assessing compliance with the Home Loan Eligibility Criteria.

Pursuant to the Home Loans Purchase and Servicing Agreement, each Seller will confirm that the Home Loan Eligibility Criteria (v) shall be understood as referring to a full recourse of such Seller to the relevant Borrower and, where applicable, the relevant guarantor.

## **BREACH OF WARRANTIES AND REPRESENTATIONS IN RELATION TO THE HOME LOANS**

### **GENERAL**

When consenting to acquire any Home Loans on the Purchase Date, the Issuer will take into consideration, as an essential and determining condition for its consent (*condition essentielle et déterminante de son consentement*), the conformity of those Home Loans with the Home Loan Eligibility Criteria as at the Selection Date or, as applicable, on the relevant date specified under the Home Loan Eligibility Criteria.

The Management Company will carry out consistency checks on the information provided to it by the relevant Seller in order to test through a computer-based process the compliance of the Home Loans with the Home Loan Eligibility Criteria. Such checks will be undertaken in the manner, and as often as is necessary to ensure the fulfilment by the relevant Seller of its obligations as set out in the Home Loans Purchase and Servicing Agreement, the protection of the interests of the Noteholders with respect to the Assets Allocated to the Issuer, and, more generally, in order to satisfy its legal and regulatory obligations. However, each Seller will remain liable for the compliance by each Home Loan transferred by it to the Issuer with the Home Loan Eligibility Criteria.

### **NON-COMPLIANCE OF THE HOME LOANS WITH THE HOME LOAN ELIGIBILITY CRITERIA**

Under the Home Loans Purchase and Servicing Agreement, if the Management Company, any Seller or the Transaction Agent becomes aware that any of the representations or warranties given or made by such Seller in relation to the conformity of any Purchased Home Loans to the Home Loan Eligibility Criteria was false or incorrect in any material respects by reference to the facts and circumstances existing on the Selection Date or, as applicable, on the relevant date specified in the relevant Home Loan Eligibility Criteria or in the event that, for any reason whatsoever, the Transfer Document executed by such Seller in respect of the assignment of such Purchased Home Loan is not or ceases to be effective, the Management Company, the relevant Seller or the Transaction Agent (as the case may be) will promptly inform the other parties to the Home Loans Purchase and Servicing Agreement. Such breach will be corrected by the Seller, by (i) to the extent possible, taking any appropriate steps and as soon as practicable, to rectify the breach by no later than the second Payment Date following the date on which the Management Company, the Seller or the Transaction Agent, as applicable, has become aware of the relevant non-compliance or (ii) if the relevant breach cannot be rectified, implementing one of the below remedies, by no later than the second Payment Date following the date on which the Management Company, the Seller or the Transaction Agent, as applicable, has become aware of the relevant non-compliance:

- (a) by the rescission (*résolution*) of the sale of the relevant Purchased Home Loan, provided that such rescission shall only occur subject to the payment by the relevant Seller to the Issuer of the Rescission Amount; or
- (b) should the relevant breach be such that the sale of the relevant Purchased Home Loan will be deemed not to have occurred or the rescission is not possible, by paying to the Issuer an indemnity equal to the Indemnity Amount.

Once a rescission or indemnification has occurred in accordance with the above, any collections received by the Issuer (if any) after the Determination Date preceding such rescission or indemnification in relation to the relevant Purchased Home Loans will be repaid by the Issuer to the relevant Seller outside any Priority of Payments and shall not constitute Available Collections.

### **LIMITS OF THE REPRESENTATIONS AND WARRANTIES OF THE SELLERS**

The remedies set out in Section " NON-COMPLIANCE OF THE HOME LOANS WITH THE HOME LOAN ELIGIBILITY CRITERIA" above are the sole remedy available to the Issuer in respect of the non compliance of any Home Loan or Ancillary Rights with the Home Loan Eligibility Criteria or in the event that, for any reason whatsoever, the Transfer Document executed by such Seller in respect of the assignment of such Purchased Home Loan is not or ceases to be effective. Under no circumstances may the Management Company request an additional indemnity from any Seller relating to the non compliance of any Home Loan or Ancillary Rights with the Home Loan Eligibility Criteria or in the event that, for any reason whatsoever, the Transfer Document executed by such Seller in respect of the assignment of such Purchased Home Loan is not or ceases to



be effective. In particular, the Sellers give no warranty as to the ongoing solvency of Borrowers. Furthermore, the representations, warranties and undertakings of the Sellers shall not entitle the Noteholders to assert any claim directly against the Sellers, the Management Company having the exclusive competence under article L. 214-183 of the French Monetary and Financial Code to represent the Issuer as against third parties and in any legal proceedings.

The non-compliance and rescission of the transfer of any Purchased Home Loan shall not affect in any manner the validity of the transfer of the other Purchased Home Loans which complied with the Home Loan Eligibility Criteria.

#### **OTHER REPRESENTATIONS AND WARRANTIES OF THE SELLERS RELATING TO THE HOME LOANS**

Under the Home Loans Purchase and Servicing Agreement, each Seller will also represent and warrant on the Purchase Date that:

- (a) **Selection of the Home Loans:** it has not selected the Home Loans to be transferred to the Issuer with the aim of rendering losses on the Purchased Home Loans, measured over the life of the transaction, or over a maximum of 4 years where the life of the transaction is longer than 4 years, higher than the losses over the same period on comparable home loan receivables held on its balance sheet;
- (b) **Eligibility Criteria:** each Home Loan offered for purchase under the Home Loans Purchase and Servicing Agreement meets the Home Loan Eligibility Criteria, as of the relevant Selection Date or, as the case may be, the relevant date specified in the Home Loan Eligibility Criteria;
- (c) **Information provided to the Issuer:** all information which is provided by each Seller to the Issuer with respect to the Home Loans and their Ancillary Rights pursuant to the terms of this Agreement are, in all material respects, true, accurate and complete and do not omit any facts which would render such information misleading in any material respect;
- (d) **Ownership of each Home Loan:** the relevant Seller has full title to the Home Loans and the related Home Loan Guarantees and Mortgages immediately prior to their assignment and the status and enforceability of neither the Purchased Home Loans nor the related Home Loan Guarantees and Mortgages are subject to, either in whole or in part, any assignment, delegation or pledge, attachment, warranty claims, set-off nor encumbrance of whatever type, in particular any rights of third parties, or otherwise in a condition, that can be foreseen to adversely affect the enforceability of the assignment of the Home Loans or any related Home Loan Guarantees and Mortgages to the Issuer;
- (e) **Transfer of title:** upon execution of each Transfer Document, the Issuer will become the sole creditor and owner of each Home Loan being the subject of that Transfer Document;
- (f) **Identification of the Purchased Home Loans:** the information contained in the Transfer Document (*Acte de Cession de Créances*) signed by it and the Electronic File deemed to be an integral part thereof do not contain any statement which is untrue or inaccurate in any material respect or omits to state any fact or information the omission of which makes the statements therein untrue, misleading or inaccurate in any material respect and that the Electronic File deemed to be an integral part of each Transfer Document (*Acte de Cession de Créances*), and delivered by the relevant Seller to the Management Company on the Purchase Date, contains all information as are necessary for the purposes of identifying and individualising (*désigner et individualiser*) without any possible ambiguity each of the Purchased Home Loans transferred thereunder;
- (g) **Credit-granting criteria:**
  - (i) it has applied to the Home Loans to be transferred by it to the Issuer the same sound and well-defined criteria for credit-granting which it applies to non-securitised Home Loans. To that end, the same clearly established processes for approving and, where relevant, amending, renewing and refinancing Home Loans has been applied;
  - (ii) such 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 obligor's creditworthiness taking

appropriate account of factors relevant to verifying the prospect of the obligor meeting his obligations under the Home Loan Agreement; and

- (iii) as French licensed credit institutions, such Seller has applied 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 when assessing the credit worthiness of the relevant Borrower; and
- (h) **Mergers:** in relation to any Home Loan originated by any other entity of the BPCE Group which has transferred the Home Loan to the Seller through merger: (i) such merger was implemented either between two or more *caisses d'épargne et de prévoyance* regulated by articles L. 512-87 *et seq.* of the French Monetary and Financial Code or between two or more *banques populaires* regulated by articles L. 512-2 *et seq.* of the French Monetary and Financial Code, thus between two or more entities of the BPCE Group applying the Credit Guidelines and Servicing Procedures and in each case geographically close; (ii) accordingly, prior to such merger, such Home Loan had been originated pursuant to the Credit Guidelines and had been managed in accordance with the Servicing Procedures; and (iii) to the best of its knowledge, there is no pending litigation the effects of which could adversely affect the possibility for the transferor to transfer fully, definitively, irrevocably and without the possibility of revocation or nullity, such Home Loan to the relevant Seller through such merger.

## PORTFOLIO CONDITIONS

As of the Selection Date, the Home Loans offered for sale to the Issuer shall comply with the LTV Criteria, the RWA Limit, the Borrower Concentration and the Seller Concentration (together the “**Portfolio Conditions**”), where:

- (a) “**LTV Criteria**” refers to the following loan-to-value (LTV) portfolio limits:
  - (1) the weighted average of the Current LTV and the weighted average of the Current Indexed LTV of the Home Loans offered for sale by all Sellers and benefiting from Home Loan Guarantees does not exceed eighty per cent (80%); and
  - (2) the weighted average of the Current LTV and the weighted average of the Current Indexed LTV of the Home Loans offered for sale by all Sellers and benefiting from Mortgages does not exceed eighty per cent (80%).
- (b) “**RWA Limit**” refers to the following limit: the weighted average of the Home Loans risk weights under the Standardised Approach (as defined in the Capital Requirements Regulations) is equal to or smaller than 40%;
- (c) “**Borrower Concentration**” refers to the following limit: the aggregate Outstanding Principal Balance of the Home Loans granted to a single Borrower as of the Selection Date and offered for sale by all Sellers on the Purchase Date is lower than an amount equal to two per cent. (2%) of the aggregate Outstanding Principal Balance as of the Selection Date of all the Home Loans offered for sale by all Sellers on the Purchase Date; and
- (d) “**Seller Concentration**” refers to the following limit: in respect of each Seller, the prorated share of the sum of the Outstanding Principal Balance, at the Selection Date, of the Home Loans assigned by such Seller in the sum of the Outstanding Principal Balance at the Selection Date of all Home Loans purchased by the Issuer from all Sellers, shall be equal to its relevant Contribution Ratio as set out in Appendix 2 of this Prospectus.

The compliance of the Home Loans offered for sale to the Issuer with the Portfolio Conditions will be a condition precedent to the transfer of the Home Loans to the Issuer on the Purchase Date.

## ANCILLARY RIGHTS

The payment of principal, interest, expenses and ancillary rights owed by the Borrowers may be secured, as the case may be, by Ancillary Rights.

In accordance with article L. 214-169 V 3° of the French Monetary and Financial Code, the assignment of the Home Loans by the delivery of the Transfer Document automatically extends to the security, guarantees and other ancillary rights, including mortgages and such transfer shall be enforceable against third parties (for the avoidance of doubt, including, without limitation, the Borrowers), without any further formality (*la remise du bordereau entraine de plein droit le transfert des sûretés, des garanties et des autres accessoires attachés à chaque créances, y compris les sûretés hypothécaires, [...] de même que l'opposabilité de ce transfert aux tiers sans qu'il soit besoin d'autre formalité*); accordingly the Ancillary Rights (if any) shall be transferred to the Issuer together with the Home Loans to which they are attached.

## **GENERAL RESERVE**

Under the Home Loans Purchase and Servicing Agreement, the Reserves Provider has undertaken to guarantee the performance of the Purchased Home Loans, up to an amount equal to, on the Issuer Establishment Date, the General Reserve Initial Cash Deposit Amount, in accordance with and subject to the provisions of the Reserve Cash Deposits Agreement.

The amount standing to the credit of the General Reserve Account aims to provide liquidity and a protection to the Issuer in case of weak performance of the Purchased Home Loans, as the case may be, and shall be applied by the Issuer as described in the Reserve Cash Deposits Agreement.

For more details on the General Reserve, please refer to Section entitled “CREDIT STRUCTURE – General Reserve”

## **REPURCHASE OF THE PURCHASED HOME LOANS**

Pursuant to the Home Loans Purchase and Servicing Agreement and in accordance with, and subject to the provisions of article L. 214-183 of the French Monetary and Financial Code:

- (a) if it is in the interest of the Noteholders and of the Residual Unitholders, the Management Company may (but shall not be under any obligation to) offer to any Seller to repurchase Purchased Home Loans transferred by it to the Issuer which have become entirely due (*échues*) or have been entirely accelerated (*déchues de leur terme*), provided that such Seller shall in any case be free to accept or refuse such offer. In such a case:
  - (i) the Management Company shall propose to such Seller any or all the Purchased Home Loans transferred by it to the Issuer which have become entirely due (*échues*) or have been entirely accelerated (*déchues de leur terme*), by delivering to such Seller a repurchase offer;
  - (ii) the purchase price of the Purchased Home Loans repurchased by the relevant Seller shall be equal to the Re-transfer Price it being provided that such Re-transfer Price shall be paid to the Issuer at the latest on the relevant Re-transfer Date;
  - (iii) the Re-transfer Price will be credited to the General Account;
  - (iv) the repurchase of any Purchased Home Loans pursuant to this paragraph (a) shall occur on a Re-transfer Date, through the signature by the Management Company and the delivery to the relevant Seller, of a repurchase offer governed by article L. 214-169 and D. 214-227 of the French Monetary and Financial Code, provided that each repurchase offer will be executed in name and on behalf of the relevant Seller by the Transaction Agent;
- (b) any Seller may, for as long as it also acts as Servicer of the Home Loans it has transferred to the Issuer, (but shall not be under the obligation to) request to repurchase certain Purchased Home Loans which raise management and/or operational issues for such Seller or the corresponding Servicer, provided that the Management Company shall in any case be free to accept or refuse such request, considering the interest of the Noteholders and the Residual Unitholders. Sub-paragraphs (a)(ii) to (a)(iv) above shall apply *mutatis mutandis* to such a repurchase by a Seller; and
- (c) in the event that any Servicer enters into any Commercial Renegotiation which is not a Permitted Amendment:

- (i) the corresponding Seller shall promptly inform the other Parties of the same;
- (ii) the corresponding Seller shall be under the obligation to repurchase from the Issuer the relevant Purchased Home Loan, for a repurchase price equal to the Re-transfer Price (provided that for the purpose of the calculation of the Re-transfer Price, the forgiveness, reduction or cancellation of any amount due under such Purchased Home Loan pursuant to such Commercial Renegotiation shall not be taken into account);
- (iii) sub-paragraphs (a)(ii) to (a)(iv) above shall apply mutatis mutandis to such a repurchase by the relevant Seller; and
- (iv) such repurchase of the relevant Purchased Home Loan shall take place within two calendar months following the date on which the modification was notified by a party to the other (or within such delay otherwise agreed with the Management Company).

Once the repurchase of any Purchased Home Loans has occurred, any collections received by the Issuer (if any) after the Determination Date preceeding the relevant Re-Transfer Date in respect of such Home Loans will be repaid to the relevant Seller, which repurchased such Home Loans, outside of the relevant Priority of Payments.

For the avoidance of doubt, re-transfers of Purchased Home Loans by the Issuer shall only occur in the circumstances pre-defined above or in case of liquidation of the Issuer, and in any such case of re-transfer, the Management Company shall not carry out any active management of the portfolio of Purchased Home Loans on a discretionary basis (meaning, (a) a management that would make the performance of the securitisation dependent both on the performance of the Purchased Home Loans and on the performance of the portfolio management of the securitisation or (b) a management performed for speculative purposes aiming to achieve better performance, increased yield, overall financial returns or other purely financial or economic benefit).

## **DEEMED COLLECTIONS**

If, in relation to any Purchased Home Loan assigned by a Seller, any decrease in the principal amount of such Purchased Home Loan has arisen as a result of any set-off (whether such set-off is imposed by operation of law, by contract or by a competent court) and as a result of any such event, the Issuer is not lawfully entitled to receive all or part of the principal amount due with respect to such Purchased Home Loan, then such Seller will pay to the Issuer such principal amount as deemed collections, each, "**Deemed Collections**".

Any Deemed Collections due in respect of any Quarterly Collection Period by a Seller with respect to Purchased Home Loans assigned to the Issuer by such Seller will be determined by the Management Company on each Calculation Date and paid by such Seller on the Settlement Date following such Quarterly Collection Period, to the Issuer by way of cash settlement. In the event that, any Deemed Collection has arisen as a result of any set-off imposed by contract and as a consequence a Rescission Amount or an Indemnity Amount has been paid to the Issuer in relation to the relevant Purchased Home Loan in accordance with paragraph "Non-compliance of the Home Loans with the Home Loan Eligibility Criteria" above, no Deemed Collection will be due in respect of such Home Loan.

## **II. SERVICING OF THE HOME LOANS**

### **APPOINTMENT OF THE SERVICERS**

In accordance with the provisions of article L. 214-172 of the French Monetary and Financial Code and the provisions of the Home Loans Purchase and Servicing Agreement, each Seller will continue to be in charge of the administration, the recovery and the collection of the Purchased Home Loans transferred by it to the Issuer and the corresponding Ancillary Rights transferred by it to the Issuer, in its capacity as Servicer.

## DUTIES OF THE SERVICERS

### STANDARD OF CARE AND SERVICING PROCEDURES

Each Servicer has undertaken to the Management Company and the Custodian that it will devote to the performance of its obligations under the Home Loans Purchase and Servicing Agreement at least the same amount of skill, time and attention and overall diligence that it would normally exercise for the administration, the recovery and the collection of its own assets similar to the Purchased Home Loans and Ancillary Rights and with the due care that would be exercised by a prudent and informed servicer.

In performing its obligations under the Home Loans Purchase and Servicing Agreement in relation to the administration, the recovery and the collection of the Purchased Home Loans, each Servicer will strictly comply with the provisions of the Home Loans Purchase and Servicing Agreement, the provisions of the Home Loan Agreements and the Servicing Procedures.

Any material amendment to or substitution of the Servicing Procedures shall require the prior written approval of the Management Company (with a copy to the Custodian). The Rating Agencies shall be informed by the Management Company of any such material amendment to or substitution of Servicing Procedures and an overview of any such material amendment to or substitution of Servicing Procedures will be provided to investors on a quarterly basis and within one (1) month of each Payment (provided that such information shall be reported prior to such date, if necessary to make sure that such information is reported to investors without undue delay).

In addition, pursuant to the provisions of the Home Loans Purchase and Servicing Agreement, each Servicer has represented and warranted that its business has included the servicing of receivables of a nature similar to the Purchased Home Loans transferred by it to the Issuer in its capacity as Seller, for at least five (5) years prior to the Issuer Establishment Date.

### COLLECTION OF THE PURCHASED HOME LOANS

On each Home Loan Instalment Due Date and in respect of each Purchased Home Loan, each Servicer has undertaken to collect the Home Loan instalment from the relevant Borrower by direct debit from the bank account on which such Servicer is authorised by the relevant Borrower to collect such Home Loan instalment as from the execution of the corresponding Home Loan Agreement. If the collection of the said Purchased Home Loan cannot be performed by the relevant Servicer in accordance with the above, for any reason whatsoever (in particular in the case where the direct debit has been cancelled), the relevant Servicer has undertaken to use its best efforts (*obligation de moyens*) to collect the corresponding Home Loan instalment by any other appropriate means as provided by the Servicing Procedures. Upon the effective termination of the appointment of any Servicer under the Home Loans Purchase and Servicing Agreement, and unless otherwise expressly instructed by the Management Company, the corresponding Servicer has undertaken to immediately stop sending to the Borrowers direct debit requests in respect of the Purchased Home Loans and such direct debit shall be cancelled.

Each Servicer shall ensure that it, in an efficient and timely manner, collects, transfers and credits all Available Collections paid in relation to any Collection Period in respect of the Purchased Home Loans transferred by it to the Issuer, directly or indirectly to one bank account opened by it with the Specially Dedicated Account Bank and specially dedicated (*compte spécialement affecté*) to the benefit of the Issuer, in accordance with articles L. 214-173 and D. 214-228 of the French Monetary and Financial Code (the “**Specially Dedicated Bank Accounts**”).

Subject to and in accordance with the provisions of the Home Loans Purchase and Servicing Agreement, each Servicer shall in an efficient and timely manner collect, transfer and credit directly or indirectly to its Specially Dedicated Bank Account(s) all Available Collections received in respect of the Purchased Home Loans transferred by it to the Issuer, provided that each Servicer has undertaken vis-à-vis the Issuer:

- (i) that all Home Loans instalments paid by the Borrowers by direct debit shall be either (1) credited directly to its Specially Dedicated Bank Account(s), provided that such amounts will include any amount of insurance premium or services fees paid by the relevant Borrower, as applicable (such amount of insurance premium or services fees to be repaid to the relevant Seller by the Management Company in accordance

with the provisions of the Specially Dedicated Bank Account Agreement), or (2) credited to another of its bank accounts and transferred on the same day to its Specially Dedicated Bank Account(s), provided that such transferred amounts shall not include any amount of insurance premium or services fees paid by the relevant Borrower, as applicable; and

- (ii) to transfer to its Specially Dedicated Bank Account(s), as soon as possible and at the latest on the Business Day following receipt, any other amount of Available Collections standing to the credit of any other of its bank accounts, provided that such amount shall not include any amount of insurance premium or services fees paid by the relevant Borrower, as applicable.

Each Servicer has undertaken to transfer to the General Account, on each Settlement Date, any amount of Available Collections collected under any Purchased Home Loan (including its Ancillary Rights) during the immediately preceding Quarterly Collection Period and standing to the credit of its Specially Dedicated Bank Account(s) as of such date.

Each Servicer has further undertaken to pay to the General Account no later than on each Settlement Date, any amount relating to any Purchased Home Loan (including its Ancillary Rights) collected in respect of the Quarterly Collection Period immediately preceding such Payment Date that has not otherwise been transferred from its Specially Dedicated Bank Account(s) to the General Account, in case of failure or incapacity by the relevant Specially Dedicated Account Bank to comply with its instructions or to make such transfers or otherwise.

For the avoidance of doubt, as neither any insurance premium nor any services fees related to any Purchased Home Loans are being assigned to the Issuer, the Issuer will have no right whatsoever on amounts collected in respect of any such insurance premium or services fees, notwithstanding the fact that any such amounts are being credited to a Specially Dedicated Bank Account.

#### **CUSTODY OF THE DOCUMENTS**

Pursuant to the provisions of the Home Loans Purchase and Servicing Agreement and in accordance with the provisions of article L. 214-183, II and D. 214-233, 2° of the French Monetary and Financial Code and regulations with respect to data protection and bank secrecy rules and the terms of the Home Loans Purchase and Servicing Agreement, each Servicer (i) is responsible for the custody of the Contractual Documents relating to the Purchased Home Loans transferred by it to the Issuer and (ii) has established and will maintain appropriate documented custody procedures in addition to an independent internal ongoing control of such procedures.

Pursuant to the provisions of the Home Loans Purchase and Servicing Agreement and in accordance with the provisions of article D. 214-233, 3° of the French Monetary and Financial Code, the Custodian shall ensure, on the basis of a statement (*déclaration*) of each Servicer, that appropriate documented custody procedures have been set up. This statement (*déclaration*) shall enable the Custodian to check if each Servicer has established appropriate documented custody procedures allowing the safekeeping (*garantissant la réalité*) of the Purchased Home Loans transferred by it to the Issuer, their security interest (*sûretés*) and their related ancillary rights (*accessoires*) (including the Ancillary Rights) and that such Purchased Home Loans are collected for the sole benefit of the Issuer. Each Servicer shall keep the relevant Contractual Documents in such a manner that they are materially identified and distinguishable at the regular address of such Servicer and can be delivered to the Custodian on first demand from the Management Company or the Custodian in compliance with the applicable (i) bank secrecy rules and (ii) data protection rules.

#### **INFORMATION**

Pursuant to the terms of the Home Loans Purchase and Servicing Agreement, each Servicer has agreed to provide the Transaction Agent with certain information relating to payments received under the Purchased Home Loans sold by such Servicer (in its capacity as Seller) and any other payment (including recovery amounts) received on the Purchased Home Loans during each Monthly Collection Period necessary for the Transaction Agent to be able to prepare the corresponding Master Servicer Report. In that respect, the Servicer will provide the Transaction Agent with its Individual Servicer Report on each Reporting Date. The Transaction Agent shall prepare the Master Servicer Report and will provide the Management Company with such Master Servicer Report on each Information Date.

The Transaction Agent has further agreed to provide the Management Company and/or the Custodian, as applicable, with all information that may reasonably be requested by it in relation to the Purchased Home Loans or that the Management Company or the Custodian, as applicable, may reasonably deem necessary in order to fulfil its obligations, provided that such request aims to ensure that:

- (i) the Transaction Agent complies with its obligations, as defined in the Home Loans Purchase and Servicing Agreement;
- (ii) the interests of the Noteholders and the Residual Unitholders are protected;
- (iii) the Transaction Agent and each Servicer can perform its legal and regulatory task defined by the relevant provisions of any applicable laws and/or regulations; or
- (iv) the Management Company is able to comply with its obligations under Article 7 of the Securitisation Regulation; or
- (v) the Custodian is able to comply with its obligations under applicable laws and regulations and in particular, to pursue its audit of samples of Purchased Home Loans, in order to comply with its obligations under L214-175-4 II of the French Monetary and Financial Code to ensure the existence of the Purchased Home Loans.

The Transaction Agent may request any additional information to any Servicer provided that such request aims to ensure that:

- (i) such Servicer complies with its obligations, as defined in the Home Loans Purchase and Servicing Agreement;
- (ii) the interests of the Noteholders and the Residual Unitholders are protected;
- (iii) such Servicer can perform its legal and regulatory task defined by the relevant provisions of any applicable laws and/or regulations;
- (iv) the Management Company is able to comply with its obligations under Article 7 of the Securitisation Regulation; or
- (v) the Custodian is able to comply with its obligations under applicable laws and regulations and in particular, to pursue its audit of samples of Purchased Home Loans, in order to comply with its obligations under L214-175-4 II of the French Monetary and Financial Code to ensure the existence of the Purchased Home Loans.

and each relevant Servicer shall then provide such information to the Transaction Agent.

The Transaction Agent shall receive on each Management Reporting Date, one Monthly Management Report for each Seller concerning the preceding Monthly Collection Period that the Management Company shall provide it with.

Each Servicer will promptly notify the occurrence of a Servicer Termination Event to the Transaction Agent, the Management Company and the Custodian upon becoming aware of the same and the Rating Agencies shall promptly be informed by the Management Company of such occurrence.

Before pricing, the Transaction Agent, on behalf of the Sellers, as originators, has made available:

- (i) a liability cash flow model through Bloomberg and/or Moody's Analytics and/or any other relevant modelling platform, which precisely represents the contractual relationship between the Purchased Home Loans and the payments flowing between the Sellers, the Transaction Agent, the Noteholders, other third parties and the Issuer (the **Cash Flow Model**);

- (ii) in relation to exposures substantially similar to the pool of Home Loans to be transferred to the Issuer on the Purchase Date, historical data covering a period of at least five (5) years on static and/or dynamic format including recovery performance, delinquency and default data.

Furthermore, pursuant to the Home Loans Purchase and Servicing Agreement, the Transaction Agent on behalf of the Sellers has undertaken to:

- (i) make available to the Management Company, the relevant information in respect of the Sellers, the Servicers or the Purchased Home Loans, as are necessary for the Management Company to be in a position to comply with its duties under the second paragraph of sub-section “INFORMATION RELATING TO THE ISSUER - Securitisation Regulation Transparency Requirements” of this Prospectus, it being specified that all information transmitted by the Transaction Agent in accordance with this paragraph (i) shall be accurate and complete in all material respect and shall be provided (a) in relation to the obligations of the Management Company set out under item (2) and (3) of the second paragraph of sub-section “INFORMATION RELATING TO THE ISSUER - Securitisation Regulation Transparency Requirements”, within one month of each Determination Date preceding a Payment Date or (b) in relation to the obligations of the Management Company set out under item (4), (5) and (6) of the second paragraph of sub-section “INFORMATION RELATING TO THE ISSUER - Securitisation Regulation Transparency Requirements”, without delay upon becoming aware of them, in each case without prejudice to the French banking secrecy requirements provided for in article L. 511-33 of the French Monetary and Financial Code and the Data Protection Requirements;
- (ii) make available the Cash Flow Model through Bloomberg and/or Moody’s Analytics and/or any other relevant modelling platform, to the relevant Noteholders on an ongoing basis and to potential investors upon request (which Cash Flow Model shall be updated, in case of significant changes in the cash flow structure of the transaction described in this Prospectus); and
- (iii) more generally, use reasonable commercial endeavours (*obligation de moyens*) to make available all other information that may reasonably be requested by the Management Company in respect of any request made by Bloomberg and/or Moody’s Analytics and/or any other relevant modelling platform.

## REPAYMENT

In relation to any repayment in full of all amounts payable by any Borrower under the relevant Home Loan Agreement:

- (i) at the request of such Borrower (or any agent acting on the Borrower’s behalf), the relevant Servicer will prepare a final account statement in order to allow such Borrower to redeem its Home Loan provided that such statement shall take into account all arrears, penalties, prepayment penalties and charges owed by such Borrower under the relevant Home Loan Agreement; and
- (ii) the relevant Servicer, together with the Management Company, if necessary, shall execute such receipt, discharge or release of any relevant guarantee attached to the Home Loans or securing the payment of such Home Loans and any such other or further agreement, document, instrument or deed of satisfaction regarding the corresponding Home Loan(s) and/or any relevant guarantee attached to the Home Loans or securing the payment of such Home Loans as the relevant Servicer considers to be necessary or advisable.

## SUB-CONTRACTS

In accordance with and subject to the provisions of the Home Loans Purchase and Servicing Agreement, any Servicer may appoint any third party in order to carry out all or any administrative part of its obligations under the Home Loans Purchase and Servicing Agreement. However, the Issuer shall have no liability to the appointed third party whatsoever in relation to any cost, claim, charge, damage or expense suffered or incurred by said third party and each Servicer will remain responsible to the Management Company for the administration, the recovery and the collection of the Purchased Home Loans and the Ancillary Rights, being liable for the actions of any such delegate.



## COMMINGLING RESERVE

The Commingling Reserve is made available to protect the Issuer against the risk of delay or default of any Servicer in its financial obligations under the Home Loans Purchase and Servicing Agreement to transfer the Available Collections to the Issuer. For the avoidance of doubt, no provision of the Home Loans Purchase and Servicing Agreement shall be interpreted as implying joint or several obligation(s) between any of the Servicers.

Pursuant to the Reserves Cash Deposits Agreement, the Reserves Provider has agreed to be jointly and severally liable (*co-débiteur solidaire*) for the full and timely payment by the Servicers of their payment obligations towards the Issuer under the Home Loans Purchase and Servicing Agreement, within the limit of an amount standing at any time to the credit of the Commingling Reserve Account and undertaken to, if the Management Company determines that the Commingling Reserve needs to be adjusted in order to comply with the Commingling Reserve Required Amount, credit the Commingling Reserve Account:

- (i) within thirty (30) calendar days (in case of a downgrade by Moody's) or within fourteen (14) calendar days (in case of a downgrade by Fitch) following the date on which the Specially Dedicated Account Bank is downgraded below the Account Bank Required Ratings; or
- (ii) thereafter on the Settlement Date following the Calculation Date on which the Management Company makes such determination,

with the necessary amounts in order for the amount standing to the credit of the Commingling Reserve Account to be at least equal to the Commingling Reserve Required Amount applicable on that date, as a guarantee for its financial obligations as joint and several debtor (*co-débiteur solidaire*), pursuant to articles L. 211-36 and L. 211-38 to L. 211-40 of the French Monetary and Financial Code (*remise de sommes d'argent en pleine propriété à titre de garantie*).

The Commingling Reserve Account shall be credited and debited as described in Section "DESCRIPTION OF THE ISSUER ACCOUNTS".

In the event of a breach by any Servicer of its payment obligations towards the Issuer under the Home Loans Purchase and Servicing Agreement, the payment obligations of the Reserves Provider under the Reserves Cash Deposits Agreement in its capacity as joint and several debtor (*co-débiteur solidaire*) for the full and timely payment by the Servicers of their payment obligations towards the Issuer under the Home Loans Purchase and Servicing Agreement shall become immediately due and payable and the Management Company will be entitled to set-off the restitution obligations of the Issuer under the Commingling Reserve against the breached financial obligations of the Reserves Provider, up to the lowest of (a) the unpaid amount of Available Collections arisen during such Quarterly Period which are under the responsibility of such Servicer and which is calculated by the Management Company on the basis of the relevant Master Servicer Reports; and (b) the amount then standing to the credit of the Commingling Reserve Account, in accordance the article L. 211-38 of the French Monetary and Financial Code, and to apply the corresponding funds as part of the Available Distribution Amount in accordance with the Priority of Payments applicable on the immediately following Payment Date, without the need to give prior notice of intention to enforce the Commingling Reserve (*sans mise en demeure préalable*).

Under the Reserve Cash Deposits Agreement, it has been expressly agreed that, as long as the Servicers meet their financial obligations (*obligations financières*) under the Home Loans Purchase and Servicing Agreement (failing which the above provisions shall apply), the Commingling Reserve shall not be included in the Available Distribution Amount nor be applied to cover any payments due in accordance with and subject to the applicable Priority of Payments and that, under no circumstance shall the Commingling Reserve be used to cover any Borrowers' defaults.

On any Payment Date, the Commingling Reserve will be released and reimbursed by the Issuer to the Reserves Provider (outside any Priority of Payments) for an amount equal to the applicable Commingling Reserve Decrease Amount provided that, until the earlier of the date on which all Class A Notes have been redeemed in full and the Issuer Liquidation Date, no Servicer Termination Event referred to in paragraph (g) of the definition of "Servicer Termination Event" has occurred (save if the Management Company has received since then a Master Servicer Report on any Subsequent Information Date).

Any amount standing to the credit of the Commingling Reserve Account on the earlier of (i) the date on which all Class A Notes have been redeemed in full and (ii) the Issuer Liquidation Date, shall be released and retransferred directly to the Reserves Provider in accordance with and subject to the Reserves Cash Deposits Agreement.

## COMMERCIAL RENEGOTIATIONS

In accordance with applicable laws and regulations, any Servicer will be responsible for responding to requests from Borrowers for Commercial Renegotiations of the contractual terms of the Home Loan Agreements.

The Issuer has authorised each Servicer to enter into the following amendments in respect of the Purchased Home Loans transferred by it (in its capacity as Seller) to the Issuer, as long as they are done in accordance with and subject to the Servicing Procedures (each a ***Permitted Amendment***):

- (i) any correction of a manifest error;
- (ii) any amendment which is of a formal, minor or technical nature;
- (iii) any cancellation of interest (for the avoidance of doubt, not including any amount of principal nature) and/or fees due by a Borrower under any Performing Home Loan in the context of an amicable recovery process (*recouvrement amiable*) in accordance with the Servicing Procedures for an amount which does not exceed an equivalent of six (6) months of scheduled interest;
- (iv) any cancellation of any prepayment that has been announced by the relevant Borrower in accordance with the provisions of the Home Loan Agreement but cancelled thereafter;
- (v) any Commercial Renegotiation resulting in any increase or decrease of the amount of Home Loan instalments relating to a Performing Home Loan pursuant to the contractual rights of the relevant Borrower provided for under the corresponding Home Loan Agreement, provided that, in case of a decrease, such decrease of the amount of Home Loan instalments does not result in the initial duration of the relevant Home Loan being increased by more than two (2) years, in case of Home Loans entered into with any Caisse d'Epargne and five (5) years, in case of Home Loans entered into with any Banque Populaire;
- (vi) any Commercial Renegotiation resulting in any spreading or postponement of an instalment over a period of no more than twelve (12) months or in the spreading or postponement of a maximum of twelve (12) Home Loan instalments over the residual maturity of the Home Loan in relation to any Performing Home Loan;
- (vii) any Commercial Renegotiation resulting in any extension of the maturity date of any Performing Home Loan up to thirty-six (36) months from the initial contractual maturity date of the relevant Home Loan (taking into account, any extension of the maturity date of such Performing Home Loan already consented to the Borrower, as the case may be, following the exercise by such Borrower of its contractual rights under the corresponding Home Loan Agreement referred to in paragraphs (v) or (vi) above);
- (viii) any Commercial Renegotiation relating to the interest rate of the relevant Performing Home Loan;
- (ix) any Commercial Renegotiation which leads to the corresponding Purchased Home Loan(s) being prepaid, whether in whole or in part (provided that, for the avoidance of doubt, any corresponding amount shall be treated by relevant Servicer);
- (x) any Commercial Renegotiation which results in the increase of the Outstanding Principal Balance of the corresponding Purchased Home Loan for an amount equal to the fees due and payable to the relevant Servicer as a result of the Commercial Renegotiation (it being specified that, for the avoidance of doubt, the fact that following a Commercial Renegotiation, the Outstanding Principal Balance of any Home Loan may be increased by an amount equal to the fees due and payable to the relevant Servicer as a result of the Commercial Renegotiation shall not be considered as a possibility to redraw such Home Loan); or

- (xi) any Commercial Renegotiation which is made to follow an industry-wide instruction, guideline, rule or law from a supervisory institution or public authority or any variation imposed as a result of French government policy changes or initiatives aimed at assisting homeowners (including Borrowers) in meeting payments on their Home Loans,

provided that:

- (a) in each case:
- the relevant Purchased Home Loans comply with the Home Loan Eligibility Criteria after such Commercial Renegotiation (to the exception of the Home Loan Eligibility Criteria referred to in paragraphs (o), (cc) (in relation to item (viii) above only), (jj), (kk) and (ll) of the definition);
  - the initial repayment type (amortising or linear) and the repayment frequency of the Home Loan would not change after such Commercial Renegotiation;
  - the maturity of the relevant Purchased Home Loans after the Commercial Renegotiation is not beyond the last day of December 2047;
  - such Commercial Renegotiation would not result in the decrease of the Outstanding Principal Balance of the corresponding Purchased Home Loan otherwise than as a result of an effective payment of principal to the Issuer (including by way of Deemed Collections); and
  - the relevant Servicer has agreed to preserve all the Ancillary Rights referred to in paragraph (a) of the definition of “Ancillary Rights” which secure the payment of the renegotiated Purchased Home Loans.
- (b) in relation to any Commercial Renegotiation relating to the interest rate of the relevant Performing Home Loan as referred to in item (viii) above (only):
- (A) the variation of the interest rate of the relevant Performing Home Loan is in line with market practices at the time of such Commercial Renegotiation;
  - (B) the relevant Servicer shall not accept a variation of the interest rate which it would not have accepted for its own assets similar to the Purchased Home Loans; and
  - (C) the interest rate of the Performing Home Loan after such Commercial Renegotiation remains equal to or greater than one point twenty five per cent (1.25%) *per annum* (excluding insurance premia).

In the event that any Servicer wishes to enter into any Commercial Renegotiation which is not a Permitted Amendment, such Seller shall repurchase the corresponding Purchased Home Loan(s) as set out in the Home Loans Purchase and Servicing Agreement. If such corresponding Purchased Home Loan(s) is (are) not repurchased by such Seller for any reason, such Servicer shall pay to the Issuer, as indemnification for such breach, within two (2) calendar months following the date on which the modification was notified by a party to the other (or within such delay otherwise agreed with the Management Company), an amount equal to the Re-transfer Price that would have been paid by the Seller to the Issuer in respect of such Purchased Home Loan should the repurchase of such Purchased Home Loan been made by the Seller in accordance with section “REPURCHASE OF THE PURCHASED HOME LOANS” above. Once an indemnification has been paid by the Servicer in accordance with the above, any collections received by the Issuer (if any) in relation to the relevant Purchased Home Loans from and including the Determination Date falling before the date of indemnification, will be repaid by the Issuer to the relevant Servicer outside any Priority of Payments and shall not constitute Available Collections.

Pursuant to the provisions of the Home Loans Purchase and Servicing Agreement, no Servicer Termination Event shall arise from a Commercial Renegotiation which is not a Permitted Amendment by a Servicer in relation to a Purchased Home Loan, provided that such Purchased Home Loan has been repurchased or an indemnification for such breach has been paid, by the relevant Servicer, in accordance with the above paragraph.

## **PRE-LITIGATION PROCESS**

In the event that any Borrower fails to pay any amount in relation to a Purchased Home Loan, the relevant Servicer shall comply in all material respects with the Servicing Procedures. In taking any action in relation to any Borrower, no Servicer shall deviate from the Servicing Procedures unless it has obtained prior written instructions from the Management Company (with copy to the Custodian) setting forth the action to be taken in relation to any such Borrower.

In accordance with the terms and conditions of the Servicing Procedures, any Servicer may declare that a Purchased Home Loan has become a Defaulted Home Loan.

## **JUDICIAL PROCEEDINGS**

If a Purchased Home Loan has become a Defaulted Home Loan, or if a complaint is made to the court pursuant to article 1343-5 of the French Civil Code in relation to any payment made under any Purchased Home Loan, the Borrower is referred to the consumer over-indebtedness committee (*commission de surendettement*) or under any other similar procedure as defined by any regulations in force, or a renegotiation of the Home Loan Agreement is imposed by a competent administrative, regulatory or judicial authority, the relevant Servicer will be entitled to participate in the working out of a contractual plan for the resolution of the dispute and/or make propositions to the relevant Borrower in the context of such contentious renegotiation.

Any Servicer may delegate to any entity or person designated by the Management Company and the Custodian, the compulsory recovery of a Purchased Home Loan, in accordance with the Servicing Procedures and to the extent permitted by law.

In accordance with the Servicing Procedures, any Servicer may write off a Defaulted Home Loan, in respect of which the costs relating to the recovery of such Defaulted Home Loan, the legal proceedings against potential guarantors and the enforcement of potential Ancillary Rights will exceed the expected proceeds (after deduction of any legal costs) resulting from such judicial recovery procedure.

## **ENFORCEMENT OF THE ANCILLARY RIGHTS**

Each Servicer shall proceed to the exercise and, where applicable, the enforcement of the Ancillary Rights corresponding to the Purchased Home Loans transferred by it to the Issuer; in accordance with the provisions of the Servicing Procedures, subject to any applicable legislative or regulatory provisions.

The benefit of the Ancillary Rights shall be transferred by each Seller to the Issuer in accordance with, and subject to, the provisions of the Home Loans Purchase and Servicing Agreement. Accordingly, all the amounts received in respect of the Ancillary Rights (including where such amounts result from the exercise or the compulsory enforcement of such Ancillary Rights) shall be credited by each Servicer to its Specially Dedicated Bank Account and will form part of the Available Collections of the corresponding Collection Period, during which such amounts will be effectively received.

Pursuant to the provisions of the Home Loans Purchase and Servicing Agreement, each Servicer has undertaken to refrain from carrying out any action which may adversely affect the enforcement of any Home Loan Guarantee and to take all necessary steps in order to comply with the conditions of enforcement of any Home Loan Guarantee.

In the event that, following a default of any Borrower which had been granted a Home Loan secured by a Home Loan Guarantee, any Servicer calls the relevant Home Loan Guarantee in accordance with the Servicing Procedures and the relevant Home Loan Guarantor refuses to pay the amount due by such Borrower because the conditions of enforcement of the relevant Home Loan Guarantee have not been complied with for any reason, the relevant Servicer shall indemnify the Issuer up to the amount which the Home Loan Guarantor would have paid to the Servicer had the conditions of enforcement of the relevant Home Loan Guarantee been complied with. For the avoidance of doubt, the Servicer does not guarantee the payment of the relevant amount by the Home Loan Guarantor.

## TERMINATION OF THE SERVICING MANDATE

Each Servicer has undertaken not to request the termination of its mandate under the Home Loans Purchase and Servicing Agreement, so that the administration, the recovery and the collection of the Home Loans will be carried out and continued by the same servicers until the Issuer Liquidation Date.

Following the occurrence of an Individual Servicer Termination Event in relation to any Servicer, the Management Company shall:

- (i) immediately send a Notification of Control to the Specially Dedicated Account Bank (with a copy to the Custodian and the relevant Servicer) with the effect of preventing it from implementing any further debit instruction from such Servicer with respect to its Specially Dedicated Bank Account; and
- (ii) within a period of thirty (30) calendar days and with the prior approval of the Custodian (such approval not to be unreasonably withheld or delayed, and provided that, if the Management Company considers, having regards to the interest of the Noteholders and Residual Unitholders, that the Custodian is holding or delaying its consent unreasonably, the Management Company shall be entitled to set aside the opinion of the Custodian), replace such Servicer with any entity fit for that purpose and duly authorized to carry out such activity in France (such replacement servicer being appointed with respect to the Purchased Home Loans whose servicing is the responsibility of such Servicer only), in accordance with article L. 214-172 of the French Monetary and Financial Code, it being provided that any other Servicer in respect of which no Individual Servicer Termination Event and no event which could, through the passage of time or the giving of a notice, become an Individual Servicer Termination Event, has occurred, may be appointed as a replacement servicer.

For the avoidance of doubt, the occurrence of an Individual Servicer Termination Event with respect to a Servicer shall not in itself constitute an Individual Servicer Termination Event with respect to the other Servicers.

Following the occurrence of a Master Servicer Termination Event, the Management Company shall:

- (i) immediately send a Notification of Control to the Specially Dedicated Account Bank (with a copy to the Custodian and each Servicer) with the effect of preventing it from implementing any further debit instruction from all Servicers with respect to their respective Specially Dedicated Bank Accounts; and
- (ii) within a period of thirty (30) calendar days and with the prior approval of the Custodian (such approval not to be unreasonably withheld or delayed, and provided that, if the Management Company considers, having regards to the interest of the Noteholders and Residual Unitholders, that the Custodian is holding or delaying its consent unreasonably, the Management Company shall be entitled to set aside the opinion of the Custodian), replace all Servicers with any entity or entities fit for that purpose and duly authorized to carry out such activity in France, in accordance with article L. 214-172 of the French Monetary and Financial Code.

The entity(ies) appointed pursuant to the two paragraphs (ii) above, whether relating to an Individual Servicer Termination Event or a Master Servicer Termination Event, will be referred to as the “**New Servicer(s)**”. The termination of the appointment of any Servicer will become effective as soon as any New Servicer has effectively started to carry out its duties.

Upon termination of the appointment of any Servicer(s) (or from the occurrence of a Servicer Termination Event in respect of any Servicer (including, as the case may be, from the occurrence of a Master Servicer Termination Event) if necessary to protect the interest of the Issuer) pursuant to the Home Loans Purchase and Servicing Agreement, the Management Company shall promptly request the receipt from the Data Protection Agent of the Decryption Key in accordance with the terms of the Data Protection Agreement and shall, as soon as possible upon receipt of such Decryption Key and at the latest within thirty (30) calendar days of such receipt (or shall instruct any substitute servicer or any third party appointed by it, following prior information of the Custodian) to (x) notify the relevant Borrowers, and any relevant insurance company under any Insurance Contract (if known) and or Home Loan Guarantor under any Home Loan Guarantee relating to the relevant Purchased Home Loans, of the assignment of the relevant Home Loans to the Issuer and (y) instruct the relevant Borrowers, insurance company

and Home Loan Guarantor, to pay any amount owed by them under the relevant Purchased Home Loans into any account specified by the Management Company (or the relevant third party or substitute servicer) in the notification.

If the appointment of any Servicer is terminated following the occurrence of a Servicer Termination Event, such Servicer shall transfer to any New Servicer appointed by the Management Company all necessary information (including the Contractual Documents under its custody) and registrations, in order to effectively transfer the servicing functions relating to the Purchased Home Loans.

### III. TRANSACTION AGENT

#### Main tasks of the Transaction Agent

Pursuant to the Home Loans Purchase and Servicing Agreement, each Seller and each Servicer will appoint BPCE as its agent (*mandataire*) in relation to the provision of certain services (the “**Transaction Agent**”). The Transaction Agent will in particular:

- (a) assume the general representation of each Seller and each Servicer towards the Issuer, the Management Company and the Custodian and as such act as the primary contact of the Issuer, the Management Company and the Custodian for all matters regarding the Sellers and the Servicers;
- (b) act as agent on behalf of each Seller as regards the selection of Home Loans to be assigned to the Issuer on the Purchase Date complying with the Home Loan Eligibility Criteria and accordingly prepare the Transfer Documents;
- (c) prepare, sign and send each Re-transfer Request to the Management Company on each Re-transfer Date and prepare, sign and send to the Management Company any documents required for the implementation of the rescission (*résolution*) of the sale of any relevant Purchased Home Loans on any relevant date;
- (d) on the basis of each Individual Servicer Report received from the Servicers on each Reporting Date, prepare a Master Servicer Report and provide it to the Management Company, with a copy to the Custodian, on each Information Date, together with the up-to-date Encrypted Data File;
- (e) as applicable, on the First Optional Redemption Date or any of the subsequent Optional Redemption Dates, prepare, sign and send a request to the Management Company to redeem all (but not some only) of the Notes;
- (f) prepare, sign and send a request to the Management Company to liquidate the Issuer upon the occurrence of an Issuer Liquidation Event referred to in item (c), (d) or (f) of the definition of “Issuer Liquidation Event”;
- (g) use reasonable commercial endeavours (*obligation de moyens*) to ensure that the loan-level data with respect to the Purchased Home Loans is made available on a quarterly basis on the website of the EDW Website within one (1) month of each Payment Date, for as long as the loan-level data reporting requirements for asset-backed securities with respect to the Eurosystem's collateral framework is effective and to the extent such information is available to it and in the format required by the then applicable ECB rules and unless such task has been delegated to the Management Company and the Management Company has accepted such delegation;
- (h) use reasonable commercial endeavours (*obligation de moyens*) to make available to the Management Company any information that may reasonably be requested by the Management Company in relation to its obligation under the Transaction Documents to publish the cash flows and the performance overview on Bloomberg and on any other relevant modelling platform on each Investor Reporting Date or following a request the Management Company may receive from the Rating Agencies or the

modelling platform, in accordance with the provisions of the Home Loans Purchase and Servicing Agreement;

- (i) if and when the relevant information on environmental performance of the properties financed by the Home Loans becomes available, the Transaction Agent will use reasonable commercial endeavours (*obligation de moyens*) to communicate such information to the Management Company;
- (j) deliver the STS notification to ESMA in accordance with article 27 of the Securitisation Regulation and act as first contact point for investors and competent authorities within the meaning of paragraph 3 of article 27(1) of the Securitisation Regulation; and
- (k) be entitled to agree to, and execute, any amendment, modification, alteration, waiver or supplement to the Transaction Documents and all other related documents necessary for the implementation of the same, in the name and on behalf of each Seller and each Servicer, provided that:
  - (i) if the relevant amendment, modification, alteration or supplement materially and adversely affects the interest of the Sellers and/or the Servicers or materially increases the undertakings and other obligations of the Sellers and/or the Servicers under the Transaction Documents and all other related documents necessary for the implementation of the same, such amendment, modification, alteration, waiver or supplement shall be subject to a prior agreement of the Sellers and/or the Servicers (to be obtained separately by BPCE);
  - (ii) the Transaction Agent, in the name and on behalf of each Seller and each Servicer, will be entitled to agree to, and execute, without the Transaction Agent obtaining the prior agreement of the Sellers or the Servicers, any amendment, modification, alteration, waiver or supplement to the Transaction Documents and all other related documents necessary for the implementation of the same:
    - (1) which is technical or which is aimed at curing any ambiguity, omission, defect, inconsistency or manifest error; and
    - (2) subject to a prior information of the Sellers and the Servicers:
      - (i) to effect a change, exercise an option or use a possibility in accordance with the terms and conditions already provided for in the relevant Transaction Document (such as the amendment or the substitution of any party to that Transaction Document, subject to the terms and conditions of that Transaction Document); or
      - (ii) to comply with any mandatory requirements of applicable laws and regulations or to implement any amendment required in order to (aa) to obtain or maintain the eligibility of the Class A Notes to the Eurosystem legal framework related to monetary policy, (bb) for the Transaction to be able to qualify as a simple, transparent and standardised securitisation in accordance with the provisions of the Securitisation Regulation and the related regulatory technical standards and implementing technical standards or maintain such qualification, (cc) to comply with any new requirement received from the Rating Agencies in relation to their rating methodology, (dd) to comply with the LCR Regulation and the related regulatory technical standards and implementing technical standards, (ee) to implement the OT Reform (including, without limitation, (i) any amendment made to the provisions of the AMF General Regulations following the Issue Date in order to implement the OT Reform and (ii) any other text implementing or ratifying the OT Reform as will be adopted or will enter into force following the Issue Date), (ff) to comply with any changes in the requirements of the CRA Regulation, (gg) to enable the Class A Notes to be (or to remain) listed and admitted to trading on Euronext Paris, (hh) to enable the Issuer and/or the Interest Rate Swap Counterparty to comply with any obligation which applies to it under

EMIR or (ii) to make such changes as are necessary to facilitate the transfer of the Interest Rate Swap Agreement to a replacement swap counterparty, in circumstances where such Interest Rate Swap Counterparty does not satisfy the applicable rating requirement or has breached its terms of appointment and subject to such replacement swap counterparty satisfying the applicable rating requirements, provided that, for the avoidance of doubt, in each case referred to in (aa) to (ii) above, the Transaction Agent shall be entitled to, but shall be under no obligation to, execute the required amendment, modification, alteration, waiver or supplement to the Transaction Documents; or

- (iii) to effect an amendment, modification, alteration, waiver or supplement to the Transaction Documents and all other related documents necessary for the implementation of the same where doing so does not materially and adversely affects the interest of the Sellers or the Servicers nor materially increases the undertakings and other obligations of the Sellers or the Servicers under the Transaction Documents and all other related documents necessary for the implementation of the same;

### **Transmission of documents**

The Transaction Agent has undertaken under the Home Loans Purchase and Servicing Agreement to forthwith provide to each relevant Seller and Servicer a copy of any Transfer Document.

### **Direct recourse against the Sellers and Servicers**

Notwithstanding the appointment of BPCE as Transaction Agent, the Issuer shall have a full and direct recourse against each and every Seller or Servicer under the Home Loans Purchase and Servicing Agreement.

### **Transaction Agent's substitution**

Pursuant to the Home Loans Purchase and Servicing Agreement, BPCE shall be entitled to resign (by a prior written notice to the Management Company, the Custodian and the Sellers and Servicers), or the Sellers and Servicers (by a prior written notice to the Management Company, the Custodian and BPCE) acting unanimously, may decide to dismiss BPCE, from its role as Transaction Agent, provided that such resignation or dismissal shall not be effective until a replacement entity has been appointed by all Sellers and Servicers and agreed to assume all obligations and benefit from all rights of BPCE in its capacity as Transaction Agent as provided for in the Transaction Documents to which it is a party.

## **IV. DESCRIPTION OF THE DATA PROTECTION AGREEMENT**

### **Appointment of the Data Protection Agent**

Pursuant to the provisions of the Data Protection Agreement, the Management Company has appointed the Data Protection Agent to perform the function of data protection agent as described therein and the Data Protection Agent has accepted such appointment. When processing personal data pursuant to this Agreement, the Data Protection Agent shall act as a processor, on behalf of the Management Company which shall act as controller, both within the meaning of GDPR.

### **Encrypted Data Files**

In accordance with, and subject to, the Data Protection Agreement, on or prior to the Purchase Date, each Seller, or the Transaction Agent on behalf of the Sellers, shall encrypt using the Decryption Key communicated to the Data Protection Agent on or prior to the Issuer Establishment Date the personal data related to the Borrowers and provide it through an electronic transfer in encrypted form (the *Encrypted Data File*) directly to the



Management Company and on each Information Date, the Transaction Agent, on behalf of each Servicer, shall send through an electronic transfer an up-to-date Encrypted Data File to the Management Company together with the Master Servicer Report. For such purposes, each Servicer shall update any relevant information with respect to each Purchased Home Loan on a monthly basis to the extent that any such Purchased Home Loan remains outstanding on such date. For the avoidance of doubt, each Servicer, or the Transaction Agent on behalf of the Servicers, shall use latest available up-to-date personal data related to the Borrowers, taking into account any request received from a Borrower to exercise its data subject rights, including its right of rectification, its right to erasure or its right to restriction in relation to the personal data.

