

**Candide Financing 2021-1 B.V. as Issuer**

*(incorporated as a private limited liability company (besloten vennootschap met beperkte aansprakelijkheid in the Netherlands)*

**Legal Entity Identifier: 724500C61H6CWQCN0061**

**EU securitisation transaction unique identifier: 2138001WO21Z3B8Y8K20N202101**

**Lloyds Bank GmbH, Amsterdam Branch as Seller**

*(incorporated under the laws of the Federal Republic of Germany)*

This document constitutes a prospectus (the **Prospectus**) within the meaning of Article 3(3) of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (as amended, the **Prospectus Regulation**). This Prospectus has been approved by the Dutch Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*) (the **AFM**), as competent authority under the Prospectus Regulation. The AFM 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 the Issuer and the quality of the securities that are the subject of this Prospectus and investors should make their own assessment as to the suitability of investing in the Notes.

**This Prospectus is valid for use only by the Issuer or others who have obtained the Issuer's consent for a period of up to 12 months after its approval by the AFM and shall expire on 15 November 2022, at the latest.** It is noted that the obligation to supplement the Prospectus in the event of significant new factors, material mistakes or material inaccuracies does not apply when the Prospectus is no longer valid. For this purpose, "valid" means valid for making offers to the public or admissions to trading on a regulated market by or with the consent of the Issuer and the obligation to supplement the Prospectus is only required within its period of validity between the time when the Prospectus is approved and the closing of the offer period for the Notes or the time when trading on a regulated market begins, whichever occurs later.

	<b>Class A</b>	<b>Class B</b>	<b>Class C</b>
<b>Principal Amount:</b>	EUR 500,000,000	EUR 22,521,000	EUR 3,920,000
<b>Issue Price:</b>	101.991 per cent.	100 per cent.	100 per cent.
<b>Interest rate up to but excluding the First Optional Redemption Date:</b>	EURIBOR for three months deposit plus a margin of 0.7 per cent. per annum with a floor of zero per cent.	Not interest bearing	Not interest bearing
<b>Interest rate as from and including the First Optional Redemption Date:</b>	EURIBOR for three months deposit plus a margin of 1.05 per cent. per annum with a floor of zero per cent.	Not interest bearing	Not interest bearing
<b>Interest accrual:</b>	Act/360	N/A	N/A
<b>Class A Additional Redemption Amounts after the First Optional Redemption Date</b>	On each Notes Payment Date after the First Optional Redemption Date, the Class A Noteholders will, in accordance with the respective Principal Amount Outstanding thereof and until the Class A Notes have been fully redeemed, be entitled to the Available Revenue Funds remaining after amounts payable under the items (a) to (h) (inclusive) of the Revenue Priority of Payments have been fully satisfied on such Notes Payment Date (the <b>Class A Additional Redemption Amounts</b> ). The Class A Additional Redemption Amounts will form part of the Available Principal Funds and will be applied towards redemption of the Class A Notes in accordance with the Principal Priority of Payments until the Class A Notes are redeemed in full.		
<b>Expected ratings (Fitch / DBRS):</b>	AAA (sf) / AAA (sf)	Not rated	Not rated
<b>First Optional Redemption Date:</b>	Notes Payment Date falling in May 2028	Notes Payment Date falling in May 2028	Not applicable

**Final Maturity Date:**                      Notes Payment Date falling in    Notes Payment Date falling in    Notes Payment Date falling in  
November 2060                                      November 2060                                      November 2060

<b>Seller:</b>	Lloyds Bank GmbH, Amsterdam Branch
<b>Closing Date:</b>	The Issuer will issue the Notes in the classes set out above on 18 November 2021 (or such later date as may be agreed between the Issuer, the Arranger and the Joint Lead Managers) (the <b>Closing Date</b> ).
<b>Listing:</b>	Application has been made to list the Class A Notes on the official list and trading on the regulated market of Euronext Amsterdam. The Class B and the Class C Notes will not be listed.
<b>Underlying Assets:</b>	The Issuer will make payments on the Notes in accordance with the relevant Priority of Payments from, among other things, payments of principal and interest received from a portfolio comprising mortgage loans originated by the Originators and secured over residential properties located in The Netherlands. To the extent certain Mortgage Loans were not originated by the Seller, such Mortgage Loans were transferred to the Seller by Lloyds Hypotheken B.V. and Bank of Scotland plc by way of the Contract Transfers pursuant to which the Seller became the lender of record of such Mortgage Loans. The Seller, as at the Closing Date, holds legal title to the Mortgage Loans. Legal title to the Mortgage Receivables resulting from such Mortgage Loans will be assigned by the Seller to the Issuer (i) on the Closing Date and (ii) in case of Further Advance Receivables, subject to certain conditions being met, on any Reconciliation Date thereafter. See Section 6.2 ( <i>Description of Mortgage Loans</i> ) for further information.
<b>Security for the Notes:</b>	The Noteholders will, together with the other Secured Creditors, benefit from security rights created in favour of the Security Trustee over, among other things, the Mortgage Receivables and the Issuer Rights (see Section 4.7 ( <i>Security</i> )).
<b>Denomination:</b>	The Notes will have a minimum denomination of EUR 100,000 and integral multiples of EUR 1,000 in excess thereof up to and including EUR 199,000.
<b>Form:</b>	The Notes will initially be represented by Global Notes in global bearer form without coupons attached. Interests in the Global Notes will only in exceptional circumstances be exchangeable for Notes in definitive form.
<b>Interest:</b>	The Class A Notes will carry a floating rate of interest as set out above, payable quarterly in arrear on each Notes Payment Date. No interest will be payable on the Class B Notes and the Class C Notes. See further Section 4.1 ( <i>Terms and Conditions</i> ) and Condition 4 ( <i>Interest</i> ).
<b>Redemption Provisions:</b>	Payments of principal on the Notes will be made quarterly in arrear on each Notes Payment Date in the circumstances set out in, and subject to and in accordance with the Conditions and the relevant Priority of Payments. The Notes will mature on the Final Maturity Date. On the First Optional Redemption Date and each succeeding Optional Redemption Date and in certain other circumstances, the Issuer will have the option to redeem all (but not only part) of the Notes (other than the Class C Notes). See Condition 6 ( <i>Redemption</i> ).
<b>Subscription and Sale:</b>	Lloyds Bank Corporate Markets Wertpapierhandelsbank GmbH ( <b>LBCM</b> ) agreed to subscribe and purchase at the Closing Date, subject to certain conditions precedent being satisfied, the Class A Notes. Lloyds Bank GmbH, Amsterdam Branch has agreed to purchase at the Closing Date, subject to certain conditions precedent being satisfied, the Class B Notes and the Class C Notes.
<b>Credit Rating Agencies:</b>	European regulated investors are restricted from using a credit rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Union and registered under Regulation (EU) No 1060/2009 (as amended) (the <b>CRA Regulation</b> ).  The Class A Notes will be assigned ratings by DBRS Ratings GmbH ( <b>DBRS</b> ) and Fitch Ratings Limited ( <b>Fitch</b> ) (each a <b>Credit Rating Agency</b> and together the <b>Credit Rating Agencies</b> ).  DBRS is established in the European Union and is registered under the CRA Regulation. As such, DBRS is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website (at <a href="http://www.esma.europa.eu/page/List-registered-and-certified-CRAs">http://www.esma.europa.eu/page/List-registered-and-certified-CRAs</a> ) in accordance with the CRA Regulation. DBRS is not established in the United Kingdom. Accordingly the rating(s) issued by DBRS have been endorsed by DBRS Ratings Limited in accordance with the UK CRA Regulation (as defined below), are included on the list of registered and certified

	<p>credit rating agencies that is maintained by the United Kingdom Financial Conduct Authority (the <b>FCA</b>) and have not been withdrawn. As such, the ratings issued by DBRS may be used for regulatory purposes in the United Kingdom in accordance with Regulation (EC) No. 1060/2009 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (as amended by the European Union (Withdrawal Agreement) Act 2020) (<b>EUWA</b>) (the <b>UK CRA Regulation</b>).</p> <p>Fitch is established in the United Kingdom and is registered in accordance with the UK CRA Regulation. Fitch is not established in the European Union and has not applied for registration under the CRA Regulation. The ratings issued by Fitch have been endorsed by Fitch Ratings Ireland in accordance with the CRA Regulation. Fitch Ratings Ireland is established in the European Union and registered under the CRA Regulation. As such Fitch Ratings Ireland is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website (at <a href="http://www.esma.europa.eu/page/List-registered-and-certified-CRAs">http://www.esma.europa.eu/page/List-registered-and-certified-CRAs</a>) in accordance with the CRA Regulation.</p>
<b>Credit Ratings:</b>	<p>The credit ratings will be assigned to the Class A Notes as set out above. The Credit Ratings assigned to the Class A Notes addresses the assessment made by DBRS and Fitch of the likelihood of full and timely payment of interest and ultimate payment of principal on or before the Final Maturity Date, but does not provide any certainty nor guarantee. The Class B Notes and the Class C Notes will not be rated.</p> <p><b>The assignment of ratings to the Class A Notes is not a recommendation to invest in the Class A Notes. Any credit rating assigned to the Class A Notes may be reviewed, revised, suspended or withdrawn at any time. Any such review, revision, suspension or withdrawal could adversely affect the market value of the Class A Notes.</b></p>
<b>Eurosystem Eligibility:</b>	<p>The Class A Notes are intended to be held in a manner which will allow Eurosystem eligibility. This means that the Class A Notes are intended upon issue to be deposited with Euroclear or Clearstream, Luxembourg as common safekeeper, each of which is recognised as an International Central Securities Depository (<b>ICSD</b>). It does not necessarily mean that the Class A Notes will be recognised as Eurosystem Eligible Collateral either upon issue or at any or all times during their life. Such recognition will depend, <i>inter alia</i>, upon satisfaction of the Eurosystem eligibility criteria, as amended from time to time. The other Classes of Notes are not intended to be held in a manner which allows Eurosystem eligibility.</p>
<b>Limited recourse obligations of the Issuer:</b>	<p>The Notes will be limited recourse obligations of the Issuer and will not be the obligations of, or guaranteed by, or be the responsibility of, any other entity. The Issuer will have no or limited sources of funding available to it. See Section 1 (<i>Risk Factors</i>).</p>
<b>Subordination:</b>	<p>The Class C Notes are subordinated to the Class A Notes and the Class B Notes and the Class B Notes are subordinated to the Class A Notes. See Section 5 (<i>Credit Structure</i>).</p>
<b>Simple, Transparent and Standardised Securitisation:</b>	<p>On the Closing Date, it is intended that a notification will be submitted to ESMA and BaFin in accordance with Article 27 of the EU Securitisation Regulation, confirming that the requirements of Articles 19 to 22 of the EU Securitisation Regulation for designation as an EU STS securitisation (the <b>EU STS Requirements</b>) have been satisfied with respect to the Notes (such notification, the <b>EU STS Notification</b>)</p> <p>The EU STS Notification, once notified to ESMA, will be available for download on the ESMA STS Register website at <a href="https://www.esma.europa.eu/policy-activities/securitisation/simple-transparent-and-standardised-sts-securitisation">https://www.esma.europa.eu/policy-activities/securitisation/simple-transparent-and-standardised-sts-securitisation</a> (or its successor website) (the <b>ESMA STS Register website</b>). For the avoidance of doubt, the ESMA STS Register website and the contents thereof do not form part of this Prospectus.</p> <p>A draft of the EU STS Notification will be made available to investors before pricing through the EU SR Repository and within 15 days of the Closing Date. The EU STS status of the Notes is not static and investors should verify the current status on the ESMA STS Register website, which will be updated where the Notes are no longer considered to be EU STS following a decision of competent authorities or a notification by the Seller.</p> <p>No assurance can be provided that the securitisation transaction described in this Prospectus does or will continue to qualify as an EU STS securitisation under the EU Securitisation Regulation as at the date of this Prospectus or at any point in time in the future.</p> <p>In relation to the EU STS Notification, the Seller has been designated as the first point of contact for investors and competent authorities.</p> <p>The Seller and the Issuer have used the services of Prime Collateralised Securities (PCS) EU sas (<b>PCS</b>) (the <b>STS Verification Agent</b>), a third party authorised pursuant to Article 28 of the EU Securitisation Regulation in connection</p>

	<p>with an assessment of the compliance of the Notes with the requirements of Articles 19 to 22 of the EU Securitisation Regulation (the <b>STS Verification</b>). It is expected that the STS Verification prepared by the STS Verification Agent will be available on its website at <a href="https://www.pcsmarket.org/sts-verification-transactions/">https://www.pcsmarket.org/sts-verification-transactions/</a>). For the avoidance of doubt, the website of the STS Verification Agent and the contents of that website do not form part of this Prospectus.</p> <p>Note that under the UK Securitisation Regulation, the Notes can also qualify as UK STS until maturity, provided that the Notes remain on the ESMA STS Register and continue to meet the EU STS Requirements. See the section entitled <i>Risk Factors – EU STS Securitisation designation impacts on regulatory treatment of the Notes</i> for further information.</p> <p>None of the Arranger or the Joint Lead Managers are responsible for any obligation of the Seller or the Issuer for compliance with the requirements (including existing or ongoing reporting requirements) of Article 7 of the EU Securitisation Regulation or any corresponding national measures which may be relevant.</p>
<b>EU and UK Risk Retention:</b>	<p>The Seller will retain as ‘originator’ within the meaning of the EU Securitisation Regulation, on an ongoing basis, a material net economic interest of not less than five (5) per cent. in the securitisation in accordance with (i) Article 6(1) of the EU Securitisation Regulation (which does not take into account any relevant national measures) (the <b>EU Retention Requirements</b>).</p> <p>In addition, the Seller will retain (on a contractual basis), as originator, on an ongoing basis, a material net economic interest of not less than 5 per cent. in the securitisation in accordance with Article 6 of the UK Securitisation Regulation, as if it were applicable to it, and as in force on the Closing Date (the <b>UK Retention Requirements</b> and together with the EU Retention Requirements, the <b>Retention Requirements</b>). Prospective investors should note that the obligation of the Seller to comply with the UK Retention Requirements is strictly contractual and the Seller has elected to comply with such requirements as if it were applicable to it and as such requirements are interpreted and applied on the Closing Date. In case of any changes to the UK Securitisation Regulation after the Closing Date, the Seller has undertaken to use its reasonable endeavours to continue to comply with the relevant requirements of the UK Securitisation Regulation.</p> <p>As at the Closing Date, the Retention Requirements will be complied with by the Seller holding such material net economic interest in accordance with Article 6(3)(d) of the EU Securitisation Regulation and Article 6(3)(d) of the UK Securitisation Regulation by holding the entire interest in the first loss tranches of the securitisation transaction described in this Prospectus (held through the Class B Notes and the Class C Notes).</p> <p>See the Section 1 (<i>Risk Factors</i>) <i>Regulatory initiatives may have an adverse impact on the regulatory treatment of the Notes and/or decrease liquidity in respect of the Notes</i> and Section 4.4 (<i>Regulatory and Industry Compliance</i>) in Section <i>The Notes</i> for further information.</p>
<b>U.S. Risk Retention Requirements:</b>	<p>The Seller intends to rely on an exemption provided for in Section 20 of the U.S. Risk Retention Rules regarding non-U.S. transactions that meet certain requirements. Consequently, the Notes may not be purchased by any person except for persons that are not “U.S. persons” as defined in the U.S. Risk Retention Rules (<b>Risk Retention U.S. Persons</b>). Prospective investors should note that the definition of “U.S. person” in the U.S. Risk Retention Rules is different from the definition of “U.S. person” in Regulation S.</p>
<b>Volcker Rule:</b>	<p>The Issuer is not, and solely after giving effect to any offering and sale of the Notes and the application of the proceeds thereof will not be, a “covered fund” for the purposes of the regulations adopted under Section 13 of the Bank Holding Company Act of 1956, as amended (commonly known as the Volcker Rule). In reaching this conclusion, although other statutory or regulatory exclusions and/or exemptions under the Investment Company Act of 1940, as amended (the <b>Investment Company Act</b>) and under the Volcker Rule and its related regulations may be available, the Issuer has relied on the determinations that (i) the Issuer would satisfy all of the applicable elements of the exemption from registration under the Investment Company Act provided by Section 3(c)(5)(C) thereunder, and, accordingly, (ii) the Issuer may rely on the exemption from the definition of a “covered fund” under the Volcker Rule made available to entities that do not rely solely on Section 3(c)(1) or Section 3(c)(7) of the Investment Company Act for their exclusion and/or exemption from registration under the Investment Company Act.</p>
<b>EU Benchmarks Regulation:</b>	<p>Amounts payable on the Class A Notes are calculated by reference to the Euro Interbank Offered Rate (<b>EURIBOR</b>) which is provided by the European Money Markets Institute (<b>EMMI</b>). As at the date of this Prospectus, the administrator of EURIBOR is included in ESMA’s register of administrators under Article 36 of the Regulation (EU) No. 2016/1011 (the <b>EU Benchmarks Regulation</b>).</p>

	<p>Amounts payable on the Class A Notes may be calculated by reference to 3-month EURIBOR and the interest received on the Reserve Account is determined by reference to EURIBOR, which are provided by the European Money Markets Institute (EMMI) and the interest received on the Issuer Accounts (other than the Reserve Account) is determined by reference to €STR, which is provided by the European Central Bank (ECB). EURIBOR and €STR are interest rate benchmarks within the meaning of the Benchmarks Regulation. As at the date of this prospectus, EMMI, in respect of EURIBOR appears on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority (ESMA) pursuant to Article 36 of the Benchmarks Regulation. As far as the Issuer is aware, the ECB as administrator of €STR is not required to be registered by virtue of Article 2 of the Benchmarks Regulation, such that the ECB is not currently required to obtain authorisation or registration (or, if located outside the European Union or the United Kingdom, recognition, endorsement or equivalence).</p>
<p><b>Responsibility Statements and Important information:</b></p>	<p>None of the Arranger or the Joint Lead Managers has separately verified the information contained in this Prospectus. To the fullest extent permitted by law, none of the Arranger or the Joint Lead Managers makes any representation, express or implied, or accepts any responsibility for the contents of this Prospectus as to the accuracy, completeness or sufficiency of the information set-out herein or for any statement or information contained in or consistent with this Prospectus or for any other statement, whether or not made or purported to be made by Arranger or the Joint Lead Managers in connection with the Issuer, the Seller or the offering of the Notes. Each of the Arranger and the Joint Lead Managers accordingly disclaims any and all liability whether arising in tort or contract or otherwise which it might otherwise have in respect of this Prospectus or any such statement or information. For responsibility statements in respect of the content of this Prospectus, see General – paragraph 29, Responsibility Statements and Important Information. The distribution of this document and the offering of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus (or any part thereof) comes are required to inform themselves about, and to observe, any such restrictions. In particular, the Notes have not been and will not be registered under the Securities Act, the securities laws of any state of the United States or any other relevant jurisdiction. The Notes are in bearer form that are subject to United States tax law requirements. The Notes may not be offered, sold or delivered within the United States or to U.S. persons as defined in Regulation S under the Securities Act, except in certain transactions permitted by or exempted from the Securities Act and, where applicable, permitted by or exempted from U.S. tax regulations and Regulation S under the Securities Act (see Section 4.3 (<i>Subscription and Sale</i>)). The Notes have not been approved or disapproved by the U.S. Securities and Exchange Commission, any state securities commission or any other regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of this offering on accuracy or adequacy of this Prospectus. Any representation to the contrary is unlawful. A further description of the restrictions on offers, sales and deliveries of the Notes and on the distribution of this Prospectus is set out in Section 4.3 (<i>Subscription and Sale</i>) below.</p> <p>Neither the delivery of this Prospectus at any time nor any sale made in connection with the offering of the Notes shall imply that the information contained herein is correct at any time subsequent to the date of this Prospectus. Neither the Issuer nor the Seller shall be obliged to update this Prospectus after the date on which the Notes are issued or admitted to trading. If at any time the Issuer shall be required to prepare a supplemental prospectus pursuant to the Prospectus Regulation, the Issuer will prepare and make available an appropriate amendment or supplement to this Prospectus which shall constitute a supplemental prospectus as required by the AFM under the Prospectus Regulation.</p> <p>Lloyds Bank Corporate Markets plc as Arranger makes expressly clear that it does not undertake to review the financial conditions or affairs of the Issuer during the life of the Notes. Investors should review, among other things, the most recent financial statements of the Issuer when deciding whether or not to purchase, hold or sell any Notes during the life of the Notes.</p> <p>Persons into whose possession this Prospectus (or any part thereof) comes are required to inform themselves about, and to observe, any such restrictions. A further description of the restrictions on offers, sales and deliveries of the Notes and on the distribution of this Prospectus is set out in Section 4.3 (<i>Subscription and Sale</i>). No one is authorised by the Issuer or the Seller to give any information or to make any representation concerning the issue of the Notes other than those contained in this Prospectus in accordance with applicable laws and regulations.</p> <p><b>THE OBLIGATIONS UNDER THE NOTES WILL BE SOLELY THE OBLIGATIONS OF THE ISSUER. THE NOTES WILL NOT CREATE OBLIGATIONS FOR, BE THE RESPONSIBILITY OF, OR BE GUARANTEED BY, ANY OTHER ENTITY OR PERSON, IN WHATEVER CAPACITY ACTING, INCLUDING, WITHOUT LIMITATION, THE SELLER, THE ORIGINATORS, THE SERVICER, THE SUBORDINATED LOAN PROVIDER, THE REPORTING ENTITY, THE ISSUER ADMINISTRATOR, THE ARRANGER, THE JOINT</b></p>

<p><b>LEAD MANAGERS, THE ISSUER ACCOUNT BANK, THE CASH ADVANCE FACILITY PROVIDER, THE SWAP COUNTERPARTY, THE PAYING AGENT, THE REFERENCE AGENT, THE LISTING AGENT, THE SECURITY TRUSTEE AND THE DIRECTORS, IN WHATEVER CAPACITY ACTING. FURTHERMORE, NONE OF SUCH PERSONS NOR ANY OTHER PERSON IN WHATEVER CAPACITY ACTING, WILL ACCEPT ANY LIABILITY WHATSOEVER TO NOTEHOLDERS IN RESPECT OF ANY FAILURE BY THE ISSUER TO PAY ANY AMOUNTS DUE UNDER THE NOTES.</b></p>
---

**For a discussion of the material risks associated with an investment in the Notes, see Section 1 (*Risk Factors*) herein.**

The language of this Prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

Unless otherwise indicated in this Prospectus or the context otherwise requires, capitalised terms used in this Prospectus have the meaning ascribed thereto in paragraph 9.1 (Definitions) of the Glossary of Defined Terms set out in this Prospectus. Unless indicated otherwise, the capitalised terms conform to the RMBS Standard. The principles of interpretation set out in paragraph 9.2 (Interpretation) of the Glossary of Defined Terms in this Prospectus shall apply to this Prospectus.

The date of this Prospectus is 16 November 2021.

*Arranger*

**Lloyds Bank Corporate Markets plc**

*Joint Lead Managers*

**Lloyds Bank Corporate Markets  
Wertpapierhandelsbank GmbH and Citigroup  
Global Markets Europe AG**

## TABLE OF CONTENTS

Clause	Page
1. Risk Factors .....	9
1.1 Risks relating to the availability of funds to make payments under the Notes.....	10
1.2 Risks relating to the Mortgage Receivables .....	11
1.3 Risks relating to the structure .....	14
1.4 Risks related to changes to the structure and Transaction Documents.....	16
1.5 Counterparty Risks .....	18
1.6 Macro-Economic and Market Risks .....	19
1.7 Legal, Regulatory and Taxation Risks.....	23
1.8 Risks Relating to the Characteristics of the Notes.....	31
2. Transaction Overview .....	32
2.1 Structure Diagram.....	32
2.2 Risk Factors .....	33
2.3 Principal Parties .....	34
2.4 The Notes.....	36
2.5 Credit Structure.....	43
2.6 Portfolio Information .....	45
2.7 Portfolio Documentation.....	48
2.8 General.....	51
3. Principal Parties .....	52
3.1 Issuer.....	52
3.2 Shareholder .....	54
3.3 Security Trustee .....	55
3.4 Seller .....	57
3.5 Stater .....	58
3.6 Issuer Administrator .....	59
3.7 Swap Counterparty .....	60
3.8 Other Parties .....	61
4. The Notes.....	62
4.1 Terms and Conditions.....	62
4.2 Form.....	89
4.3 Subscription and Sale.....	92
4.4 Regulatory and Industry Compliance .....	96
4.5 Use of Proceeds .....	110
4.6 Taxation in the Netherlands.....	111
4.7 Security .....	115
4.8 Credit Ratings .....	117
5. Credit Structure.....	119
5.1 Available Funds .....	119
5.2 Priority of Payments .....	123
5.3 Loss Allocation .....	128
5.4 Hedging.....	129
5.5 Liquidity Support.....	132
5.6 Issuer Accounts.....	133
5.7 Administration Agreement .....	136
5.8 Transparency Reporting Agreement.....	138
5.9 Legal framework as to the assignment of Mortgage Receivables .....	139
6. Portfolio Information .....	141
6.1 Stratification tables .....	141
6.2 Description of Mortgage Loans .....	163
6.3 Origination and Servicing.....	167

6.4	Dutch Residential Mortgage Market.....	181
6.5	NHG Guarantee Programme.....	186
7.	Portfolio Documentation.....	190
7.1	Purchase, Repurchase and Sale.....	190
7.2	Representations and Warranties.....	196
7.3	Mortgage Loan Criteria .....	201
7.4	Servicing Agreement .....	203
8.	General.....	205
9.	Glossary of Defined Terms.....	215
9.1	Definitions .....	215
9.2	Interpretation.....	240
10.	Registered Offices.....	243



## 1. RISK FACTORS

*The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Notes. In addition, factors which are material for the purpose of assessing the market risk associated with the Notes are also described below as at the date of this Prospectus. The Issuer believes that the factors described below represent the material risks inherent in investing in the Notes, but the inability of the Issuer to pay interest, to the extent applicable, principal or other amounts on or in connection with the Notes may occur for other reasons not known to the Issuer or not deemed to be material enough. The Issuer, the Arranger and the Joint Lead Managers make no representation that the statements below regarding the risks of investing in any Notes are exhaustive. Prospective investors should also read the information contained herein in conjunction with the detailed information set out elsewhere in this Prospectus and reach their own views prior to making any investment decision. Before making an investment decision with respect to any Notes, prospective investors should consult their own stockbroker, bank manager, lawyer, accountant or other financial, legal, tax or other advisers and carefully review the risks entailed by an investment in the Notes and consider such an investment decision in the light of the prospective investor's own circumstances and financial condition. By sub-category the most material risk factors are mentioned first as referred to in Article 16 (1) of the Prospectus Regulation.*

*The Notes are complex financial products. Investors in the Notes must be able to make an informed assessment of the Notes, based upon full knowledge and understanding of the facts and risks. Investors must determine the suitability of that investment in light of their own circumstances. The following factors might affect an investor's ability to appreciate the risk factors outlined in this Section 1 (Risk Factors), placing such investor at a greater risk of receiving a lesser return on its investment:*

- (i) if such an investor does not have sufficient knowledge and experience to make a meaningful evaluation of the Notes and the merits of investing in the Notes in light of the risk factors outlined in this Section 1 (Risk Factors);*
- (ii) if such an investor does not have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, the significance of these risk factors and the impact the Notes will have on its overall investment portfolio;*
- (iii) if such an investor does not have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including where the currency for principal or interest payments is different from the investor's currency;*
- (iv) if such an investor does not understand thoroughly the terms of the Notes and is not familiar with the behaviour of any relevant indices in the financial markets (including the risks associated therewith) as such investor is more vulnerable to any fluctuations in the financial markets generally;*
- (v) if such an investor is not 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 his investment and his ability to bear the applicable risks;*
- (vi) if such investor does not understand the accounting, legal, regulatory and tax implications of a purchase, holding and disposal of an interest in the Notes.*

*The investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) the Notes are legal investments for such potential investor, (2) the Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to such potential investor's purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the Notes under any applicable risk based capital or similar rules. A failure to consult may lead to damages being incurred or a breach of applicable law by the investor.*

## **1.1 Risks relating to the availability of funds to make payments under the Notes**

### ***The Issuer has limited sources of funds to meet its obligations and the obligations are limited recourse***

The ability of the Issuer to meet its obligations to repay in full all principal on the Notes and/or to pay all interest on the Class A Notes as well as operating and administrative expenses (and any other amounts which rank senior to the Class A Notes) will be dependent on (i) the receipt by it of funds under or in connection with the Mortgage Receivables, (ii) the proceeds of the sale of any Mortgage Receivables, (iii) the amounts to be drawn under the Cash Advance Facility, (iv) receipt of amounts from the Swap Counterparty, (v) drawings from the Reserve Account and (vi) receipt by it of interest in respect of the balances standing to the credit of the Issuer Accounts (other than amounts representing interest earned on any Swap Collateral). The Issuer does not have any other funds available to it to meet its obligations under the Notes. See Section 5 (*Credit Structure*) below.

Consequently, the Issuer may be unable to recover fully (and/or in a timely manner) the funds necessary to fulfil its payment obligations under the Notes. If such funds are insufficient, any such insufficiency will be borne by the Noteholders and the other Secured Creditors, subject to the applicable Priority of Payments. The Noteholders shall not have further recourse in respect of any unpaid amounts by the Issuer other than in accordance with the applicable Priority of Payments.

If at any time the Security created in respect of the Notes has been enforced and the foreclosure proceeds are, after payment of all claims ranking in priority in accordance with the Post-Enforcement Priority of Payments, insufficient to pay in full all amounts due and payable on a particular Class of Notes, then the unpaid amount shall cease to be due and payable by the Issuer and the relevant Noteholders of such Class shall have no further claim against the Issuer or the Security Trustee in respect of any such unpaid amounts (see Condition 9).

### ***Risk that the Issuer is not able to redeem the Notes at the Final Maturity Date or on Optional Redemption Dates***

The ability of the Issuer to redeem all of the Notes on the Final Maturity Date in full and to pay all amounts due to the Noteholders, including after the occurrence of an Event of Default, may depend upon whether the collections under the Mortgage Receivables are sufficient to redeem the Notes or, in case of a redemption of the Notes prior to the Final Maturity Date, whether the Issuer is able to sell the Mortgage Receivables. Notwithstanding the increase in the margin applicable to the Class A Notes from (and including) the First Optional Redemption Date, no guarantee can be given that the Notes will on the First Optional Redemption Date or on any Optional Redemption Date thereafter be redeemed.

## 1.2 Risks relating to the Mortgage Receivables

### ***Payments on the Mortgage Receivables are subject to credit, liquidity and interest rate risks***

Payments on the Mortgage Receivables are subject to credit, liquidity and interest rate risks. This may be due to, among other things, market interest rates, general economic conditions, the financial standing of Borrowers and similar factors. Other factors such as loss of earnings or liquidity, illness, divorce and other similar factors may lead to an increase in delinquencies and bankruptcy filings by Borrowers and could ultimately have an adverse impact on the ability of Borrowers to repay their Mortgage Loans. The COVID-19 pandemic and the economic and social impact may lead to an increase in delinquencies and bankruptcy filings by Borrowers, which could have an adverse impact on the ability of Borrowers to make payments in respect of its Mortgage Loan and ultimately lead to losses under the Notes.