Such Encrypted Data File shall consist in an electronically readable data tape containing encrypted information such as, *inter alia*, the names and addresses of the Borrowers in respect of, (i) as at the Purchase Date, each Borrower for each Home Loan identified in the Home Loans Purchase Offer and, (ii) in relation to any Information Date, each Borrower of an outstanding Purchased Home Loan as at such date.

The Management Company will keep each version of an Encrypted Data File they receive in safe custody and protect it against unauthorised access by any third parties. For the avoidance of doubt, the Management Company will not be able to access the data contained in any Encrypted Data Files without the Decryption Key.

In the event that the Management Company has not received any Encrypted Data File within three (3) Business Days following any Information Date, it shall notify the Transaction Agent and the Custodian of such failure.

#### **Delivery and update of the Decryption Key**

The Data Protection Agent shall hold the Decryption Key (and any new Decryption Key, as the case may be, generated by any Servicer or the Transaction Agent on its behalf) in safe custody and protect it against unauthorised access by any third parties until the Management Company requires the delivery of the Decryption Key and it shall not use the Decryption Key for its own purposes. The Management Company may request the Decryption Key to the Data Protection Agent and use (or permit the use of) the personal data contained in the Encrypted Data Files relating to the Borrowers only in the following circumstances:

- (a) upon the occurrence of a Servicer Termination Event in respect of a Servicer provided that where the Servicer Termination Event is an Individual Servicer Termination Event, the Decryption Key shall only be used to decrypt the data provided by that Servicer; or
- (b) the Management Company reasonably considers it needs to have access to such personal data in order to protect the interest of the Noteholders and Residual Unitholders or the Issuer

Following the delivery by the Data Protection Agent to the Management Company of the Decryption Key upon request from the Management Company pursuant to paragraphs (a) and (b) above, the Transaction Agent, acting in the name and on behalf of each Servicer (other than the Servicer(s) in respect of which a Servicer Termination Event has occurred (the “**Defaulting Servicer**”)), shall (i) generate a new Decryption Key, so that such new Decryption Key is used to encrypt information for the purpose of any Encrypted Data File in accordance with sub-section “Encrypted Data Files” above and (ii) provide such new Decryption Key to the Data Protection Agent on the Information Date following the occurrence of such Servicer Termination Event.

## **V. DESCRIPTION OF THE SPECIALLY DEDICATED ACCOUNT BANK AGREEMENTS**

### **General**

In accordance with articles L. 214-173 and D. 214-228 of the French Monetary and Financial Code, each Servicer has entered into with the Management Company, the Custodian and the Specially Dedicated Account Bank a separate Specially Dedicated Account Bank Agreement (*Convention de Compte Spécialement Affecté*) pursuant to which an account of such Servicer shall be identified in order to be operated as a Specially Dedicated Bank Account (*compte spécialement affecté*).

## **Operation until notification by the Management Company**

### *Credit*

The Specially Dedicated Bank Account(s) shall be credited in accordance with and subject to the provisions of the Home Loans Purchase and Servicing Agreement.

### *Debit*

Without prejudice to the rights of the Issuer under the Specially Dedicated Account Bank Agreements, until the Management Company sends a Notification of Control to the Specially Dedicated Account Bank of the contrary, the Servicers will be granted the right to operate their respective Specially Dedicated Bank Account(s) in giving any instructions of wire transfers from its Specially Dedicated Bank Account(s), but only for the purpose of:

- (a) transferring to the General Account, on each Settlement Date, any amount of Available Collections standing to the credit of such Specially Dedicated Bank Account(s) as of such date; and
- (b) transferring to any other bank account of the relevant Servicer, any sum standing to the credit of any Specially Dedicated Bank Account but which are not sums owed to the Issuer (such as insurance premia), as soon as possible after having given evidence to the Management Company that such amounts are not owed to the Issuer.

At any time if it deems it is in the interest of the Noteholders and of the Residual Unitholders, the Management Company shall be entitled to serve without delay to the Specially Dedicated Account Bank either (i) a Notification of Control including an instruction from the Management Company to the Specially Dedicated Account Bank to transfer without delay the amounts standing to the credit of any Specially Dedicated Bank Account to any relevant Issuer Account, or (ii) a Notification of Release, substantially in the form set out in the relevant Specially Dedicated Bank Account Agreement.

In accordance with the provisions of the Specially Dedicated Account Bank Agreements, as from the receipt by the Specially Dedicated Account Bank of a Notification of Control given by the Management Company, the Specially Dedicated Account Bank shall cease to comply with the debit instructions of any Servicer and comply with the sole debit instructions given by the Management Company (or of any persons designated by it). Therefore, any debit instruction which could be given by the Servicer or by any other person designated by the Servicer following the receipt of such Notification of Control shall be deemed null and void. Furthermore, the Specially Dedicated Account Bank has undertaken *vis-à-vis* the Issuer to refuse to conform with such debit instruction given by the Servicer (including, as the case may be, any debit instruction given by the Servicer prior to the date on which such Notification of Control has been received but not yet implemented, except where such debit instruction consists in a transfer order to the General Account) or by any other person designated by the Servicer, as from the date of receipt of such Notification of Control.

## **Remuneration of the cash standing to the credit of the Specially Dedicated Bank Accounts**

The cash standing to the credit of the Specially Dedicated Bank Accounts will be remunerated at a rate as set out in the general terms and conditions of the Specially Dedicated Account Bank, save if otherwise agreed separately between the Management Company and the Specially Dedicated Account Bank, provided that if the rate so obtained is less than zero, the remuneration will be deemed equal to zero.

## **Change of Specially Dedicated Account Bank**

If the Specially Dedicated Account Bank ceases to have the Account Bank Required Ratings or an Insolvency Event occurs in respect of the Specially Dedicated Account Bank, each Servicer shall terminate its Specially Dedicated Account Bank Agreement and appoint, with the prior approval of the Management Company (such approval not to be unreasonably withheld or delayed) a new specially dedicated account bank within thirty (30) calendar days and close its Specially Dedicated Bank Account(s), provided that the conditions precedent set out therein are satisfied (and in particular but without limitation that new specially dedicated bank accounts have been opened with a new specially dedicated account bank with the Account Bank Required Ratings) unless (if the

Specially Dedicated Account Bank ceases to have the Account Bank Required Ratings only) the Reserves Provider has increased within thirty (30) calendar days after the downgrade of the ratings of the Specially Dedicated Account Bank below the Account Bank Required Ratings (in case of a downgrade by Moody's) or within fourteen (14) calendar days after such downgrade (in case of a downgrade by Fitch), the Commingling Reserve up to the applicable Commingling Reserve Required Amount.

Either the Specially Dedicated Account Bank or any Servicer (on giving one-month prior notice) may terminate a Specially Dedicated Account Bank Agreement, provided that the conditions precedent set out therein are satisfied (and in particular but without limitation that a new specially dedicated bank account has been opened with a new specially dedicated account bank with the Account Bank Required Ratings).

## **VI. MISCELLANEOUS**

### **GOVERNING LAW**

The Home Loans Purchase and Servicing Agreement, the Data Protection Agreement and the Specially Dedicated Account Bank Agreement shall be governed by French law and all claims and disputes arising in connection therewith shall be subject to the exclusive jurisdiction of the competent courts in commercial matters within the jurisdiction the *Cour d'Appel* of Paris.

## DESCRIPTION OF THE INTEREST RATE SWAP AGREEMENT

*The following description of the Interest Rate Swap Agreement consists of a summary of the principal terms of the Interest Rate Swap Agreement in connection with the Class A Notes. Capitalised terms used but not otherwise defined in the following summary or elsewhere in this Prospectus shall have the meanings given to such terms in the Glossary of Defined Terms Schedule of this Prospectus or in the 2013 FBF Master Agreement.*

### ***FBF Master Agreement***

On or prior to the Issuer Establishment Date, the Issuer, represented by the Management Company, will enter into an interest rate swap agreement (the "**Interest Rate Swap Agreement**") with Natixis (the "**Interest Rate Swap Counterparty**"), which will be governed by the 2013 *Fédération Bancaire Française* (FBF) master agreement relating to transactions on forward financial instruments (*convention-cadre FBF relative aux opérations sur instruments financiers à terme* or the "**FBF Master Agreement**") as amended by a supplementary schedule and confirmed by one written swap confirmation (the "**Swap Confirmation**").

### ***Purpose of the Interest Rate Swap Agreement***

The purpose of the Interest Rate Swap Agreement is to enable the Issuer to hedge in an appropriate manner the risk of a difference between the EURIBOR-based floating rate applicable for the relevant Interest Period (on each relevant Payment Date) with respect to the Class A Notes and the fixed interest rate payments received in respect of the Purchased Home Loans.

The Euro-denominated interest payments that the Interest Rate Swap Counterparty is obliged to pay to the Issuer under the Interest Rate Swap Agreement will be exclusively allocated by the Management Company to the Issuer and applied pursuant to the relevant Priority of Payments.

### ***Swap Notional Amount***

In accordance with the Interest Rate Swap Agreement, on the Issue Date, the notional amount under the Interest Rate Swap Agreement will be equal to 100 per cent. of the aggregate of the Initial Principal Amount of the Class A Notes.

On any Payment Date, the Notional Amount shall be equal to the lesser of:

- (i) the aggregate of the Principal Amount Outstanding of the Class A Notes on the immediately preceding Payment Date after giving effect to the applicable Priority of Payments (or the Issue Date in respect of the first Payment Date) as determined by the Management Company; and
- (ii) the aggregate of the Outstanding Principal Balance of the Performing Home Loans on the Determination Date immediately preceding such Payment Date (or in case of the first Payment Date, the Selection Date).

### ***Payments under the Interest Rate Swap Agreement***

#### ***Initial Swap Premium***

Pursuant to the Interest Rate Swap Agreement, the Issuer shall pay to the Interest Rate Swap Counterparty on the Issue Date the Initial Swap Premium in consideration for its entering into the Interest Rate Swap Agreement on the terms contemplated therein by using in full the Issuance Premium.

#### ***Floating Amount and Fixed Amount***

Pursuant to the Interest Rate Swap Agreement, on each Payment Date, the Interest Rate Swap Counterparty shall pay to the Issuer the swap floating amount (the "**Floating Amount**") and the Issuer shall pay to the Interest Rate Swap Counterparty the swap fixed amount (the "**Fixed Amount**"). On each Payment Date, a set-off shall be made between the Floating Amount and the Fixed Amount so that the relevant party will only pay to the other party the net swap amount (if positive) resulting from such set-off (the "**Interest Rate Swap Net Amount**").

The Interest Rate Swap Counterparty, acting as “Agent” under the Interest Rate Swap Agreement will calculate the Interest Rate Swap Net Amount due and payable on each Payment Date on the basis of the data provided by the Management Company as set out in the definition of Notional Amount.

The Interest Rate Swap Net Amount, when payable by the Issuer, will be paid by the Issuer to the Interest Rate Swap Counterparty on the relevant Payment Date in accordance with the applicable Priority of Payments.

The Floating Amount shall, on any Payment Date in respect of the Interest Period ending on such Payment Date, be an amount equal to the product of (A) the number of days in the relevant Interest Period divided by 360, (B) the greater between: (x) zero and (y) the aggregate of (i) EURIBOR (as determined for such Interest Period ending on such Payment Date or any replacement rate as determined in accordance with the Interest Rate Swap Agreement (including, as the case may be, any Adjustment Payment or Adjustment Spread)) and (ii) the Class A Margin, both for the relevant Interest Period and (C) the Notional Amount of the Interest Rate Swap Transaction.

If the definition, methodology, or formula for EURIBOR, or other means of calculating EURIBOR, is changed, the Floating Amount shall be calculated based on the definition, methodology, or formula, or other means of calculating EURIBOR, in accordance with the terms of the Interest Rate Swap Agreement.

The Fixed Amount shall be equal to the product of (i) the Interest Rate Swap Fixed Rate, (ii) the Notional Amount, (iii) the number of days in the relevant Interest Period (for the avoidance of doubt, in the case of the first Payment Date only, starting on the Issue Date) divided by 360, where the “**Interest Rate Swap Fixed Rate**” means the fixed rate determined on or about 23 October 2020 and not greater than 0.60% *per annum*.

#### ***Insufficiency of Available Funds***

In the event that, on any Payment Date, the Issuer is unable to pay to the Interest Rate Swap Counterparty the Interest Rate Swap Net Amount that is due and payable as the result of an insufficiency of available funds, the amount that is outstanding on such date will give rise to a shortfall of the Interest Rate Swap Net Amount which will be paid to the Interest Rate Swap Counterparty on the next Payment Date. Such shortfall shall not bear interest. The failure by the Issuer to pay the full amount due on such immediately following Payment Date will constitute an “Event of Default” (as defined in the Interest Rate Swap Agreement).

#### ***Return of Collateral in Excess***

If the Interest Rate Swap Counterparty has posted collateral in excess of the required amount, such excess will be directly returned by the Issuer to the Interest Rate Swap Counterparty outside of the Priority of Payments.

#### ***Additional Payments***

If the Issuer must at any time deduct or withhold any amount for or on account of any tax from any sum payable by the Issuer under the Interest Rate Swap Agreement, the Issuer shall not be liable to pay to the Interest Rate Swap Counterparty any such additional amount. If the Interest Rate Swap Counterparty must at any time deduct or withhold any amount for or on account of any tax from any sum payable to the Issuer under the Interest Rate Swap Agreement, the Interest Rate Swap Counterparty shall at the same time pay such additional amount as is necessary to ensure that the Issuer to which that sum is due receives a sum equal to the Interest Rate Swap Net Amount it would have received in the absence of any deduction or withholding. In such event, the Interest Rate Swap Counterparty shall be entitled to terminate the Interest Rate Swap Agreement only (i) after the parties have attempted in good faith for a period of thirty (30) days to find a mutually satisfactory solution for avoiding such deduction or withholding and (ii) in order to substitute any authorised interest rate swap counterparty(ies) having at least the Interest Rate Swap Counterparty Required Ratings.

#### ***Ratings of the Interest Rate Swap Counterparty by Moody's and Termination of the Interest Rate Swap Agreement***

In this section:

The “**Moody's Collateral Trigger Requirements**” will apply to the Interest Rate Swap Agreement and so long as no relevant entity has the Moody's Qualifying Collateral Trigger Ratings.

An entity will have the **“Moody’s Qualifying Collateral Trigger Ratings”** if its long-term rating from Moody’s is at least “A3” or above or long-term counterparty risk assessment from Moody’s is at least “A3(cr)” or above in accordance with the document entitled “Moody’s Approach to Assessing Counterparty Risks in Structured Finance” (the **“Moody’s 2019 Criteria”**) on 29 January 2019.

So long as the Moody’s Collateral Trigger Requirements apply, the Interest Rate Swap Counterparty will, at its own cost, transfer collateral pursuant to the terms of the Collateral Annex (as defined in the Interest Rate Swap Agreement).

The **“Moody’s Transfer Trigger Requirements”** will apply so long as no relevant entity has the Moody’s Qualifying Transfer Trigger Ratings.

An entity shall have the **“Moody’s Qualifying Transfer Trigger Ratings”** if its long-term rating from Moody’s is at least “Baa1” or above or long-term counterparty risk assessment from Moody’s is at least “Baa1(cr)” or above in accordance with the document entitled “Moody’s Approach to Assessing Counterparty Risks in Structured Finance” (the **“Moody’s 2019 Criteria”**) on 29 January 2019.

So long as the Moody’s Transfer Trigger Requirements apply, the Interest Rate Swap Counterparty will also, at its own cost, use commercially reasonable efforts to, as soon as reasonably practicable, procure either, within thirty (30) Business Days:

- a) a Moody’s Eligible Guarantee (as defined in the Interest Rate Swap Agreement) in respect of all of its present and future obligations under the Interest Rate Swap Agreement by a guarantor having at least the Moody’s Qualifying Transfer Trigger Ratings; or
- b) without prejudice to the Transfer Condition (as defined in the Interest Rate Swap Agreement), a transfer to a Moody’s Eligible Replacement (as defined in the Interest Rate Swap Agreement) satisfying the transfer conditions any and all of its rights and obligations with respect to the Interest Rate Swap Agreement.

### ***Termination***

A termination by reasons of Change of Circumstances (as defined in the Interest Rate Swap Agreement) under the Interest Rate Swap Agreement entitling the Management Company to terminate (without being obliged to) the Interest Rate Swap Agreement will occur if (A) the Moody’s Qualifying Transfer Trigger Requirements apply and thirty (30) or more Business Days have elapsed since the last time the Moody’s Qualifying Transfer Trigger Requirements did not apply and (B) at least one Moody’s Eligible Replacement has made a Firm Offer (as defined in the Interest Rate Swap Agreement) after that would, assuming the occurrence of an early termination, qualify as a Replacement Value (as defined in the Interest Rate Swap Agreement) and remain capable of becoming legally binding upon acceptance.

A termination by reasons of Event of Default (as defined in the Interest Rate Swap Agreement) under the Interest Rate Swap Agreement entitling the Management Company to terminate (without being obliged to) the Interest Rate Swap Agreement will occur if the Moody’s Collateral Trigger Requirements apply and the Interest Rate Swap Counterparty has failed to transfer collateral as required pursuant to the Collateral Annex.

### ***Ratings of the Interest Rate Swap Counterparty by Fitch and Termination of the Interest Rate Swap Agreement***

In this sub-section:

**“Fitch Collateral Trigger Event”** means, on any day of determination under the Interest Rate Swap Agreement, that each of the short-term issuer default rating (**“IDR”**), long-term IDR and, if assigned, the derivative counterparty rating (**“DCR”**) of the Interest Rate Swap Counterparty or any Fitch Credit Support Provider from time to time in respect of Interest Rate Swap Counterparty cease to be rated at least as high as the corresponding Unsupported Minimum Counterparty Ratings.

**“Fitch Credit Support Provider”** means any guarantor of the obligations of the Interest Rate Swap Counterparty under the Interest Rate Swap Agreement.

**"Fitch Replacement Trigger Event"** means, on any day of determination under the Interest Rate Swap Agreement, that each of the short-term IDR, long-term IDR and, if assigned, the DCR of the Interest Rate Swap Counterparty (or its successor or assignee) or any Fitch Credit Support Provider from time to time in respect of the Interest Rate Swap Counterparty ceases to be rated at least as high as the corresponding Supported Minimum Counterparty Rating.

**"Unsupported Minimum Counterparty Rating"** and **"Supported Minimum Counterparty Rating"** shall mean the long-term IDR, the short-term IDR or, if assigned, the DCR (as applicable) from Fitch corresponding to the then current rating of the Class A Notes as set out in the following table:

<b>Current rating of the Class A Notes</b>	<b>Unsupported Minimum Counterparty Rating</b>	<b>Supported Minimum Counterparty Rating</b>
AAAsf	A or F1	BBB- or F3
AA+sf, AAAsf, AA-sf	A- or F1	BBB- or F3
A+sf, Asf, A-sf	BBB or F2	BB+
BBB+sf, BBBsf, BBB-sf	BBB- or F3	BB-
BB+sf, BBsf, BB- sf	At least as high as the Class A Notes rating	B+
B+sf or below	At least as high as the Class A Notes rating	B-

For the purposes of the above table, if the Class A Notes are downgraded by Fitch as a result of the Interest Rate Swap Counterparty's failure to perform any obligation under the Interest Rate Swap Agreement, then the then current rating of the Class A Notes will be deemed to be the rating the Class A Notes would have had but for such failure.

#### *Fitch Trigger Events*

Following the occurrence of a Fitch Collateral Trigger Event, the provision of additional collateral or credit support to the Issuer under the Interest Rate Swap Agreement; if at any time the Interest Rate Swap Counterparty is required to provide collateral in respect of any of its obligations under the Interest Rate Swap Agreement following a credit ratings downgrade of the Interest Rate Swap Counterparty, in accordance with the terms of the Interest Rate Swap Agreement, the amount of collateral (if any) that, from time to time, (i) the Interest Rate Swap Counterparty is obliged to transfer to the Issuer or (ii) the Issuer is obliged to return to the Interest Rate Swap Counterparty, shall be calculated in accordance with the terms of the Interest Rate Swap Agreement.

Following the occurrence of a Fitch Replacement Trigger Event, an obligation of the Interest Rate Swap Counterparty to use commercially reasonable efforts for its obligations under the Interest Rate Swap Agreement to be transferred to or guaranteed by an entity with the ratings required pursuant to the Interest Rate Swap Agreement.

Furthermore, a failure of the Interest Rate Swap Counterparty to comply with such requirements within the required time frame will constitute a Change of Circumstances (as defined in the Interest Rate Swap Agreement) with the Interest Rate Swap Counterparty being the sole Affected Party (as defined in the Interest Rate Swap Agreement) and all transactions being Affected Transactions (as defined in the Interest Rate Swap Agreement). Accordingly, in such circumstances, the Management Company will be entitled to terminate the Interest Rate Swap Agreement.

#### **Certain other cases of termination**

The Interest Rate Swap Counterparty may terminate the Interest Rate Swap Agreement upon the occurrence of either of the following events (such list not being exhaustive):

- (a) if the Issuer fails to make a payment under the Interest Rate Swap Agreement when due and such failure is not remedied after the notice of such failure being given;
- (b) if any amendment to the Transaction Documents is made without the prior consent of the Interest Rate Swap Counterparty, (i) where such amendment has or could have a material adverse effect on the interests of the Interest Rate Swap Counterparty under the Interest Rate Swap Agreement or under the relevant Transaction Documents or (ii) if any Funds Allocation Rules are amended;
- (c) if the Class A Notes are to be redeemed early in accordance with Condition 4(f), Condition 4(g) or Condition 4(h); or
- (d) if, in respect of an amendment to the Transaction Documents which is to be made in order for the Interest Rate Swap Counterparty to comply with any obligation which applies to it under EMIR, the Noteholders and/or the Residual Unitholders are consulted and do not approve such amendment.

The Management Company may terminate the Interest Rate Swap Agreement upon the occurrence of either of the following events (such list not being exhaustive):

- (a) the Interest Rate Swap Counterparty fails to make a payment under the Interest Rate Swap Agreement when due and such failure is not remedied after the notice of such failure being given;
- (b) the Interest Rate Swap Counterparty fails to perform any other obligation pursuant to the Interest Rate Swap Agreement and such failure is not remedied after the notice of such failure being given;
- (c) any representation made by the Interest Rate Swap Counterparty under the Interest Rate Swap Agreement proves to have been incorrect in any material respect when made or repeated, or ceases to be correct;
- (d) the Interest Rate Swap Counterparty becomes insolvent;
- (e) any event capable of resulting in any security interest or guarantee granted in favour of the Issuer in respect of one or more transactions becoming void, unenforceable or ceasing to exist or any failure to comply with, or any breach of, a representation or an obligation under the relevant security interest or guarantee (in each case, after the expiry of the applicable cure period), or certain event mentioned in the Interest Rate Swap Agreement affecting a third party which has guaranteed one or more transactions; or
- (f) if performance of the Interest Rate Swap Agreement becomes illegal; or
- (e) if, in respect of an amendment to the Transaction Documents which is to be made in order for the Issuer to comply with any obligation which applies to it under EMIR, the Noteholders and/or the Residual Unitholders are consulted and do not approve such amendment.

### **Collateral Arrangements**

The Issuer and the Interest Rate Swap Counterparty have entered into a Collateral Annex (as defined in the Interest Rate Swap Agreement) with respect to the Interest Rate Swap Agreement which forms part of the Interest Rate Swap Agreement, which sets out the terms on which collateral will be provided by the Interest Rate Swap Counterparty to the Issuer in the circumstances described above.

### ***Governing Law and Jurisdiction***

The Interest Rate Swap Agreement is governed by and shall be construed in accordance with French law. The parties have agreed to submit any dispute that may arise in connection with the relevant Interest Rate Swap Agreement to the exclusive jurisdiction of the competent courts of the *Cour d'Appel de Paris*.



## ORIGINATION, UNDERWRITING AND MANAGEMENT PROCEDURES

*The description below is a summary of the origination, underwriting and management procedures which are applied as of the date of this Prospectus by BPCE Group retail banks with respect to Home Loans.*

### EXPERIENCE OF THE TWO NETWORKS

The Sellers have been appointed by the Management Company as servicers (the Servicers) under the terms of the Home Loans Purchase and Servicing Agreement.

The Banque Populaire banks, created by and for entrepreneurs more than 140 years ago, form the 4<sup>th</sup> largest banking network in France today and the Caisse d'Epargne banks, founded in 1818, constitute the 2<sup>nd</sup> largest banking network in France today. Both networks have a leading position in the French retail market and long experience in the origination and the servicing of Home Loans receivables in France.

In their capacity as Servicer, the banks will continue to carry out the administration, servicing, recovery and collection of the Home Loans and corresponding Ancillary Rights transferred to the Issuer in accordance with its customary and usual Servicing Procedures and the terms and conditions set out in the Home Loans Purchase and Servicing Agreement.

As French licensed credit institutions, the banks of the two networks are subject to prudential, capital and liquidity regulation and supervision in France. They both have expertise in servicing Home Loans subject to well-documented and adequate policies, procedures and risk-management controls related to the servicing of the Home Loans.

The underwriting policies and servicing procedures outlined in this section apply to all Home Loans originated and serviced by the banks of the Banques Populaires and the Caisses d'Epargne. These guidelines and procedures are reviewed annually and updated accordingly if they need changes (subject to the required prior internal approvals). If there is a change in servicing procedures, it is applicable to both the portfolio of Purchased Home Loans and the comparable segment of the Home Loans accounts owned and serviced by the Seller. BPCE Group and each Servicer shall ensure that the Servicing Policies it uses are and will remain in compliance with all laws and regulations applicable to the servicing of that category of Home Loans.

### ORIGINATION AND UNDERWRITING PROCEDURES (CREDIT GUIDELINES)

#### *Decentralised decision-making structure*

The origination and underwriting of Home Loans is performed directly by BPCE Group retail banks and organised on a regional basis around the branch networks of Banques Populaires and Caisses d'Epargne.

The Group's retail banks distribute Home Loans with an aim to establishing a sustainable relationship with profitable customers. Home Loans are considered a tool to help develop cross-selling opportunities. Both networks have well-established franchises in the French retail banking market and operate through a well-developed branch network.

In line with the French residential Home Loans market, the retail banks of BPCE Group market mainly plain vanilla home loans products with the following characteristics:

- A predominance of fixed rate loans and monthly amortisation (including interest and principal amounts) leading to constant instalments till maturity of the loan;
- A vast majority of loans are secured by either a mortgage or a guarantee provided by a home loan guarantor (which can be either a financial institution or insurance company (increasingly the latter)). The guarantee is typically used for well-known customers with a low risk profile to avoid mortgage registration costs and to simplify the administrative procedures both at signing of the Home Loans and at loan maturity;
- Banks' lending policies are based on the Borrower's solvency and capability to repay (down payment, income, debt ratio, etc.) rather than on property value, which makes them less sensitive to a market value decline;

- As a condition to being granted a Home Loan, Borrowers are generally required to obtain and to maintain an insurance policy to cover the main life adverse risk (such as death, loss of employment, permanent or temporary incapacity to work ...)

The branches of these two networks are at the heart of the origination and underwriting process of Home Loans:

- Whatever the origination channel (direct, web or partnered brokers), any home loan request of a client or a prospect are directed to the relevant client relationship manager at branch level (located near to property or the borrower) .
- The client relationship managers will be responsible for
  - o assessing the KYC process
  - o managing the commercial relationship with the Borrowers (explanation of the product, the duties of advice, Q&A...)
  - o collecting data and gathering required documentation
  - o entering the information into the relevant underwriting system
  - o the manual assessment of the application (with the support of the aid-decision tools).
- A physical customer interview (face-to-face) of the client (or prospect) by a client relationship manager at branch level is a mandatory prerequisite for (i) the constitution of the customer regulatory files within the bank and BPCE database and (ii) the opening any bank account(s) (the latter being a condition precedent for granting of any Home Loan).
- A personal interview of the client by the client relationship manager (physically, live chat, web visio or by phone) is also a mandatory prerequisite in the underwriting process of Home Loans regardless of origination channel (partnered intermediaries/brokers, direct client request, web...).
- All new customers solicited by partnered brokers or other independent intermediaries are directed to the client relationship manager at their relevant local branch for a discussion about the Home Loan project and a review of their loan application:
  - o Such intermediation activities are ruled by BPCE Group guidelines through a formal process of “*prescripteurs*” agreement under local Risk Department and Compliance Department oversight as well by as a senior manager authority.
  - o Intermediaries are rated on financial data, historical relationship and fees. As described above, referred customers are processed as regular customers, but are closely monitored. Under BPCE Group’s credit risk policy, local Risk Committees must report on residential loan prescriptions at least on an annual frequency.

Subject to the applicable delegation scheme, all home loan applications are manually underwritten by either the relevant client relationship manager at branch level, an underwriter at branch level or in the regional credit centre of the local retail bank. The mandate of the client relationship manager or underwriter is dependent on the characteristics of the Home Loan (amount, maturity, nature and amount of the guarantee and client ratings), their experience and performance and is monitored on an ongoing basis.

### ***Digital transformation***

Groupe BPCE has been accelerating its digital transformation under the leadership of 89C3 Factory, an organisation dedicated to promoting its technological vision and developing digital products in liaison with the Group’s IT developers. The goal is to attain the highest possible customer satisfaction scores by putting the Group’s digital NPS on a par with pure players by 2020.

To achieve this, the Group has developed joint customer interfaces and expanded account management facilities to mobile apps, with constantly upgraded functionalities (authentication, card management and transfers). In 2019, 74.9% of active customers of Banques Populaires and Caisses d’Epargne used at least one of the digital channels available to them. As of end-December 2019, 48.1% of active customers had used the mobile app, an increase of 10.6% year-on-year.

Digital application processes have been developed for consumer loans and Home Loans for individual customers and equipment loans for professional customers. In 2019, digital solutions helped generate nearly €1.8 billion in new Home Loans.

Online simulation tools are available on the websites of BPCE Group retail banks, new customers who have expressed interest via web are directed to the bank’s client relationship managers at the relevant branch level.

Caisse d'Épargne Bourgogne Franche-Comté was the first bank in Groupe BPCE to offer full digitalisation of Home Loans. It is a fully online Home Loan application process, from simulation to signature of the loan agreement.

- The process is anchored on an expert system, which allows a prospect or client to fill out their loan request online. It gives them the possibility to define the characteristics of their project, enter their borrower profile and budget and deposit all the supporting documents, which will be used to process their request.
- The project includes standardised Home Loans that (i) target major physical persons who are tax resident in France, (ii) target acquisition of main or secondary residences for private use only, (iii) are either fixed rate, amortising, standard and unregulated or zero rate, (iv) offer Group insurance for borrower insurance, (v) are guaranteed by a Group guarantee: CEGC or Parnasse Garanties.
- The advanced system performs an initial analysis of the Borrower's solvency and reports on the feasibility of the transaction with regard to the Group's analysis rules, delivering a score : (i) green light – in line with the rules, a commercial proposal is posted online, (ii) orange light – requires additional analysis, the applicant is offered an interview with an account manager of the bank, (iii) red light – not in line with the rules, the file is rejected and the applicant is asked to modify the information entered, if he is a client, he will then be redirected to an advisor.
- Over the different stages of the digital loan application process, the customer is given the choice to interact with the bank over the internet/phone rather than through physical meeting.

Before the Covid-19 crisis, the Group has and to continue to extend the end-to-end digitisation of the subscription process to all BPCE Group retail banks being specified that the possibility to sign the contract electronically is already in place.

At the end of June 2020, 6% of Banque Populaire and Caisse d'Épargne new home loans production were initiated on digital channels (+3.2pp vs June 2019).

### ***Underwriting Policies***

Both Banque Populaire and Caisse d'Épargne have to comply with (i) the credit policy guidelines defined by the applicable national network and (ii) BPCE Group's credit risk policy, both of which are compliant with EBA guidelines and French banking regulations (CRBF).

The underlying policies relies on (i) the internal scoring of the customer (performed centrally at BPCE level with models developed and managed by BPCE Group's Risk Division) and (ii) internal business rules defined by the Group but also by the local retail bank.

The scoring engine computes for each client of Group retail banks, the corresponding BPCE Group Basel II bank behavior scoring. This score (for the performing clients with a scale between 1 to 10, the lower score the higher credit quality whereas the defaulted clients are classified 3 categories: Restructuring (RX), Doubtful (DX), Litigation (CX)), based on highly predictive information relating to bank customer behavior (account functioning, rejection and arrears, overdrafting...), is an important input in the overall credit review process, but is not used as an automatic decision maker.

A credit approval is given only after ensuring that a Home Loan is appropriate for the client's situation as assessed during a customer interview and/or a detailed analysis of the resources and solvency of the applicants, by a trained client relationship manager. Financial advisors focus on the budgetary capabilities/solvency of the applicant (past references, reliability, budget, etc.) and rely on the recommendation of the underwriting system.

The Home Loan general lending criteria of BPCE Group primarily focuses on the solvency of the Borrower and the appreciation of the Borrower's debt repayment capacity through the combined analysis of certain key indicators listed below. Each Seller has to verify the creditworthiness of the prospective Borrower and, in particular that the prospective Borrower has sufficient monthly income available to meet its payments on the requested Home Loan as well as to support other financial obligations and monthly living expenses. A check on the income is systematically conducted by the client relationship manager.

In most cases and in accordance with the general practice in the French residential loan market, Banques Populaires and Caisses d'Épargne consider the purchase price as the property value of the property, after a check of purchase price consistency with prices for comparable property. Also, in certain circumstances, an appraisal of the market value of a property may be required (by internal expert such as "Crédit Foncier Immobilier" or external approved professionals). But, in any case, no Home Loan is granted considering the sole (or even predominant) appraisal of the property.

Underwriting is based on supporting documentation provided by prospective Borrowers which is subsequently fully verified by the relevant client relationship manager. Prior to a loan offer being made, all Home Loan applications are fully underwritten to make sure that they comply with BPCE Group's prescribed lending criteria.

Also, in line with EBA guidelines, underwriting practices defined by BPCE Group provide for both financial and behavioral factors to be taken into account, such as:

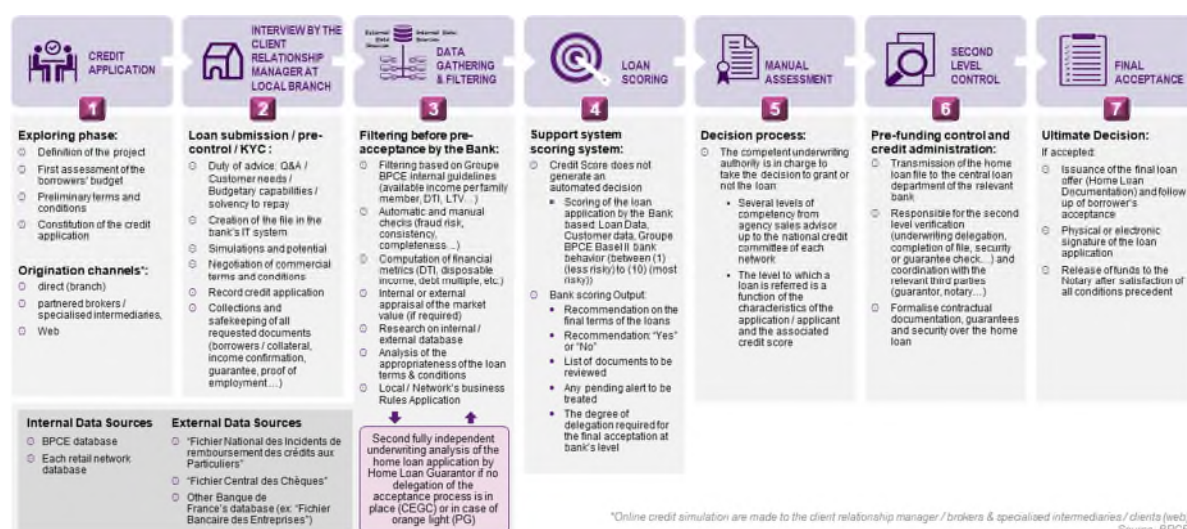
- Loan amount/total credit exposure in order to prevent any excessive indebtedness of the borrowers (in particular in case of multiple loans);
- Down-payment rate: when the personal contribution of the customers does not cover all upfront costs (real estate agents' fees, acquisition cost, security costs, notary commission...), the underwriting will be subject to a strict credit approval delegation scheme and/or a tailored monitoring system;
- Household budget computation/debt-to-income ratio (before and after the financing/refinancing): a borrower with a DTI ratio higher than 33% must be carefully analysed in relation to the disposal income and down-payment rate. The time the customer has been working at his/her current company is an important criterion of the risk's assessment. The delegation system must address this point;
- Total disposable income/income available per family member (*quotient familial*): each institution must set a minimum level of income freely available to a borrower after deducting credit commitments and basic living expenses, and after taking into account certain specificities such as marital status or number of dependent children, regional specificities and the borrower's socio-economic group. Contractual term loan: a Home Loan application with a maturity exceeding 25 years shall be analysed by an underwriter with a higher level of authority (i.e. the branch manager or his line manager at a minimum if the branch manager is himself the customer advisor in the loan application);
- Quality of the security package: each security interest (Mortgage on the property, Home Loan Guarantee or other) shall cover at least 100% of the initial principal balance of the Home Loan as well as any unpaid interests (from 3 to 9 months). The use of a Home Loan Guarantee (CEGC or Parnasse Garanties (for Banques Populaires only)) is usually preferred over a Mortgage by borrowers (generally well-known customers and with a low risk profile) owing to the lower cost. A dedicated underwriting process is run by the Home Loan Guarantor. A loan application refused by CEGC or Parnasse Garanties cannot be secured by a Mortgage without the approval of a higher delegation level, which is more restrictive for residential mortgage loans.

Traditionally, the bank's decision whether to underwrite a Home Loan or not is made by the local branch and in certain cases, by the relevant regional credit centre (depending on the level of authority of the underwriters).

All Home Loan underwriting decisions, whether completed at branch level or in the regional credit centres, are subject to internal monitoring by the bank in order to ensure the bank's procedures and policies regarding underwriting rules are being followed.

## Underwriting process

The diagram below summarises the underwriting process of Home Loans:



**(a) Data Gathering, Blacklisting & Pre-Acceptance Control**

During the interview, the relevant client relationship manager inputs (or updates) the customer regulatory files within the bank and BPCE database.

The client relationship manager is also responsible for completion of the loan file, and collection and safekeeping of all relevant documents including:

- (i) valid proof of identity (ID Card or passport) and other KYC documents. A program was created in 2019 to strengthen regulatory KYC compliance which works in conjunction with the IT platforms to prevent accounts from being opened if a customer's tax self-certification form has not been provided or regulatory records are incomplete. Efforts are also under way to process a regulatory KYC system update in 2020;
- (ii) information on the project (including, *inter alia*, exact location, detailed description, loan purpose and type of property). On the basis of this information and the supporting documents, the client relationship manager checks whether the property price is consistent with current market conditions and the project (an appraisal may be asked);
- (iii) proof of the economic activity (type of employment, temporary or permanent basis) and of the revenues of the Borrower (including, *inter alia*, salary slips, tax statements, bank statements and audited financial statements for self-employed applicants). Debts and income are verified against supporting documents as set out in the bank procedures (for example verification of the tax statements with information available in the tax administration website); and
- (iv) proof of assets of the Borrower/personal situation of the Borrower (including, *inter alia*, salary savings, income, assets and outstanding debts).

After recording results of manual checks, the client relationship manager saves all the material in the Borrower's file and proposes the most suitable home loan solution to the client.

Prior to any credit decision, additional consistency controls of the loan application and verification checks on internal databases (BPCE and retail network databases on fraud, customer's payment history...) are automatically made by the underwriting system which provide the client relationship manager with a list of checks to be completed. Information on the client is also systematically collected from the following Banque de France databases:

- (i) the National Database on Household Credit Repayment Incidents (*Fichier des Incidents de Remboursements des Crédits aux Particuliers*) held by the *Banque de France*, where payment incidents are recorded on all types of non-professional loans to individuals, including unauthorised overdrafts, over-indebtedness (*surendettement*);
- (ii) the Central Cheque Register (*Fichier Central des Chèques*) held by the *Banque de France* which is the centralised database of (i) payment incidents involving bad cheques, (ii) bans on writing cheques imposed by banks to account holders having caused these incidents, and (iii) bans on writing cheques ordered by court; and
- (iii) the National Companies Banking Register (*Fichier Bancaire des Entreprises*) database (*FIBEN*) held by the *Banque de France* which records information pertaining to corporations and other types of businesses, including self-employed individuals, such as (i) information on bill payment incidents and risks reported by credit institutions, (ii) legal information pertaining to judgements handed down by a commercial or a civil court ruling over a commercial case, (iii) existence of legal proceedings, and (iv) manager ratings (*Banque de France* awards a rating expressed as a figure to individuals exercising a management function).

If as a result of the above searches the client is found registered as a defaulting applicant, the internal credit rating of such client is immediately downgraded in accordance with the business rules and the loan application is processed in the framework of a conservative delegation scheme.

**(b) Decision Process**

The decision process is based on a non-automated analysis of the loan application by the client relationship manager and approval by an authorised person as required by the system.

Each client relationship manager is assigned an approval limit based, *inter alia*, upon their seniority, the internal credit rating of the applicant (via a scoring program developed by the Risk Division based principally on behavior which automatically assigns a credit rating from 1 to 10 - the lower score the higher credit quality - to a Borrower), the debt-to-income ratio of the applicant and the available income per family member (*quotient familial*).

In the event the approval limit criteria is not satisfied (such as debt-to-income ratio being above the level required, the internal credit rating being higher than the level required, loan amount being higher than the approval limit), the decision shall be taken by a authority higher than the client relationship manager. Any decision is taken in light of objective criteria (such as, *inter alia*, type of employment, age and life insurance, debt-to-income ratio, assets and revenue of the client).

The delegation grid is implemented on a national basis within the Banques Populaires and Caisses d'Epargne networks and customised locally. For each regional bank, the delegation may range from the board of directors to the credit committee, head of the credit department, head of the business line, branch manager or client relationship manager. The use of this delegation scheme is periodically reviewed (at least once per annum) by the Risk Division.

Each client relationship manager must undertake a training program conducted by the regional bank to gain or reinforce the authority to approve Home Loans. Banque Populaire and Caisse d'Epargne have established various levels of authority for their underwriters who approve Home Loan applications.

On completion of the IT file, the underwriting system informs the client relationship manager of the level of authority needed in order to get a final decision (credit committee, head of credit, branch manager or the client relationship manager).

### ***(c) Second analysis by the Home Loan Guarantee***

#### ***CEGC***

The Compagnie Européenne de Garanties et Cautions (CEGC) (rated A+ (negative) by S&P and A (high) by DBRS) has been active in the French guarantee market since 1971 and is the second largest player in the French Home Loan guarantees market.

Even if the company's primary business is providing Home Loans guarantees to individuals, this subsidiary of BPCE Group offers a wide range of financial guarantees across all BPCE Group markets, including individual, professional and corporate customers, and real estate, social economy and social housing sectors.

In 2019, CEGC guaranteed home loans for individual customers amounting to more than €35 billion. The Company exercises prudent and conservative underwriting, which has resulted in a high-quality insurance portfolio, as evidenced by a history of consistent underwriting profitability.

As an insurance company, the company is regulated by the ACPR (Autorité de contrôle Prudentiel et de Résolution) and has a risk governance system and solvency management wholly independent from BPCE.

- CEGC does not contribute to either the group guarantee fund, or liquidity or solvency scheme and therefore is not required to cover any credit institution of the group in case of default.
- CEGC technical insurance reserves and own funds are not fungible with its shareholders' own funds.
- CEGC calculations of technical provisions are wholly independent of its shareholders' inputs.
- CEGC cedes its catastrophe risk through a pool of international reinsurers outside BPCE Group

The Company exercises prudent and conservative underwriting, which has resulted in a high-quality insurance portfolio, as evidenced by a history of consistent underwriting profitability.

CEGC's key figures as of December 31, 2019 :

#### **↳ Activity :**

- Written premiums: €519m
- Loss ratio: 23%
- Net result (IFRS): 88.7m€
- Outstanding: €188,7bn
- Technical provisions: €2,211
- Production: €54.6bn;
- Claims paid: €140.4m;
- Staff (in number): c. 322 (461 including BPCE IT teams)
- Total assets (balance sheet): €3,576bn

#### **↳ Financial Indicators :**

- Own funds: €756.3m;
- Technical provisions: €2,211m;

- Reinsurance capacity: €1,683m;
- Loss ratio (Claims / Premiums): 23%
- Eligible own funds (Solvency 2): €1,129m
- Solvency Capital Ratio (SCR ratio): 137%
- ROE (economic own funds x SCR): 43.5%

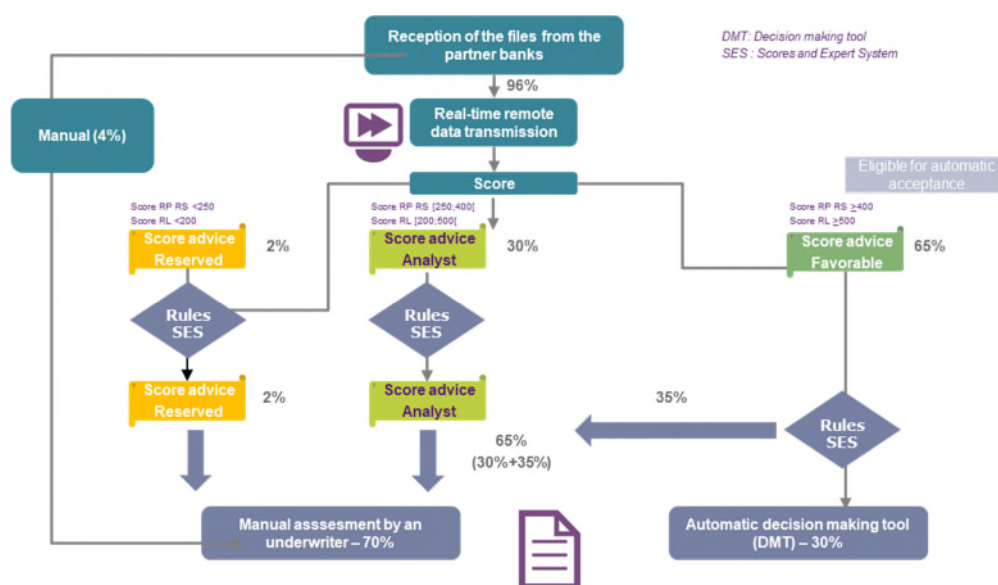
Historically, the home loan guarantee provided by CEGC was only proposed to clients of the Caisses d'Épargne network but since 2009, this guarantee solution has also been proposed to clients of the Banque Populaires network.

If a Home Loan Guarantee is requested from CEGC, the pre-acceptance process also includes a second full independent underwriting and acceptance process to be undertaken by CEGC (in addition to the one performed by the client relationship manager at branch level).

This second underwriting process relies on an independent analysis of the Borrower's file carried out internally by CEGC on the basis of:

- analysis of solvency of the Borrower according to pre-determined criteria and business rules defined by CEGC (including scoring of the application) where the main variables of the analysis of the repayment ability of the Borrower include: saving rate, loan-to-income, loan-to-value, debt-to-income ratio, loan purpose and profession of the borrower. Analysis of the banking behavior of the Borrower alongside with internal scoring note are also a key element of the decision.
- a strict credit approval authority delegation: CEGC has established a 4-level decision making scheme which is a function of loan size and potential risk, including, in ascending order of delegation: Analysts, Senior Analysts, Managers and Committees.

The diagram below describes the general underwriting process applicable by CEGC for Home Loan Guarantees



Once the Home Loan Guarantee is accepted by CEGC and the Home Loan is set up, the guarantee premiums (between 1% and 3%) are paid upfront (prior to the loan disbursement) by the relevant Borrower and its contribution is proportional to the initial balance of his/her Home Loan.

#### PARNASSE GARANTIES

Parnasse Garanties which (rated A+ by S&P) started activity in 2014 was formed by merging CASHEN Banque Populaire (Groupe BPCE) and MGEN (owned by Groupe VyV) which own 80% and 20% respectively.

#### Groupe VyV:

- ↳ **Leader in specialised insurance for health and social protection in France (No. 1)**
- ↳ 40,000 employees
- ↳ 10 million insured customers
- ↳ Revenues: €10bn

- ↳ Own fund: €4.6bn
- ↳ Several recognised franchises: Groupe MGEN, Groupe Harmonie Mutuelle

#### **MGEN:**

- ↳ **Mutual insurer historically dedicated to employees of the National Education system**
- ↳ 10,000 employees
- ↳ 4 million of mutual members (insured customers)
- ↳ Historical manager of the compulsory scheme for civil servants in the National Education system

PARNASSE's key figures as of December 31, 2019:

- ↳ Activity:
  - Outstanding: €30bn;
  - Production: €7.9bn;
  - Received premium: €8m;
  - Claims paid: €6.2m;
- ↳ Financial Indicators :
  - Own funds: €116m;
  - Technical provisions: €112m;
  - Reinsurance: €155m;
  - Loss ratio (Claims / Premiums): 22%
  - Solvency Capital Ratio: 296%

The guarantee proposed by Parnasse Garanties is restricted to all civil servant Borrowers and employees with an equivalent status, with a specification that only the Banques Populaires network distributes such Home Loan Guarantees within the BPCE Group.

For the guarantee of the Home Loans receivables, Parnasse Garanties relies on

- (i) the analysis of the customer budget capabilities/solvency of the Borrower by the client relationship manager at the local bank (part of the Banque Populaire network) under very strict conditions and guidelines defined by Parnasse Garanties;
- (ii) the expertise of its parent company, CASDEN (founded in 1957 for the employee of the National Education System), in the guarantee of the Home Loans receivables; and
- (iii) the scoring system defined by CASDEN for its own receivables with scoring entirely calibrated by Parnasse Garanties risk department for its own use.

This scoring model, directly integrated in the underwriting tool of Banques Populaires, takes into account several parameters related to:

- borrowers/household (such as the bank customer behavior, profession, revenues, borrower indebtedness/total credit exposure, family situation, debt-to-income ratio);
- property (such as geographical location/address, property value, type/use of property), and
- the project (such as initial balance, interest rate, loan-to value, down payment rate and maturity).

When a Borrower applies for Home Loan financing from any bank of the Banques Populaires network, the Borrower's file automatically passes into the scoring system which is directly implemented in the underwriting system of the Banque Populaire. The processing of the loan application takes into account the lending criteria and the business rules defined by (i) the bank and (ii) by Parnasse Garantie.

Depending on the score level, three possible decisions can be issued by the system:

- If the customer's solvency is considered questionable (ex: FICP flag) and/or above certain pre-agreed limits, the computed score will not be sufficient, and the guarantee application will be automatically rejected by the underwriting system. Such files will be flagged by the system with a "red light" and system override is not possible by the client relationship manager.
- For applications flagged with an "orange light", no decision will be issued without a manual assessment by CASDEN's expert staff, subject to the applicable level of authority (pre-defined by Parnasse Garanties).
- For applications with an acceptance score above a certain threshold calibrated by Parnasse Garanties, the underwriting system will issue an automatic positive answer (i.e. a "green light").
  - The Home Loan is eligible by the guarantee of Parnasse Garanties (without any prior authorisation of Parnasse Garanties)



Subject to the scheme of delegation applicable, and provided that all compulsory documents have been collected and validated, the client relationship manager can propose signing of the guarantee offer by the Borrowers. The guarantee premiums are solely supported by Banques Populaires.

#### **(d) *Pre-Funding Controls***

Once approved by the relevant underwriter, the Home Loan request file (including all supporting documents) is transmitted to the central loan department of the relevant Banque Populaire or Caisse d'Epargne, which is responsible for second level verification and disbursement of the Home Loans.

The central loan department staff verifies that (i) all the documents necessary for the funding of the Home Loan have been provided, (ii) the Home Loan complies with applicable laws and (iii) information provided with respect to the client or property is consistent. In the event that any documents are missing or are not legally compliant, the Home Loan funding process is put on hold.

During this stage, the persons in charge at such department are responsible for liaising with all relevant third parties (including, inter alia, any CEGC, any Parnasse Garanties (for Banques Populaires) and the relevant notary public).

The Home Loan offer and final documentation may only be issued to the client once (i) all the documents required from the Borrower have been obtained, (ii) the decision for underwriting the Home Loan has been approved and (iii) all controls have been completed.

Upon receipt (within the pre-defined delay) by the bank of the offer acceptance signed by the relevant client, such department checks the validity of the acceptance and proceeds with the funding of the Home Loan upon request of the notary public in charge of the relevant notarial deed (shortly before the scheduled signing date).

#### ***IT facilities***

Groupe BPCE has a robust and scalable IT system with recovery and back-up procedures meeting generally accepted international standards.

Banques Populaires and Caisses d'Epargne rely on specific network systems depending on the stage of the loan:

- A common underwriting IT system providing each underwriter and client relationship manager with real-time access to the credit scoring model and minimum delegation level): "VCI" for Banques Populaires and "MyCréditImmo" for Caisses d'Epargne which replaced "NEO" after November 2019.
- A common Servicing system for the management of the Home Loans: "Evolan Loans (Sopra)" for Banques Populaires and "SYNCHRO" (internal software) for Caisses d'Epargne.
- A common collection and recovery system: "Collection (Sopra)" for Banques Populaires and "VARIO" (internal software) for Caisses d'Epargne.

The IT architecture of each network is based on the same IT platform (iBP for Banques Populaires or ITCE for Caisses d'Epargne).

A data warehouse hosted by iBP allows BPCE to manage Home Loans granted by Groupe BPCE retail banks as collateral at a centralised level (especially for the operational management of securitisation and other asset-backed transactions).

#### ***Quality control***

The Group control system relies on three levels of controls, in accordance with banking regulations and sound management practices (two levels of permanent controls and one level of periodic control), as well as the establishment of consolidated control processes in accordance with provisions approved by BPCE's Management Board.

Control lines are developed at bank level and led by BPCE divisions:

- BPCE Group Compliance and Security Division;
- BPCE Group Risk Division;
- BPCE Group General Inspection Division (in charge of periodic control).

### ***Fraud detection***

In order to mitigate the risk of fraud, various procedures and anti-fraud policies have been developed by the bank's Risk and Compliance Departments for the BPCE Group covering (i) staff training in order to explain potential risk in all aspects of possible fraud, (ii) operational support to the bank / networks, and (iii) the implementation of specific control tools to identify and prevent fraudulent loan application.

Anti-money laundering controls also contribute to fraud detection.

### ***Impact of the Covid-19 crisis on the Underwriting Policies***

The impact of Covid-19 on the Underwriting Policies remained limited for Groupe BPCE as the key driver remains the creditworthiness of the Borrowers based on the appreciation of the Borrowers' debt repayment capacity. The Group did not modify the key underwriting criteria nor the business rules and the scoring inputs of the Expert System.

Nevertheless, Groupe BPCE enjoyed a dramatic acceleration of its digital transformation as the result of the lockdown thanks to:

- (i) a massive use of WFH (working from home) solutions available to Groupe BPCE employees (close to 50% of our teams worked from home thanks to an unprecedented number of remote connections,
- (ii) a resilient network with close to 90% of our branches which remained open (customer advisers and sales staff have been available, chiefly via e-mail, text message or smartphone apps; limited, closely controlled physical reception)
- (iii) a continued end-to-end digitization of the subscription process, possibility to sign the contract electronically

## **SERVICING PROCEDURES**

Once originated, and fully disbursed, each of Banques Populaires and Caisses d'Epargne originators is responsible for the administration, servicing and collection of their respective Home Loans portfolios as well as the monitoring of the credit quality of the Home Loans.