The ultimate effect of the credit, liquidity and interest risks described in this risk factor could lead to delayed and/or reduced amounts received by the Issuer which as a result could lead to delayed and/or reduced payments on the Notes and/or the increase or decrease of the rate of repayment of the Notes. This could lead to losses and/or liquidity constraints for Noteholders and/or maturity mismatches with obligations of a Noteholder.

### ***Net proceeds on foreclosure may be insufficient to recover all amounts under a Mortgage Loan***

The appraisal foreclosure value (*executiewaarde*) of the Mortgaged Assets on which a mortgage right is vested is normally lower than the market value (*vrije verkoopwaarde*) of the relevant Mortgaged Assets. Furthermore, no assurance can be given that values of the Mortgaged Assets have remained or will remain at the level at which they were on the date of origination of the related Mortgage Loans. A decline in value may result in losses to the Noteholders if the relevant security rights on the Mortgaged Assets are required to be enforced. There can be no assurance that, on enforcement, all amounts owed by a Borrower under a Mortgage Receivable can be recovered from the proceeds of the foreclosure on the relevant Mortgaged Asset or that the proceeds upon foreclosure will be at least equal to the estimated foreclosure value of such Mortgaged Asset. If there is a failure to recover such amounts, this would result in a Realised Loss which may lead to losses under the Notes.

### ***Set-off by Borrowers may affect the proceeds under the Mortgage Receivables***

Under Dutch law a debtor has a right of set-off if it has a claim that corresponds to its debt owed to the same counterparty and it is entitled to pay its debt as well as to enforce its claim. Subject to such legal requirements being met each Borrower will be entitled to set off amounts due by the Seller to it (if any) with amounts it owes in respect of the Mortgage Receivable prior to notification of the relevant Assignment.

After notification of the Assignment to a Borrower, such Borrower will have the right to set-off a counterclaim against the Seller with amounts it owes in respect of the Mortgage Receivable, provided that the legal requirements for set-off are met (see above) and further provided that (i) the counterclaim of the Borrower results from the same legal relationship as the relevant Mortgage Receivable or (ii) the counterclaim of the Borrower has originated (*opgekomen*) and became due and payable (*opeisbaar*) prior to the notification of the Assignment to the relevant Borrower. The question of whether a court will come to the conclusion that the relevant Mortgage Receivable and the claim of the Borrower against the Seller result from the same legal relationship will depend on all relevant facts and circumstances involved. But even if these were held to be different legal relationships, set-off will be possible if the counterclaim of the Borrower has originated (*opgekomen*) and became due and payable (*opeisbaar*) prior to notification of the Assignment, provided that all other requirements for set-off have been met (see paragraph above).

As a result of the set-off of amounts due and payable by the Seller to the Borrower with amounts the Borrower owes in respect of the Mortgage Receivable, the Mortgage Receivable will, partially or fully, be extinguished (*gaat teniet*). Set-off by Borrowers could thus affect the proceeds under the Mortgage Receivables and as a result lead to losses under the Notes.

Claims of a Borrower against the Seller, could, *inter alia*, result from savings account balances or deposits, held with the Seller or, if the Borrower is an employee of the Seller, counterclaims arising from the employment contract (the Issuer has been informed that the Seller cannot exclude the possibility that one or more Mortgage Loans are taken out by Borrowers who are employees of the Seller but the percentage cannot be more than immaterial).

The Mortgage Receivables Purchase Agreement provides that if a Borrower sets off amounts due to it by the Seller against the Mortgage Receivable and, as a consequence thereof, the Issuer does not receive the amount which it would otherwise have been entitled to receive in respect of such Mortgage Receivable, the Seller will pay to the Issuer an amount equal to the difference between (i) the amount which the Issuer would have received in respect of the Mortgage Receivable if no set-off had taken place and (ii) the amount actually received by the Issuer in respect of such Mortgage Receivable. Receipt of such amount by the Issuer from the Seller is subject to the ability of the Seller to actually make such payments. There is a risk that the Seller cannot make such payments and this could lead to losses under the Notes. Set-off by Borrowers could thus lead to losses under the Notes.

### ***Risk related to Mortgages vested on long leases***

The Mortgages securing the Mortgage Loans may be vested on a long lease (*erfpacht*), as further described under Section 6.2 (*Description of Mortgage Loans*).

A long lease will, *inter alia*, end as a result of expiration of the long lease term (in the case of a fixed period), or termination of the long lease by the leaseholder or the landowner. In such event the mortgage right will, by operation of law, cease to exist. The landowner can terminate the long lease in the event the leaseholder has not paid the remuneration due for a period exceeding two (2) consecutive years or commits a serious breach of other obligations under the long lease. If the long lease ends, the landowner will have the obligation to compensate the leaseholder. The amount of the compensation will, *inter alia*, be determined by the conditions of the long lease and may be less than the Market Value of the long lease reduced with unpaid leasehold instalments. In such event there is a risk that the Issuer will upon enforcement receive less than the market value of the long lease, which could lead to losses under the Notes.

### ***Risk that claims under an NHG Guarantee (if applicable) may be set aside or be insufficient to fully recover losses under the related NHG Mortgage Loan Receivable***

The NHG Mortgage Loan Receivables have the benefit of an NHG Guarantee. As per the Initial Cut-Off Date 58.13% of the Loan Parts have the benefit of an NHG Guarantee, see Section 6.5 (NHG Guarantee Programme). However, pursuant to the terms and conditions (*voorwaarden en normen*) of the NHG Guarantee, the guarantor, Stichting Waarborgfonds Eigen Woningen (**Stichting WEW**), has no obligation to pay any loss (in whole or in part) incurred by a lender after a private or a forced sale of the mortgaged property if such lender has not complied with the terms and conditions of the NHG Guarantee. There is a risk that in respect of one or more NHG Mortgage Loan Receivables, the relevant Originator has not complied with the terms and conditions of the NHG Guarantee in which case the NHG Guarantee will not serve as additional credit support for such NHG Mortgage Loan Receivable(s).

In respect of mortgage loans offered as of 1 January 2014, the NHG Conditions stipulate that in determining the loss incurred by a lender after a private or a forced sale of the mortgaged property, an amount of 10 per cent. will be deducted from such loss and thus from the payment to be made by Stichting WEW to the lender. As pursuant to the NHG Conditions such lender in principle is not entitled to recover the remaining amount under the relevant mortgage loan in such case (see Section 6.5 (*NHG Guarantee Programme*)), this may consequently lead to the Issuer not having sufficient funds to fully repay the Notes.

Finally, the NHG Conditions stipulate that the amount guaranteed by Stichting WEW under an NHG Guarantee (irrespective of the type of redemption of the mortgage loan) is reduced on a monthly basis by an amount which is equal to the amount of the principal portion of the monthly instalment calculated as if the mortgage

loan were to be repaid on a 30 year annuity basis. The actual redemption structure of a Mortgage Loan can be different (see Section 6.2 (*Description of Mortgage Loans*)), although it is noted that from 1 January 2013 the NHG Conditions stipulate that for new borrowers the redemption types are limited to Annuity Mortgage Loans and Linear Mortgage Loans with a maximum term of 30 years. This may result in the Issuer not being able to fully recover any loss incurred under the Mortgage Loan with Stichting WEW under an NHG Guarantee and may consequently lead to the Issuer having less income available to fulfil its obligations under the Notes and this may lead to losses under the Notes.

***Underwriting criteria and procedures may not identify or appropriately assess repayment risks***

The Seller has represented that the Mortgage Loans have been originated in accordance with the underwriting criteria and procedures established by the originators of the Mortgage Loans. The underwriting criteria and procedures may not have identified or appropriately assessed the risk whether the interest and principal payments due on a Mortgage Loan will be repaid when due, or at all, or whether the value of the Mortgaged Asset will be sufficient to otherwise provide for recovery of such amounts. To the extent exceptions were made to the relevant underwriting criteria and procedures in originating a Mortgage Loan, although the Mortgage Loan must meet the eligibility criteria, those exceptions may increase the risk that principal and interest amounts may not be received or recovered and compensating factors, if any, which may have been the premise for making an exception to the underwriting criteria and procedures may not in fact compensate for any additional risk.

### **1.3 Risks relating to the structure**

#### ***All Notes are subordinated to certain other liabilities and Class C Notes and Class B Notes rank subordinate to Class A Notes***

The obligations of the Issuer in respect of the Notes will be subordinated to the obligations of the Issuer in respect of those owed to certain other persons as set forth in the applicable Priority of Payments (see Section *Credit Structure*). The right to payment of principal on the Class B Notes will be subordinated to, *inter alia*, payments of principal amounts and interest amounts in respect of the Class A Notes. The right to payment of principal on the Class C Notes will be subordinated to, *inter alia*, payments of principal and interest on the Class A Notes, payment of principal on the Class B Notes and after the First Optional Redemption Date, the Class A Additional Redemption Amounts payable in respect of the Class A Notes (if applicable). See Section *Credit Structure* and *Terms and Conditions* in Section *The Notes*.

#### ***Risk of redemption of Class B Notes and the Class C Notes with a Principal Shortfall and risk of insufficient funds to redeem Class C Notes in full***

Depending on the losses under the Mortgage Loans, the Issuer may not receive sufficient amounts to fully redeem the Notes of each Class. Losses will be allocated on each Notes Payment Date, to the Notes in reverse alphabetical order as more fully described in *Credit Structure*. The balance of the Reserve Account may be used to credit the balance on the Class A Principal Deficiency Ledger (and thus to make good recorded Realised Losses and any Additional Revenue Amount) and to pay interest due on the Class A Notes. Upon redemption in full of the Class A Notes and the Class B Notes the balance remaining on the Issuer Collection Account and the Reserve Account may be insufficient to redeem the Class C Notes in full which will result in a loss to the holder(s) of the Class C Notes.

In accordance with Condition 9(a), a Class B Note may be redeemed subject to a Class B Principal Shortfall, which shortfall represents losses allocated to the Class B Notes. As a consequence, a holder of a Class B Note may not receive the full Principal Amount Outstanding of such Note upon redemption.

#### ***Risks related to the Swap Agreement***

The Mortgage Loan Criteria require that all Mortgage Receivables sold and assigned to the Issuer at the Closing Date bear a floating rate or a fixed rate of interest (as further described in Section 7.3 (*Mortgage Loan Criteria*)).

The interest rate payable by the Issuer with respect to the Class A Notes is calculated as a margin over three month EURIBOR. The Issuer's income from the fixed rate Mortgage Loans will be based on fixed rates of interest, and will not directly match (and may in certain circumstances be less than) the amount it is obliged to pay in respect of the floating rate of interest due under the Class A Notes.

The Issuer will mitigate the interest rate exposure on the Class A Notes by entering into the Swap Agreement with the Swap Counterparty on the Closing Date. Accordingly, the Issuer will depend upon payments made by the Swap Counterparty to assist it in making interest payments on the Class A Notes on each Notes Payment Date on which a Net Swap Payment is due from the Swap Counterparty to the Issuer under the Swap Agreement.

In case of a failure of the Swap Counterparty to make a payment under the Swap Agreement the risk cannot be excluded (even though the Class B Notes and the Class C Notes do not carry any interest) that the Available Revenue Funds may be insufficient to make the required payments under the Class A Notes, including the required payments ranking higher in the Revenue Priority of Payments than interest due on the Class A Notes.

The Swap Notional Amount in respect of a Swap Calculation Period is determined as at close of business on the first day of such Calculation Period. As the principal balance of the fixed rate Mortgage Loans during such

Swap Calculation Period will amortise, a lower amount may be available to the Noteholders after any Net Swap Payment has been made by the Issuer under the Swap Agreement than if the Swap Notional Amount had exactly mirrored the amortisation of the fixed rate Mortgage Loans during such Swap Calculation Period.

In the event that the Swap Counterparty is downgraded below the required ratings (as set out in the Swap Agreement), the Issuer may terminate the Swap Transaction if the 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 Swap Counterparty collateralising its obligations under the Swap Agreement, transferring its obligations to a replacement swap counterparty having at least the required ratings or procuring that an entity with at least the required ratings becomes a co-obligor with, or guarantor of, the Swap Counterparty. However, in the event the Swap Counterparty is downgraded there can be no assurance that a co-obligor, guarantor or replacement swap counterparty will be found or that the amount of collateral provided will be sufficient to meet the Swap Counterparty's obligations.

The Swap Transaction may also be terminated upon the occurrence of certain events (including certain tax events and events of default), the Issuer or the Swap Counterparty may terminate the Swap Transaction.

If the Swap Transaction terminates early, the Issuer may be obliged to make a termination payment to the Swap Counterparty which could be substantial. If such a payment is due to the Swap Counterparty (other than where it constitutes a Swap Counterparty Subordinated Payment) it will rank in priority to payments due from the Issuer under the Notes under the applicable Priority of Payments, and could affect the availability of sufficient funds of the Issuer to make payments of amounts due from it under the Notes in full, including its ability to redeem the Class A Notes on an Optional Redemption Date. This may lead to principal losses under the Notes.

In circumstances where the Swap Transaction is terminated, the Issuer will use its best endeavours to replace the Swap Counterparty, but no assurance can be given as to the ability of the Issuer to enter into one or more replacement transactions, or if one or more replacement transactions are entered into, as to the credit rating(s) of the swap counterparty(s) for the replacement transaction(s). The credit rating of a replacement swap counterparty may adversely affect the credit rating(s) and/or the marketability of the Notes.

#### *Tax Event in relation to the Swap Transaction*

In accordance with the Swap Agreement, the Swap Counterparty is obliged to make payments under the Swap Agreement without any withholding or deduction of taxes unless required by law. If any such withholding or deduction is required by law, the Swap Counterparty will be required to pay such additional amount as is necessary to ensure that the net amount actually received by the Issuer will equal the full amount that the Issuer would have received had no such withholding or deduction been required, unless the relevant withholding or deduction is made in respect of U.S. federal withholding tax imposed or collected pursuant to Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986. The Swap Agreement will provide, however, that upon the occurrence of a Tax Event, the Swap Counterparty will use its reasonable efforts to transfer its rights and obligations to another of its offices, branches or affiliates to avoid the relevant Tax Event.

In circumstances where the Swap Counterparty is unable to transfer its rights and obligations under the Swap Agreement to another office, branch or affiliate, the Swap Counterparty may be entitled to terminate the Swap Transaction, and the Issuer or the Swap Counterparty may be liable to make a termination payment to the other party. Any such termination amount payable by the Issuer to the Swap Counterparty will rank senior to the payment of interest on the Class A Notes and, if the Issuer is required to make such payment to the Swap Counterparty then the Issuer may not have sufficient funds to make payments due in respect of the Notes and to the extent that one or more comparable replacement swap transactions cannot be entered into, the Issuer will be exposed on a continuing basis to the possible variance between the different rates payable by Borrowers on the Mortgage Loans and the amount due in respect of the Notes. As a result the Issuer may have insufficient funds to make payments due on the Notes.

#### **1.4 Risks related to changes to the structure and Transaction Documents**

##### ***Conflict of interests between holders of different Classes of Notes may result in the interest of holders of lower ranking being disregarded***

Circumstances may arise when the interests of the holders of different Classes of Notes could conflict as to actions by the Security Trustee in its capacity as security trustee which may lead to reduced and/or delayed payments being available to pay out to the Noteholders or which could otherwise have an adverse effect on one or more Classes of Notes. If, in the Security Trustee's opinion, there is a conflict between the interests of the Notes of two or more Classes, the Security Trustee shall have regard only to the interests of the holders of the most senior ranking Class. In addition, Noteholders should be aware that in case of a conflict of interest between the different Secured Creditors the Priority of Payments upon enforcement set forth in the Trust Deed and as set out in Section 2.5 (*Credit Structure*), determines which interest of which Secured Creditor prevails.

##### ***A resolution adopted at a meeting of the Class A Noteholders is binding on all Noteholders and a resolution adopted at a meeting of the Class B Noteholders is binding on all Class B Noteholders and Class C Noteholders***

An Extraordinary Resolution passed at any meeting of the Class A Noteholders shall be binding on the Class B Notes and the Class C Notes, irrespective of its effect upon them, except in case of an Extraordinary Resolution to sanction a Basic Terms Change, which shall not take effect unless it shall have been sanctioned by (i) an Extraordinary Resolution of the holders of the lower ranking Classes of Notes or (ii) the Security Trustee if the Security Trustee is of the opinion that it will not be materially prejudicial to the interests of the lower ranking Classes of Notes.

An Extraordinary Resolution passed at any meeting of the Class B Notes shall not be effective, unless it shall have been sanctioned by (i) an Extraordinary Resolution of the Class A Noteholders or (ii) the Security Trustee if the Security Trustee is of the opinion that it will not be materially prejudicial to the interests of the Class A Noteholders.

Any Extraordinary Resolution duly passed shall be binding on all Noteholders of the relevant Class (whether or not they were present at the meeting at which such resolution was passed). Changes to the Transaction Documents and the Conditions may therefore be made without the approval of the Noteholders of a relevant Class of Notes (other than the Most Senior Class) in the event of a resolution of the Noteholders of the Most Senior Class or individual Noteholder in the event of a resolution of the relevant Class, and in each case without the Noteholder being present at the relevant meeting (see for more details and information on the required majorities and quorum, Condition 14 (*Meetings of Noteholders; Modification; Consents; Waiver*)). Noteholders (including Noteholders of the Most Senior Class) are therefore exposed to the risk that changes are made to the Transaction Documents and the Conditions without their knowledge or consent and/or which may have an adverse effect on them.

##### ***The Security Trustee may or, in certain circumstances, shall agree to modifications, waivers or authorisations without the Noteholders' prior consent***

Pursuant to the terms of the Trust Deed and in accordance with Condition 14 (*Meetings of Noteholders; Modification; Consents; Waiver*), the Security Trustee may agree, without the consent of the Noteholders to (i) any modification of any of the provisions of the Trust Deed, the Notes or any other Transaction Document which is of a formal, minor or technical nature or is made to correct a manifest error, and (ii) any other modification, and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed, the Notes or any other Transaction Document which is in the opinion of the Security Trustee not materially prejudicial to the interests of the Noteholders and would not result in the transaction described in this Prospectus not complying with the requirements set out in the EU Securitisation Regulation, the UK Securitisation Regulation and/or the CRR Amendment Regulation, in the event the transaction described in this Prospectus is designated as an EU STS Securitisation, provided that a Credit Rating Agency Confirmation



in respect of each Credit Rating Agency is available in respect of such modification, authorisation or waiver and (iii) subject to certain requirements being satisfied, any modification that enables the Issuer to comply with the CRA3 Requirements, the EU Securitisation Regulation, the UK Securitisation Regulation and/or the CRR Amendment Regulation or any other obligation which applies to it under the CRA3 Requirements, the EU Securitisation Regulation, the UK Securitisation Regulation and/or the CRR Amendment Regulation and/or any new regulatory requirements, subject to receipt by the Security Trustee of a certificate of the Issuer certifying to the Security Trustee that the amendments requested by the Issuer are to be made solely for the purpose of enabling the Issuer to satisfy its requirements under the CRA3 Requirements, the EU Securitisation Regulation, the UK Securitisation Regulation and/or the CRR Amendment Regulation and/or any new regulatory requirements. The full requirements in relation to any modification, waiver or authorisation without the Noteholders' prior consent, have been set out in Condition 14.

Noteholders are therefore exposed to the risk that changes are made to the Transaction Documents without their knowledge or consent which may be against the interest of such Noteholder and this may have an adverse effect on the (value of the) Notes. Moreover, Noteholders should be aware that if they intend to sell any of the Notes, the fact that changes may be made to the Transaction Documents without their knowledge or consent, could have an adverse effect on the value of such Notes.

***The Swap Counterparty's prior written consent is required for certain modifications, waivers or authorisations***

Pursuant to the terms of the Trust Deed the Swap Counterparty's prior written consent is required for waivers, modifications or amendments, or consents to waivers, modifications or amendments involving certain Transaction Documents, including the Trust Deed and the Conditions, if these would affect – generally speaking – the position of the Swap Counterparty. See in more detail Section 4.1 (*Terms and Conditions*), *Condition 14 (Meetings of Noteholders; Modification; Consents; Waiver)*. Therefore, the Swap Counterparty can prevent modifications of the relevant Transaction Documents even if the Security Trustee agrees with such modifications. The Security Trustee's consent is required for the modification of any Transaction Document by the Issuer, such as in the case of a resolution taken by the Noteholders to that effect, and such consent is also subject to the Swap Counterparty's prior written consent in the circumstances set out in Condition 14(e). Consequently, even if the Noteholders of a Class have resolved to modify a relevant Transaction Document, the Swap Counterparty can prevent such modification. This could result in the Issuer experiencing difficulties in implementing certain changes to the Transaction Documents, which would be in the interests of the Issuer and/or the Noteholders but contrary to the interests of the Swap Counterparty. This may lead to losses under the Notes and/or have an adverse effect on the liquidity of the Notes.

## **1.5 Counterparty Risks**

### ***The Issuer has counterparty risk exposure***

In order to perform its obligations under the Notes, the Issuer is to a large extent dependent on its counterparties performing their obligations under the Transaction Documents. The counterparties of the Issuer may not perform their obligations under the Transaction Documents, which may result in the Issuer not being able to meet its obligations under the Notes, including any payments on the Notes. In particular, the Issuer is dependent on the Swap Counterparty, the Cash Advance Facility Provider, the Servicer and the Seller to properly perform any payment obligations they owe or may owe to the Issuer under the Transaction Documents.

Furthermore, the Seller has delegated certain mortgage loan services to Stater Nederland B.V. If Stater Nederland B.V. becomes bankrupt or otherwise ceases to act as servicer for the Seller, there can be no assurance that a substitute servicer with sufficient experience of administering mortgage loans of residential properties would be found who is willing and able to service the Mortgage Receivables on the terms of the Servicing Agreement. The occurrence of such event could result in disruptions of cash flow which may result (i) in delays or reductions in distributions on the Notes or (ii) other losses with respect to the Notes.

### ***Risk that the ratings of the counterparties change***

The Issuer Account Bank, the Cash Advance Facility Provider and the Swap Counterparty (or any applicable guarantor) are required to have a certain minimum credit rating pursuant to the Transaction Documents and if the rating falls below the relevant Requisite Credit Rating, Initial Required Rating or Subsequent Required Rating (as applicable), remedial actions are required to be taken, which may include the replacement of such counterparty. If a replacement counterparty must be appointed or another remedial action must be taken, it cannot be certain that a replacement counterparty will be found which complies with the criteria or is willing to perform such role, or that such remedial action will be available. In addition, such replacement or action when taken, may lead to higher costs and expenses, as a result of which the Issuer may have insufficient funds to pay its liabilities in full. Moreover, a deterioration of the credit quality of any of the Issuer's counterparties, a downgrade of any of their credit ratings and/or a failure to take remedial actions could have an adverse effect on the credit rating assigned to, and/or the value of, the Notes.

## 1.6 Macro-Economic and Market Risks

### *Risks related to the limited liquidity of the Notes*

The secondary market for the mortgage-backed securities may experience limited liquidity. Limited liquidity in the secondary market for mortgage-backed securities has had a severe adverse effect on the market value of mortgage-backed securities. Limited liquidity in the secondary market may continue to have a severe adverse effect on the market value of mortgage-backed securities such as the Class A Notes and the Class B Notes. Consequently, an investor in the Notes may not be able to sell its Notes readily. The market values of the Notes are likely to fluctuate, which fluctuations may occur for various reasons and may be difficult to determine. Any of these fluctuations may be significant and could result in significant losses to such investor. Thus, Noteholders bear the risk of limited liquidity of the secondary market for mortgage-backed securities and the effect thereof on the value of the Notes.

### *Risk related to the COVID-19 pandemic*

The outbreak and escalating diffusion of the COVID-19 virus (the **COVID-19 pandemic**) has and may have a severe impact on the Dutch, European and global economic prospects. Various countries across the world, including the Netherlands, have introduced measures aimed at preventing the further spread of the COVID-19 virus and new measures may be introduced or measures may be re-introduced in case of a new outbreak, such as a ban on public events above a certain number of attendees, temporary closure of places where larger groups of people gather, such as schools, sports facilities and bars and restaurants, lockdowns, border controls and travel and other restrictions. Such measures have disrupted the normal flow of business operations in those countries and regions, including the Netherlands, have affected and may affect global supply chains and resulted and may result in uncertainty across the global economy and financial markets.

In addition to measures aimed at preventing the further spread of the COVID-19 virus, governments in various countries have introduced measures aimed at mitigating the economic consequences of the outbreak. The Dutch government has announced and implemented economic measures aimed at protecting jobs, households' wages and companies, such as tax payment holidays, guarantee schemes and a compensation scheme for heavily affected sectors in the economy. Dutch banks have granted payment holidays to companies under loans taken out with such banks. The Seller may be faced with requests for payment holidays from Borrowers who are in distress due to the COVID-19 pandemic. The Seller will assess any such request on a case-by-case basis. If granted, the relevant Borrower is entitled to postpone payment of interest and/or principal under the Mortgage Loan. Depending on how many Borrowers will request and be eligible for a payment holiday, arrears and (potentially) subsequent losses under the Mortgage Loans may increase. This could affect the Issuer's ability to timely and fully meet its payment obligations under the Notes. It is noted that there can be no assurance whether, upon expiry of the envisaged payment holiday, the relevant Borrower will be able to meet its payment obligations and whether the payment holidays might be extended. This may result in payment disruptions and possibly higher losses under the Mortgage Receivables, which may lead to losses under the Notes. For the avoidance of doubt, payment postponements granted in accordance with the Seller's policy in connection with COVID-19, do not trigger a repurchase obligation of the Seller in respect of the relevant Mortgage Receivables.

Governments, regulators and central banks, including the ECB, have also announced that they are taking or consider taking measures in order to safeguard the stability of the financial sector, to encourage lending to the business sectors which are affected most and to ensure that the payment system continues to function properly. Measures that have been taken amongst others include the adoption of a package of temporary collateral easing measures to facilitate the availability of eligible collateral for banks to participate in liquidity providing operations, a temporary reduction of the capital requirements for market risk by allowing banks to adjust the qualitative market risk multiplier, a delay in the introduction of the leverage ratio buffer, changes to the minimum amount of capital that banks are required to hold for non-performing loans under the prudential backstop as well as other changes to the prudential framework applicable to banks.

The exact ramifications of the COVID-19 pandemic are highly uncertain. Even though vaccines have been approved and vaccination has started, it is not possible to predict the further spread or duration of the pandemic and the economic effects thereof, including in the Netherlands. Likewise it is not possible to predict how adverse the effect will be on the economy (including that of the Netherlands) of current and any future measures aimed at preventing further spread of the COVID-19 virus and at limiting damage to the real 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 COVID-19 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 however there remains considerable uncertainty as to whether such measures, will be sufficient to ensure economic recovery or avert the threat of sovereign default. The Noteholders should be aware that they may suffer loss as a result of payment defaults under the Mortgage Receivables if no such economic recovery will take place.

### ***Risk related to the ECB Purchase Programme***

In September 2014, the ECB initiated an asset purchase programme whereby it envisages to bring inflation back to levels 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. The expanded asset purchase programme commenced in March 2015 and encompasses the earlier announced asset-backed securities purchase programme and the covered bond purchase programme. 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 COVID-19 pandemic. This new pandemic emergency purchase programme (**PEPP**) originally had an overall envelope of EUR 750 billion. On 4 June 2020 the Governing Council of the ECB decided to increase the original EUR 750 billion envelope for the PEPP by EUR 600 billion, to a total of EUR 1,350 billion. On 10 December 2020 the overall envelope of the PEPP was increased to EUR 1,850 billion, and extended by nine months to at least the end of March 2022. It remains uncertain which effect this restart of the asset purchase programme and the PEPP will have on the volatility in the financial markets and the overall economy in the Eurozone and the wider European Union. In addition, the restart and/or a termination of the asset purchase programme and the PEPP could have an adverse effect on the secondary market value of the Notes and the liquidity in the secondary market for the Notes. The Noteholders should be aware that they may suffer loss if they intend to sell any of the Notes on the secondary market for such Notes as a result of the impact the restart of the asset purchase programme and/or a potential termination of the asset purchase programme and the launch of the PEPP and the termination of the PEPP may have on the secondary market value of the Notes and the liquidity in the secondary market for the Notes.

### ***The performance of the Notes may be adversely affected by the recent conditions in the global financial markets (including but not limited to the UK's withdrawal from the EU (Brexit))***

Global markets and economic conditions have been negatively impacted in recent years by the banking and sovereign debt crisis in the EU and globally. In particular, concerns have been raised with respect to continuing economic, monetary and political conditions in the region comprised of the Member States of the EU that have adopted the single currency in accordance with the Treaty establishing the European Community (signed in Rome on 25 March 1957) as amended (the **Eurozone**).

Furthermore, uncertainty exists surrounding the effect of Brexit and the legal and regulatory framework that will apply to the UK and its relationship with the remaining members of the EU (including, in relation to trade). This may cause volatility in the markets.

These uncertainties and/or conditions may have an adverse effect on business activity, increased funding costs, decreased liquidity, decreased asset values, additional credit impairment losses and lower profitability and revenues of the Seller, the Swap Counterparty and/or the Cash Advance Facility Provider which may affect

their ability to perform their respective obligations under the relevant Transaction Documents. Failure to perform obligations under the relevant Transaction Documents may adversely affect the performance of the Notes. These factors could result in the Issuer having insufficient funds to fulfil its obligations under the Notes in full and as a result could adversely affect the performance of the Notes and lead to losses under the Notes.

***Changes or uncertainty in respect of EURIBOR or other interest rate benchmarks may affect the value or payment of interest under the Class A Notes***

Various interest rate benchmarks (including EURIBOR, €STR and other interest rates or other types or rates and indices which are deemed to be "benchmarks") are the subject of recent national and international regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Notes referencing such a benchmark. Prospective investors are referred to Section 4.4 (*Regulatory and Industry Compliance*) for further details.

Prospective investors should in particular be aware that:

- (a) any of these reforms or pressures described above or any other changes to a relevant interest rate benchmark (including EURIBOR) could affect the level of the published rate, including to cause it to be lower and/or more volatile than it would otherwise be;
- (b) if EURIBOR is discontinued or is otherwise unavailable and an amendment as described in paragraph (c) below has not been made at the relevant time, then the rate of interest on the Class A Notes will be determined for a period by the fall-back provisions provided for under Condition 4 (*Interest*), although such provisions, being dependent in part upon the provision by reference banks of offered quotations for leading banks (in the euro-zone interbank market in the case of EURIBOR), may not operate as intended (depending on market circumstances and the availability of rates information at the relevant time);
- (c) while an amendment may be made under Condition 14 (*Meetings of Noteholders; Modification; Consents; Waiver*) to change the base rate from EURIBOR to an alternative base rate under certain circumstances broadly related to EURIBOR discontinuation and subject to certain conditions being satisfied, there can be no assurance that any such amendment will be made or, if made, that it (i) will fully or effectively mitigate all relevant interest rate risks or result in an equivalent methodology for determining the interest rates on the Class A Notes or (ii) will be made prior to any date on which any of the risks described in this risk factor may become relevant; and
- (d) if EURIBOR is discontinued and whether or not an amendment is made under Condition 14 (*Meetings of Noteholders; Modification; Consents; Waiver*) to change the base rate with respect to the Notes as described in paragraph (c) above, there can be no assurance that the applicable fall-back provisions under the Swap Agreement would operate to allow the transactions under the Swap Agreement to fully or effectively mitigate interest rate risk in respect of the Class A Notes.