### ***Administration & Servicing***

The administration of the performing Home Loans is handled by the client relationship bank at branch level who will deal with any customer's information requests, customers correspondences and administrative changes related:

- to the Borrower (address, contact details, setting up or adjustment of direct debit instructions, change in the payment mode of the scheduled instalment etc...),
- to the management of the Home Loan (including the requests related to adjustment of the monthly instalments, voluntary prepayment instructions, issuance of redemption statement, change in the instalment due date, and the exercise of contractual rights to defer payments or loan modulation - if applicable and subject to strict conditions such as Borrowers who are in arrears and are not registered in the FICP database); and
- the management of the Insurance Policies (change, information, claim...).

Customers may interact with the relevant client relationship manager through omni-channels made available by the retail banks: call centers or IVR, letter, SMS/mobile, chat or email, or via digital channels (i.e. home banking web-based portal or retail bank mobile applications). The quality of customer service is periodically reviewed through, among other things, monitoring of customer contacts.

The BPCE Group retail banks leverage numerous technology solutions to increase business efficiencies and reduce costs. The use of digital self-care tools made available to the Borrowers by the retail banks, are actively encouraged. These tools provide to customer ongoing information on their pending requests but also, the possibility to execute post sales operations. The use of these self-service platform has led to an increase of self-service usage and a decline inbound call volumes.

### ***Servicing & Collections***

The client relationship managers at branch level are in charge of the credit risk monitoring of their respective portfolio of clients (including the management of the overdraft facilities, if any) and working out the delinquent payments incurred on Home Loans as they manage day-to-day risks and the commercial relationship.

Thanks to their well-knowledge and proximity of their clients, the role of the client relationship managers is key in the management of the arrears. They are in charge of the first steps of the servicing and collection process being specified that if the situation is not solved within a predefined period of time or in case of non-cooperation of the Borrowers, escalating recovery process will take place with the support of the relevant centralized collection department of the bank, as described thereafter.

The missions of the client relations managers cover also the commercial negotiations with Borrowers which can lead to amendments in respect of the Home Loans characteristics (subject to the respect of delegation scheme) as (i) interest rate of the Home Loan, (ii) increase or decrease of the Home Loan instalments, (iii) spreading or postponement of an instalment, (iv) extension of the maturity date of the Home Loan or prepayment whether in whole or in part, (v) increase in the outstanding principal balance of the Home Loan due to a conversion of a fee payable by the Borrower.

Each client relationship manager (and the relevant centralised collection department of the bank, when involved) will follow the servicing procedures defined by each network (and detailing the relevant remedies and actions), and themselves based on the BPCE Group's servicing guidelines, which define a minimum framework applicable to any entities of the BPCE Group and which permit discretion to be exercised by the appropriate client relationship manager under certain circumstances.

As per the servicing procedures, whether the management of the arrear is managed at branch level or directly by the centralized collection department, the recovery process is based on (i) an accurate analysis of the debtor situation, (ii) a clear identification of the Borrower's problem, (iii) a sustained communication with the debtor, (iv) the risk reassessment, (v) remediation proposals and recovery actions customised with regards to the Borrower's behaviour and capacity to recover and become again performing, and (vi) commitment follow-up.

The recovery process of delinquent Borrowers (i.e. borrowers who are in arrears on their Home Loan or any other credit product) is divided into a number of phases.

#### ***Step 1 – Commercial / Amicable collection at branch level***

As first point of contact, the client relationship managers at branch level are at the heart of the administration and the servicing process for the first unpaid instalments. They remain generally responsible for dealing with overdue amounts during the first months (between 30 and 45 days depending on the Banque Populaire or Caisse d'Epargne's policy). This period of time may be shortened for sensitive files (for example in case of fraud or any situation involving specific difficulties or recidivist Borrowers) or extended in the case of very small amounts being involved, or when Borrowers are in arrears for the first time.

After an analysis of direct debit rejection and the customer bank account position, the client relationship manager will activate the new direct debit instruction (if possible) and/or contact the Borrowers/Joint Borrowers (calls or one-to-one approach when appropriate) with a view to find a solution and to get a commitment to pay. The actions to be undertaken by the client relationship management will be different depending on the group category of the Borrowers determined by the arrears management system (whether they are in arrears for the first time or whether they are recidivist).

Each client relationship manager is connected to an efficient arrear servicing management system of its relevant network allowing to:

- first, detect incidents and inform him/her of the reasons of the missed payments (technical rejection, debit credit balance...);
- then, send automatic notifications to the Borrower (phone calls, mails, alerts on the home banking platform and/or SMS) to inform or remind the missing instalment and to ask the Borrower a prompt regularisation of its situation;
- activate automatic direct debit instructions to debit when possible the Borrower bank account;
- inform the relevant Home Loan Guarantor (if any) of the situation of the Borrowers;
- send to the Borrowers, if the situation is not solved, a formal collection letter (including a warning on a possible negative FICP registration and/or a notice of the potential transfer of the borrower's file to the litigation team). The tone of the letter is adjusted to reflect whether the Borrower is in arrears for the first-time or a recidivist;
- potentially, take appropriate precautionary measures on the bank accounts of the Borrowers (blocking on the credit cards, rejection of payments...)

In any case, the late payment penalties apply when any payment is 1 day past its due date.

During this phase, solutions are sought on a purely commercial basis, especially for Borrowers who are in arrears for the first time. Depending on the conclusions of its investigations on the missed payments and the categorization of the Borrower by the arrear management system, the client relation manager will push for a quick regularisation of the situation (for example, if the clients have some available savings), change the instalment due date (if necessary) and/or may agree in certain cases some commercial arrangements with the customers, in line with BPCE Group's guidelines (ex: and the delegation scheme, payment of a minimum amount) such as:

- a repayment plan for the regularisation of the arrears, through for example a spreading of the unpaid instalments or the payment in full at an agreed date; or
- the payment postponement / (deferral / payment holidays of one or several monthly scheduled instalments (interest and/or principal as the case may be);
- the waiving of certain fees (such as late payment penalties or overdraft fees).

For these modifications, the retail bank may charge certain fees to the Borrowers (in particular if the modifications require an extension of the associated security interest and the involvement of the Home Loan Guarantor or by the notary public).

The client relationship manager will record any actions taken in the underwriting system, inform the relevant Home Loan Guarantor and will ensure a follow-up of Borrowers' commitments. If a commercial arrangement is put in place, a formal letter is automatically sent to the Borrowers confirming the terms of the arrangement.

During this phase, depending on the severity of his financial difficulties, the client relationship manager may refer the Borrowers to external specialized institutions or the internal team in charge of the management of vulnerable customers ("*clients fragiles*") in order to coach the Borrowers and to help him/her to rearrange his financial situation or if not possible to find other appropriate solutions (for example, the declaration of over indebtedness to the relevant commission.).

If the situation is not remedied within a period between 30 and 45 days after the first missed payment (depending on the servicing procedures of each regional bank and/or circumstances of the Borrower) or if the Borrower does not honour the previously made commercial arrangement, one of the two actions below is triggered (depending on the loan size, repayment capacity and willingness to pay of the Borrower):

- (i) either an escalation process will take place: the relationship with the customer is therefore handed over to a collection officer in the central dedicated recovery team in the relevant regional bank ("*Unité de Recouvrement Amiable*") (usually under the authority of the credit department).(that corresponding to Step 2 below); or
- (ii) the loan is accelerated with a transfer to the litigation department (usually linked to the legal department) (that corresponding to step 3 below).

During the first month, more than two-third of delinquencies are recovered.

### ***Step 2 - Amicable collection by centralised collection department***

The goal is to reinstate the Borrower as a performing customer of the branch.

During this phase, the customer file will be transferred to a dedicated collection officer in the centralised collection unit of the relevant Banque Populaire or Caisse d'Epargne who will:

- (i) consult the electronic file of the Borrowers in order to know which measure the client relationship manager has already taken;
- (ii) analyse the Borrower's current and historic situation, contact the Borrower and enquire about the causes of non-payment (temporary financial difficulties, structural difficulties...) and establish if there has been a change in financial circumstances and whether the arrangement can be amended;
- (iii) reassess the repayment capacity of the Borrower;
- (iv) re-inform the Borrowers of the consequences of non-payments;
- (v) check the property price and the security package; and
- (vi) find the most appropriate solution at long term.

When the arrears are deemed a structural problem (e.g. recent unemployment, inability to work, divorce and/or death, double housing expenses, fraud cases), the Borrower may be directly allocated to this specialised team before

the end of 30 – 45 days, because this team possesses the expertise, knowledge and ability to act in the best possible and to reduce the arrears or the potential losses.

As from this phase, the local branch loses all decision authority. Negotiations and communication with the customer are adapted according to the collection's duration and customer's reactions. The collection officer will attempt to create a good contact with the Borrower, to be well informed about his situation and to conclude a payment agreement or any other treatment which he/she deems fit for the Borrower. The Group policy aims to preserve the ownership of the property by the borrower. If preservation of ownership is not possible the objective will be to limit losses as much as possible.

After the analysis of the Borrower's situation and re-assessment of the repayment capacity of the Borrower, two possibilities:

- If the conclusion of its analysis is positive (the risk of long-term customer difficulties is low), the collection officer might conclude a tailor-made payment arrangement with the purpose of such agreement to obtain repayment of the all overdue amounts and prevent potential future difficulties.
  - o Subject to the respect of certain conditions defined in the servicing procedures and the delegation scheme of each bank, forbearance measures include and may combine:
    - similar measures to those listed for the commercial phase;
    - activation of certain contractual rights (such as deferral / payment postponement one or several monthly scheduled instalments or loan modulation allowing a reduction of the Home Loan instalment and an extension of the loan maturity) normally not possible if the Home Loan is in arrears;
    - for Home Loans without such contractual rights, debt restructuring consisting in a reduction of the instalment amount and an extension of the loan maturity (with in certain cases a lowering of the applicable interest rate);
    - moratorium consisting in payment suspension for a certain duration and the rescheduling or deferral of instalments;
    - clearance plan consisting to incorporating all unpaid instalments into the instalment plan;
    - the waiving of certain fees (such as late payment penalties or overdraft fees).
  - o For these modifications, the collection officer may also charge certain amendment fees to the Borrowers (unless it is not in the interest of the bank).
  - o If the situation is solved at the end of the amicable recovery phase, the Borrower will return to performing status under branch management after a probationary period that can last from 3 months up to 15 months)
- If the conclusion of this analysis is negative (for example, the Borrower is considered with a proven risk due to structural difficulties), the amicable recovery phase will switch into a pre-litigation phase where the collection officer will prepare all necessary information and actions in order to:
  - o initiate the legal proceedings;
  - o provide the Borrower with a formal notice ("*mise en demeure*") and a written update of all arrears information;
  - o inform the Home Loan Guarantor of the updated situation of the Borrower; and
  - o register the Borrower in the Banque de France's FICP database.
- If preservation of ownership by the borrower is no longer feasible and a sale of the property is inevitable, the borrower will be requested to cooperate for a consensual sale of the property under the supervision of the client relationship manager (who can also assist the Borrower in this task).

### **Step 3 - Litigation**

When a Home Loan has at least three unpaid monthly instalments and after the out of court phase has been proven unsuccessful (for example, if the Borrower's personal situation appears too difficult for an amicable agreement to be reached or if the Borrower breaches its commitment after having negotiated a plan), the process will escalate one step further and the management of the loan will be transferred to the central litigation of the relevant bank ("*Unité de Recouvrement Contentieux*") generally under the bank legal department authority or to internal specialized service providers (for example, BPCE Services Crédit and GIE NOR which are Economic Interest Grouping entities (EIG) dedicated to the Groupe BPCE retail networks and ensuring part or all back-office missions for the accounts of the Servicers participating to the EIGs).

The Home Loan is then accelerated, and all amounts are immediately declared due and payable in full (“*déchéance du terme*”). That will engage the recovery of the full home loan amount and the enforcement of the Ancillary Rights. Loan files subject to litigation are managed according to the cooperativeness and situation of a Borrower and also with regard to the nature of the processes required to be undertaken.

There are various remedies that each bank can undertake (depending on the cooperativeness, the situation of the Borrowers and the nature of the processes required to be completed) including:

- a consensual amicable sale of the property;
- exercise of the benefit of the Home Loan Guarantee (Parnasse Garanties or CEGC, as the case may be); or
- as a last recourse recovery procedure, foreclosure of the secured property in its capacity as mortgage (an independent expert will be mandated for property valuation appraisal, which will be used as a reference to set the auction price).

In a limited number of cases, the acceleration of the Home Loan (“*déchéance du terme*”) or the enforcement of the Home Loan (together with the Ancillary Rights) may be postponed if the bank received convincing evidences that a regularisation of the arrears is possible in a short-term (signing of a selling mandate, legacies and bequests in process...). During this time, the litigation team continues to regularly contact the debtors for a follow-up of the different steps, to inform them of the next steps in case of reactivation of the judicial procedures and to still attempt to agree an amicable agreement (if possible).

At the litigation stage, the bank may for mortgage loans, grant a debt forgiveness consisting in a reduction of the total amount due, when it allows to reach the best achievable agreement.

### ***Guaranteed home loans***

Each Borrowers having subscribed a Home Loan Guarantee signed at the origination a Guaranteed Agreement with the Home Loan Guarantor where (i) he/she is committed to pay an upfront fee to the Home Loan Guarantor in return to its service and (ii) a contractual commitment from the Borrower exists not to grant a lien to any other creditor and to register the lien at his exclusive expense in case of default. The Borrower pays an upfront fee to the Home Loan Guarantor. In return, the Home Loan Guarantor guarantees the payment of the corresponding Home Loan debts to the bank. Once such Home Loan has been accelerated, the guarantee is called by the bank and the reimbursement process starts (subject to settlement of the guaranteed amount – i.e. the remaining capital and overdue payments - within one month).

Upon the payment of the guaranteed amount by the relevant Home Loan Guarantor, such Home Loan Guarantor will be subrogated in the rights, actions and security interest of the Seller (or, in the framework of this securitisation, after the transfer of the relevant Home Loans on the Purchased Date, of the Seller) in respect of that Home Loan.

Following the subrogation of the loan,

- The Home Loan Guarantor carries out the servicing of the Home Loan, including the registration of a judicial mortgage on the property.
- The bank is fully discharged of recovery costs as the collection process fully handled by the relevant Home Loan Guarantor
- The foreclosure process is then carried out by the Home Loan Guarantor under the same process as for a French Mortgage.

Parnasse Garanties can be called after the loan acceleration as well as CEGC but under the additional condition of at least 4 unpaid monthly instalments (successive or not), and up to 9 unpaid monthly instalments. Under those circumstances, interests in arrears and unpaid notional amount are compensated by the Home Loan Guarantors.

Should the recovery collected by the Home Loan Guarantor is not sufficient to cover the amount due by the Borrowers, the loss is borne by the Home Loan Guarantor.

In certain limited circumstances, the lender would be able to refuse to indemnify the lender if the conditions of enforcement of the relevant Home Loan Guarantee have not been complied with for any reason (for example in case of breach of Seller obligations or fraud) . Negotiations are underway between CEGC and Groupe BPCE to amend the corresponding Master Guarantee Agreement in order to make sure the indemnification (i) to be paid by CEGC in any case to the home loan owner if such home loan receivables is a securitized receivables and (ii) CEGC to be compensated by the lender on a bilateral basis. Such amendment is expected to be completed in 2020. This same modification is also in discussion between Groupe BPCE and Parnasse Garanties.

## ***French Mortgages***

At the loan's origination, the Mortgage is registered by notaries in the Land Registry held by a dedicated administration.

The foreclosure process is generally carried out by the relevant bank who in case of enforcement by seizure of the property, will be in charge to mandate the legal counsel, bailiff and independent expert for the determination property valuation and the calibration of the reserve price.

Certain banks may nevertheless decide to rely on the expertise of certain external specialized entities for the management of the judicial recovery phase for mortgage loans.

The maximum amount recovered by the bank is the principal amount plus interests plus late payment penalties.

Under French Law, in addition to the direct recourse on the mortgaged property, the bank has a full recourse on the Borrower's assets in the case the loan is not fully repaid after the sale of the property (*droit de gage général* provided for by article 2284 *et. seq* of the French Civil Code).

So, if amounts are still outstanding after the sale of property has been completed, the relevant Servicer (or the third party on behalf of the relevant Servicer) continues to manage the remaining receivables if it considers it likely that it will be able to recover such amounts. If possible, a settlement agreement will be entered into between the Borrower and the Servicer. If the Borrower does not comply with the settlement agreement or does not wish to cooperate for finding a solution to repay the unpaid amounts, other measures can be taken such as attachment of property (essentially vehicles or Borrower's incomes).

## ***Sale of defaulted home loans***

Considering the difficulty to recover and the size of the debt remaining due, the bank may decide to sell to third party the defaulted receivables related to French Mortgage Loans or the Guaranteed Home Loans (for the latter, only when all recourses against the Borrowers and/or the Home Loans Guarantor are exhausted).

## ***Write-off***

At the very end of the recovery process, the Borrower's file will migrate to the write-off phase if there is no longer any possibility of recovering the debt because all recourses against the Borrowers and/or the Home Loan Guarantors (as the case may be) are exhausted (confirmed after an investigation and the preparation of a bailiff's report) or if the expected proceeds will be lower than the cost of recovery. The claims outstanding will in this case be written off.

## ***Over-indebtedness process***

Any Borrower can approach the over-indebtedness commission ("*commission de surendettement*") of the *Banque de France* at any time, whether in arrears or not. The *Banque de France* may thereafter reject or accept the Borrower's request.

If the consumer over-indebtedness commission approves the opening of an over-indebtedness proceeding ("*décision de recevabilité du dossier de surendettement*"), all on-going enforcement proceedings ("*procédures d'exécution forcée*") and any payment of outstanding debts will be automatically suspended for a maximum period of two years (suspension of procedures may also be obtained before the opening of the proceeding if this is accepted by the Commission and decided by a Court)

Once the overall debt (including the Home Loan) is known and the debtor's monthly repayment capacity has been calculated, negotiations between the creditors and the over-indebtedness commission begin.

During this conciliation phase, the coordination with the over-indebtedness commission are managed in-house by the different teams within the bank (or as the case may be, directly by the Economic Interest Grouping entity representing the relevant Servicer) depending on the loan status:

- Prior to the transfer of the files to the litigation team, by a dedicated service ("*Conseil et Négociation*") in the centralised collection unit but in coordination with the relevant client relationship manager)

- This dedicated team will manage the implementation of any contractual settlement measures decided by the commission (other than a debt cancellation)
- the client relationship manager will continue to manage the commercial relationship and to ensure the monitoring of the performance of the home loan.
- If the Home Loan was already transferred to the litigation phase (or if the client is in breach of its commitment in the framework of the contractual settlement or if the commission has considered the situation of the debtor as “irremediably compromised” and decided the liquidation of the debtor’s personal assets (personal bankruptcy)), by the team in charge of the litigation (unless if for the guaranteed Home Loans the acceleration was declared by the relevant bank and in this case, by the relevant Home Loan Guarantor).

Individuals who have benefited from an over indebtedness procedure are registered to that effect in the *Banque de France* over indebtedness register for 5 to 8 years.

#### ***Periodic reassessment of property value***

Until 2019, property values are reassessed on a quarterly basis, with a statistical methodology using:

- For properties located in the Ile-de-France Region, PARIS NOTAIRES SERVICES indices (database held by the French notaries), segmented by department (for properties located in the Ile-de-France Region – excluding Paris) and by arrondissements for properties located in Paris, and
- For the other properties located in the other departments, PERVAL indices (with a segmentation by department for property in the metropolitan departments).

Since 2019, BPCE Group uses the index published by CREDIT FONCIER IMMOBILIER (CFI) updated on a semi-annual basis with a segmentation by department and by district (for Paris).

#### ***Impact of the Covid 19 crisis on the Servicing Procedures***

As a result of the Covid-19 crisis, no change has occurred in arrears management procedures, except the implementation of the provisions related to the ordinances on Covid 19 legal suspension (the so called “Winter Grace Period”):

- The acceleration of the debt (*déchéance du terme*) was suspended between March 12, 2020 and June 23, 2020 (inclusive) (the “Protective Period) and since June 24, 2020 the acceleration of debts following a default by the debtor can only be pronounced after a period of 104 days.
- As a consequence, the relevant files cannot be sent to litigation according to the usual timeline under the Servicing Procedures. These files remain thus blocked in amicable collection step.
- In accordance with the Servicing Procedures, tailor made solutions may be possible for Borrowers with payment difficulties. The Servicer will for these files apply the rules and procedures in force on loan by loan basis.

Thanks to the French Government economic measures which aimed at protecting jobs, households’ wages and companies, only a limited impact on payment holidays has been reported and will be monitored within the next months.



## **DESCRIPTION OF THE ENVIRONMENTAL EFFICIENCY OF THE PROPERTIES FINANCED BY THE HOME LOANS**

Existing data on environmental performance of the properties financed by the Home Loans are not available as at the date of this Prospectus.

Works have been launched by the Transaction Agent and the Sellers to gather information on environmental performance of the properties which they finance from time to time and are still underway.

If and when the relevant information on environmental performance of the properties financed by the Home Loans becomes available, the Transaction Agent will use reasonable endeavours (*obligation de moyens*) to communicate such information to the Management Company and such information will then be set out in the Investor Report.

## DESCRIPTION OF THE BPCE GROUP, THE TRANSACTION AGENT, THE RESERVES PROVIDER, THE SELLERS AND THE SERVICERS

### 1 PRESENTATION OF GROUPE BPCE

**Groupe BPCE is the second largest banking group in France, with its two leading brands, Banque Populaire and Caisse d'Epargne. Its 105,000 employees serve 36 million customers<sup>1</sup>, 9 million of whom are cooperative shareholders. The Group's companies adapt their banking and insurance business as closely as possible to the needs of individuals and local areas.**

With 14 Banque Populaire banks, 15 Caisses d'Epargne, Natixis, Banque Palatine, subsidiaries grouped together within the Financial Solutions and Expertise division of BPCE and Oney Bank, Groupe BPCE offers its customers an extensive range of products and services, including solutions in savings, placement, cash management, financing, insurance and investment. In keeping with its cooperative structure, the Group builds long-term relationships with its customers and helps them achieve their goals, and as such finances over 20% of the French economy.

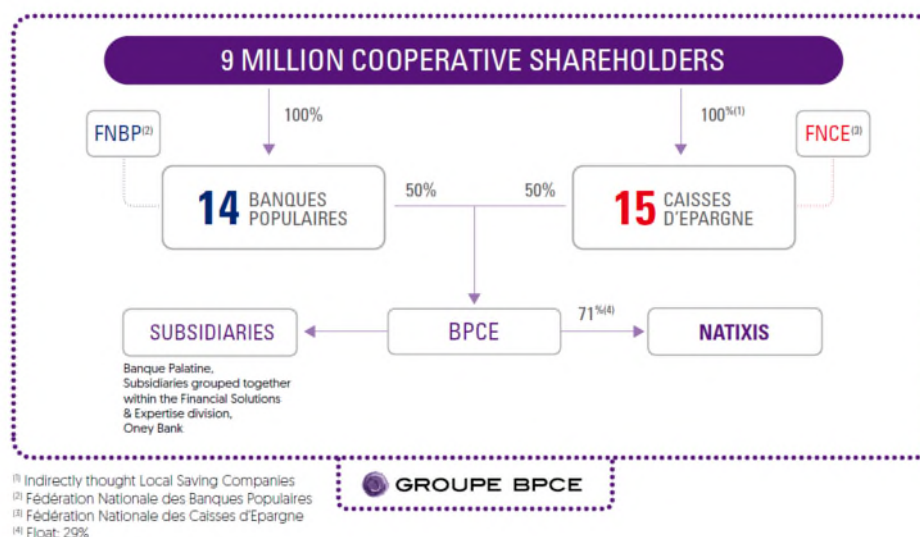
Its full-service banking model is based on a three-tier structure:

- the two cooperative networks with the Banque Populaire banks and Caisses d'Epargne, which are central players in their respective regions;
- BPCE, the central institution, responsible for the Group's strategy, control and coordination;
- the BPCE subsidiaries, including Natixis, Banque Palatine and Oney Bank.

In addition, all credit institutions affiliated with BPCE are covered by a guarantee and solidarity mechanism.

The scope of affiliated entities is mainly comprised of the Banque Populaire and Caisse d'Epargne networks and Natixis.

#### ► GROUPE BPCE SIMPLIFIED ORGANISATION CHART AT DECEMBER 31 2019



The reference in this Section to the Groupe BPCE includes BPCE, its consolidated subsidiaries and associates, as well as the regional network banks.

#### *Ratings of Groupe BPCE*

<sup>1</sup> 9.3 million customers for Banque Populaire banks and 18.6 million for Caisses d'Epargne.

The following ratings concern BPCE and also apply to Groupe BPCE:

	Fitch Ratings	Moody's Investors Service	R&I	Standard & Poor's
Long-term rating senior preferred	A+	A1	A+	A+
Short-term rating	F1	P-1	-	A-1
Outlook	Rating Watch Negative	Stable	Stable	Negative
Last report date	19/05/2020	27/07/2020	26/07/2019	07/07/2020

#### *Focus on Banque Populaire network*

Founded by entrepreneurs for entrepreneurs more than 140 years ago, the Banque Populaire banks have stayed true to their roots, confirming their position as the leading bank for SMEs in France for the tenth year in a row. A top-tier banking network with 12 regional Banque Populaire banks and two national affiliated banks (CASDEN, dedicated to the civil service sector, and Crédit Coopératif, a bank serving the social and solidarity-based economy), Banque Populaire is also the No. 2 bank of craftsmen and small retailers.

Key figures (as of December 31, 2019):

- 14 Banque Populaire banks
- 4.6 million cooperative shareholders
- 9.3 million customers
- 31,000 employees
- €288.3bn in deposits and savings
- €225bn in loan outstandings
- €6.4bn in net banking income

#### *Focus on Caisses d'Epargne network*

The Caisses d'Epargne have financed the French economy for more than 200 years. They support their customers over the long term at every key milestone of their lives, always with the general public interest in mind and with the ambition of serving all customers equally. Individuals, professionals, associations, corporates and local authorities all receive personalized solutions from their Caisse d'Epargne, tailored to their individual needs and objectives. The 15 Caisses d'Epargne are cooperative banks, forming the No. 2 banking network in France.

Key figures (as of December 31, 2019):

- 15 Caisses d'Epargne
- 4.5 million cooperative shareholders
- 18.6 million customers
- 34,300 employees
- €441.4bn in deposits and savings
- €291bn in loan outstandings
- €7bn in net banking income

## 2.1 BANQUE POPULAIRE BANKS AND CAISSES D'EPARGNE

Under the cooperative banking model, cooperative shareholding customers are the focal point of the Group's governance.

The Banque Populaire banks and Caisses d'Epargne are credit institutions wholly-owned by their cooperative shareholders (via LSCs– Local Savings Companies – for the Caisses d'Epargne).

Cooperative shareholding customers – both individuals and legal entities – play an active part in the life, ambitions and development of their bank.

Being a cooperative shareholder means owning a cooperative share (not quoted on the stock exchange), representing a portion of the share capital in a Banque Populaire bank or an LSC for the Caisses d'Epargne, and playing a role in the bank's operation by taking part in Annual General Shareholders' Meetings and voting to approve the financial statements and resolutions, validating management decisions and electing Directors. Voting rights are exercised in accordance with the cooperative principle of "1 person = 1 vote", no matter how many cooperative shares are held.

Each institution is governed by a Board of Directors for the Banque Populaire banks, or a Steering and Supervisory Board and a Management Board for the Caisses d'Epargne.

## 2.2 BPCE: the central institution of Groupe BPCE

BPCE, founded by a law dated 18 June 2009, is the central institution of Groupe BPCE, a cooperative banking group. As such, it represents the credit institutions that are affiliated with it.

The affiliated institutions, within the meaning of article L. 511-31 of the French Monetary and Financial Code, are:

- the 14 Banque Populaire banks and their 36 Mutual Guarantee Companies, whose sole corporate purpose is to guarantee loans issued by the Banque Populaire banks;
- the 15 Caisses d'Epargne, whose share capital is, as of 31 December 2019, held by 208 local savings companies (LSCs);
- Natixis; Banque BCP SAS (France); Banque de Tahiti; Banque de Nouvelle-Calédonie; Banque Palatine; Crédit Foncier de France; Compagnie de Financement Foncier; Cicobail; Société Centrale pour le Financement de l'Immobilier (SOCFIM); BPCE International; Batimap; Batiroc Bretagne-Pays de Loire; Capitole Finance-Tofinso; Comptoir Financier de Garantie; BPCE Lease Nouméa; BPCE Lease Réunion; BPCE Lease Tahiti; Sud-Ouest Bail; Oney Bank.

### Activities

**The company's role is to guide and promote the business and expansion of the cooperative banking group comprising the Caisse d'Epargne network, the Banque Populaire network, the affiliated entities and, in general, the other entities under its control.**

The purpose of the company is:

- to be the central institution for the Banque Populaire network, the Caisse d'Epargne network and the affiliated entities, as provided for by the French Monetary and Financial Code. Pursuant to articles L. 511-31 *et seq.* and article L. 512-107 of the French Monetary and Financial Code, it is responsible for:
  - defining the Group's policy and strategic guidelines as well as those of each of its constituent networks,
  - coordinating the sales policies of each of its networks and taking all measures necessary for the Group's development, including acquiring or holding strategic equity interests,

- representing the Group and each of its networks to assert their shared rights and interests, including before the banking sector institutions, as well as negotiating and entering into national and international agreements,
- representing the Group and each of its networks as an employer to assert their shared rights and interests, as well as negotiating and entering into collective industry-wide agreements,
- taking all measures necessary to guarantee the liquidity of the Group and each of its networks, and as such to determine rules for managing the Group’s liquidity, including by defining the principles and terms and conditions of investment and management of the cash flows of its constituent entities, and the conditions under which these entities may carry out transactions with other credit institutions or investment companies, carry out securitisation transactions or issue financial instruments, and perform any financial transaction necessary for liquidity management purposes,
- taking all measures necessary to guarantee the solvency of the Group and each of its networks, including implementing the appropriate Group internal financing mechanisms and setting up a Mutual Guarantee Fund shared by both networks, for which it determines the rules of operation, the terms and conditions of use in addition to the funds provided for in articles L. 512-12 and L. 512-86-1, as well as the contributions of affiliates for its initial allocation and reconstitution,
- defining the principles and conditions for organizing the internal control system of Groupe BPCE and each of its networks, as well as controlling the organisation, management and quality of the financial position of affiliated institutions, including through on-site checks within the scope defined in paragraph 4 of article L. 511-31,
- defining risk management policies and principles and the limits thereof for the Group and each of its networks, and ensuring its permanent supervision on a consolidated basis,
- approving the Articles of Association of affiliated entities and local savings companies and any changes thereto,
- approving the persons called upon, in accordance with article L. 511-13, to determine the effective business orientation of its affiliated entities,
- calling for the financial contributions required to perform its duties as a central institution,
- ensuring that the Caisses d’Epargne duly fulfill the duties provided for in article L. 512-85;
- to be a credit institution, officially approved to operate as a bank. On this basis, it exercises, both in France and other countries, the prerogatives granted to banks by the French Monetary and Financial Code, and provides the investment services described in Articles L. 321-1 and L. 321-2 of the above-mentioned code; it also oversees the central banking, financial and technical organisation of the network and the Group as a whole;
- to act as an insurance intermediary, and particularly as an insurance broker, in accordance with the regulations in force;
- to act as an intermediary for real estate transactions, in accordance with the regulations in force;
- to acquire stakes, both in France and abroad, in any French or foreign companies, groups or associations with similar purposes to those listed above or with a view to the Group’s expansion, and more generally, to undertake any transactions relating directly or indirectly to these purposes that are liable to facilitate the achievement of the company’s purposes or its expansion.

## **USE OF PROCEEDS**

On the Issue Date, the proceeds arising from the issue of the Class A Notes, the Class B Notes and the Residual Units (corresponding to an aggregate amount of EUR 1,101,683,000) will be applied by the Management Company (i) to finance the purchase of the Home Loans from the Sellers in accordance with and subject to the terms of the Home Loans Purchase and Servicing Agreement and (ii) to pay by using in full the Issuance Premium on the Issue Date the Initial Swap Premium to the Interest Rate Swap Counterparty as premium according to the Interest Rate Swap Agreement.

## TERMS AND CONDITIONS OF THE NOTES

*The following are the terms and conditions of the Notes (including the Class A Notes) in the form (subject to completion and amendment) in which they will be set out in the Issuer Regulations. These terms and conditions include summaries of, and are subject to, the detailed provisions of, the Issuer Regulations and the other Transaction Documents.*

Under the Transaction, and subject to compliance with all relevant laws, regulations and terms and conditions of the Issuer Regulations, the Issuer will issue asset-backed notes being the Class A Notes and the Class B Notes (together, the “**Notes**”). The following are the terms and conditions of the Notes, including the Class A Notes (the “**Terms and Conditions of the Notes**”).

Under a paying agency agreement entered into on or before the Issuer Establishment Date (the “**Paying Agency Agreement**”) between the Management Company, the Custodian and BNP Paribas Securities Services, a French *société en commandite par actions*, whose registered office is located at 3, rue d’Antin, 75002 Paris (France) registered with the Trade and Companies Registry of Paris (France) under number 552 108 011, licensed as a credit institution (*établissement de crédit*) with the status of bank (*banque*) by the *Autorité de Contrôle Prudentiel et de Résolution*, acting through its office located at Les Grands Moulins de Pantin, 9 rue du Débarcadère, 93500 Pantin (France), in its capacity as paying agent under the terms of the Paying Agency Agreement (the “**Paying Agent**”), among other things, the Management Company will appoint, with the prior approval of the Custodian, the Paying Agent to make payments of principal, interest and other amounts (if any) in respect of the Class A Notes only, on its behalf.

References below to “**Conditions**” are, unless the context otherwise requires, to the numbered paragraphs below.

These Conditions are subject to the detailed provisions of, the Issuer Regulations, the Paying Agency Agreement and the other Transaction Documents.

The holders of Notes and all persons claiming through them or under the Notes are entitled to the benefit of, and are bound by, the Issuer Regulations, copies of which are available for inspection at the respective head offices of the Management Company (the addresses of which are specified on the last page of this Prospectus) and on its website ([www.france-titrisation.fr](http://www.france-titrisation.fr)).

Capitalised terms used but not defined in the Conditions will have the meaning assigned to them in the Appendix to this Prospectus.

### 1. FORM, DENOMINATION AND TITLE

- (a) The 10,000 Class A Notes due October 2054 will be issued by the Issuer in bearer form (*au porteur*) in denominations of EUR 100,000 each, with an aggregate amount of EUR 1,000,000,000.

The Class A Notes will be issued at a price of 101.167 per cent. of their Initial Principal Amount.

The 90,000 Class B Notes due October 2054 will be issued by the Issuer in registered form (*nominatif*) in denominations of EUR 1,000 each, with an aggregate amount of EUR 90,000,000.

The Class B Notes will be issued at a price of 100 per cent. of their Initial Principal Amount.

The Notes will at all times be represented in book entry form (*forme dématérialisée*), in compliance with article L. 211-3 of the French Monetary and Financial Code. No physical documents of title will be issued in respect of the Notes.

- (b) The Class A Notes will, upon issue, be registered in the books of Euroclear France (“**Euroclear France**”) (acting as central depository) which shall credit the accounts of Euroclear France account holders including Clearstream Banking, société anonyme (“**Clearstream Banking**”) and Euroclear Bank S.A./N.V. (“**Euroclear**”) and be admitted in the clearing systems of Euroclear France and Clearstream Banking (the “**Clearing Systems**”). For the avoidance of doubt, the Class B Notes will not be cleared in any clearing system.

- (c) Title to the Class A Notes shall at all times be evidenced by entries in the books of the account holders affiliated with the Clearing Systems, and a transfer of Class A Notes may only be effected through registration of the transfer in the register of the account holders. Title to the Class A Notes passes upon the credit of those Class A Notes to an account of an intermediary affiliated with the Clearing Systems. The transfer of the Class A Notes in registered form shall become effective in respect of the Issuer and third parties by way of transfer from the transferor's account to the transferee's account following the delivery of a transfer order (*ordre de mouvement*) signed by the transferor or its agent. Any fee in connection with such transfer shall be borne by the transferee unless agreed otherwise by the transferor and the transferee.

Title to the Class B Notes shall at all times be evidenced by entries in the register of the Custodian, in its capacity as registrar, and a transfer of such Class B Notes may only be effected through registration of the transfer in such register. The transfer of the Class B Notes shall take place and be effective *vis-à-vis* the Issuer and third parties by way of an account transfer from the transferor's account to the transferee's account upon presentation to the Custodian, in its capacity as registrar, of a transfer order (*ordre de mouvement*) duly completed and executed by the transferor (or its attorney or agent). Unless otherwise agreed between the transferor and the transferee, the transferee shall bear the cost incurred in respect of any transfer of Class B Notes.

- (d) All Class A Notes are intended to be fungible among themselves. The Class A Notes shall not be considered as forming part of the same category as the Class B Notes issued by the Issuer.
- (e) All Class B Notes are intended to be fungible among themselves.

## **2. STATUS AND RELATIONSHIP**

### **(a) Status**

The Class A Notes constitute direct, unsubordinated and limited recourse obligations of the Issuer.

The Class B Notes constitute direct, subordinated and limited recourse obligations of the Issuer.

Each Class of notes ranks *pari passu* without any preference or priority amongst itself. The Class A Notes are the most senior Notes issued by the Issuer on the Issue Date.

All payments of principal and interest on the Notes (and arrears, if any) shall be made to the extent of the Available Distribution Amount, subject to the relevant Priority of Payments.

### **(b) Relationship between the Class A Notes, the Class B Notes and the Residual Units**

During the Amortisation Period and the Accelerated Amortisation Period, (i) payments of interest and principal due and payable in respect of the Class B Notes are subordinated to payments of interest and principal due and payable in respect of the Class A Notes and (ii) payments of interest and principal due and payable in respect of the Residual Units are subordinated to payments of interest and principal in respect of the Notes of all Classes.

## **3. INTEREST**

### **(a) General**

Each Note accrues interest on its Principal Amount Outstanding, from the Issue Date (inclusive) until the earlier of the date when the Principal Amount Outstanding of such Note is reduced to zero and the Final Legal Maturity Date, at the Class A Notes Interest Rate or the Class B Notes Interest Rate, as calculated in accordance with Conditions 3(c) and 3(d) below.

### **(b) Payment Dates and Interest Periods**

#### **(i) Payment Dates**



Interest in respect of the Notes will be payable, according to the provisions of paragraph (d) below, quarterly in arrears with respect to each Interest Period, on each Payment Date until the later of the date on which the Principal Amount Outstanding of such Note is reduced to zero and the Final Legal Maturity Date.

(ii) Interest Period

An Interest Period means, for any Payment Date during the Amortisation Period or the Accelerated Amortisation Period, any period beginning on (and including) the previous Payment Date and ending on (but excluding) the next Payment Date, save for the first Interest Period, which shall begin on (and including) the Issue Date and shall end on (but excluding) the first Payment Date following that Issue Date and the last Interest Period shall end at the latest on (and excluding) the Final Legal Maturity Date.

(c) **Rate of interest and calculation of interest amounts for Notes**

- (i) The rate of interest applicable to the Class A Notes (the “**Class A Notes Interest Rate**”) will be equal to the aggregate of EURIBOR plus the Class A Margin provided that, if EURIBOR plus the Class A Margin is less than zero (0), the Class A Notes Interest Rate will be deemed to be zero (0).

In these Conditions:

“**EURIBOR**” means the interest rate applicable to deposits in euros in the Eurozone for three (3) month-Euro deposits (or in the case of the first Interest Period, the linear interpolation of three (3) and six (6) month Euro deposits) as determined by the Management Company on any Interest Rate Determination Date in accordance with Condition 3(c)(ii).

If the definition, methodology, or formula for EURIBOR, or other means of calculating EURIBOR, is changed, this shall not constitute a Benchmark Rate Modification Event and shall not require the consent of the Noteholders, and references to EURIBOR in the Conditions shall be to EURIBOR as changed.

“**Class A Margin**” means before and including the First Optional Redemption Date, 0.65% *per annum* and from and excluding the First Optional Redemption Date, 1.04% *per annum*.

The Class A Notes Interest Rate will be determined by the Management Company on each Interest Rate Determination Date prior to the commencement of each Interest Period.

- (ii) For the purposes of the Conditions 3(c)(i), EURIBOR will be determined by the Management Company on each Interest Rate Determination Date prior to the commencement of each Interest Period on the following basis:

- (1) the Management Company will determine the EURIBOR for three (3)-month Euro deposits (or, in the case of the first Interest Period, the linear interpolation of three (3) and six (6) month Euro deposits) which appears on the Reuters Screen EURIBOR01 Page (or such other page as may replace that page on that service, or such other service as may be nominated as the information vendor, for the purpose of displaying comparable rates as of 11:00 a.m. (Paris time), on each Interest Rate Determination Date;

- (2) if such rate does not appear on the Reuters Screen EURIBOR01 Page (or such other page as may replace that page on that service, or such other service as may be nominated as the information vendor, for the purpose of displaying comparable rates or any such replacement benchmark):

- (A) the Management Company will request the principal Eurozone office of each of the Reference Banks to provide a quotation of the rate at which deposits in Euros are offered by the Reference Banks in the Eurozone interbank market at approximately 11:00 am (Paris time), on such Interest Rate Determination Date to prime banks in the Eurozone interbank market for a period of three (3) months (or, in the case of the first Interest Period, the linear interpolation of three (3) and

six (6)-month Euro deposits) and for an amount representative of the Principal Amount Outstanding of the Class A Notes;

(B) if at least two (2) such quotations are provided, the rate for the relevant Interest Period will be the arithmetic mean (rounded if necessary, to the nearest one hundred-thousandth of a percentage point, 0.000005 being rounded upwards) of such quotations; and

(C) if fewer than two (2) such quotations are provided as requested, the rate for the relevant Interest Rate Determination Date will be the arithmetic mean of the rates quoted by major banks in the Euro-zone, selected by the Management Company, at approximately 11:00 am (Paris time), on that Interest Rate Determination Date for loans in Euros to leading European banks for a period equal to the relevant Interest Period (or, in the case of the first Interest Period, the linear interpolation of three (3) and six (6)-month Euro deposits) for an amount representative of the aggregate Principal Amount Outstanding of the Class A Notes,

(2) if the Management Company is unable to determine EURIBOR in accordance with the provisions of sub-paragraph (1) above in relation to any Interest Period, the EURIBOR applicable during such Interest Period will be the EURIBOR last determined in relation thereto;

(3) notwithstanding sub-paragraphs (1) to (2) above, if a Benchmark Rate Modification Event has occurred, EURIBOR shall be determined in accordance with Condition 8(c) (*Additional right of modification without Noteholders' consent in relation to a Benchmark Rate Modification Event*).

For the purposes of these Conditions:

“**Eurozone**” means the region comprised of Member States that have adopted as their legal currency the single currency in accordance with the Treaty establishing the European Community (signed in Rome on 25 March 1957), as amended by the Treaty on European Union (signed in Maastricht on 7 February 1992) and the Treaty of Amsterdam (signed in Amsterdam on 2 October 1997).

(iii) The rate of interest applicable to the Class B Notes (the “**Class B Notes Interest Rate**”) in respect of any Interest Period will be a fixed rate of 0.25% *per annum*.

**(d) Calculation of the Class A Notes Interest Amount and the Class B Notes Interest Amount**

(i) Class A Notes Interest Amount

The Class A Notes Interest Amount in respect of the Interest Period that will end on the immediately following Payment Date, shall be calculated by the Management Company, on each Calculation Date, as being equal to the product between:

(A) (a) the product of (i) the Class A Notes Interest Rate, (ii) the Principal Amount Outstanding of each Class A Note as of the first day of the relevant Interest Period and (iii) the actual number of days in the related Interest Period, divided (b) three hundred sixty (360), rounded down to the nearest cent (half a Euro cent being rounded downwards); and

(B) the number of Class A Notes that are outstanding.

(ii) Class B Notes Interest Amount

The Class B Notes Interest Amount in respect of the Interest Period that will end on the immediately following Payment Date, shall be calculated by the Management Company, on each Calculation Date, as being equal to the product between:

(A) (a) the product of (i) the Class B Notes Interest Rate (ii) the Principal Amount Outstanding of each Class B Note as of the first day of the relevant Interest Period and (iii) ninety (90), divided (b) three hundred sixty (360), rounded down to the nearest cent (half a Euro cent being rounded downwards); and

(B) the number of the Class B Notes that are outstanding.

**(e) Reference Banks**

The Management Company shall use reasonable commercial endeavour to ensure that, for so long as any of the Notes remain outstanding, it has designated at least four (4) Reference Banks. The initial Reference Banks are to be the principal Eurozone offices of four (4) major banks in the Eurozone interbank market (the "**Reference Banks**") chosen by the Management Company, being as at the date of this Prospectus, BNP Paribas, Crédit Agricole, Natixis and Société Générale. In the event of the principal Eurozone office of any such bank being unable or unwilling to continue to act as a Reference Bank, the Issuer shall appoint such other bank as may have been previously approved in writing by the Management Company to act as such in its place.

**(f) Notification to be final**

All notifications, determinations, calculations and decisions given, expressed or made or obtained for the purposes of this Condition, whether by the Reference Banks (or any one of them) or by the Management Company will (in the absence of wilful misconduct, bad faith or manifest error) be binding on the Paying Agent, the Custodian, the Issuer, Euronext Paris on which the Notes are for the time being listed and all Noteholders and (in the absence of wilful misconduct, bad faith or manifest error) no liability to the Noteholders shall attach to the Reference Banks or the Management Company in connection with the exercise or non-exercise by them or any of them of their powers, duties and discretions hereunder provided they act in accordance with the standards set out in this Condition.

**4. REDEMPTION**

**(a) Amortisation Period**

On each Payment Date during the Amortisation Period, all Class A Notes shall be subject to mandatory partial redemption on a *pari passu* and *pro rata* basis, to the extent of the aggregate amount of Class A Notes Amortisation Amount in respect of all Class A Notes, and in accordance with and subject to the Normal Priority of Payments, until the earlier of (i) the date on which the Principal Amount Outstanding of each Class A Note is reduced to zero and (ii) the Final Legal Maturity Date and, provided that the Class A Notes have been redeemed in full, all Class B Notes shall be subject to mandatory partial redemption on a *pari passu* and *pro rata* basis, to the extent of the aggregate amount of Class B Notes Amortisation Amount in respect of all Class B Notes, and in accordance with and subject to the Normal Priority of Payments, until the earlier of (a) the date on which the Principal Amount Outstanding of each Class B Note is reduced to zero and (b) the Final Legal Maturity Date.

**(b) Accelerated Amortisation Period**

On each Payment Date during the Accelerated Amortisation Period and on the Issuer Liquidation Date, all Class A Notes shall be subject to mandatory redemption on a *pari passu* and *pro rata* basis, to the extent of the aggregate amount of Class A Notes Amortisation Amount in respect of all Class A Notes, and in accordance with and subject to the Accelerated Priority of Payments, until the earlier of (i) the date on which the Principal Amount Outstanding of each Class A Note is reduced to zero and (ii) the Final Legal Maturity Date and, provided that the Class A Notes have been redeemed in full, all Class B Notes shall be subject to mandatory redemption on a *pari passu* and *pro rata* basis, to the extent of the aggregate amount of Class B Notes Amortisation Amount in respect of all Class B Notes, and in accordance with and subject to the Accelerated Priority of Payments, until the earlier of (a) the date on which the Principal Amount Outstanding of each Class B Note is reduced to zero and (b) the Final Legal Maturity Date.

(c) **Determination of the amortisation of the Notes**

On each Calculation Date, the Management Company will determine:

- (a) if such Payment Date falls in the Amortisation Period, the Expected Amortisation Amount and the Principal Amortisation Amount in respect of such Payment Date;
- (b) the Class A Notes Amortisation Amount in respect of the then outstanding Class A Notes;
- (c) the Class B Notes Amortisation Amount in respect of the then outstanding Class B Notes; and
- (d) the Principal Amount Outstanding of each Note on such Payment Date; and
- (e) the Note Principal Amounts.

Each such determination by the Management Company will (in the absence of wilful misconduct, bad faith or manifest error) be binding on the Paying Agent, the Custodian, the Issuer, Euronext Paris on which the Notes are for the time being listed and all Noteholders.

(d) **Definitions**

For the purpose of this Condition:

- (A) the “**Expected Amortisation Amount**” shall be equal to the amount, as calculated on each Calculation Date with respect to the immediately following Payment Date during the Amortisation Period, equal to the positive difference between (i) and (ii), where:

- (i) is the aggregate of the Class A Notes Outstanding Amount and the Class B Notes Outstanding Amount, both as at the immediately preceding Payment Date after giving effect to any payment in accordance with the Normal Priority of Payments (or, as the case may be, on the Issuer Establishment Date in case of the first Payment Date), and of the Residual Units nominal amount; and
- (ii) is the sum of the aggregate Outstanding Principal Balance of the Performing Home Loans on the Determination Date immediately preceding such Calculation Date, excluding the Purchased Home Loans subject to a re-transfer or rescission or in relation to which an Indemnity Amount has been paid on or prior the immediately following Payment Date, where:

“**Class A Notes Outstanding Amount**” means, at any time, the aggregate Principal Amount Outstanding of all Class A Notes;

- (B) the “**Class A Notes Amortisation Amount**” on a given Payment Date shall be an amount (rounded down to the nearest Euro cent) equal to in respect of each Class A Note:

- (a) during the Amortisation Period, (A) the minimum of (x) the Principal Amortisation Amount as calculated on the immediately preceding Calculation Date and (y) the Class A Notes Outstanding Amount as at the previous Payment Date after giving effect to any payment in accordance with the relevant Priority of Payments (B) divided by the number of Class A Notes outstanding; and
- (b) during the Accelerated Amortisation Period: (A) the Class A Notes Outstanding Amount as at the immediately preceding Payment Date after giving effect to any payment in accordance with the relevant Priority of Payments (B) divided by the number of Class A Notes outstanding,

where:

**“Class A Notes Outstanding Amount”** means, at any time, the aggregate Principal Amount Outstanding of all Class A Notes at that time;

- (C) the **“Class B Notes Amortisation Amount”** on a given Payment Date shall be an amount (rounded down to the nearest Euro cent) equal to in respect of each Class B Note:
- (a) during the Amortisation Period, (A) the minimum of (x) the Principal Amortisation Amount, as calculated on the immediately preceding Calculation Date and (y) the Class B Notes Outstanding Amount as at the previous Payment Date after giving effect to any payment in accordance with the relevant Priority of Payments (B) divided by the number of Class B Notes outstanding; and
  - (b) during the Accelerated Amortisation Period, (A) the Class B Notes Outstanding Amount as at the previous Payment Date after giving effect to any payment in accordance with the relevant Priority of Payments (B) divided by the number of Class B Notes outstanding.

where:

the **“Class B Notes Outstanding Amount”** means, at any time, the aggregate Principal Amount Outstanding of the Class B Notes;

- (D) **“Principal Amortisation Amount”** means the amount as calculated on each Calculation Date during the Amortisation Period, equal to:
- (a) for the purpose of calculating the Class A Notes Amortisation Amount, the lower of:
    - (i) the Available Distribution Amount on such Calculation Date minus all amounts falling due and payable under items (1) to (4) of the Normal Priority of Payments on the immediately following Payment Date; and
    - (ii) the Expected Amortisation Amount on such Calculation Date;
  - (b) for the purpose of calculating the Class B Notes Amortisation Amount, the lower of:
    - (i) the Available Distribution Amount on such Calculation Date minus all amounts falling due and payable under items (1) to (9) of the Normal Priority of Payments on the immediately following Payment Date; and
    - (ii) the positive difference between (i) the Expected Amortisation Amount on such Calculation Date and (ii) the amount falling due and payable under item (5) of the Normal Priority of Payments on the immediately following Payment Date.

(e) **Principal Amount Outstanding**

On a particular date, the Principal Amount Outstanding of a Note is equal to the Initial Principal Amount of that Note less the aggregate amount of all Class A Notes Amortisation Amounts or Class B Notes Amortisation Amounts (as applicable) paid in respect of that Note prior to such date.

(f) **Early redemption in full on the First Optional Redemption Date or on any of the subsequent Optional Redemption Dates**

The Class A Notes will be subject to early redemption in full on the First Optional Redemption Date or on any of the subsequent Optional Redemption Dates if the Management Company receives a request in writing from the Transaction Agent on behalf of the Sellers at the latest fifteen (15) calendar days prior to the contemplated early redemption date, to redeem all (but not some only) of the Notes, subject to the Sellers or any other entity authorised to purchase the Home Loan having agreed to repurchase the outstanding Purchased Home Loans at a purchase price which shall be sufficient, taking into account for

this purpose the Issuer Cash, excluding the amount of the Commingling Reserve, to enable the Issuer to repay in full all amounts outstanding in respect of the Notes after payment of all other amounts due by the Issuer and ranking senior to the Notes in accordance with the Accelerated Priority of Payments.

The Management Company will send a notice to the Transaction Agent at the latest ninety (90) calendar days before the relevant Optional Redemption Date to remind the Transaction Agent with the early redemption option available to the Sellers.

In the event that the conditions for an early redemption set out in this Condition 4(f) are complied with, the Management Company shall notify the Noteholders and the Interest Rate Swap Counterparty of the same in accordance with Condition 9 (*Notice to the Noteholders*) below and, the Issuer will be bound to redeem the Notes.

**(g) Early redemption in full in case of Tax Event**

The Class A Notes will be subject to early redemption in full following the occurrence of a Tax Event and following a request of the Class A Noteholders acting by a general assembly resolution or of the sole holder of the Class A Notes, as the case may be, to liquidate the Issuer, subject to the Sellers or any other entity authorised to purchase the Home Loan having agreed to repurchase the outstanding Purchased Home Loans at a purchase price which shall be sufficient, taking into account for this purpose the Issuer Cash, excluding the amount of the Commingling Reserve, to enable the Issuer to repay in full all amounts outstanding in respect of the Notes after payment of all other amounts due by the Issuer and ranking senior to the Notes in accordance with the Accelerated Priority of Payments.

A “**Tax Event**” will occur when, by reason of a change in, or amendment to, tax law (or regulation or the application or official interpretation thereof), which change becomes effective on or after the Issue Date, on the next or any subsequent Payment Date, the Issuer or the Paying Agent on its behalf would become obliged to deduct or withhold from any payment of principal or interest in respect of the Class A Notes any amount for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the French Republic. In the event that the conditions for an early redemption set out in this Condition 4(g) are complied with, the Management Company shall notify the Noteholders and the Interest Rate Swap Counterparty of the same in accordance with Condition 9 (*Notice to the Noteholders*) below and, the Issuer will be bound to redeem the Notes.

**(h) Early redemption in full in case of any other Issuer Liquidation Event**

The Class A Notes will be subject to early redemption in full following the occurrence of any Issuer Liquidation Events (other than contemplated in Condition 4(f) or (g)), subject to the Sellers or any other entity authorised to purchase the Home Loan having agreed to repurchase the outstanding Purchased Home Loans at a purchase price which shall be sufficient, taking into account for this purpose the Issuer Cash, excluding the amount of the Commingling Reserve, to enable the Issuer to repay in full all amounts outstanding in respect of the Notes after payment of all other amounts due by the Issuer and ranking senior to the Notes in accordance with the Accelerated Priority of Payments. In the event that the conditions for an early redemption set out in this Condition 4(h) are complied with, the Management Company shall notify the Noteholders and the Interest Rate Swap Counterparty of the same in accordance with Condition 9 (*Notice to the Noteholders*) below and, the Issuer will be bound to redeem the Notes.

**(i) Cancellation**

The Notes redeemed in full pursuant to the foregoing provisions will be cancelled upon redemption and may not be resold or re-issued.

**(j) No purchase of Notes by the Issuer**

In accordance with article L. 214-169 of the French Monetary and Financial Code, no Noteholder shall be entitled to ask the Issuer to repurchase its Notes.

**(k) Final Legal Maturity Date**

Unless previously redeemed, each of the Notes will be redeemed at its Principal Amount Outstanding on the Payment Date falling in October 2054 (the “**Final Legal Maturity Date**”), subject to the Priority of Payments applicable during the Accelerated Amortisation Period and to the extent of the Available Distribution Amount.

**5. PAYMENTS**

**(a) Funds Allocation Rules and Priorities of Payment**

Any payment of interest or principal in respect of a Class of Notes shall be made on a Payment Date to the extent of the available funds in accordance with the Funds Allocation Rules and the applicable Priority of Payments as set out in the Issuer Regulations (see the Section entitled “APPLICATION OF FUNDS” of the Prospectus).

**(b) Method of Payment**

**(i) Method of payment in respect of the Class A Notes**

Payments of principal and interest in respect of the Class A Notes will be made in Euro by credit or transfer to a Euro denominated account (or any other account to which Euro may be credited or transferred) specified by the payee with a bank, in a country within the TARGET2 system (i.e. the Trans-European Automated Real-time Gross settlement Express Transfer system).

Any payment in respect of the Class A Notes shall be made:

- by the Paying Agent and only if the Paying Agent has received the appropriate funds no later than the relevant Payment Date from the Account Bank acting upon the instructions of the Custodian and the Management Company, by debiting the General Account to the extent of the Available Distribution Amount and subject to the applicable Priorities of Payments;
- for the benefit of the Noteholders to the Euroclear France Account Holders and all payments made to such Euroclear France Account Holders in favour of the Noteholders will be an effective discharge of the Paying Agent in respect of such payment.

Any payment of the appropriate funds to the Paying Agent by the Issuer will be an effective discharge of the Issuer in respect of the related payment to be made in respect of the Class A Notes.

**(ii) Method of payment in respect of the Class B Notes**

Any amount of interest or principal due in respect of any Class B Note will be paid in Euro by the Management Company on each applicable Payment Date, by debiting the General Account to the extent of the Available Distribution Amount and subject to the applicable Priorities of Payments.

The payments in respect of the Class B Notes will be made to the Class B Noteholders identified as such in the books of the Custodian, in its capacity as registrar.

**(iii) Tax**

**(1) No additional amounts**

All payments of principal and/or interest in respect of the Notes will be subject to applicable tax laws in any relevant jurisdiction.

Payments of principal and interest in respect of the Notes will be made net of any withholding tax or deductions for or on account of any tax applicable to the Notes in any relevant state or jurisdiction, and neither the Issuer nor the Paying Agent are under any obligation to pay any additional amounts as a

consequence of any such withholding or deduction. No commission or expenses will be charged to the Class A Noteholders or the Class B Noteholders in respect of such payments.

(2) Supply of information

Each Noteholder shall be responsible for supplying to the Paying Agent, in a timely manner, any information as may be required by the latter in order for it to comply with the identification and reporting obligations imposed on it by the European Council Directive 2003/48/EC of 3 June 2003 (as modified by the European Union Council Directive 2014/48/EU adopted by the European Council on 24 March 2014) if applicable, by any other European Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to such directive or directives or by any similar regulation imposing identification and reporting obligations.

(iii) Payments on Business Days

If the due date for payment of any amount of principal or interest in respect of any Note is not a business day in the jurisdiction where payment is to be received, no further payments of additional amounts by way of interest, principal or otherwise shall be due.

(c) **Initial Paying Agent (in respect of the Class A Notes only)**

(i) The initial Paying Agent is:

BNP Paribas Securities Services  
3, rue d'Antin  
75002 Paris

(ii) Pursuant to the Paying Agency Agreement:

- (A) the Management Company may on giving a 30-day prior written notice terminate the appointment of the Paying Agent and appoint a new paying agent; and
- (B) the Paying Agent may resign on giving a 30-day prior written notice to the Management Company and the Custodian,

provided that the conditions precedent set out therein are satisfied (and in particular but without limitation that a new paying agent has been appointed).

Notice of any amendments to the Paying Agency Agreement shall promptly be given to the Noteholders in accordance with Condition 9 (*Notice to Noteholders*).

(d) **Deferral**

If on any applicable Payment Date, the Available Distribution Amount is not sufficient to pay, transfer to another Issuer Account or redeem any amount then due and payable (including, without limitation, any amount of principal or interest in respect of any class of Notes) or to be transferred or to be redeemed, such unpaid amount shall constitute arrears which will become due and payable by the Issuer on the next following Payment Date, at the same rank, but in priority to the payment of the amounts of same nature in the applicable Priority of Payments and to the extent of the Available Distribution Amount. Such unpaid amount will not accrue default interest until full payment. For the avoidance of doubt, the failure by the Issuer to pay in full any amount of interest due and payable on the Class A Notes in accordance with the Conditions, where non-payment continues for a period of five (5) Business Days, will constitute an Accelerated Amortisation Event.



## **6. PRESCRIPTION**

If the Issuer has not been liquidated earlier, on the Final Legal Maturity Date, any principal and/or interest amount remaining unpaid in respect of the Notes (after applying on such date the Priority of Payments applicable during the Accelerated Amortisation Period) shall be automatically and without any formalities (*de plein droit*) cancelled, and as a result, with effect from the Final Legal Maturity Date, the Noteholders shall no longer have any right to assert a claim in respect of the Notes against the Issuer, regardless of the amounts which may remain unpaid after the Final Legal Maturity Date.

## **7. MEETING OF THE NOTEHOLDERS**

### **(a) Introduction**

Pursuant to Article L. 213-6-3 I of the French Monetary and Financial Code, the Noteholders of each Class shall not be grouped in a *masse* having separate legal personality and acting in part through a representative (*représentant de la masse*) and through general meetings.

However, the provisions of the French Commercial Code relating to general meetings of noteholders shall apply but whenever the words “*masse*” or “*représentant(s) de la masse*” appear in those provisions they shall be deemed unwritten.

Decisions may be taken by Noteholders by way of Ordinary Resolution, Extraordinary Resolution or Written Resolution, by a class of Noteholders acting independently. Ordinary Resolutions and Extraordinary Resolutions can be effected either at a duly convened meeting of the applicable Noteholders or by the applicable Noteholders resolving in writing, in each case, in at least the minimum percentages specified in this Condition 7 (*Meetings of the Noteholders*).

### **(b) General Meetings of the Noteholders of each Class**

#### **(i) Gathering of General Meetings**

The Management Company, acting for and on behalf of the Issuer, may at any time, and Noteholders holding not less than ten (10) per cent. of the Principal Amount Outstanding of the Notes then outstanding of any Class are entitled to, upon requisition in writing to the Issuer, convene a Noteholders’ meeting (a “**General Meeting**”) to consider any matter affecting their interests.

If, following a requisition from Noteholders of any Class of Notes, such General Meeting has not been convened within sixty (60) calendar days after such requisition, the Noteholders of such Class may commission one of their members to petition a competent court in Paris to appoint an agent (*mandataire*) who will call the General Meeting.

Notice of the date, hour, place and agenda of any General Meeting will be published as provided under Condition 9 (*Notice to Noteholders*):

- (A) at least fifteen (15) calendar days (and no more than sixty (60) calendar days) for the initial General Meeting (exclusive of the day on which the notice is given and of the day of the meeting).
- (B) at least ten (10) calendar days (and no more than twenty (20) calendar days) (exclusive of the day on which the notice is given and of the day of the meeting) of a General Meeting adjourned through want of quorum (and no more than twenty (20) calendar days in the case of an initial adjournment of a meeting at which an Extraordinary Resolution is to be proposed).

Each Noteholder of each Class has the right to participate in a General Meeting in person, by proxy, by correspondence or by videoconference or by any other means of telecommunication allowing the identification of participating Noteholders of each Class.

- (ii) Entitlement to vote

Each Note carries the right to one vote.

- (c) **Powers of the General Meetings of the Noteholders of each Class**

- (i) Convening of General Meeting

The Issuer Regulations contain provisions for convening meetings of the Noteholders of each Class and, in certain cases, more than one Class to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of a Basic Terms Modification, where applicable.

General Meetings of Noteholders shall be held in France.

- (ii) Powers:

- (A) the General Meetings of the Noteholders of each Class may act with respect to any matter that relates to the common rights, actions and benefits which now or in the future may accrue with respect to the Notes of each Class.
    - (B) the General Meetings of the Noteholders of each Class may further deliberate on any proposal relating to the modification of these Conditions including any proposal, whether for arbitration or settlement, relating to rights in controversy or which were the subject of judicial decisions, it being specified, however, that the General Meeting may not establish any unequal treatment between the Noteholders of each Class.

- (iii) Ordinary Resolutions

- (A) Quorum

The quorum at any General Meeting of Noteholders of any Class or Classes of Notes for passing an Ordinary Resolution will be one or more persons holding or representing not less than twenty-five (25) per cent. of the aggregate Principal Amount Outstanding of such Class or Classes of Notes, or, at any adjourned meeting, one or more persons being or representing a Noteholder of the relevant Class or Classes, whatever the aggregate Principal Amount Outstanding of the Notes of such Class or Classes held or represented by it or them.

- (B) Required majority

Decisions at General Meetings shall be taken by more than fifty (50) per cent. of votes cast by the Noteholders attending such General Meetings or represented thereat for matters requiring Ordinary Resolution.

- (C) Relevant Matters

Any matters (other than the matters which must only be sanctioned by an Extraordinary Resolution of each Class of Noteholders) may only be sanctioned by an Ordinary Resolution of each Class of Noteholders.

- (iv) Extraordinary Resolutions

- (A) Quorum

- (1) The quorum at any General Meeting of Noteholders of any Class or Classes of Notes for passing an Extraordinary Resolution (other than in respect of a Basic Terms Modification) will be one or more persons holding or representing not less than sixty six and two third percent ( $66 \frac{2}{3}$  per cent.) of the aggregate Principal Amount

Outstanding of such Class or Classes of Notes, or, at any adjourned meeting, one or more persons holding or representing not less than twenty-five (25) per cent. of the aggregate Principal Amount Outstanding of the Notes of such Class or Classes.

- (2) The quorum at any General Meeting of Noteholders of any Class or Classes for passing an Extraordinary Resolution to sanction a Basic Terms Modification (where applicable) shall be one or more persons holding or representing not less than seventy-five (75) per cent. of the aggregate Principal Amount Outstanding of such Class or Classes of Notes or, at any adjourned meeting, not less than fifty (50) per cent. of the Principal Amount Outstanding of the relevant Class or Classes of Notes. On third convocation, the quorum shall be one or more persons holding or representing not less than twenty-five (25) per cent. of the aggregate Principal Amount Outstanding of such Class or Classes of Notes.

(B) Required majority

Decisions at General Meetings shall be taken by at least seventy-five (75) per cent. of votes cast by the Noteholders attending such General Meetings or represented thereat for matters requiring Extraordinary Resolution.

(C) Relevant matters

The following matters may only be sanctioned by an Extraordinary Resolution of each Class of Noteholders:

- (1) to approve any Basic Terms Modification (save as otherwise provided in the Terms and Conditions of the Notes);
- (2) to approve any alteration of the provisions of the Terms and Conditions of the Notes or any Transaction Document which shall be proposed by the Management Company and are expressly required to be submitted to the Noteholders in accordance with the provisions of the Terms and Conditions of the Notes or any Transaction Document;
- (3) to authorise the Management Company or any other person to execute all documents and do all things necessary to give effect to any Extraordinary Resolution;
- (4) to give any other authorisation or approval which under the Issuer Regulations or the Terms and Conditions of the Notes is required to be given by Extraordinary Resolution;
- (5) to appoint any persons as a committee to represent the interests of the Noteholders and to convey upon such committee any powers which the Noteholders could themselves exercise by Extraordinary Resolution.

provided, however, that no Extraordinary Resolution of the Noteholders of any Class (other than relating to the approval of a Basic Terms Modification) shall be effective unless (i) the Management Company is of the opinion that it will not be materially prejudicial to the interests of the Most Senior Class of Notes Outstanding or (ii) (to the extent that the Management Company is not of that opinion) it is sanctioned by an Extraordinary Resolution of the Noteholders of the Most Senior Class of Notes Outstanding.

**“Most Senior Class of Notes Outstanding”** means:

- (i) for so long as the Class A Notes remain outstanding, the Class A Notes; and
- (ii) provided that the Class A Notes have been fully redeemed and for so long as the Class B Notes remain outstanding, the Class B Notes.

(D) Approval of Basic Terms Modifications

In relation to each Class of Notes the approval of a Basic Terms Modification may only be made by Extraordinary Resolution and no Extraordinary Resolution involving a Basic Terms Modification that is passed by the holders of one Class of Notes shall be effective unless it is sanctioned by an Extraordinary Resolution of each of the other Classes of Notes affected (to the extent that there are outstanding Notes in each such other Classes).

(E) Notice to Noteholders

Any amendment to the Priority of Payments following an Extraordinary Resolution passed at a General Meeting or through a Written Resolution (as described below in paragraph (e) below) which will materially adversely affect the repayment of the Notes shall be reported to the Noteholders and investors without undue delay in accordance with Condition 9 (*Notice to Noteholders*).

- (v) In accordance with Article R. 228-71 of the French Commercial Code, the right of each Noteholder of each Class to participate in General Meetings will be evidenced by the entries in the books of the relevant Account Holder of the name of such Noteholder as of 0:00, Paris time, on the second business day in Paris preceding the date set for the meeting of the relevant General Meeting.
- (vi) Decisions of General Meetings of the Noteholders of each Class must be published in accordance with the provisions set forth in Condition 9 (*Notice to Noteholders*).

(d) **Chairman**

The Noteholders of each Class present at a General Meeting shall choose one of their members to be chairman (the “**Chairman**”) by a simple majority of votes present or represented at such General Meeting (notwithstanding the absence of a quorum at the time of such vote). If the Noteholders fail to designate a Chairman, the Noteholder holding or representing the highest number of Notes and present at such meeting shall be appointed Chairman, failing which the Management Company, acting for and on behalf of the Issuer, may appoint a Chairman. The Chairman of an adjourned meeting need not be the same person as the Chairman of the original meeting from which the adjournment took place.

(e) **Written Resolution and Electronic Consent**

(i) Written Resolution

Pursuant to Article L. 228-46-1 of the French Commercial Code, the Management Company, acting for and on behalf of the Issuer, shall be entitled, in lieu of convening a General Meeting, to seek approval of a Resolution from the Noteholders of any Class and, in certain circumstances, more than one Class, by way of a resolution in writing signed by or on behalf of all Noteholders of the relevant Class, whether contained in one document or several documents in the same form, each signed by or on behalf of one or more such Noteholders, holding or representing not less than (x) twenty-five (25) per cent. of the aggregate Principal Amount Outstanding of such Class or Classes of Notes for matters requiring Ordinary Resolution, (y) fifty (50) per cent. of the aggregate Principal Amount Outstanding of such Class or Classes of Notes for matters requiring Extraordinary Resolution (other than a Basic Terms Modification) and (z) seventy-five (75) per cent. of the aggregate Principal Amount Outstanding of such Class or Classes of Notes for a matter requiring Extraordinary Resolution that is a Basic Terms Modification (where applicable) (a “**Written Resolution**”).

A Written Resolution has the same effect as an Ordinary Resolution or, as applicable, an Extraordinary Resolution passed during a General Meeting.

Notice seeking the approval of a Written Resolution will be published as provided under Condition 9 (*Notice to Noteholders*) not less than fifteen (15) calendar days prior to the date fixed for the passing of such Written Resolution (the “**Written Resolution Date**”). Notices seeking the approval of a Written Resolution will contain the conditions of form and time-limits to be complied with by the Noteholders who wish to express their approval or rejection of such proposed Written Resolution. Noteholders

expressing their approval or rejection before the Written Resolution Date will undertake not to dispose of their Notes until after the Written Resolution Date.

(ii) **Electronic Consent**

Pursuant to Article L. 228-46-1 of the French Commercial Code, approval of a Written Resolution may also be given by way of electronic communication (“**Electronic Consent**”). Noteholders may pass an Ordinary Resolution or an Extraordinary Resolution by way of electronic consents communicated through the electronic communications systems of the clearing system(s) to the Paying Agent or another specified agent and/or the Management Company in accordance with the operating rules and procedures of the Clearing Systems.

A Written Resolution given by an Electronic Consent has the same effect as an Ordinary Resolution or, as applicable, an Extraordinary Resolution passed during a General Meeting.

(f) **Effect of Resolutions**

Any Resolution passed at a General Meeting of Noteholders of one or more Classes of Notes duly convened and held in accordance with the Issuer Regulations and this Condition 7 (*Meetings of the Noteholders*) and a Written Resolution shall be binding on all Noteholders of each Class, regardless of whether or not a Noteholder was present at such General Meeting and whether or not, in the case of a Written Resolution, they have participated in such Written Resolution and each of them shall be bound to give effect to the Resolution accordingly. Any Resolution duly passed by a holder of any Notes will be irrevocable and binding as to such holder and on all future holders of such Notes, regardless of the date on which such Resolution was passed.

(g) **Information to the Noteholders**

Each Noteholder will have the right, during the fifteen (15) day period preceding the holding of each General Meeting and Written Resolution Date, to consult or make a copy of the text of the Resolutions which will be proposed and of the reports which will be presented at the General Meeting, all of which will be available for inspection by the relevant Noteholders of each Class at the registered office of the Management Company, acting for and on behalf of the Issuer, at the specified offices of the Paying Agent and at any other place specified in the notice of the General Meeting or the Written Resolution.

(h) **Expenses**

The Issuer will pay all expenses relating to the calling and holding of General Meetings and seeking of a Written Resolution and, more generally, all administrative expenses resolved upon by the General Meeting or in writing by the Noteholders of each Class, it being expressly stipulated that no expenses may be imputed against interest payable under the Notes of each Class. Such expenses shall always be paid in accordance with the applicable Priority of Payments.

**8. MODIFICATIONS**

(a) **General Right of Modification without Noteholders’ consent**

The Management Company may, without the consent or sanction of the Noteholders at any time and from time to time, agree to:

- (A) any modification of these Conditions or of any of the Transaction Documents (excluding in relation to a Basic Terms Modification) which, in the opinion of the Management Company, is not materially prejudicial to the interests of the Noteholders of any Class; or
- (B) any modification of these Conditions or of any of the Transaction Documents (including in relation to a Basic Terms Modification) which, in the opinion of the Management Company, is of a formal, minor or technical nature, to correct a manifest error or an error which is, in the opinion of the Management Company, proven. Pursuant to Article

L. 213-6-3 V of the French Monetary and Financial Code, the Issuer has the right to modify these Conditions without the consent of the Noteholders to correct a factual error (*erreur matérielle*).

(b) **General Additional Right of Modification without Noteholders' consent**

Notwithstanding the provisions of Condition 8(a) (*General Right of Modification without Noteholders' consent*), the Management Company may agree, with any relevant Transaction Party, to amend from time to time the provisions of these Conditions and/or any Transaction Document, without any consent or sanction of the Noteholders, in order:

- (a) to obtain or maintain the eligibility of the Class A Notes to the Eurosystem legal framework related to monetary policy,
- (b) for the Transaction to be able to qualify as a simple, transparent and standardised securitisation in accordance with the provisions of the Securitisation Regulation and the related regulatory technical standards and implementing technical standards or maintain such qualification,
- (c) to comply with any new requirement received from the Rating Agencies in relation to their rating methodology,
- (d) to comply with the LCR Regulation and the related regulatory technical standards and implementing technical standards,
- (e) to implement the changes required by or comply with the OT Reform (including, without limitation, (i) any amendment made to the provisions of the AMF General Regulations following the Issue Date in order to implement the OT Reform and (ii) any other text implementing or ratifying the OT Reform as will be adopted or will enter into force following the Issue Date),
- (f) to comply with any changes in the requirements of the CRA Regulation,
- (g) to enable the Class A Notes to be (or to remain) listed and admitted to trading on Euronext Paris,
- (h) to enable the Issuer and/or the Interest Rate Swap Counterparty to comply with any obligation which applies to it under EMIR, or
- (i) to make such changes as are necessary to facilitate the transfer of the Interest Rate Swap Agreement to a replacement swap counterparty, in circumstances where such Interest Rate Swap Counterparty does not satisfy the applicable rating requirement or has breached its terms of appointment and subject to such replacement swap counterparty satisfying the applicable rating requirements,

in each case, if such modification:

- (1) (i) does not result in the placement on "negative outlook", "rating watch negative" or "review for possible downgrade" or the downgrading or withdrawal of any of the ratings of the Class A Notes or (ii) limits such downgrading of or avoids such withdrawal of the rating of any Class A Notes which could have otherwise occurred and
- (2) is not a Basic Terms Modification in respect of the Notes, provided that the Management Company shall remain entitled to consult the Noteholders and the Residual Unitholders in relation to any such modification to obtain their view on the same.

(c) **Additional right of modification without Noteholders' consent in relation to a Benchmark Rate Modification Event**

Notwithstanding the provisions of Condition 8(a) (*General Right of Modification without Noteholders' consent*) and Condition 8(b) (*General Additional Right of Modification without Noteholders' consent*), the following provisions will apply if the Management Company determines that a Benchmark Rate Modification Event has occurred and the Management Company shall be obliged, without any consent or sanction of the Noteholders, to proceed with

any modification to these Conditions and/or any Transaction Document that the Management Company considers necessary.

*Benchmark Rate Modification Event*

- (A) Following the occurrence of a Benchmark Rate Modification Event:
- (a) the Management Company shall inform the Custodian, the Transaction Agent and the Interest Rate Swap Counterparty of the same;
  - (b) the Management Company shall, as soon as reasonably practicable and after discussion with the Transaction Agent, (A) elect to act as Rate Determination Agent, or (B) appoint the Rate Determination Agent (where the Rate Determination Agent is not the Management Company);
  - (c) the Rate Determination Agent shall determine (acting in good faith, in a commercially reasonable manner, taking into account the then prevailing market practice and in accordance with the applicable laws and regulations), (save where the Rate Determination Agent is the Transaction Agent or its Affiliate) after discussion with the Transaction Agent, an Alternative Benchmark Rate, the Note Rate Maintenance Adjustment (if required) and any other additional Benchmark Rate Modifications, provided that where the Rate Determination Agent is not the Management Company, it shall make any determination in consultation with the Management Company.

*Conditions to Benchmark Rate Modification*

- (B) It is a condition to any such Benchmark Rate Modification that:
- (a) either:
    - (A) the Management Company has obtained from each of the Rating Agencies written confirmation (or certifies in the Benchmark Rate Modification Certificate that it has been unable to obtain written confirmation, but has received oral confirmation from an appropriately authorised person at each of the Rating Agencies) that the proposed Benchmark Rate Modification would not result in a Negative Ratings Action; or
    - (B) the Management Company certifies in the Benchmark Rate Modification Certificate that it has given the Rating Agencies at least ten (10) Business Days prior written notice of the proposed Benchmark Rate Modification and none of the Rating Agencies has indicated that such modification would result in a Negative Ratings Action;
  - (b) where the Rate Determination Agent is not the Transaction Agent or its Affiliate, the prior consent of the Transaction Agent has been obtained with respect to the contemplated Benchmark Rate Modification;
  - (c) the Management Company has provided to the Noteholders of the Class A Notes a signed Benchmark Rate Modification Certificate and a Benchmark Rate Modification Noteholder Notice, at least forty (40) calendar days prior to the date on which it is proposed that the Benchmark Rate Modification would take effect (such date being no less than ten (10) Business Days prior to the next Interest Rate Determination Date), in accordance with Condition 9 (*Notice to Noteholders*);
  - (d) Noteholders representing at least ten (10) per cent. of the aggregate Principal Amount Outstanding of the Class A Notes on the Benchmark Rate Modification Record Date have not notified the Management Company in writing (or otherwise in accordance with the then current practice of any applicable clearing system through which such Notes may be held) within such

notification period that they do not consent to the Benchmark Rate Modification; and

- (e) the Issuer shall pay the Benchmark Rate Modification Costs as Issuer Expenses in accordance with the applicable Priority of Payments.

#### *Note Rate Maintenance Adjustment*

- (C) The Rate Determination Agent shall use reasonable endeavours to propose a Note Rate Maintenance Adjustment as reasonably determined by the Rate Determination Agent, taking into account any note rate maintenance adjustment mechanisms endorsed by the ECB or ESMA or their sponsored committees or bodies, or mechanisms that have become generally accepted market practice (the **Market Standard Adjustments**). The rationale for the proposed Note Rate Maintenance Adjustment and, where relevant, any deviation from the Market Standard Adjustments, shall be set out in the Benchmark Rate Modification Certificate and the Benchmark Rate Modification Noteholder Notice.

#### *Noteholder negative consent rights*

- (D) If Noteholders representing at least ten (10) per cent. of the aggregate Principal Amount Outstanding of the Class A Notes outstanding on the Benchmark Rate Modification Record Date have notified the Management Company in writing (or otherwise in accordance with the then current practice of any applicable clearing system through which such Notes may be held) within the notification period referred to above that they do not consent to the Benchmark Rate Modification, then such Benchmark Rate Modification will not be made unless an Extraordinary Resolution of the holders of the Class A Notes then outstanding is passed in favour of such Benchmark Rate Modification in accordance with Condition 7 (*Meetings of Noteholders*).

#### *Miscellaneous*

- (E) The Management Company shall use reasonable endeavours to agree modifications to the Interest Rate Swap Agreement where commercially appropriate so that the Transaction contemplated under the Transaction Documents is hedged following the Benchmark Rate Modification to a similar extent as prior to the Benchmark Rate Modification and that such modifications shall take effect no later than the Payment Date on which the Benchmark Rate Modification takes effect, it being specified that if the Interest Rate Swap Counterparty does not agree such modifications, the alternative reference rate and the adjustment spread or adjustment payment in respect of the Interest Rate Swap Agreement will be determined in accordance with the provisions set out in the Interest Rate Swap Agreement. For the avoidance of doubt, the approval of the Interest Rate Swap Counterparty is not a condition precedent to any Benchmark Rate Modification in respect of the Class A Notes.
- (F) Other than where specifically provided in this Condition 8(c) (*Additional right of modification without Noteholders' consent in relation to a Benchmark Rate Modification Event*):
  - (i) when implementing any modification pursuant to this Condition 8(c) (*Additional right of modification without Noteholders' consent in relation to a Benchmark Rate Modification Event*), the Management Company shall act and rely solely and without further investigation, on the certifications made by the Rate Determination Agent in any Benchmark Rate Modification Certificate (where the Rate Determination Agent is not the Management Company) and shall not be liable to the Noteholders, any other creditor or any other person for so acting or relying, irrespective of whether any such modification is or may be materially prejudicial to the interests of any such person; and
  - (ii) the Management Company shall not be obliged to agree to any modification which, in the sole opinion of the Management Company would have the effect of (A) exposing the Management Company to any liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or (B) increasing the obligations or duties, or decreasing the rights or protection, of



the Management Company in the Transaction Documents and/or these Conditions.

- (G) Any Benchmark Rate Modification shall be binding on all Noteholders and shall be notified by the Issuer as soon as reasonably practicable to:
  - (i) so long as any of the Class A Notes rated by the Rating Agencies remains outstanding, each Rating Agency;
  - (ii) the Custodian (subject to the duty of the Custodian to verify the compliance (régularité) of the decisions made by the Management Company with respect to the Issuer in accordance with Article L. 214-175-2 I of the French Monetary and Financial Code);
  - (iii) the Transaction Agent;
  - (iv) the Interest Rate Swap Counterparty; and
  - (v) the Noteholders in accordance with Condition 9 (*Notice to Noteholders*).
- (H) Following the making of a Benchmark Rate Modification in accordance with this Condition 8(c) (*Additional right of modification without Noteholders' consent in relation to a Benchmark Rate Modification Event*), the Alternative Benchmark Rate will be applied to all relevant future payments on the Class A Notes, subject to paragraph (I) below.
- (I) Until a Benchmark Rate Modification has been implemented in accordance with this Condition 8(c) (*Additional right of modification without Noteholders' consent in relation to a Benchmark Rate Modification Event*), the Class A Notes Interest Rate will be calculated on the basis of the last available EURIBOR as determined in accordance with Condition 3 (*Interest*).
- (J) Following the making of a Benchmark Rate Modification, if the Management Company or the Transaction Agent determines that it has become generally accepted market practice in the publicly listed asset backed floating rate notes market to use a Benchmark Rate of interest which is different from the Alternative Benchmark Rate which had already been adopted by the Issuer in respect of the Class A Notes pursuant to a Benchmark Rate Modification, the Issuer is entitled to propose a further Benchmark Rate Modification pursuant to this Condition 8(c) (*Additional right of modification without Noteholders' consent in relation to a Benchmark Rate Modification Event*).

## 9. NOTICE TO NOTEHOLDERS

Notices may be given to Noteholders in any manner deemed acceptable by the Management Company provided that for so long as the Class A Notes are listed on the regulated market of Euronext in Paris (Euronext Paris), such notice shall be in accordance with the rules of Euronext Paris. Notices regarding the Class A Notes will be deemed duly given if (i) published on the website of the Management Company ([www.france-titrisation.fr](http://www.france-titrisation.fr)) or (ii) published in a leading daily newspaper of general circulation in Paris (which is expected to be *La Tribune* or *Les Echos*) or any other newspaper of general circulation appropriate for such publications and approved by the Management Company. In addition, the Management Company may decide to publish a copy of any such notice in Bloomberg, through the facilities of Euroclear France or through any other appropriate medium.

Notices regarding the Class B Notes may be given in any manner deemed acceptable by the Management Company.

All such notices shall be notified to the Rating Agencies and, to the extent required in the *Règlement general de l'Autorité des Marchés Financiers*, to the *Autorité des Marchés Financiers*.

Noteholders will be deemed to have received such notices three (3) Business Days after the date of their first publication.

In the event that the Management Company declares the dissolution of the Issuer after the occurrence of an Issuer Liquidation Event (including in the event that the conditions for an early redemption set out in either Condition (e) or (f) above are complied with), the Management Company will notify such decision to the Noteholders within ten (10) Business Days.

The Issuer will pay reasonable and duly documented expenses incurred with such notices.

**10. NON PETITION, LIMITED RECOURSE AND DECISIONS BINDING**

**(a) Non petition**

Pursuant to article L. 214-175, III of the French Monetary and Financial Code, Book VI of the French Commercial Code (which govern insolvency proceedings in France) is not applicable to the Issuer.

**(b) Limited recourse**

In accordance with article L. 214-169, II of the French Monetary and Financial Code, the Noteholders shall be bound by each of the Funds Allocation Rules (including, without limitation, the Priority of Payments) as set out in the Issuer Regulations, notwithstanding the opening against them of an insolvency proceeding pursuant to the provisions of Book VI of the French Commercial Code or any equivalent procedure governed by any foreign law (*procédure équivalente sur le fondement d'un droit étranger*) and such Funds Allocation Rules (including, without limitation, the Priority of Payments) shall apply even in the case of liquidation of the Issuer.

In accordance with article L. 214-169 II of the French Monetary and Financial Code, the Issuer's assets may only be subject to civil proceedings (*mesures civiles d'exécution*) to the extent of the Funds Allocation Rules (including, without limitation, the Priority of Payments).

In accordance with article L. 214-175, III of the French Monetary and Financial Code, the Issuer is liable for its debts (*n'est tenu de ses dettes*) to the extent of its assets (*qu'à concurrence de son actif*) and in accordance with the rank of its creditors as provided by law (*selon le rang de ses créanciers défini par la loi*) or, pursuant to article L. 214-169 of the French Monetary and Financial Code, in accordance with the provisions of the Issuer Regulations.

Pursuant to article L. 214-183, I of the French Monetary and Financial Code, only the Management Company may enforce the rights of the Issuer against third parties. Accordingly, no Noteholder or Residual Unitholder will have the right to give any binding directions to the Management Company in relation to the exercise of any such rights or to exercise any such rights directly and in particular, the Noteholders and Residual Unitholders shall have no recourse whatsoever against the Borrowers under the Purchased Home Loans.

To the extent that it may have any claim (including any contractual claim or action (*action en responsabilité contractuelle*)) against the Issuer the payment of which is not expressly contemplated under any applicable Funds Allocation Rules (including, without limitation, the Priority of Payments) set out in these Issuer Regulations, each Noteholder undertakes to waive to demand payment of any such claim as long as all Notes and Residual Units issued by the Issuer have not been repaid in full.

**(c) Decisions binding**

In accordance with Article L. 214-169 II of the French Monetary and Financial Code, the Noteholders, will be bound by the rules governing the decisions made by the Management Company in accordance with the provisions of the Issuer Regulations and the decisions made by the Management Company on the basis of such rules.

**11. NO HARDSHIP**

The Issuer acknowledges that the provisions of article 1195 of the French Civil Code shall not apply to it with respect to its obligations under the Notes and the Issuer Regulations, and that it shall not be entitled to make any claim under article 1195 of the French Civil Code.

**12. GOVERNING LAW AND SUBMISSION TO JURISDICTION**

**(a) Governing law**

The Notes and the Issuer Regulations are governed by and will be construed in accordance with French law.

**(b) Submission to jurisdiction**

All claims and disputes in connection with the Notes and the Issuer Regulations shall be subject to the exclusive jurisdiction of the competent courts in commercial matters within the jurisdiction the *Cour d'Appel* of Paris.

## WEIGHTED AVERAGE LIFE OF THE CLASS A NOTES AND ASSUMPTIONS

*Estimates of the weighted average life of the Class A Notes contained in this Section are supplied for information only and are forward-looking statements. Such estimates are subject to risks, uncertainties and other factors and it can be expected that some or all of the assumptions underlying them may differ or may prove substantially different from the actual realised figures. Consequently, the actual results might differ from the projections and such differences might be material. Moreover, past financial performance should not be considered as a reliable indicator of future performance and prospective purchasers of the Class A Notes should be cautioned that any forward-looking statements are not guarantees of performance and that investing in the Class A Notes involves risks and uncertainties, many of which are beyond the control of the Issuer. None of the Management Company, the Custodian, the Sellers, the Servicers, the Transaction Agent, the Account Bank, the Paying Agent, the Listing Agent, the Data Protection Agent, the Specially Dedicated Account Bank, the Interest Rate Swap Counterparty, the Joint Arrangers and the Joint Lead Managers has attempted to verify any such statements, nor does it make any representation, express or implied, with respect thereto.*

The “**Weighted Average Life**” (WAL) of the Class A Notes refers to the average amount of time that will elapse from the date of issuance of a security to the date of principal redemption thereon. The weighted average lives of the Class A Notes will be influenced by, among other things, the quantum of losses relating thereto and the amount of Available Distribution Amount (which also depends on the rate of redemption of the Purchased Home Loans) available to be applied in accordance with the applicable Priority of Payments.

The actual weighted average life of the Class A Notes cannot be stated as the ultimate rate of repayment and prepayment of the Purchased Home Loans and a number of other relevant factors are unknown. However, estimates of the possible average life of the Class A Notes can be made based upon certain assumptions.

The figures contained in the following tables were prepared based on, inter alia, the characteristics of the Home Loans complying with the Home Loan Eligibility Criteria included in the provisional portfolio (the “**Provisional Portfolio**”) as at the 31<sup>st</sup> July 2020 (the “**Provisional Portfolio Reference Date**”) the provisions of Terms and Conditions of the Class A Notes and the Transaction Documents, and certain additional assumptions (the “**Modelling Assumptions**”), including:

- (a) that as of the Selection Date, the aggregate Outstanding Principal Balance of the Purchased Home Loans is €1,090,000,000 and that the amortisation schedule of the Purchased Home Loans mirrors that calculated for each Home Loan in the Provisional Portfolio as at the Provisional Portfolio Reference Date by reference to the period commencing on the Provisional Portfolio Reference Date (and assuming, inter alia, the interest payment as well as the principal payment for each Home Loan are calculated on a loan-by-loan basis assuming each Home Loan amortises monthly and according to its (i) remaining term, (ii) outstanding principal balance, (iii) applicable interest rate and (iv) amortisation type (i.e. annuity loan));
- (b) that the Selection Date is 30 September 2020, the Issue Date is 31 October 2020, the first Determination Date is 31 October 2020 and the First Optional Redemption Date is 31 October 2025;
- (c) that each Payment Date falls on the last calendar day of January, April, July or October (with no regard as to whether such week day is a Business Day), with the first Payment Date falling on 31<sup>st</sup> of January 2021;
- (d) that the Purchased Home Loans are not subject to any defaults, losses or enforcement, no Purchased Home Loans are in arrears and the Purchased Home Loans continue to perform until their redemption in full, and no Purchased Home Loans is subject to a Commercial Renegotiation;
- (e) that no Home Loan is sold by the Issuer (except in case of the table “*Assuming Early redemption in full on the First Optional Redemption Date*” where an Issuer Liquidation Event occurs on the First Optional Redemption Date as a result of the sale of the Purchased Home Loans), either as a result of a re-transfer or rescission by any of the Sellers pursuant to the terms of the Home Loans Purchase and Servicing Agreement or otherwise;
- (f) in the case of the table entitled “*Assuming Early redemption in full on the First Optional Redemption Date*”, the Class A Notes are redeemed at their Principal Amount Outstanding on the First Optional Redemption Date;

- (g) in the case of the table entitled "*Assuming no Early redemption in full on the First Optional Redemption Date or on any of the subsequent Optional Redemption Dates*", the Class A Notes are not redeemed as a result of the sale of the Purchased Home Loans;
- (h) that three-month EURIBOR is equal to -0.484 per cent. and no Benchmark Rate Modification Event occurs;
- (i) that the Interest Rate Swap Fixed Rate under the Interest Rate Swap Agreement is 0.80 per cent.;
- (j) that no Accelerated Amortisation Event, no Issuer Liquidation Event (except in case of the table "*Assuming Early redemption in full on the First Optional Redemption Date*" where an Issuer Liquidation Event occurs on the First Optional Redemption Date as a result of the sale of the Purchased Home Loans) and no Servicer Termination Event has occurred;
- (k) the Issuer Cash is not invested, and no remuneration is received from the Account Bank;
- (l) that no Deemed Collections, Adjusted Available Collections, Re-transfer Prices, Rescission Amounts and Indemnity Amounts are paid to the Issuer;
- (m) that no amount is debited from the Commingling Reserve;
- (n) that no Interest Rate Swap Termination Amount, Interest Rate Swap Collateral Liquidation Amount, Replacement Swap Premium and/or any Interest Rate Swap Collateral Account Surplus are paid to or by the Issuer;
- (o) subject to paragraph (r) below, that Issuer Expenses are equal to the sum of:
  - (i) variable fees equal to 0.35 per cent. per annum of the aggregate Outstanding Principal Balance of the Purchased Home Loans at the beginning of each Monthly Collection Period; and
  - (ii) fixed fees of €150,000 per annum (inclusive of VAT) (distributed equally through time);
- (p) that all collections in respect of the Purchased Home Loans arising from the Selection Date will be available in the General Account for application on each relevant Payment Date thereafter and no other amounts is standing to the credit of the General Account;
- (q) that all amounts payable, including but not limited to interest on the Class A Notes are calculated based on the actual number of days in the period and a year of 360 days, **provided that** in the case of (i), (ii) and (iii) below such amounts are calculated based on a month of 30 days and a year of 360 days:
  - (i) amortisation of the Purchased Home Loans calculated pursuant to paragraph (a) above;
  - (ii) accrual of interest on the Purchased Home Loans; and
  - (iii) Issuer Expenses calculated pursuant to paragraph (o) above;
- (r) that, as of the Issue Date, the Principal Amount Outstanding of (i) the Class A Notes is equal to €1,000,000,000, (ii) the Class B Notes is equal to €90,000,000, (iii) the Residual Units is equal to €0;
- (s) that the General Reserve Initial Cash Deposit Amount is equal to €5,000,000;
- (t) that the Interest Component Purchase Price is equal to €0 on any Payment Date;
- (u) that the Interest Rate Swap Agreement is not terminated and the Interest Rate Swap Counterparty fully complies with its obligations under the Interest Rate Swap Agreement;
- (v) that no event occurs that would cause payments on the Class A Notes to be deferred; and
- (w) that the Weighted Average Life of the Class A Notes are calculated on an Actual/365 basis.

The actual characteristics and performance of the Purchased Home Loans are likely to differ, perhaps materially, from the assumptions outlined herein (including the Modelling Assumptions), and the Modelling Assumptions outlined in this section do not profess to be an exhaustive list of assumptions employed.

The following tables are hypothetical in nature and are provided only to give a general sense of how the principal cash flows available to the Issuer might behave under various prepayment scenarios. It should be noted that the Issuer does not expect that the Purchased Home Loans will prepay at a constant rate until maturity, or that all of

the Purchased Home Loans will prepay at the same rate, or that there will be no losses or delinquencies on the Purchased Home Loans or that no repurchase by the relevant Seller or any Commercial Renegotiation will occur until maturity. Any difference between the Modelling Assumptions and, *inter alia*, the actual prepayment or loss experience on the Purchased Mortgage Loans will affect the redemption profile of the Class A Notes and may cause the weighted average lives of the Class A Notes to differ (which difference could be material) from the figures in the tables for each indicated CPR.

"CPR" refers to an assumed annualised constant prepayment rate ("R") in respect of the loans and is periodicised in relation to a given Monthly Collection Period as follows:

$$1 - ((1 - R)^{(1/12)})$$

**Assuming Early redemption in full on First Optional Redemption Date  
Class A Notes WAL (in years)**

CPR	Weighted Average Life	First Principal Redemption	Last Principal Redemption
0.0%	4.30	Jan-21	Oct-25
3.0%	3.99	Jan-21	Oct-25
5.0%	3.80	Jan-21	Oct-25
7.0%	3.61	Jan-21	Oct-25
10.0%	3.34	Jan-21	Oct-25
12.0%	3.18	Jan-21	Oct-25
15.0%	2.94	Jan-21	Oct-25
18.0%	2.72	Jan-21	Oct-25
20.0%	2.58	Jan-21	Oct-25
25.0%	2.25	Jan-21	Oct-25
30.0%	1.97	Jan-21	Oct-25

**Assuming no Early redemption in full on First Optional Redemption Date or on any of the subsequent Payment Dates  
Class A Notes WAL (in years)**

CPR	Weighted Average Life	First Principal Redemption	Last Principal Redemption
0.0%	9.00	Jan-21	Apr-40
3.0%	7.18	Jan-21	Jul-38
5.0%	6.24	Jan-21	Jan-37
7.0%	5.48	Jan-21	Oct-35
10.0%	4.58	Jan-21	Jan-34
12.0%	4.11	Jan-21	Oct-32
15.0%	3.54	Jan-21	Apr-31
18.0%	3.09	Jan-21	Jan-30
20.0%	2.84	Jan-21	Apr-29
25.0%	2.35	Jan-21	Jan-28
30.0%	1.99	Jan-21	Oct-26

The Weighted Average Life of the Class A Notes is subject to factors largely outside the control of the Issuer and consequently no assurance can be given that the assumptions and estimates above will prove in any way to be realistic and they must therefore be viewed with considerable caution.

## REGULATORY ASPECTS

### SECURITISATION REGULATION

#### *Retention statement and information undertaking*

Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 *laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation, and amending Directives 2009/65/EC, 2009/138/EC and 2011/61/EU and Regulations (EC) No 1060/2009 and (EU) No 648/2012* (the “**Securitisation Regulation**”) lays down “a general framework for securitisation. It defines securitisation and establishes due- diligence, risk-retention and transparency requirements for parties involved in securitisations, criteria for credit granting, requirements for selling securitisations to retail clients, a ban on re-securitisation, requirements for SSPEs as well as conditions and procedures for securitisation repositories. It also creates a specific framework for simple, transparent and standardised (“**STS**”) securitisation”. Securitisation Regulation should be supplemented by technical standards that are not all finalised yet, which creates uncertainty as to the final content of such standards and the consequences thereof.

It applies to “*institutional investors*”, which include notably credit institutions, insurance and reinsurance companies and alternative investment fund managers that manage and/or market alternative investment funds in the EU, and to “*originators, sponsors, original lenders and securitisation special purpose entities*”.

The Sellers have undertaken in the Home Loans Purchase and Servicing Agreement and the Class A Notes Subscription Agreement, to comply at all times with article 6 of the Securitisation Regulation and therefore retain on an ongoing basis a material net economic interest which, in any event, shall not be less than five per cent. (5%) of the nominal value of the securitised exposures for which it is the originator. For that purpose, each Seller has undertaken:

- (a) as at the Issue Date, to ensure that such retention requirement is satisfied on an ongoing basis pursuant to option (d) of article 6(3) of the Securitisation Regulation, through the subscription of the Class B Notes in a proportion corresponding to the proportion of the total securitised exposures for which it is the originator (corresponding to its Contribution Ratio (adjusted to ensure that each Seller subscribes an integer number of Class B Notes);
- (b) that, in compliance with article 6 paragraph (1) of the Securitisation Regulation, whatever its form, the net economic interest retained for the purpose of complying with the covenant set out above, including retained positions, interest or exposures, shall not be subject to any credit risk mitigation (within the meaning of article 4 paragraph 1 sub-paragraph (57) of the Capital Requirements Regulations) or any short positions or any other hedge and shall not be sold, except to the extent permitted by the Securitisation Regulation or any implementing texts or guidelines related thereto; and
- (c) to provide to the Management Company information about the risk retained, including information on which of the modalities provided for in article 6(3) of the Securitisation Regulation has been applied, in accordance with article 6 of the Securitisation Regulation, in order for an institutional investor, prior to holding any Class A Notes, to be able to verify, in accordance with article 5 of the Securitisation Regulation, that the risk is retained in accordance with article 6 of the Securitisation Regulation and that the risk retention is disclosed to institutional investors in accordance with article 7 of the Securitisation Regulation; and
- (d) to notify without delay the Management Company, the Custodian and the Issuer of any breach or change in the manner in which the interest is held, provided that the Management Company shall, in turn, notify without delay the Class A Noteholders of any such breach or change.

After the Issue Date, the Management Company will prepare and disclose on each Investor Reporting Date with respect to the next Payment Date the Investor Report wherein relevant information with regard to the Home Loans will be disclosed together with a confirmation of the retention of the material net economic interest by the Sellers.

### *Due Diligence Requirements under the Securitisation Regulation*

Investors should be aware of the due diligence requirements under article 5 of the Securitisation Regulation that apply to institutional investors with an EU nexus (including credit institutions, authorised alternative investment fund managers, investment firms, insurance and reinsurance undertakings, institutions for occupational retirement provision and UCITS funds). Amongst other things, such requirements restrict an institutional investor (other than the originator, sponsor or original lender within the meaning of the Securitisation Regulation) from investing in securitisation positions unless, prior to holding the securitisation position:

- (a) that institutional investor has verified that:
  - (i) for certain originators, certain credit-granting standards were met in relation to the origination of the underlying exposures;
  - (ii) the risk retention requirements set out in article 6 of the Securitisation Regulation are being complied with; and
  - (iii) information required by article 7 of the Securitisation Regulation has been made available; and
- (b) that institutional investor has carried out a due diligence assessment which enables it to assess the risks involved, which shall include at least (among other things) the risk characteristics of its securitisation position and the underlying exposures of the securitisation, and all the structural features of the transaction that can materially impact the performance of its securitisation position.

In addition, under article 5(4) of the Securitisation Regulation, an institutional investor (other than the originator, sponsor or original lender) holding a securitisation position shall at least establish appropriate written procedures that are proportionate to the risk profile of the securitisation position and, where relevant, to the institutional investor's trading and non-trading book, in order to monitor, on an ongoing basis, compliance with its due diligence requirements and the performance of the securitisation position and of the underlying exposures. Depending on the approach in the relevant EU Member State, failure to comply with one or more of the due diligence requirements may result in penalties including fines, other administrative sanctions and possibly criminal sanctions. In the case of those institutional investors subject to regulatory capital requirements, penal capital charges may also be imposed on the securitisation position (i.e., notes) acquired by the relevant institutional investor.

### *Investors are required to assess compliance with articles 5, 6 and 7 of the Securitisation Regulation*

Each prospective investor is required to independently assess and determine the sufficiency of the information described in this Prospectus for the purposes of complying with articles 5, 6 and 7 of the Securitisation Regulation and its own situation and obligations in this respect.

The Management Company, the Custodian, the Sellers, the Servicers, the Transaction Agent, the Account Bank, the Specially Dedicated Account Bank, the Paying Agent, the Listing Agent, the Interest Rate Swap Counterparty, the Joint Arrangers and the Joint Lead Managers make no representation or warranty that such information is sufficient in all circumstances.

Chapter 2 of the Securitisation Regulation and any other changes to the regulation or regulatory treatment of the Notes for some or all investors may negatively impact the regulatory position of individual investors and, in addition, have a negative impact on the price and liquidity of the Class A Notes in the secondary market.

Investors who are uncertain as to the requirements that will need to be complied with in order to avoid the additional regulatory charges for non compliance with articles 5, 6 and 7 of the Securitisation Regulation should seek guidance from their regulator.

### **IMPLEMENTATION OF AND/OR CHANGES TO BASEL II AND BASEL III MAY AFFECT THE CAPITAL REQUIREMENTS AND/OR THE LIQUIDITY ASSOCIATED WITH A HOLDING OF THE NOTES FOR CERTAIN INVESTORS**

On 1 June 2011, the Basel Committee on Banking Supervision (the "**Basel Committee**") approved significant changes to the existing capital adequacy framework (such changes being commonly referred to as



"**Basel III**") and issued its final guidance, which envisages a substantial strengthening of existing capital rules, including new capital and liquidity requirements intended to reinforce capital standards and to establish minimum liquidity standards and a maximum leverage ratio for financial institutions. In particular, the changes include, among other things, new requirements for the capital base, measures to strengthen the capital requirements for counterparty credit exposures arising from certain transactions and the introduction of a leverage ratio as well as short-term and longer-term standards for funding liquidity (referred to as the "**Liquidity Coverage Ratio**" and the "**Net Stable Funding Ratio**").

The implementation of Basel III has and will continue to bring about a number of substantial changes to the current capital requirements, prudential oversight and risk-management systems. The implementation of Basel III could affect the risk-weighting of the Notes in respect of certain investors if those investors are regulated in a manner which will be affected by these rules. Consequently, investors should consult their own advisers as to the regulatory capital and liquidity requirements in respect of the Notes and as to the consequences for and effect on them of Basel III as implemented by their own regulator. No predictions can be made as to the precise effects of such matters on any investor or otherwise.

Prospective investors will need to make their own analysis of these matters (and the corresponding implementing rules of their regulator). None of the Sellers, the Servicers, the Transaction Agent, the Management Company, the Custodian, the Account Bank, the Specially Dedicated Account Bank, the Interest Rate Swap Counterparty, the Joint Arrangers, the Joint Lead Managers, the Paying Agent, the Listing Agent or any of their respective affiliates makes any representation to any prospective investor or purchaser of the Notes as to these matters on the Issue Date or at any time in the future.

The matters described above and any other changes to the regulation or regulatory treatment of the Notes may negatively impact some or all investors and, in addition, have a negative impact on the price and liquidity of the Notes in the secondary market.

## **STS SECURITISATION**

Pursuant to article 18 of the Securitisation Regulation a number of requirements must be met if the originator and the SSPE wish to use the designation 'STS' or 'simple, transparent and standardised' for securitisation transactions initiated by them. The Transaction Agent acting on behalf of the Sellers, as originators, intends to submit on or about the Issue Date an STS notification to ESMA in relation to the securitisation transaction described in the Transaction Documents in accordance with article 27 of the Securitisation Regulation, pursuant to which compliance with the requirements of articles 19 to 22 of the Securitisation Regulation will be notified with the intention that the securitisation transaction described in this Prospectus is to be included in the list administered by ESMA within the meaning of article 27 of the Securitisation Regulation.

The STS notification sent to ESMA will be available for download if deemed necessary on ESMA's website (<https://www.esma.europa.eu/policy-activities/securitisation/simple-transparent-and-standardised-sts-securitisation>). Investors should be aware that the 'STS' status of a transaction is not static and should verify the current status of the Transaction on ESMA's website.

The Sellers and the Issuer have used the service of PCS, a third party authorised pursuant to Article 28 (*Third party verifying STS compliance*) of the Securitisation Regulation, to verify whether the securitisation transaction described in this Prospectus complies with Articles 19 to 22 of the Securitisation Regulation.

Prospective investors will need to make their own analysis of these matters and the impact of the Securitisation Regulation (and the corresponding implementing rules of their regulator). None of the Sellers, the Servicers, the Transaction Agent, the Management Company, the Custodian, the Account Bank, the Specially Dedicated Account Bank, the Interest Rate Swap Counterparty, the Joint Arrangers, the Joint Lead Managers, the Paying Agent, the Listing Agent or any of their respective affiliates makes any representation to any prospective investor or purchaser of the Notes as to these matters on the Issue Date or at any time in the future.

The designation of the securitisation transaction described in the Prospectus as an STS-securitisation is not a recommendation to buy, sell or hold securities. It is not investment advice whether generally or as defined under MiFID II and it is not a credit rating whether generally or as defined under the CRA Regulation or Section 3(a) of the United States Securities Exchange Act of 1934 (as amended).

By designating the securitisation transaction described in this Prospectus as an STS-securitisation, no views are expressed about the creditworthiness of the Notes or their suitability for any existing or potential investor or as to whether there will be a ready, liquid market for the Notes.

## VERIFICATIONS BY PCS

Verifications have been requested from Prime Collateralised Securities (PCS) EU SAS (**PCS**) to verify the compliance of the securitisation transaction described in this Prospectus and in the Transaction Documents with (i) the criteria stemming from article 18, 19, 20, 21 and 22 of the Securitisation Regulation (the **STS Verifications**), (ii) several criteria of the CRR (the **CRR Assessment**) and (iii) several criteria of the LCR (the **LCR Assessment**, together with the STS Verifications and the CRR Assessment, the **PCS Services**).

PCS has been authorised by the AMF as third party verification agent pursuant to article 28 of the Securitisation Regulation. No PCS Service is a recommendation to buy, sell or hold securities. None are investment advice whether generally or as defined under MiFID II and it is not a credit rating whether generally or as defined under the CRA Regulation or Section 3(a) of the United States Securities Exchange Act of 1934 (as amended).

PCS is not a law firm and nothing in any PCS Service constitutes legal advice in any jurisdiction.

By providing any PCS Service in respect of any securities PCS does not express any views about the creditworthiness of these securities 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. Investors should conduct their own research regarding the nature of the CRR Assessment, LCR Assessment or the STS Verifications and must read the information set out in <http://pcsmarket.org>. In the provision of any PCS Service, PCS has based its decision on information provided directly and indirectly by the Sellers. PCS does not undertake its 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 PCS Service is not a confirmation or implication that the information provided by or on behalf of the Sellers as part of the relevant PCS Service is accurate or complete.