In addition, there is no guarantee that any Note Rate Maintenance Adjustment will be determined or applied, or that the application of any such factor will either reduce or eliminate economic prejudice to Noteholders. Furthermore, the process of determination of a replacement for EURIBOR may result in the effective application of a fixed interest rate to what was previously a Note to which a floating rate of interest was applicable. The use of the Alternative Benchmark Rate may therefore result in the Class A Notes that referenced EURIBOR to perform differently if interest payments are based on the Alternative Benchmark Rate (including potentially paying a lower interest rate) than they would do if EURIBOR were to continue to apply in its current form. Furthermore, the Conditions of the Notes may be amended by the Issuer, as necessary to facilitate the introduction of an Alternative Benchmark Rate without any requirement for consent or approval of all of the Noteholders.

The Issuer shall be able to exercise broad discretion in the determination of a Benchmark Rate Modification Event, the Alternative Benchmark Rate and/or any Note Rate Maintenance Adjustment and the Issuer may be required to determine that a Benchmark Rate Modification Event has occurred, the Alternative Benchmark Rate and/or any Note Rate Maintenance Adjustment and in such event a potential conflict of interest exists as in that case the Issuer is both the party determining that a Benchmark Rate Modification Event has occurred, the Alternative Benchmark Rate and/or any Note Rate Maintenance Adjustment and also the party paying interest on the basis of such determination, whereby the Noteholders have an interest in a higher interest being payable on the Class A Notes and the Issuer may have an interest in a lower interest being payable on the Class A Notes. In the event the Issuer must apply the fall-back provisions and apply the Alternative Benchmark Rate, there is a risk that such Alternative Benchmark Rate qualifies as a benchmark under the provisions of the EU Benchmarks Regulation.

Moreover, any of the above matters (including an amendment to change the base rate as described in paragraph (c) above) or any other significant change to the setting or existence of EURIBOR could affect the ability of the Issuer to meet its obligations under the Class A Notes and/or could have a material adverse effect on the value or liquidity of, and the amount payable under, the Class A Notes. Changes in the manner of administration of EURIBOR could result in adjustment to the Conditions or other consequences in relation to the Class A Notes. No assurance may be provided that relevant changes will not occur with respect to EURIBOR or any other relevant interest rate benchmark and/or that such benchmarks will continue to exist. Furthermore, there is a risk that the application of the Alternative Benchmark Rate will not be effective or is not in compliance with the EU Benchmarks Regulation. In such case the Issuer is likely to propose alternatives for the alternative base rate seeking consent of the Noteholders. As a result, the Issuer may not be in a position to timely pay the interest due under the Notes and therefore, the Noteholders may not receive such amounts in a timely manner.

In addition, the Issuer (or any agent appointed by the Issuer) may be considered an "administrator of benchmarks" within the meaning of the EU Benchmarks Regulation. Such administrator may be required to be authorised under the EU Benchmarks Regulation to operate in such capacity. The Issuer does not intend to apply for an authorisation as administrator of benchmarks under the EU Benchmarks Regulation. Failing the due authorisation of the Issuer or any agent appointed by it as administrator pursuant to the EU Benchmarks Regulation, there is a risk that the Issuer or such agent may not act in such capacity and that the appointment of another agent is required to be organised. Delays in the calculation of the Alternative Benchmark Rate and/or any Note Rate Maintenance Adjustment may occur in such instance.

Investors should consider these matters when making their investment decision with respect to the Class A Notes. Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the EU Benchmarks Regulation or any of the international or national reforms and the possible application of the benchmark replacement provisions of the Class A Notes in making any investment decision with respect to the Class A Notes.

## 1.7 Legal, Regulatory and Taxation Risks

### ***Risk related to payments received by the Seller prior to notification of the assignment to the Issuer***

The legal title to the Mortgage Receivables resulting from the Mortgage Loans will be assigned on the Closing Date by the Seller to the Issuer without notification of the assignment to the Borrowers (*stille cessie*) by means of a notarial deed of assignment or a private deed of assignment which will be registered with the Dutch tax authorities on the Closing Date. The Mortgage Receivables Purchase Agreement will provide that the assignment will not be notified by the Seller or, as the case may be, the Issuer to the Borrowers except that notification of the assignment of the Mortgage Receivables may be made upon the occurrence of any of the Assignment Notification Events. For a description of these notification events reference is made to Section 7.1 (*Purchase, Repurchase and Sale*).

Under Dutch law, until notification of the assignment to the Borrowers, the Borrowers can only validly pay to the Seller in order to fully discharge their payment obligations (*bevrijdend betalen*). The Seller has undertaken in the Mortgage Receivables Purchase Agreement to transfer or procure transfer of any (estimated) amounts received during the immediately preceding Mortgage Calculation Period in respect of the Mortgage Receivables to the Issuer Collection Account. However, receipt of such amounts by the Issuer is subject to such payments actually being made by the Seller. If the Seller is declared bankrupt prior to making such payments and before notification of the assignment of the Mortgage Receivables has occurred, the relevant collections form part of the bankruptcy estate of the Seller. In respect of these payments, the Issuer will be an unsecured creditor of the estate of the Seller. There is a risk that the Issuer may not have sufficient funds to satisfy its payment obligations under the Notes which may result in losses under the Notes.

In case of a bankruptcy of the Seller, the Issuer will notify the Borrowers under the Mortgage Loans of the Assignment. Upon receipt of such notification, the Borrowers will be obliged to pay interest and principal due under the Mortgage Loans to the Issuer. For additional details see Section 5.9 (*Legal framework as to the assignment of Mortgage Receivables*).

### ***Risks relating to insolvency proceedings and subordination provisions***

There is uncertainty as to the validity and/or enforceability of a provision which (based on contractual and/or trust principles) subordinates certain payment rights of a creditor to the payment rights of other creditors of its counterparty upon the occurrence of insolvency proceedings relating to that creditor. In particular, cases have focused on provisions involving the subordination of a hedging counterparty's payment rights in respect of certain termination payments upon the occurrence of insolvency proceedings or other default on the part of such counterparty (so-called "*flip clauses*"). Such provisions are similar in effect to the terms which will be included in the Transaction Documents relating to the subordination of a Swap Counterparty Subordinated Payment.

The Supreme Court of the United Kingdom has held that a flip clause as described above is valid under the laws of England and Wales. Contrary to this, however, in parallel proceedings the U.S. Bankruptcy Court has held that such a subordination provision is unenforceable under U.S. bankruptcy law and that any action to enforce such provision would violate the automatic stay which applies under such law in the case of a U.S. bankruptcy of the counterparty. However, a subsequent U.S. Bankruptcy Court decision held that flip clauses are protected under the Bankruptcy Code and therefore enforceable on bankruptcy. This decision was approved on 14 March 2018 by the U.S. District Court for the Southern District of New York, which 2018 decision was further affirmed on 11 August 2020 by the U.S. Court of Appeals for the Second Circuit. The implications of this conflict remain unresolved.

If a creditor of the Issuer (such as the Swap Counterparty) or a related entity becomes subject to insolvency proceedings in any jurisdiction outside England and Wales or the Netherlands (including, but not limited to, the United States), and it is owed a payment by the Issuer, a question arises as to whether the insolvent creditor or any insolvency official appointed in respect of that creditor could successfully challenge the validity and/or

enforceability of subordination provisions included in the English and Dutch law governed Transaction Documents. In particular, based on the decision of the U.S. Bankruptcy Court referred to above, there is a risk that such subordination provisions would not be upheld under U.S. bankruptcy laws. Such laws may be relevant in certain circumstances with respect to the Swap Counterparty given that the Swap Counterparty has assets and/or operations in the U.S. and notwithstanding that the Swap Counterparty is a non-U.S. established entity (and/or with respect to any replacement counterparty, depending on certain matters in respect of that entity). In general, if a subordination provision included in the Transaction Documents was successfully challenged under the insolvency laws of any relevant jurisdiction outside England and Wales or the Netherlands and any relevant foreign judgment or order was recognised by the English or Dutch courts, there can be no assurance that such actions would not adversely affect the rights of the Noteholders, the market value of the Notes and/or the ability of the Issuer to satisfy its obligations under the Notes.

***Risk that the All Moneys Security Rights will not follow the Mortgage Receivables upon assignment to the Issuer***

The rights of mortgage and pledge securing the Mortgage Receivables qualify as All Moneys Security Rights, meaning that the security rights created pursuant to the mortgage loan documentation, not only secure the loan granted by the Seller to the Borrower for the purpose of acquiring the relevant Mortgaged Asset, but may also secure other liabilities and moneys that the Borrower, now or in the future, may owe to the Seller.

Under Dutch law, mortgages and pledges are "accessory rights" (*afhankelijke rechten*) which automatically follow the receivables they secure upon assignment, unless the security right by its nature is or has been construed as a purely personal right of the assignor. The Supreme Court (*Hoge Raad*) has ruled in its decision of 16 September 1988 (NJ 1989, 10) (the **Balkema Case**) that the main rule is that a mortgage right transfers as an accessory right together with the receivable it secures. The exception to this main rule is when the mortgage was stipulated as a strictly personal right. The Supreme Court held that it is a question of interpreting the relevant clause in the mortgage deed whether the definition of the secured receivable means that it exclusively vests in the original mortgagee as a strictly personal right, in deviation from the main rule. The wording of the relevant mortgage deed constitutes prima facie evidence of whether the intention of the parties was to create the relevant mortgage as a personal right, although it is not inconceivable that evidence to the contrary is brought forward.

The mortgage loan documentation contains an explicit provision that, in case of a transfer of the Mortgage Loan to a third party, the security rights relating to such Mortgage Loans will also transfer, where applicable in part. Such wording is a clear indication of the intention of the parties not to create a personal security right.

If the All Moneys Security Rights would however not (partly) have followed the Mortgage Receivables upon assignment by the Seller, this means that the Issuer (as assignee) and, consequently, the Security Trustee (as pledgee) will not have the benefit of the All Moneys Security Rights and are not entitled to foreclose the All Moneys Security Rights, which will impact the proceeds available to the Security Trustee and could result in losses under the Notes.

***Risk that the Issuer breaches the Wft if the Servicer ceases to be properly licensed***

Under the Wft, a special purpose vehicle which services (*beheert*) and administers (*uitvoert*) loans granted to consumers, such as the Issuer, must have a license under that act. However, an exemption from the license requirement is available if the special purpose vehicle outsources the servicing of the mortgage loans and the administration thereof to an entity holding a license to service and administer loans to consumers. The Issuer has outsourced the servicing and administration of the Mortgage Loans to the Servicer. The Servicer holds the relevant license under the Wft and the Issuer will thus benefit from the exemption. However, if the appointment of the Servicer under the Servicing Agreement is terminated, the Issuer will need to outsource the servicing and administration of the Mortgage Loans to another licensed entity or it needs to apply for and hold a license itself. In the latter case, the Issuer will have to comply with the applicable requirements under the Wft. If such appointment under the Servicing Agreement is terminated and the Issuer has not outsourced the servicing and



administration of the Mortgage Loans to a licensed entity and, in such case, it will not hold a license itself, the Issuer will have to terminate its activities and settle (*afwikkelen*) its existing agreements itself. If the Issuer cannot find an authorised servicer, it may be forced to sell the Mortgage Receivables which could result, among others, in early redemption of the Notes and repayment of principal in accordance with the Principal Priority of Payments or the occurrence of an Event of Default and repayment of principal in accordance with the Post-Enforcement Priority of Payments and is in either case likely to result in proceeds being insufficient to pay Noteholders.

### ***Change of law may adversely impact the position of Noteholders***

The structure of the issue of the Notes is based on Dutch law in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible change in Dutch law or any laws of other jurisdictions or administrative practice in the Netherlands or any other jurisdictions after the date of this Prospectus on the structure and thus on the ratings which will have been assigned to the Notes.

### ***Risks related to the creation of pledges on the basis of the Parallel Debt***

Under Dutch law it is uncertain whether a security right can be validly created in favour of a party which is not the creditor of the claim which the security right purports to secure. Consequently, in order to secure the valid creation of the rights of pledge under the Pledge Agreements in favour of the Security Trustee, the Issuer has, in the Parallel Debt Agreement, as a separate and independent obligation, by way of parallel debt, undertaken to pay to the Security Trustee amounts equal to the amounts due by it to the Secured Creditors.

There is no statutory law or case law available on the concept of parallel debts such as the Parallel Debt, or on the question of whether a parallel debt constitutes a valid basis for the creation of security rights, such as rights of pledge (see also Section 4.7 (*Security*)).

Any payments in respect of the Parallel Debt and any proceeds received by the Security Trustee shall, in the case of an insolvency of the Security Trustee, not be separated from the Security Trustee's estate. The Secured Creditors therefore incur a credit risk on the Security Trustee, which could lead to losses under the Notes.

### ***Risk that the Issuer does not have the authority to reset interest rates***

The interest rate of the fixed rate Mortgage Loans resets from time to time. The Issuer has been advised that a good argument can be made that the right to reset the interest rate on the Mortgage Loans after the termination of the fixed interest period should be considered as an ancillary right and follows the Mortgage Receivables upon their assignment by the Seller to the Issuer and the pledge of such Mortgage Receivables to the Security Trustee. The view that the right to reset the interest rate on the Mortgage Loans should be considered as an ancillary right, is also supported by a judgement of the Dutch Supreme Court (HR 10 July 2020, ECLI:NL:2020:1276 (*Van Lanschot/Promontoria*)). To the extent the interest rate reset right passes upon the assignment of the Mortgage Receivables to the Issuer or upon the pledge of the Mortgage Receivables to the Security Trustee, such assignee or pledgee will be bound by the contractual provisions and principles of reasonableness and fairness and any applicable duty of care limitations relating to the reset of interest rates. This means that the Issuer or the Security Trustee does not have full discretionary power to set the interest rates and may have to set the interest lower than the Issuer or the Security Trustee would have done if they were not bound by the contractual provisions and principles of reasonableness and fairness. If the interest rates are set lower at their interest reset dates than the interest rates prior to such interest reset dates, the proceeds resulting from the Mortgage Receivables may be lower, and this may affect the ability of the Issuer to meet its obligations under the Notes.

### ***Regulatory initiatives may have an adverse impact on the regulatory treatment of the Notes and/or decrease liquidity in respect of the Notes***

In Europe, the United States and elsewhere there is increased political and regulatory scrutiny of the asset-

backed securities industry. This has resulted in a raft of measures for increased regulation which are currently at various stages of implementation and which may have an adverse impact on the regulatory position for certain investors in securitisation exposures and/or on the incentives for certain investors to hold asset-backed securities, and may thereby affect the liquidity of such securities. Investors in the Notes are responsible for analysing their own regulatory position and none of the Issuer, the Arranger, the Joint Lead Managers or the Seller makes any representation to any prospective investor or purchaser of the Notes regarding the regulatory treatment of their investment on the Closing Date or at any time in the future.

***Prudential regulation reforms under Basel or other frameworks may have an adverse impact on the regulatory capital treatment of the Notes***

Investors should note in particular that the Basel Committee on Banking Supervision (**BCBS**) has approved a series of significant changes to the Basel framework for prudential regulation (such changes being referred to by the BCBS as Basel III, and referred to, colloquially, as Basel III in respect of reforms finalised prior to 7 December 2017 and Basel IV in respect of reforms finalised on or following that date). The Basel III/IV reforms, which include revisions to the credit risk framework in general and the securitisation framework in particular, may result in increased regulatory capital and/or other prudential requirements in respect of securitisation positions. The BCBS continues to work on new policy initiatives. National implementation of the Basel III/IV reforms may vary those reforms and/or their timing. It should also be noted that changes to prudential requirements have been made for insurance and reinsurance undertakings through participating jurisdiction initiatives, such as the Solvency II framework in Europe. Investors in the Notes are responsible for analysing their own regulatory position and prudential regulation treatment applicable to the Notes and should consult their own advisers in this respect.

***Non-compliance with the EU Securitisation Regulation regimes in the EU and/or the UK, as applicable, may have an adverse impact on the regulatory treatment of the Notes and/or decrease liquidity of the Notes***

The EU Securitisation Regulation applies in general (subject to certain grandfathering) from 1 January 2019 and, from 9 April 2021, the EU Securitisation Regulation applies as amended by Regulation (EU) 2021/557. However, some legislative measures necessary for the full implementation of the EU Securitisation Regulation regime have not yet been finalised and compliance with certain requirements is subject to the application of transitional provisions. In addition, further amendments are expected to be introduced to the EU Securitisation Regulation regime as a result of its wider review on which the European Commission is required to report (with legislative proposals) by 1 January 2022.

The EU Securitisation Regulation establishes certain common rules for all securitisations that fall within its scope (including recast of pre-1 January 2019 risk retention and investor due diligence regimes).

The EU Securitisation Regulation has direct effect in member states of the EU and, once the EU Securitisation Regulation is incorporated into the EEA Agreement, it will apply more broadly in the EEA, including Iceland, Norway and Liechtenstein.

The UK Securitisation Regulation applied in the UK from 11pm (London time) on 31 December 2020 following the end of the transition period relating to the UK's withdrawal from the EU (note that the UK is also no longer part of the EEA). The UK Securitisation Regulation largely mirrors (with some adjustments) the EU Securitisation Regulation as it applied in the EU at the end of 2020 (meaning that the amendments that took effect in the EU from 9 April 2021 are not part of the UK regime). The application of the UK Securitisation Regulation is also subject to the temporary transitional relief being available in certain areas. The UK Securitisation Regulation regime is currently subject to a review, which is likely to result in further changes being introduced in the UK in due course. Therefore, some divergence between EU and UK regimes exists already and the risk of more divergence in the future between EU and UK regimes cannot be ruled out.

Certain European-regulated institutional investors or UK-regulated institutional investors, which include relevant credit institutions, investment firms, authorised alternative investment fund managers, insurance and

reinsurance undertakings, certain undertakings for the collective investment of transferable securities and certain regulated pension funds (institutions for occupational retirement provision), are required to comply under Article 5 of the EU Securitisation Regulation or Article 5 of the UK Securitisation Regulation, as applicable, with certain due diligence requirements prior to holding a securitisation position and on an ongoing basis while holding the position. Among other things, prior to holding a securitisation position, such institutional investors are required to verify under their respective EU or UK regime certain matters with respect to compliance of the relevant transaction parties with credit granting standards, risk retention and transparency requirements and, on transactions notified as EU STS or UK STS, compliance of that transaction with the EU or UK STS requirements, as applicable. If the relevant European- or UK-regulated institutional investor elects to acquire or holds the Notes having failed to comply with one or more of these requirements, as applicable to them under their respective EU or UK regime, this may result in the imposition of a penal capital charge on the Notes for institutional investors subject to regulatory capital requirements or a requirement to take a corrective action, in the case of a certain type of regulated fund investors. Aspects of the requirements of the EU Securitisation Regulation and the UK Securitisation Regulation and what is or will be required to demonstrate compliance to national regulators remain unclear and, it should be noted, that under the UK Securitisation Regulation regime certain temporary transitional relief may be available until 31 March 2022 for the purposes of compliance with the UK institutional investor due diligence requirements. Prospective investors should therefore make themselves aware of the requirements applicable to them in their respective jurisdictions and are required to independently assess and determine the sufficiency of the information described in this Prospectus generally for the purposes of complying with such due diligence requirements under the EU Securitisation Regulation and any corresponding national measures which may be relevant or the UK Securitisation Regulation, as applicable.

Various parties to the securitisation transaction described in this Prospectus (including the Seller and the Issuer) are also subject to the requirements of the EU Securitisation Regulation. However, some uncertainty remains in relation to the interpretation of some of these requirements and what is or will be required to demonstrate compliance to national regulators.

Prospective investors should note that, the Seller has contractually elected and agreed to comply with the requirements of the UK Securitisation Regulation relating to the risk retention and the transparency requirements, as if it were applicable to it and as such requirements are interpreted and applied on the Closing Date, provided that any requirement under the UK Securitisation Regulation to make information available by means of a securitisation repository shall be deemed to be complied with if such information is made available by means of a securitisation repository registered with ESMA under Article 10 of the EU Securitisation Regulation (the **Securitisation Repository Undertaking**). In case of any changes to the UK Securitisation Regulation after the Closing Date, the Seller has undertaken to use its reasonable endeavours to continue to comply with the relevant requirements of the UK Securitisation Regulation (as if it were applicable to it and subject to the Securitisation Repository Undertaking). However, prospective investors should note that there can be no assurance that the Seller shall in such case continue to comply with the UK Securitisation Regulation as amended. As of the date of this Prospectus, the risk retention, transparency requirements and due diligence requirements imposed under the UK Securitisation Regulation are aligned with the risk retention, transparency requirements and due diligence requirements under the EU Securitisation Regulation. However there is a risk that such requirements under the UK Securitisation Regulation may diverge from the corresponding requirements of the EU Securitisation Regulation in the future and that the requirements under the UK Securitisation Regulation are no longer satisfied.

If the due diligence requirements under the UK Securitisation Regulation are not satisfied then, depending on the regulatory requirements applicable to such UK Affected Investor, an additional risk weight, regulatory capital charge and/or other regulatory sanction may be applied to such securitisation investment and/or imposed on the UK Affected Investor.

Prospective investors are referred to Section 4.4 (*Regulatory and Industry Compliance*) for further details and should note that there can be no assurance that undertakings relating to compliance with the EU Securitisation Regulation or the UK Securitisation Regulation, the information in this Prospectus or information to be made

available to investors in accordance with such undertakings will be adequate for any prospective institutional investors to comply with their due diligence obligations under the EU Securitisation Regulation or the UK Securitisation Regulation. Prospective investors in the Notes are responsible for analysing their own regulatory position, and should consult their own advisers in this respect.

### ***EU STS Securitisation designation impacts on regulatory treatment of the Notes***

The EU Securitisation Regulation (and the associated Regulation (EU) 2017/2401 (**CRR Amendment Regulation**)) also includes provisions intended to implement the revised securitisation framework developed by BCBS (with adjustments) and provides, among other things, for harmonised foundation criteria and procedures applicable to securitisations seeking designation as EU STS securitisation.

The EU STS Securitisation designation impacts on the potential ability of the Notes to achieve better or more flexible regulatory treatment under various EU regimes that were amended (or will be amended in due course) to take into account the EU STS framework (such as Type 1 securitisation under Solvency II, as amended; regulatory capital treatment under the securitisation framework of the CRR, as amended by the CRR Amendment Regulation; Type 2B securitisation under the LCR Delegated Regulation, as amended and the changes to the EU EMIR regime that provide for certain exemptions for EU STS securitisation swaps, as to which investors are referred to the risk factor entitled *Impact of EU EMIR on the Swap Agreement*.

In addition, under the UK Securitisation Regulation, after the end of the transition period in the Brexit process, the Notes can also qualify as UK STS eligible until maturity, provided the Notes remain on the ESMA STS Register and continue to meet the EU STS Requirements and, as such, the EU STS Securitisation designation impacts on the potential ability of the Notes to achieve better or more flexible regulatory treatment from the perspective of the applicable UK regulatory regimes, such as the prudential regulation of UK CRR firms and UK Solvency II firms, and from the perspective of the UK EMIR regime.

It is intended that an EU STS Notification will be submitted to ESMA and BaFin by Lloyds Bank GmbH, Amsterdam Branch as the Reporting Entity. The EU STS Notification, once notified to ESMA, will be available for download on the ESMA STS Register website.

The Seller and the Issuer have used the services of the STS Verification Agent to carry out the STS Verification (and to provide additional assessments with regard to the status of the Notes for the purposes of Article 243 and Article 270 of the CRR and Articles 7 and 13 of the LCR Delegated Regulation (the **STS Additional Assessments**)). It is expected that the STS Verification and the STS Additional Assessments prepared by the STS Verification Agent will be available on its website at <https://www.pcsmarket.org/sts-verification-transactions/>. For the avoidance of doubt, the website of the STS Verification Agent and the contents of that website do not form part of this Prospectus.

It is important to note that the involvement of an STS Verification Agent is not mandatory and the responsibility for compliance with the EU Securitisation Regulation (or, if applicable, the UK Securitisation Regulation) remains with the relevant institutional investors, originators, sponsors and issuers, as applicable in each case. An STS Verification (and/or STS Additional Assessments) will not absolve such entities from making their own assessments with respect to the EU Securitisation Regulation (or, if applicable, the UK Securitisation Regulation) and other relevant regulatory provisions, and an STS Verification (and/or STS Additional Assessments) cannot be relied on to determine compliance with the foregoing regulations in the absence of such assessments by the relevant entities.

The EU STS status of the Notes is not static and investors should verify the current status on the ESMA STS Register website, which will be updated where the Notes are no longer considered to be EU STS following a decision of competent authorities or a notification by or on behalf of the Reporting Entity. None of the Arranger or any of the Joint Lead Managers makes any representation or accepts liability with respect to whether or not the transaction qualifies as an EU STS securitisation in the EU under the EU Securitisation Regulation and consequently, whether or not the Notes qualify as UK STS.

The EU STS Securitisation designation is not an opinion on the creditworthiness of the relevant Notes nor on the level of risk associated with an investment in the relevant Notes. It is not an indication of the suitability of the relevant notes for any investor and/or a recommendation to buy, sell or hold notes. Institutional investors that are subject to the due diligence requirements of the EU Securitisation Regulation or the UK Securitisation Regulation need to make their own independent assessment and may not solely rely on any STS Verification, the EU STS Notification, any STS Additional Assessments or other disclosed information.

No assurances can be provided that the securitisation transaction described in this Prospectus does or continues to qualify as an EU STS Securitisation under the EU Securitisation Regulation. The relevant European regulated institutional investors are required to make their own assessment with regard to compliance of the securitisation with the EU STS Requirements and such investors should be aware that non-compliance with the EU STS Requirements and the change in the EU STS status of the Notes may result in the loss of better regulatory treatment of the Notes under the applicable regime(s), including in the case of prudential regulation, higher capital charges being applied to the Notes and may have a negative effect on the price and liquidity of the Notes in the secondary market. In addition, non-compliance may result in various sanctions and/or remedial measures being imposed on the relevant transaction parties, including the Seller and the Issuer, which may have an impact on the availability of funds to pay the Notes.

### ***Impact of EU EMIR and UK EMIR on the Swap Agreement***

The Issuer will be entering into the Swap Agreement which is an interest rate swap transaction.

The derivatives markets are subject to extensive regulation in a number of jurisdictions, including in the UK pursuant to 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 as it forms part of domestic law by virtue of EUWA (**UK EMIR**) as amended from time to time and in Europe pursuant to 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 (**EU EMIR**), each as amended and supplemented from time to time. UK EMIR and EU EMIR prescribe a number of regulatory requirements for counterparties to derivatives contracts including (i) a mandatory clearing obligation for certain classes of OTC derivatives contracts (the **Clearing Obligation**); (ii) collateral exchange, daily valuation and other risk mitigation requirements for OTC derivatives contracts not subject to clearing (the **Risk Mitigation Requirements**); and (iii) certain reporting requirements. In general, the application of such regulatory requirements in respect of the Swap Transaction will depend on the classification of the counterparties to such derivative transactions.

Pursuant to UK EMIR and EU EMIR, counterparties can be classified as: (i) financial counterparties (**FCs**) (which includes a sub-category of small FCs (**SFCs**)), and (ii) non-financial counterparties (**NFCs**). The category of “NFC” is further split into: (i) non-financial counterparties above the “clearing threshold” (**NFC+s**), and (ii) non-financial counterparties below the “clearing threshold” (**NFC-s**). Whereas FCs and NFC+ entities may be subject to the Clearing Obligation or, to the extent that the relevant swaps are not subject to clearing, to the collateral exchange obligation and the daily valuation obligation under the Risk Mitigation Requirements, such obligations do not apply in respect of NFC- entities.

The Issuer is currently an NFC- for the purposes of EU EMIR, and a third country equivalent to an NFC- under UK EMIR (a **TCE NFC-**), although a change in its position cannot be ruled out. Should the status of the Issuer change to NFC+ or FC for the purposes of EU EMIR and/or to a third country equivalent to an FC or NFC+ for the purposes of UK EMIR, this may result in the application of the Clearing Obligation or the collateral exchange obligation and daily valuation obligation under the Risk Mitigation Requirements, although it seems unlikely that the Swap Agreement would be a relevant type of OTC derivative contract that would be subject to the Clearing Obligation under the relevant implementing measures made to date. It should also be noted that the collateral exchange obligation should not apply in respect of the swap transactions under the Swap Agreement entered into prior to the relevant application date, unless such a swap is materially amended on or after that date.

Prospective investors should note that there is some uncertainty with respect to the ability of the Issuer to comply with the Clearing Obligations and the collateral exchange obligation were they to be applicable, which may (i) lead to regulatory sanctions, (ii) adversely affect the ability of the Issuer to continue to be party to a swap agreement (possibly resulting in a restructuring or termination of the swap) or to enter into swap agreements and/or (iii) significantly increase the cost of such arrangements, thereby negatively affecting the ability of the Issuer to hedge certain risks. No assurance can be given that any future changes to EU EMIR, including technical standards published under EU EMIR Refit, would not cause the status of the Issuer to change and lead to an increased regulatory burden on the Issuer in respect of its hedging arrangements.

Prospective investors should also be aware that regardless of the Issuer's classification under EU EMIR and UK EMIR, the Issuer may need to appoint a third party and/or incur costs and expenses to enable it to comply with the regulatory requirements imposed by EU EMIR and/or UK EMIR, in particular, in relation to reporting and record keeping. Additionally, the characterisation of the Issuer under EU EMIR and UK EMIR as are currently in force will determine whether, among other things, it is required to comply with the clearing, margin-posting and the trading requirements in relation to the Swap Agreement. If it were required to clear, post margin or trade on an exchange or other electronic platform, it is unlikely that the Issuer would be able to comply with such an obligation.

As a result, the amounts available to the Issuer to meet its obligations may be reduced, which may in turn result in investors' receiving less interest or principal than expected.

Lastly, it should be noted that, as described under Condition 14 (*Meetings of Noteholders; Modification; Consents; Waiver*), the Security Trustee may or, in certain circumstances, shall agree to modifications, waivers or authorisations without the Noteholders' prior consent, amendments relating to EU EMIR or UK EMIR may be made to the transaction documents and/or to the terms and conditions applying to the Notes.