In completing an STS Verification, PCS bases its analysis on the STS criteria appearing in articles 20 to 26 of the Securitisation Regulation (together, the **STS criteria**). Unless specifically mentioned in the STS Verification, PCS relies on the English version of the Securitisation Regulation. In addition, article 19(2) of the Securitisation Regulation requires the European Banking Authority, from time to time, to issue guidelines and recommendations interpreting the STS criteria. The EBA has issued the EBA STS Guidelines Non-ABCP Securitisations. The task of interpreting individual STS criteria rests with national competent authorities (**NCA**s). Any NCA may publish or otherwise publicly disseminate from time to time interpretations of specific criteria (**NCA Interpretations**). The STS criteria, as drafted in the Securitisation Regulation, are subject to a potentially wide variety of interpretations. In compiling an STS Verification, PCS uses its discretion to interpret the STS criteria based on (a) the text of the Securitisation Regulation, (b) any relevant guidelines issued by EBA and (c) any relevant NCA Interpretation. There can be no guarantees that any regulatory authority or any court of law interpreting the STS criteria will agree with the interpretation of PCS. There can be no guarantees that any future guidelines issued by EBA or NCA Interpretations may not differ in their approach from those used by PCS in interpreting any STS criterion prior to the issuance of such new guideline or interpretation. In particular, guidelines issued by EBA are not binding on any NCA. There can be no guarantees that any interpretation by any NCA will be the same as that set out in the EBA Guidelines and therefore used, prior to the publication of such NCA interpretation, by PCS in completing an STS Verification. Although PCS will use all reasonable endeavours to ascertain the position of any relevant NCA as to STS criteria interpretation, PCS cannot guarantee that it will have been made aware of any NCA interpretation in cases where such interpretation has not been officially published by the relevant NCA. Accordingly, the provision of an STS Verification is only an opinion by PCS and not a statement of fact. It is not a guarantee or warranty that any national competent authority, court, investor or any other person will accept the STS status of the relevant securitisation.

The task of interpreting individual CRR criteria, liquidity cover ratio (LCR) criteria as well as the final determination of the capital required by a bank to allocate for any investment or the type of assets it may put in its LCR pool rests with prudential authorities (PRAs) supervising any European bank. The CRR/LCR criteria, as drafted in the CRR, are subject to a potentially wide variety of interpretations. In compiling a CRR Assessment LCR Assessment, PCS uses its discretion to interpret the CRR/LCR criteria based on the text of the CRR, and any relevant and public interpretation by the European Banking Authority. Although PCS believes its interpretations

reflect a reasonable approach, there can be no guarantees that any prudential authority or any court of law interpreting the CRR/LCR criteria will agree with the PCS interpretation. PCS also draws attention to the fact that, in assessing capital requirements and the composition of any bank's LCR pool, prudential regulators possess wide discretions.

Accordingly, when performing a CRR Assessment / LCR Assessment, PCS is not confirming or indicating that the securitisation the subject of such assessment will be allowed to have lower capital allocated to it under the CRR Regulation or that it will be eligible to be part of any bank's LCR pool. PCS is merely addressing the specific CRR/LCR criteria and determining whether, in PCS' opinion, these criteria have been met.

All PCS Services speak only as of the date on which they are issued. PCS has no obligation to monitor (nor any intention to monitor) any securitisation the subject of any PCS Service. PCS has no obligation and does not undertake to update any STS Verification, CRR Assessment or LCR Assessment to account for (a) any change of law or regulatory interpretation or (b) any act or failure to act by any person relating to those STS criteria, CRR criteria or LCR criteria that speak to actions taking place following the close of any transaction such as – without limitation – the obligation to continue to provide certain mandated information.

As regards STS Verifications, the verification by PCS does not affect the liability of the Sellers, as originators and the Issuer, as SSPE in respect of their legal obligations under the Securitisation Regulation. Furthermore, the use of such verification by PCS shall not affect the obligations imposed on institutional investors as set out in article 5 of the Securitisation Regulation. Notwithstanding PCS' verification of compliance of a securitisation with articles 19 to 22 of the Securitisation Regulation, such verification by PCS does not ensure the compliance of a securitisation with the general requirements of the Securitisation Regulation. A verification does not remove the obligation placed on investors to assess whether a securitisation labelled as 'STS' or 'simple, transparent and standardised' has actually satisfied the criteria. Investors and prospective investors must not solely or mechanistically rely on any STS notification or PCS' verification to this extent.

By designating the securitisation transaction described in the Transaction Documents as an STS securitisation, no views are expressed about the creditworthiness of the Notes or their suitability for any existing or prospective investor or as to whether there will be a ready, liquid market for the Notes.

#### **NO REPRESENTATION AS TO COMPLIANCE WITH LCR DELEGATED REGULATION OR SOLVENCY II DELEGATED ACT REQUIREMENTS**

Under article 460 of the CRR, credit institutions and investment firms must comply with a general liquidity coverage requirement to ensure that a sufficient proportion of their assets can be made available in the short-term. Under Article 460 of the CRR, the European Commission was required to specify the detailed rules for EU-based credit institutions. The European Commission has published on 10 October 2014 the Commission Delegated Regulation 2015/61 with regard to liquidity coverage requirement (the "**LCR Delegated Regulation**") which became effective on 1 October 2015. The LCR Delegated Regulation amends Article 429 of the CRR. Its purpose is to ensure that EU credit institutions and investment firms use the same methods to calculate, report and disclose their leverage ratios which express capital as a percentage of total assets (and off balance sheet items). In particular, the LCR Delegated Regulation provides a definition of certain assets (including certain securitisation positions) that qualify as high quality assets for the purpose of computing the liquidity coverage ratio. Pursuant to the Commission delegated regulation 2018/1620 of 13 July 2018, which applies from 30 April 2020, most of the criteria mentioned in the LCR Delegated Regulation will be replaced by a reference to the criteria mentioned in the Securitisation Regulation, except for the criteria specific to liquidity which shall remain the ones set out in the LCR Delegated Regulation.

Likewise, Solvency II Delegated Act has introduced criteria to classify investment (including certain securitisation positions) depending on certain criteria for prudential purposes.

Investors should conduct their own due diligence and analysis to determine whether:

- (a) any of the Class A Notes qualify as high quality liquid assets for the purposes of the liquidity coverage ratio introduced by the CRR, as implemented by the LCR Delegated Regulation and national implementation measures and, if so, whether they may qualify as Level 2A or Level 2B assets as described in the LCR Delegated Regulation (whether before or after its amendment noting also that the LCR

Delegated Regulation, as amended from 30 April 2020, a Level 2B qualification would require the securitisation to qualify as STS, in relation to which investors are referred to paragraph “(STS) Securitisation” above); and

- (b) any of the Class A Notes may qualify as an investment in a Type 1 or Type 2 securitisation as described in the Solvency II Delegated Act.

None of the Issuer, the Management Company, the Custodian, the Account Bank, the Paying Agent, the Listing Agent, the Data Protection Agent, the Specially Dedicated Account Bank, the Sellers, the Servicers, the Transaction Agent, the Interest Rate Swap Counterparty, the Joint Arrangers, the Joint Lead Managers or any of their respective affiliates makes any representation to any prospective investor or purchaser of the Class A Notes as to these matters on the Issue Date or at any time in the future.

The matters described above and any other changes to the regulation or regulatory treatment of the Notes for some or all investors may impact the regulatory position of individual investors and, in addition, have a negative impact on the price and liquidity of the Notes in the secondary market.

Prospective investors should therefore make themselves aware of the changes and requirements described above (and any corresponding implementing rules of their regulator), where applicable to them, in addition to any other applicable regulatory requirements with respect to their investment in the Notes.

#### **REGULATORY REQUIREMENTS APPLYING TO THE USE OF CREDIT RATINGS**

In general, European regulated investors are restricted under the CRA Regulation from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU and registered under the CRA Regulation (and such registration has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances whilst the registration application is pending. Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended). As of 14 November 2019, Fitch and Moody’s are registered under the CRA Regulation according to the list published by the European Securities and Markets Authority (ESMA) on its website (<http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>). This list is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list.

#### **EUROPEAN BANK RECOVERY AND RESOLUTION DIRECTIVE AND SINGLE RESOLUTION MECHANISM**

##### *European Union*

The stated aim of the BRRD is to provide supervisory authorities with common tools and powers to address banking crises pre-emptively in order to safeguard financial stability and minimize taxpayers’ contributions to bank bail-outs and/or exposure to losses. The powers granted to the authorities designated by member states of the European Union to apply the resolution tools and exercise the resolution powers set forth in the BRRD (“**resolution authorities**”) include the introduction of a statutory “write-down and conversion power” with respect to capital instruments and a “bail-in tool”, which will give the relevant resolution authority the power to cancel all or a portion of the principal amount of, or interest on, certain other eligible liabilities, whether unsubordinated or subordinated, of a failing financial institution and/or to convert certain debt claims into another security which may itself be written down. The bail-in tool can be used to recapitalise an institution that is failing or about to fail, allowing authorities to restructure it through the resolution process and restore its viability after reorganisation and restructuring.

In addition to the bail-in tool and the write-down and conversion power, the BRRD provides resolution authorities with broader powers to implement other resolution measures with respect to distressed banks, which may include (without limitation): (i) directing the sale of the bank or the whole or part of its business on commercial terms without requiring the consent of the shareholders or complying with the procedural requirements that would otherwise apply, (ii) transferring all or part of the business of the bank to a “bridge institution” (a publicly

controlled entity), (iii) transferring the impaired or problem assets to an asset management vehicle to allow them to be managed and worked-out over time, (iv) replacing or substituting the bank as obligor in respect of debt instruments, (v) modifying the terms of debt instruments (including altering the maturity and/or the amount of interest payable and/or imposing a temporary suspension on payments), and/or (vi) discontinuing the listing and admission to trading of financial instruments.

The SRM complements the Single Supervisory Mechanism (“SSM”) and implements the BRRD to SSM banks with the aim of providing for a uniform framework of regulation and supervision. It ensures that, if a bank subject to the SSM faces serious difficulties, its resolution can be managed efficiently with minimal costs to taxpayers and the real economy. The SRM, amongst others, applies to all banks in the Eurozone and other Member States that choose to participate.

#### *France*

The BRRD has been formally transposed into French law by the 2015 Order and French Separation Law which had, among other provisions, given various resolution powers to the resolution board of the ACPR.

The resolution measures decided by the ACPR in accordance with the Order and the French Separation Law (together: the “**French Resolution Regime**”) may notably include:

- (a) the appointment by the ACPR of a provisional administrator, it being specified that any contractual provision providing that such appointment triggers an event of default would be void;
- (b) (i) the transfer to a third party of all or part of one or several business units (*branches d'activités*) of the French bank or the French investment firm; and/or (ii) the transfer to a bridge institution (*établissement-relais*), a third party, an asset management vehicle wholly or partially owned by one or more public authorities, or the deposit guarantee and resolution fund (*fonds de garantie des dépôts et de résolution*) of all or part of its assets, rights and obligations (each such measure being referred to herein as a “**Transfer**”). It is further provided that in case of Transfer, outstanding agreements relating to the business, assets, rights or obligations so transferred shall remain executory and may not be terminated nor give rise to any set off merely as a result of such Transfer, notwithstanding any contractual or statutory provisions to the contrary;
- (c) the suspension of close-out netting rights in relation to any contracts entered into by the credit institution (*établissement de crédit*) until 0:00 (midnight) at the latest on the business day following the day of publication of the decision, of the ACPR;
- (d) a bail-in (*mesure de renflouement interne*) of all or part of the credit institution's or the investment firm's liability under which the ACPR may decide to exercise write-down or conversion powers; and/or
- (e) a modification or an amendment to the contractual terms if a contract to which the credit institution or the investment firm is a party (including a financial contract).

For further details on risk relating to BRRD and the French Resolution Regime, please refer to Section “RISK FACTORS - European Bank Recovery and Resolution Directive and Single Resolution Mechanism”.

#### **ANTI-MONEY LAUNDERING, ANTI-TERRORISM, ANTI-CORRUPTION, BRIBERY AND SIMILAR LAWS MAY REQUIRE CERTAIN ACTIONS OR DISCLOSURES**

Many jurisdictions have adopted wide-ranging anti-money laundering, economic and trade sanctions, and anti-corruption and anti-bribery laws, and regulations (collectively, the “**AML Requirements**”). Any of the Issuer, the Joint Arrangers, the Joint Lead Managers, the Management Company or the Custodian could be requested or required to obtain certain assurances from prospective investors intending to purchase Notes and to retain such information or to disclose information pertaining to them to governmental, regulatory or other authorities or to financial intermediaries or engage in due diligence or take other related actions in the future. It is expected that the Issuer, the Joint Arrangers, the Joint Lead Managers, the Management Company and the Custodian will comply with AML Requirements to which they are or may become subject and to interpret such AML Requirements broadly in favour of disclosure. Failure to honour any request by the Issuer, the Joint Arrangers, the Joint Lead Managers, the Management Company or the Custodian to provide requested information or take such other actions

as may be necessary or advisable for the Issuer, the Joint Arrangers, the Joint Lead Managers, the Management Company or the Custodian to comply with any AML Requirements, related legal process or appropriate requests (whether formal or informal) may result in, among other things, a forced sale to another investor of such investor's Class A Notes.

In addition, it is expected that each of the Issuer, the Joint Arrangers, the Joint Lead Managers, the Management Company or the Custodian intends to comply with applicable anti-money laundering and antiterrorism, economic and trade sanctions, and anti-corruption or anti-bribery laws, and regulations of the United States and other countries, and will disclose any information required or requested by authorities in connection therewith. Class A Noteholders may also be obliged to provide information they may have previously identified or regarded as confidential to satisfy the AML Requirements.

## **CERTAIN U.S. REGULATORY ASPECTS**

### *U.S. Risk Retention Rules*

Regulation RR (17 C.F.R Part 246) implementing the risk retention requirements of section 15G of the U.S. Securities Exchange Act of 1934, as amended (the "**U.S. Risk Retention Rules**") came into effect on 24 December 2016 and generally require the "securitizer" of a "securitization transaction" to retain at least 5 per cent. of the "credit risk" of "securitized assets", as such terms are defined for purposes of that statute, and generally prohibit a securitizer from directly or indirectly eliminating or reducing its credit exposure by hedging or otherwise transferring the credit risk that the securitizer is required to retain. The transaction will not involve risk retention by the Sellers for the purposes of the U.S. Risk Retention Rules and the issuance of the Notes was not designed to comply with the U.S. Risk Retention Rules, but rather intends to rely on an exemption provided for in Section 20 of the U.S. Risk Retention Rules regarding non-U.S. transactions. Such non-U.S. transactions must meet certain requirements, including that (1) the transaction is not required to be and is not registered under the U.S. Securities Act; (2) no more than 10 per cent. of the dollar value (or equivalent amount in the currency in which the "ABS interests" (as defined in Section 2 of the U.S. Risk Retention Rules) are issued) of all classes of ABS interests issued in the securitization transaction are sold or transferred to, or for the account or benefit of, U.S. persons (as defined in the U.S. Risk Retention Rules and referred to in this Prospectus as "**Risk Retention U.S. Persons**"); (3) neither the sponsor nor the issuer of the securitization transaction is organised under U.S. law or is a branch located in the United States of a non-U.S. entity; and (4) no more than 25 per cent. of the underlying collateral was acquired from a majority-owned affiliate or branch of the sponsor or issuer organised or located in the United States.

Prospective investors should note that the definition of U.S. person in the U.S. Risk Retention Rules is substantially similar to, but not identical to, the definition of U.S. person under Regulation S, and that persons who are not "U.S. persons" under Regulation S may be U.S. persons under the U.S. Risk Retention Rules. The definition of U.S. person in the U.S. Risk Retention Rules is excerpted below. Particular attention should be paid to clauses (b) and (h)(ii), which are different than the comparable provisions in Regulation S. In particular, clause (h)(ii) does not include the exception from the definition of U.S. Person provided in Regulation S, relating to certain partnerships and corporation formed by certain types of accredited investors. Under the U.S. Risk Retention Rules, and subject to limited exceptions, "U.S. person" (and Risk Retention U.S. Person as used in this Prospectus) means any of the following:

- (a) any natural person resident in the United States;
- (b) any partnership, corporation, limited liability company, or other organisation or entity organised or incorporated under the laws of any State or of the United States;
- (c) any estate of which any executor or administrator is a U.S. person (as defined under any other clause of this definition);
- (d) any trust of which any trustee is a U.S. person (as defined under any other clause of this definition);
- (e) any agency or branch of a foreign entity located in the United States;
- (f) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person (as defined under any other clause of this definition);

- (g) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated, or (if an individual) resident in the United States; and
- (h) any partnership, corporation, limited liability company, or other organisation or entity if:
  - (i) organised or incorporated under the laws of any foreign jurisdiction; and
  - (ii) formed by a U.S. person (as defined under any other clause of this definition) principally for the purpose of investing in securities not registered under the U.S. Securities Act.

There can be no assurance that the exemption provided for in Section 20 of the U.S. Risk Retention Rules regarding non-U.S. transactions will be available. No assurance can be given as to whether the absence of retention by the Sellers for the purposes of the U.S. Risk Retention Rules may give rise to regulatory action which may adversely affect the Notes or their market value. Furthermore, the impact of the U.S. Risk Retention Rules on the securitization market generally is uncertain, and the absence of retention by the Sellers for the purposes of the U.S. Risk Retention Rules could therefore materially and adversely affect the market value and secondary market liquidity of the Notes.

Each purchaser of Notes, including beneficial interests therein, will, by its acquisition of a Note or beneficial interest therein, be deemed to have made, and in certain circumstances will be required to make, certain representations and agreements, including that it (1) either (i) is not a Risk Retention U.S. Person or (ii) has obtained a U.S. Risk Retention Consent from the Transaction Agent (on behalf of the Sellers), (2) is acquiring such Note or a beneficial interest therein for its own account and not with a view to distribute such Note; and (3) is not acquiring such Note or a beneficial interest therein as part of a scheme to evade the requirements of the U.S. Risk Retention Rules (including acquiring such Note through a non-Risk Retention U.S. Person, rather than a Risk Retention U.S. Person, as part of a scheme to evade the 10 per cent. Risk Retention U.S. Person limitation in the exemption provided for in Section 20 of the U.S. Risk Retention Rules described herein). Prior to any Notes which are offered and sold by the Issuer being purchased by, or for the account or benefit of, any Risk Retention U.S. Person, the purchaser of such Notes must first disclose to the Issuer, the Transaction Agent on behalf of the Sellers, the Joint Arrangers and the Joint Lead Managers that it is a Risk Retention U.S. Person and obtain the written consent of the Transaction Agent (on behalf of the Sellers) in the form of a U.S. Risk Retention Consent.

There can be no assurance that the requirement to request the Transaction Agent (on behalf of the Sellers) to give its prior written consent to any Notes which are offered and sold by the Issuer being purchased by, or for the account or benefit of, any Risk Retention U.S. Person will be complied with or will be made by such Risk Retention U.S. Persons.

None of the Joint Arrangers, the Joint Lead Managers, the Management Company, the Custodian, the Statutory Auditor, any Seller, any Servicer, the Transaction Agent, the Interest Rate Swap Counterparty, the Paying Agent, the Data Protection Agent, the Listing Agent, the Account Bank, the Specially Dedicated Account Bank or any of their affiliates makes any representation to any prospective investor or purchaser of the Notes as to whether the transactions described in this Prospectus comply as a matter of fact with the U.S. Risk Retention Rules on the Issue Date or at any time in the future. Investors should consult their own advisors as to the U.S. Risk Retention Rules. No predictions can be made as to the precise effects of such matters on any investor or otherwise.

#### *Volcker Rule*

In December 2013, the banking regulators and other agencies principally responsible for banking and financial market regulation in the United States implemented the final rule under the so-called “Volcker Rule” under the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “**Dodd-Frank Act**”), which in general prohibits “banking entities” (as defined therein) from (i) engaging in proprietary trading, (ii) acquiring or retaining an ownership interest in or sponsoring any entity that would be an investment company under the Investment Company Act but for the exclusions provided in Section 3(c)(1) or 3(c)(7) thereof (i.e., “covered funds”) and (iii) entering into certain relationships with such funds. The rule, however, provides for the exclusion of certain entities from the definition of covered funds.

The Issuer is being structured with a view not to constitute, now, or immediately following the issuance of the Notes and the application of the proceeds thereof, a “covered fund” for purposes of the Volcker Rule under

the Dodd-Frank Act. Although other exclusions may be available to the Issuer, this conclusion is based on the exemption from the definition of “covered fund” provided for loan securitizations, as contained in Section 10(c)(8) of the Volcker Rule. It is possible, however, that U.S. regulators could take a contrary position and determine that the Issuer should not be excluded from the definition of “covered fund” under the Volcker Rule. The general effects of the final rules implementing the Volcker Rule remain uncertain.

None of the Joint Arrangers, the Joint Lead Managers, the Management Company, the Custodian, the Statutory Auditor, any Seller, any Servicer, the Transaction Agent, the Interest Rate Swap Counterparty, the Paying Agent, the Data Protection Agent, the Listing Agent, the Account Bank, the Specially Dedicated Account Bank or any of their affiliates makes any representation to any prospective investor or purchaser of the Notes as to whether the Issuer should be excluded from the definition of “covered fund” under the Volcker Rule. Any prospective investor in the Notes, including a U.S. or non-U.S. bank or an affiliate or subsidiary thereof, should consult its own legal advisors regarding such matters and other effects of the Volcker Rule and its regulatory implementation.



## SPECIFIC FRENCH LEGAL ASPECTS

*The following is a summary limited to certain legal considerations in France relating to Mortgages, compulsory purchases and expropriation of Properties, municipal pre-emption rights and protection of over-indebted consumers. This summary is based on the laws in force as of the date of this Prospectus and is subject to any changes in law. It does not purport to be a comprehensive description of all the legal considerations which may be relevant to a decision to purchase, own or dispose of the Class A Notes. Each prospective holder or beneficial owner of Class A Notes should consult its legal adviser as to any legal considerations relating to the underlying exposures.*

### MORTGAGES AND LENDERS' LIENS

#### General

*Lender's lien (privilège de prêteur de deniers) and legal mortgage (hypothèque).*

A lender's lien (*privilège de prêteur de deniers*) is conferred on a creditor who lends a sum of money for the financing of the purchase of real property in accordance with articles 2324 and 2374, 2° of the French Civil Code. A mortgage (*hypothèque*) is a right to real property granted to a creditor, known as a mortgagee (*créancier hypothécaire*), by a debtor, known as the mortgagor (*constituant*), relating to real property which the latter owns or in which it has a right *in rem*, in order to secure payment of a debt owed by the mortgagor to the mortgagee. A lender's lien and a mortgage have similar legal effects. However, unlike a mortgage, the lender's lien is also subject to the specific rules of article 2374, 2° of the French Civil Code.

In the context of the refinancing of a loan, a lender's lien or mortgage granted in favour of the lender whose loan is being refinanced can be transferred to the new lender by way of subrogation up to the principal outstanding amount of the loan.

The beneficiary of a registered lender's lien or a registered mortgage will rank ahead of all unsecured creditors (*créanciers chirographaires*) of the grantor of the security but will rank after the prior ranking creditors in the context of a bankruptcy and after any claim of the manager of the condominium (*copropriété*) if the property is comprised within a condominium. Secured amounts comprise the principal amount of the loan in question as well as its related rights. It should be noted, however, that only three (3) years of interest at the contractual rate can be secured on an equal rank basis with the principal by a lender's lien or a mortgage. Upon enforcement of a lender's lien or a legal mortgage, any unpaid interest in excess of three (3) year's interest at the contractual rate is not secured by such lender's lien or legal mortgage.

If the net proceeds of sale of a property are lower than the amount necessary to repay the full amount of principal and interest outstanding in respect of the relevant Home Loan, this could result in a reduction of the receipts received by the Issuer in respect of the Home Loans and adversely impact the liquidity position of the Issuer and may adversely affect the ability of the Issuer to make payments of principal and/or interest due to the Noteholders.

#### *Peculiarities of Lender's Lien.*

Pursuant to article 2374, 2° of the French Civil Code, in order for a lender's lien to be validly created, the following two conditions must be satisfied: (a) the loan must be granted for the purchase of real property and the deed evidencing the loan (*acte d'emprunt*) must expressly stipulate the purpose for which the loan was intended; and (b) the discharge receipt (*quittance*) given by the vendor of the relevant real property must certify that, up to the principal amount of the relevant loan, the payment was made out of the moneys borrowed. Both the deed evidencing the loan and the discharge receipt must be in a notarised form (*acte authentique*).

#### *Registration of Lender's Lien and Mortgage.*

In order to be enforceable against third parties, pursuant to the provisions of article 2377 of the French Civil Code, lender's liens and mortgages must be registered at the relevant French Land and Charges Registry (*Conservation des Hypothèques* or *Livre Foncier* in respect of *Alsace Moselle*).

A lender's lien is retrospectively perfected from the date of the deed of conveyance of the relevant real property if the registration of the lien occurs within a period of two (2) months after the signing of the deed of conveyance (under article 2379 of the French Civil Code). If this deed fails to be registered within this two-month period, rules applicable to mortgages will apply to the lender's lien. Mortgages are perfected from their date of registration with the French Land and Charges Registry (*Conservation des Hypothèques* or *Livre Foncier* in respect of *Alsace Moselle*).

The registration of a lender's lien or of a mortgage in France is only valid for a limited period of time. As a general rule, a lender's lien or a mortgage is valid until the date of validity specified in the registration (under article 2434 of the French Civil Code). Where the principal of the debt secured has to be repaid on one or several fixed dates, the registration period cannot expire more than one (1) year after the last due date of the debt secured, without exceeding fifty (50) years. Where the due date of the debt secured by the lender's lien or the mortgage is not expressly fixed, the validity of the registration of the lender's lien or of the mortgage is limited to fifty (50) years. Where the due date of the debt secured by the lender's lien or the mortgage is antecedent to or concomitant with the registration, the validity of the registration of the lender's lien or of the mortgage is limited to ten (10) years.

The registration of a lender's lien or of a mortgage may be renewed if the debt is not repaid at the end of the registration period. It ceases to be effective if it is not renewed on or before the last day of its current period of effectiveness.

The formalities for the registration of a lender's lien or of a mortgage are set out in articles 2426 and 2428 of the French Civil Code. The lender's lien and the mortgage should be registered at the Land Registry situated in the geographical district where the relevant property is situated.

When Home Loans guaranteed by a Home Loan Guarantee provide that the relevant Borrower covenants to grant a Mortgage to secure the Home Loan at the demand of the Home Loan Guarantor and/or the Lender, this undertaking to grant a Mortgage (*ou promesse d'hypothèque*) does not create a security interest over the relevant property until the Borrower has in fact signed a notarial deed granting a mortgage and such mortgage has been duly registered on the relevant mortgage registry. If prior to the registration of the Mortgage securing the Home Loan, another creditor of the relevant Borrower has registered a mortgage or judicial mortgage on the relevant mortgage registry, the Mortgage registered first in time would rank in priority to the Mortgage granted and registered to secure the Home Loan.

#### *Registration of conservatory mortgages*

In case of insolvency of any Home Loan Guarantor, and default of the Borrower under the Home Loan, the Servicer will be entitled to ask the competent judge to grant him the right to register a conservatory mortgage (*hypothèque judiciaire conservatoire*) on the financed property for an amount equal to its claim against the Borrower. After such registration, the Servicer will have three (3) months to register the conservatory mortgage at the mortgage public registry (*service de publicité foncière*). This registration is valid for a period of three (3) years, subject to renewal. The Servicer shall inform the borrower of the registration of the conservatory mortgage by bailiff's act within eight (8) days from registration. Except if the Servicer already has an enforcement order (*titre exécutoire*), he may obtain one from the court within one (1) month from registration. Then, the Servicer shall register the mortgage at the mortgage public registry (*service de publicité foncière*) within two (2) months as from the granting of such enforcement order (*titre exécutoire*).

#### **Enforcement of Mortgages and Lender's Liens**

Mortgages and lender's liens can be enforced through a seizure of the property (*saisie immobilière*). Mortgages can also be enforced either through (i) a request for a judicial attribution or (ii) a contractual forfeiture agreement (*pacte comissoire*).

#### *Seizure of the property*

The first step is the deliverance by a bailiff (*huissier*) to the Borrower of a summons to pay with the effect of a seizure (*commandement de payer valant saisie*) which is filed at the relevant Land Registry having jurisdiction over the district in which the relevant real property is situated. The next step after the seizure of the property is to

instruct a bailiff (*huissier*) to prepare a report describing the property (*procès-verbal de description*) and, then, to instruct a lawyer (*avocat*) to prepare the terms of sale at public auction (including the reserve price of the relevant real property) and the notices to be given prior to the sale and to seize the Court in charge of enforcement proceedings (*juge de l'exécution*). The Borrower may file objections against such enforcement (including the reserve price) before the Court or ask the Court to authorize the amicable sale of the property. Pursuant to article L. 322-3 of the French *Code des Procédures Civiles d'Exécution* (French Civil Enforcement Procedures Code), the Court may either (i) authorise the sale of the property through amicable sale (*vente amiable sur autorisation judiciaire*), or (ii) order the sale of the property by Court-supervised public auction (*vente aux enchères*).

If the amicable sale of the property is authorised by the Court, the Court determines a minimum price at which the amicable sale has to occur. The sale occurs by way of notarised deed (*acte authentique*), subject to the consignment of the sale's price and expenses by the purchaser for the repayment of the lender. If the Borrower fails to perform the amicable sale within a reasonable time frame, the lender may ask the judge to order the sale of the property through Court-supervised public auction.

If no bid is made at the public auction, and provided there is only one secured creditor, such secured creditor will be deemed to be the highest bidder and is thus obliged to purchase the property at the reserve price specified in the terms of the sale. However, any interested party may re-open the auction by offering to purchase the property for a sum of ten per cent. (10%) higher than the highest bid, within ten (10) days of the auction sale. The Court must then verify each creditor's claim and its respective rank (*procédure d'ordre*), with preferred creditors ranking first. The last step is to obtain the proceeds from the *Caisse des Dépôts et Consignations* where the auction proceeds have been kept on deposit.

The procedure of seizure of real estate properties (*saisie immobilière*) has been amended by an Act (*Ordonnance n°2006-461 réformant la saisie immobilière*) dated 21 April 2006. The purpose of the amendment was to simplify the foreclosure process by encouraging amicable sales (*ventes à l'amiable*) and to reduce the duration and complexity of the process. The new legislation (articles L. 311-1 *et seq.* of the French Civil Enforcement Procedures Code), described above, only applies to seizure proceedings started after 1<sup>st</sup> January 2007.

However, the procedure of seizure of any real estate property remains a long procedure, which might delay the ability of the Issuer to be repaid through the sale of the property and, therefore, its ability to redeem the Class A Notes in a timely manner.

#### *Droit de suite, droit de préférence*

The final secured creditor's enforcement action consists of the possibility to continue to benefit from the lender's lien or mortgage, even if the property is transferred by the Borrower to a third party. This right is known as *droit de suite*. In the event of the sale of the property by the debtor, the secured creditor may have the debts owing to him satisfied from the proceeds of the sale of the property in the order of priority of the liens and mortgages encumbering such property (*droits de préférence*), in accordance with article 2461 of the Civil Code. If the secured creditor wishes to exercise this right, it must cause an order to pay to be served on the Borrower by a bailiff and, in addition, cause a notice to be served on the third party to whom the property subject to the lender's lien or mortgage was transferred with a view either to pay the debt secured by the lender's lien or mortgage granted over the property or to surrender such property in an auction sale, where a minimum bid exceeding ten per cent. (10%) of the price paid by such third party shall be made by the creditor.

#### **Claims against notaries (*notaires*)**

The Sellers have assigned to the Issuer, as Ancillary Rights any claim or right of action it may have against any notaries (*notaires*) which have responsibility for drafting notarial deeds of transfer (*acte authentique de vente*), drafting the mortgage deeds (where a new Mortgage is granted), drafting the registration details (*acte d'inscription hypothécaire*), registering with the relevant mortgage registry the transfer of title to a property and any legal mortgage or lender's lien securing a Home Loan. Under the general law, a notary may incur civil liability if damage results as a consequence of negligence (*toute faute*) committed by the notary in the exercise of his/her duties. Notaries are required to maintain professional civil liability insurance with a financially solvent insurance company. Professional liability claims against a notary would generally be covered by the insurance company of such notary and by the *Caisse Régionale de Garantie* established by the notaries in the relevant region (such *Caisse Régionale*

*de Garantie* being itself counterguaranteed by the *Caisse Nationale de Garantie* established by all French notaries and, as a last resort, covered by virtue of the common mutual responsibility (*solidarité*) of all notaries in France taken as a whole). Whether such recourse would actually be effective if the need arises will depend on whether the relevant notary, or failing which, the relevant insurance company or *Caisse Régionale de Garantie* would have the ability to pay the required indemnity. This may adversely affect the ability of the Issuer to make payments of principal and/or interest due to the Noteholders.

## **COMPULSORY PURCHASE AND EXPROPRIATION OF PROPERTIES**

Under French law, any Property may at any time be compulsorily acquired by, inter alios, a local or public authority or a governmental department on public interest grounds, generally, in connection with proposed redevelopment or infrastructure projects.

In the event that all or part of a Property was to be compulsorily purchased, compensation would be payable to the relevant debtor and the occupational tenants according to their respective interests and based on the market value of the Property as agreed upon by the relevant parties. However, there is often a delay between the compulsory purchase of a property and the payment of compensation dependent on the parties' ability to agree upon the open market value of the property. Compensation in relation to compulsory purchase may be less than the open market value of the property prior to the announcement of the compulsory purchase.

Although this would not discharge the Borrower from its obligations under the relevant Home Loans, this could have an adverse effect whether on the aggregate amount of the proceeds derived from the sale of the Properties by the underlying Borrower or, if need be, on enforcement of the Ancillary Rights, and/or may delay the effective date of payment and receipt of such proceeds, and so adversely impact the aggregate principal amounts received by the Issuer in respect of the Home Loans and/or the liquidity position of the Issuer.

## **MUNICIPAL PRE-EMPTION RIGHTS (DROIT DE PRÉ-EMPTION URBAIN)**

The relevant local planning authority may, in certain circumstances, exercise a right of pre-emption (*droit de pré-emption urbain*) when real estate properties situated within the jurisdiction of such authority are the object of a proposed sale. This pre-emption right is typically exercised when the relevant real property is needed for certain public purposes such as public or social housing, general development of a town or zone or preserving buildings of cultural interest.

The pre-emption right may be exercised by the relevant local authority within a two-month period following the notice of the contemplated sale of the relevant property to be served to the competent local authority on behalf of the seller. If the local authority exercises its pre-emption right, it may propose to purchase the property for a lower price than the price agreed with the potential purchaser. In such circumstances, the seller may (i) decide not to sell its property at all, (ii) agree to sell the property at the price proposed by the local authority or (iii) decide to proceed with the sale to the local authority but to challenge the proposed lower price, in which case the sale price will be determined by a judge. As a consequence, if the local authority purports to exercise its pre-emption right, there can be no assurance that the seller will be successful in eventually selling the property at the price originally agreed with the proposed purchaser.

Although this would not discharge the Borrower from its obligations under the relevant Home Loans, the exercise of such local authority pre-emption rights upon foreclosure could have an adverse effect whether on the aggregate amount of the proceeds derived from the sale of the Properties by the underlying Borrower or, if need be, on enforcement of the Mortgages securing Home Loans and/or may delay the effective date of payment and receipt of such proceeds and so adversely impact the aggregate principal amounts to be received by the Issuer in respect of the Home Loans and/or the liquidity position of the Issuer.

## **PROTECTION OF OVER-INDEBTED CONSUMERS**

### **General**

Pursuant to article L. 711-1 of the French *Code de la consommation* (the **French Consumer Code**), a situation of over-indebtedness is characterised by the manifest impossibility (*impossibilité manifeste*), for an

individual, to satisfy all its non-professional debts, whether due and payable or unmatured. The benefit of the over-indebtedness treatment process is granted to any individual, provided that such individual acts in good faith. An individual will not be considered to be acting in good faith if he has organised his own insolvency or has dissipated his assets. The simple fact of being the owner of his main residence, the estimated value of which at the time the application is submitted is equal to or exceeds the aggregate amount of all the non-professional debts due or falling due of the individual, cannot prevent the over-indebtedness from being characterized.

To benefit from the over-indebtedness treatment process, a debtor shall file a request with the competent over-indebtedness committee (*commission départementale de surendettement*). After receipt of the request, the over-indebtedness committee shall make a decision on the admissibility of that request (*décision de recevabilité du dossier de surendettement*), within three months, by notifying the debtor of its refusal or notifying the debtor and its creditors and credit institutions, of the admission of the request. If, at the end of those three months, no such decision has been made, the interest rate applicable to all loans granted to the debtor is, during the three following months, equal to the legal interest rate, except otherwise decided by the judge or the committee during that period. In addition, pursuant to article L.721-4 of the French Consumer Code, before a decision is made on the admissibility of the request (*décision de recevabilité du dossier de surendettement*), the debtor may request the over-indebtedness committee to obtain from the judge the suspension and prohibition of all on-going enforcement procedures (*procédures d'exécution forcée*) and transfer of remunerations (for debts other than alimony debts), until such decision is made. If a seizure of a real estate asset has already been ordered, the decision to postpone the forced sale must be made by the judge in charge of the seizure, and based on serious and duly justified reasons (*causes graves et justifiées*).

Pursuant to article L.722-2 *et seq.* of the French Consumer Code, if the over-indebtedness committee decides that the request of the debtor is admissible (*décision de recevabilité du dossier de surendettement*): (a) all on-going enforcement proceedings against the debtor's assets (*procédures d'exécution forcée*) and transfer of remunerations (for debts other than alimony debts) will be automatically suspended and forbidden until the decision approving the contractual settlement plan (*approbation du plan conventionnel de redressement*), the decision imposing treatment measures, the judgement deciding the personal recovery without liquidation (*rétablissement personnel sans liquidation*) or the judgement of the court deciding a personal recovery without liquidation (*rétablissement personnel sans liquidation*) or opening a proceeding of the personal recovery with liquidation (*rétablissement personnel avec liquidation*), for a maximum period of two years, provided that if a seizure of a real estate asset has already been ordered, the decision to postpone the forced sale must be made by the judge in charge of the seizure, and based on serious and duly justified reasons (*causes graves et justifiées*); (b) the debtor is forbidden to pay in whole or in part any debt other than alimony debts arisen prior to the suspension and to sell assets other than as part of a day-to-day management, except with the prior approval of the judge or to pay rent receivables in certain circumstances; (c) creditors must inform the persons in charge of the recovery of debts of the admissibility of the request and of its consequences; and (d) receivables included in the list of debts established by the commission cannot bear interest or late payment penalties from the date of admissibility until the date of implementation of treatment measures.

Depending on the income and/or assets of the debtor, pursuant to article L.712-2 and L. 724-1 of the French Consumer Code, the over-indebtedness committee will either:

- (a) attempt, to conciliate the parties to establish a contractual settlement (*plan conventionnel de redressement*) as contemplated under articles L.732-1 *et seq.* of the French Consumer Code, which can include, a deferral or a rescheduling of the debts; a reduction or a cancellation of the interest rate; a consolidation; and/or the creation or substitution of guarantees. The duration of the plan cannot exceed seven years, including in case of renewal, provided that the measures can exceed such duration if the relevant loans relates to the purchase of the debtor's principal residence and the measures avoid the need to sale the relevant residence, or if the measures make it possible for the debtor to reimburse the totality of its debts while avoiding the sale of its principal residence ; or
- (b) in the absence of conciliation or in case of failure of that conciliation process, impose, after obtaining the various parties' point of views, the measures contemplated under articles L.733-1 *et seq.* of the French Consumer Code, such as: rescheduling the debts, including by deferring the due date of some of those debts, for no more than seven years, or half of the remaining term for outstanding loans. If a loan has been accelerated, the deferral cannot exceed one half of the term remaining prior to the acceleration; allocate payments on principal first; reducing interest rates applicable to the deferred or rescheduled debts to a rate that cannot exceed the legal interest rate (and that may be lower than the legal interest rate, based on a

special and justified decision (*décision spéciale et motivée*), if the situation of the debtor so requires); and/or suspending the due date of debts other than alimony debts for a period not exceeding two years, which also entails the interruption of the payment of interest in relation thereto. Only principal amounts can accrue interest during that period. The total duration of those measure cannot exceed seven years, except if they relate to the loans used to purchase of the debtor's principal residence and the measures avoid the need to sale the relevant residence, or if the measures make it possible for the debtor to reimburse the totality of its debts while avoiding the sale of its principal residence.

In accordance with article L. 733-4 of the French Consumer Code, the committee is also entitled, after consulting the various parties, to impose, pursuant to a special and justified decision (*décision spéciale et motivée*): in case of forced sale of the principal residence of the debtor financed by a mortgage loan, the reduction of that loan, to an extent which is compatible with the debtor's income and expenses, after the allocation of the sale price to the principal remaining due thereunder, and taking into account the rescheduling contemplated in (i) above; and/or the partial cancellation of the debts.

- (c) impose a personal recovery without liquidation of the individual's assets (*rétablissement personnel sans liquidation*) contemplated under articles L.741-1 *et seq.* of the French Consumer Code, if it appears that the over-indebted individual is in an irremediably compromised situation (*situation irrémédiablement compromise*) and has no assets other than furniture or assets with no value (excluding non-professional assets absolutely necessary for its professional activity). All non-professional debts of the debtor (but for the debts excluded from the over-indebtedness treatment process as mentioned in 1. above) are then cancelled, except in case of successful contestation of such decision in front of the judge. Such personal recovery without liquidation of the individual's assets (*rétablissement personnel sans liquidation*) can also be decided by the judge in case of contestation of the measures referred to in (b) above; or
- (d) request a judge to open a personal recovery with liquidation of the individual's assets (*rétablissement personnel avec liquidation*) contemplated under articles L.741-1 *et seq.* of the French Consumer Code, if it appears that the over-indebted individual is in an irremediably compromised situation (*situation irrémédiablement compromise*) but has some assets which are worth selling. When all saleable assets of the debtor have been sold, the personal recovery with liquidation (*rétablissement personnel avec liquidation*) will trigger the cancellation of all remaining non-professional debts of the debtor.

A specific legal regime applies to individuals living in the Haut Rhin, Bas Rhin or Moselle departments. The applicable over-indebtedness committee has three (3) months to approve or not the opening of an over-indebtedness proceeding according to the individual situation.

#### **Specific legal regime for Borrowers domiciled in the Moselle, Bas-Rhin or Haut-Rhin**

In accordance with, and subject to, the provisions of article L. 670-1 of the French Commercial Code, physical persons (*personnes physiques*) (and their estate on death), who are domiciled in Moselle, Bas-Rhin or Haut-Rhin, and who are neither traders (*commerçants*), nor persons registered with the craftsmen's register (*artisans*), nor farmers (*agriculteurs*), nor persons running any other independent profession, including independent professional persons with a statutory or regulated status, if they are in good faith and in a state of evident and known insolvency (*insolvabilité notoire – situation durablement et irrémédiablement compromise*), may become the subject of the French insolvency provisions applicable to companies established in France (i.e. provisions of Titles II to VI of the Book VI of the French Commercial Code). If such proceedings are commenced in relation to Borrowers, this may result in a delay in recoveries or lower recoveries in respect of Home Loans when the relevant Borrower is subject to such proceedings.

3.85% of the Outstanding Principal Balance of the provisional portfolio of Home Loans described in Section "INFORMATION RELATING TO THE PROVISIONAL PORTFOLIO OF HOME LOANS" are Home Loans granted to Borrowers which, as at the relevant origination date, were resident in Moselle, Bas-Rhin or Haut-Rhin.

#### **COVID 19 RELATED LEGAL SUSPENSIONS**

Due to the Covid-19 pandemic, France took a number of emergency measures and adopted on 23 March 2020 a "Covid-19 emergency law" (law n°2020-290 – the **Emergency Law**). On the basis of the Emergency Law, the French Government adopted several orders (*ordonnances*) and related decrees, impacting in particular but

without limitation, the enforceability or enforcement of contractual rights and/or obligations, the access to courts, the rules pertaining to the assessment of and remedies for non-performance and the rules pertaining to the statutes of limitation. In particular:

- (a) article 2 of order no. 2020-306 dated 25 March 2020, as amended by order no. 2020-427 dated 15 April 2020 and by order no. 2020-737 dated 17 June 2020 (the **Order**) provides that acts and formalities that stop statute of limitation (*prescription*), should such statute of limitation have taken effect during the period starting on 12 March 2020 and ending on 23 June 2020 (included) (the **Relevant Period**), will be deemed to have been performed in due time if performed within the timing legally required to do so after such period, and in any case within no longer than two months;
- (b) article 4 of the Order, provides that:
  - (i) the effects or course of penalty payments (*astreintes*), penalty clauses (*clauses pénales*), rescission clauses (*clauses résolutoires*) and acceleration clauses (*déchéance*), which purpose is to sanction the non-performance of an obligation within a given timing which expires during the Relevant Period, shall be postponed until the end of a period of starting after the end of the Relevant Period and of a duration equal to the time elapsed between (i) 12 March 2020 or, if the obligation is born after such date, the date of birth of that obligation, and (ii) the date on which it shall have been performed;
  - (ii) the effects or course of penalty payments (*astreintes*), penalty clauses (*clauses pénales*), rescission clauses (*clauses résolutoires*) and acceleration clauses (*déchéance*), which purpose is to sanction the non-performance of an obligation (other than an obligation to pay an amount of money) within a given timing which expires after the end of the Relevant Period, shall be postponed until the end of a period of starting after the end of the Relevant Period and of a duration equal to the time elapsed between (i) 12 March 2020 or, if the obligation is born after such date, the date of birth of that obligation, and (ii) the date on which it shall have been performed;
  - (iii) the course of penalty payments (*astreintes*) and penalty clauses (*clauses pénales*) which has started before 12 March 2020 is suspended during the Relevant Period.

## FRENCH TAXATION REGIME

*The following is a summary limited to certain tax considerations in France relating to the Class A Notes that may be issued by the Issuer and specifically contains information on taxes on income from securities withheld at source. This summary is based on the laws in force as of the date of this Prospectus and is subject to any changes in law. It does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to purchase, own or dispose of the Class A Notes. Each prospective holder or beneficial owner of Class A Notes should consult its tax adviser as to the tax consequences of any investment in or ownership and disposition of the Class A Notes.*

### *Withholding tax*

Payments of interest and other income with respect to debt instruments are not subject to the withholding tax set out under article 125 A, III of the French *Code général des Impôts* (the “**French General Tax Code**”), unless such payments are made outside of France to persons domiciled or established in a non-cooperative State or territory (*Etat ou territoire non-coopératif*; a “**Non-Cooperative State**”) within the meaning of article 238-0 A of the French General Tax Code or paid in a bank account opened in a financial institution located in a Non-Cooperative State. If such payments are made to persons domiciled or established in a Non-Cooperative State or paid in a bank account opened in a financial institution located in a Non-Cooperative State, a 75% withholding tax is applicable, (subject (where relevant) to certain exceptions summarised below and to the more favorable provisions of any applicable double tax treaty) pursuant to article 125 A, III of the French General Tax Code.

Notwithstanding the foregoing, article 125 A, III of the French General Tax Code provides that the 75% withholding tax does not apply if the issuer of the debt instrument can prove that the principal purpose and effect of the transaction is not that of allowing the payments of interest or other income to be made in a Non-Cooperative State (the “**Exception**”). Pursuant to the official doctrine of the French tax authorities (BOI-INT-DG-20-50-20140211, Section No. 990), an issue of debt instruments is not subject to any French withholding tax without the Issuer having to provide any proof of the purpose and effect of the issue of such instruments if such instruments are:

- (a) offered by means of a public offer within the meaning of article L. 411-1 of the French Monetary and Financial Code or pursuant to an equivalent offer in a State other than a Non-Cooperative State. For this purpose, an “equivalent offer” means any offer requiring the registration or submission of an offer document by or with a foreign securities market authority; or
- (b) admitted to trading on a regulated market or on a French or foreign multilateral securities trading system, provided that such market or system is not located in a Non-Cooperative State and that the operation of such market is carried out by a market operator, an investment services provider, or by a similar foreign entity, provided further that such market operator, investment services provider or entity is not located in a Non-Cooperative State; or
- (c) admitted, at the time of their issue, to the clearing operations of a central depository or of a securities clearing, delivery and payments systems operator within the meaning of article L. 561-2 of the French Monetary and Financial Code, or of one or more similar foreign depositories or operators, provided that such depository or operator is not located in a Non-Cooperative State.

In the present case, application has been made to the *Autorité des Marchés Financiers* in its capacity as competent authority under French law for the Class A Notes issued on the Issue Date under the Transaction to be listed on the regulated market of Euronext in Paris (Euronext Paris), and, subject to the effective listing of each such Class A Notes, the exemption referred to in (b) above will apply. Likewise, it is intended that the Class A Notes will, upon issue, be registered in the books of Euroclear France (acting as central depository) and, subject to such effective clearing, the exemption referred to in (c) above will apply.

Consequently, under current law, all payments in respect of the Class A Notes will be made free from any withholding or deduction for or on account of any tax imposed in France.

Pursuant to articles 125 A and 125 D of the French General Tax Code, subject to certain limited exceptions, interest and assimilated income received from 1 January 2018 by individuals who are fiscally domiciled (*domiciliés*



*fiscalement*) in France are subject to a 12.8% withholding tax, which is deductible from their personal income tax liability in respect of the year in which the payment has been made. Social contributions (CSG (*contribution sociale généralisée*), CRDS (*contribution au remboursement de la dette sociale*) and other related contributions) are also levied by way of withholding tax at an aggregate rate of 17.2% on interest and assimilated income paid to individuals who are fiscally domiciled (*domiciliés fiscalement*) in France. Payments of principal and interest in respect of the Class A Notes shall be made net of any withholding tax (if any) applicable to the Class A Notes in the relevant state or jurisdiction and neither the Issuer nor the Paying Agent shall be under any obligation to gross up such amounts or to pay any additional amounts as a consequence.

## DESCRIPTION OF THE ISSUER ACCOUNTS

### THE ISSUER ACCOUNTS

On the Issuer Establishment Date, the Management Company will ensure that the Custodian, in accordance with the provisions of the Account Bank Agreement, will open the following bank accounts in the name of the Issuer with the Account Bank:

(A) the General Account which shall be:

(i) credited with:

- (a) on the Issue Date, the proceeds of the issue by the Issuer of the Class A Notes, the Class B Notes and the Residual Units (in each case, to the extent not paid by way of set-off, as the case may be);
- (b) on each Settlement Date, any amount of Available Collections collected or received by the Servicers during the immediately preceding Quarterly Collection Period and debited from any Specially Dedicated Bank Account and on or before each Settlement Date with any amount due and payable by any Servicer and Seller to the Issuer on that date (including for the avoidance of doubt, any Deemed Collection, any Adjusted Available Collections, any Indemnity Amount, any Rescission Amount and any Re-Transfer Price);
- (c) on any date, any Interest Rate Swap Net Amount paid by the Interest Rate Swap Counterparty to the Issuer;
- (d) in case of early termination of the Interest Rate Swap Agreement, any amount received from the Interest Rate Swap Counterparty upon such termination and/or any Interest Rate Swap Collateral Liquidation Amount and/or any Interest Rate Swap Collateral Account Surplus and/or any Replacement Swap Premium payable to the Issuer;
- (e) on each Settlement Date, any amount required to be transferred on such date from the Commingling Reserve Account in the event of a breach by any Servicer of any of its payment obligations under the Home Loans Purchase and Servicing Agreement during the immediately preceding Quarterly Collection Period;
- (f) by the Account Bank, from time to time, any remuneration relating to any sums standing to the credit of the General Account, credited in accordance with the Account Bank Agreement;
- (g) on each Settlement Date, during the Amortisation Period and on the Settlement Date preceding the first Payment Date of the Accelerated Amortisation Period, the credit balance of the General Reserve Account after the transfer to the Reserves Provider of any remuneration relating to any sums standing to the credit of the General Reserve Account, credited in accordance with the Account Bank Agreement;
- (h) on any date, any other amounts to be received from time to time by the Issuer pursuant to the Transaction Documents and not otherwise credited to another Issuer Account (including without limitation any amount of cash collections directly received under the Purchased Home Loans or the related Ancillary Rights following notification of the Borrowers, any insurance company or any Home Loan Guarantor); and
- (i) on the Issuer Liquidation Date, the proceeds resulting from the sale of the then outstanding Purchased Home Loans, as the case may be; and

- (ii) debited by:
  - (a) on the Purchase Date, the Principal Component Purchase Price of the Purchased Home Loans paid to the Sellers (to the extent not paid by way of set-off, as the case may be);
  - (b) on the Issue Date, the Initial Swap Premium paid by the Issuer to the Interest Rate Swap Counterparty as premium in accordance with the Interest Rate Swap Agreement;
  - (c) when appropriate, upon termination of the Interest Rate Swap Agreement and the entry of the Issuer into a replacement Interest Rate Swap Agreement, any Replacement Swap Premium payable by the Issuer to such replacement Interest Rate Swap Counterparty on any date;
  - (d) on each Settlement Date, any Adjusted Available Collections to be paid to any Servicer (if any and to the extent the credit balance of the General Account will not be in a debit position after such payment);
  - (e) on each Payment Date, including on the Issuer Liquidation Date, by any amounts payable out of the monies standing to the credit of the General Account, pursuant to the applicable Priority of Payments; and
  - (f) on any date, by any amounts not pertaining to the Issuer and which had been directly received on the General Account under the Purchased Home Loans or the related Ancillary Rights following notification of the Borrowers, any insurance company or any Home Loan Guarantor in accordance with item (A)(i)(i) above;
- (B) the General Reserve Account which shall be:
  - (i) credited with:
    - (a) by the Reserves Provider, on the Issuer Establishment Date, the General Reserve Initial Cash Deposit Amount pursuant to the Reserve Cash Deposits Agreement;
    - (b) by the Issuer, on each Payment Date during the Amortisation Period, such amount as is necessary for the credit standing to the General Reserve Account to be equal to the General Reserve Required Amount applicable on that Payment Date, by the transfer of monies from the General Account to the General Reserve Account, in accordance with and subject the applicable Priority of Payments; and
    - (c) by the Account Bank, from time to time, any remuneration relating to any sums standing to the credit of the General Reserve Account, credited in accordance with the Account Bank Agreement; and
  - (ii) debited in full on each Settlement Date preceding a Payment Date falling during the Amortisation Period and on the Settlement Date preceding the first Payment Date of the Accelerated Amortisation Period, in order to credit:
    - (a) with respect to sums corresponding to any remuneration referred to in paragraph (B)(i)(c) above credited by the Account Bank during the immediately preceding Quarterly Collection Period: any bank account of the Reserves Provider; and
    - (b) with respect to any other sums: the General Account;
- (C) the Commingling Reserve Account, which shall be:
  - (i) if the Management Company determines that the Commingling Reserve needs to be adjusted in order to comply with the Commingling Reserve Required Amount:
    - (a) credited by the Reserves Provider (A) within thirty (30) calendar days (in case of a downgrade by Moody's) or within fourteen (14) calendar days (in case of a downgrade

by Fitch) following the date on which the Specially Dedicated Account Bank is downgraded below the Account Bank Required Ratings, or (B) thereafter on the Settlement Date following the Calculation Date on which the Management Company makes such determination, with the necessary amounts in order for the Commingling Reserve to be at least equal to the Commingling Reserve Required Amount applicable on that date; or

- (b) if no payment has been made by the Reserves Provider pursuant to (a) above (or if such payment has not been made in full) and a Servicer Termination Event referred to in paragraph (h) of the definition of “Servicer Termination Event” has occurred and is continuing, credited by the Issuer on the immediately following Payment Date, by transferring into the Commingling Reserve Account the necessary amount in order for the Commingling Reserve to be at least equal to the Commingling Reserve Required Amount applicable on the previous Settlement Date, in accordance with, and subject to, the applicable Priority of Payments; or
- (c) debited on the immediately following Payment Date, in order to repay to the Reserves Provider (for the avoidance of doubt, outside the applicable Priority of Payments) the Commingling Reserve Decrease Amount, provided that, until the date on which all Class A Notes have been redeemed in full, no Servicer Termination Event referred to in paragraph (g) of the definition of “Servicer Termination Event” has occurred (save if the Management Company has received since then a Master Servicer Report on any Subsequent Information Date); and
- (ii) credited by the Account Bank, from time to time, with any remuneration relating to any sums standing to the credit of the Commingling Reserve Account, credited in accordance with the Account Bank Agreement;
- (iii) on each Settlement Date, debited of an amount corresponding to any remuneration referred to in paragraph (C)(ii) above credited by the Account Bank during the immediately preceding Quarterly Collection Period, which shall be transferred to any bank account of the Reserves Provider (for the avoidance of doubt, outside any Priority of Payments);
- (iv) on each relevant Settlement Date, in the event of a breach by a Servicer of any of its payment obligations under the Home Loans Purchase and Servicing Agreement during the immediately preceding Quarterly Collection Period, debited on that Settlement Date of an amount equal to the lowest of (a) the unpaid amount in respect of the Available Collections arisen during such Quarterly Period which are under the responsibility of such Servicer as set out in the three (3) Master Servicer Reports that the Transaction Agent should have transferred to the Issuer and (b) the amount then standing to the credit of the Commingling Reserve Account, in order to credit the corresponding funds to the General Account; and
- (v) on the earlier of (i) the date on which all Class A Notes have been redeemed in full and (ii) the Issuer Liquidation Date, debited in full by the transfer of all monies standing to its credit to the Reserves Provider, to such account of the Reserves Provider as the Reserves Provider may direct (for the avoidance of doubt, outside any Priority of Payments);
- (D) the Interest Rate Swap Collateral Accounts, which shall be credited from time to time with collateral transferred by the Interest Rate Swap Counterparty in accordance with the terms of the Interest Rate Swap Agreement and shall be debited with such amounts as are due to be transferred to the Interest Rate Swap Counterparty, as the case may be, under the Interest Rate Swap Agreement.