***Changes to the tax treatment of interest and to the applicable real estate transfer tax rates may impose various risks***

The Dutch tax system allows borrowers to deduct, subject to certain limitations, mortgage interest payments for owner-occupied residences from their taxable income. Interest deductibility in respect of mortgage loans originated after 1 January 2013 is restricted and is only available in respect of mortgage loans which amortise over 30 years or less and are repaid on at least an annuity basis. In addition, the tax rate against which the interest may be deducted will be gradually reduced until a level of 37.05% is reached for each tax payer. This is expected to be achieved in 2023. These changes and any other or further changes in the tax treatment of interest payment deductibility on mortgage loans could ultimately have an adverse impact on the ability of Borrowers to pay interest and principal on their Mortgage Loans. In addition, changes in tax treatment may lead to different prepayment behaviour by Borrowers on their Mortgage Loans resulting in higher or lower prepayment rates of such Mortgage Loans.

Furthermore, on 1 January 2021 the applicable real estate transfer tax (*overdrachtsbelasting*) rate for non-owner occupied residential real estate increased from 2% to 8%. At the date of this Prospectus, it is not clear what the impact of this change will be on the housing market and other factors relevant in relation to the Mortgage Loans.

This change may have an adverse impact on the market value of the Mortgaged Assets. A decline in value may ultimately result in lower proceeds for the Noteholders if the relevant security rights on the Mortgaged Assets are required to be enforced.

## **1.8 Risks Relating to the Characteristics of the Notes**

### ***Risk that the Class A Notes will not be recognised as Eurosystem Eligible Collateral***

The Class A Notes are intended to be held in a manner which allows Eurosystem eligibility. The Class A Notes will upon issue be deposited with Euroclear or Clearstream, Luxembourg which are ICSDs, but this does not necessarily mean that the Class A Notes will be recognised as Eurosystem Eligible Collateral either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria as amended from time to time. Neither the Issuer, the Arranger nor the Joint Lead Managers gives a representation, warranty, confirmation or guarantee to any investor in the Class A Notes that the Class A Notes will, either upon issue, or at any or all times during their life, satisfy all or any requirements for Eurosystem eligibility from time to time and be recognised as Eurosystem Eligible Collateral. Any potential investors in the Class A Notes should make their own determinations and seek their own advice with respect to whether or not such Notes constitute Eurosystem Eligible Collateral.

The Class B Notes and the Class C Notes are not intended to be recognised as Eurosystem Eligible Collateral.

### ***Noteholders may not receive and may not be able to trade Definitive Note***

It is possible that the Notes may be traded in amounts that are not integral multiples of EUR 100,000. A holder who, as a result of trading such amounts, holds a principal amount which is less than EUR 100,000 in its account with the relevant clearing system in case Notes in definitive form are issued may not receive a Note in definitive form in respect of such holding (should Notes in definitive form be issued) and may need to purchase a principal amount of Notes such that its holding amounts to at least EUR 100,000. If Notes in definitive form are issued, holders should be aware that any Note in definitive form which has a denomination that is not an integral multiple of EUR 100,000 may be illiquid and difficult to trade.

## 2. TRANSACTION OVERVIEW

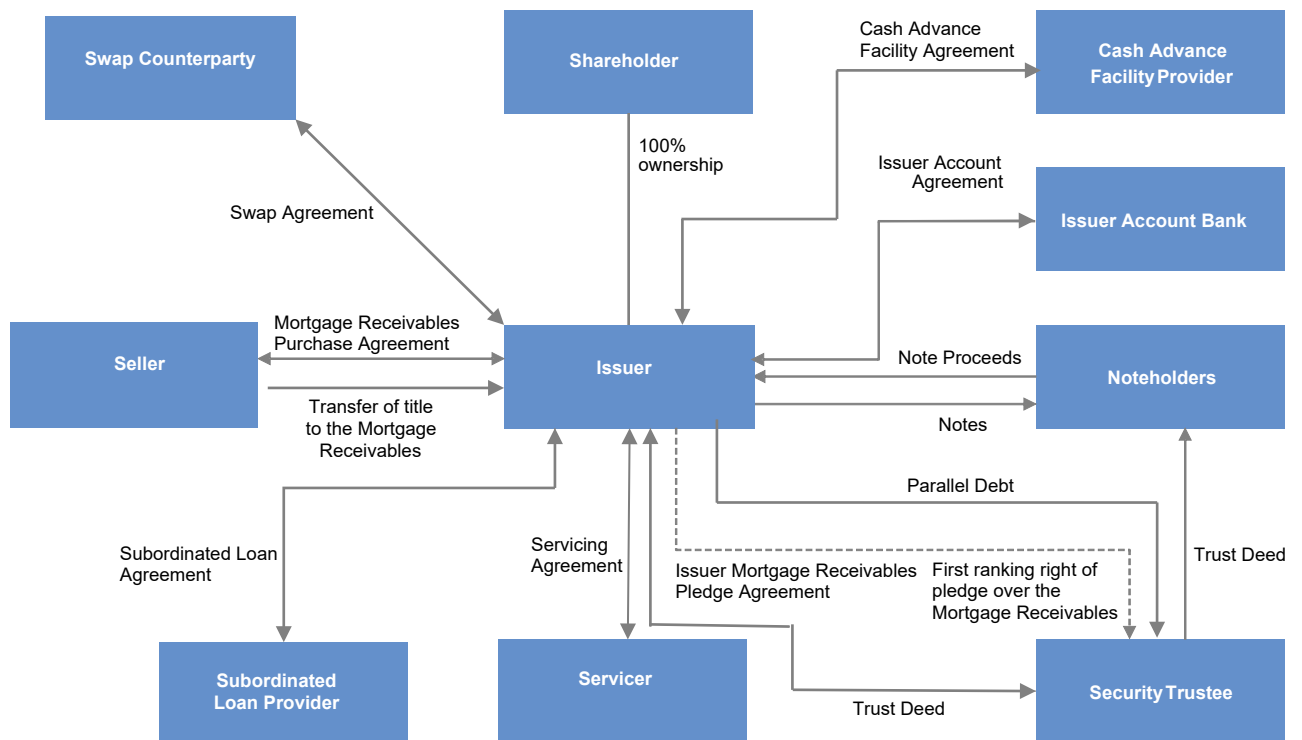
*This overview must be read as an introduction to this Prospectus and any decision to invest in the Notes must be based on a consideration of this Prospectus as a whole, including any supplement hereto. This overview is not purported to be complete and should be read in conjunction with, and is qualified in its entirety, by the detailed information presented elsewhere in this Prospectus.*

*Unless otherwise indicated in this Prospectus or the context otherwise requires, capitalised terms used in this Prospectus shall have the meaning ascribed to them in paragraph 9.1 (Definitions) of the Glossary of Defined Terms set out in this Prospectus.*

*The principles of interpretation set out in paragraph 9.2 (Interpretation) of the Glossary of Defined Terms in this Prospectus shall apply to this Prospectus.*

### 2.1 Structure Diagram

*The following structure diagrams provide an indicative summary of the principal features of the transaction, the ownership structure of the Issuer and the on-going cash flows relevant to the transaction. Each diagram must be read in conjunction with, and is qualified in its entirety by, the detailed information presented elsewhere in this Prospectus.*





## **2.2 Risk Factors**

There are risks associated with an investment in the Notes which prospective Noteholders should take into account. See Section 1 (*Risk Factors*) for a discussion of such risks.

## 2.3 Principal Parties

*Certain parties set out below may be replaced, as the case may be, in accordance with the terms of the Transaction Documents. For more details about the principal parties, please see Section 3 of this Prospectus.*

**Issuer:** Candide Financing 2021-1 B.V., incorporated under Dutch law as a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) having its corporate seat in Amsterdam and registered with the Commercial Register of the Chamber of Commerce under number 81965931. The LEI of the Issuer is 724500C61H6CWQCN0061.

**Shareholder:** Stichting Holding Candide Financing, established under Dutch law as a foundation (*stichting*) having its corporate seat in Amsterdam and registered with the Commercial Register of the Chamber of Commerce under number 81964676.

**Security Trustee:** Stichting Security Trustee Candide Financing 2021-1, established under Dutch law as a foundation (*stichting*) having its corporate seat in Amsterdam and registered with the Commercial Register of the Chamber of Commerce under number 82595801.

**Seller and Servicer:** Lloyds Bank GmbH, a German credit institution (*Kreditinstitut*) in the legal form of a German limited liability company (*Gesellschaft mit beschränkter Haftung*), whose registered office is at Karl-Liebknecht-Straße 5, 10178 Berlin, Germany registered with the commercial register (*Handelsregister*) at the local court (*Amtsgericht*) of Charlottenburg (Berlin) under number HRB°190317, acting through its branch in Amsterdam, the Netherlands, having its office at De entree 254, 1101EE, Amsterdam, the Netherlands and registered with the Commercial Register of the Chamber of Commerce under number 72211342.

The Servicer will initially appoint Stater Nederland B.V. as the sub-servicer to provide the Mortgage Loan Services in respect of the Mortgage Receivables.

**Originators:**

- (1) Lloyds Bank GmbH.
- (2) Lloyds Hypotheken B.V. (or its predecessors), incorporated under Dutch law as a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) having its corporate seat in Amsterdam and registered with the Commercial Register of the Chamber of Commerce under number 24404321.
- (3) Bank of Scotland plc (or its predecessors), incorporated with limited liability in Scotland with registered number SC 327000.

**Sub-servicer:** Stater Nederland B.V. incorporated under Dutch law as a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) having its corporate seat in Amersfoort and registered with the Commercial Register of the Chamber of Commerce under number 08716725.

**Issuer Administrator:** Intertrust Administrative Services B.V., incorporated under Dutch law as a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) having its corporate seat in Amsterdam and registered with the Commercial Register of the Chamber of Commerce under number 33210270.

<b>Cash Advance Facility Provider</b>	BNG Bank N.V., incorporated under Dutch law as a public company with limited liability ( <i>naamloze vennootschap</i> ) having its corporate seat in The Hague, and registered with the Commercial Register of the Chamber of Commerce under number 27008387.
<b>Swap Counterparty:</b>	Lloyds Bank plc, incorporated under the laws of England as a public limited company having its registered office at 25 Gresham Street, London EC2V 7HN, United Kingdom.
<b>Issuer Account Bank:</b>	BNG Bank N.V.
<b>Directors:</b>	Intertrust Management B.V., incorporated under Dutch law as a private company with limited liability ( <i>besloten vennootschap met beperkte aansprakelijkheid</i> ) having its corporate seat in Amsterdam and registered with the Commercial Register of the Chamber of Commerce under number 33226415, the sole director of the Issuer and of the Shareholder and Amsterdamsch Trustee's Kantoor B.V., incorporated under Dutch law as a private company with limited liability ( <i>besloten vennootschap met beperkte aansprakelijkheid</i> ) having its corporate seat in Amsterdam and registered with the Commercial Register of the Chamber of Commerce under number 33001955, the sole director of the Security Trustee.
<b>Paying Agent:</b>	Citibank, N.A. London Branch
<b>Reference Agent:</b>	Citibank, N.A. London Branch
<b>Listing Agent:</b>	ABN AMRO Bank N.V
<b>Arranger:</b>	Lloyds Bank Corporate Markets plc
<b>JointLead Managers:</b>	Lloyds Bank Corporate Markets Wertpapierhandelsbank GmbH and Citigroup Global Markets Europe AG
<b>Retention Holder:</b>	Lloyds Bank GmbH, Amsterdam Branch
<b>Reporting Entity:</b>	Lloyds Bank GmbH, Amsterdam Branch
<b>Subordinated Loan Provider:</b>	Lloyds Bank GmbH, Amsterdam Branch
<b>Common Safekeeper:</b>	Euroclear or Clearstream, Luxembourg (as elected) in respect of the Class A Notes. The Class B Notes and the Class C Notes will be deposited with a common safekeeper appointed by Euroclear and/or Clearstream, Luxembourg.

## 2.4 The Notes

Certain features of the Notes are summarised below (see for a further description Section 4 (*the notes*)):

	<b>Class A</b>	<b>Class B</b>	<b>Class C</b>
<b>Principal Amount:</b>	EUR 500,000,000	EUR 22,521,000	EUR 3,920,000
<b>Issue Price:</b>	101.991 per cent.	100 per cent.	100 per cent.
<b>Interest rate up to but excluding the First Optional Redemption Date:</b>	the higher of (i) zero and (ii) three month EURIBOR plus a margin of 0.7 per cent. per annum	Not interest bearing	Not interest bearing
<b>Interest rate as from and including the First Optional Redemption Date:</b>	the higher of (i) zero and (ii) three month EURIBOR plus a margin of 1.05 per cent. per annum	Not interest bearing	Not interest bearing
<b>Interest accrual:</b>	Act/360	N/A	N/A
<b>Class A Additional Redemption Amounts after the First Optional Redemption Date</b>	On each Notes Payment Date after the First Optional Redemption Date, the Class A Noteholders will, in accordance with the respective Principal Amount Outstanding thereof and until the Class A Notes have been fully redeemed, be entitled to the Available Revenue Funds remaining after amounts payable under the items (a) to (h) (inclusive) of the Revenue Priority of Payments have been fully satisfied on such Notes Payment Date (the <b>Class A Additional Redemption Amounts</b> ). The Class A Additional Redemption Amounts will form part of the Available Principal Funds and will be applied towards redemption of the Class A Notes in accordance with the Principal Priority of Payments until the Class A Notes are redeemed in full.		
<b>Expected ratings (Fitch / DBRS):</b>	AAA(sf) / AAA(sf)	Not rated	Not rated
<b>First Optional Redemption Date:</b>	Notes Payment Date falling in May 2028	Notes Payment Date falling in May 2028	Not applicable

**Notes:** The Notes shall consist of the following classes of notes of the Issuer, which are expected to be issued on or about the Closing Date:

- (i) the Class A Notes;
- (ii) the Class B Notes;
- (iii) the Class C Notes;

**Issue Price:** The issue price of the Notes shall be as follows:

- (i) the Class A Notes 101.991 per cent.;
- (ii) the Class B Notes 100 per cent.;
- (iii) the Class C Notes 100 per cent.;

**Form:** The Notes are initially issued in global bearer form and represented by Global Notes. In limited circumstances, the Notes will be issued in definitive form, serially numbered with coupons attached.

**Denomination:** The Notes will be issued in minimum denominations of EUR 100,000 and integral multiples of EUR 1,000 in excess thereof up to and including EUR 199,000.

**Status & Ranking:** The Notes of each Class rank *pari passu* without any preference or priority among Notes of the same Class.

The right to payment of principal on the Class B Notes will be subordinated to, *inter alia*, payments of principal amounts and interest amounts in respect of the Class A Notes. The right to payment of principal on the Class C Notes will be subordinated to, *inter alia*, payments of principal amounts and interest amounts on the Class A Notes and principal amounts on the Class B Notes and after the First Optional Redemption Date, the Class A Additional Redemption Amounts payable in respect of the Class A Notes if applicable. See further Section 4.1 (*Terms and Conditions*).

Furthermore, the obligations of the Issuer in respect of the Notes will be subordinated to the obligations of the Issuer in respect of certain higher ranking items set forth in the applicable Priority of Payments. See further *Credit Structure*.

**Interest:** Interest on the Class A Notes will accrue from (and including) the Closing Date by reference to successive Interest Periods and will accrue at an annual rate equal to the sum of EURIBOR for three (3) months deposits plus a margin. Interest will be payable on each Notes Payment Date and will accrue from (and including) a Notes Payment Date (except in the case of the first Interest Period, which shall commence on (and include) the Closing Date) to (but excluding) the next following Notes Payment Date. The margin up and excluding the First Optional Redemption Date will be 0.7 per cent. per annum. After (and including the First Optional Redemption Date the margin will be 1.05 per cent. per annum if the Class A Notes are not redeemed in full. The interest rate is floored at zero per cent.

No interest will be payable on the Class B Notes and the Class C Notes.

**Final Maturity Date:** Unless previously redeemed as provided below, the Issuer will redeem the Notes at their Principal Amount Outstanding on the Notes Payment Date falling in November 2060, subject to, in respect of the Class B Notes and the Class C Notes, Condition 9(a) (*Principal*).

**Mandatory Redemption of the Notes:** Prior to delivery of an Enforcement Notice but after the First Optional Redemption Date in accordance with Condition 10, the Issuer will be obliged to apply the Available Principal Funds towards redemption of the Class A Notes and the Class B Notes on each Notes Payment Date in the following sequential order:

- (a) *first*, the Class A Notes, until fully redeemed;
- (b) *second*, the Class B Notes, until fully redeemed;

Provided that no Enforcement Notice has been served in accordance with Condition 10 (*Events of Default*), the Issuer will be obliged to apply the Available Revenue Funds, if and to the extent that all payments ranking above item (k) in the Revenue Priority of Payments have been made in full and the Class A Notes and the Class B Notes have been redeemed in full, to redeem or to partially redeem the Class C Notes on a *pro rata* and *pari passu* basis among themselves on each Notes Payment Date. If an Enforcement Notice is delivered the Notes are, and each Note shall become, immediately due and payable at their or its Principal Amount Outstanding, together with accrued interest on the Class A Notes subject to and in accordance with Condition 10 and the ranking set forth in the Post-Enforcement Priority of Payments shall apply.

**Optional Redemption of the Class A and the Class B Notes:** On each Optional Redemption Date the Issuer will have the right to redeem all (but not some only) of the Notes, other than the Class C Notes, at their Principal Amount Outstanding (plus accrued interest in respect of the Class A Notes) on such date. Upon the Class A Notes and the Class B Notes having been redeemed in full, the balance standing to the credit of the Reserve Account will form part of the Available Revenue Funds and, subject to the Revenue Priority of Payments, be available for redemption of the Class C Notes. On such Notes Payment Date, the Class C Notes will remain subject to redemption in accordance with Condition 6(d) (*Redemption of the Class C Notes*).

**Redemption following exercise of the Clean-up Call** The Seller has the option (but is not obliged) to repurchase and accept re-assignment of all (but not only part of) the Mortgage Receivables on any Notes Payment Date on which the aggregate Outstanding Principal Amount of the Mortgage Receivables then outstanding is less than 10% of the aggregate Outstanding Principal Amount of the Mortgage Receivables on the Final Cut-Off Date. On the Notes Payment Date on which the Mortgage Receivables are re-assigned, the Issuer shall redeem, subject to Condition 9(a), all (but not only part) of the Notes (other than the Class C Notes) at their Principal Amount Outstanding plus, in respect of the Class A Notes, accrued but unpaid interest thereon, after payment of the amounts to be paid in priority to the Notes.

**Redemption following a Regulatory Call Option** The Seller has the option to repurchase and accept re-assignment of all (but not only part of) the Mortgage Receivables on a Notes Payment Date upon the occurrence of a Regulatory Change provided that in each case, the Issuer has – following such re-assignment - sufficient funds to redeem, subject to subject to Condition 9(a), the Notes (other than the Class C Notes) at their Principal Amount Outstanding plus, in respect of the Class A Notes, accrued but unpaid interest thereon after payment of the amounts to be paid in priority. On the Notes Payment Date following the exercise by the Seller of the Regulatory Call Option, the Issuer shall redeem, subject to Condition 9(a), all (but not only part of) the Notes (other than the Class C Notes) at their Principal Amount Outstanding plus, in respect of the Class A Notes, accrued but unpaid interest thereon, after payment of the amounts to be paid in priority to the Notes.

**Redemption for Tax Reasons:** On each Notes Payment Date, the Issuer may (but is not obliged to) redeem all (but not only part of) the Notes (other than the Class C Notes) at their Principal Amount Outstanding plus, in respect of the Class A Notes, accrued but unpaid interest thereon up to and including the date of redemption after payment of the amounts to be paid in priority, subject to and in accordance with the Conditions, if (a) the Issuer or the Paying Agent has become or would become obligated to make any withholding or deduction from payments in respect of any of the Notes (although the Issuer will not have any obligation to pay additional amounts in respect of any such withholding or deduction) and/or (b) the Issuer has become or would become subject to any limitation of the deductibility of interest on any of the Notes, as a result of (i) a change in any laws, rules or regulations or in the interpretation or administration thereof, or (ii) any act taken by any taxing authority on or after the issue of the Notes. No redemption pursuant to item (ii) may be made unless the Issuer receives an opinion of independent counsel that there is a probability that the act taken by the taxing authority leads to one of the events mentioned at (a) or (b).

**EU and UK Risk Retention:** The Seller has undertaken to retain an economic interest of at least 5 per cent. in accordance with (i) the EU Securitisation Regulation (which does not take into account any relevant national measures) and (ii) in accordance with Article 6 of the UK Securitisation Regulation, as if it were applicable to it and as in force on the Closing Date.

As at the Closing Date, such material net economic interest will be held by the Seller in accordance with Article 6(3)(d) of the EU Securitisation Regulation and Article 6(3)(d) of the UK Securitisation Regulation by holding the entire interest in the first loss tranches of the securitisation transaction described in this Prospectus (held through the Class B Notes and the Class C Notes). See Section 4.4 (*Regulatory and Industry Compliance*).

In case of any changes to the UK Securitisation Regulation after the Closing Date, the Seller has undertaken to use its reasonable endeavours to continue to comply with the relevant requirements of the UK Securitisation Regulation.

**EU STS:** The securitisation transaction described in this Prospectus is intended to qualify as an EU STS Securitisation within the meaning of Article 18 of the EU Securitisation Regulation. Consequently, the securitisation transaction described in this Prospectus meets, on the date of this Prospectus, the requirements of Articles 19 to 22 of the EU Securitisation Regulation and will be notified by the Seller on or prior to the Closing Date to be included in the list published by ESMA referred to in Article 27(5) of the EU Securitisation Regulation. The draft STS Notification has been disclosed to the investors prior to pricing and the final STS Notification will be made available within 15 days after the Closing Date through the EU SR Repository. The Seller has used the service of PCS, a third party authorised pursuant to Article 28 of the EU Securitisation Regulation, to verify whether the securitisation transaction described in this Prospectus complies with Articles 19 to 22 of the EU Securitisation Regulation and the compliance with such requirements is expected to be verified by PCS on the Closing Date. See further Section 1 (*Risk Factors*).

**Eurosystem eligibility and loan-by-loan information:** The Class A Notes are intended to be held in a manner which will allow Eurosystem eligibility. The Class A Notes are intended upon issue to be deposited with one of the ICSDs as Common Safekeeper. This does not necessarily mean that the Class A Notes will be recognised as Eurosystem Eligible Collateral either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction at the Eurosystem's discretion of the Eurosystem eligibility criteria as amended from time to time, including compliance with loan-by-loan reporting in a prescribed format and manner. It should be noted that, with effect from 1 October 2021 (but subject to certain transitional provisions), amended

Eurosystem rules apply to loan-by-loan reporting whereby loan-level reporting via an ESMA-authorized securitisation repository in compliance with Article 7 of the EU Securitisation Regulation applies. For further details on compliance with Article 7 of the EU Securitisation Regulation and the UK Securitisation Regulation see Section 4.4 (*Regulatory and Industry Compliance*) and Section 5.8 (*Transparency Reporting Agreement*) below. The Class B Notes and the Class C Notes are not intended to be held in a manner which will allow their Eurosystem eligibility.

**Use of proceeds:** The Issuer will apply the net proceeds from the issue of the Notes (other than the Class C Notes) towards payment of the Initial Purchase Price (minus an amount to be deposited on the Construction Deposit Account) for the Mortgage Receivables to be transferred to the Issuer on the Closing Date.

The net proceeds of the Class C Notes will be credited to the Reserve Account.

**Withholding Tax:** All payments of, or in respect of, principal and, in respect of the Class A Notes, interest on the Notes will be made without withholding of, or deduction for any present or future taxes, duties, assessments or charges of whatsoever nature imposed or levied by or on behalf of the Netherlands or any authority therein or thereof having power to tax unless the withholding or deduction of such taxes, duties, assessments or charges are required by law. In that event, the Issuer will make the required withholding or deduction of such taxes, duties, assessments or charges for the account of the Noteholders, as the case may be, and shall not be obliged to pay any additional amounts to such Noteholders. Any such amounts withheld or deducted will be treated as paid for all purposes under the Notes.

**FATCA Withholding:** 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 Notes, neither the Issuer nor any paying agent nor any other person would, pursuant to the Conditions, be required to pay additional amounts as a result of the deduction or withholding. If FATCA Withholding is required, the provisions of Condition 6(h) (*Redemption for tax reasons*) may apply and the Issuer may redeem the Notes.

**Method of Payment:** For so long as the Notes are represented by a Global Note, payments of principal and, to the extent applicable, interest on the Notes will be made in Euro to Euroclear and Clearstream, Luxembourg, as the case may be, for the credit of the respective accounts of the Noteholders.

**Security:** The Notes have the benefit of:

- (i) a first ranking undisclosed right of pledge by the Issuer to the Security Trustee over the Mortgage Receivables, including all rights ancillary thereto and the NHG Advance Rights; and
- (ii) a first ranking disclosed right of pledge by the Issuer to the Security Trustee over the Issuer Rights.

After delivery of an Enforcement Notice, the amounts payable to the Noteholders and the other Secured Creditors will be limited to the amounts available for such purpose to the Security Trustee which, *inter alia*, will consist of amounts recovered by the Security Trustee in respect of such rights of pledge and amounts received by the Security Trustee as creditor under the Parallel Debt Agreement. Payments to the Secured Creditors will be made in accordance with the Post-Enforcement Priority of Payments. See further Section 4.7 (*Security*) and Section 5 (*Credit Structure*) below.



- Parallel Debt Agreement:** On the Signing Date, the Issuer and the Security Trustee amongst others will enter into the Parallel Debt Agreement for the benefit of the Secured Creditors under which the Issuer shall, by way of parallel debt, undertake to pay to the Security Trustee amounts equal to the amounts due by it to the Secured Creditors, in order to create a claim of the Security Trustee thereunder which can be validly secured by the rights of pledge created by the Pledge Agreements.
- Paying Agency Agreement:** On the Signing Date, the Issuer will enter into the Paying Agency Agreement with the Paying Agent and the Reference Agent pursuant to which the Paying Agent undertakes, among other things, to perform certain payment services on behalf of the Issuer for the benefit of the Noteholders.
- Listing:** Application has been made to list the Class A Notes on the regulated market of Euronext Amsterdam. Listing is expected to take place on or before the Closing Date.
- The Class B Notes and the Class C Notes will not be listed.
- Credit ratings:** It is a condition precedent to issuance that, upon issuance, the Class A Notes shall be assigned an AAA(sf) credit rating by Fitch and an AAA(sf) credit rating by DBRS. The addition of the identifier “(sf)” indicates only that the instrument is deemed to meet the regulatory definition of “structured finance” as referred to in the CRA Regulation. In no way does it modify the meaning of the rating itself.
- The Class B Notes and the Class C Notes will not be assigned a rating.
- DBRS is established in the European Union and is registered under the CRA Regulation. As such, DBRS is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website (at <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>) in accordance with the CRA Regulation. DBRS is not established in the United Kingdom. Accordingly the rating(s) issued by DBRS have been endorsed by DBRS Ratings Limited in accordance with the UK CRA Regulation are included on the list of registered and certified credit rating agencies that is maintained by the FCA and have not been withdrawn. As such, the ratings issued by DBRS may be used for regulatory purposes in the United Kingdom in accordance the UK CRA Regulation.
- Fitch is established in the United Kingdom and is registered in accordance with the UK CRA Regulation. Fitch Ratings Limited is not established in the European Union and has not applied for registration under the CRA Regulation. The ratings issued by Fitch have been endorsed by Fitch Ratings Ireland in accordance with the CRA Regulation. Fitch Ratings Ireland is established in the European Union and registered under the CRA Regulation. As such Fitch Ratings Ireland is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website (at <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>) in accordance with the CRA Regulation.
- Settlement:** Euroclear and Clearstream, Luxembourg.
- Governing Law:** The Notes will be governed by and construed in accordance with Dutch law. The Transaction Documents, and any non-contractual obligations arising out of or in relation to the Transaction Documents other than the Swap Agreement, will be governed by and construed in accordance with Dutch law. The Swap Agreement, and any non-contractual obligations arising out of or in relation to the Swap Agreement, will be governed by and construed in accordance with English law.

**Selling Restrictions:** There are selling restrictions in relation to Australia, Canada, the European Economic Area, France, Italy, the United Kingdom and the United States and there may also be other restrictions as required in connection with the offering and sale of the Notes. See Section 4.3 (*Subscription and Sale*). Persons into whose possession this Prospectus comes are required by the Issuer, the Arranger and the Joint Lead Managers to inform themselves about and to observe any such restriction.

## 2.5 Credit Structure

**Available Funds:** The Issuer will use receipts of principal and interest in respect of the Mortgage Receivables (including any prepayment or foreclosure proceeds in respect thereof) together with amounts it receives, if any, under the Swap Agreement and the Cash Advance Facility Agreement and amounts credited to the Issuer Collection Account and the Reserve Account, to make payments of, among other things, principal and, in respect of the Class A Notes, interest due in respect of the Notes in accordance with the relevant Priority of Payments.

**Priority of Payments:** The obligations of the Issuer in respect of the Notes will rank subordinated to the obligations of the Issuer in respect of certain items set forth in the applicable Priority of Payments (see Section 5 (*Credit Structure*) below). Payment of principal on the Class B Notes, will be subordinated to payment of principal and interest under the Class A Notes. Payment of principal on the Class C Notes will be subordinated to, *inter alia*, payments of principal and interest on the Class A Notes, payment of principal on the Class B Notes and as from but excluding the First Optional Redemption Date, the Class A Additional Redemption Amounts payable in respect of the Class A Notes if applicable, and in each case may be limited as more fully described herein in Section 4.1 (*Terms and Conditions*) and Section 5 (*Credit Structure*).

**Issuer Accounts:** The Issuer shall maintain with the Issuer Account Bank the following accounts:

- (1) *Issuer Collection Account:* an account into which amounts received (i) in respect of the Mortgage Receivables will be credited and (ii) amounts payable to it by the Swap Counterparty and Cash Advance Facility Provider will be credited. The Issuer Collection Account will be debited to make payments to (i) the Paying Agent in order to pay interest and principal to Noteholders and (ii) other persons, in each case according to the Priority of Payments in respect of interest and principal or outside the Priority of Payments to the extent allowed under the Transaction Documents.
- (2) *Reserve Account:* the net proceeds of the Class C Notes will be credited to the Reserve Account held with the Issuer Account Bank. The purpose of the Reserve Account will be to enable the Issuer to meet the Issuer's payment obligations under items (a) up to and including (g) of the Revenue Priority of Payments in the event of a shortfall of the Available Revenue Funds on a Notes Payment Date, prior to any drawings on the Cash Advance Facility or Additional Revenue Amounts. If and to the extent that the Available Revenue Funds calculated on a Notes Calculation Date exceed the amounts required to meet items (a) up to and including (g) of the Revenue Priority of Payments, such excess amount will be deposited in, or, as the case may be, used to replenish the Reserve Account by crediting such amount to the Reserve Account up to the Reserve Account Target Level on the immediately succeeding Notes Payment Date.
- (3) *Construction Deposit Account:* an account for the purpose of reimbursement by the Issuer to the Seller for amounts distributed in respect of (part of) the Construction Deposit by the Seller to the relevant Borrowers; and
- (4) *Swap Cash Collateral Account:* an account to which only collateral in the form of cash pursuant to the Swap Agreement will be transferred.

<b>Issuer Account Agreement:</b>	On the Signing Date, the Issuer will enter into the Issuer Account Agreement with the Security Trustee and the Issuer Account Bank, under which the Issuer Account Bank will agree to pay a guaranteed interest rate determined, with respect to all Issuer Accounts other than the Reserve Account by reference to €STR less a margin or, with respect to the Reserve Account only, three-month EURIBOR less a margin (or any replacement reference rate as agreed with the Issuer Account Bank in accordance with the Issuer Account Agreement), on the balance standing to the credit of each of the Issuer Accounts from time to time. See Section 5 ( <i>Credit Structure</i> ). If such interest rate would result in a negative amount, such amount will be charged to the Issuer.
<b>Cash Advance Facility Agreement:</b>	The Issuer will enter into a Cash Advance Facility Agreement with the Cash Advance Facility Provider under which the Issuer will be entitled to make drawings in order to meet certain shortfalls in its Available Revenue Funds that are not covered by the amount standing to the credit of the Reserve Account. See Section 5 ( <i>Credit Structure</i> ) below.
<b>Swap Agreement:</b>	On the Closing Date, the Issuer will enter into the Swap Agreement with the Swap Counterparty and the Security Trustee to hedge the interest rate risk (if any) between (a) the interest to be received by the Issuer on the Mortgage Receivables and (b) the floating rate of interest due and payable by the Issuer on the Class A Notes. See further Section 5 ( <i>Credit Structure</i> ) below.
<b>Subordinated Loan Agreement:</b>	On the Signing Date, the Seller, in its capacity as Subordinated Loan Provider, will make available to the Issuer the Subordinated Loan. The Subordinated Loan will be in an amount of Euro 3,000,000 and will be used by the Issuer to pay certain initial costs and expenses, including (if applicable) any upfront swap premium payable by the Issuer on the Closing Date to the Swap Counterparty under the Swap Agreement (see section 5.4 ( <i>Hedging</i> )), in connection with the issue of the Notes. The Subordinated Loan will not carry any interest. Any drawn amount of the Subordinated Loan remaining unused after payment of the transaction costs shall be prepaid by the Issuer outside the Priority of Payments.
<b>Administration Agreement:</b>	On the Signing Date, the Issuer will enter into the Administration Agreement with the Issuer Administrator and the Security Trustee, under which the Issuer Administrator will agree (a) the application of amounts received by the Issuer to the Issuer Accounts and the production of Investor Reports in relation thereto, (b) procuring that, if required, drawings are made by the Issuer under the Cash Advance Facility Agreement (c) procuring that all payments to be made by the Issuer under the Swap Agreement and any of the other Transaction Documents are made, (d) procuring that all payments to be made by the Issuer under the Notes are made in accordance with the Paying Agency Agreement and the Conditions, (e) the maintaining of all required ledgers in connection with the above, (f) all administrative actions in relation thereto, (g) procuring that all calculations to be made in respect of the Notes pursuant to the Conditions are made and (h) to submit certain statistical information regarding the Issuer as referred to above to certain governmental authorities if and when requested. See Section 5.7 ( <i>Administration Agreement</i> ).

## 2.6 Portfolio Information

The numerical information set out below relates to the Mortgage Loans included in the Provisional Pool from which the Pool is selected, as of the Initial Cut-Off Date. The Mortgage Loans relating to the Mortgage Receivables to be assigned by the Issuer will be randomly selected from the Provisional Pool prior to the Closing Date. The final pool of Mortgage Receivables may thus be smaller than the Provisional Pool. Since the Initial Cut-Off Date the size of the portfolio will have changed as a result of repayments, prepayments and/or further advances having been granted and/or changes to construction deposits. It follows from the above that not all of the information set out below in relation to the Provisional Pool may necessarily correspond to the details of the Mortgage Receivables assigned to the Issuer as at the Closing Date. Furthermore, after the Closing Date, the portfolio will change from time to time as a result of the repayment, prepayment, amendment, and repurchase of Mortgage Receivables and purchases of Further Advance Receivables. The Mortgage Loans have been selected in accordance with the criteria set forth in the Mortgage Receivables Purchase Agreement and the Mortgage Receivables resulting from such Mortgage Loans will be sold and assigned to the Issuer on the Closing Date without undue delay. The Seller will be making representations and warranties in respect of the Mortgage Loans and Mortgage Receivables on the Closing Date, and on the relevant dates of completion of the sale and assignment of Further Advance Receivables.

### Key Characteristics of the Pool:

<b>1. Key Characteristics</b>	
Description	As per Reporting Date
Principal amount	557.324.039,12
Value of savings deposits	0,00
Net principal balance	557.324.039,12
Construction Deposits	202.653,38
Net principal balance excl. Construction and Saving Deposits	557.121.385,74
Negative balance	0,00
Net principal balance excl. Construction and Saving Deposits and Negative Balance	557.121.385,74
Number of loans	3.064
Number of loanparts	5.150
Number of negative loanparts	0
Average principal balance (borrower)	181.894,27
Weighted average current interest rate	2,18%
Weighted average maturity (in years)	25,92
Weighted average remaining time to interest reset (in years)	14,00
Weighted average seasoning (in years)	3,30
Weighted average CLTOMV	74,54%
Weighted average CLTIMV	56,39%
Weighted average CLTIFV	62,68%
Weighted average OLTOMV	82,54%

**Mortgage Loans:** The Mortgage Receivables to be sold by the Seller pursuant to the Mortgage Receivables Purchase Agreement will result from mortgage loans secured by a Mortgage over Mortgaged Assets which meet the criteria set forth in the Mortgage Receivables Purchase Agreement and which will be selected prior to or on the Closing

Date. The pool of Mortgage Loans consists of Mortgage Loans originated by the Originators. To the extent Mortgage Loans were not originated by the Seller, such Mortgage Loans were transferred to the Seller by Lloyds Hypotheken B.V. and Bank of Scotland plc by way of the Contract Transfers pursuant to which the Seller became the lender of record of such Mortgage Loans.

The pool of Mortgage Loans (or any Loan Parts (*leningdelen*) comprising a Mortgage Loan) will consist of (a) Interest-only Mortgage Loans (*aflossingsvrije hypotheken*), (b) Annuity Mortgage Loans (*annuïteiten hypotheken*), (c) Linear Mortgage Loans (*lineaire hypotheken*) or (d) a combination of these forms. See further Section 6.2 (*Description of Mortgage Loans*).

All Mortgage Loans are secured by a first ranking or first and sequentially lower ranking mortgage right and were vested for a principal sum which is at least equal to the principal sum of the Mortgage Loan when originated, increased with interest, penalties, costs and any insurance premium. Mortgage Loans may consist of one or more Loan Parts. If a Mortgage Loan consists of one or more Loan Parts, the Seller shall sell and assign and the Issuer shall purchase and accept the assignment of all, but not some, Loan Parts of such Mortgage Loan at the Closing Date (or at the relevant Notes Payment Date, as the case may be). See Section 6.2 (*Description of Mortgage Loans*).

**Linear Mortgage Loans:** A portion of the Mortgage Loans (or Loan Parts) will be in the form of Linear Mortgage Loans. Under a Linear Mortgage Loan, the Borrower redeems a fixed amount of principal on each instalment, such that at maturity the entire loan will be redeemed. The amount of interest paid each time is not fixed. The Borrower's payment obligation decreases with each payment as interest owed under such Mortgage Loan declines over time.

**Annuity Mortgage Loans:** A portion of the Mortgage Loans (or Loan Parts) will be in the form of Annuity Mortgage Loans. Under an Annuity Mortgage Loan, the Borrower pays a constant total monthly payment, made up of an initially high and subsequently decreasing interest portion and an initially low and subsequently increasing principal portion, and calculated in such a manner that such Mortgage Loan will be fully redeemed at the end of its term.

**Interest-only Mortgage Loans:** A portion of the Mortgage Loans (or Loan Parts) will be in the form of Interest-only Mortgage Loans. Under an Interest-only Mortgage Loan, the Borrower is not obliged to pay principal towards redemption of the relevant Mortgage Loan until the maturity of such Mortgage Loan. Interest is payable monthly and is calculated based on the outstanding balance of the Mortgage Loan (or relevant part thereof). Interest-only Mortgage Loans from which Mortgage Receivables result may have been granted up to an amount equal to 50 per cent. of the Market Value of the Mortgaged Asset at origination.

**Further Advances:** The Mortgage Receivables Purchase Agreement will provide that, on any Reconciliation Date prior to the Notes Payment Date immediately preceding the First Optional Redemption Date, the Issuer will purchase from the Seller, to the extent offered by the Seller, any Further Advance Receivables resulting from Further Advances granted by the Seller in the calendar month immediately preceding such Reconciliation Date, subject to the Additional Purchase Conditions being met (which include the requirement that sufficient principal funds are available on the Issuer

Collection Account). (See *Purchase, Repurchase and Sale* in Section *Portfolio Documentation*)

If (i) a Further Advance Receivable does not meet the Additional Purchase Conditions or (ii) the Further Advance is granted in or after the last calendar month before the Notes Payment Date immediately preceding the First Optional Redemption Date, or if the Seller does not offer the Further Advance Receivable to the Issuer for assignment on the Reconciliation Date after granting the Further Advance, the Seller shall repurchase and accept the re-assignment of the Mortgage Receivables resulting from the Mortgage Loan in respect of which a Further Advance is granted at a price which is at least equal to the aggregate principal outstanding amounts of such Mortgage Receivables together with accrued but unpaid interest.

**NHG Guarantee:** As per the Initial Cut-Off Date approximately 58.13% of the Mortgage Loans have the benefit of an NHG Guarantee. See further *Description of Mortgage Loans* in Section *Portfolio Information* and *NHG Guarantee Programme* in section *Portfolio Information*.

## 2.7 Portfolio Documentation

### **Purchase of Mortgage Receivables:**

In accordance with the terms of the Mortgage Receivables Purchase Agreement, the Issuer will (i) on the Closing Date purchase and accept the assignment of the Mortgage Receivables in respect of the Mortgage Loans selected to be part of the Pool as at the Final Cut-Off Date and (ii) purchase and accept the assignment of the Further Advance Receivables on any Reconciliation Date prior to the First Optional Redemption Date (for the avoidance of doubt, including any parts thereof corresponding with amounts credited to the Construction Deposits), subject to the Additional Purchase Conditions being met.

### **Repurchase of Mortgage Receivables:**

In the Mortgage Receivables Purchase Agreement the Seller has undertaken to repurchase and accept re-assignment of a Mortgage Receivable sold by it to the Issuer:

- (1) on the Mortgage Collection Payment Date falling in the calendar month immediately succeeding the expiration of the remedy period, if any, if any of the representations and warranties given by the Seller in respect of the Mortgage Loan and/or the Mortgage Receivable, including the representation and warranty that the Mortgage Loan or, as the case may be, the Mortgage Receivables meet(s) the Mortgage Loan Criteria, proves to have been untrue or incorrect;
- (2) on the Reconciliation Date immediately following the month in which the Seller agrees with a Borrower to grant a Further Advance under the Mortgage Loan (i) if and to the extent that the Further Advance Receivable does not meet all of the Additional Purchase Conditions or (ii) if such Further Advance is granted in or after the last calendar month before the Notes Payment Date immediately preceding the First Optional Redemption Date or (iii) if the Seller does not offer the Further Advance Receivable to the Issuer for assignment on the Reconciliation Date in the month after granting of the Further Advance; or
- (3) on the Mortgage Collection Payment Date falling in the calendar month immediately succeeding the date on which the Seller agrees with a Borrower to amend the terms of the Mortgage Loan, which amendment is not a result of a deterioration of the Borrower's creditworthiness (including as a result of a payment holiday having been granted), and as a result such Mortgage Loan no longer meets certain criteria set forth in the Mortgage Receivables Purchase Agreement (including the Mortgage Loan Criteria); for the avoidance of doubt, any payment postponements granted in accordance with the Seller's policy in connection with COVID-19, irrespective of the creditworthiness of the Borrower, do not trigger a repurchase obligation of the Seller in respect of the relevant Mortgage Receivables;
- (4) on the Mortgage Collection Payment Date immediately following the date on which (a) on or prior to foreclosure of the relevant NHG Mortgage Loan, the relevant NHG Mortgage Loan no longer has the benefit of an NHG Guarantee or (b) following foreclosure of the relevant NHG Mortgage Loan, the amount actually reimbursed under the NHG Guarantee is lower than the amount claimable under the terms of the NHG Guarantee, each time as a result of action taken or omitted to be taken by the Seller or the Servicer; or
- (5) on the Mortgage Collection Payment Date immediately following the date on which an amendment of the terms of the relevant NHG Mortgage Loan



becomes effective and as a result of such amendment the NHG Guarantee in respect of such NHG Mortgage Loan no longer applies.

In addition, the Seller may (without the obligation to do so) repurchase and accept re-assignment of all (but not only part of) the Mortgage Receivables upon the exercise of the Clean-up Call Option or the Regulatory Call Option in accordance with Condition 6(i) or in the case of redemption of the Notes on any Optional Redemption Date, or upon redemption of the Notes for tax reasons in accordance with Condition 6(h). See for a description of the calculation of the repurchase price in each of the above situations *Purchase, Repurchase and Sale* in Section *Portfolio Documentation*.

**Sale of Mortgage  
Receivables /  
Alternative  
Funding:**

The Issuer may not dispose of the Mortgage Receivables, except in accordance with the Mortgage Receivables Purchase Agreement, the Deeds of Assignment and Pledge and the Trust Deed.

On the First Optional Redemption Date and any subsequent Optional Redemption Date, the Issuer has the right to sell and assign (all but not only part of) the Mortgage Receivables to a third party, provided, however, that the Issuer shall before selling the Mortgage Receivables to a third party, first invite the Seller and/or any of its group companies to purchase the Mortgage Receivables. In addition, the Issuer may on any Optional Redemption Date obtain alternative funding to redeem the Notes (other than the Class C Notes). The Issuer may be required to apply the proceeds of such sale or alternative funding, to the extent relating to principal, towards redemption of the Notes (other than the Class C Notes) in accordance with Condition 6.

In the event of a sale and assignment of Mortgage Receivables on an Optional Redemption Date or, if the Clean-Up Call Option or the Regulatory Call Option is exercised or in case of redemption following the exercise of the Tax Call Option pursuant to Condition 6(h), the sale price shall be an amount which is at least sufficient, to redeem the Class A Notes and the Class B Notes at their Principal Amount Outstanding plus (in respect of the Class A Notes) accrued interest and costs (after taking into account any other prior-ranking items in the relevant Priority of Payments) and subject to, in respect of the Class B Notes, Condition 9(a) (*Principal*).

In all instances, before the Issuer or the Security Trustee enters into any binding purchase agreement with a third party with respect to the Mortgage Receivables, it will first grant the possibility to the Seller and/or its group companies to purchase the Mortgage Receivables on the same terms as it would have granted to the third party. The Seller shall inform the Issuer or the Security Trustee, as the case may be, whether or not it or any of its group companies accepts such offer within fifteen (15) Business Days.

See for a further description of the calculation of the repurchase price (See *Purchase, Repurchase and Sale* in Section *Portfolio Documentation*)

**Clean-up Call  
Option:**

On each Notes Payment Date, the Seller has the option (but not the obligation) to repurchase all (but not some) of the Mortgage Receivables if on the Notes Calculation Date immediately preceding such Notes Payment Date the aggregate Outstanding Principal Amount in respect of the Mortgage Receivables is not more than 10 per cent. of the aggregate Outstanding Principal Amount in respect of the Mortgage Receivables on the Cut-Off Date (the **Clean-Up Call Option**).

**Regulatory Call Option:** On each Notes Payment Date, the Seller has the option (but not the obligation) to repurchase all (but not some) of the Mortgage Receivables upon the occurrence of a Regulatory Change (the **Regulatory Call Option**).

**Tax Call Option:** On each Notes Payment Date, the Seller has the option (but not the obligation) to repurchase (but not some) of the Mortgage Receivables in case the Notes may be redeemed for tax reasons in accordance and subject to the terms of with Condition 6(h) (the **Tax Call Option**).

**Construction Deposits:** Pursuant to the Mortgage Conditions, in respect of certain Mortgage Loans, the Borrower has the right to request that part of the Mortgage Loan will be applied towards construction of, or improvements to, the relevant Mortgaged Asset. In that case the Borrower has placed part of the monies drawn down under the Mortgage Loan on deposit with the Seller, and the Seller has committed to pay out such deposits to or on behalf of the relevant Borrowers in order to enable them to pay for construction of, or improvements to, the relevant Mortgaged Asset, provided certain conditions are met (such mortgages are called construction mortgages (*bouwhypotheken*)).

On the Closing Date, the Construction Deposit Account will be credited with an amount equal to the aggregate amount of Construction Deposits as at the Cut-Off Date. Thereafter, the Issuer will, in case of purchase of Further Advance Receivables having a Construction Deposit attached to it, on the relevant Notes Payment Date credit the Construction Deposit Account with an amount equal to the aggregate of such Construction Deposits. On each Mortgage Calculation Date, the Servicer will notify the Issuer of all payments made out of the Construction Deposits to or on behalf of the Borrowers during the immediately preceding Mortgage Calculation Period, and the Issuer shall pay on the immediately succeeding Notes Payment Date an equal amount from the Construction Deposit Account to the Seller in consideration of the assignment and transfer of the Mortgage Receivable to the extent the money drawn under the Mortgage Loan had been credited to the Construction Deposit.

Pursuant to the Mortgage Conditions, a Construction Deposit must be paid out after a certain period from the start date of the Mortgage Loan. After such period, the remaining Construction Deposit will be set-off against the Mortgage Receivable up to the amount of the Construction Deposit in which case any balance standing to the credit of the Construction Deposit Account will be used for redemption of the Notes in accordance with Condition 6.

Interest accrued on the Construction Deposit Account (if any) will form part of the Available Revenue Funds. Any negative interest on such Construction Deposit Account will be paid in accordance with the relevant Priority of Payments.

**Servicing Agreement:** Under the Servicing Agreement to be entered into on the Signing Date between the Issuer, the Servicer, the Reporting Entity, the Issuer Administrator and the Security Trustee, the Servicer will agree to provide administration and management services in relation to the Mortgage Loans on a day-to-day basis, including, without limitation, the collection of payments of principal, interest and all other amounts in respect of the Mortgage Loans and the implementation of arrears procedures including, if applicable, the enforcement of Mortgages. (See further *Origination and Servicing* in Section *Portfolio Information* and *Servicing Agreement* in Section *Portfolio Documentation* and *Administration Agreement* in Section *Credit Structure*).

## 2.8 General

- Management Agreements:** Each of the Issuer, the Security Trustee and the Shareholder have entered into a Management Agreement with the relevant Director pursuant to which the relevant Director will undertake to act as a director of the Issuer, the Security Trustee and the Shareholder, and to perform certain services in connection therewith.
- Transparency Reporting Agreement:** Under the Transparency Reporting Agreement, the Seller (in its capacity as originator for the purpose of the EU Securitisation Regulation and the UK Securitisation Regulation) and the Issuer (as SSPE) shall, in accordance with Article 7(2) of the EU Securitisation Regulation and Article 7(2) of the UK Securitisation Regulation, designate amongst themselves the Seller as the Reporting Entity to fulfil the information requirements pursuant to points (a), (b), (d), (e), (f) and (g) of the first subparagraph of Article 7(1) of the EU Securitisation Regulation and the UK Securitisation Regulation (see further Section 5.8 (*Transparency Reporting Agreement*)).
- Governing Law:** The Transaction Documents (which also include the Notes), other than the Swap Agreement, and any non-contractual obligations arising out of or in relation to the Transaction Documents other than the Swap Agreement, will be governed by and construed in accordance with the laws of the Netherlands. The Swap Agreement and any non-contractual obligations arising out of or in relation to the Swap Agreement, will be governed by and construed in accordance with English law.

### **3. PRINCIPAL PARTIES**

#### **3.1 Issuer**

Candide Financing 2021-1 B.V. is incorporated as a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) under Dutch law on 21 February 2021. The corporate seat (*statutaire zetel*) of the Issuer is in Amsterdam, the Netherlands. The registered office of the Issuer is at Prins Bernhardplein 200, 1097 JB Amsterdam, the Netherlands, and its telephone number is +31 205214777. The Issuer is registered with the Commercial Register of the Chamber of Commerce under number 81965931. The LEI of the Issuer is 724500C61H6CWQCN0061.

The Issuer is a special purpose vehicle, whose objectives are (a) to acquire, purchase, manage, alienate and encumber receivables that arise from or in connection with the granting of mortgage loans by any third party and to exercise any rights connected to such receivables, (b) to acquire funds to finance the acquisition of receivables mentioned under (a), by way of issuing bonds or other securities or by way of entering into loan agreements, to enter into agreements in connection thereto and to repay such bonds, securities or loan agreements, (c) to lend and to invest any funds held by the Issuer, (d) to limit interest rate and other financial risks, amongst others by entering into derivatives agreements, such as swaps, (e) in connection with the foregoing: (i) to borrow funds, among other things to repay the obligations under the securities mentioned under (b); (ii) to grant and to release security rights to third parties and (f) to perform all activities which are incidental to or which may be conducive to the attainment of these objects, all in the broadest sense of the word.

The Issuer has an issued share capital of EUR 1 which is fully paid-up. All shares in the capital of the Issuer are held by Stichting Holding Candide Financing (see Section 3.2 (*Shareholder*)).

#### **Statement by Issuer Director with respect to the Issuer**

Since its incorporation there has been no material adverse change in the financial position or prospects of the Issuer and the Issuer has not (i) commenced operations, no profits and losses have been made or incurred and it has not declared or paid any dividends nor made any distributions, save for the activities related to its establishment and the securitisation transaction described in this Prospectus nor (ii) prepared any financial statements. There are no legal, arbitration or governmental proceedings which may have, or have had, significant effects on the Issuer's financial position or profitability nor, so far as the Issuer is aware, are any such proceedings pending or threatened against the Issuer.

The Issuer has the corporate power and capacity to issue the Notes, to acquire the Mortgage Receivables and to enter into and perform its obligations under the Transaction Documents (including the Swap Agreement).

#### **The Issuer Director**

The sole managing director of the Issuer is Intertrust Management B.V. The managing directors of Intertrust Management B.V. are E.M. van Ankeren, D.H. Schornagel and T.T.B. Leenders. The managing directors of Intertrust Management B.V. have chosen domicile at the office address of Intertrust Management B.V., being Prins Bernhardplein 200, 1097 JB Amsterdam, the Netherlands. Intertrust Management B.V. belongs to the same group of companies as Intertrust Administrative Services B.V., which is appointed as the Issuer Administrator. Intertrust Management B.V. is also the Shareholder Director.

The objectives of Intertrust Management B.V. are (a) to represent financial, economic and administrative interests domestically and abroad, (b) to act as trust office, (c) to participate in, to finance, to collaborate with, to conduct the management of companies and other enterprises, (d) to provide advice and other services; (e) to acquire, use and/or assign industrial and intellectual property rights, as well as real property, (f) to provide security for the debts of legal entities or of other companies with which the company is affiliated, or for the

debts of third parties, (g) to invest funds and (h) to undertake all actions that are deemed to be necessary to the foregoing, or in furtherance thereof, all in the widest sense of the words.

The Issuer Director has entered into the Issuer Management Agreement with the Issuer and the Security Trustee. In the Issuer Management Agreement the Issuer Director agrees and undertakes, among other things, that it shall (i) manage the affairs of the Issuer in accordance with proper and prudent Dutch business practice and in accordance with the requirements of Dutch law and Dutch accounting practice with the same care that it exercises or would exercise in connection with the administration of similar matters held for its own account or for the account of third parties and (ii) refrain from any action detrimental to any of the Issuer's rights and obligations under the Transaction Documents.

The Issuer Management Agreement may be terminated by the Issuer (with the consent of the Security Trustee) or the Security Trustee upon the occurrence of certain termination events, including, but not limited to, a default by the Issuer Director (unless remedied within the applicable grace period), dissolution and liquidation of the Issuer Director or the Issuer Director being declared bankrupt or granted a suspension of payments, provided that the Credit Rating Agencies are notified of such default and after consultation with the Secured Creditors, other than the Noteholders. Furthermore, the Issuer Management Agreement can be terminated by the Issuer Director or the Security Trustee on behalf of the Issuer upon ninety (90) days prior written notice. The Issuer Director shall resign upon termination of the Issuer Management Agreement, provided that such resignation shall only be effective as from the moment (a) a new director reasonably acceptable to the Security Trustee has been appointed and (b) a Credit Rating Agency Confirmation in respect of each Credit Rating Agency is available in respect of such appointment.

There are no potential conflicts of interest between any duties of the Issuer Director to the Issuer and private interests or other duties of the Issuer Director or its managing directors except that Intertrust Management B.V., the sole managing director of both the Issuer and the Shareholder, belongs to the same group of companies as Intertrust Administrative Services B.V., the Issuer Administrator. Therefore a conflict of interests may in theory arise if the interests of the Issuer Administrator and the Issuer were to deviate, for example as to the assessment of the performance by the Issuer Administrator of its contractual obligations. In this respect it is of note that in the relevant Management Agreement entered into by each of the Directors with the entity of which it has been appointed managing director (*statutair directeur*), each of the Directors agrees and undertakes to, among other things, (i) do all that an adequate managing director (*statutair directeur*) should do and (ii) refrain from taking any action detrimental to the obligations under any of the Transaction Documents. In addition, each of the Directors agrees in the relevant Management Agreement that it shall not agree to any modification of any agreement including, but not limited to, the Transaction Documents to which the Issuer and/or the Shareholder is a party, or enter into any agreement, other than in accordance with the Trust Deed and the other Transaction Documents.

The auditor of the Issuer is Deloitte Accountants B.V. and its accountants are registered accountants (*registeraccountants*) and are a member of the Royal Netherlands Institute of Chartered Accountants (*Koninklijke Nederlandse Beroepsorganisatie van Accountants*). The address of Deloitte Accountants B.V. is Gustav Mahlerlaan 2970, 1081 LA Amsterdam, the Netherlands.

The financial year of the Issuer coincides with the calendar year. The first financial year will end on 31 December 2022.

## 3.2 Shareholder

Stichting Holding Candide Financing is a foundation (*stichting*) incorporated under Dutch law on 21 February 2021. The statutory seat (*statutaire zetel*) of the Shareholder is in Amsterdam, the Netherlands. The registered office of the Shareholder is at Prins Bernhardplein 200, 1097 JB Amsterdam, the Netherlands, and its telephone number is +31 205214777. The Shareholder is registered with the Commercial Register of the Chamber of Commerce under number 81964676.

The objectives of the Shareholder are, *among other things*, (a) to incorporate one or more companies, to acquire and to hold shares in the capital of one or more companies, to manage and to administer the shares in the capital of one or more companies, to exercise all rights attached to the shares in the capital of one or more companies, to grant loans to one or more companies and to transfer and to encumber the shares in the capital of one or more companies, (b) to make donations, and (c) to do all that is connected with or may be conducive to the foregoing all to be interpreted in the broadest sense.

The sole managing director of the Shareholder is Intertrust Management B.V. The managing directors of Intertrust Management B.V. are E.M. van Ankeren, D.H. Schornagel and T.T.B. Leenders. The managing directors of Intertrust Management B.V. have chosen domicile at the office address of Intertrust Management B.V., being Prins Bernhardplein 200, 1097 JB Amsterdam, the Netherlands.

Intertrust Management B.V., the sole managing director of both the Issuer and the Shareholder, belongs to the same group of companies as Intertrust Administrative Services B.V., the Issuer Administrator. Therefore a conflict of interests may in theory arise if the interests of the Issuer Administrator and the Shareholder were to deviate, for example as to the assessment of the performance by the Issuer Administrator of its contractual obligations. In this respect it is of note that in the relevant Management Agreement entered into by each of the Directors with the entity of which it has been appointed managing director (*statutair directeur*), each of the Directors agrees and undertakes to, among other things, (i) do all that an adequate managing director (*statutair directeur*) should do and (ii) refrain from taking any action detrimental to the obligations under any of the Transaction Documents. In addition, each of the Directors agrees in the relevant Management Agreement that it shall not agree to any modification of any agreement including, but not limited to, the Transaction Documents to which the Issuer and/or the Shareholder is a party, or enter into any agreement, other than in accordance with the Trust Deed and the other Transaction Documents.

The Shareholder Director has entered into the Shareholder Management Agreement with the Shareholder, the Issuer and the Security Trustee pursuant to which the Director agrees and undertakes to, among other things, (i) manage the affairs of the Shareholder in accordance with proper and prudent Dutch business practice and in accordance with the requirements of Dutch law and Dutch accounting practices, and (ii) refrain from any action detrimental to the Issuer's ability to meet its obligations under any of the Transaction Documents. Pursuant to the articles of association of the Shareholder an amendment of the articles of association of the Shareholder requires the prior written consent of the Security Trustee. Moreover, the Director shall only be authorised to dissolve the Shareholder after (i) receiving the prior written consent of the Security Trustee and (ii) the Issuer has been fully discharged for all its obligations by virtue of the relevant Transaction Documents. The Shareholder may in the future hold the shares in the capital of other special purpose vehicles set up by the Seller in connection with a securitisation of mortgage receivables. The Shareholder Management Agreement may only be terminated with consent of each security trustee to such securitisation transaction.

### 3.3 Security Trustee

Stichting Security Trustee Candide Financing 2021-1 is a foundation (*stichting*) incorporated under Dutch law on 21 April 2021. The statutory seat of the Security Trustee is in Amsterdam, the Netherlands and its registered office is at Prins Bernhardplein 200, 1097 JB Amsterdam, the Netherlands and its telephone number is +31 205214777. The Security Trustee is registered with the Commercial Register of the Chamber of Commerce under number 82595801.

The objectives of the Security Trustee are (a) to act as agent and/or trustee for the Noteholders and any other Secured Creditors; (b) to acquire, keep and administer security rights in its own name, and if necessary to enforce such security rights, for the benefit of the Secured Creditors, including the Noteholders, and to perform acts and legal acts and enter into agreements which are conducive to the holding of the abovementioned security rights (including the acceptance of a parallel debt obligation from, amongst others, the Issuer); (c) to borrow money; and (d) to perform any and all acts which are related, incidental or which may be conducive to the above.

The sole director of the Security Trustee is Amsterdamsch Trustee's Kantoor B.V., incorporated under Dutch law as a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) having its corporate seat in Amsterdam and registered with the Commercial Register of the Chamber of Commerce under number 33001955. The managing directors of Amsterdamsch Trustee's Kantoor B.V. are A.J. Vink and M.W. Hogeterp.

The Security Trustee shall not be liable for any action taken or not taken by it or for any breach of its obligations under or in connection with the Trust Deed or any other Transaction Document to which it is a party, except in the event of its wilful misconduct (*opzet*), gross negligence (*grove nalatigheid*), fraud or bad faith, and it shall not be responsible for any act or negligence of persons or institutions selected by it with due care.