In addition, the collateral cash account of the Interest Rate Swap Collateral Account shall be credited by the Account Bank, from time to time, with any remuneration relating to any sums standing to the credit of such collateral cash account, credited in accordance with the Account Bank Agreement and the terms of the relevant Interest Rate Swap Agreement.

The Interest Rate Swap Collateral Accounts will comprise (a) a collateral cash account; and (b) a collateral securities account (which shall be opened in the books of (i) the Account Bank or (ii) any other credit institution designated by the Account Bank with the prior consent of the Custodian which has the Account

Bank Required Ratings, when collateral is posted in the form of eligible securities by the Interest Rate Swap Counterparty to the Issuer pursuant to the terms of the Interest Rate Swap Agreement).

Subject to the specific provisions applicable in case of early termination of the Interest Rate Swap Agreement, no payments or deliveries may be made in respect of the Interest Rate Swap Collateral Accounts other than the transfer of collateral to the Issuer or the return of excess collateral to the Interest Rate Swap Counterparty in accordance with the terms of the Interest Rate Swap Agreement, such payments or deliveries being made outside any applicable Priority of Payments.

#### **REMUNERATION OF THE ISSUER CASH STANDING TO THE CREDIT OF THE ISSUER ACCOUNTS**

The Issuer Cash standing to the credit of the Issuer Accounts will be remunerated at a rate as set out in the general terms and conditions of the Account Bank, save if otherwise agreed separately between the Management Company and the Account Bank, provided that if the rate so obtained is less than zero, the remuneration will be deemed equal to zero. This remuneration, if any, will be paid on a monthly basis on each Issuer Account, provided that the remuneration of the Issuer Cash standing on the General Reserve Account or the Commingling Reserve Account shall be transferred on each Settlement Date to any bank account of the Reserves Provider (outside of any Priority of Payments).

The Issuer Cash will not be invested in any financial instruments, neither by the Account Bank nor by the Management Company.

#### **ALLOCATION OF THE ISSUER ACCOUNTS**

Each of the Issuer Accounts (other than the Interest Rate Swap Collateral Account) is exclusively allocated by the Management Company to the operation of the Issuer in accordance with the provisions of the Account Bank Agreement and the Issuer Regulations.

The Management Company is not entitled to pledge, assign, delegate or, more generally, grant any title in or right whatsoever over the Issuer Accounts to third parties. The amounts credited to the Issuer Accounts (other than the Interest Rate Swap Collateral Account), can be allocated to the payment of any amount due by the Issuer in accordance with the applicable Priority of Payments.

#### **CREDIT AND DEBIT OF THE ISSUER ACCOUNTS**

In accordance with the provisions of the Issuer Regulations, the Management Company will give such instructions as are necessary to the Custodian and the Account Bank to ensure that each of the Issuer Accounts is credited or, as the case may be, debited in the manner described above under Section “DESCRIPTION OF THE ISSUER ACCOUNTS — The Issuer Accounts”.

#### **CHANGE OF THE ACCOUNT BANK**

Pursuant to the Account Bank Agreement:

- (a) the Custodian shall (i) as soon as possible, if an Account Bank Termination Event occurs or (ii) within thirty (30) calendar days, if the Account Bank ceases to have the Account Bank Required Ratings, terminate the appointment of the Account Bank; and
- (b) the Account Bank may resign on giving a 30-day prior written notice to the Management Company and the Custodian,

provided that the Account Bank may only be replaced if:

- (i) the substitute account bank has the Account Bank Required Ratings;
- (ii) the substitute account bank (i) is duly licensed as an *établissement de crédit* (credit institution) by the *Autorité de Contrôle Prudentiel et de Résolution* to enter into opérations de banque (banking transactions

within the meaning of article L. 311-1 of the French Monetary and Financial Code) and as an investment services provider duly licensed to engage in *tenue de compte-conservation d'instruments financiers* (account custody for financial instruments within the meaning of article L. 542-1 of the French Monetary and Financial Code) or (ii) is authorised to carry out the same activities as the Account Bank in accordance with any applicable laws;

- (iii) the substitute account bank assumes the rights and obligations of the Account Bank with respect to the operation of the Issuer Accounts and acknowledges and agrees to non petition and limited recourse provisions in substantially similar terms as those set out in the Account Bank Agreement;
- (iii) the Rating Agencies have received prior notice of such replacement and such replacement will not result, in the reasonable opinion of the Management Company, in the placement on “negative outlook”, or as the case may be on “rating watch negative” or “review for possible downgrade”, or the downgrading or the withdrawal of any of the ratings of the Class A Notes, or that the said replacement limits such downgrading;
- (iv) the Management Company and the Custodian have previously and expressly approved such replacement and the identity of the relevant entity, provided that such approval may not be refused without a material and justified reason; and
- (v) such replacement is made in accordance with applicable laws and regulations at the time of such replacement; and

#### **GOVERNING LAW**

The Account Bank Agreement is governed by French law and all claims and disputes arising in connection therewith shall be subject to the exclusive jurisdiction of the competent courts in commercial matters within the jurisdiction the *Cour d'Appel* of Paris.

## NON PETITION AND LIMITED RECOURSE AGAINST THE ISSUER – DECISIONS BINDING

Each party to the Transaction Documents:

- (a) has acknowledged and agreed that, pursuant to article L. 214-175, III of the French Monetary and Financial Code, Book VI of the French Commercial Code (which govern insolvency proceedings in France) is not applicable to the Issuer;
- (b) has agreed to (*accepté*), for the purposes of article L. 214-169, II of the French Monetary and Financial Code, and shall be bound by, each of the Funds Allocation Rules (including, without limitation, the Priorities of Payments) as set out in the Issuer Regulations, notwithstanding the opening against it of an insolvency proceeding pursuant to the provisions of Book VI of the French Commercial Code or any equivalent procedure governed by any foreign law (*procédure équivalente sur le fondement d'un droit étranger*) and has acknowledged and agreed such Funds Allocation Rules (including, without limitation, the Priorities of Payments) shall apply even in case of liquidation of the Issuer;
- (c) has acknowledged and agreed that, in accordance with article L. 214-169 II of the French Monetary and Financial Code, the Issuer's assets may only be subject to civil proceedings (*mesures civiles d'exécution*) to the extent of the Funds Allocation Rules (including, without limitation, the Priority of Payments).
- (d) has acknowledged and agreed that, in accordance with article L. 214-175, III of the French Monetary and Financial Code, the Issuer is liable for its debts (*n'est tenu de ses dettes*) to the extent of its assets (*qu'à concurrence de son actif*) and in accordance with the rank of its creditors as provided by law (*selon le rang de ses créanciers défini par la loi*) or, pursuant to article L. 214-169 II of the French Monetary and Financial Code, in accordance with the provisions of the Issuer Regulations;
- (e) has undertaken that, to the extent that it may have any claim (including any contractual claim or action (*action en responsabilité contractuelle*)) against the Issuer the payment of which is not expressly contemplated under any applicable Funds Allocation Rules (including, without limitation, the Priority of Payments) and the cash allocation provisions set out in the Issuer Regulations, it shall waive to demand payment of any such claim as long as all Notes and Residual Units issued by the Issuer have not been repaid in full; and
- (f) has agreed to (*accepté*), for the purposes of article L. 214-169, II of the French Monetary and Financial Code, and shall be bound by, the rules governing the decisions made by the Management Company in accordance with the provisions of the Issuer Regulations and the decisions made by the Management Company on the basis of such rules.

Pursuant to the provisions of the Issuer Regulations, the Management Company has expressly and irrevocably undertaken, upon the conclusion of any agreement, in the name and on behalf of the Issuer and with any third party, to ensure that such third party expressly shall acknowledge and agree to be bound by the above provisions on the same or substantially similar terms .

## CREDIT STRUCTURE

### REPRESENTATIONS AND WARRANTIES RELATED TO THE HOME LOANS

In accordance with the provisions of the Home Loans Purchase and Servicing Agreement, each Seller will give certain representations and warranties relating to the transfer of Purchased Home Loans to the Issuer, including as to the compliance of the Purchased Home Loans with the Home Loan Eligibility Criteria. Without prejudice to such representations and warranties, none of the Sellers guarantees the solvency of the Borrowers or the effectiveness of the related Ancillary Rights (see Section “DESCRIPTION OF THE HOME LOAN AGREEMENTS AND THE HOME LOANS”).

### ISSUER EXCESS MARGIN

Irrespective of any credit enhancement mechanisms described in this Section, the main protection of the Noteholders derives, at any date, from the existence of an excess margin. The excess margin is equal to the difference between (i) the interest and Recoveries received under the Purchased Home Loans (less the Issuer Expenses and as the case may be, the Interest Rate Swap Net Amount, if any, due to the Interest Rate Swap Counterparty) and (ii) the interest amounts payable under the Notes (less, as the case may be, the Interest Rate Swap Net Amount, if any, due to the Interest Rate Swap Counterparty).

### SUBORDINATION OF THE CLASS B NOTES AND RESIDUAL UNITS

During the Amortisation Period and the Accelerated Amortisation Period:

- (i) payments of interest and principal due and payable in respect of the Class B Notes are subordinated to payments of interest and principal due and payable in respect of the Class A Notes; and
- (ii) payments of interest and principal due and payable in respect of the Residual Units are subordinated to payments of interest and principal in respect of the Notes of all Classes.

### GENERAL RESERVE

#### General Reserve Initial Cash Deposit

Under the Home Loans Purchase and Servicing Agreement, the Reserves Provider has undertaken to guarantee the performance of the Purchased Home Loans, up to an amount equal to, on the Issuer Establishment Date, the General Reserve Initial Cash Deposit Amount, in accordance with and subject to the provisions of the Reserve Cash Deposits Agreement.

Under the performance guarantee referred to above, the financial obligations (*obligations financières*) of the Reserves Provider towards the Issuer will consist in the obligation to make a payment to the Issuer if and to the extent where the Issuer is not able to make any of the following payments on any relevant Payment Date:

- (A) during the Amortisation Period: any of the payments set out in paragraphs (1), (2) and (3) of the Normal Priority of Payments; and
- (B) during the Accelerated Amortisation Period: any of the payments set out in paragraphs (1) to (4) of the Accelerated Priority of Payments,

on the basis of the funds available to it on such date, provided that in any case, whatever the amount of any such payments which the Issuer would not be able to make, the amount of the corresponding financial obligation (*obligation financière*) of the Reserves Provider under its performance guarantee shall be equal to the minimum of (i) the amount of that payment and (ii) the amount of the General Reserve Cash Deposit still outstanding as of the date on which that financial obligation (*obligation financière*) becomes due and payable pursuant to the performance guarantee referred to above, so that the aggregate of all financial obligations (*obligations financières*)



of the Reserves Provider under its performance guarantee will never exceed the amount of the General Reserve Initial Cash Deposit.

In accordance with articles L. 211-36 and L. 211-38 to L. 211-40 of the French Monetary and Financial Code and with the provisions of the Reserve Cash Deposits Agreement, as security for the full and timely payment of its financial obligations (*obligations financières*) under such performance guarantee, the Reserves Provider will make, on the Issuer Establishment Date, the General Reserve Initial Cash Deposit with the Issuer by way of full transfer of title (*remise de sommes d'argent en pleine propriété à titre de garantie*).

The General Reserve Initial Cash Deposit Amount will be equal to the General Reserve Required Amount applicable on the Issuer Establishment Date. The General Reserve Initial Cash Deposit will constitute the initial balance standing to the credit of the General Reserve Account.

#### **PURPOSE OF THE GENERAL RESERVE**

The amount standing to the credit of the General Reserve Account aims to provide liquidity and a protection to the Issuer in case of weak performance of the Purchased Home Loans, as the case may be, and shall be applied by the Issuer as described below.

#### **FUNCTIONING OF THE GENERAL RESERVE**

On each Payment Date during the Amortisation Period, the General Reserve Account will be, as applicable, replenished so that the amount standing to the credit of the General Reserve Account is equal to the General Reserve Required Amount applicable on that Payment Date, by the transfer of monies from the General Account to the General Reserve Account, in accordance with and subject to the applicable Priority of Payments.

On each Settlement Date preceding a Payment Date falling during the Amortisation Period and on the Settlement preceding the first Payment Date of the Accelerated Amortisation Period, the General Reserve Account shall be debited in full by the transfer of all monies standing to its credit (save any sums corresponding to remuneration credited by the Account Bank during the immediately preceding Quarterly Collection Period which shall be transferred to any bank account of the Reserves Provider on each Settlement Date) to the General Account and the corresponding monies will then be applied to the payment of any and all sums owed by the Issuer, in accordance with and subject to the applicable Priority of Payments.

#### **RELEASE OF THE GENERAL RESERVE**

On each Payment Date during the Amortisation Period, the General Reserve Cash Deposit will be released and reimbursed to the Reserves Provider up to the amount of the applicable General Reserve Decrease Amount, to the extent of Available Distribution Amount and in accordance with and subject to the Normal Priority of Payments.

On each Payment Date during the Accelerated Amortisation Period, the amount of the General Reserve Cash Deposit still outstanding will be fully reimbursed to the Reserves Provider, if and to the extent not reimbursed pursuant to the above paragraph, to the extent of Available Distribution Amount and in accordance with and subject to the Accelerated Priority of Payments.

#### **CREDIT ENHANCEMENT FOR THE CLASS A NOTES**

Credit enhancement for the Class A Notes will be provided by:

- (a) the Issuer excess margin, which will provide the first loss protection for the holders of the Class A Notes;
- (b) the General Reserve (subject to the specific rules pertaining to the allocation of the General Reserve);
- (c) the subordination at all times of payments of interest and principal due in respect of the Class B Notes; and
- (d) the subordination at all times of payments of interest and principal due in respect of the Residual Units.

In the event that the credit enhancement provided by the General Reserve is reduced to zero without any possibility of being further increased by debiting the General Account and the protection provided by the Issuer excess margin and the subordination of the Residual Units and the Class B Notes is reduced to zero, the Class A Noteholders will directly bear the risk of loss of principal and interest related to the Purchased Home Loans.

## **LIQUIDATION OF THE ISSUER, CLEAN-UP OFFER AND RE-PURCHASE OF THE HOME LOANS**

### **Introduction**

Pursuant to the Issuer Regulations and the Home Loans Purchase and Servicing Agreement, the Management Company may declare the early liquidation of the Issuer in accordance with the articles L. 214-186 and R. 214-226 of the French Monetary and Financial Code in the circumstances described below. Except in such circumstances, the Issuer would be liquidated on the Final Legal Maturity Date.

### **Liquidation**

The Management Company shall be entitled to declare the dissolution of the Issuer and liquidate the Issuer in one single transaction in case of the occurrence of any of the following events (each an “**Issuer Liquidation Event**”):

- (a) the liquidation is in the interest of the Noteholders and the Residual Unitholders; or
- (b) the Notes and the Residual Units issued by the Issuer are held by a single holder and such holder requests the liquidation of the Issuer; or
- (c) the Notes and the Residual Units issued by the Issuer are held solely by the Sellers and the Management Company receives a request in writing by the Sellers (or the Transaction Agent on their behalf), acting unanimously, to liquidate the Issuer; or
- (d) at any time, the Outstanding Principal Balance (*capital restant dû*) of the undue (*non échues*) Performing Home Loans held by the Issuer falls below 10 per cent. of the maximum aggregate of the Outstanding Principal Balance (*capital restant dû*) of the undue (*non échues*) Performing Home Loans recorded since the Issuer Establishment Date and the Management Company receives a request in writing by the Sellers (or the Transaction Agent on their behalf), acting unanimously, to liquidate the Issuer; or
- (e) after the occurrence of a Tax Event, a decision of the General Meeting of the Class A Noteholders or a Written Resolution passed under the applicable quorum and/or majority rule or a decision of the sole holder of the Class A Notes, as the case may be, requesting the liquidation of the Issuer; or
- (f) on the First Optional Redemption Date or any of the subsequent Optional Redemption Dates the Management Company receives a request in writing by the Sellers (or the Transaction Agent on their behalf), acting unanimously, to liquidate the Issuer.

### **Clean-up Offer**

Upon the occurrence of an Issuer Liquidation Event in the circumstances described above, pursuant to the provisions of the Home Loans Purchase and Servicing Agreement and the Issuer Regulations, the Management Company shall propose to each Seller, within the framework of a clean-up offer, to repurchase in a single transaction the Purchased Home Loans transferred by it to the Issuer and remaining among the Assets Allocated to the Issuer in accordance with the following terms and conditions.

### **Repurchase of the Home Loans**

The repurchase price of the Purchased Home Loans comprised within the Assets Allocated to the Issuer shall be in the case of a liquidation upon the occurrence of an Issuer Liquidation Event, an amount based on the fair market value of assets having similar characteristics to the Assets Allocated to the Issuer, having regard to the sum of the Outstanding Principal Balances of the Home Loans comprised within the Assets Allocated to the Issuer.

In addition such repurchase price, taking into account for this purpose the Issuer Cash, excluding the amounts of the Commingling Reserve, must be sufficient to enable the Issuer to repay in full all amounts

outstanding in respect of the Notes after payment of all other amounts due by the Issuer and ranking senior to the Notes in accordance with the Accelerated Priority of Payments.

The repurchase of the Assets Allocated to the Issuer in the circumstances described above will take place on a Payment Date, and at the earliest on the first Payment Date following the date on which the relevant event will have been determined by the Management Company.

Each Seller will be entitled to reject any clean-up offer proposed by the Management Company. Consequently, if the sale of the Purchased Home Loans to any Seller in accordance with the conditions set out above does not occur for whatever reason, the Management Company may offer to dispose of the remaining Assets Allocated to the Issuer, to any institution qualified to acquire these Purchased Home Loans under the same terms and conditions and subject to the specific provisions of the Home Loans Purchase and Servicing Agreement.

### **Liquidation Procedure of the Issuer**

The Management Company, pursuant to the provisions of the Issuer Regulations, shall be responsible for the liquidation procedure in the event of any liquidation of the Issuer. In this respect, it has full authority to dispose of the Assets Allocated to the Issuer.

On the Issuer Liquidation Date, the Management Company will apply the Issuer Cash (excluding the amounts of the Commingling Reserve) in accordance with and subject to the Accelerated Priority of Payments, and any amount standing to the credit of the Commingling Reserve Account upon the liquidation of the Issuer shall be released and retransferred directly to the Reserves Provider, in accordance with and subject to the Reserve Cash Deposits Agreement.

In accordance with the provisions set out in the Issuer Regulations, the Management Company shall inform of its decision to liquidate the Issuer (i) the Noteholders and the Residual Unitholders, (ii) the Rating Agencies and (iii) the AMF.

The Statutory Auditor and the Custodian shall continue to exercise their duties until the completion of the liquidation procedure of the Issuer.

## MODIFICATIONS TO THE TRANSACTION

### Modification of the elements contained in the Prospectus

The Management Company may agree to any modification of the elements contained in the Prospectus, except in the case of a transfer of the management further to a withdrawal of the licence of the Management Company, in respect of which the decision is taken solely by the Custodian.

After the listing of the Class A Notes on the regulated market of Euronext in Paris (Eurolist by Euronext Paris S.A.), any event which may have an impact on the Class A Notes and any modification of characteristic elements (*éléments caractéristiques*) contained in the Prospectus shall be made public in accordance with article 223-21 of the AMF General Regulations (*Règlement Général de l'Autorité des Marchés Financiers*).

Every significant new factor, material mistake or inaccuracy relating to the information contained in the Prospectus which may have a material impact on the valuation of the Class A Notes and which arises or is noted on a date falling between the date of the visa granted by the AMF in relation to the Prospectus and the Issue Date, shall be mentioned in a supplement to the Prospectus without undue delay which, prior to its diffusion, is submitted to the approval of the *Autorité des Marchés Financiers*.

This supplement to the Prospectus shall be published on the website of the Management Company and incorporated in the next Investor Report. Any such modification will be binding with respect to the Class A Noteholders within three (3) Business Days after they have been informed thereof.

### Modification of the Transaction Documents

The Management Company may agree, with any relevant Transaction Party, to amend or waive from time to time the provisions of the Issuer Regulations or any other Transaction Documents, provided that:

- (a) other than for amendments of a minor or mere technical nature or made to correct a manifest error, and, unless otherwise consented to or directed by the Noteholders (in accordance with the Conditions) and the Residual Unitholders (acting unanimously), amendments to the Issuer Regulations or to any other Transaction Documents shall be made provided that the Rating Agencies have received prior notice of any amendment and that such amendment shall not result, in the reasonable opinion of the Management Company, in the placement on “negative outlook” or as the case may be on “rating watch negative” or on “review for possible downgrade”, or the downgrading or the withdrawal of any of the ratings of the Class A Notes or that such amendment limits such downgrading or avoids such withdrawal;
- (b) any Basic Terms Modification in respect of the Class A Notes shall require the prior approval of the Class A Noteholders (by a decision of the General Meeting of the Class A Noteholders or Written Resolution passed under the applicable quorum and/or majority rule or of the sole holder of the Class A Notes, as the case may be), save as otherwise provided in the Terms and Conditions of the Notes (see Condition 7 (*Meetings of the Noteholders*));
- (c) any Basic Terms Modification in respect of the Class B Notes issued by the Issuer shall require the prior approval of the Class B Noteholders (by a decision of the General Meeting of the Class B Noteholders or Written Resolution passed under the applicable quorum and/or majority rule or of the sole holder of the Class B Notes, as the case may be), save as otherwise provided in the Terms and Conditions of the Notes (see Condition 7 (*Meetings of the Noteholders*));
- (d) any Basic Terms Modification in respect of the Residual Units issued by the Issuer shall require the prior approval of the relevant Residual Unitholder(s);
- (e) subject to paragraphs (a) to (d) above, any amendments to the Issuer Regulations shall be notified to the Noteholders and the Residual Unitholder(s), it being specified that such amendments shall be, automatically and without any further formalities (*de plein droit*), enforceable as against such Noteholders and Residual Unitholder(s) within three Business Days after they have been notified thereof; and

- (f) in relation to any amendment to the provisions of the Issuer Regulations, by no later than the effective date of such amendment, the Custodian has executed a new Custodian Acceptance Letter referring to the Issuer Regulations as amended or any other document in which the Custodian acknowledges and agrees to be bound to the Issuer Regulations as amended.

If it is required, in the reasonable opinion of the parties to the Transaction Documents, that the Transaction Documents be amended or supplemented after the date hereof, in order to comply with the Securitisation Regulation and/or any of its implementation measures, the parties to the Transaction Documents shall cooperate in good faith to amend and/or supplement the Transaction Documents without undue delay. Any reasonable and justified fees and expenses incurred in relation to any such amendment and/or supplement of the Transaction Documents shall be borne by BPCE.

In the case of a conflict between the interests of the holders of one Class of Notes and the holder of any other Class(es) of Notes and/or between the decisions taken by the Classes of Notes and the Residual Unitholders, the Management Company will (other than as set out in the Issuer Regulations, in particular with regards to modifications, consents and waivers) be required to have regard only to the Noteholders of the Most Senior Class of Notes Outstanding (unless such decision would result in a Basic Terms Modification in respect of another Class of Notes (including those of a junior rank) or of the Residual Units issued by the Issuer – in such a case, and unless the holders affected by such decision agree to such Basic Terms Modification, the Management Company shall not be bound to act pursuant to such decisions and shall incur no liability for such inaction) and will not have regard to any lower ranking Class of Notes nor to the interests of the Residual Unitholder except to ensure the application of the Issuer's funds in accordance with the relevant Priority of Payments.

Without prejudice to the generality of the foregoing, any modification of any of the provisions of the Transaction Documents which is made in order (a) to obtain or maintain the eligibility of the Class A Notes to the Eurosystem legal framework related to monetary policy, (b) for the Transaction to be able to qualify as a simple, transparent and standardised securitisation in accordance with the provisions of the Securitisation Regulation and the related regulatory technical standards and implementing technical standards or maintain such qualification, (c) to comply with any new requirement received from the Rating Agencies in relation to their rating methodology, (d) to comply with the LCR Regulation and the related regulatory technical standards and implementing technical standards, (e) to implement the changes required by or comply with the OT Reform (including, without limitation, (i) any amendment made to the provisions of the AMF General Regulations following the Issue Date in order to implement the OT Reform and (ii) any other text implementing or ratifying the OT Reform as will be adopted or will enter into force following the Issue Date), (f) to comply with any changes in the requirements of the CRA Regulation, (g) to enable the Class A Notes to be (or to remain) listed and admitted to trading on Euronext Paris, (h) to enable the Issuer and/or the Interest Rate Swap Counterparty to comply with any obligation which applies to it under EMIR or (i) to make such changes as are necessary to facilitate the transfer of the Interest Rate Swap Agreement to a replacement swap counterparty, in circumstances where such Interest Rate Swap Counterparty does not satisfy the applicable rating requirement or has breached its terms of appointment and subject to such replacement swap counterparty satisfying the applicable rating requirements, will not necessarily require consent from the Noteholders or the Residual Unitholders, if such modification (1) (i) does not result in the placement on "negative outlook", "rating watch negative" or "review for possible downgrade" or the downgrading or withdrawal of any of the ratings of the Class A Notes or (ii) limits such downgrading of or avoids such withdrawal of the rating of any Class A Notes which could have otherwise occurred and (2) is not a Basic Terms Modification in respect of the Notes, provided that the Management Company shall remain entitled to consult the Noteholders and the Residual Unitholders in relation to any such modification to obtain their view on the same.

For the avoidance of doubt, no party to the Transaction Documents has agreed in advance to make the above listed modifications and their implementation will therefore be subject to the approval of each party to the Transaction Documents which may be impacted by any such modifications.

In addition, for the avoidance of doubt, notwithstanding the above provisions and notwithstanding the potential Basic Terms Modification in respect of the Class A Notes, the potential Basic Terms Modification in respect of the Class B Notes and potential Basic Terms Modification in respect of the Residual Units that would be triggered by any modification to the way of determining the Class A Notes Interest Rate implemented in accordance with the procedure set out in Condition 8(c) (*Additional Right of Modification without Noteholders' consent in relation to EURIBOR Discontinuation or Cessation*), such change or modification will not require to

call a General Meeting of the Class A Noteholders (except in the specific circumstance provided for in such Condition) or the Class B Noteholders or to consult the Residual Unitholders.

Any amendment to the relevant Transaction Documents shall require the prior consent of the Interest Rate Swap Counterparty:

- (i) where such amendment has or could have a material adverse effect on the interests of the Interest Rate Swap Counterparty under the Interest Rate Swap Agreement or under the relevant Transaction Documents;  
or
- (ii) if any Funds Allocation Rules are amended.

The Management Company may also agree with the Custodian to amend the Custodian Agreement, provided that if a contemplated amendment to the Custodian Agreement also require the provisions of the Transaction Documents to be amended, the rules applicable to the amendment of the Transaction Documents, as set out in the Issuer Regulations, will need to be complied with for the amendment of the Transaction Documents. For the avoidance of any doubt, the amendment rules applicable to the Transaction Documents will not apply to the Custodian Agreement which will be amended in accordance with its specific contractual rules.

Any material amendment to the Transaction Documents shall be disclosed by the Management Company in accordance with article 7(1)(g)(v) of the Securitisation Regulation.

Notwithstanding the provisions set out in the sections “Modification of the elements contained in the Prospectus” and “Modification of the Transaction Documents” above, the Management Company will, under all circumstances, act in the interest of the Noteholders and of the Residual Unitholders.

## **GOVERNING LAW – SUBMISSION TO JURISDICTION**

### **Governing Law**

The Transaction Documents will be governed by and interpreted in accordance with French Law.

### **Jurisdiction**

The parties to the Transaction Documents have agreed to submit any dispute that may arise in connection with the Transaction Documents to the exclusive jurisdiction of the competent courts in commercial matters within the jurisdiction the *Cour d'Appel* of Paris.



## GENERAL ACCOUNTING PRINCIPLES GOVERNING THE ISSUER

The accounts of the Issuer, generally, shall be prepared in accordance with the recommendations of the French *Conseil National de la Comptabilité* (the National Accounting Board) as set out in its *avis* no. 2003-09 dated 24 June 2003 implemented by Regulation of the French *Comité de la Réglementation Comptable* no. 2003-03 dated 2 October 2003.

### **Purchased Home Loans and income**

The Purchased Home Loans shall be recorded on the Issuer's balance sheet at their nominal value. The potential difference between the purchase price and the nominal value of the receivables, whether positive or negative, shall be carried in an adjustment account on the asset side of the balance sheet. In the event that this difference is significant, it shall be carried forward on a *pro rata temporis* and *pari passu* basis of the amortisation of the Purchased Home Loans and otherwise it shall be amortised at once.

The interest on the Purchased Home Loans shall be recorded in the income statement, *pro rata temporis*. The accrued and overdue interest shall appear on the asset side of the balance sheet in an apportioned receivables account.

Delinquencies on the Purchased Home Loans existing as at the Purchase Date are recorded in an adjustment account on the asset side of the balance sheet. This amount shall be carried forward on a *pro rata temporis* basis over a period of 12 months. Defaults on the Purchased Home Loans existing as at the Purchase Date are recorded in a loss account and any settlement in respect of any such Purchased Home Loan is recorded as a recovery in the profit and loss statement.

The Home Loans that are accelerated by any Servicer pursuant to the terms and conditions of the Home Loans Purchase and Servicing Agreement and in accordance with the Servicing Procedures shall be accounted for as a bad debt and as an expenses in the account for defaulted assets.

### **Issued Notes and income**

The Notes and the Residual Units shall be recorded at their nominal value and disclosed separately in the liability side of the balance sheet. Any potential differences, whether positive or negative, between the issuance price and the nominal value of the Notes be recorded in an adjustment account on the liability side of the balance sheet. These differences shall be carried forward to the income statement on a *pro rata* basis with the amortization of the relevant Notes.

The interest due with respect to the Notes shall be recorded in the income statement *pro rata temporis*. The accrued and overdue interest shall appear on the liability side of the balance sheet in an apportioned liabilities account.

### **Expenses, fees and income related to the operation of the Issuer**

The various fees and income paid to the Custodian, the Management Company, the Servicers, the Paying Agent, the Data Protection Agent, the Specially Dedicated Account Bank and the Account Bank shall be recorded, as expenses, in the accounts *pro rata temporis* over the accounting period.

All costs related to the establishment of the Issuer shall be borne by the Transaction Agent on behalf of the Sellers and shall be re-invoiced by the Transaction Agent to the Sellers at any time thereafter in proportion to their respective share in the total securitised exposure.

### **Interest Rate Swap Agreement**

The Interest Rate Net Amounts received and paid pursuant to the Interest Rate Swap Agreement shall be recorded at its net value in the income statement. The accrued Interest Rate Net Amounts to be paid or to be received shall be recorded in the income statement *pro rata temporis*. The accrued Interest Rate Net Amounts to be paid or to be received shall be recorded, with respect to the Interest Rate Swap Agreement, on the liability side of the balance sheet, where applicable, on an apportioned liabilities account (*compte de créances ou de dettes rattachées*).

### **Amount standing to the credit of the General Reserve Account**

The amount standing to the credit of the General Reserve Account shall be recorded to the credit of the General Reserve Account on the liability side of the balance sheet.

### **Amount standing to the credit of the Commingling Reserve Account**

The amount standing to the credit of the Commingling Reserve Account shall be recorded to the credit of the Commingling Reserve Account on the liability side of the balance sheet.

### **Income**

The net income shall be posted to a retained earnings account.

### **Liquidation Surplus**

The Liquidation Surplus shall consist of the income arising from the liquidation of the Issuer and the retained earnings.

### **Duration of the accounting periods**

Each accounting period of the Issuer shall be 12 months and begin on 1 January and end on 31 December, save for the first accounting period of the Issuer which shall begin on the Issuer Establishment Date and end on 31 December 2021.

### **Accounting information in relation to the Issuer**

The accounting information with respect to the Issuer shall be provided by the Management Company, under the supervision of the Custodian, in its annual report of activity and half-yearly report of activity, pursuant to the applicable accounting standards.

As at the Issuer Establishment Date, the provisions of the said accounting standards lead to the presentation of consolidated accounts of the Issuer, which are audited by the statutory auditor of the Issuer.

### THIRD PARTY EXPENSES

The Issuer Expenses include the following expenses and fees. In accordance with the Issuer Regulations, the Issuer Expenses will be paid to their respective beneficiaries pursuant to the relevant Priority of Payments and the amounts of fees set out in this Section “THIRD PARTY EXPENSES” may be increased in accordance with the provisions of the Transaction Documents and in line with market practices.

The amounts of Issuer Expenses set out below are expressed exclusive of VAT. VAT will be paid by the Issuer in addition to such amounts, if charged.

#### Management Company

In consideration for its obligations with respect to the Issuer, the Management Company shall receive a fee (taxes excluded) equal to EUR 54,000 per annum, payable in equal portions on each Payment Date.

The Management Company will also receive, on each Payment Date, in addition to the fees mentioned above, a fee equal to 1/12 of 0.002 per cent. of the Outstanding Principal Balance of the Purchased Home Loans, as determined by the Management Company as of the beginning of each of the three Monthly Collection Periods immediately preceding such Payment Date, and payable in equal portions on each Payment Date.

The Management Company will receive an amount equal to EUR 1,000 (taxes excluded) each time it has to apply any Priority of Payments on a date which is not a Payment Date and including for the avoidance of doubt, any payment to be made outside of the Priorities of Payment on a date which is not a Payment Date.

The Management Company shall also receive a liquidation fee equal to EUR 5,000 (taxes excluded), an anticipated liquidation fee (in case of the liquidation occurs during of the first three years of the transaction) equal to EUR 15,000 (taxes excluded) and a fee equal to EUR 10,000 (taxes excluded) each time a new entity replaces any Servicer following the occurrence of an Individual Servicer Termination Event or a Master Servicer Termination Event.

The Management Company shall also receive a fee for the amendment of the Transaction Documents and/or the Prospectus at a daily rate of EUR 900 per working day activity per person (*jour homme*) payable on the Payment Date following such amendment.

The Management Company shall also receive, on each Payment Date, an additional fee, in case of reprocessing data file (*frais de retraitement de fichier* “Master Servicer Report”) equal to EUR 2,500 (taxes excluded) by restatement.

The Management Company will also receive:

- (a) a fee equal to EUR 1,500 per each FATCA and/or each AEOI declaration;
- (b) a fee equal to EUR 1,000 per each consultation of the Noteholders and/or the Residual Unitholders (outside the scope of a merger, partial contribution of assets or any other mode of transfer by operation of law (*transmission universelle de patrimoine*));
- (c) a fee equal to EUR 700 per publication and per report in case of specific reporting to be published other than any specific reporting referred to in items (d) and (e) below;
- (d) a fee equal to EUR 4,000 per annum plus an additional fee of EUR 500 per publication and per report to comply with its duties as legal representative of the Reporting Entity in accordance with items (1) to (7) of the second paragraph of sub-section “Securitisation Regulation Transparency Requirements” of Section “INFORMATION RELATING TO THE ISSUER”; and
- (e) a fee equal to EUR 500 per publication and per report in case of specific reporting to be published in addition to the quarterly reporting required in consideration for its duties as legal representative of the Reporting Entity in accordance with the second paragraph of sub-section “Securitisation Regulation Transparency Requirements” of Section “INFORMATION RELATING TO THE ISSUER”.

If, after the Issuer Establishment Date, any Seller, any Servicer, the Transaction Agent, the Noteholders and/or the Residual Unitholders, the Rating Agencies, the Interest Rate Swap Counterparty or any other stakeholders request the Management Company to make significant modifications, changes to reporting or to produce significant materials as a result of regulatory or operational requirements (except in the case of an amendment which is of a formal, minor or technical nature or is made to correct a manifest error or the liquidation of the Issuer), the Management Company shall be entitled to be indemnified on the basis of the time spent by charging an additional fee at a daily rate of EUR 900 per working day activity per person subject to the prior agreement of such requesting party. This amount is given for indicative purpose and as a consequence of the application of the Securitisation Regulation and/or any implementation measures, the Management Company and the Transaction Agent shall discuss in good faith to amend or complete the fee that the Management Company shall receive.

The Management Company will also receive, in addition of the fees mentioned above, other fees for specific tasks as to be carried out for the purposes of the management of the Issuer, and the reimbursement of all taxes as may be reasonably incurred for the operation of the Issuer and paid directly by the Management Company, with the prior consultation of the Transaction Agent.

### **Custodian**

In consideration for its obligations with respect to the Issuer (including in its capacity as registrar in relation to the Class B Notes and Residual Units), the Custodian shall receive a fee equal to EUR 45,000 *per annum* (taxes excluded) (including EUR 5,000 *per annum* (taxes excluded) in its capacity as registrar in relation to the Class B Notes and Residual Units), payable in equal portions on each Payment Date.

The Custodian shall also receive a fee for the amendment of the documentation or the replacement of a party or the liquidation of the Issuer equal to EUR 5,000 (taxes excluded).

### **Statutory Auditor**

The statutory auditor of the Issuer shall receive a fee of EUR 5,000 *per annum* (taxes excluded). Such fees will be payable directly by the Issuer to the statutory auditor on receipt of an invoice from the statutory auditor, in accordance with, and subject to, the applicable Priority of Payments.

### **Servicer**

In consideration for its obligations with respect to the Issuer, each Servicer shall receive, on each Payment Date a “**Servicing Fee**” equal to:

- (i) in respect of the administration and collection (*gestion*) of the Purchased Home Loans in respect of which it is responsible, an all-inclusive quarterly fee (exclusive of any value added tax, if any, and any disbursement whatsoever) equal to the aggregate of 1/12 of 0.1 per cent. *per annum* of the Outstanding Principal Balance of such Purchased Home Loans, as of the beginning of each of the three Monthly Collection Periods preceding such Payment Date;
- (ii) in respect of the recovery (*recouvrement*) of the Delinquent Home Loans and the Defaulted Home Loans in respect of which it is responsible, an all-inclusive quarterly fee (inclusive of any value added tax, if any, and any disbursement whatsoever) equal to the aggregate of 1/12 of 0.5 per cent. *per annum* of the Outstanding Principal Balances of the Delinquent Home Loans and the Defaulted Home Loans as of the beginning of each of the three Monthly Collection Periods preceding such Payment Date.

### **Transaction Agent**

For the avoidance of doubt, no fees will be paid by the Issuer to BPCE in consideration for its obligations as Transaction Agent. In case of substitution of the Transaction Agent, a fee may need to be paid by the Issuer to the substitute transaction agent.

## **Account Bank**

In consideration for its obligations with respect to the Issuer, the Account Bank shall receive a fee equal to EUR 273 per month per Issuer Account (excluding VAT), plus EUR 15 per each Target transfer and EUR 8 per each SEPA wire transfer implemented by the Account Bank, payable in arrears on each Payment Date.

Should a collateral securities account be opened, additional fees may need to be borne by the Issuer, to be agreed between the Management Company, the Custodian, the Account Bank and, if different, the holder of such collateral securities account provided that such fees do not exceed EUR 1,000 (if these fees exceed EUR 1,000, they will be borne by the Transaction Agent on behalf of the Sellers and will then be re-invoiced by the Transaction Agent to the Sellers at any time thereafter in proportion to their respective share in the total securitised exposure).

## **Paying Agent and Listing Agent**

In consideration for its obligations with respect to the Issuer, the Paying Agent shall receive:

- (a) subject to paragraph (b) below, a fee of EUR 350 (excluding VAT) per payment of any Class A Notes Interest Amount, and a fee of EUR 350 (excluding VAT) per payment of any principal amount paid in relation to the Class A Notes (if any), with both fees payable in arrears by the Issuer on each Payment Date;
- (b) if any holder of Class A Notes has requested that the relevant Class A Notes it has subscribed be in the registered form, the administrative servicing (*service titre*),
  - (i) a fee of EUR 350 per inscription on the registered account for any holder of Class A Notes;
  - (ii) an annual fee of EUR 150 (excluding VAT) per holder of Class A Notes which has requested that the relevant Class A Notes subscribed by it be in the registered form, with a minimum of EUR 1,500 in total for all holders of Class A Notes concerned, payable in arrears by the Issuer on each Payment Date, and

provided that the fees mentioned in (i) and (ii) above apply only in the event that a maximum of 20 holders of Class A Notes have requested that the relevant Class A Notes they have subscribed be in the registered form, in the event that more than 20 holders of Class A Notes have made such request, these amounts shall be re-assessed and agreed between the Management Company, the Custodian and the Paying Agent.

In consideration for its obligations with respect to the Issuer, the Listing Agent shall receive upfront fees payable by the Issuer Establishment Date by the Transaction Agent on behalf of the Sellers. For the avoidance of doubt, no fees will be paid by the Issuer to the Listing Agent.

## **Rating Agencies**

The monitoring and surveillance fees payable by the Issuer to the Rating Agencies will be equal to:

- (a) in respect of Fitch: an annual surveillance fee of EUR 17,000 (taxes excluded) per annum increased by 3.0% annually and rounded to the nearest EUR 250;
- (b) in respect of Moody's: an annual surveillance fee of EUR 18,000 (taxes excluded) per annum,

in each case payable on the Payment Date immediately following the date of the invoice received from the relevant Rating Agency.

## **Data Protection Agent**

In consideration for its obligations with respect to the Issuer, the Data Protection Agent shall receive a fee of EUR 1,000 per annum, payable annually in arrears and of EUR 750 (taxes excluded) per test (if any) after the

launch of the transaction. All taxes, expenses and costs incurred by the Data Protection Agent in connection with the Home Loans Purchase and Servicing Agreement shall be deemed fully compensated by such fee.

### **General Expenses**

The Issuer will also pay such other fees and expenses as may be reasonably incurred for its operation or in relation to the Notes, and in particular:

- (a) the expenses relating to the calling and holding of General Meetings and seeking of Written Resolutions in accordance with Condition 7 (*Meetings of the Noteholders*) and more generally, all administrative expenses resolved upon by the General Meeting or in writing by the Noteholders;
- (c) an annual fee payable to the *Autorité des Marchés Financiers* in an amount equal to 0.0008% of the aggregate of (i) the Principal Amount Outstanding of each class of Notes and (ii) the nominal amount of the Residual Units as at the 31<sup>st</sup> December of each year; and
- (d) a fee equal to EUR 7,000 (taxes excluded) *per annum* payable to the European DataWarehouse in consideration for the fact that the Management Company will publish on the EDW Website (or when a securitisation repository is registered in accordance with article 10 (*Registration of a securitisation repository*) of the Securitisation Regulation, on the Securitisation Repository's website) such information and documents as required to comply with article 7 of the Securitisation Regulation, provided that this fee may vary once a Securitisation Repository has been registered in accordance article 10 of the Securitisation Regulation and the documents and information set-out in Section "INFORMATION RELATING TO THE ISSUER";
- (e) a fee equal to EUR 5,000 (taxes excluded) *per annum* payable to Moody's Analytics for the provision of STS compliant liability cash flow model, annually on the Payment Date following receipt of the relevant invoice;
- (f) any Benchmark Rate Modification Costs.

As part of the Issuer Expenses, the Management Company, acting in its discretion and in the interest of the Noteholders and Residual Unitholders, may use such amount as it deems necessary to ensure the continuation of the Home Loan Agreements.

## **INFORMATION RELATING TO THE ISSUER**

The Management Company shall publish information relating to the Issuer in accordance with the then current and applicable accounting rules and practices.

### **Annual Information**

Within four (4) months after the end of each financial year, the Management Company shall prepare and publish, in accordance with the then current and applicable accounting rules and practices and under the supervision of the Custodian, an annual report of activity which shall include:

1. the annual financial statements, together with the audit report from the statutory auditor.

The accounting documents are the following:

- (a) the inventory of the Assets Allocated to the Issuer including:
  - (i) the inventory of the portfolio of the Purchased Home Loans purchased by the Issuer; and
  - (ii) the amount and the distribution of the Issuer Cash;
- (b) the annual accounts including:
  - (i) the Issuer's balance sheet;
  - (ii) the Issuer's income statement; and
  - (iii) the appendix describing the accounting methods applied and, if appropriate, a detailed report on the debts of the Issuer and the guarantees received.

2. A report including:

- (a) the amount and proportion of all fees and expenses borne by the Issuer during the financial year;
- (b) the amount of the Issuer Cash by reference to the Assets Allocated to the Issuer;
- (c) a description of the transactions carried out by the Issuer during the course of the financial year;
- (d) any ratio related to the transactions carried out by the Issuer during the course of the financial year; and
- (e) information relating to the Purchased Home Loans and the Notes.

3. Any changes made to the rating reports on the Class A Notes and to the main features of the Prospectus and any event which may have an impact on the Notes.

The statutory auditor shall verify the accuracy of the information contained in the annual activity report.

### **Half-yearly Information**

Within three (3) months after the end of the first half of the financial year, the Management Company shall prepare and publish, in accordance with the then current and applicable accounting rules and practices and under the supervision of the Custodian, a report of activity for the first half of the year which shall include:

1. the unaudited financial statements, together with the review report by the statutory auditor;

2. the information specified in paragraphs 2.(b), 2.(c) and 2.(d) of the above Section entitled “INFORMATION RELATING TO THE ISSUER – Annual Information”; and
3. any changes made to the rating reports on the Class A Notes and to the main features of the Prospectus and any event which may have an impact on the Notes issued by the Issuer.

The statutory auditor shall verify that the information contained in the report of activity for the first half of the fiscal year is true and accurate.

The annual report of activity, the report of activity for the first half of the financial year and any other information published by the Management Company with respect to the Issuer shall be provided to the Noteholders upon requests. Such reports will also be available at the principal office of the Custodian.

### **Quarterly Information (Investor Report)**

The Management Company shall prepare and provide to the Custodian the Investor Report on each Calculation Date and, after validation by the Custodian which shall occur at the latest on the Investor Reporting Date, making available and publishing on its internet website ([www.france-titrisation.fr](http://www.france-titrisation.fr)), the Investor Report on such Investor Reporting Date.

The Investor Report shall be substantially in a form as set out in schedule 4 to the Issuer Regulations, as the same may be amended and/or supplemented from time to time by agreement between the Management Company and the Custodian, including if so required in accordance with the Issuer Regulations, and will provide the relevant information to investors including:

- (a) data on the portfolio of Purchased Home Loans and related information with regards to the payments to be made on the following Payment Date under the Notes and the Residual Units in accordance with the Issuer Regulations;
- (b) any material amendment to the Credit Guidelines of the Sellers notified to it by the Transaction Agent or the relevant Sellers;
- (c) any material amendment or substitution to the Servicing Procedures notified to it by the Transaction Agent or the relevant Servicers in accordance with the provisions of the Home Loans Purchase and Servicing Agreement;
- (d) updated information in relation to the exercise of a call option or a clean up call option;
- (e) updated information with respect to the Notes, the credit enhancement with the subordination of each Class of Notes, the liquidity support, the then current ratings in respect of the Class A Notes, the applicable Rate of Interest with respect to the Class A Notes;
- (f) information on the then current ratings of:
  - (i) the Account Bank with respect to the Account Bank Required Ratings;
  - (ii) the Specially Dedicated Account Bank with respect to the Account Bank Required Ratings;
  - (iii) the Interest Rate Swap Counterparty with respect to the applicable required ratings; and
- (g) information about the retention of the material net economic interest by the Sellers in compliance with article 6 of the Securitisation Regulation

In addition, the Management Company will disclose in the first Investor Report the amount of Class A Notes retained by any Seller, privately-placed with investors which are not among the Sellers, and publicly-placed with investors which are not among the Sellers; and in any subsequent Investor Report, the Management Company will disclose the amount of Class A Notes initially retained by any Seller but subsequently placed with any investor outside of the Sellers' group (as applicable).



## Securitisation Regulation Transparency Requirements

For the purposes of article 7(2) of Securitisation Regulation, the Sellers, the Transaction Agent and the Management Company on behalf of the Issuer have agreed in the Home Loans Purchase and Servicing Agreement that the Issuer will act as Reporting Entity in order to fulfil the information requirements pursuant to points (a), (b), (d), (e), (f) and (g) of the first subparagraph of paragraph 7(1) of Securitisation Regulation. In each case, information shall be made available by the Management Company on behalf of the Issuer to the Noteholders, the competent authorities referred to in article 29 of the Securitisation Regulation and, upon request, to potential investors and shall be published on the EDW Website (or when a securitisation repository is registered in accordance with article 10 (*Registration of a securitisation repository*) of the Securitisation Regulation, on the Securitisation Repository's website), as follows:

- (1) before pricing, the Management Company has made available to the competent authorities referred to in article 29 of the Securitisation Regulation and, upon request, potential investors:
  - (a) all underlying documentation that is essential for the understanding of the transaction described in this Prospectus (being, the preliminary Prospectus and the drafts Transaction Documents (other than the draft Class A Notes Subscription Agreement)) as required by and in accordance with Articles 7(1)(b) and 22(5) of the Securitisation Regulation;
  - (b) the draft STS notification as required by and in accordance with Articles 7(1)(d) and 22(5) of the Securitisation Regulation; and
  - (c) upon request, loan-level data with respect to the Purchased Home Loans, as required by and in accordance with Articles 7(1)(a) and 22(5) of the Securitisation Regulation using the then applicable template for disclosure;
- (2) on or before the Issue Date or within 15 calendar days following the Issue Date at the latest, the Management Company shall publish:
  - (a) all underlying documentation that is essential for the understanding of the transaction described in this Prospectus (being, the Prospectus and the Transaction Documents (other than the Class A Notes Subscription Agreement)), as required by and in accordance with Articles 7(1)(b) and 22(5) of the Securitisation Regulation; and
  - (b) the STS notification referred to in article 27 of the Securitisation Regulation, as required by and in accordance with Articles 7(1)(d) and 22(5) of the Securitisation Regulation;
- (3) on a quarterly basis and within one (1) month of each Payment Date, the Management Company shall publish loan-level data with respect to the Purchased Home Loans, as required by and in accordance with Article 7(1)(a) of the Securitisation Regulation which shall be provided in the form of the standardised template set out in Annex II of the Commission Delegated Regulation (EU) 2020/1224;
- (4) on a quarterly basis and within one (1) month of each Payment Date and simultaneously with the information provided under item (3) above, the Management Company shall publish the relevant Securitisation Regulation Investor Report, as required by and in accordance with Article 7(1)(e) of the Securitisation Regulation, which shall be provided in the form of the standardised template set out in Annex XII of the Commission Delegated Regulation (EU) 2020/1224, setting out:
  - (a) information about the retention of the material net economic interest by the Sellers in compliance with article 6 of the Securitisation Regulation;
  - (b) all materially relevant data on the credit quality and performance of the Purchased Home Loans;
  - (c) information on events which trigger changes in the applicable Priority of Payments or (provided that such information shall be reported prior to such date, if necessary to make sur that such information is reported to investors without undue delay) the replacement of any party to the Transaction Documents,

and data on the cash flows generated by the Purchased Home Loans and by the Notes and Residual Units and any other liabilities of the Issuer;

- (d) any material amendment to, or substitution of, Servicing Procedures notified to the Management Company by the Transaction Agent or the relevant Servicer in accordance with the provisions of the Home Loans Purchase and Servicing Agreement (provided that such information shall be reported prior to such date, if necessary to make sure that such information is reported to investors without undue delay);
  - (e) if and when the relevant information on environmental performance of the properties financed by the Home Loans becomes available, any such information which has been communicated by the Transaction Agent to the Management Company;
- (5) the Management Company shall publish without delay, in accordance with Article 7(1)(g)(v) of the Securitisation Regulation, any material amendment to any Transaction Documents (provided that, as indicated in Section “MODIFICATIONS TO THE TRANSACTION”, any amendments to the Issuer Regulations shall be notified to the Noteholders and the Residual Unitholder(s), it being specified that such amendments shall be, automatically and without any further formalities (*de plein droit*), enforceable as against such Noteholders and Residual Unitholder(s) within three (3) Business Days after they have been notified thereof); and
- (6) the Management Company shall publish without delay,
- (a) in accordance with Article 7(1)(f) of the Securitisation Regulation, any inside information relating to the securitisation that the Sellers as originators or the Issuer as SSPE are obliged to make public in accordance with Article 17 of Regulation (EU) No 596/2014 of the European Parliament and of the Council (2) on insider dealing and market manipulation; and
  - (b) in accordance with article 7(1)(g) of the Securitisation Regulation, any significant event, such as:
    - (i) any material breach of the obligations provided for in any Transaction Documents, including any remedy, waiver or consent subsequently provided in relation to such a breach;
    - (ii) any change in the structural features that can materially impact the performance of the securitisation;
    - (iii) any change in the risk characteristics of the securitisation or of the Purchased Home Loans that can materially impact the performance of the securitisation;
    - (iv) the Transaction ceasing to meet the STS requirements or competent authorities having taken remedial or administrative actions;

such information to be provided in the form set out in Annex XIV of the Commission Delegated Regulation (EU) 2020/1224,

provided that, as soon as a securitisation repository has been registered in accordance with article 10 of the Securitisation Regulation, the documents and information set out in items (1) to (6) above shall be made available by means of such Securitisation Repository.

In addition to the above, the Transaction Agent, on behalf of the Sellers, as originators, has agreed to make available to the Noteholders (only for paragraph (ii) below), competent authorities referred to in article 29 of the Securitisation Regulation and, upon request, potential investors:

- (a) before pricing:
  - (i) the Cash Flow Model through Bloomberg and/or Moody's Analytics and/or any other relevant modelling platform;

- (ii) in relation to exposures substantially similar to the pool of Home Loans to be transferred to the Issuer on the Purchase Date, historical data covering a period of at least five (5) years on static and/or dynamic format including recovery performance, delinquency and default data;
- (ii) on an ongoing basis after pricing, the Cash Flow Model through Bloomberg and/or Moody's Analytics and/or any other relevant modelling platform (which Cash Flow Model shall be updated, in case of significant changes in the cash flow structure of the transaction described in this Prospectus).

To the extent any developing regulations or technical standards prepared under the Securitisation Regulation come into effect after the date hereof and require such reports to be published in a different manner or on a different website, the Management Company shall comply with the requirements of such developing regulations or technical standards when publishing such reports.

Notwithstanding the above, the Sellers shall be responsible for the compliance with article 7 of the Securitisation Regulation, in accordance with article 22(5) of the Securitisation Regulation.

Any additional information shall be published by the Management Company as often as it deems appropriate according to the circumstances affecting the Issuer and under its responsibility.