The Security Trustee Director has entered into the Security Trustee Management Agreement with the Security Trustee and the Issuer. In the Security Trustee Management Agreement the Security Trustee Director undertakes, among other things, that it shall (i) manage the affairs of the Security Trustee in accordance with proper and prudent Dutch business practice and in accordance with the requirements of Dutch law and Dutch accounting practice with the same care that it exercises or would exercise in connection with the administration of similar matters held for its own account or for the account of third parties and in such manner as to not adversely affect the then current ratings assigned to the Notes and (ii) refrain from taking any action detrimental to the Security Trustee's rights and the ability to meet its obligations under or in connection with the Transaction Documents. In addition the Security Trustee Director undertakes in the Security Trustee Management Agreement that it will not agree to any alteration of any agreement including, but not limited to, the Transaction Documents other than in accordance with the Trust Deed.

The Trust Deed provides that the Security Trustee shall not retire or be removed from its duties under the Trust Deed until all amounts payable to the Secured Creditors under the Transaction Documents have been paid in full.

However, the Noteholders of the Most Senior Class shall have the power, exercisable only by an Extraordinary Resolution, to remove the Security Trustee Director as director of the Security Trustee. The Security Trustee Management Agreement with the Security Trustee Director may be terminated by the Security Trustee (or the Issuer on its behalf) upon the occurrence of certain termination events, including, but not limited to, a default by the Security Trustee Director (unless remedied within the applicable grace period), dissolution and liquidation of the Security Trustee Director or the Security Trustee Director being declared bankrupt or granted a suspension of payments, provided that the Credit Rating Agencies are notified of such default and after consultation with the Secured Creditors, other than the Noteholders. Furthermore, the Security Trustee Management Agreement can be terminated by (a) the Security Trustee Director or (b) the Security Trustee, provided that a Credit Rating Agency Confirmation in respect of each Credit Rating Agency is available in connection with such termination, upon ninety (90) days prior written notice given by (i) the Security Trustee

Director to the Security Trustee or (ii) the Security Trustee to the Security Trustee Director and the other parties to the Security Trustee Management Agreement. In the event of termination, the Security Trustee Director shall fully co-operate with the other parties to the Security Trustee Management Agreement and do all such acts as are necessary to appoint a new director. The Security Trustee Director shall resign upon termination of the Security Trustee Management Agreement, provided that such resignation shall only be effective as from the moment (a) a new director reasonably acceptable to the Issuer, after having consulted with the Secured Creditors (other than the Noteholders) has been appointed and (b) that a Credit Rating Agency Confirmation in respect of each Credit Rating Agency is available in respect of such appointment.

Intertrust Management B.V., the sole managing director of both the Issuer and the Shareholder and Amsterdamsch Trustee's Kantoor B.V., the sole managing director of the Security Trustee, belong to the same group of companies as Intertrust Administrative Services B.V., the Issuer Administrator. Therefore a conflict of interests may arise. In this respect it is of note that in the relevant Management Agreement entered into by each of the Directors with the entity of which it has been appointed managing director (*statutair directeur*), each of the Directors agrees and undertakes to, among other things, (i) do all that an adequate managing director (*statutair directeur*) should do and (ii) refrain from taking any action detrimental to the obligations under any of the Transaction Documents. In addition each of the Directors agrees in the relevant Management Agreement that it will procure that the relevant entity will not enter into any agreement in relation to the Issuer, the Security Trustee and/or the Shareholder, other than the Transaction Documents to which it is a party, unless permitted under the Transaction Documents, without the prior written consent of the Security Trustee and that the Security Trustee will only enter into any agreement other than the Transaction Documents to which it is a party, under certain conditions.



### 3.4 Seller

Lloyds Bank GmbH, is a German credit institution (*Kreditinstitut*) in the legal form of a German limited liability company (*Gesellschaft mit beschränkter Haftung*), whose registered office is at Karl-Liebknecht-Straße 5, 10178 Berlin, Germany and which is registered with the commercial register (*Handelsregister*) at the local court (*Amtsgericht*) of Charlottenburg (Berlin) under number HRB°190317. Lloyds Bank GmbH is acting through its branch office in Amsterdam, the Netherlands, having its registered office at De entree 254, 1101EE, Amsterdam, the Netherlands and registered with the Commercial Register of the Chamber of Commerce under number 72211342. Lloyds Bank GmbH is a wholly-owned subsidiary of Lloyds Bank plc.

Lloyds Bank GmbH is a credit institution within the meaning of Article 4(1) of the Capital Requirements Regulation (EU) No. 575/2013 (*CRR Kreditinstitut*). Lloyds Bank GmbH is duly licensed by the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht* – the **BaFin**) in accordance with Section 32 of the German Banking Act (*Kreditwesengesetz* – the **KWG**) as a credit institution and is permitted to conduct lending business (*Kreditgeschäft*) within the meaning of Section 1(2) No. 2 of the KWG. Pursuant to article 2:14 of the Dutch Financial Supervision Act, the Seller is authorised to perform lending activities including, *inter alia*, offering consumer credit from its branch office situated in the Netherlands.

Lloyds Bank GmbH is supervised by the BaFin and the auditors are Deloitte GmbH Wirtschaftsprüfungsgesellschaft

### 3.5 Stater

Stater Nederland B.V. (**Stater**) is the leading service provider for the Dutch mortgage market. In fulfilling this role, Stater focuses on support for mortgage funders in the sale, handling and financing of mortgage portfolios.

After starting life as part of Bouwfonds Hypotheken, Stater started its activities in January 1997 as an independent service provider in the mortgage market. Stater has since grown to become an international force in the market.

Stater provides activities consisting of mortgage payment transactions and ancillary activities with regard to a total of more than EUR 268 billion and 1,267,506 mortgage loans. In the Netherlands, Stater has a market share of about 34 per cent at 31 December 2020.

The activities are provided in a completely automated and paperless electronic format. Stater has pioneered the use of technology through its e-transactions concept for owners of residential mortgage loan portfolios and features capabilities to enhance, accelerate and facilitate securitisation transactions.

Stater provides an origination system that includes automated underwriting, allowing loan funders to specify underwriting criteria for each product. A credit-scoring model and a fraud detection system form part of automated underwriting.

In March 2021, credit rating agency Fitch Ratings again assigned Stater a Residential Primary Servicer Rating of 'RPS1-'. With this rating, which Stater received for its role as "primary servicer", Stater is the top scoring service provider in Europe for mortgage services. Ratings are awarded on a scale from 1 to 5, with 1 being the highest possible ranking.

In 2020 Ernst & Young, the company's external auditor, issued an ISAE 3402 Type II assurance report on internal processes at Stater. For the purpose of this report, Stater requested Ernst & Young to test the design, existence and functioning of the defined control measures for the January 1<sup>st</sup> to 31 October 2020 reporting period. With this report, Stater aims to provide its clients and their internal and external auditors transparent insight into its services and procedures.

The head office is located at Podium 1, 3826 PA, Amersfoort, the Netherlands.

Stater is a 100 per cent. subsidiary of Stater N.V., of which 75% of the shares are held by Infosys Consulting Pte. Ltd. and 25% of the shares are held by ABN AMRO Bank N.V.

### 3.6 Issuer Administrator

The Issuer has appointed Intertrust Administrative Services B.V. to act as Issuer Administrator in accordance with the terms of the Administration Agreement and as such to provide the Issuer Services.

Intertrust Administrative Services B.V. is incorporated under Dutch law as a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*), having its corporate seat in Amsterdam, the Netherlands and its registered office is at Prins Bernhardplein 200, 1097 JB Amsterdam, the Netherlands and its telephone number is +31 20 5214 777. The Issuer Administrator is registered with the Commercial Register of the Chamber of Commerce under number 33210270.

The objectives of Intertrust Administrative Services B.V. are (a) to represent financial, economic and administrative interests in the Netherlands and other countries; (b) to act as a trust company, as well as to participate in, manage and administer other enterprises, companies and legal entities, and (c) to perform any and all acts which are related, incidental or which may be conducive to the above.

The managing directors of Intertrust Administrative Services B.V. are D.H. Schornagel, E.M. van Ankeren and T.T.B. Leenders. The sole shareholder of Intertrust Administrative Services B.V. is Intertrust (Netherlands) B.V., a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of the Netherlands and having its corporate seat (*statutaire zetel*) in Amsterdam, the Netherlands. The managing directors of Intertrust (Netherlands) B.V. are D.H. Schornagel and T.T.B. Leenders. Intertrust (Netherlands) B.V. is also the sole shareholder of the Director of the Issuer and the Shareholder.

Intertrust Management B.V., the sole managing director of both the Issuer and the Shareholder and Amsterdamsch Trustee's Kantoor B.V., the sole director of the Security Trustee, belong to the same group of companies as Intertrust Administrative Services B.V., the Issuer Administrator. Therefore a conflict of interests may arise. In this respect it is of note that in the relevant Management Agreement entered into by each of the Directors with the entity of which it has been appointed managing director (*statutair directeur*), each of the Directors agrees and undertakes to, among other things, (i) do all that an adequate managing director (*statutair directeur*) should do and (ii) refrain from taking any action detrimental to the obligations under any of the Transaction Documents. In addition each of the Directors agrees in the relevant Management Agreement that it will procure that the relevant entity will not enter into any agreement in relation to the Issuer, the Security Trustee and/or the Shareholder, other than the Transaction Documents to which it is a party, unless permitted under the Transaction Documents, without the prior written consent of the Security Trustee and that the Security Trustee will only enter into any agreement other than the Transaction Documents to which it is a party, under certain conditions.

### 3.7 Swap Counterparty

Lloyds Bank plc (**Lloyds Bank**) was incorporated under the laws of England and Wales on April 20, 1865 (registration number 2065). Lloyds Bank's registered office is at 25 Gresham Street, London EC2V 7HN, United Kingdom. Lloyds Bank is authorised by the Prudential Regulation Authority (**PRA**) and regulated by the Financial Conduct Authority and the PRA. Lloyds Bank (together with its subsidiary and associated undertakings, **Lloyds Bank Group**) is a wholly owned subsidiary of Lloyds Banking Group plc.

Lloyds Bank Group provides a wide range of banking and financial services in the UK and in certain locations overseas. As at 30 June 2021, Lloyds Bank Group's activities were organised into two financial reporting segments: Retail and Commercial Banking.

Retail offers a broad range of financial service products, including current accounts, savings, mortgages, motor finance and unsecured consumer lending to personal and small business customers.

Commercial Banking provides clients with a range of products and services such as lending, transaction banking, working capital management, risk management and debt capital markets services to SMEs, corporates and financial institutions.

Additional information on Lloyds Bank Group is available from Investor Relations, Lloyds Banking Group, 25 Gresham Street, London EC2V 7HN, United Kingdom or from the following internet website address: <http://www.lloydsbankinggroup.com>. The information on this website does not form part of this Prospectus.

### 3.8 Other Parties

<b>Issuer Account Bank</b>	BNG Bank N.V.
<b>Cash Advance Facility Provider:</b>	BNG Bank N.V.
<b>Paying Agent:</b>	Citibank, N.A. London Branch
<b>Reference Agent:</b>	Citibank, N.A. London Branch
<b>Arranger:</b>	Lloyds Bank Corporate Markets plc
<b>Joint Lead Managers:</b>	Lloyds Bank Corporate Markets Wertpapierhandelsbank GmbH and Citigroup Global Markets Europe AG
<b>Common Safekeeper:</b>	Euroclear or Clearstream, Luxembourg (as elected) in respect of the Class A Notes. The Class B Notes and the Class C Notes will be deposited with a common safekeeper appointed by Euroclear and/or Clearstream, Luxembourg.
<b>Listing Agent:</b>	ABN AMRO Bank N.V
<b>Rating Agencies:</b>	Fitch and DBRS
<b>Reporting Entity:</b>	Lloyds Bank GmbH, Amsterdam Branch

## 4. THE NOTES

### 4.1 Terms and Conditions

*If Notes are issued in definitive form, the terms and conditions (the 'Conditions') will be as set out below. The Conditions will be endorsed on each Definitive Note if they are issued. While the Notes remain in global form, the same terms and conditions govern the Notes, except to the extent that they are not appropriate for Notes in global form. See Section 4.2 (Form) below.*

The issue of the EUR 500,000,000 Class A mortgage-backed notes 2021 due 2060 (the **Class A Notes**), the EUR 22,521,000 Class B mortgage-backed Notes 2021 due 2060 (the **Class B Notes**), the EUR 3,920,000 Class C Notes 2021 due 2060 (the **Class C Notes**), and together with the Class A Notes and the Class B Notes, the **Notes**) was authorised by a resolution of the managing director of the Issuer passed on 11 November 2021.

The Notes are issued under a trust deed dated on or about 16 November 2021 as amended from time to time (the **Trust Deed**). Unless otherwise defined herein, words and expressions used below are defined in a master definitions agreement dated the Signing Date between the Issuer, the Security Trustee, the Seller and certain other parties as amended from time to time (the **Master Definitions Agreement**). Such words and expression shall, except where the context requires otherwise, have the same meanings in these Conditions. If the terms or definitions in the Master Definitions Agreement would conflict with the terms and definitions used therein, the terms and definitions of these Conditions shall prevail.

The statements in these Conditions include summaries of, and are subject to, the detailed provisions of (i) the Trust Deed, which will include the forms of the Notes and Coupons, and the Temporary Global Notes and the Permanent Global Notes, (ii) the Paying Agency Agreement, (iii) the Administration Agreement, (iv) the Parallel Debt Agreement and (v) the Pledge Agreements.

Copies of the Mortgage Receivables Purchase Agreement, the Trust Deed, the Paying Agency Agreement, the Parallel Debt Agreement, the Pledge Agreements, the Master Definitions Agreement and the other relevant Transaction Documents (see Section 8 (*General*) below) are available for inspection, free of charge, by Noteholders and prospective Noteholders at the specified office of the Paying Agent and the present office of the Security Trustee, being at the date hereof Prins Bernhardplein 200, 1097 JB Amsterdam, the Netherlands, and in electronic form upon email request at [securitisation@intertrustgroup.com](mailto:securitisation@intertrustgroup.com). The Noteholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed (in particular the priorities of payment set out therein), the Paying Agency Agreement, the Parallel Debt Agreement (in particular the limited recourse and non-petition provisions set out therein), the Pledge Agreements and the Master Definitions Agreement.

#### 1. Form, Denomination and Title

The Notes will be in bearer form serially numbered and with Coupons attached on issue in denominations of EUR 100,000 and in integral multiples of EUR 1,000 in excess thereof up to and including EUR 199,000. Under Dutch law, the valid transfer of Notes or Coupons requires, among other things, delivery (*levering*) thereof. The Issuer, the Security Trustee and the Paying Agent may, to the fullest extent permitted by law, treat the holder of any Note and of the Coupons appertaining thereto as its absolute owner for all purposes (whether or not payment under such Note or Coupon shall be overdue and notwithstanding any notice of ownership or writing thereon or any notice of previous loss or theft thereof), including payment and no person shall be liable for so treating such holder. The signatures on the Notes will be in facsimile.

For as long as the Notes are represented by a Global Note and Euroclear and/or Clearstream, Luxembourg, as the case may be, so permit, such Notes will be tradable only in the minimum authorised denomination of EUR 100,000 and in integral multiples of EUR 1,000 in excess thereof up to and including EUR 199,000. Notes in definitive form, if issued, will only be printed and issued in

denominations of EUR 100,000 in each case increased with any amount in excess thereof in integral multiples of EUR 1,000 up to and including EUR 199,000. No Notes in definitive form will be issued with a denomination above EUR 199,000.

All Notes will be serially numbered and will be issued in bearer form and with (at the date of issue) Coupons and, if necessary, talons attached.

## **2. Status, Priority between Classes of Notes and Security**

- (a) The Notes of each Class are direct and unconditional obligations of the Issuer and rank *pari passu* and *pro rata* without any preference or priority among Notes of the same Class.
- (b) In accordance with the provisions of Conditions 4, 6 and 9 and the Trust Deed, the right to payment of principal on the Class B Notes will be subordinated to, *inter alia*, payments of principal and interest on the Class A Notes. The right to payment of principal on the Class C Notes will be subordinated to, *inter alia*, payments of principal and interest on the Class A Notes and payment of principal on the Class B Notes and as from but excluding the First Optional Redemption Date, the Class A Additional Redemption Amounts payable in respect of the Class A Notes if applicable.
- (c) The Most Senior Class of Notes is:
  - (i) the Class A Notes whilst they remain outstanding;
  - (ii) thereafter the Class B Notes whilst they remain outstanding;
  - (iii) thereafter the Class C Notes whilst they remain outstanding.
- (d) The Security for the obligations of the Issuer towards, amongst others, the Noteholders will be created pursuant to, and on the terms set out in, the Trust Deed and the Pledge Agreements, which will create, among other things, the following security rights:
  - (i) a first ranking undisclosed right of pledge (*stil pandrecht, eerste in rang*) by the Issuer to the Security Trustee over the Mortgage Receivables, all rights ancillary thereto and the NHG Advance Rights; and
  - (ii) a first ranking disclosed right of pledge (*openbaar pandrecht, eerste in rang*) by the Issuer to the Security Trustee over the Issuer Rights.
- (e) The obligations under the Notes are secured (indirectly) by the Security. The obligations under (i) the Class A Notes will rank in priority to the Class B Notes and the Class C Notes and (ii) the Class B Notes will rank in priority to the Class C Notes in the event of the Security being enforced. The Trust Deed contains provisions requiring the Security Trustee to have regard only to the interests of the Noteholders of a Class and not to consequences of such exercise upon individual Noteholders. If, in the sole opinion of the Security Trustee, there is a conflict of interest between any Classes of Noteholders, the Security Trustee shall have regard only to the interests of the Higher Ranking Class or Classes of Notes. In addition, the Security Trustee shall have regard to the interest of the other Secured Creditors. In case of a conflict of interest between the Secured Creditors, the ranking set out in the Post-Enforcement Priority of Payments determines which interest of which Secured Creditor prevails.

## **3. Covenants of the Issuer**

As long as any of the Notes remain outstanding, the Issuer shall carry out its business in accordance with proper and prudent Netherlands business practice and in accordance with the requirements of

Dutch law and accounting practice, and shall, unless expressly permitted or required by the Transaction Documents or with the prior written consent of the Security Trustee:

- (a) not carry out any business other than as described in the Prospectus and as contemplated in the Transaction Documents;
- (b) maintain its corporate existence and at all times continue to be duly organised under Dutch law and conduct its business in accordance with the terms of its articles of association and in accordance with the Transaction Documents;
- (c) keep or procure to be kept books and records of accounts of its assets and business, including the ledgers, substantially in accordance with the relevant provisions of the Administration Agreement;
- (d) promptly upon becoming aware of the same inform the Security Trustee in writing of the occurrence of any of the following:
  - (i) a Notification Event;
  - (ii) an Event of Default;
  - (iii) a Swap Event of Default;
  - (iv) a breach of the representations and warranties set out in Clauses 10 and 11 or of the covenants set out in Clause 13 of the Mortgage Receivables Purchase Agreement; and
  - (v) a default by Intertrust Administrative Services B.V. in its capacity of Issuer Administrator of the performance of the Issuer Services;
- (e) notify the assignment or procure that the assignment of the Mortgage Receivables is notified by the Seller (or the Servicer on behalf of the Seller) in accordance with Clause 16.1 of the Mortgage Receivables Purchase Agreement, simultaneously with any notification given by the Security Trustee pursuant to Clause 5.1 of the Issuer Mortgage Receivables Pledge Agreement, and the Issuer hereby grants an irrevocable power of attorney to the Security Trustee to make the notification referred to above on its behalf and the Security Trustee hereby grants an irrevocable power of attorney to the Issuer to make any notification referred to above on its behalf;
- (f) not waive, modify or amend, or consent to any waiver, modification or amendment of, any provisions of any of the Transaction Documents or enter into any new agreement, except with the prior written consent of the Security Trustee;
- (g) not take action (including any instruction, decision or approval) to dissolve (*ontbinden*) the Issuer or to enter into a legal merger (*juridische fusie*) or legal demerger (*splitsing*) involving the Issuer, or to have the Issuer converted into a foreign entity (*conversie*), or to request the court to grant a suspension of payments (*surseance van betaling*) or to declare the bankruptcy (*faillissement*) of the Issuer or to enter into any analogous proceedings under any applicable law involving the Issuer;
- (h) comply to the extent applicable with all applicable laws, regulations, including, without limitation, the provisions of the Wft, as amended from time to time, and with the provisions of all applicable decrees, rules, regulations and statements of policy of the relevant authority or authorities in the Netherlands, issued to or in connection with the Wft;



- (i) not incur any indebtedness in respect of borrowed money whatsoever or give any guarantee or indemnity in respect of any indebtedness except as contemplated in the Transaction Documents;
- (j) not assign, transfer, sell, lend, lease, part with or otherwise dispose of, or deal with, or grant any option or present or future right to acquire all or any of its assets or undertakings or any interest, estate, right, title or benefit or attempt or purport to do any of the foregoing except as contemplated by the Transaction Documents;
- (k) not create or promise to create any mortgage, charge, pledge, lien or other security interest whatsoever over any of its assets, or use, invest, sell, transfer or otherwise dispose of or grant any options or rights to any part of its assets except as contemplated by the Transaction Documents;
- (l) not consolidate or merge with any other person or convey or transfer its properties or assets substantially or as an entirety to any person;
- (m) not permit the validity or effectiveness of the Transaction Documents, or the priority of the security created thereby or pursuant thereto to be amended, terminated, waived, postponed or discharged, or permit any person whose obligations form part of such security rights to be released from such obligations or consent to any waiver except as contemplated in the Transaction Documents;
- (n) not have any employees or premises or have any subsidiary or subsidiary undertaking;
- (o) not have an interest in any bank account other than the Issuer Accounts unless all rights in relation to such account will have been pledged to the Security Trustee as provided in Condition 2(d)(ii);
- (p) not take any action which will cause its 'centre of main interest' within the meaning of the EU Insolvency Regulation to be located outside the Netherlands;
- (q) not pay any dividend or make any other distribution to its shareholder(s), other than in accordance with the applicable Priority of Payments or issue any further shares;
- (r) not engage in any activity whatsoever which is not incidental to or necessary in connection with, any of the activities which the relevant Transaction Documents provide or envisage that the Issuer will engage in;
- (s) not engage in any activities in the United States (directly or through agents), or derive any income from United States sources as determined under United States income tax principles, or hold any property if doing so would cause it to be engaged in a trade or business within the United States as determined under United States income tax principles; or
- (t) not enter into derivative contracts (other than a replacement swap agreement following termination of the Swap Agreement), except as provided for in the Transaction Documents.

#### **4. Interest**

##### *(a) Period of Accrual*

The Class B Notes and the Class C Notes do not bear interest.

The Class A Notes shall bear interest on their Principal Amount Outstanding from and including the Closing Date. Each Class A Note (or with respect to the redemption of part only of such Note) shall cease to bear interest from its due date for redemption unless, upon due presentation, payment of the relevant amount of principal or any part thereof is improperly withheld or refused. In such event, interest will continue to accrue thereon (before and after any judgment) at the rate applicable to such Class A Note up to but excluding the earlier of:

- (i) the date on which, on presentation of such Class A Note, payment in full of the relevant amount of principal is made; or
- (ii) the seventh day after notice is duly given by the Paying Agent to the holder thereof (in accordance with Condition 13) that upon presentation thereof, such payments will be made, provided that upon such presentation payment is in fact made.

Whenever it is necessary to compute an amount of interest in respect of any such Class A Note for any period (including any Interest Period), such interest shall be calculated on the basis of the actual days elapsed in such period and a 360 day year.

(b) *Interest Periods and Notes Payment Dates*

Interest on the Class A Notes is payable by reference to the successive Interest Periods. Each successive Interest Period will commence on (and include) a Notes Payment Date and end on (but exclude) the next succeeding Notes Payment Date, except for the first Interest Period which will commence on (and include) the Closing Date and end on (but exclude) the Notes Payment Date falling in February 2022.

Interest on any Class A Note shall be payable quarterly in arrear in EUR in respect of the Class A Principal Amount Outstanding (as defined in Condition 6(j)) on each Notes Payment Date, which is each of the 20<sup>th</sup> day of February, May, August and November of each year or, if such day is not a Business Day, the immediately succeeding Business Day unless it would as a result thereof fall in the next calendar month, in which case it will be the Business Day immediately preceding such day.

(c) *Interest on the Class A Notes up to but excluding the First Optional Redemption Date*

Interest on the Class A Notes for each Interest Period up to but excluding the First Optional Redemption Date will accrue from the Closing Date at an annual rate equal to the sum of EURIBOR for three (3) months deposits in Euro, determined in accordance with this Condition 4 (or, in respect of the first Interest Period, the rate which represents the linear interpolation by reference to two rates based on EURIBOR, one of which shall be determined as if the applicable maturity were the period of time for which rates are available next shorter than the length of the first Interest Period and the other of which shall be determined as if the applicable maturity were the period of time for which rates are available next longer than the length of the first Interest Period, rounded, if necessary, to the 5th decimal place with 0.000005, being rounded upwards), plus a margin equal to 0.7 per cent. per annum, with a floor of zero per cent.

(d) *Interest on the Class A Notes from and including the First Optional Redemption Date*

If on the First Optional Redemption Date the Class A Notes will not have been redeemed in full, the rate of interest applicable to the Class A Notes will accrue in the Interest Period commencing on (and including) the First Optional Redemption Date and each Interest Period thereafter at an annual rate equal to the sum of EURIBOR for three (3) months deposits in Euro, determined in accordance with Condition 4, rounded, if necessary, to the 5th decimal place with 0.000005, being rounded upwards), plus a margin of 1.05 per cent. per annum, with a floor of zero per cent.

(e) *EURIBOR*

For the purpose of Conditions 4(c) and (d) EURIBOR will be determined as follows:

- (i) The Reference Agent will obtain for each Interest Period the interest rate equal to EURIBOR for three months deposits in EUR. The Reference Agent shall use the EURIBOR rate as determined and published by EMMI and which appears for information purposes on the Reuters Screen EURIBOR01, (or, if not available, any other display page on any screen service maintained by any registered information vendor for the display of the EURIBOR rate selected by the Reference Agent) as at or about 11.00 am (Central European Time) on the day that is two Business Days preceding the first day of each Interest Period (each an **Interest Determination Date**);
- (ii) if, on the relevant Interest Determination Date, such EURIBOR rate is not determined and published by EMMI, or if it is not otherwise reasonably practicable to calculate the rate under (i) above, the Issuer or a third party appointed by the Issuer will use its best efforts to, and provided that such arrangements are in compliance with the EU Benchmarks Regulation Requirements:
  - (A) request the principal euro-zone office of each of four major banks in the euro-zone interbank market (the **EURIBOR Reference Banks**) to provide a quotation for the rate at which three months deposits in EUR are offered by it in the euro-zone interbank market at approximately 11.00 am (Central European Time) on the relevant Interest Determination Date to prime banks in the euro-zone interbank market in an amount that is representative for a single transaction at that time; and
  - (B) if at least two quotations are provided, determine the arithmetic mean (rounded, if necessary, to the fifth decimal place with 0.000005 being rounded upwards) of such quotations as provided; and
- (iii) if fewer than two such quotations are provided as requested, the Issuer or a third party appointed by the Issuer will determine the arithmetic mean (rounded, if necessary to the fifth decimal place with 0.000005 being rounded upwards) of the rates quoted by major banks, of which there shall be at least two in number, in the euro-zone, selected by the Issuer or a third party appointed by the Issuer, at approximately 11.00 am (Central European Time) on the relevant Interest Determination Date for three months deposits in EUR to leading euro-zone banks in an amount that is representative for a single transaction in that market at that time,

and EURIBOR for such Interest Period shall be the rate per annum equal to EURIBOR for three months deposits in EUR as determined in accordance with this paragraph 4(e), provided that if the Reference Agent, the Issuer or a third party appointed by the Issuer is unable to determine EURIBOR in accordance with the above provisions in relation to any Interest Period, EURIBOR applicable to the Class A Notes during such Interest Period will be EURIBOR last determined in relation thereto, until EURIBOR can be determined again on a subsequent Interest Determination Date.

In the event of material disruption or cessation of a benchmark or if a material disruption or cessation of a benchmark is reasonably expected to occur, an Alternative Benchmark Rate shall be adopted in accordance with Condition 14(e)(iv).

(f) *Determination of the Interest Rates and Calculation of Interest Amounts in respect of the Class A Notes*

The Reference Agent will, as soon as practicable after 11.00 am (Central European Time) on each Interest Determination Date, determine the rates of interest referred to in paragraphs (c) and (d) above for the Class A Notes and calculate the amount of interest payable on each Class A Note for the following Interest Period (the **Interest Amount**) by applying the relevant Interest Rates to the

Principal Amount Outstanding of the Class A Notes on the first day of the relevant Interest Period. The determination of the relevant Interest Rates and each Interest Amount by the Reference Agent shall (in the absence of manifest error) be final and binding on all parties.

(g) *Notification of Interest Rates, Interest Amounts and Notes Payment Dates in respect of the Class A Notes*

The Reference Agent will cause the relevant Interest Rates on the Class A Notes, the relevant Interest Amount and the Notes Payment Date applicable to the Class A Notes to be notified to the Issuer, the Security Trustee, the Issuer Administrator, the Reference Agent, the holders of such Class A Notes (for so long as the Class A Notes are listed on the Official List of Euronext Amsterdam and admitted to trading on Euronext Amsterdam). The Interest Rates, Interest Amount and Notes Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period.

(h) *Calculation of Interest Amounts by Security Trustee in respect of the Class A Notes*

If the Reference Agent at any time for any reason does not determine the relevant Interest Rates on the Class A Notes in accordance with Condition 4(f) above or fails to calculate the relevant Interest Amounts in accordance with Condition 4(f), the Security Trustee shall, or a party so appointed by the Security Trustee shall on behalf of the Security Trustee acting in accordance with the EU Benchmarks Regulation Requirements, determine the Interest Rate on the Class A Notes, at such rate as, in its absolute discretion (having such regard as it shall think fit to the procedure described in Condition 4 (f), it shall deem fair and reasonable under the circumstances, or, as the case may be, the Security Trustee shall calculate the relevant Interest Amounts in accordance with Condition 4(f) above, and each such determination or calculation shall be final and binding on all parties.

(i) *Reference Agent*

The Issuer will procure that, as long as any of the Class A Notes remains outstanding, there will at all times be a Reference Agent. The Issuer has, subject to the prior written consent of the Security Trustee, the right to terminate the appointment of the Reference Agent by giving at least 90 days' notice in writing to that effect. Notice of any such termination will be given to the holders of the Notes in accordance with Condition 13 (*Notices*). If any person is unable or unwilling to continue to act as the Reference Agent or if the appointment of the Reference Agent is terminated, the Issuer will, with the prior written consent of the Security Trustee, appoint a successor Reference Agent to act in its place, provided that neither the resignation nor removal of the Reference Agent shall take effect until a successor approved in writing by the Security Trustee has been appointed.

## **5. Payment**

(a) Payment of principal and, in respect of the Class A Notes, interest in respect of the Notes will be made upon presentation of the relevant Note and, in respect of interest on a Class A Note, against surrender of the relevant Coupon appertaining thereto at any specified office of the Paying Agent by transfer to a euro account maintained by the payee with a bank in the Netherlands. All such payments will be subject in all cases to any other applicable fiscal or other laws and regulations in the place of payment or other laws and regulations to which the Issuer agrees to be subject and the Issuer will be liable for any taxes or duties of whatever nature imposed or levied by such laws, regulations or agreements.

(b) At the Final Maturity Date, or at such earlier date on which the Notes become due and payable, the Notes should be presented for payment together with, in respect of the Class A Notes, all unmatured Coupons appertaining thereto, failing which the full amount of any such missing unmatured Coupons (or, in the case of payment not being made in full, that proportion of the full amount of such missing unmatured Coupons which the sum of principal so paid bears to the total amount of principal due) will

be deducted from the sum due for payment. Each amount so deducted will be paid in the manner mentioned above against surrender of the relevant missing Coupon at any time before the expiry of five years following the due date for payment of such principal (whether or not such Coupons would have become unenforceable pursuant to Condition 8).

- (c) If the relevant Notes Payment Date is not a day on which banks are open for business in the place of presentation of the relevant Note and Coupon (a **Local Business Day**) the holder of the Note shall not be entitled to payment until the next following Local Business Day, unless such Local Business Day falls in the next calendar month, in which case the holder of the Note shall be entitled to payment on the immediately preceding Local Business Day, or to any interest (in respect of the Class A Notes) or other payment in respect of any such delay, provided that in the case of payment by transfer to a euro account as referred to above, the Paying Agent shall not be obliged to credit such account until the day on which banks in the place of such account are open for business immediately following the day on which banks are open for business in the Netherlands. The name of the Paying Agent and details of its offices are set out on the last page of the Prospectus.
- (d) The Issuer reserves the right at any time to vary or terminate the appointment of the Paying Agent and to appoint additional or other paying agents provided that no paying agents located in the United States of America will be appointed. Notice of any termination or appointment of a Paying Agent will be given to the Noteholders in accordance with Condition 13.

## 6. Redemption

### (a) *Final redemption*

If and to the extent not otherwise redeemed already, the Issuer will redeem the Notes at their respective Principal Amount Outstanding less the relevant Principal Shortfall (if any) on the Final Maturity Date which falls on the Notes Payment Date in November 2060, subject to Condition 9(a).

### (b) *Mandatory Redemption of the Notes*

Provided that no Enforcement Notice has been served in accordance with Condition 10, the Issuer will be obliged to apply the Available Principal Funds to (partially) redeem the Class A Notes and the Class B Notes, on each Notes Payment Date on a *pro rata* and *pari passu* basis within each Class, subject to Condition 9(a), in the following sequential order:

- (i) *First*, as long as the Class A Notes are outstanding, as Additional Revenue Amount in or towards satisfaction of making good any Revenue Shortfall;
- (ii) *Second*, in or towards satisfaction, *pro rata* and *pari passu*, of principal amounts due on the Class A Notes, until fully redeemed in accordance with the Conditions;
- (iii) *Third*, in or towards satisfaction, *pro rata* and *pari passu*, of principal amounts due on the Class B Notes, until fully redeemed in accordance with the Conditions; and
- (iv) *Fourth*, any remaining amounts to be applied as Available Revenue Funds.

The amounts available for the Noteholders will be passed through on each Notes Payment Date to the Notes, other than the Class C Notes, by applying in respect of each Class A Note, the Class A Redemption Amount, and in respect of each Class B Note, the Class B Redemption Amount.

Upon redemption in full of the Class A Notes and the Class B Notes, the Class C Notes will be redeemed at their Principal Amount Outstanding by the Issuer by applying the (remaining) Available Revenue Funds in accordance with the Revenue Priority of Payments.

(c) *Optional Redemption of the Class A Notes and Class B Notes*

The Issuer may, at its option, on giving not more than sixty (60) nor less than thirty (30) calendar days' written notice to the Security Trustee and the Noteholders in accordance with Condition 13, on the First Optional Redemption Date, and on each Optional Redemption Date thereafter redeem, all (but not only part of) the Notes, other than the Class C Notes, at their Principal Amount Outstanding plus, in respect of the Class A Notes, accrued but unpaid interest thereon, after payment of the amounts to be paid in priority to redemption of the Notes, subject, in respect of the Class B Notes, to Condition 9(a) (*Principal*), at least sufficient funds available on such Optional Redemption Date to discharge all amounts of principal and interest due in respect of the Notes, other than the Class C Notes, and subject to, in respect of the Class B Notes, Condition 9(a) (*Principal*) and any amounts required to be paid in priority to or *pari passu* with the Class A Notes in accordance with the Trust Deed.

(d) *Redemption Amount in respect of Class A and Class B Notes*

The Redemption Amount redeemable in respect of any Class A and Class B Note on a Notes Payment Date (each a **Redemption Amount**), shall be the Available Principal Funds on the Notes Calculation Date relating to that Notes Payment Date available to redeem such Class of Notes in accordance with the Principal Priority of Payments, divided by the number of Notes of the relevant Class subject to such redemption (rounded down to the nearest euro), provided always that the Redemption Amount may never exceed the Principal Amount Outstanding of the relevant Note of the relevant Class. Following application of the Redemption Amount to redeem a Note, the Principal Amount Outstanding of such Note shall be reduced accordingly.

(e) *Determination of Redemption Amount and Principal Amount Outstanding:*

- (i) On each Notes Calculation Date, the Issuer shall determine (or cause the Issuer Administrator to determine) (a) the Available Principal Funds and the Redemption Amount due in respect of each Class of Notes and (b) the Principal Amount Outstanding of each relevant Class of Notes on the first day following the subsequent Notes Payment Date. Each determination by or on behalf of the Issuer shall in each case (in the absence of manifest error) be final and binding on all persons.
- (ii) On each Notes Calculation Date, the Issuer will cause each determination of the Redemption Amount due in respect of each Class, the Available Principal Funds and Principal Amount Outstanding of Notes to be notified forthwith to the Security Trustee, the Paying Agent, Euronext Amsterdam and to the holders of Notes and, as long as the Notes are evidenced by a Global Note, Euroclear and Clearstream, Luxembourg and notice thereof shall be published in accordance with Condition 13 prior to the Notes Payment Date. If no Redemption Amount is due to be made on the Notes of either Class A or Class B on any applicable Notes Payment Date a notice to this effect will be given to the Noteholders in accordance with Condition 13.
- (iii) If the Issuer or the Issuer Administrator on its behalf does not at any time for any reason determine the Redemption Amount or the Principal Amount Outstanding of a Note, such Redemption Amount or such Principal Amount Outstanding shall be determined by the Security Trustee in accordance with this Condition 6(c) and Condition 6(b) above (but based upon the information in its possession as to the relevant amounts and each such determination or calculation shall be deemed to have been made by the Issuer and (in the absence of manifest error) be final and binding on all persons.

(f) *Redemption of the Class C Notes*

Provided that no Enforcement Notice has been served in accordance with Condition 10 (*Events of Default*) and provided that on a Notes Payment Date all Notes other than the Class C Notes have been

or are fully redeemed (subject to, where applicable, Condition 9(a), the Issuer will on such Notes Payment Date apply the Class C Available Principal Funds, to redeem (or partially redeem on a pro rata basis) the Class C Notes until fully redeemed. The amounts available for the Class C Noteholders will be passed through on each Notes Payment Date to the Class C Notes by applying in respect of each Class C Note, the Class C Redemption Amount.

(g) *Redemption following clean-up call*

The Seller has the option to repurchase and accept re-assignment of all (but not only part of) the Mortgage Receivables on any Notes Payment Date on which the aggregate Outstanding Principal Amount of the Mortgage Receivables then outstanding is less than 10% of the aggregate Outstanding Principal Amount of the Mortgage Receivables on the Cut-Off Date (the **Clean-up Call Option**), provided that in each case, the Issuer has sufficient funds to redeem, subject to Condition 9(a), the Notes (other than the Class C Notes) at their Principal Amount Outstanding plus, in respect of the Class A Notes, accrued but unpaid interest thereon after payment of the amounts to be paid in priority to redemption of the Notes (other than the Class C Notes). On the Notes Payment Date on which the Mortgage Receivables are re-assigned, the Issuer shall redeem, subject to Condition 9(a), all (but not only part of) the Notes (other than the Class C Notes) at their Principal Amount Outstanding plus, in respect of the Class A Notes, accrued but unpaid interest thereon, after payment of the amounts to be paid in priority to the Notes.

(h) *Redemption for tax reasons*

The Issuer may (but is not obliged to) on giving not less than thirty (30) nor more than sixty (60) days prior notice to the Noteholders and the Security Trustee, redeem all the Notes (other than the Class C Notes) (but not only part of), at their Principal Amount Outstanding plus, if applicable, accrued but unpaid interest thereon up to and including the date of redemption, subject to and in accordance with the Conditions including, without limitation, Condition 9(a), if (a) the Issuer or the Paying Agent has become or would become obligated to make any withholding or deduction from payments in respect of any of the Notes (although the Issuer will not have any obligation to pay additional amounts in respect of any such withholding or deduction) and/or (b) the Issuer has become or would become subject to any limitation of the deductibility of interest on any of the Notes, as a result of (i) a change in any laws, rules or regulations or in the interpretation or administration thereof, or (ii) any act taken by any taxing authority on or after the Closing Date. No redemption pursuant to sub-clause (ii) may be made unless the Issuer receives an opinion of independent counsel that there is a probability that the act taken by the taxing authority leads to one of the events mentioned at (a) or (b), provided that in each case, the Issuer has sufficient funds to redeem, subject to Condition 9(a), the Notes (other than the Class C Notes) at their Principal Amount Outstanding plus, if applicable, accrued but unpaid interest thereon and any accrued but unpaid, after payment of the amounts to be paid in priority to the Notes.

(i) *Redemption for regulatory reasons*

The Seller has the option to repurchase and accept re-assignment of all (but not only part of) the Mortgage Receivables on a Notes Payment Date upon the occurrence of a Regulatory Change provided that in each case, the Issuer has – following such re-assignment - sufficient funds to redeem, subject to subject to Condition 9(a), the Notes (other than the Class C Notes) at their Principal Amount Outstanding plus, if applicable, accrued but unpaid interest thereon after payment of the amounts to be paid in priority to redemption of the Notes (other than the Class C Notes). On the Notes Payment Date following the exercise by the Seller of the Regulatory Call Option, the Issuer shall redeem, subject to Condition 9(a), all (but not only part of) the Notes (other than the Class C Notes) at their Principal Amount Outstanding plus, if applicable, accrued but unpaid interest thereon, after payment of the amounts to be paid in priority to redemption of the Notes (other than the Class C Notes).

(j) *Cancellation redemption in full*

All Notes redeemed in full will be cancelled upon redemption. Notes cancelled upon redemption in full may not be resold or re-issued.

(k) *Definitions*

For the purposes of these Conditions the following terms shall have the following meaning:

**Class A Redemption Amount** means the principal amount so redeemable in respect of each Class A Note on the relevant Notes Payment Date which shall be equal to the Available Principal Funds available for such purpose divided by the number of Class A Notes subject to such redemption (rounded down to the nearest euro).

**Class B Redemption Amount** means the principal amount so redeemable in respect of each Class B Note on the relevant Notes Payment Date which shall be equal to the Available Principal Funds available for such purpose divided by the number of Class B Notes subject to such redemption (rounded down to the nearest euro).

**Class C Available Principal Funds** means on any Notes Payment Date on which or after which all Class A Notes and Class B Notes have been redeemed (where applicable subject to Condition 9(a)), an amount equal to the lesser of:

- (a) the aggregate Principal Amount Outstanding of the Class C Notes; and
- (b) the Available Revenue Funds remaining after all payments ranking above item (k) in the Revenue Priority of Payments have been made in full on such Notes Payment Date.

**Class C Redemption Amount** means the principal amount so redeemable in respect of each Class C Note on the relevant Notes Payment Date which shall be equal to the Class C Available Principal Funds divided by the number of Class C Notes subject to such redemption (rounded down to the nearest euro).

**Principal Amount Outstanding** on any date shall be the principal amount of that Note upon issue less the aggregate amount of all principal payments in respect of such Note which have been made since the Closing Date.

**7. Taxation**

(a) *General*

All payments of, or in respect of, principal and, in respect of the Class A Notes, interest on the Notes will be made without withholding of, or deduction for, or on account of any present or future taxes, duties, assessments or charges of whatsoever nature imposed or levied by or on behalf of the Netherlands or any other jurisdiction, any authority therein or thereof having power to tax unless the withholding or deduction of such taxes, duties, assessments or charges are required by law. In that event, the Issuer will make the required withholding or deduction of such taxes, duties, assessments or charges for the account of the Noteholders, as the case may be, and shall not pay any additional amounts to such Noteholders.

(b) *FATCA Withholding*

Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986 impose a certain reporting regime and due diligence requirements on foreign financial institutions, potentially, a 30 per cent.



withholding tax with respect to (i) certain payments from sources within the United States, (ii) “foreign passthru payments” (which is not yet defined in current guidance) made to certain non-U.S. financial institutions that do not comply with such reporting and due diligence requirements, and (iii) payments to certain investors that do not provide identification information with respect to interests issued by a participating non-U.S. financial institution.

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 Notes, neither the Issuer nor any paying agent nor any other person would, pursuant to the conditions of the Notes, be required to pay additional amounts as a result of the deduction or withholding.

## **8. Prescription**

Claims against the Issuer for payment in respect of the Notes and Coupons shall become prescribed and become void unless made within five (5) years from the date on which such payment first becomes due.

## **9. Subordination and limited recourse**

### **(a) *Principal***

Until the date on which the Principal Amount Outstanding of all Class A Notes is reduced to zero, the Class B Noteholders will not be entitled to any repayment of principal in respect of the Class B Notes. If, on any Notes Calculation Date, there is a balance on the Class B Principal Deficiency Ledger, then notwithstanding any other provisions of these Conditions, the principal amount payable on redemption of each Class B Note on the immediately succeeding Notes Payment Date shall not exceed its Principal Amount Outstanding less the balance on the Class B Principal Deficiency Ledger on such Notes Payment Date.

The Class B Noteholders shall have no further claim against the Issuer for the Principal Amount Outstanding on the Class B Notes after the date on which the Issuer no longer holds any Mortgage Receivables and there is no balance standing to the credit of the Issuer Accounts and the Issuer has no further rights under or in connection with any of the Transaction Documents.

If on a Notes Payment Date the Class A Notes and Class B Notes are expected to be redeemed in full subject to this Condition 9(a), the Reserve Account Target Level will be reduced to zero on the immediately preceding Notes Calculation Date and any amount standing to the credit of the Reserve Account will on the Notes Payment Date form part of the Available Revenue Funds and will be transferred to the Issuer Collection Account on such immediately succeeding such Notes Calculation Date and will, inter alia, be available to redeem or partially redeem the Class C Notes (and any higher ranking items in the Revenue Priority of Payment). For the avoidance of doubt, no principal payments will be made in respect of the Class C Notes until the Class A Notes and the Class B Notes have been (or are) fully redeemed on such Notes Payment Date.

The Class C Noteholders shall have no further claim against the Issuer for the Principal Amount Outstanding on the Class C Notes after the date on which the Issuer no longer holds any Mortgage Receivables and there is no balance standing to the credit of the Issuer Accounts and the Issuer has no further rights under or in connection with any of the Transaction Documents.

### **(b) *Interest***

In the event that on any Notes Payment Date the Issuer has insufficient funds available to it to satisfy its obligations in respect of amounts of interest due on the Class A Notes on such Notes Payment Date

and such interest is not paid within fifteen (15) calendar days from the relevant Notes Payment Date, this will constitute an Event of Default in accordance with Condition 10(a)(a).

(c) *Limited Recourse*

The Noteholders and the other Secured Creditors shall not have recourse on any assets of the Issuer other than (i) the Mortgage Receivables, (ii) the balance standing to the credit of the Issuer Accounts (as applicable) and (iii) the amounts receivable by the Issuer under the Transaction Documents. In the event that the Security in respect of the Notes and, in respect of the Class A Notes, the Coupons appertaining thereto has been fully enforced and the proceeds of such enforcement and any other amounts received by the Security Trustee, after payment of all other claims ranking under the Trust Deed in priority to a Class of Notes, as applicable, are insufficient to pay in full all principal and (in respect of the Class A Notes) interest, if any, and other amounts whatsoever due in respect of such Class of Notes, as applicable, the Noteholders of the relevant Class of Notes, as applicable, shall have no further claim against the Issuer or the Security Trustee in respect of any such unpaid amounts.

**10. Events of Default**

(a) *Events of Default under the Notes*

The Security Trustee at its discretion may, and if so directed by an Extraordinary Resolution of the Noteholders of the Most Senior Class (in each case, the **Relevant Class**) shall (but in the case of the occurrence of any of the events mentioned in (c) below, only if the Security Trustee shall have certified in writing to the Issuer that such an event is, in its opinion, materially prejudicial to the Noteholders of the Relevant Class) give an Enforcement Notice to the Issuer, that the Notes are, and each Note shall become, immediately due and payable at their or its Principal Amount Outstanding, together with, if applicable, accrued interest, if any of the following events (each an **Event of Default**) shall occur:

- (a) the Issuer is in default for a period of fifteen (15) calendar days or more in the payment of principal or interest on the due date of any such amount due in respect of the Notes of the Relevant Class; or
- (b) the Issuer fails to perform any of its other obligations binding on it under the Notes of the Relevant Class, the Trust Deed, the Paying Agency Agreement or the Pledge Agreements and, except where such failure, in the reasonable opinion of the Security Trustee, is incapable of remedy, such default continues for a period of thirty (30) calendar days after written notice by the Security Trustee to the Issuer requiring the same to be remedied; or
- (c) if a conservatory attachment (*conservatoir beslag*) or an executory attachment (*executoriaal beslag*) on any major part of the Issuer's assets is made and not discharged or released within a period of thirty (30) calendar days of its first being made; or
- (d) if any order shall be made by any competent court or other authority or a resolution passed for the dissolution or winding-up of the Issuer or for the appointment of a liquidator or receiver of the Issuer in respect of all or substantially all of its assets; or
- (e) it is or will become unlawful for the Issuer to perform or comply with any of its obligations under or in respect of the Notes, the Trust Deed, the Swap Agreement, or the Security; or
- (f) the Issuer has taken any winding-up resolution, has been declared bankrupt (*failliet*), or has applied for general settlement or composition with creditors (*akkoord*), or suspension of payments (*surseance van betaling*) or reprieve from payment;

provided that, if more than one Class of Notes is outstanding, no Enforcement Notice may or shall be given by the Security Trustee to the Issuer in respect of any Class ranking junior to the Most Senior Class irrespective of whether an Extraordinary Resolution is passed by the holders of such Class or Classes ranking junior to the Most Senior Class, unless an Enforcement Notice in respect of the Most Senior Class has been given by the Security Trustee. In exercising its discretion as to whether or not to give an Enforcement Notice to the Issuer in respect of the Most Senior Class, the Security Trustee shall not be required to have regard to the interests of the holders of any Class of Notes ranking junior to the Most Senior Class.

The issuance of an Enforcement Notice will be reported to the Noteholders without undue delay in accordance with Condition 13.

(b) *Consequences of delivery of an Enforcement Notice*

Upon service of an Enforcement Notice by the Security Trustee, all the Notes then outstanding shall thereby immediately become due and payable at their respective Principal Amount Outstanding and, in the case of the Class A Notes, together with accrued interest as provided in the Conditions and the Trust Deed, and the Security will become enforceable.

**11. Enforcement, Limited Recourse and Non-Petition**

(a) *Enforcement*

At any time after the obligations under the Notes become due and payable, the Security Trustee may, at its discretion and without further notice, take such steps and/or institute such proceedings as it may think fit to enforce the terms of the Trust Deed, the Pledge Agreements and the Notes, but it need not take any such proceedings unless (i) it shall have been directed by an Extraordinary Resolution of the holders of the Relevant Class and (ii) it shall have been indemnified to its satisfaction.

(b) *No direct action against Issuer by Noteholders*

No Noteholder may proceed directly against the Issuer unless the Security Trustee, having become bound so to proceed, fails to do so within a reasonable time and such failure is continuing.

(c) *Undertaking by Noteholders and Security Trustee*

The Noteholders and the Security Trustee may not institute against, or join any person in instituting against, the Issuer any bankruptcy, winding-up, reorganisation, arrangement, insolvency or liquidation proceeding until the expiry of a period of at least one (1) year after the last maturing Note is paid in full.

The Noteholders and the Security Trustee may not (and no person acting on its behalf shall) institute against or join any person in instituting against the Seller any bankruptcy, reorganisation, arrangement, insolvency, examinership, winding-up, moratorium or liquidation proceedings, or other proceedings against the Seller, as the case may be, under German law or the laws of any other applicable jurisdiction.

(d) *Limitation of Recourse*

The Noteholders accept and agree that the only remedy of the Security Trustee against the Issuer after any of the Notes have become due and payable pursuant to Condition 10 above is to enforce the Security. The proceeds will be applied in accordance with the Post-Enforcement Priority of Payments. If the foreclosure proceeds are insufficient, after payment of all other claims ranking in priority to a Class of Notes, to fully pay the amounts due and payable in respect of such Class, the unpaid amount

shall cease to be due and payable by the Issuer and the relevant Noteholders shall have no further claim against the Issuer or the Security Trustee in respect of any such unpaid amounts.

## **12. Indemnification of the Security Trustee**

The Trust Deed contains provisions for the indemnification of the Security Trustee and for its relief from responsibility. The Security Trustee is entitled to enter into commercial transactions with the Issuer and/or any other party to the Transaction Documents without accounting for any profit resulting from such transaction.

## **13. Notices**

Notices to the Noteholders will be deemed to be validly given if published in at least one widely circulated newspaper in the Netherlands and on the DSA website, being at the time [www.dutchsecuritisation.nl](http://www.dutchsecuritisation.nl) and/or through the EU SR Repository, or, if such website shall cease to exist or timely publication thereon shall not be practicable, in such manner as the Security Trustee shall approve. Any such notice shall be deemed to have been given on the first date of such publication. If publication as provided above is not practicable, a notice will be given in such other manner, and will be deemed to have been given at such date, as the Security Trustee shall approve.

So long as the Class A Notes are listed on the Official List of Euronext Amsterdam and admitted to trading on Euronext Amsterdam all notices to the Noteholders will be valid if published in a manner which complies with the rules and regulations of Euronext Amsterdam (which includes delivering a copy of such notice to Euronext Amsterdam) and any such notice shall be deemed to have been given on the first date of such publication.

## **14. Meetings of Noteholders; Modification; Consents; Waiver**

The Trust Deed contains provisions for convening meetings of Noteholders of any Class or one or more Classes jointly to consider matters affecting the interests, including the sanctioning by Extraordinary Resolution, of such Noteholders of the relevant Class of a change of any of these Conditions or any provisions of the relevant Transaction Documents.

The Noteholders of any Class may adopt a resolution without the formalities for convening a meeting set out in the Trust Deed being observed, including an Extraordinary Resolution and/or an Extraordinary Resolution relating to a Basic Terms Change, provided that such resolution is unanimously adopted in writing – including by email, facsimile or electronic transmission, or in the form of a message transmitted by any accepted means of communication and received or capable of being produced in writing – by all Noteholders of the relevant Class having the right to cast votes.

### *(a) Meeting of Noteholders*

The Trust Deed contains provisions for convening meetings of Noteholders at the written request of (i) the Issuer or (ii) by the Noteholders of one or more Classes holding not less than ten (10) per cent. in Principal Amount Outstanding of the Notes of such Class or Classes, as the case may be.

### *(b) Quorum*

The quorum for the adoption of an Extraordinary Resolution is two-thirds of the Principal Amount Outstanding of the Notes of the relevant Class or of one or more Class or Classes, as the case may be, and for an Extraordinary Resolution approving a Basic Terms Change the quorum shall be at least seventy-five (75) per cent. of the Principal Amount Outstanding of the relevant Class of Notes.

If at a meeting a quorum is not present, a second meeting will be held not less than fourteen (14) nor more than thirty (30) calendar days after the first meeting. At such second meeting an Extraordinary Resolution, including an Extraordinary Resolution approving a Basic Terms Change, can be adopted regardless of the quorum represented at such meeting.

(c) *Extraordinary Resolution*

A Meeting shall have the power, exercisable only by Extraordinary Resolution, without prejudice to any other powers conferred on it or any other person:

- (i) to approve any proposal for any modification of any provisions of the Trust Deed, the Conditions, the Notes or any other Transaction Document or any arrangement in respect of the obligations of the Issuer under or in respect of the Notes;
- (ii) to waive any breach or authorise any proposed breach by the Issuer of its obligations under or in respect of the Trust Deed or the Notes or any act or omission which might otherwise constitute an Event of Default under the Notes;
- (iii) to authorise the Security Trustee (subject to it being indemnified and/or secured to its satisfaction) or any other person to execute all documents and do all things necessary to give effect to any Extraordinary Resolution;
- (iv) to discharge or exonerate the Security Trustee from any liability in respect of any act or omission for which it may become responsible under the Trust Deed or the Notes;
- (v) to give any other authorisation or approval which under the Trust Deed or the Notes is required to be given by Extraordinary Resolution; and
- (vi) to appoint any persons as a committee to represent the interests of Noteholders and to confer upon such committee any powers which Noteholders could themselves exercise by Extraordinary Resolution.

(d) *Limitations*

An Extraordinary Resolution passed at any Meeting of the Most Senior Class shall be binding upon all Noteholders of a Class other than the Most Senior Class irrespective of the effect upon them, except that an Extraordinary Resolution approving a Basic Terms Change shall not be effective for any purpose unless it shall have been approved by an Extraordinary Resolution of the Noteholders of each such Class or unless and to the extent that it shall not, in the sole opinion of the Security Trustee, be materially prejudicial to the interests of Noteholders of each such Class.

A resolution of Noteholders of a Class or by Noteholders of one or more Class or Classes, as the case may be, shall not be effective for any purpose unless either: (i) the Security Trustee is of the opinion that it would not be materially prejudicial to the interests of Noteholders of any Higher Ranking Class or (ii) when it is approved by Extraordinary Resolutions of Noteholders of each such Higher Ranking Class. "Higher Ranking Class" means, in relation to any Class of Notes, each Class of Notes which has not been previously redeemed or written off in full and which ranks higher in priority to it in the Revenue Priority of Payments.

(e) *Modifications, waiver, authorisations*

- (i) The Security Trustee may agree with the other parties to any Transaction Document, without the consent of the Noteholders, to (i) any modification of any of the provisions

of the Transaction Documents which is of a formal, minor or technical nature or is made to correct a manifest error, and (ii) any other modification, and any waiver or authorisation of any breach or proposed breach (other than in respect of any modification, waiver or authorisation of any breach or proposed breach which would constitute a Basic Terms Change), of any of the provisions of the Transaction Documents, which is in the opinion of the Security Trustee not materially prejudicial to the interests of the Noteholders and would not result in the transaction described in this Prospectus no longer satisfying the requirements set out in the EU Securitisation Regulation and/or the UK Securitisation Regulation and/or the CRR Amendment Regulation, provided that a Credit Rating Agency Confirmation in respect of each Credit Rating Agency is available in connection with such modification, authorisation or waiver. Any such modification, authorisation, or waiver shall be binding on the Noteholders and, if the Security Trustee so requires, such modification shall be notified to the Noteholders and the other Secured Creditors in accordance with Condition 13 (*Notices*) as soon as practicable thereafter. In addition, the Security Trustee may agree, without the consent of the Noteholders, to any modification of any Transaction Document which is required or necessary in connection therewith.

- (ii) The Security Trustee shall agree with the other parties to any Transaction Document, without the consent of the Noteholders, to any modification of the relevant Transaction Documents (including the Swap Agreement) in order to enable the Issuer and/or the Swap Counterparty to comply with any obligation which applies to it under EU EMIR and/or UK EMIR (the **EMIR Requirements**) or any other obligation which applies to it under the EMIR Requirements and/or any new regulatory requirements, subject to receipt by the Security Trustee of a certificate of the Issuer or the Swap Counterparty certifying to the Security Trustee that the amendments requested by the Issuer or the Swap Counterparty, as the case may be, are to be made solely for the purpose of enabling the Issuer or the Swap Counterparty, as the case may be, to satisfy the EMIR Requirements, provided that the Security Trustee shall not be obliged to agree to any modification which, in the reasonable opinion of the Security Trustee, would have the effect of (A) exposing the Security Trustee to any additional liability or (B) adding to or increasing the obligations, liabilities or duties, or decreasing the protections, of the Security Trustee in respect of the Notes, the relevant Transaction Documents and/or the Conditions, (C) the transaction described in this Prospectus no longer satisfying the requirements set out in the EU Securitisation Regulation and/or the UK Securitisation Regulation and/or the CRR Amendment Regulation and further provided that the Security Trustee has received written confirmation from the Swap Counterparty in respect of the Swap Agreement that it has consented to such amendment.
- (iii) The Security Trustee shall agree with the other parties to any Transaction Document, without the consent of the Noteholders, to any modification of the relevant Transaction Documents in order to enable the Issuer to comply with any obligation which applies to it under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies and Commission Delegated Regulation (EU) 2015/3 (including, without limitation, any associated regulatory technical standards and advice, guidance or recommendations from relevant supervisory regulators) (the **CRA3 Requirements**), any requirements imposed by the EU Securitisation Regulation, the UK Securitisation Regulation and/or the CRR Amendment Regulation or any other obligation which applies to it under the CRA3 Requirements, the EU Securitisation Regulation, the UK Securitisation Regulation and/or the CRR Amendment Regulation and/or any new regulatory requirements, subject to receipt by the Security Trustee of a certificate of

the Issuer certifying to the Security Trustee that the amendments requested by the Issuer are to be made solely for the purpose of enabling the Issuer to satisfy its requirements under the CRA3 Requirements, the EU Securitisation Regulation, the UK Securitisation Regulation and/or the CRR Amendment Regulation and/or any new regulatory requirements provided that the Security Trustee shall not be obliged to agree to any modification which, in the reasonable opinion of the Security Trustee, would have the effect of (i) exposing the Security Trustee to any additional liability or (ii) adding to or increasing the obligations, liabilities or duties, or decreasing the protections, of the Security Trustee in respect of the Notes, the relevant Transaction Documents and/or the Conditions or (iii) the transaction described in this Prospectus no longer satisfying the requirements set out in the EU Securitisation Regulation, and/or the UK Securitisation Regulation and/or the CRR Amendment Regulation. Each other party to any relevant Transaction Document shall cooperate to the extent reasonably practicable with the Issuer in amending such Transaction Documents to enable the Issuer to comply with the CRA3 Requirements and/or the EU Securitisation Regulation and/or the UK Securitisation Regulation and/or the CRR Amendment Regulation and/or new regulatory requirements.