In a press release dated 15 November 2018, the European DataWarehouse has announced that the EDW Website, which the Management Company uses to publish the Securitisation Regulation Investor Report or any other documents to be published by it, adheres to the following parameters:

- (a) it includes a well-functioning data quality control system;
- (b) it is subject to appropriate governance standards and to maintenance and operation of an adequate organisational structure that ensures the continuity and orderly functioning of the website;
- (c) it is subject to appropriate systems, controls and procedures that identify all relevant sources of operational risk;
- (d) it includes systems that ensure the protection and integrity of the information received and the prompt recording of the information;
- (e) it makes it possible to keep record of the information for at least five years after the Issuer Liquidation Date.

None of the information contained in the Management Company's website, the EDW Website, the Securitisation Repository and any other website mentioned in this Prospectus or the securitisation repository forms part of this Prospectus.

### **Additional Information**

The Management Company shall publish on its internet website, or through any other means that it deems appropriate, any information regarding the Sellers, the Servicers, the Purchased Home Loans, the Notes and the management of the Issuer which it considers significant in order to ensure adequate and accurate information for the Noteholders.

## SUBSCRIPTION AND SALE

### SUBSCRIPTION

Subject to the terms and conditions set out in the Class A Notes Subscription Agreement, the Joint Lead Managers have agreed, subject to certain conditions precedent, to subscribe severally but not jointly and pay for, or procure the subscription and the payment for, on the Issue Date, the Class A Notes at their issue price equal to 101.167 per cent. of their Initial Principal Amount, less the commissions agreed by the Joint Lead Managers and the Issuer.

The Joint Lead Managers are the beneficiaries of certain representations, warranties and undertaking of indemnification from the Sellers and the Issuer.

The Sellers do not intend to retain at least 5 per cent. of the credit risk of the securitised assets for purposes of compliance with the U.S. Risk Retention Rules based on an exemption from such rules and the issuance of the Notes was not designed to comply with the U.S. Risk Retention Rules. Except with the prior written consent of the Transaction Agent (on behalf of the Sellers) (a “**U.S. Risk Retention Consent**”) and as permitted by the exemption provided under Section 20 of the U.S. Risk Retention Rules, the Notes sold on the Issue Date may not be purchased by, or for the account or benefit of, persons that are “U.S. persons” as defined in the U.S. Risk Retention Rules (“**Risk Retention U.S. Persons**”) and each purchaser of Notes, including beneficial interests therein, will, by its acquisition of a Note or beneficial interest therein, be deemed, and, in certain circumstances, will be required to represent and agree that it (1) either (i) is not a Risk Retention U.S. Person or (ii) has obtained a U.S. Risk Retention Consent from the Transaction Agent (on behalf of the Sellers), (2) is acquiring such Note or a beneficial interest therein for its own account and not with a view to distribute such Note and (3) is not acquiring such Note or a beneficial interest therein as part of a scheme to evade the requirements of the U.S. Risk Retention Rules, including acquiring such Note through a non-Risk Retention U.S. Person, rather than a Risk Retention U.S. Person, as part of a scheme to evade the 10 per cent. Risk Retention U.S. Person limitation in the exemption provided for in Section 20 of the U.S. Risk Retention Rules described herein. See below Section “REGULATORY ASPECTS” and Section “SUBSCRIPTION AND SALE – United States of America”. Any Risk Retention U.S. Person wishing to purchase Notes must inform the Issuer, the Transaction Agent on behalf of the Sellers, the Joint Arrangers and the Joint Lead Managers that it is a Risk Retention U.S. Person.

None of the Joint Arrangers, the Joint Lead Managers, the Seller, the Issuer or any of their affiliates makes any representation to any prospective investor or purchaser of the Notes as to whether the transactions described in this Prospectus comply as a matter of fact with the U.S. Risk Retention Rules on the Issue Date or at any time in the future. Investors should consult their own advisors as to the U.S. Risk Retention Rules. No predictions can be made as to the precise effects of such matters on any investor or otherwise.

### PLAN OF DISTRIBUTION AND TRANSFER RESTRICTIONS

#### THE CLASS A NOTES MAY NOT BE SUITABLE FOR ALL INVESTORS

The Class A Notes may involve substantial risks and are suitable only for sophisticated investors who possess knowledge and experience in structured finance investments and have the necessary background and resources to evaluate the risks and the merits of an investment in the Class A Notes. Each potential investor in the Class A Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (a) have sufficient knowledge and experience to make a meaningful evaluation of the Class A Notes, the merits and risks of investing in the Class A Notes and the information contained or referred to in this Prospectus;
- (b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Class A Notes and the impact the Class A Notes will have on its overall investment portfolio;

- (c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Class A Notes (up to a total loss of the investment) without having to prematurely liquidate the investment, with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- (d) be able to read and understand the relevant English and, when relevant, French terminology employed in this Prospectus;
- (e) understand thoroughly the terms of the Class A Notes and be familiar with the behaviour of any indices and financial markets; and
- (f) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Furthermore, each potential investor should base its investment decision on its own and independent investigation and on the advice of its professional advisors (with whom the investor may deem it necessary to consult), be able to assess if an investment in the Notes (i) is in compliance with its financial requirements, its targets and situation (or if it is acquiring the Notes in a fiduciary capacity, those of the beneficiary); (ii) is in compliance with its principles for investments, guidelines for or restrictions on investments (regardless of whether it acquires the Class A Notes for itself or as a trustee); and (iii) is an appropriate investment for itself (or for any beneficiary if acting as a trustee), notwithstanding the risks of such investment.

Neither the Issuer, the Management Company, the Custodian, the Account Bank, the Paying Agent, the Listing Agent, the Data Protection Agent, the Specially Dedicated Account Bank, the Sellers, the Servicers, the Transaction Agent, the Interest Rate Swap Counterparty, the Joint Arrangers, the Joint Lead Managers nor any of their respective affiliates nor any other party has or assumes any responsibility for the adequacy or lawfulness of the acquisition of the Class A Notes by a prospective investor, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates (if different), or for compliance by that prospective investor with any law, regulation or regulatory policy applicable to it.

#### **LEGALITY OF PURCHASE**

None of the Issuer, the Management Company, the Custodian, the Account Bank, the Paying Agent, the Listing Agent, the Data Protection Agent, the Specially Dedicated Account Bank, the Sellers, the Servicers, the Transaction Agent, the Interest Rate Swap Counterparty, the Joint Arrangers, the Joint Lead Managers or any of their respective affiliates has or assumes responsibility for the lawfulness of the acquisition of the Class A Notes by a prospective investor, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates (if different), or for compliance by that prospective investor with any law, regulation or regulatory policy applicable to it, or as to the proper characterisation that the Class A Notes are or may be given for legal, tax, accounting, capital adequacy treatment or other purposes or as to the ability of particular investors to purchase the Class A Notes under or in accordance with any applicable legal and regulatory (or other) provisions in any jurisdiction where the Class A Notes would be subscribed or acquired by any investor. All persons and institutions whose investment activities are subject to legal investments laws and regulations, regulatory capital requirements, capital adequacy rules or review by regulatory authorities should make their own judgement in determining whether and to what extent the Class A Notes constitute legal investments or are subject to investment, capital or other restrictions. Such considerations might restrict, if applicable, the market liquidity of the Class A Notes.

#### **PROHIBITION OF SALES TO EEA AND UK RETAIL INVESTORS**

Under the Class A Notes Subscription Agreement, each Joint Lead Manager has represented and agreed that it has not offered, sold or otherwise transferred and will not offer, sell or otherwise transfer, directly, or indirectly, the Class A Notes to any retail investor in the European Economic Area (EEA) or in the United Kingdom (UK) and has not distributed or caused to be distributed and will not distribute or cause to be distributed to retail investors in the EEA or in the UK, the Prospectus or any other offering material relating to the Rated Notes. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of article 4(1) of Directive 2014/65/EU ("MiFID II"); (ii) a customer within the meaning of Directive 2016/97/EC, as amended ("IMD"), where that customer would not qualify as a professional client as defined in point (10) of

article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation. Consequently no key information document required by Regulation (EU) No 1286/2014, as amended (the "**PRIIPs Regulation**") for offering or selling the Class A Notes or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Class A Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPs Regulation.

## FRANCE

Under the Class A Notes Subscription Agreement, each Joint Lead Manager has also represented and agreed that any offers, sales or other transfers of the Class A Notes in the Republic of France will be made: only to qualified investors (*investisseurs qualifiés*), as defined in article 2(e) of the Prospectus Regulation, and in accordance with, articles L. 411-1 and L. 411-2 of the French Monetary and Financial Code, as it may be amended from time to time, and other applicable regulations.

The Prospectus and any other offering material relating to the Class A Notes are not to be further distributed or reproduced (in whole or in part) by the addressee and have been distributed on the basis the addressee invests for its own account, as necessary, and does not resell or otherwise retransfer, directly or indirectly, the Class A Notes in the Republic of France other than in compliance with articles L. 411-1, L. 411-2, L. 412-1 and L. 621-8 to L. 621-8-3 of the French Monetary and Financial Code.

## UNITED KINGDOM

Under the Class A Notes Subscription Agreement, each Joint Lead Manager has also represented and agreed that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act (2000) (the **FSMA**)) received by it in connection with the issue or sale of the Class A Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Class A Notes in, from or otherwise involving the United Kingdom.

## UNITED STATES OF AMERICA

Under the Class A Notes Subscription Agreement, each Joint Lead Manager has confirmed that it understands that the Class A Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S under the Securities Act ("**Regulation S**") or pursuant to an exemption from the registration requirements of the Securities Act. Each Joint Lead Manager represents that it has offered and sold the Notes, and agrees that it will offer and sell the Class A Notes (i) as part of their distribution at any time and (ii) otherwise until 40 days after the later of the commencement of the offering and the Issuer Establishment Date, only in accordance with Rule 903 of Regulation S. Accordingly, neither it, its affiliates nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to the Class A Notes, and it and they have complied and will comply with the offering restrictions requirement of Regulation S. Each Joint Lead Manager agrees that at or prior to confirmation of sale of Class A Notes, it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Class A Notes from it during the distribution compliance period a confirmation or notice to substantially the following effect:

"The Securities covered hereby have not been registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), and may not be offered and sold within the United States or to, or for the account or benefit of, U.S. persons (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering and the Issuer Establishment Date, except in either case in accordance with Regulation S under the Securities Act. Terms used above have the meanings given to them by Regulation S."

Terms used in this paragraph have the meanings given to them by Regulation S.

For the purposes of this paragraph, “affiliate” has the meaning given to it in Rule 501(b) of Regulation D under the Securities Act.

#### **GENERAL**

Each Joint Lead Manager has acknowledged and agreed that, save for the Issuer having obtained the approval of the Prospectus by the AMF in its capacity as competent authority in France under the Prospectus Regulation, no further action has been or will be taken in any jurisdiction by each Joint Lead Manager that would permit an offer of the Class A Notes to the public, or possession or distribution of the Prospectus or any other offering material, in any country or jurisdiction where such further action for that purpose is required.

## GENERAL INFORMATION

1. Approvals of the *Autorité des Marchés Financiers*: For the purpose of the listing of the Class A Notes on the regulated market of Euronext in Paris (Euronext Paris) in accordance with articles L. 411-1, L. 411-2, L. 412-1 and L. 621-8 of the French Monetary and Financial Code and pursuant to the AMF General Regulations (*Règlement général de l'Autorité des Marchés Financiers*), this Prospectus was granted a approval number FCT N°20-12 by the *Autorité des Marchés Financiers* on 22 October 2020. The AMF only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of either the Issuer or the quality of the Class A Notes that are the subject of this Prospectus and investors should make their own assessment as to the suitability of investing in the Class A Notes. This Prospectus will be valid until the date of admission of the Class A Notes to trading on Euronext Paris. The obligation to supplement the Prospectus in the event of significant new factors, material mistakes or material inaccuracies will not apply when the Prospectus is no longer valid.
2. Listing on Regulated Markets: Application has been made to Euronext Paris for the Class A Notes to be admitted to trading on Euronext Paris on the Issue Date.
3. Clearing Systems – Clearing Codes – ISIN and Common Codes: the Class A Notes will, upon issue, be registered in the books of Euroclear France (acting as central depository) which shall credit the accounts of Euroclear France account holders including Clearstream Banking and Euroclear Bank S.A./N.V. and be admitted in the Clearing Systems:

ISIN Code: FR0013531175

Common Code: 222202116

it being specified that the trading method will be in units.

The address of Euroclear France is 66, rue de la Victoire, 75009 Paris, France. The address of Euroclear is 1 boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream is 42 avenue John Fitzgerald Kennedy, L-1855 Luxembourg, Grand-Duchy of Luxembourg.

4. Legal entity identifier (LEI) of the Issuer: 5493001Y7OCB84GOJ429
5. Documents available: This Prospectus shall be made available free of charge, to the Noteholders, during normal business hours at the respective head offices of the Management Company and the Paying Agent (the addresses of which are specified on the last page of this Prospectus). Copies of the Issuer Regulations shall be made available for inspection by the Noteholders at the respective head offices of the Management Company (the address of which is specified on the last page of this Prospectus). This Prospectus also shall be published by the Management Company on its website ([www.france-titrisation.fr](http://www.france-titrisation.fr)) it being specified that it shall be downloadable, printable and in searchable electronic format that cannot be modified and Transaction Documents as well as the Prospectus will be available on the EDW Website (or when a securitisation repository is registered in accordance with article 10 (*Registration of a securitisation repository*) of the Securitisation Regulation, on the Securitisation Repository's website) as detailed in the second paragraph of sub-section "Securitisation Regulation Transparency Requirements" of Section "INFORMATION RELATING TO THE ISSUER").
5. Statutory auditor of the Issuer: Pursuant to article L. 214-185 of the French Monetary and Financial Code, the statutory auditor of the Issuer, Mazars, whose register office is located at 61 rue Henri Regnault, 92400 Courbevoie (represented by Pierre MASIERI), has been appointed by the Management Company. Mazars is regulated by the *Haut Conseil du Commissariat aux Comptes*.



## APPENDIX 1 – GLOSSARY OF DEFINED TERMS

**2015 Order** means the order dated 20 August 2015 (*ordonnance No. 2015-1024 portant diverses dispositions d'adaptation de la législation au droit de l'Union Européenne en matière financière*) amending and supplementing the provisions of the French Separation Law.

**Accelerated Amortisation Event** means the following event which can occur during the Amortisation Period: any amount of interest due and payable on the Class A Notes remains partially or totally unpaid after five (5) Business Days following the relevant Payment Date.

**Accelerated Amortisation Period** means the period beginning on and including the Payment Date falling on or after the occurrence of an Accelerated Amortisation Event and ending on and including the Issuer Liquidation Date.

**Accelerated Priority of Payments** means, the Priority of Payments applicable during the Accelerated Amortisation Period.

**Account Bank** means BPCE, a *société anonyme à directoire et conseil de surveillance*, whose registered office is located at 50, avenue Pierre Mendès France, 75013 Paris (France), registered with the Trade and Companies Registry of Paris (France) under number 493 455 042, licensed as a credit institution (*établissement de crédit*) with the status of bank (*banque*) by the *Autorité de Contrôle Prudentiel et de Résolution*, in its capacity as account bank under the Account Bank Agreement.

**Account Bank Agreement** means the agreement entered on or before the Issuer Establishment Date between the Management Company, the Custodian and the Account Bank in connection with the keeping and management of the Issuer Accounts.

**Account Bank Termination Event** means any of the following events:

- (a) any material representation or warranty made by the Account Bank is or proves to have been incorrect in any material respect when made, and the same is not remedied (if capable of remedy) within thirty (30) Business Days after the Management Company (with copy to the Custodian) has given notice thereof to the Account Bank or (if sooner) the Account Bank has knowledge of the same;
- (b) the Account Bank fails to comply with any of its material obligations (other than a default referred to in item (e) below) under the Account Bank Agreement unless such breach is capable of remedy and is remedied within thirty (30) Business Days after the Management Company (with copy to the Custodian) has given notice thereof to the Account Bank or (if sooner) the Account Bank has knowledge of the same;
- (c) an Insolvency Event occurs in respect of the Account Bank;
- (d) at any time it is or becomes unlawful for the Account Bank to perform or comply with any or all of its material obligations under the Account Bank Agreement or any or all of its material obligations under the Account Bank Agreement are not, or cease to be, legal, valid and binding and no appropriate solutions are found within ten (10) calendar days between the parties to the Account Bank Agreement to remedy such illegality, invalidity or unenforceability; or
- (e) any failure by the Account Bank to make any payment under any Transaction Documents to which it is a party, when due, except if such failure is due to technical reasons and is remedied within five (5) Business Days.

An entity shall have the **Account Bank Required Ratings** if:

- (i) the long-term deposit rating of such entity is, or if it is not assigned any deposit rating, its long-term issuer default rating is rated at least A by Fitch; and
- (ii) the deposit rating of such entity is, or if it is not assigned any deposit rating, its unsecured subordinated and unguaranteed debt obligations are rated at least A3 (long term) by Moody's.

**Adjusted Available Collections** means, on any Calculation Date, all amounts credited or debited from the General Account on the following Settlement Date, corresponding to any adjustment of the Available Collections which occurred in the course of any of the two previous Quarterly Collection Periods, including for instance adjustments for overpayments from Borrowers.

**Alternative Benchmark Rate** means, when a Benchmark Rate Modification Event has occurred, an alternative reference rate to be substituted for EURIBOR in respect of the Class A Notes, being any of the following:

- (a) a reference rate which has been recognised or endorsed as a rate which should or could be used, subject to adjustments (if any), to replace EURIBOR by either (x) the ECB, ESMA, or any relevant committee or other body established, sponsored or approved by any of the foregoing, including the Working Group on Euro Risk-Free Rates or (y) an industry body recognised nationally or internationally as representing participants in the asset backed securitisation market generally; or
- (b) a reference rate utilised in a material number of publicly listed new issues of Euro denominated asset backed floating rate notes in the six (6) months prior to the proposed effective date of such Benchmark Rate Modification; or
- (c) a reference rate utilised in a publicly listed new issue of Euro denominated asset backed floating rate notes where the relevant originator(s) or seller(s) of the relevant assets is(are) an affiliate of the Sellers or the Transaction Agent; or
- (d) such other reference rate as the Rate Determination Agent reasonably determines provided that this option may only be used if the Management Company certifies to the Noteholders that, in its reasonable opinion, neither paragraphs (a), (b) or (c) above are applicable and/or practicable in the context of the Transaction and that the Management Company has received from the Rate Determination Agent reasonable justification of such determination.

**AMF General Regulations** means the *Règlement Général de l'Autorité des marchés financiers*, as amended and supplemented from time to time.

**Amortisation Period** means the period commencing on and excluding the Issuer Establishment Date and ending on and excluding the earlier of (a) the Payment Date falling on or after the occurrence of an Accelerated Amortisation Event and (b) the Issuer Liquidation Date.

**Ancillary Rights** means, in respect of any Home Loan:

- (a) the benefit of any Mortgage and/or any Home Loan Guarantee;
- (b) any and all present and future claims benefiting to the Sellers under any Insurance Contract relating to the Purchased Home Loans to the extent that such Insurance Contract does not provide for a restriction to the transfer of such claims;
- (c) the benefit of any other security interest or guarantee or equivalent right attached to the Home Loans (including without limitation, mortgage promises (*promesses d'hypothèques*), bank account pledges (*nantissements de comptes bancaires*), securities account pledges (*nantissements de comptes titres*), personal guarantees (*cautions ou autres types de garanties personnelles*), life insurance policies), to the extent that the transfer of such security interest, guarantee or equivalent right is not subject to restrictions; and
- (d) the benefit of any claim or right of action the relevant Seller may have against any notaries (*notaires*) in relation to any Mortgage or Home Loan.

**Assets Allocated to the Issuer** means the following assets allocated to the Issuer by the Management Company:

- (a) all Home Loans assigned to the Issuer on the Purchase Date by the Sellers pursuant to the terms of the Home Loans Purchase and Servicing Agreement and which have not been retransferred, or been the subject of a transfer rescission (the **Purchased Home Loans**) and any Ancillary Rights attached to the Purchased Home Loans;

- (b) all amounts standing from time to time to the credit of the Issuer Accounts (excluding the Interest Rate Swap Collateral Accounts); and
- (c) any other rights transferred or attributed to the Issuer under the terms of the Transaction Documents.

**Available Collections** means, on each Calculation Date, in respect of the Quarterly Collection Period immediately preceding such Calculation Date, an amount equal to the aggregate of:

- (a) all cash collections in relation to the Purchased Home Loans and the related Ancillary Rights collected or received by the Servicers during such Quarterly Collection Period (excluding for the avoidance of doubt any insurance premium in respect of any Insurance Contracts), including:
  - (i) interest payments including late payment interest, interest arrears regularisations;
  - (ii) any fees including late penalties, prepayment penalties, filing fees and other ancillary payments;
  - (iii) all principal amounts paid in connection with the Home Loans, including in connection with any Prepayments;
  - (iv) all Recoveries in relation to the Defaulted Home Loans which are not included in (i) above; and
  - (v) any insurance benefit or other amounts paid to any of the Sellers by any insurance company under the Insurance Contracts, which are not included in (iv) above,
- (b) plus or minus, as the case may be, any Adjusted Available Collections, provided that the credit balance of the General Account is sufficient to enable such adjustment.

**Available Distribution Amount** means, on each Calculation Date, an amount equal to the aggregate of (without double counting):

- (a) all Available Collections received in respect of the Quarterly Collection Period immediately preceding such Calculation Date;
- (b) all Deemed Collections (if any) to be paid by any Seller on the immediately following Settlement Date to the Issuer in accordance with the Home Loans Purchase and Servicing Agreement in respect of the Quarterly Collection Period immediately preceding such Calculation Date;
- (c) the aggregate of all Re-transfer Prices, Rescission Amounts and Indemnity Amounts paid or to be paid by the Sellers between the last Payment Date (or in relation to the Available Distribution Amount calculated on the first Calculation Date, as of the close of the Issue Date) (included) and the immediately succeeding Payment Date (excluded);
- (d) the credit balance of the General Reserve Account which is credited to the General Account on the immediately following Settlement Date;
- (e) any amount to be debited from the Commingling Reserve Account and credited to the General Account on the immediately following Settlement Date pursuant to the Reserves Cash Deposits Agreement;
- (f) any Interest Rate Swap Net Amount to be paid by the Interest Rate Swap Counterparty to the Issuer;
- (g) in case of early termination of the Interest Rate Swap Agreement:
  - (i) if an Interest Rate Swap Termination Amount is owed by the Interest Rate Swap Counterparty to the Issuer, any part of any amount received from the Interest Rate Swap Counterparty upon such termination, and, as the case may be, of any Interest Rate Swap Collateral Liquidation Amount, in each case, within the limit of that Interest Rate Swap Termination Amount, which is not applied by the Management Company to the payment any Replacement Swap Premium to any replacement Interest Rate Swap; and/or

- (ii) any Interest Rate Swap Collateral Account Surplus, as the case may be; and/or
- (iii) any Replacement Swap Premium paid to the Issuer by any replacement Interest Rate Swap;
- (h) any remuneration received from the Account Bank relating to any sums standing to the credit of the General Account and to be credited to the General Account on the immediately following Settlement Date pursuant to the Account Bank Agreement;
- (i) in respect of the last Calculation Date prior to the Issuer Liquidation Date, the proceeds resulting from the sale of the then outstanding Purchased Home Loans, as the case may be; and
- (j) any other amounts standing to the credit of the General Account (including, for the avoidance of doubt, any amount received directly by the Issuer following a notification of any Borrowers, insurers and Home Loan Guarantors of the assignment of the Home Loans) as of the close of the immediately preceding Payment Date (after the application of the relevant Priority of Payments) (or in relation to the Available Distribution Amount calculated on the first Calculation Date, as of the close of the Issue Date) to the extent not designated for any other purpose.

**Banque Populaire** means each of the following entities, licensed as a credit institution (*établissement de crédit*) with the status of bank (*banque*) by the *Autorité de Contrôle Prudentiel et de Résolution* and regulated by articles L. 512-2 *et seq.* of the French Monetary and Financial Code:

- (a) Banque Populaire Alsace Lorraine Champagne, a *société anonyme coopérative de banque populaire*, whose registered office is at 3, rue François de Curel, - BP 40124, 57021 Metz cedex 1, registered with the Trade and Companies Register of Metz under registration no. 356 801 571;
- (b) Banque Populaire Aquitaine Centre Atlantique, a *société anonyme coopérative de banque populaire*, whose registered office is at 10, quai des Queyries, 33072 Bordeaux, registered with the Trade and Companies Register of Bordeaux under registration no. 755 501 590;
- (c) Banque Populaire Auvergne Rhône Alpes, a *société anonyme coopérative de banque populaire*, whose registered office is at 4, boulevard Eugène Deruelle, 69003 Lyon, registered with the Trade and Companies Register of Lyon under registration no. 605 520 071;
- (d) Banque Populaire Bourgogne Franche Comté, a *société anonyme coopérative de banque populaire*, whose registered office is at 14, boulevard de La Trémouille, 21000 Dijon, registered with the Trade and Companies Register of Dijon under registration no. 542 820 352;
- (e) Banque Populaire Grand Ouest, a *société anonyme coopérative de banque populaire*, whose registered office is at 15, boulevard de la Boutière, 35768 Saint Gregoire Cedex, registered with the Trade and Companies Register of Rennes under registration no. 857 500 227;
- (f) Banque Populaire Méditerranée, a *société anonyme coopérative de banque populaire*, whose registered office is at 457 Promenade des Anglais, 06200 Nice, registered with the Trade and Companies Register of Nice under registration no. 058 801 481;
- (g) Banque Populaire du Nord, a *société anonyme coopérative de banque populaire*, whose registered office is at 847, avenue de la République, 59700 Marcq en Baroeul, registered with the Trade and Companies Register of Lille Métropole under registration no. 457 506 566;
- (h) Banque Populaire Occitane, a *société anonyme coopérative de banque populaire*, whose registered office is at 33-43, avenue Georges Pompidou, 31130 Balma, registered with the Trade and Companies Register of Toulouse under registration no. 560 801 300;
- (i) Banque Populaire Rives de Paris, a *société anonyme coopérative de banque populaire*, whose registered office is at 76-78, avenue de France, 75013 Paris, registered with the Trade and Companies Register of Paris under registration no. 552 002 313;

- (j) Banque Populaire du Sud, a *société anonyme coopérative de banque populaire*, whose registered office is at 38, boulevard Georges Clémenceau, 66000 Perpignan, registered with the Trade and Companies Register of Perpignan under registration no. 554 200 808; and
- (k) Banque Populaire Val de France, a *société anonyme coopérative de banque populaire*, whose registered office is at 9, avenue Newton, 78180 Montigny le Bretonneux, registered with the Trade and Companies Register of Versailles under registration no. 549 800 373.

**Basic Terms Modification** means any amendment or waiver of, or consent under, any provision of the Transaction Documents which would have the effect of:

- (a) in respect of the Notes of a given Class:
  - (A) modifying (i) the amount of principal or the rate of interest payable in respect of those Notes or (ii) any provision relating to (x) any date of payment of principal or interest or other amount in respect of those Notes or (y) the amount of principal or interest due on any date in respect of those Notes or (z) the date of maturity of those Notes or (iii) where applicable, the method of calculating the amount of any principal or interest payable in respect of those Notes (other than pursuant to Condition 8(c) (*Additional Right of Modification without Noteholders' consent in relation to EURIBOR Discontinuation or Cessation*) of the Terms and Conditions of the Notes) or (iv) the currency in which payments under any Class of Notes are to be made; or
  - (B) modifying the provisions concerning the quorum required at any General Meeting of Noteholders or the minimum percentage required to pass an Ordinary Resolution or an Extraordinary Resolution or any other provision of the Issuer Regulations or the Conditions which requires the written consent of the Noteholders of a requisite Principal Amount Outstanding of the Notes of that Class; or
  - (C) modifying any item requiring approval by Extraordinary Resolution of the Noteholders of that Class pursuant to the Conditions or any Transaction Document; or
  - (D) altering any of the Funds Allocation Rules but only if the proposed amendment or waiver impacts the timing and/or amount of payments owed under the Notes of that Class or the level of risk relating to that Class, such as, without limitation, by way of an increase in the amounts payable by the Issuer to creditors of a higher rank than that Class (to the exception of any increase of any Issuer Expenses in accordance with the provisions of Transaction Documents); or
  - (E) amending this definition of a “*Basic Terms Modification*” in so far as regards the Notes of that Class;
- (b) in respect of the Residual Units:
  - (A) modifying (i) the amount payable in respect of the Residual Units or (ii) any provision relating to (x) any date of payment of principal or interest or other amount in respect of the Residual Units or (y) the amount of principal or interest due on any date in respect of the Residual Units or (z) the date of maturity the Residual Units or (iii) where applicable, of the method of calculating the amount of any principal or interest payable in respect of the Residual Unit; or
  - (B) altering any of the Funds Allocation Rules but only if the proposed amendment or waiver impacts the timing and/or amount of payments owed under the Residual Units or the level of risk relating to the Residual Units, such as, without limitation, by way of an increase in the amounts payable by the Issuer to creditors of a higher rank than that the Residual Units (to the exception of any increase of any Issuer Expenses in accordance with the provisions of Transaction Documents); or
  - (C) amending this definition of a “*Basic Terms Modification*” in so far as regards the Residual Units.

**Benchmark Rate Modification** means any modification to the Terms and Conditions of the Notes or any Transaction Document or entering into any new, supplemental or additional document that the Rate Determination Agent considers necessary or advisable for the purpose of changing the benchmark rate from EURIBOR in respect of the Class A Notes to the Alternative Benchmark Rate and making such other amendments to the Terms and Conditions of the Notes or any Transaction Document (including any Note Rate Maintenance Adjustment) as are necessary or advisable in the reasonable judgment of the Rate Determination Agent to facilitate the changes envisaged pursuant to Condition 8(c) (*Additional Right of Modification without Noteholders' consent in relation to EURIBOR Discontinuation or Cessation*) of the Terms and Conditions of the Notes.

**Benchmark Rate Modification Certificate** means a certificate signed by the Rate Determination Agent and, where the Rate Determination Agent is not the Management Company, the Management Company, certifying that:

- (a) the Benchmark Rate Modification is being undertaken as a result of the occurrence of a Benchmark Rate Modification Event and such modification is required solely for such purpose and has been drafted solely to such effect; and
- (b) the Alternative Benchmark Rate proposed falls within limb (a), (b), (c) or (d) of the definition of Alternative Benchmark Rate;
- (c) either (i) it has obtained written confirmation from each of the Rating Agencies that the proposed Benchmark Rate Modification would not result in a Negative Ratings Action or (ii) it has been unable to obtain written confirmation from each of the Rating Agencies that the proposed Benchmark Rate Modification would not result in a Negative Ratings Action but it has received oral confirmation from an appropriately authorised person at such Rating Agency; or (iii) it has given the Rating Agencies at least ten (10) Business Days' prior written notice of the proposed Benchmark Rate Modification and none of the Rating Agencies has indicated that such Benchmark Rate Modification would result in a Negative Ratings Action; and
- (d) the details of and the rationale for the Note Rate Maintenance Adjustment (or the absence of any Note Rate Maintenance Adjustment) are as set out in the Benchmark Rate Modification Noteholder Notice.

**Benchmark Rate Modification Costs** means all fees, costs and expenses (including legal fees or any initial or ongoing costs associated with the Benchmark Rate Modification) properly incurred by the Management Company, the Rate Determination Agent or any other Transaction Party in connection with the Benchmark Rate Modification.

**Benchmark Rate Modification Event** means the occurrence of any of the following:

- (a) the applicability of any law or any other legal provision, or of any administrative or judicial order, decree or other binding measure, pursuant to which EURIBOR may no longer be used as a reference rate to determine the payment obligations under the Class A Notes and/or under the Interest Rate Swap Agreement, or pursuant to which any such use is subject to material restrictions or adverse consequences;
- (b) a material disruption to EURIBOR, or EURIBOR ceasing to exist or to be published, or the administrator of EURIBOR having used fallback methodology for calculating EURIBOR for a period of at least 30 calendar days;
- (c) the insolvency or cessation of business of the EURIBOR administrator (in circumstances where no successor EURIBOR administrator has been appointed);
- (d) a public statement by the EURIBOR administrator that it will cease publishing EURIBOR or it will not be included in the register under Article 36 of the Benchmarks Regulation permanently or indefinitely (in circumstances where no successor EURIBOR administrator has been appointed that will continue publication of EURIBOR or where there is no mandatory administration), with effect from a specified date within 6 months;
- (e) a public statement by the supervisor of the EURIBOR administrator that EURIBOR has been or will be permanently or indefinitely discontinued, or which means that EURIBOR may no longer be used or that it is no longer a representative benchmark rate or that its use is subject to restrictions for issuers of asset backed floating rate notes, with effect from a specified date within 6 months;

- (f) a change in the generally accepted market practice in the publicly listed asset backed floating rate notes market to refer to a benchmark rate endorsed in a public statement by the ECB, ESMA, or any relevant committee or other body established, sponsored or approved by any of the foregoing, including the Working Group on Euro Risk-Free Rates, despite the continued existence of EURIBOR;

it being the reasonable expectation of the Management Company that any of the events specified in sub-paragraphs (a), (b) or (c) will occur or exist within 6 months. For the avoidance of doubt, any change to the definition, methodology or formula of EURIBOR, or other means of calculation of EURIBOR, shall not constitute a Benchmark Rate Modification Event.

**Benchmark Rate Modification Noteholder Notice** means a written notice from the Management Company to notify the Class A Noteholders of a proposed Benchmark Rate Modification confirming the following:

- (a) the date on which it is proposed that the Benchmark Rate Modification shall take effect;
- (b) the period during which Class A Noteholders who are Noteholders on the Benchmark Rate Modification Record Date may object to the proposed Benchmark Rate Modification (which notice period shall commence at least 40 calendar days prior to the date on which it is proposed that the Benchmark Rate Modification would take effect and continue for a period of not less than thirty (30) calendar days) and the method by which they may object;
- (c) the Benchmark Rate Modification Event(s) which has(ve) occurred;
- (d) the Alternative Benchmark Rate which is proposed to be adopted pursuant to Condition 8(c) (*Additional Right of Modification without Noteholders' consent in relation to EURIBOR Discontinuation or Cessation*) of the Terms and Conditions of the Notes and the rationale for choosing the proposed Alternative Benchmark Rate;
- (e) details of the Note Rate Maintenance Adjustment;
- (f) details of any modifications that the Issuer has agreed will be made to the Interest Rate Swap Agreement for the purpose of aligning such Interest Rate Swap Agreement with the proposed Benchmark Rate Modification or, where it has not been possible to agree such modifications with the Interest Rate Swap Counterparty, why such agreement has not been possible and the effect that this may have on the Transaction (in the view of the Rate Determination Agent); and
- (g) details of (i) any amendments which the Issuer proposes to make to these Conditions or any other Transaction Document and (ii) any new, supplemental or additional documents into which the Issuer proposes to enter to facilitate the changes envisaged pursuant to Condition 8(c) (*Additional Right of Modification without Noteholders' consent in relation to EURIBOR Discontinuation or Cessation*) of the Terms and Conditions of the Notes.

**Benchmark Rate Modification Record Date** means the date specified to be the Benchmark Rate Modification Record Date in the Benchmark Rate Modification Noteholder Notice.

**Benchmark Regulation** means Regulation (EU) 2016/1011 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014.

**BofA Securities** means Merrill Lynch International, a company incorporated under the laws of England and Wales, whose registered office is located at 2 King Edward Street, London EC1A 1HQ, United Kingdom.

**Borrower** means, in respect of any Home Loan, any individual which has entered into the relevant Home Loan Agreement with a Seller as borrower or in case of a Home Loan granted to several co-borrowers, each of such co-borrowers together.

**BPCE** means BPCE, a *société anonyme à directoire et conseil de surveillance*, whose registered office is located at 50, avenue Pierre Mendès France, 75013 Paris (France), registered with the Trade and Companies Registry of Paris (France) under number 493 455 042, licensed as a credit institution (*établissement de crédit*) with the status of bank (*banque*) by the *Autorité de Contrôle Prudentiel et de Résolution*.

**BPCE Group** means the group constituted by the members of the Networks and the companies affiliated thereto in accordance with the conditions of article L. 511-31 of the French Monetary and Financial Code, as provided for in article L. 512-106 of the French Monetary and Financial Code.

**BRRD** means the Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms and amending Council Directive 82/891/EEC, and Directives 2001/24/EC, 2002/47/EC, 2004/25/EC, 2005/56/EC, 2007/36/EC, 2011/35/EU, 2012/30/EU and 2013/36/EU, and Regulations (EU) No 1093/2010 and (EU) No 648/2012, of the European Parliament and of the Council, as amended by Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 amending Directive 2014/59/EU as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms and Directive 98/26/EC.

**Business Day** means a day which is a Target Business Day other than (i) a Saturday, (ii) a Sunday or (iii) a public holiday in Paris (France).

**Caisse d'Epargne** means any of the following entities, duly licensed as a French credit institution (*établissement de crédit*) with the status of bank (*banque*) by the *Autorité de Contrôle Prudentiel et de Résolution* and regulated by articles L. 512-87 *et seq.* of the French Monetary and Financial Code:

- (a) Caisse d'Epargne CEPAC, a *banque coopérative* and a *société anonyme à directoire et conseil de surveillance dénommé Conseil d'Orientation et de surveillance*, whose registered office is at Place Estrangin Pastré, BP 108, 13254 Marseille cedex 06, registered with the Trade and Companies Register of Marseille under registration no. 775 559 404; and
- (b) Caisse d'Epargne et de Prévoyance Aquitaine Poitou-Charentes, a *banque coopérative* and a *société anonyme à directoire et conseil de surveillance dénommé Conseil d'Orientation et de surveillance*, whose registered office is at 1, Parvis Corto Maltese, 33000 Bordeaux, registered with the Trade and Companies Register of Bordeaux under registration no. 353 821 028;
- (c) Caisse d'Epargne et de Prévoyance d'Auvergne et du Limousin, a *banque coopérative* and a *société anonyme à directoire et conseil de surveillance dénommé Conseil d'Orientation et de surveillance*, whose registered office is at 63, rue Montlosier, 63000 Clermont-Ferrand, registered with the Trade and Companies Register of Clermont-Ferrand under registration no. 382 742 013;
- (d) Caisse d'Epargne et de Prévoyance de Bourgogne Franche-Comté, a *banque coopérative* and a *société anonyme à directoire et conseil de surveillance dénommé Conseil d'Orientation et de surveillance*, whose registered office is at 1, Rond Point de la Nation, 21000 Dijon, registered with the Trade and Companies Register of Dijon under registration no. 352 483 341;
- (e) Caisse d'Epargne et de Prévoyance de Bretagne – Pays de Loire, a *banque coopérative* and a *société anonyme à directoire et conseil de surveillance dénommé Conseil d'Orientation et de surveillance*, whose registered office is at 2, place Graslin, CS 10305, 44003 Nantes Cedex 1, registered with the Trade and Companies Register of Nantes under registration no. 392 640 090;
- (f) Caisse d'Epargne et de Prévoyance Côte d'Azur, cooperative bank (*banque coopérative*), a *société anonyme à directoire et conseil de surveillance* referred to as "Conseil d'Orientation et de surveillance", whose registered office is at 455, promenade des Anglais, 06200 Nice, registered with the Trade and Companies Register of Nice under registration no. 384 402 871;
- (g) Caisse d'Epargne et de Prévoyance Grand Est Europe, a *banque coopérative* and a *société anonyme à directoire et conseil de surveillance dénommé Conseil d'Orientation et de surveillance*, whose registered office is at 1, avenue du Rhin, 67100 Strasbourg, registered with the Trade and Companies Register of Strasbourg under registration no. 775 618 622;
- (h) Caisse d'Epargne et de Prévoyance Hauts de France, a *banque coopérative* and a *société anonyme à directoire et conseil de surveillance dénommé Conseil d'Orientation et de surveillance*, whose registered office is at 135, Pont de Flandres, 59777 Euralille, registered with the Trade and Companies Register of Lille Métropole under registration no. 383 000 692;



- (i) Caisse d'Epargne et de Prévoyance Ile-de-France, a *banque coopérative* and a *société anonyme à directoire et conseil de surveillance dénommé Conseil d'Orientation et de surveillance*, whose registered office is at 19, rue du Louvre, 75001 Paris, registered with the Trade and Companies Register of Paris under registration no. 382 900 942;
- (j) Caisse d'Epargne et de Prévoyance du Languedoc Roussillon, a *banque coopérative* and a *société anonyme à directoire et conseil de surveillance dénommé Conseil d'Orientation et de surveillance*, whose registered office is at Zone d'Activités Commerciales d'Alco, 254 rue Michel Teule, 34000 Montpellier, registered with the Trade and Companies Register of Montpellier under registration no. 383 451 267;
- (k) Caisse d'Epargne et de Prévoyance Loire-Centre, a *banque coopérative* and a *société anonyme à directoire et conseil de surveillance dénommé Conseil d'Orientation et de surveillance*, whose registered office is at 7, rue d'Escures, 45000 Orleans, registered with the Trade and Companies Register of Orleans under registration no. 383 952 470
- (l) Caisse d'Epargne et de Prévoyance de Loire Drôme Ardèche, a *banque coopérative* and a *société anonyme à directoire et conseil de surveillance dénommé Conseil d'Orientation et de surveillance*, whose registered office is at 17, rue des Frères Ponchardier, Espace Fauriel, 42100 St Etienne, registered with the Trade and Companies Register of St Etienne under registration no. 383 686 839;
- (m) Caisse d'Epargne et de Prévoyance de Midi Pyrénées, a *banque coopérative* and a *société anonyme à directoire et conseil de surveillance dénommé Conseil d'Orientation et de surveillance*, whose registered office is at 10, avenue James Clerk Maxwell, 31100 Toulouse, registered with the Trade and Companies Register of Toulouse under registration no. 383 354 594;
- (n) Caisse d'Epargne et de Prévoyance Normandie, a *banque coopérative* and a *société anonyme à directoire et conseil de surveillance dénommé Conseil d'Orientation et de surveillance*, whose registered office is at 151, rue d'Uelzen, 76230 Bois-Guillaume, registered with the Trade and Companies Register of Rouen under registration no. 384 353 413;
- (o) Caisse d'Epargne et de Prévoyance de Rhône Alpes, a *banque coopérative* and a *société anonyme à directoire et conseil de surveillance dénommé Conseil d'Orientation et de surveillance*, whose registered office is at 116 Cours Lafayette, 69003 Lyon, registered with the Trade and Companies Register of Lyon under registration no. 384 006 029.

**Calculation Date** means a date at the latest on the sixth (6<sup>th</sup>) Business Day prior to each Payment Date.

**Capital Requirements Regulations** or **CRR** means Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No. 648/2012.

**Cash Flow Model** means the liability cash flow model which precisely represents the contractual relationship between the Purchased Home Loans and the payments flowing between the Sellers, the Transaction Agent, the Noteholders, other third parties and the Issuer and made available by the Transaction Agent, on behalf of the Sellers, as originators.

**CEGC** means Compagnie Européenne de Garanties et Cautions, a *société anonyme*, whose registered office is at Tour Kupka B 16 rue Hoche, 92919 Paris La Défense Cedex, registered with the Trade and Companies Register of Nanterre under registration no. 382 506 079.

**Chairman** means the member appointed to act as a chairman at the relevant General Meeting of the Noteholders pursuant to Condition 7(d) (*Meetings of the Noteholders*)).

**Class** means, with respect to the Notes or the Noteholders, the Class A Notes and the Class B Notes, as the context requires.

**Class of Notes** means any of the Class A Notes or the Class B Notes, as the context requires.

**Class A Margin** means before and including the First Optional Redemption Date, 0.65% per annum and from and excluding the First Optional Redemption Date, 1.04% per annum.

**Class A Note** means any of the senior floating rate notes to be issued by the Issuer on the Issue Date.

**Class A Noteholder** means any holder from time to time of any Class A Note.

**Class A Notes Amortisation Amount**, on a given Payment Date, shall be an amount (rounded down to the nearest Euro cent) equal to in respect of each Class A Note:

- (i) during the Amortisation Period, (A) the minimum of (x) the Principal Amortisation Amount as calculated on the immediately preceding Calculation Date and (y) the Class A Notes Outstanding Amount as at the previous Payment Date after giving effect to any payment in accordance with the relevant Priority of Payments (B) divided by the aggregate number of Class A Notes outstanding;
- (ii) during the Accelerated Amortisation Period: (A) the Class A Notes Outstanding Amount as at the immediately preceding Payment Date after giving effect to any payment in accordance with the relevant Priority of Payments (B) divided by the aggregate number of Class A Notes outstanding.

**Class A Notes Interest Amount** means, with respect to any Payment Date, the sum of all the interest amounts due in respect of all Class A Notes as at such Payment Date. This amount is equal to the product between (A) (a) the product of (i) the Class A Notes Interest Rate, (ii) the Principal Amount Outstanding of each Class A Note as of the first day of the relevant Interest Period and (iii) the actual number of days in the related Interest Period, divided by (b) three hundred sixty (360), rounded down to the nearest cent (half a Euro cent being rounded downwards) and (B) the number of the Class A Notes that are outstanding.

**Class A Notes Interest Rate** will be equal to the aggregate of EURIBOR plus the applicable Class A Margin provided that, if EURIBOR plus the Class A Margin is less than zero (0), the Class A Notes Interest Rate will be deemed to be zero (0).

**Class A Notes Outstanding Amount** means, at any time, the aggregate Principal Amount Outstanding of all Class A Notes.

**Class A Notes Subscription Agreement** means the subscription agreement in respect of the Class A Notes to be entered into on or before the Issuer Establishment Date between the Joint Arrangers, the Joint Lead Managers, the Management Company, the Custodian, each Seller and the Transaction Agent.

**Class B Note** means any of the subordinated fixed rate notes to be issued by the Issuer on the Issue Date.

**Class B Noteholders** means any holder from time to time of any Class B Note.

**Class B Notes Amortisation Amount**, on a given Payment Date, shall be an amount (rounded down to the nearest Euro cent) equal to in respect of each Class B Note:

- (a) during the Amortisation Period, (A) the minimum of (x) the Principal Amortisation Amount, as calculated on the immediately preceding Calculation Date and (y) the Class B Notes Outstanding Amount as at the previous Payment Date after giving effect to any payment in accordance with the relevant Priority of Payments (B) divided by the aggregate number of Class B Notes outstanding; and
- (b) during the Accelerated Amortisation Period, (A) the Class B Notes Outstanding Amount as at the previous Payment Date after giving effect to any payment in accordance with the relevant Priority of Payments (B) divided by the aggregate number of Class B Notes outstanding.

**Class B Notes Interest Amount** means, with respect to any Payment Date, the sum of all the interest amounts due in respect of all Class B Notes as at such Payment Date. This amount is equal to the product between (A) (a) the product of (i) the Class B Notes Interest Rate, (ii) the Principal Amount Outstanding of each Class B Note as of the first day of the relevant Interest Period and (iii) ninety (90), divided by (b) three hundred sixty (360), rounded

down to the nearest cent (half a Euro cent being rounded downwards) and (B) the number of the Class B Notes that are outstanding.

**Class B Notes Interest Rate** means a fixed rate of 0.25% *per annum*.

**Class B Notes Outstanding Amount** means, at any time, the aggregate Principal Amount Outstanding of the Class B Notes.

**Class B Notes Subscriber** means any Seller, acting on the date of signing of the Class B Notes Subscription Agreement in its capacity as subscriber of the Class B Notes to be issued under the Transaction.

**Class B Notes Subscription Agreement** means the subscription agreement to be entered into on or before the Issuer Establishment Date between, notably, the Management Company, the Custodian and the Class B Notes Subscribers in respect of the Class B Notes.

**Clearing Systems** means each of Euroclear France and Clearstream Banking, with which the Paying Agent on behalf of the Management Company will register the Class A Notes on the Issue Date.

**Clearstream Banking** means Clearstream Banking Luxembourg S.A..

**Commercial Renegotiation** means a renegotiation carried out by any Servicer with a Borrower in respect of a Purchased Home Loan.

**Commingling Reserve** means, at any time, the amount standing to the credit of the Commingling Reserve Account.

**Commingling Reserve Account** means the bank account opened in the name of the Issuer with the Account Bank, the details of which are provided in the Account Bank Agreement, for the purposes set out in the Reserve Cash Deposits Agreement.

**Commingling Reserve Decrease Amount** means on any Payment Date the excess of the amount standing to the credit of the Commingling Reserve Account over the Commingling Reserve Required Amount, as determined by the Management Company on the immediately preceding Calculation Date.

**Commingling Reserve Required Amount** shall mean:

- (a) if the Class A Notes are redeemed in full or if the Specially Dedicated Account Bank (or, as the case may be, the replacement specially dedicated account bank appointed by the Management Company and the Custodian in accordance with the provisions of the Specially Dedicated Account Agreement) has the Account Bank Required Ratings, zero (0),
- (b) as long as the Class A Notes are not redeemed in full and if the Specially Dedicated Account Bank ceases to have the Account Bank Required Ratings, on a Settlement Date (or for the initial amount within thirty (30) calendar days after such downgrade (in case of a downgrade by Moody's) or within fourteen (14) calendar days after such downgrade (in case of a downgrade by Fitch)), the sum (rounded upward to the nearest EUR 1,000) as calculated by the Management Company of:
  - (i) the product as calculated by the Management Company of:
    - (A) AOB; and
    - (B) MPR; and
  - (ii) the aggregate of the Home Loans instalments which are expected to be collected by the Servicers on the Performing Home Loans (as at the preceding Determination Date) during the next three (3) Monthly Collection Periods (from such preceding Determination Date), in accordance with the amortisation schedule of such Home Loans.

where:

**AOB** means the aggregate amount of the Outstanding Principal Balances of the Performing Home Loans as of the preceding Determination Date (excluding the Purchased Home Loans subject to a re-transfer or rescission or in relation to which an Indemnity Amount has been paid on or prior the immediately following Settlement Date);

**MPR** means three (3) months of prepayments calculated by using the higher of (i) the Monthly Prepayment Rate on a base of a 8% annual rate and (ii) the maximum of the Monthly Prepayment Rate on the last 12 Determination Dates as determined by the Management Company (and for dates before the Issuer Establishment Date, assuming that the Monthly Prepayment Rate is equal to 8%), provided that the **Monthly Prepayment Rate** shall be equal in respect of a given Calculation Date to the ratio of:

- (I) the part of the AOB of the Performing Home Loans which have been subject to a Prepayment during the immediately preceding Monthly Collection Period; and
- (II) the AOB of the Performing Home Loans calculated on the Determination Date preceding such immediately preceding Monthly Collection Period.

**Contractual Documents** means the Home Loan Agreements and any other related documents entered into by the Seller relating to the said Home Loan Agreements in connection with the Home Loans.

**Contribution Ratio** means, in respect of any Seller, the ratio set out in Appendix 2 of this Prospectus.

**CRA3** means Regulation (EU) No. 462/2013 of the European Parliament and of the Council of 21 May 2013.

**CRA Regulation** means Regulation No. 1060/2009/EC of the European Parliament and the Council of 16 September 2009 on credit rating agencies, as amended pursuant to Regulation No. 513/2011/EU of the European Parliament and the Council of 11 May 2011 and to CRA3.

**Credit Guidelines** mean the Sellers' usual policies, procedures and practices relating to the operation of their home loan business including, without limitation, the usual policies, procedures and practices adopted by them as the grantor of credit in relation to Home Loans and/or (as the case may be) their usual policies, procedures and practices for dealing with matters relating to the obligations and liabilities of the Sellers under applicable laws and regulations (including "Know Your Customer", anti-bribery, money laundering and sanctions checks), for determining the creditworthiness of home loans borrowers, the extension of the credit, as such policies, procedures and practices may be amended or varied from time to time and as described in Sub-Section "Origination and Underwriting Procedures (Credit Guidelines)" of Section "ORIGINATION, UNDERWRITING AND MANAGEMENT PROCEDURES".

**Current Indexed LTV** means, on the Selection Date, in relation to any Home Loan and the related financed property, the ratio of the aggregate Outstanding Principal Balances of all the Home Loans financing such property on such date over the Indexed Valuation of such property.

**Current LTV** means, on the Selection Date, in relation to any Home Loan and the related financed property, the ratio of the aggregate Outstanding Principal Balances of all the Home Loans financing such property on such date over the Original Market Value of such property.

**Custodian** means Natixis, a *société anonyme*, incorporated under the laws of France, whose registered office is located at 30, avenue Pierre Mendès France, 75013 Paris (France), registered with the Trade and Companies Registry of Paris (France) under number 542 044 524, licensed as a credit institution (*établissement de crédit*) with the status of bank (*banque*) by the *Autorité de Contrôle Prudentiel et de Résolution*, in its capacity as custodian of the Assets Allocated to the Issuer, under the Issuer Regulations.

**Custodian Acceptance Letter** means the letter dated on or before the Issuer Establishment Date, signed by an authorised officer of the Custodian and addressed to the Management Company and pursuant to which the Custodian expressly accepts to act as Custodian with respect to the Issuer in accordance with the Issuer Regulations and to be bound by the Issuer Regulations.

**Custodian Agreement** means the custodian agreement (“convention dépositaire”) to be entered into by the Management Company and the Custodian, including any amendment agreement, supplement agreement or replacement agreement relating to any such agreement.

**Data Protection Agent** means BNP Paribas Securities Services, a *société en commandite par actions*, whose registered office is located at 3, rue d’Antin, 75002 Paris (France) registered with the Trade and Companies Registry of Paris (France) under number 552 108 011, licensed as a credit institution (*établissement de crédit*) with the status of bank (*banque*) by the *Autorité de Contrôle Prudentiel et de Résolution*, acting through its office located at Les Grands Moulins de Pantin, 9 rue du Débarcadère, 93500 Pantin (France), acting in its capacity as data agent appointed by the Management Company under the provisions of the Data Protection Agreement.

**Data Protection Agent Termination Event** means any of the following events:

- (a) any material representation or warranty made by the Data Protection Agent is or proves to have been incorrect or misleading in any material respect when made, and the same is not remedied (if capable of remedy) within thirty (30) Business Days after the Management Company (with copy to the Custodian) has given notice thereof to the Data Protection Agent or (if sooner) the Data Protection Agent has knowledge of the same;
- (b) the Data Protection Agent fails to comply with any of its material obligations under the Data Protection Agreement unless such breach is capable of remedy and is remedied within thirty (30) Business Days after the Management Company (with copy to the Custodian) has given notice thereof to the Data Protection Agent or (if sooner) the Data Protection Agent has knowledge of the same;
- (c) an Insolvency Event occurs in respect of the Data Protection Agent; or
- (d) at any time it is or becomes unlawful for the Data Protection Agent to perform or comply with any or all of its material obligations under the Data Protection Agreement or any or all of its material obligations under the Data Protection Agreement are not, or cease to be, legal, valid and binding and no appropriate solutions are found within ten (10) calendar days between the parties to the Data Protection Agreement to remedy such illegality, invalidity or unenforceability.

**Data Protection Requirements** means the French Data Protection law and the GDPR.

**Decryption Key** means in respect of the Purchased Home Loans and the related encrypted information delivered by the Sellers (or the Transaction on their behalf) to the Management Company pursuant to the Home Loans Purchase and Servicing Agreement, the decryption key delivered on or prior to the Purchase Date by the Sellers (or the Transaction Agent on their behalf) and on any relevant Information Date by the Servicers (or the Transaction Agent on their behalf) to the Data Protection Agent that allows for the decoding of the encrypted information received by the Management Company.

**Deemed Collection** has the meaning ascribed to such term in sub-section “Deemed Collections” of section “DESCRIPTION OF CERTAIN TRANSACTION DOCUMENTS – I. PURCHASE OF THE HOME LOANS”.

**Defaulted Home Loan** means, with reference to a given date, any Purchased Home Loan in respect of which:

- (I) the relevant Borrower has been classified as “CX” (contentious) by the relevant Servicer in accordance with its Servicing Procedures (a) following the decision of the relevant Servicer (i) to declare such Purchased Home Loan as due and payable (*déchéance du terme*) and/or (ii) to transfer such Purchased Home Loan to the litigation department and/or (b) following the insolvency (*procédure de rétablissement personnel*) of the relevant Borrower; and/or
- (II) the relevant Borrower has been classified as “RX” (restructured) by the relevant Servicer in accordance with its Servicing Procedures because of (i) the decision of such Servicer to agree with such Borrower to a debt dismissal (i.e. reduction of principal, interest and/or fees) and/or a significant reschedule in the framework of an amicable or contentious recovery proceedings (*restructuration forcée*) as a result of a deterioration of the credit quality of such Borrower or (ii) such Borrower has become subject to an

overindebtedness commission (*commission de surendettement des particuliers*) in accordance with the applicable provisions of the French Consumer Code (*Code de la consommation*); and/or

- (III) more than five (5) Home Loan instalments remain unpaid past their respective due date provided however that, any Home Loan instalment which has been postponed or deferred by the relevant Servicer in accordance with the Servicing Procedures shall to that extent not be treated as in arrears;

provided that, for the avoidance of doubt, a Purchased Home Loan will be considered as a Defaulted Home Loan as of the occurrence of the first of the events described above and the classification of a Defaulted Home Loan shall be irrevocable.

**Delinquent Home Loan** means, as of any Calculation Date, any Purchased Home Loan in respect of which at least one (1) Home Loan instalment remains unpaid past their respective due date and is not a Defaulted Home Loan.

**Determination Date** means the last calendar day of each calendar month, provided that the first Determination Date will be 30 November 2020.

**EC Treaty** means the Treaty establishing the European Community (signed in Rome on 25 March 1957), as amended by the Treaty on European Union (signed in Maastricht on 7 February 1992), the Treaty of Amsterdam (signed in Amsterdam on 2 October 1997) and the Treaty of Nice (signed in Nice on 26 February 2001).

**EDW Website** means the internet website of European Data Warehouse ([www.eurodw.eu](http://www.eurodw.eu)).

**Electronic Consent** means, with respect to any Written Resolution and pursuant to Article L. 228-46-1 of the French Commercial Code, any such Written Resolution which is approved by way of electronic communication.

**Electronic File** means the electronic file delivered by each Seller (or the Transaction on their behalf) to the Management Company with each Transfer Document (or, as the case may be, each Re-transfer Request or each offer to repurchase) pursuant to the Home Loans Purchase and Servicing Agreement, including all information as are necessary to identify and individualise the Purchased Home Loans transferred to the Issuer (or, as the case may be, re-transferred by the Issuer) pursuant to that Transfer Document.

**Eligible Borrower** has the meaning given to it in Section “DESCRIPTION OF CERTAIN TRANSACTION DOCUMENTS - Purchase of the Home Loans – Home Loan Eligibility Criteria” of this Prospectus.

**Encrypted Data File** means an electronically readable data tape in a standard format as agreed between the Management Company and the Sellers containing encrypted information such as, *inter alia*, the names and addresses of the Borrowers in respect of each outstanding Purchased Home Loan.

**EURIBOR** means the interest rate applicable to deposits in euros in the Eurozone for three (3) month-Euro deposits (or in the case of the first Interest Period, the linear interpolation of three (3) and six (6) month Euro deposits) as determined by the Management Company on any Interest Rate Determination Date in accordance with Condition 3(c)(ii) (except when such term is used for the purposes of the Interest Rate Swap Agreement where this term shall have the meaning given to it therein).

**EURO, EUR and €** each means the lawful currency of member states of the European Union that adopt the single currency in accordance with the EC Treaty.

**Euroclear** means Euroclear France.

**Euro-Zone** means the region comprised of the Member States of the European Union that adopts the single currency in accordance with the Treaty establishing the European Community (signed in Rome on 25 March 1957), as amended by the Treaty on European Union (signed in Maastricht on 7 February 1992).

**Expected Amortisation Amount** means the amount, as calculated on each Calculation Date with respect to the immediately following Payment Date during the Amortisation Period, equal to the positive difference between (i) and (ii), where:

- (i) is the aggregate of the Class A Notes Outstanding Amount and the Class B Notes Outstanding Amount, both as at the immediately preceding Payment Date after giving effect to any payment in accordance with the Normal Priority of Payments (or, as the case may be, on the Issuer Establishment Date in case of the first Payment Date), and of the Residual Units nominal amount; and
- (ii) is the sum of the aggregate Outstanding Principal Balance of the Performing Home Loans on the Determination Date immediately preceding such Calculation Date, excluding the Purchased Home Loans subject to a re-transfer or rescission or in relation to which an Indemnity Amount has been paid on or prior the immediately following Payment Date.

**Extraordinary Resolution** has the meaning ascribed to it in the Terms and Conditions of the Notes.

**Final Legal Maturity Date** means, the Payment Date falling in October 2054.

**First Optional Redemption Date** means the Payment Date falling in October 2025.

**Fitch** means Fitch Ratings Ireland Limited – Succursale française, having its registered office 60 rue de Monceau, 75008 Paris, France.

**Fixed Amount** means the amount to be paid by the Issuer to the Interest Rate Swap Counterparty which is equal to the product of (i) the Interest Rate Swap Fixed Rate, (ii) the Notional Amount, (iii) the number of days in the relevant Interest Period (for the avoidance of doubt, in the case of the first Payment Date only, starting on the Issue Date) divided by 360.

**Floating Amount** means, on any Payment Date in respect of the Interest Period ending on such Payment Date, an amount equal to the product of (A) the number of days in the relevant Interest Period divided by 360, (B) the greater between: (x) zero and (y) the aggregate of (i) EURIBOR (as determined for such Interest Period ending on such Payment Date or any replacement rate as determined in accordance with the Interest Rate Swap Agreement (including, as the case may be, any Adjustment Payment or Adjustment Spread)) and (ii) the Class A Margin, both for the relevant Interest Period and (C) the Notional Amount of the Interest Rate Swap Transaction.

**French Civil Code** means the French *Code civil*.

**French Commercial Code** means the French *Code de commerce*.

**French Consumer Code** means the French *Code de la consommation*.

**French Data Protection Law** means the law no. 78-17 of 6 January 1978 (as amended) relating to the protection of personal data (*Loi relative à l'informatique, aux fichiers et aux libertés*), as amended from time to time.

**French General Tax Code** means the French *Code général des impôts*.

**French Monetary and Financial Code** means the French *Code monétaire et financier*.

**French Separation Law** means Law no. 2013-672 of 26 July 2013 on the separation and the regulation of banking activities (*Loi n° 2013-672 du 26 juillet 2013 de séparation et de régulation des activités bancaires*).

**Funds Allocation Rules** means all allocations, distributions and payments required under the rules pertaining to the allocation of the funds received by the Issuer (*règles d'affectation de sommes reçues par l'organisme*) set out in the Issuer Regulations, including without limitation, the Priorities of Payments.

**GDPR** means EU 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation).

**General Account** means a bank account opened in the name of the Issuer with the Account Bank, the details of which are provided in the Account Bank Agreement.

**General Reserve** means the amounts standing to the credit of the General Reserve Account from time to time.

**General Meeting** means a meeting of the Noteholders of any one or more Class(es) of Noteholders and, except where the context otherwise requires, includes a meeting resumed following an adjournment.

**General Reserve Account** means the bank account opened in the name of the Issuer with the Account Bank, the details of which are provided in the Account Bank Agreement, for the purposes set out in the Reserve Cash Deposits Agreement.

**General Reserve Cash Deposit** means, pursuant to the Reserve Cash Deposits Agreement, the sum of the General Reserve Initial Cash Deposit, less (i) any amount reimbursed directly to the Reserves Provider and (ii) any amount of breached financial obligations of the Reserves Provider against which the Management Company has set-off the obligation of the Issuer to repay the General Reserve Cash Deposit still outstanding.

**General Reserve Decrease Amount** means, on any Calculation Date during the Amortisation Period, the higher of (i) the excess (if any) of the General Reserve Required Amount as at the immediately previous Payment Date (or, if there is no such previous Payment Date, the Issuer Establishment Date) over the General Reserve Required Amount as at the immediately following Payment Date and (ii) the remaining Available Distribution Amount as at the immediately following Payment Date after payment of items (1) to (7) of the Normal Priority of Payments.

**General Reserve Initial Cash Deposit** means the cash deposit for an amount equal to the General Reserve Initial Cash Deposit Amount made by the Reserves Provider under the terms of the Reserve Cash Deposits Agreement on the Issuer Establishment Date. The General Reserve Initial Cash Deposit will be credited to the General Reserve Account;

**General Reserve Initial Cash Deposit Amount** means EUR 5,000,000.

**General Reserve Final Utilisation Date** means the earlier of (i) the Payment Date following the Calculation Date on which the Management Company determines that the Class A Notes Outstanding Amount is lower than the amount standing to the credit of the General Reserve Account as at such Calculation Date, (ii) the first Payment Date of the Accelerated Amortisation Period and (iii) the Final Legal Maturity Date.

**General Reserve Required Amount** means:

- a) on any Payment Date falling before the General Reserve Final Utilisation Date, the higher of:
  - (i) an amount equal to 0.50% of the aggregate Principal Amount Outstanding of the Class A Notes as of the immediately preceding Payment Date (after the application of the relevant Priority of Payments) or if there is no preceding Payment Date the Issuer Establishment Date (rounded upward to the nearest €1,000); and
  - (ii) EUR 500,000;
- b) on any Payment Date falling on or after the General Reserve Final Utilisation Date, zero (0).

**Home Loan Agreement** means a loan agreement entered into between any Seller and a Borrower in order to acquire, to renovate, to build or to refinance a property, being a residential (and not a commercial) property.

**Home Loan Guarantee** means, in respect of a Home Loan, any joint and several guarantee (*cautionnement solidaire*) or other type of guarantee securing the full repayment of such Home Loan and granted by any Home Loan Guarantor.

**Home Loan Guarantor** means any of Parnasse Garanties and Compagnie Européenne de Garanties et Cautions (CEGC).

**Home Loans** means any and all receivables arising from home loans granted pursuant to the Home Loan Agreements entered into with Borrowers.



**Home Loan Eligibility Criteria** means each of the criteria which a Home Loan offered for sale to the Issuer on the Purchase Date must satisfy as at the Selection Date or, as the case may be, the relevant date specified below as such criteria are set out in Section “DESCRIPTION OF CERTAIN TRANSACTION DOCUMENTS - Purchase of the Home Loans – Home Loan Eligibility Criteria” of this Prospectus.

**Home Loan Instalment Due Date** means, with respect to any Home Loan, the date on which payment of principal and interest is due and payable under the relevant Home Loan Agreement.

**Home Loans Purchase Offer** means the purchase offer to be issued by each Seller to the Management Company (with copy to the Custodian) on the Purchase Date pursuant to the terms of the Home Loans Purchase and Servicing Agreement.

**Indemnity Amount** means an amount equal to the sum of (i) the then Outstanding Principal Balance of the relevant Purchased Home Loan as at the Determination Date immediately preceding the date of indemnification, plus (ii) any unpaid amounts of principal, interest, expenses and other ancillary amounts (excluding, for the avoidance of doubt, any insurance premium and administrative and handling fees (*frais de dossier*)) relating to such Purchased Home Loan as at the Determination Date immediately preceding the date of indemnification and plus (iii) any accrued interest under such Purchased Home Loan during the period from and excluding to the preceding Determination Date to, and excluding such date of indemnification.

**Index** means the home prices index, calculated by (i) before 31.12.2019, (a) PERVAL, for homes located in France, outside Ile-de-France, and by (b) PNS (Paris Notaires Services), for homes located in Ile-de-France and (ii) since 31.12.2019, Crédit Foncier Immobilier (CFI), provided that indexes are updated on a semi-annual basis (in January and in June). These indices are those used for purpose to determined the Indexed Valuation at BPCE Group level.

**Indexed Valuation** means, on any date in relation to any property, the Original Market Value of such property increased or decreased as appropriate by the increase or decrease in the applicable Index since the purchase date of such property, it being provided that the Indexed Valuation is recalculated on a quarterly basis.

**Individual Servicer Report** means the set of information gathered by each Servicer and supplied on each relevant Reporting Date to the Transaction Agent pursuant to and in accordance with the Home Loans Purchase and Servicing Agreement and which is necessary for the Transaction Agent to be able to prepare the corresponding Master Servicer Report.

**Individual Servicer Termination Event** means any of the events referred to in item (a) to (f) of the definition of "Servicer Termination Event", in each case after expiry of any applicable grace period.

**Information Date** means at the latest the date falling on the seventh (7th) Business Day after each Determination Date.

**Initial Principal Amount** means:

- (a) in respect of Class A Notes: EUR 1,000,000,000; and
- (b) in respect of Class B Notes: EUR 90,000,000.

**Initial Principal Balance** means, in respect of any Purchased Home Loan purchased by the Issuer on the Purchase Date and the corresponding Home Loan Agreement, an amount equal to the Outstanding Principal Balance of such Home Loan on the Selection Date.

**Initial Swap Premium** means the initial premium to be paid by the Issuer to the Interest Rate Swap Counterparty on the Issue Date in accordance with the Interest Rate Swap Agreement for an amount equal to the Issuance Premium.

**Insolvency Event** means, in relation to any entity, any of the following events:

- (a) the relevant entity is unable or admits inability to pay its debts as they fall due, suspends making payments on any of its debts or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness;
- (b) the relevant entity is in a state of *cessation des paiements* within the meaning of article L. 613-26 of the French Monetary and Financial Code or, as applicable, article L. 631-1 of the French Commercial Code or any other equivalent provision under any applicable law, or demonstrates financial difficulties which it cannot overcome ("*justifie de difficultés qu'il n'est pas en mesure de surmonter*") within the meaning of article L. 620-1 of the French Commercial Code;
- (c) a moratorium is declared in respect of any indebtedness of the relevant entity;
- (d) any corporate action, legal proceedings or other procedure or step is taken in relation to:
  - (i) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the entity;
  - (ii) the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of the entity or all or part of its respective assets;
- (e) a judgement for *sauvegarde*, *sauvegarde accélérée*, *sauvegarde financière accélérée*, *redressement judiciaire*, *liquidation judiciaire* or *cession totale de l'entreprise* is rendered or, a *mandataire ad hoc* is appointed or a *conciliation* opened, in relation to the relevant entity under Book VI of the French Commercial Code; and
- (f) any analogous procedure or step is taken in any jurisdiction.

**Insurance Contract** means any insurance contract entered into by a Borrower with an insurer with respect to a (A) Home Loan, to cover the risks of (i) the death (*décès*) and/or (ii) the total and irreversible loss of autonomy (*perte totale et irréversible d'autonomie*) and/or (iii) the total temporary incapacity to work (*incapacité temporaire totale de travail*) and/or permanent invalidity (*invalidité permanente*) and/or work suspension (*arrêt de travail*) and/or work loss (*perte d'emploi*), and/or (B) as applicable, a property financed with the proceeds of a Home Loan (building insurance).

**Interest Component Purchase Price** means, on the Purchase Date, the portion of Purchase Price of the Home Loans to be purchased on that date which is equal to the aggregate of the accrued but unpaid interest of such Home Loans on the Selection Date (excluded).

**Interest Period** means in respect of the first Interest Period, the period commencing on (and including) the Issue Date and ending on (but excluding) the first Payment Date, and, in respect of any successive Interest Period, the period from (and including) the next (or first) Payment Date to (but excluding) the next following Payment Date.

**Interest Rate Determination Date** means in respect of the first Interest Period, two (2) TARGET Business Days before the Issue Date and, in respect of all subsequent Interest Periods, the day which is two (2) TARGET Business Days before the first day of each such Interest Period.

**Interest Rate Swap Agreement** means, with respect to the Interest Rate Swap Counterparty, the FBF master agreement (*convention-cadre relative aux opérations sur instruments financiers à terme*) to be entered into on or about the Issue Date with the Interest Rate Swap Counterparty as amended by a schedule and confirmed by one written swap confirmation.

**Interest Rate Swap Collateral Account Surplus** means, in connection with an early termination of the Interest Rate Swap Agreement, and in the circumstances set out in the Issuer Regulations and following satisfaction in full of all amounts owing to the relevant outgoing Interest Rate Swap Counterparty further to such early termination in accordance with the terms Interest Rate Swap Agreement, the proceeds or cash corresponding to the surplus of collateral remaining in the Interest Rate Swap Collateral Accounts (if any).

**Interest Rate Swap Collateral Accounts** means the accounts opened and maintained in the name of the Issuer with the Account Bank in accordance with the Account Bank Agreement in order to credit the collateral received by the Issuer, in accordance with the terms of the Interest Rate Swap Agreement.

**Interest Rate Swap Collateral Liquidation Amount** means, in connection with an early termination of the Interest Rate Swap Agreement, the sum of the proceeds resulting from the liquidation of the collateral held on the Interest Rate Swap Collateral Accounts in the form of securities and the collateral in the form of cash..

**Interest Rate Swap Counterparty** means Natixis, a *société anonyme*, incorporated under the laws of France, whose registered office is located at 30, avenue Pierre Mendès France, 75013 Paris (France), registered with the Trade and Companies Registry of Paris (France) under number 542 044 524, licensed as a credit institution (*établissement de crédit*) with the status of bank (*banque*) by the *Autorité de Contrôle Prudentiel et de Résolution*.

**Interest Rate Swap Fixed Rate** means the fixed rate determined on or about 23 October 2020 and not greater than 0.60% *per annum*.

**Interest Rate Swap Net Amount** means, in respect of any Payment Date, the absolute value of the difference between the Floating Amount and the Fixed Amount, provided that in the event that the Floating Amount exceeds the Fixed Amount, the Interest Rate Swap Net Amount shall be due and payable by the Interest Rate Swap Counterparty to the Issuer and in the event that the Fixed Amount exceeds the Floating Amount, the Interest Rate Swap Net Amount shall be due and payable by the Issuer to the Interest Rate Swap Counterparty.

**Interest Rate Swap Senior Termination Payment** means any amount due and payable to the Interest Rate Swap Counterparty under the Interest Rate Swap Agreement in connection with an early termination of the Interest Rate Swap Agreement other than an Interest Rate Swap Subordinated Termination Payment.

**Interest Rate Swap Subordinated Termination Payment** means any amount due and payable to the Interest Rate Swap Counterparty under the Interest Rate Swap Agreement in connection with an early termination of the Interest Rate Swap Agreement where such termination results from an Event of Default (as defined in the Interest Rate Swap Agreement) in respect of which the Interest Rate Swap Counterparty is the Defaulting Party (as defined in the Interest Rate Swap Agreement) or a Change of Circumstances (as defined in the Interest Rate Swap Agreement) where the Interest Rate Swap Counterparty is the sole Affected Party (as defined in the Interest Rate Swap Agreement).

**Interest Rate Swap Termination Amount** means the amount of the Replacement Value (as defined in the Interest Rate Swap Agreement) of the Interest Rate Swap Transaction owed by or to the Issuer in connection with an early termination of the Interest Rate Swap Agreement, in accordance with the terms of the Interest Rate Swap Agreement.

**Interest Rate Swap Transaction** means the interest rate swap transaction entered into between the Issuer and the Interest Rate Swap Counterparty and governed by the Interest Rate Swap Agreement.

**Investor Report** means the quarterly report to be prepared by the Management Company on each Calculation Date for the review by the Custodian and published by the Management Company on its internet website and on the EDW Website, which shall be substantially in a form as set out in schedule 4 to the Issuer Regulations, as the same may be amended and/or supplemented from time to time by agreement between the Management Company and the Custodian, including if so required in accordance with these Issuer Regulations.

**Investor Reporting Date** means the date falling three (3) Business Days prior to each Payment Date.

**Issuance Premium** means, in relation to the Class A Notes, an amount equal to the positive difference between (i) the issue price of the Class A Notes (expressed in Euros) and (ii) the Initial Principal Amount of such Class A Notes.

**Issue Date** means the date of issuance of the Class A Notes, the Class B Notes and the Residual Units, which should be on or about 28 October 2020.

**Issuer** means the *fonds commun de titrisation* named “BPCE HOME LOANS FCT 2020” established by France Titrisation, in its capacity as Management Company, governed by articles L. 214-166-1 to L. 214-175, L. 214-175-1 to L. 214-175-8, L. 214-180 to L. 214-186, L. 231-7 and R. 214-217 to R. 214-235 of the French Monetary and Financial Code and by its Issuer Regulations.

**Issuer Accounts** means each of the following bank accounts: the General Account, the General Reserve Account, the Commingling Reserve Account, the Interest Rate Swap Collateral Accounts and any additional or replacement accounts (including, if applicable, any securities accounts) opened in the name of the Issuer pursuant to Account Bank Agreement after the Issuer Establishment Date. The Issuer Accounts shall be held by the Account Bank under the terms of the Account Bank Agreement.

**Issuer Cash** means the monies paid into the Issuer Accounts (other than the Interest Rate Swap Collateral Accounts) and comprising the amounts standing from time to time to the credit of the Issuer Accounts and pending allocation.

**Issuer Establishment Date** means the date on which the Issuer will be established by the Management Company and the Custodian, which should be on or about 28 October 2020.

**Issuer Expenses** means:

- (i) the Servicing Fee;
- (ii) the expenses and fees due to the Management Company, the Custodian, the Statutory Auditor, the Paying Agent, Listing Agent, the Account Bank, the Data Protection Agent, the Rating Agencies, the Transaction Agent, as applicable, as well as any tax, other than trade tax, or costs borne by the Issuer, or such other fees and expenses as may reasonably be incurred for the operation or the liquidation of the Issuer, or in relation to the Notes, and in particular (A) all reasonable expenses incurred in connection with the organisation or holding of any General Meeting of any Class of Noteholders or any Written Resolution, and all reasonable administrative expenses resolved upon by a General Meeting of any Class of Noteholders, (B) the annual fee payable to the *Autorité des Marchés Financiers*, (C) the fee payable to the European DataWarehouse, (D) any Benchmark Rate Modification Costs, and (E) any other amount described in Section “THIRD PARTY EXPENSES”;
- (iii) such amount as the Management Company, acting in its discretion and in the interest of the Noteholders and of the Residual Unitholders, deems necessary to ensure the continuation of the Home Loan Agreements.

**Issuer Liquidation Date** means the date on which the Issuer is liquidated, which shall be the Final Legal Maturity Date, unless the Issuer is liquidated earlier following the occurrence of an Issuer Liquidation Event, in which case the Issuer Liquidation Date shall be the Payment Date on which all of the then outstanding Purchased Home Loans will have been sold by the Issuer.

**Issuer Liquidation Event** means one of the following events:

- (a) the liquidation is in the interest of the Noteholders and the Residual Unitholders; or
- (b) the Notes and the Residual Units issued by the Issuer are held by a single holder and such holder requests the liquidation of the Issuer; or
- (c) the Notes and the Residual Units issued by the Issuer are held solely by the Sellers and the Management Company receives a request in writing by the Sellers (or the Transaction Agent on their behalf), acting unanimously, to liquidate the Issuer; or
- (d) at any time, the Outstanding Principal Balance (*capital restant dû*) of the undue (*non échues*) Performing Home Loans held by the Issuer falls below 10 per cent. of the maximum aggregate of the Outstanding Principal Balance (*capital restant dû*) of the undue (*non échues*) Performing Home Loans recorded since the Issuer Establishment Date and the Management Company receives a request in writing by the Sellers (or the Transaction Agent on their behalf), acting unanimously, to liquidate the Issuer; or

- (e) after the occurrence of a Tax Event, a general assembly resolution of the Class A Noteholders is passed or a decision of the sole holder of the Class A Notes is made, as the case may be, requesting the liquidation of the Issuer; or
- (f) on the First Optional Redemption Date or any of the subsequent Optional Redemption Dates the Management Company receives a request in writing by the Sellers (or the Transaction Agent on their behalf), acting unanimously, to liquidate the Issuer.

**Issuer Regulations** means the Issuer Regulations (*règlement*) entered into on or before the Issuer Establishment Date between the Management Company and the Custodian in connection with the establishment, the operation and the liquidation of the Issuer.

**Joint Arrangers** means BPCE and Natixis.

**Joint Lead Managers** means Natixis and BofA Securities.

**LCR Delegated Regulation** means Commission Delegated Regulation (EU) 2015/61 of 10 October 2014 to supplement Regulation (EU) No 575/2013 of the European Parliament and the Council with regard to liquidity coverage requirement for Credit Institutions.

**LCR Regulation** means the LCR Delegated Regulation as amended by the provisions of Regulation 2017/2402 of the European Parliament and of the Council dated 12 December 2017 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation, and amending Directives 2009/65/EC, 2009/138/EC and 2011/61/EU and Regulations (EC) No 1060/2009 and (EU) No 648/2012 and as further amended from time to time and the related regulatory technical standards and implementing technical standards.

**Liquidation Surplus** means any amount standing to the credit of the General Account following the liquidation of the Issuer and the payment of principal, interest, expenses and commissions due under the provisions of the Issuer Regulations.

**Listing Agent** means BNP Paribas Securities Services, a *société en commandite par actions*, whose registered office is located at 3, rue d'Antin, 75002 Paris (France) registered with the Trade and Companies Registry of Paris (France) under number 552 108 011, licensed as a credit institution (*établissement de crédit*) with the status of bank (*banque*) by the *Autorité de Contrôle Prudentiel et de Résolution*, acting through its office located at Les Grands Moulins de Pantin, 9 rue du Débarcadère, 93500 Pantin (France), in its capacity as Listing Agent under the Paying Agency Agreement.

**Management Company** means France Titrisation, a *société par actions simplifiée*, whose registered office is located at 1, Boulevard Haussmann, 75009 Paris (France), registered with the Trade and Companies Registry of Paris (France) under number 353 053 531, licensed by the *Autorité des Marchés Financiers* as portfolio management company of securitisation vehicles (*société de gestion de portefeuille habilitée à gérer des organismes de titrisation*), acting in the name and on behalf of the Issuer (unless the context requires otherwise).

**Management Reporting Date** means a date falling three (3) Business Days prior to the last Business Day of each calendar month and which is not an Investor Reporting Date.

**Master Servicer Report** means each computer file established by the Transaction Agent supplied on each relevant Information Date to the Management Company, with a copy to the Custodian pursuant to and in accordance with the Home Loans Purchase and Servicing Agreement.

**Master Servicer Report Delivery Failure** means the event occurring on a Calculation Date whereby the Management Company has not received any of the three Master Servicer Reports in respect of the Quarterly Collection Period preceding such Calculation Date.

**Master Servicer Termination Event** means any of the events referred to in item (g) to (i) of the definition of "Servicer Termination Event", in each case after expiry of any applicable grace period.

**Monthly Collection Period** means each calendar month, from a Determination Date (excluded) to the next Determination Date (included); provided that the first Monthly Collection Period shall begin on (and exclude) the Selection Date and shall end on (and include) the first Determination Date.

**Monthly Management Report** means any report prepared by the Management Company and provided to the Transaction Agent and the Custodian on each Management Reporting Date concerning the preceding Monthly Collection Period and, as the case may be, the second preceding Monthly Collection Period of the same Quarterly Collection Period (it being specified that one global Monthly Management Report shall be prepared for all Sellers).

**Moody's** means Moody's France SAS.

**Mortgage** means any in rem security interests being either first ranking:

- (a) lender's privileges (*privilèges du prêteur de deniers*) as provided under article 2374-2 of the French Civil Code; or
- (b) mortgages (*hypothèques*), as provided under article 2393 of the French Civil Code.

**Most Senior Class of Notes Outstanding** means:

- (i) for so long as the Class A Notes remain outstanding, the Class A Notes; and
- (ii) provided that the Class A Notes have been fully redeemed and for so long as the Class B Notes remain outstanding, the Class B Notes.

**Negative Rating Action** means in relation to the current rating assigned to the Class A Notes by a Rating Agency, (i) a downgrade, withdrawal or suspension of the rating or (ii) such Class A Notes being placed on rating watch negative (or equivalent).

**Networks** means the Banques Populaires network, as defined in article L. 512-11 of the French Monetary and Financial Code, the Caisses d'Épargne network as defined in article L. 512-86 of the French Monetary and Financial Code and the Crédit Maritime Mutuel network, as defined in articles L. 512-68 *et seq.* of the French Monetary and Financial Code.

**New Custodian Rules** means new articles L. 214-175-2 to L. 214-175-8 of the French Monetary and Financial Code as introduced by the 2017 Order and entered into force on 1st January 2020.

**Normal Priority of Payments** means, the Priority of Payments applicable during the Amortisation Period.

**Noteholder** means any holder of Notes from time to time.

**Note Rate Maintenance Adjustment** means the adjustment (which may be positive or negative) which the Rate Determination Agent proposes to make (if any) to the Class A Margin payable on the Class A Notes in order to, so far as reasonably and commercially practicable, preserve what would have been the expected Class A Notes Interest Rate applicable to such Class A Notes had no such Benchmark Rate Modification been effected.

**Notes** means the Class A Notes and the Class B Notes.

**Notes Amortisation Amount** means, on a given Payment Date, the sum of the Class A Notes Amortisation Amount and the Class B Notes Amortisation Amount.

**Notification of Control** means any notice addressed by the Management Company to the Specially Dedicated Account Bank (with a copy to the Custodian and the relevant Servicer) in respect of the operations of the relevant Specially Dedicated Bank Account pursuant to clause 5.4 of the relevant Specially Dedicated Account Bank Agreement.

**Notification of Release** means any notice addressed by the Management Company to the Specially Dedicated Account Bank (with a copy to the Custodian and the relevant Servicer) in respect of the operations of the relevant

Specially Dedicated Bank Account pursuant to clause 5.5 of the relevant Specially Dedicated Account Bank Agreement.

**Notional Amount** means the lesser between (i) the aggregate of the Principal Amount Outstanding of the Class A Notes on the immediately preceding Payment Date (or the Issue Date in respect of the first Payment Date) as determined by the Management Company and (ii) the Outstanding Principal Balance of the Performing Home Loans on the Determination Date immediately preceding such Payment Date (or in case of the first Payment Date, the Selection Date).

**Optional Redemption Date** means any Payment Date from (and including) the First Optional Redemption Date up to (and excluding) the Final Legal Maturity Date.

**Ordinary Resolution** has the meaning ascribed to it in the Terms and Conditions of the Notes.

**Original Market Value** means, in relation to any property, the valuation of such property on the purchase date of such property.

**OT Reform** means the government order n°2017-1432 of 4 October 2017 (*ordonnance n°2017-1432 of 4 October 2017 portant modernisation du cadre juridique de la gestion d'actifs et du financement par la dette*) as completed by two decrees n°2018-1004 and n°2018-1008 (*décrets du 19 novembre 2018 n°2018-1004 et n°2018-1008 portant modernisation du cadre juridique de la gestion d'actifs et du financement par la dette*).

**Outstanding Principal Balance** means, with respect to a given Home Loan and any date, the remaining amount of principal to be paid by the relevant Borrower under the relevant Home Loan.

**Parnasse Garanties** means Parnasse Garanties, a *société anonyme*, whose registered office is at 1 Bis rue Jean Wiener, 77420 Champs-sur-Marne, registered with the Trade and Companies Register of Meaux under registration no. 789 910 783.

**Paying Agency Agreement** means the agreement entered into on or before the Issuer Establishment Date between the Management Company, the Custodian and the Paying Agent and relating to the payments of principal and interest due in respect of the Class A Notes.

**Paying Agent** means BNP Paribas Securities Services, a *société en commandite par actions*, whose registered office is located at 3, rue d'Antin, 75002 Paris (France) registered with the Trade and Companies Registry of Paris (France) under number 552 108 011, licensed as a credit institution (*établissement de crédit*) with the status of bank (*banque*) by the *Autorité de Contrôle Prudentiel et de Résolution*, acting through its office located at Les Grands Moulins de Pantin, 9 rue du Débarcadère, 93500 Pantin (France), in its capacity as Paying Agent under the Paying Agency Agreement.

**Payment Date** means the date falling on the last Business Day of the first calendar month of each quarter (being the months of January, April, July and October in each year), provided that the first Payment Date will fall on 29 January 2021.

**Performing Home Loan** means any Purchased Home Loan which is not a Defaulted Home Loan.

**Portfolio Conditions** means together the LTV Criteria, the RWA Limit, the Borrower Concentration and the Seller Concentration.

**Prepayment** means any payment made by a Borrower or any third party in addition to the Home Loan instalment in order to reduce in whole or in part the Outstanding Principal Balance of a Home Loan in accordance with and subject to the Servicing Procedures and subject to the provisions of the Home Loans Purchase and Servicing Agreement.

**Principal Amount Outstanding** means, in respect of the Notes of any Class, on a particular date during the Amortisation Period or the Accelerated Amortisation Period, the principal amount outstanding resulting from the difference between the Initial Principal Amount of the Notes of that Class and the aggregate amount of all principal payments paid to the Noteholders of that Class prior to such date.

**Principal Component Purchase Price** means the purchase price to be paid by the Issuer to the Transaction Agent on behalf of the Sellers and equal to the aggregate of the Initial Principal Balances, as at the Selection Date, of the Home Loans to be purchased on the Purchase Date.

**Principal Amortisation Amount** means the amount as calculated on each Calculation Date during the Amortisation Period, equal to:

- (a) for the purpose of calculating the Class A Notes Amortisation Amount, the lower of:
  - (i) the Available Distribution Amount on such Calculation Date minus all amounts falling due and payable under items (1) to (4) of the Normal Priority of Payments on the immediately following Payment Date; and
  - (ii) the Expected Amortisation Amount on such Calculation Date;
- (b) for the purpose of calculating the Class B Notes Amortisation Amount, the lower of:
  - (i) the Available Distribution Amount on such Calculation Date minus all amounts falling due and payable under items (1) to (9) of the Normal Priority of Payments on the immediately following Payment Date; and
  - (ii) the positive difference between (i) the Expected Amortisation Amount on such Calculation Date and (ii) the amount falling due and payable under item (5) of the Normal Priority of Payments on the immediately following Payment Date.

**Priority of Payments** means the Normal Priority of Payments and the Accelerated Priority of Payments set out in the Issuer Regulations, as set out in sub-section “Priorities of Payments” of the Section “APPLICATION OF FUNDS”.

**Prospectus Regulation** means Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC.

**Purchase Date** means the date of transfer of the Purchased Home Loans to the Issuer, falling on the same date as the Issuer Establishment Date.

**Purchase Price** means the purchase price of the Home Loans to be paid by the Issuer to the Sellers or to the Transaction Agent on behalf of the Sellers under the terms of the Home Loans Purchase and Servicing Agreement. The Purchase Price of the Home Loans shall be equal to the sum of the Principal Component Purchase Price and the Interest Component Purchase Price of the relevant Home Loans.

**Purchased Home Loan** means a Home Loan which has been purchased by the Issuer on the Purchase Date pursuant to the Home Loans Purchase and Servicing Agreement and (a) which remains outstanding and (b) the purchase of which has not been rescinded (*résolu*) or, in the event that the rescission is not possible, which has not been the subject of an indemnification in accordance with and subject to the Home Loans Purchase and Servicing Agreement or which has not been repurchased in accordance with and subject to the Home Loans Purchase and Servicing Agreement.

**Quarterly Collection Period** means, in respect of a Payment Date, the three (3) Monthly Collection Periods immediately preceding such Payment Date provided that the first Quarterly Collection Period shall begin on (and exclude) the Selection Date and shall end on (and include) the second (2<sup>nd</sup>) Determination Date.

**Rate Determination Agent** means the Management Company or a third party financial institution and dealer of international repute in France, in the European Union or in the United Kingdom appointed by the Management Company after discussion with the Transaction Agent (and whose identity, for the avoidance of doubt, shall not need to be approved by the Noteholders) or, failing to find any third party or if requested by the Transaction Agent, the Transaction Agent (or any of its Affiliate). For the avoidance of doubt, the terms of appointment of such third party as Rate Determination Agent will provide that in the absence of manifest error, bad faith or wilful misconduct,



the Rate Determination Agent shall have no liability whatsoever to the Issuer, the Management Company, the Paying Agent or the Noteholders for any determination made by it when following the procedure set out in Condition 8(c) (*Additional right of modification without Noteholders' consent in relation to a Benchmark Rate Modification Event*)) of the Terms and Conditions of the Notes.

**Rating Agencies** means each of Fitch and Moody's.

**Recoveries** means any amounts of instalment, arrears and other amounts received, in respect of an enforcement proceeding, by the relevant Servicer, acting in accordance with the Servicing Procedures over any Purchased Home Loan which has become a Defaulted Home Loan, pursuant to the terms of the Home Loans Purchase and Servicing Agreement. The Recoveries shall be, as the case may be, any amount received in relation to any Defaulted Home Loan from the relevant Borrower, the Home Loan Guarantor or any other sources (e.g. insurance company), according to the Home Loan Agreements and laws and regulations in force from time to time.

**Reference Banks** means the principal Eurozone offices of four (4) major banks in the Eurozone interbank market chosen from time to time by the Management Company, being as at the date of this Prospectus, BNP Paribas, Cr dit Agricole, Natixis and Soci t  G n rale.

**Replacement Swap Premium** means the premium, if any, payable by or to any replacement Interest Rate Swap Counterparty upon entering into by the Issuer of a replacement Interest Rate Swap Agreement.

**Reporting Date** means a date at the latest on the second (2<sup>nd</sup>) Business Day before the Information Date.

**Reporting Entity** means the Issuer, represented by the Management Company, as the entity designated to fulfil the disclosure requirements under Article 7 (*Transparency requirements for originators, sponsors and SSPEs*) of the Securitisation Regulation.

**Rescission Amount** means an amount equal to (i) the then Outstanding Principal Balance of such Purchased Home Loan as at the Determination Date immediately preceding the date of rescission, plus (ii) any unpaid amounts of principal, interest, expenses and other ancillary amounts (excluding, for the avoidance of doubt, any insurance premium and administrative and handling fees (*frais de dossier*)) relating to such Purchased Home Loan as at the Determination Date immediately preceding the date of rescission and plus (iii) any accrued interest under such Purchased Home Loan during the period from and excluding to the preceding Determination Date to, and excluding such date of rescission.

**Reserve Cash Deposits Agreement** means the agreement entered into on or before the Issuer Establishment Date between the Management Company, the Custodian and the Reserves Provider.

**Reserves Provider** means BPCE, a *soci t  anonyme   directoire et conseil de surveillance*, whose registered office is located at 50, avenue Pierre Mend s France, 75013 Paris (France), registered with the Trade and Companies Registry of Paris (France) under number 493 455 042, licensed as a credit institution (* tablissement de cr dit*) with the status of bank (*banque*) by the *Autorit  de Contr le Prudentiel et de R solution*, in its capacity as reserves provider under the Reserves Cash Deposit Agreement and the Home Loans Purchase and Servicing Agreement.

**Residual Unitholders** means the holders from time to time of Residual Units.

**Residual Units** means each of the two (2) Residual Units issued by the Issuer corresponding to an initial nominal amount of EUR 6,500 each subscribed on the Issue Date by the Residual Units Subscriber under the terms of the Residual Units Subscription Agreement.

**Residual Units Subscriber** will be a special purpose vehicle, the sole purpose of which is to subscribe the Residual Units and issue several categories of financial instruments.

**Residual Units Subscription Agreement** means the subscription agreement to be entered into on or before the Issuer Establishment Date between, notably, the Management Company, the Custodian and the Residual Units Subscriber in respect of the Residual Units.

**Re-transfer Date** means, with respect to any Purchased Home Loan, the date on which the relevant Seller repurchases such Purchased Home Loan from the Issuer, under and subject to the terms of the Home Loans Purchase and Servicing Agreement, which shall be agreed between such Seller and the Management Company.

**Re-transfer Price** means the price to be paid by any Seller to the Issuer for the retransfer of that Home Loan, which shall be equal to:

- (a) with respect to a Performing Home Loan, the aggregate of:
  - (i) the then Outstanding Principal Balance of such Home Loan as at the Determination Date immediately preceding the relevant Re-transfer Date;
  - (ii) any unpaid outstanding amount of principal interest, expenses and other ancillary amounts but excluding any insurance premium and administrative and handling fees (*frais de dossier*) relating to such Home Loan as at the Determination Date immediately preceding the relevant Re-transfer Date; and plus
  - (iii) any accrued interest under such Purchased Home Loan during the period from and excluding to the preceding Determination Date to, and excluding such Re-transfer Date (as applicable before any commercial renegotiation),
- (b) with respect to any Defaulted Home Loan secured by a Mortgage, the product of:
  - (i) the fair market value of assets having similar characteristics to the relevant Purchased Home Loans (expressed in percentage); and
  - (ii) the aggregate of:
    - (aa) the then Outstanding Principal Balance of such Home Loan as at the Determination Date immediately preceding the relevant Re-transfer Date;
    - (bb) any unpaid outstanding amount of principal, interest, expenses and other ancillary amounts but excluding any insurance premium and administrative and handling fees (*frais de dossier*) relating to such Home Loan as at the Determination Date immediately preceding the relevant Re-transfer Date; and plus
    - (cc) any accrued interest under such Purchased Home Loan during the period from and excluding to the preceding Determination Date to, and excluding such Re-transfer Date (as applicable before any commercial renegotiation),

provided that, except if additional information is provided by the Seller to the Management Company for the purposes of the establishment of the Re-transfer Price, such “fair market value” will be considered as being equal to one hundred per cent. (100%);

- (c) with respect to any Defaulted Home Loan secured by a Home Loan Guarantee, the positive difference between:
  - (i) the aggregate of:
    - (aa) the then Outstanding Principal Balance of such Home Loan as at the Determination Date immediately preceding the relevant Re-transfer Date;
    - (bb) any unpaid outstanding amount of principal interest, expenses and other ancillary amounts but excluding any insurance premium and administrative and handling fees (*frais de dossier*) relating to such Home Loan as at the Determination Date immediately preceding the relevant Re-transfer Date; and plus
    - (cc) any accrued interest under such Purchased Home Loan during the period from and excluding to the preceding Determination Date to, and excluding such Re-transfer Date (as applicable before any commercial renegotiation); and

- (ii) any indemnity amount paid to the Issuer by the relevant Servicer in the event that, following a default of the relevant Borrower, and following the call made by such Servicer of the relevant Home Loan Guarantee, the relevant Home Loan Guarantor has refused to pay the amount due by such Borrower because the conditions of enforcement of the relevant Home Loan Guarantee had not been complied with by the relevant Servicer.

**Re-transfer Request** means the written request, substantially in the form set out in the Home Loans Purchase and Servicing Agreement, to be delivered by the Transaction Agent on behalf of the relevant Seller to the Management Company to request the Issuer to transfer back to such Seller any Purchased Home Loans, pursuant to the provisions of the Home Loans Purchase and Servicing Agreement.

**Securitisation Regulation** means Regulation 2017/2402 of the European Parliament and of the Council dated 12 December 2017 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation, and amending Directives 2009/65/EC, 2009/138/EC and 2011/61/EU and Regulations (EC) No 1060/2009 and (EU) No 648/2012.

**Securitisation Regulation Investor Report** means the quarterly report prepared by the Management Company in accordance with the provisions of article 7(1)(e) of the Securitisation Regulation.

**Securitisation Repository** means the securitisation repository registered in accordance with Article 10 of the Securitisation Regulation and to be designated by the Reporting Entity to comply with the transparency obligations under the Securitisation Regulation (if any).

**Selection Date** means the date on which the Home Loans shall be selected by the Sellers, i.e. 15 October 2020.

**Seller** means any of (i) any Banque Populaire and (ii) any Caisse d'Epargne, acting in its capacity as seller of the Home Loans on the date of signing of the Home Loans Purchase and Servicing Agreement.

**Servicer** means any of the Sellers, appointed by the Management Company, with the prior approval of the Custodian, as servicer of the Purchased Home Loans transferred by it to the Issuer under the Home Loans Purchase and Servicing Agreement in accordance with the provisions of article L. 214-172 of the French Monetary and Financial Code.

**Servicer Termination Event** means any of the following events, in each case after expiry of any applicable grace period:

- (a) such Servicer fails to comply with any of its material obligations (other than a default referred to in item (e) or (f)) or undertakings under the Transaction Documents to which it is a party, and the same is not remedied (if capable of remedy) within thirty (30) Business Days after the Management Company (with copy to the Custodian) has given notice thereof to the relevant Servicer or (if sooner) the relevant Servicer has knowledge of the same, unless the Management Company determines that such failure is not prejudicial to the interests of the Class A Noteholders provided that, in such case, the Management Company shall notify the Class A Noteholders (with copy to the Custodian) its decision by written notice duly justifying its decision;
- (b) any representation or warranty made by such Servicer under the Transaction Documents to which it is a party, proves to be materially inaccurate or incorrect when made or repeated or ceases to be accurate at any later stage, and the same is not remedied (if capable of remedy) within thirty (30) Business Days after the Management Company (with copy to the Custodian) has given notice thereof to the relevant Servicer or (if sooner) the relevant Servicer has knowledge of the same, unless the Management Company determines that it is not prejudicial to the interests of the Class A Noteholders provided that, in such case, the Management Company shall notify the Class A Noteholders (with copy to the Custodian) its decision by written notice duly justifying its decision;
- (c) an Insolvency Event occurs in respect of such Servicer;
- (d) at any time it is or becomes unlawful for such Servicer to perform or comply with any or all of its material obligations under the Home Loans Purchase and Servicing Agreement or any or all of its material obligations under the Home Loans Purchase and Servicing Agreement are not, or cease to be, legal, valid

and binding and no appropriate solutions are found within ten (10) calendar days between the parties to the Home Loans Purchase and Servicing Agreement to remedy such illegality, invalidity or unenforceability;

- (e) any failure by such Servicer to make any payment under any Transaction Documents to which it is a party and any failure by such Servicer, in its capacity as Seller, to pay any Deemed Collections, when due, except if such failure is due to technical reasons and is remedied by the relevant Servicer or any other member of the BPCE Group within five (5) Business Days;
- (f) on three (3) consecutive Reporting Dates, the Transaction Agent is not provided with a complete Individual Servicer Report in relation to the Purchased Home Loans transferred by such Servicer in its capacity as Seller;
- (g) on three (3) consecutive Information Dates, the Transaction Agent has not provided the Management Company, with a copy to the Custodian, with a Master Servicer Report except if all Servicers have provided the Management Company directly, with a copy to the Custodian, with their Individual Servicer Reports;
- (h) on any date on which the Commingling Reserve needs to be constituted or increased, as the case may be, pursuant to the Reserve Cash Deposits Agreement, the Commingling Reserve is lower than the applicable Commingling Reserve Required Amount and the same is not remedied by the Reserves Provider or any other member of the BPCE Group within five (5) Business Days; or
- (i) as long as BPCE is acting as Transaction Agent, an Insolvency Event occurs in respect of the Transaction Agent.

**Servicing Fee** means the servicing fee payable to the Servicer in connection with the servicing of the Purchased Home Loans. In respect of each Collection Period:

- (a) in respect of the administration and collection (*gestion*) of the Purchased Home Loans in respect of which it is responsible, an all-inclusive quarterly fee (exclusive of any value added tax, if any, and any disbursement whatsoever) equal to the aggregate of 1/12 of 0.1 per cent. *per annum* of the Outstanding Principal Balance of such Purchased Home Loans, as of the beginning of each of the three Monthly Collection Periods preceding such Payment Date; and
- (b) in respect of the recovery (*recouvrement*) of the Delinquent Home Loans and the Defaulted Home Loans in respect of which it is responsible, an all-inclusive quarterly fee (inclusive of any value added tax, if any, and any disbursement whatsoever) equal to the aggregate of 1/12 of 0.5 per cent. *per annum* of the Outstanding Principal Balances of the Delinquent Home Loans and the Defaulted Home Loans as of the beginning of each of the three Monthly Collection Periods preceding such Payment Date.

**Servicing Procedures** means the administration and servicing procedures which must be applied by the Servicers for the administration, recovery and collection of any Purchased Home Loan as described in as described in Sub-Section “Servicing Procedures” of Section “ORIGINATION, UNDERWRITING AND MANAGEMENT PROCEDURES”.

**Settlement Date** means the date falling two (2) Business Days prior to each Payment Date. The first Settlement Date will fall on 27 January 2021.

**SFTR** means Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions, amending Regulation (EU) No648/2012.

**Solvency II Delegated Act** means the Commission Delegated Regulation (EU) no. 2015/35 of 10 October 2014 supplementing Directive 2009/138/EC of the European Parliament and of the Council on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II).

***Specially Dedicated Account Bank*** means BPCE, being the bank in the books of which each Specially Dedicated Bank Account has been opened in accordance with articles L. 214-173 and D. 214-228 of the French Monetary and Financial Code and pursuant the terms of the relevant Specially Dedicated Account Bank Agreement(s).

***Specially Dedicated Bank Account*** means any of the bank accounts opened with the Specially Dedicated Account Bank and which is a specially dedicated bank account (*compte d'affectation spéciale*) to the benefit of the Issuer in accordance with articles L. 214-173 and D. 214-228 of the French Monetary and Financial Code and pursuant the terms of the Specially Dedicated Account Bank Agreement.

***SRM*** means Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010.

***Specially Dedicated Account Bank Agreement*** means any of the agreements entered into between the Management Company, the Custodian, a Servicer and the Specially Dedicated Account Bank, pursuant to which at least one account of the relevant Servicer shall be identified in order to be operated as a Specially Dedicated Bank Account (*compte spécialement affecté*).

***Statutory Auditor*** means Mazars, whose registered office is located at 61 Rue Henri Regnault, 92400 Courbevoie.

***Target Business Day*** means a day on which the Target System is open.

***Target System*** means the *Trans-European Automated Real-Time Gross Settlement Express Transfer* (TARGET) System.

***Tax Event*** means an event whereby, by reason of a change in, or amendment to, tax law (or regulation or the application or official interpretation thereof), which change becomes effective on or after the Issue Date, on the next or any subsequent Payment Date, the Issuer or the Paying Agent on its behalf would become obliged to deduct or withhold from any payment of principal or interest in respect of the Class A Notes any amount for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the French Republic

***Terms and Conditions of the Notes*** means the terms and conditions of the Notes set out in Section “TERMS AND CONDITIONS OF THE NOTES” of this Prospectus and ***Condition*** means any of them.

***Terms and Conditions of the Residual Units*** means the terms and conditions of the Residual Units.

***Transaction Agent*** means BPCE, in its capacity as transaction agent in accordance with the Home Loans Purchase and Servicing Agreement.

***Transaction Documents*** means the Issuer Regulations, the Home Loans Purchase and Servicing Agreement and any Transfer Document, the Account Bank Agreement, the Paying Agency Agreement, the Class A Notes Subscription Agreement, the Interest Rate Swap Agreement, the Class B Notes Subscription Agreement, the Residual Units Subscription Agreement, the Data Protection Agreement, the Specially Dedicated Account Bank Agreement(s), the Reserve Cash Deposits Agreement and the Custodian Acceptance Letter.

***Transaction Parties*** means:

- (a) the Management Company;
- (b) the Custodian;
- (c) the Transaction Agent;
- (d) the Sellers;
- (e) the Servicers;
- (f) the Account Bank;

- (g) the Data Protection Agent;
- (h) the Paying Agent;
- (i) the Listing Agent;
- (i) the Specially Dedicated Account Bank; and
- (j) the Interest Rate Swap Counterparty.

**Transfer Document** means the *Acte de Cession de Créances* governed by the provisions of articles L. 214-169 of the French Monetary and Financial Code which will include the mandatory provisions of article D. 214-227 of the French Monetary and Financial Code, pursuant to which any Seller will assign to the Issuer the Home Loans on the Purchase Date.

**Updated AMF General Regulations** means the updated version of the Règlement Général de l'Autorité des Marchés Financiers which shall be adopted in relation to the New Custodian Rules.

**U.S. Risk Retention Consent** means the consent of the Transaction Agent (on behalf of the Sellers) to be obtained by a purchaser of Notes that is a Risk Retention U.S. Person prior to purchasing such Notes.

**U.S. Risk Retention Rules** means Regulation RR (17 C.F.R Part 246) implementing the risk retention requirements of section 15G of the U.S. Securities Exchange Act of 1934, as amended.

**Written Resolution** has the meaning ascribed to it in the Terms and Conditions of the Notes.

**Written Resolution Date** has the meaning ascribed to it in the Terms and Conditions of the Notes.

## APPENDIX 2 – CONTRIBUTION RATIOS

<b>Name of the Seller</b>	<b>Contribution Ratio</b>
Banque Populaire Alsace Lorraine Champagne	5,14%
Banque Populaire Aquitaine Centre Atlantique	4,37%
Banque Populaire Auvergne Rhône Alpes	6,48%
Banque Populaire Bourgogne Franche Comté	3,72%
Banque Populaire Grand Ouest	4,21%
Banque Populaire Méditerranée	1,81%
Banque Populaire du Nord	3,00%
Banque Populaire Occitane	2,63%
Banque Populaire Rives de Paris	5,69%
Banque Populaire du Sud	1,07%
Banque Populaire Val de France,	1,88%
Caisse d'Epargne et de Prévoyance Aquitaine Poitou-Charentes,	3,97%
Caisse d'Epargne et de Prévoyance d'Auvergne et du Limousin	1,65%
Caisse d'Epargne et de Prévoyance de Bourgogne Franche-Comté	2,20%
Caisse d'Epargne et de Prévoyance de Bretagne – Pays de Loire,	5,29%
Caisse d'Epargne et de Prévoyance Côte d'Azur	2,82%
Caisse d'Epargne et de Prévoyance Grand Est Europe	4,72%
Caisse d'Epargne et de Prévoyance Hauts de France	6,76%
Caisse d'Epargne et de Prévoyance Ile-de-France	10,69%
Caisse d'Epargne et de Prévoyance du Languedoc Roussillon	2,37%
Caisse d'Epargne et de Prévoyance Loire-Centre	2,56%
Caisse d'Epargne et de Prévoyance de Loire Drôme Ardèche	1,74%
Caisse d'Epargne et de Prévoyance de Midi Pyrénées	2,33%
Caisse d'Epargne et de Prévoyance Normandie	3,22%
Caisse d'Epargne CEPAC	3,65%
Caisse d'Epargne et de Prévoyance de Rhône Alpes	6,03%

**MANAGEMENT COMPANY**

**FRANCE TITRISATION**

1, Boulevard Haussmann  
75009 Paris  
France

**CUSTODIAN**

**NATIXIS**

30, avenue Pierre Mendès France  
75013 Paris  
France

**SELLERS**

as defined in this Prospectus

**JOINT ARRANGERS**

**BPCE**

50, avenue Pierre Mendès France  
75013 Paris  
France

**NATIXIS**

30, avenue Pierre Mendès France  
75013 Paris  
France

**JOINT LEAD MANAGERS**

**BOFA SECURITIES**

2 King Edward Street  
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United Kingdom

**NATIXIS**

30, avenue Pierre Mendès France  
75013 Paris  
France

**INTEREST RATE SWAP COUNTERPARTY**

**NATIXIS**

30, avenue Pierre Mendès France  
75013 Paris  
France

**PAYING AGENT**

**BNP PARIBAS SECURITIES SERVICES**

3, rue d'Antin  
75002 Paris  
France

**RATING AGENCIES**

**Fitch Ratings Ireland Limited – Succursale française**

60 rue de Monceau  
75008 Paris  
France

**Moody's France SAS**

96 Boulevard Haussmann  
75008 Paris  
France

**STATUTORY AUDITOR**

**Mazars**

61 rue Henri Regnault  
92400 Courbevoie  
France

**LEGAL ADVISER TO THE JOINT ARRANGERS**

**Orrick Herrington & Sutcliffe (Europe) LLP**

31 avenue Pierre 1<sup>er</sup> de Serbie  
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France

**LEGAL ADVISER TO THE JOINT LEAD MANAGERS AND THE INTEREST RATE SWAP COUNTERPARTY**

**Jones Day**

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