(iv) The Security Trustee shall agree with the other parties to any Transaction Document, without the consent of the Noteholders, to any modification to these Conditions or any of the relevant Transaction Documents (including the Swap Agreement) for the purpose of changing the benchmark rate in respect of the Class A Notes (the **Applicable Benchmark Rate**) to an alternative benchmark rate (any such rate, an **Alternative Benchmark Rate**) and making such other amendments to these Conditions or any Transaction Document as are necessary or advisable in the reasonable judgement of the Issuer to facilitate the changes envisaged pursuant to this Condition 14(iv) (for the avoidance of doubt, this may include modifications to when the rate of interest applicable to any Class of Notes is calculated and/or notified to Noteholders, adjustments to the margin payable on the Class A Notes or other such consequential modifications) (a **Benchmark Rate Modification**), provided that the Issuer certifies to the Security Trustee in writing that:

(A) the Benchmark Rate Modification is being undertaken due to any one or more of the following events (each a **Benchmark Rate Modification Event**):

- I. a material disruption to the Applicable Benchmark Rate, a material change in the methodology of calculating the Applicable Benchmark Rate or the Applicable Benchmark Rate ceasing to exist or be published, or the administrator of the Applicable Benchmark Rate having used a fallback methodology for calculating the Applicable Benchmark Rate for a period of at least 30 calendar days; or
- II. the insolvency or cessation of business of the administrator of the Applicable Benchmark Rate (in circumstances where no successor administrator has been appointed); or
- III. a public statement by the administrator of the Applicable Benchmark Rate that it will cease publishing the Applicable Benchmark Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Applicable Benchmark Rate) with effect from a date no later than 6 months after the proposed effective date of such Benchmark Rate Modification; or

- IV. a public statement by the supervisor of the administrator of the Applicable Benchmark Rate that the Applicable Benchmark Rate has been or will be permanently or indefinitely discontinued or there will be a material change in the methodology of calculating the Applicable Benchmark Rate with effect from a date no later than 6 months after the proposed effective date of such Benchmark Rate Modification; or
- V. a public statement by the supervisor of the administrator of the Applicable Benchmark Rate that means the Applicable Benchmark Rate will be prohibited from being used, or which means that the Applicable Benchmark Rate may no longer be used or that it is no longer a representative benchmark rate or that its use is subject to restrictions or adverse consequences with effect from a date no later than 6 months after the proposed effective date of such Benchmark Rate Modification; or
- VI. a change in the generally accepted market practice in the publicly listed mortgage-backed or 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 the Applicable Benchmark Rate; or
- VII. it having become unlawful and/or impossible and/or impracticable for the Reference Agent, the Issuer Account Bank or the Issuer to calculate any payments due to be made to any Noteholder using the Applicable Benchmark Rate; or
- VIII. it being the reasonable expectation of the Issuer that any of the events specified in sub-paragraphs (I), (II) or (VII) will occur or exist within six (6) months of the proposed effective date of such Benchmark Rate Modification; or
- IX. following the making of a Benchmark Rate Modification, it becomes 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 Notes pursuant to a Benchmark Rate Modification, in which case the Issuer is entitled to propose a further Benchmark Rate Modification pursuant to this Condition 14(e)(iv);

(B) such Alternative Benchmark Rate is any one or more of the following:

- I. a benchmark rate as published, endorsed, approved or recognised as a replacement to the Applicable Benchmark Rate by the applicable regulatory authorities (which, for the avoidance of doubt, may be an alternative benchmark rate together with a specified adjustment factor which may increase or decrease the relevant alternative benchmark rate); or



- II. a benchmark rate utilised in a material number of publicly-listed new issues of Euro denominated asset backed floating rate notes in the six months prior to the proposed effective date of such Benchmark Rate Modification; or
  - III. a benchmark rate utilised in a publicly-listed new issue of Euro denominated asset backed floating rate notes where the originator of the relevant assets is the Seller; or
  - IV. such other benchmark rate as the Issuer reasonably determines provided that this option may only be used if the Issuer certifies to the Security Trustee that, in its reasonable opinion, neither paragraphs I., II. or III. above are applicable and/or practicable in the context of the transaction constituted Transaction Documents and sets out the rationale in the Modification Certificate (as defined below) for choosing the proposed Alternative Benchmark Rate;
- (C) it shall be a requirement of any modification pursuant to this Condition 14(e)(iv) that:
- I. either (x) the party proposing the modification to a Transaction Document, if possible and if necessary with the cooperation of the Issuer, obtains from each of the Credit Rating Agencies written confirmation (or certifies in writing to the Issuer and the Security Trustee that the Credit Rating Agencies have been informed of the proposed Benchmark Rate Modification and none of the Credit Rating Agencies has indicated that the proposed Benchmark Rate Modification would result in a downgrade, withdrawal or suspension of the then current ratings assigned to any Class of Notes by such Credit Rating Agency and would not result in any Credit Rating Agency placing any Notes on rating watch negative (or equivalent)) that such modification would not result in a downgrade, withdrawal or suspension of the then current ratings assigned to any Class of Notes by such Credit Rating Agency and would not result in any Credit Rating Agency placing any Notes on rating watch negative (or equivalent) and, if relevant, delivers a copy of each such confirmation to the Issuer and the Security Trustee; or (y) the Issuer certifies in writing to the Security Trustee in the Modification Certificate or otherwise that the Credit Rating Agencies have been informed of the Benchmark Rate Modification and it has given the Credit Rating Agencies at least 30 Business Days' prior written notice of the proposed Benchmark Rate Modification and none of the Credit Rating Agencies has indicated that such modification would result in (i) a downgrade, withdrawal or suspension of the then current ratings assigned to any Class of the Notes by such Credit Rating Agency or (ii) such Credit Rating Agency placing any Notes on rating watch negative (or equivalent);
  - II. the Issuer has given at least 10 Business Days' prior written notice of the proposed Benchmark Rate Modification to the Security Trustee and the Paying Agent before publishing a Benchmark Rate Modification Noteholder Notice; and

- III. the Issuer has provided to the Most Senior Class a Benchmark Rate Modification Noteholder Notice, at least 30 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 Business Days prior to the next Interest Determination Date), in accordance with Condition 13 (*Notices*) and by publication on Bloomberg on the "Company News" screen relating to the Notes and the Noteholders representing at least 10 per cent. of the aggregate Principal Amount Outstanding of the Most Senior Class then outstanding have not directed the Issuer/ or the Paying Agent in writing (or otherwise directed the Issuer or the Paying Agent in accordance with the then current practice of any applicable clearing system through which such Notes may be held) within such notification period that such Noteholders do not consent to the Benchmark Rate Modification.
- (v) The Security Trustee shall agree with the other parties to any Transaction Document, without the consent of the Noteholders, to any modification of the relevant Transaction Documents (including the Swap Agreement) for the purpose of complying with, or implementing or reflecting, any change in the criteria of one or more of the Credit Rating Agencies which may be applicable from time to time, provided that in relation to any such amendment:
- (A) the Issuer certifies in writing to the Security Trustee that such modification is necessary to comply with such criteria or, as the case may be, is solely to implement and reflect such criteria; and
- (B) in the case of any modification to a Transaction Document proposed by any of the Issuer Account Bank, the Cash Advance Facility Provider or the Swap Counterparty in order (x) to remain eligible to perform its role in such capacity in conformity with such criteria and/or (y) to avoid taking action which it would otherwise be required to take to enable it to continue performing such role (including, without limitation, posting collateral or advancing funds):
- I. the party proposing the modification to a Transaction Document, certifies in writing to the Issuer and the Security Trustee that such modification is necessary for the purposes described in paragraph (B)(x) and/or (y) above (and in the case of a certification provided to the Issuer, the Issuer shall certify to the Security Trustee that it has received the same from such party);
- II. (1) the Issuer, if possible and if necessary with the cooperation of the party proposing the modification to a Transaction Document, obtains from each of the Credit Rating Agencies written confirmation (or certifies in writing to the Issuer and the Security Trustee that the Credit Rating Agencies have been informed of the proposed modification and none of the Credit Rating Agencies has indicated that such modification would result in a downgrade, withdrawal or suspension of the then current ratings assigned to any Class of Notes by such Credit Rating Agency and would not result in any Credit Rating Agency placing any Notes on rating watch negative

(or equivalent)) that such modification would not result in a downgrade, withdrawal or suspension of the then current ratings assigned to any Class of Notes by such Credit Rating Agency and would not result in any Credit Rating Agency placing any Notes on rating watch negative (or equivalent) and, if relevant, delivers a copy of each such confirmation to the Issuer and the Security Trustee; or

- (2) the Issuer certifies in writing to the Security Trustee that the Credit Rating Agencies have been informed of the proposed modification and none of the Credit Rating Agencies has indicated within 30 Business Days after being informed thereof that such modification would result in (x) a downgrade, withdrawal or suspension of the then current ratings assigned to any Class of the Notes by such Credit Rating Agency or (y) such Credit Rating Agency placing any Notes on rating watch negative (or equivalent); and
- (3) the Issuer pays all costs and expenses (including legal fees) incurred by the Issuer and the Security Trustee or any other Transaction Party which is a party to such Transaction Document in connection with such modification.

- (vi) The Security Trustee shall agree with the other parties to any Transaction Document, without the consent of the Noteholders, to any modification of the relevant Transaction Documents (including the Swap Agreement) for the purpose of (i) complying with any changes in the requirements of Article 6 of the EU Securitisation Regulation or Article 6 of the UK Securitisation Regulation or Section 15G of the Securities Exchange Act of 1934 (as amended), as added by section 941 of the Dodd-Frank Act, after the Closing Date, including as a result of the adoption of regulatory technical standards in relation to the EU Securitisation Regulation or any other risk retention legislation or regulations or official guidance in relation thereto, (ii) enabling the Notes to comply with the requirements of the EU Securitisation Regulation, the UK Securitisation Regulation and/or the CRR Amendment Regulation or (iii) complying with any risk retention requirements which may replace any of the requirements of Article 6 of the EU Securitisation Regulation or Article 6 of the UK Securitisation Regulation or Section 15G of the Securities Exchange Act of 1934 (as amended), as added by section 941 of the Dodd-Frank Act, provided that the party proposing the modification to a Transaction Document, supported by the Issuer (provided that the Issuer believes such proposal is not prejudicial to its interest and would not result in the transaction described in this Prospectus no longer satisfying the requirements set out in the EU Securitisation Regulation and/or the UK Securitisation Regulation and/or the CRR Amendment Regulation), if requested by the party proposing the modification, certifies to the Security Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect;
- (vii) The Security Trustee shall agree with the other parties to any Transaction Document, without the consent of the Noteholders, to any modification of the relevant Transaction Documents for the purpose of enabling the Class A Notes to be (or to remain) listed and admitted to trading on Euronext Amsterdam, provided that the party proposing the modification to a Transaction Document, supported by the Issuer (provided that the Issuer believes such proposal is not prejudicial to its interest and

would not result in the transaction described in this Prospectus no longer satisfying the requirements set out in the EU Securitisation and/or the CRR Amendment Regulation) if requested by the party proposing the modification, certifies to the Security Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect.

For the purpose of this Condition 14(e) the certificate to be provided by the Issuer, the Issuer Account Bank, the Swap Counterparty, the Cash Advance Facility Provider and/or the relevant Transaction Party, as the case may be, pursuant to Condition (14)(e)(ii), (14)(e)(iii) and (14)(e)(iv), is referred to as modification certificate (being a **Modification Certificate**).

Any modification made pursuant to this Condition 14(e) shall be subject to the following conditions:

- (i) at least 30 calendar days' prior written notice of any such proposed modification has been given to the Security Trustee;
- (ii) the Modification Certificate in relation to such modification shall be provided to the Security Trustee both at the time the Security Trustee is notified of the proposed modification and on the date that such modification takes effect;
- (iii) the consent of each Secured Creditor which is party to the relevant Transaction Document or whose ranking in any Priority of Payments is affected has been obtained;
- (iv) the Issuer certifies in writing to the Security Trustee (which certification may be in the Modification Certificate) that the Issuer has provided at least 30 calendar days' notice to the Noteholders of each Class of the proposed modification in accordance with Condition 13 (*Notices*) and by publication on Bloomberg on the "Company News" screen relating to the Notes, and Noteholders representing at least 10 per cent. of the aggregate Principal Amount Outstanding of the Most Senior Class have not contacted the Issuer or Paying Agent 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 notifying the Issuer or Paying Agent that such Noteholders do not consent to the modification;
- (v) the party proposing the modification to a Transaction Document pays all costs and expenses (including legal fees) incurred by the Issuer and the Security Trustee or any other Transaction Party which is a party to such Transaction Document in connection with such modification;
- (vi) such modification would not result in the transaction described in this Prospectus no longer satisfying the requirements set out in the EU Securitisation Regulation and/or the UK Securitisation Regulation and/or the CRR Amendment Regulation; and
- (vii) each of the Issuer and the Security Trustee is entitled to incur reasonable costs to obtain advice from external advisers in relation to such proposed amendment.

If Noteholders representing at least 10 per cent. of the aggregate Principal Amount Outstanding of the Most Senior Class of Notes then outstanding have notified the Issuer or Paying Agent in writing (or otherwise in accordance with the then current practice of any applicable clearing system through which such Notes may be held, a copy of which notification the Paying Agent shall promptly provide to the Issuer and the Security Trustee) within the notification period referred to above that they do not consent to a modification proposed pursuant to paragraph (C) above, then such modification will not be made unless an

Extraordinary Resolution of the holders of the Most Senior Class of Notes then outstanding is passed in favour of such modification in accordance with this Condition 14.

Notwithstanding anything to the contrary in this Condition 14(e) or any Transaction Documents, the Swap Counterparty's prior written consent – which shall be requested in writing sent to the addresses set out in the (schedule to the) Swap Agreement – is required for any waiver, modification or amendment to the Conditions or the Transaction Documents, or consent to a waiver, modification or amendment to the Conditions or the Transaction Documents, if such waiver, modification, amendment or consent:

- (i) adversely affects in any respect (I) the amount, timing or priority of any payment or delivery to the Swap Counterparty; (II) the validity of any security granted pursuant to the Transaction Documents; or (III) any rights that the Swap Counterparty has in respect of such security;
- (ii) causes (I) the Issuer's obligations under the Swap Agreement to be further contractually subordinated relative to the level as of the Closing Date in relation to the Issuer's obligations to any other Secured Creditor or (II) a Priority of Payments to be amended in a manner materially prejudicial to the Swap Counterparty;
- (iii) is materially prejudicial to the Swap Counterparty in any respect;
- (iv) in the event the Swap Counterparty were to replace itself as swap counterparty under the Swap Agreement, would cause the Swap Counterparty to pay more or receive less, in connection with such replacement, as compared to what the Swap Counterparty would have been required to pay or would have received had such modification or amendment not been made; or
- (v) relates to an amendment of these paragraphs (i) to (v),

unless the Swap Counterparty has failed to respond to the request to the proposed waiver, modification or amendment (or consent in respect thereof) each within 15 Business Days of written request by the Issuer (in which case the Security Trustee may agree to any such waivers, modifications or amendments without consent of the Swap Counterparty). The Issuer shall send any proposed amendment referred to in paragraphs (i) to (v) above to the Swap Counterparty.

Notwithstanding anything to the contrary in this Condition 14(e) or any Transaction Document:

- (i) when implementing any modification pursuant to this Condition 14(e) other than pursuant to Condition 14(e)(i) (save to the extent the Security Trustee considers that the proposed modification would constitute a Basic Terms Change or so required in accordance with this Condition 14(e)), the Security Trustee shall not consider the interests of the Noteholders, any other Secured Creditor or any other person and shall act and rely solely and without further investigation on any certificate or evidence provided to it by the Issuer or the relevant Transaction Party, as the case may be, pursuant to this Condition 14(e) and shall not be liable to the Noteholders, any other Secured 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 Security Trustee shall not be obliged to agree to any modification which, in the sole opinion of the Security Trustee would have the effect of (i) exposing the Security

Trustee to any liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or (ii) increasing the obligations or duties, or decreasing the rights or protection, of the Security Trustee in the Transaction Documents and/or these Conditions.

Any such 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 Notes rated by a Credit Rating Agency remains outstanding, such Credit Rating Agency;
- (ii) the Secured Creditors; and
- (iii) the Noteholders in accordance with Condition 13 (*Notices*).

**Basic Terms Change** means, in respect of Notes of one or more Class or Classes, as the case may be, a change (i) of the date of maturity of the relevant Notes, (ii) which would have the effect of postponing any day for payment of interest in respect of the relevant Notes, (iii) of the amount of principal payable in respect of the relevant Notes, (iv) of the rate of interest applicable in respect of the relevant Notes, (v) of the Revenue Priority of Payments, the Principal Priority of Payments or the Post-Enforcement Priority of Payments or (vi) of the quorum or majority required to pass an Extraordinary Resolution. For the avoidance of doubt any Benchmark Rate Modification or amendments to (continue to) comply with EMIR Requirements do not qualify as Basic Terms Change.

**Benchmark Rate Modification Noteholder Notice** means a written notice from the Issuer to notify Noteholders of a proposed Benchmark Rate Modification notifying the following: (a) the date on which it is proposed that the Benchmark Rate Modification shall take effect; (b) the period during which Noteholders who are Noteholders on the Benchmark Rate Modification Record Date (which shall be five Business Days from and excluding the date of publication of the Benchmark Modification Noteholder Notice (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 30 calendar days) and the method by which they may object; (c) the Benchmark Rate Modification Event or Events which has or have occurred; (d) the Alternative Benchmark Rate which is proposed to be adopted pursuant to Condition (14)(e)(iv) and the rationale for choosing the proposed Alternative Benchmark Rate; (e) details of any Note Rate Maintenance Adjustment provided that (A) if any applicable regulatory authority or relevant committee or other body established, sponsored or approved by any applicable regulatory authority, has published, endorsed, approved or recognised a note rate maintenance adjustment mechanism which could be used in the context of a transition from the Applicable Benchmark Rate to the Alternative Benchmark Rate, then the Issuer shall propose that note rate maintenance adjustment mechanism as the Note Rate Maintenance Adjustment, or otherwise the Issuer shall set out in the notice to Noteholders the rationale for concluding that this is not a commercial and reasonable approach in relation to the Notes and the proposed Benchmark Rate Modification; or (B) if it has become generally accepted market practice in the publicly listed asset backed floating rate notes to use a particular note rate maintenance adjustment mechanism in the context of a transition from the Applicable Benchmark Rate to the Alternative Benchmark Rate, then the Issuer shall propose that note rate maintenance adjustment mechanism as the Note Rate Maintenance Adjustment, or otherwise the Issuer shall set out in the notice to Noteholders the rationale for concluding that this is not a commercial and reasonable approach in relation to the Notes and the proposed Benchmark

Rate Modification; or (C) if neither (A) nor (B) above apply, the Issuer shall use reasonable endeavours to propose an alternative Note Rate Maintenance Adjustment as reasonably determined by the Issuer and shall set out the rationale for the proposal or otherwise the Issuer shall set out in the notice to Noteholders the rationale for concluding that this is not a commercial and reasonable approach in relation to the Notes and the proposed Benchmark Rate Modification; and (D) if any Note Rate Maintenance Adjustment is proposed, the Note Rate Maintenance Adjustment applicable to each Class of Notes other than the Most Senior Class shall be at least equal to that applicable to the Most Senior Class. In circumstances where the Issuer proposes a lower Note Rate Maintenance Adjustment on any Class of Notes other than the Most Senior Class than that which is proposed for the Most Senior Class or another Class of Notes which ranks senior to the Class of Notes to which the lower Note Rate Maintenance Adjustment is proposed to be made, the Benchmark Rate Modification will not be made unless an Extraordinary Resolution is passed in favour of such modification in accordance with this Condition 14 by the Noteholders of each Class of Notes then outstanding to which the lower Note Rate Maintenance Adjustment is proposed to be made; and (E) for the avoidance of doubt, the Note Rate Maintenance Adjustment may effect an increase or a decrease to the margin or may be set at zero; and (F) details of any modifications that the Issuer has agreed will be made to any hedging agreement to which it is a party for the purpose of aligning any such hedging agreement with the proposed Benchmark Rate Modification or, where it has not been possible to agree such modifications with hedging counterparties, why such agreement has not been possible and the effect that this may have on the transaction constituted by the Transaction Documents (in the view of the Issuer); and (G) details of (i) other 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 this Condition 14.

**Extraordinary Resolution** means a resolution passed at a Meeting duly convened and held by the Noteholders of one or more Class or Classes, as the case may be, by a majority of not less than two-thirds of the validly cast votes, except that in case of an Extraordinary Resolution approving a Basic Terms Change the majority required shall be at least seventy-five (75) per cent. of the validly cast votes.

**Note Rate Maintenance Adjustment** means the adjustment (which may be positive or negative) which the Issuer proposes to make (if any) to the margin payable on each Class of Notes which are the subject of the Benchmark Rate Modification in order to, so far as reasonably and commercially practicable, preserve what would have been the expected Rate of Interest applicable to each such Class of Notes had no such Benchmark Rate Modification been effected.

## 15. Replacement of Notes and Coupons

Should any Note or Coupon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the office of the Paying Agent upon payment by the claimant of the expenses incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Notes or Coupons must be surrendered, in the case of Notes together with all unmatured Coupons appertaining thereto, in the case of Coupons together with the Note and all unmatured Coupons to which they appertain (*mantel en blad*), before replacements will be issued.

## 16. Governing Law and Jurisdiction

The Notes and Coupons, and any non-contractual obligations arising out of or in relation to the Notes, are governed by, and will be construed in accordance with, Dutch law. Any disputes arising out of or in connection with the Notes and Coupons, including, without limitation, disputes relating to any non-

contractual obligations arising out of or in relation to the Notes and Coupons, shall be submitted to the exclusive jurisdiction of the competent courts of Amsterdam, the Netherlands.



## 4.2 Form

Each Class of Notes shall be initially represented by a Temporary Global Note in bearer form, without coupons, (i) in the case of the Class A Notes, in the principal amount of EUR 500,000,000, (ii) in the case of the Class B Notes, in the principal amount of EUR 22,521,000, (iii) in the case of the Class C Notes, in the principal amount of EUR 3,920,000.

The Notes will be held in book-entry form.

Each Temporary Global Note will be in new global note form and will be deposited with the Common Safekeeper on or about the Closing Date. Upon deposit of each such Temporary Global Note, the Common Safekeeper will credit each purchaser of Notes represented by such Temporary Global Note with the principal amount of the relevant Class of Notes equal to the principal amount thereof for which it has purchased and paid. Interests in each Temporary Global Note will be exchangeable (provided certification of non-U.S. beneficial ownership by the Noteholders has been received) not earlier than the Exchange Date for interests in a Permanent Global Note in bearer form, without coupons, in the principal amount of the Notes of the relevant Class. On the exchange of the Temporary Global Note for the Permanent Global Note, the Permanent Global Note will remain deposited with the Common Safekeeper.

### Eurosystem Eligibility

The Class A Notes are intended to be held in a manner which will allow Eurosystem eligibility. The Class A Notes are intended upon issue to be deposited with the Common Safekeeper, which is a recognised International Central Securities Depository, but this does not necessarily mean that the Class A Notes will be recognised as Eurosystem Eligible Collateral either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction at the Eurosystem's discretion of the Eurosystem eligibility criteria, as amended from time to time, including compliance with loan-by-loan reporting in a prescribed format and manner. It should be noted that, with effect from 1 October 2021 (but subject to certain transitional provisions), amended Eurosystem rules apply to loan-by-loan reporting whereby loan-level reporting via an ESMA-authorized securitisation repository in compliance with Article 7 of the EU Securitisation Regulation applies. For further details on compliance with Article 7 of the EU Securitisation Regulation see Section 4.4 (*Regulatory and Industry Compliance*) and Section 5.8 (*Transparency Reporting Agreement*) below. The Class B Notes and the Class C Notes are not intended to be held in a manner which allows Eurosystem eligibility.

### Transferability

The Global Notes will be transferable by delivery. Each Permanent Global Note will be exchangeable for Notes in definitive form only in the exceptional circumstances described below. Such Notes in definitive form shall be issued in denominations of EUR 100,000 and in integral multiples of EUR 1,000 in excess thereof with a maximum denomination of EUR 199,000 or, as the case may be, in the then Principal Amount Outstanding of the Notes on such exchange date.

For so long as any Notes are represented by a Global Note, such Notes will be transferable in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg, as appropriate, in the minimum authorised denomination of EUR 100,000 and in integral multiples of EUR 1,000 in excess thereof with a maximum denomination of EUR 199,000. Notes in definitive form, if issued, will only be printed and issued in denominations of EUR 100,000 and in integral multiples of EUR 1,000 in excess thereof with a maximum denomination of EUR 199,000. No Notes in definitive form will be issued with a denomination above EUR 199,000. All such definitive Notes will be serially numbered and will be issued in bearer form and with (at the date of issue and in respect of the Class A Notes only) Coupons and, if necessary, talons attached.

Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a Note will be entitled to receive any payment made in respect of that Note in accordance with the respective rules and procedures of Euroclear or, as the case may be, Clearstream, Luxembourg. Such persons shall have no

claim directly against the Issuer in respect of payments due on the Notes which must be made by the holder of a Global Note for so long as such Global Note is outstanding. Each person must give a certificate as to non-U.S. beneficial ownership as of the date on which the Issuer is obliged to exchange a Temporary Global Note for a Permanent Global Note, which date shall be no earlier than the Exchange Date, in order to obtain any payment due on the Notes. Payments will be made on behalf of the Issuer to the persons shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a Note, at the close of the business day (being for this purpose a day on which Euroclear and Clearstream, Luxembourg are open for business) before the relevant due date at the address shown in the register on the close of the business before the relevant due date and at the risk of the holder of the Note and such registered holder will be the only person entitled to receive payments in respect of such Note and the Issuer will be discharged by payment to, or to the order of the registered holder of such Note in respect of each amount so paid. No person other than the registered holder of the Notes evidenced by the records of Euroclear or Clearstream, Luxembourg shall have any claim against the Issuer in respect of any payment due on such Note.

### **Notices**

For so long as all of the Notes are represented by the Global Notes, and such Global Notes are held on behalf of Euroclear and/or Clearstream, Luxembourg, notices to Noteholders may be given by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg (as the case may be) for communication to the relevant accountholders rather than by publication as required by Condition 13 (provided that, in the case any publication required by a stock exchange, that stock exchange agrees or, as the case may be, any other publication requirement of such stock exchange will be met). Any such notice delivered on or prior to 4.00 p.m. (local time) on a Business Day in the city in which it was delivered shall be deemed to have been given to the Noteholders on such Business Day. A notice delivered after 4.00 p.m. (local time) on a Business Day in the city in which it was delivered will be deemed to have been given to the Noteholders on the next following Business Day in such city.

### **Persons deemed Noteholder**

For so long as the Notes of a particular Class are represented by a Global Note, each person who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular principal amount of that Class of Notes will be treated by the Issuer and the Security Trustee as a holder of such principal amount of that Class of Notes and the expression "Noteholder" shall be construed accordingly, but without prejudice to the entitlement of the bearer of the relevant Global Note to be paid principal thereon and, in respect of the Class A Notes, interest with respect thereto in accordance with and subject to its terms. Any statement in writing issued by Euroclear or Clearstream, Luxembourg as to the persons shown in its records as being entitled to such Notes and the respective principal amount of such Notes held by them shall be conclusive for all purposes.

### **Exchange of Global Notes for Definitive Notes**

If after the Exchange Date (i) Euroclear and Clearstream, Luxembourg are closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announce an intention permanently to cease business and no alternative clearance system satisfactory to the Security Trustee is available, or (ii) as a result of any amendment to, or change in the laws or regulations of the Netherlands (or of any political sub-division thereof) or of any authority therein or thereof having power to tax, or in the interpretation or administration of such laws or regulations, which becomes effective on or after the Closing Date, the Issuer or Paying Agent is or will make any deduction or withholding on account of tax from any payment in respect of the Notes which would not be required were the Notes in definitive form, then the Issuer will, at its sole cost and expense, issue:

- (i) Class A Notes in definitive form in exchange for the whole outstanding interest in the Permanent Global Note in respect of the Class A Notes;

- (ii) Class B Notes in definitive form in exchange for the whole outstanding interest in the Permanent Global Note in respect of the Class B Notes; and
- (iii) Class C Notes in definitive form in exchange for the whole outstanding interest in the Permanent Global Note in respect of the Class C Notes.

### **Information Regarding Euroclear and Clearstream, Luxembourg**

The Issuer has been advised in respect of Euroclear and Clearstream, Luxembourg as follows:

Euroclear and Clearstream, Luxembourg each hold securities for their account holders and facilitate the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders, thereby eliminating the need for physical movements of certificates and any risk from lack of simultaneous transfers of securities.

Euroclear and Clearstream, Luxembourg each provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg each also deal with domestic securities markets in several countries through established depository and custodial relationships. The respective systems of Euroclear and Clearstream, Luxembourg have established an electronic bridge between their two systems across which their respective account holders may settle trades with each other.

Account holders in both Euroclear and Clearstream, Luxembourg are world-wide financial institutions including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to both Euroclear and Clearstream, Luxembourg is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system.

An account holder's overall contractual relations with either Euroclear or Clearstream, Luxembourg are governed by the respective rules and operating procedures of Euroclear or Clearstream, Luxembourg and any applicable laws. Both Euroclear and Clearstream, Luxembourg act under such rules and operating procedures only on behalf of their respective account holders, and have no record of or relationship with persons holding through their respective account holders.

The Issuer understands that under existing industry practices, if either the Issuer or the Security Trustee requests any action of owners of beneficial interests in Global Notes or if an owner of a beneficial interest in Notes evidenced by a Global Note desires to give instructions or take any action that a holder is entitled to give or take under the Trust Deed, Euroclear or Clearstream, Luxembourg, as the case may be, would authorise the participants owning the relevant beneficial interest in the Notes evidenced by the Global Note(s) to give instructions or take such action, and such participants would authorise indirect participants to give or take such action or would otherwise act upon the instructions of such indirect participants.

### 4.3 Subscription and Sale

Pursuant to the Subscription Agreement, LBCMW has agreed with the Issuer, subject to certain conditions, to subscribe for and purchase the Class A Notes at the Issue Price. Only the Class A Notes will be purchased by LBCMW. The Seller has, pursuant to the Subscription Agreement, agreed with the Issuer, subject to certain conditions precedent being satisfied, to subscribe and pay, or procure the subscription and payment for the Class B Notes and the Class C Notes at the Issue Price. The Issuer and the Seller have agreed to indemnify and reimburse the Joint Lead Managers against certain liabilities and expenses in connection with the issue of the Notes.

Citibank Global Markets Europe AG will not be involved in the offering and/or placement of the Class A Notes, and will not be undertaking to subscribe for any Class A Notes.

The Subscription Agreement contains customary representations and warranties of the Issuer and the Seller, including with respect to compliance with the EU Securitisation Regulation and the UK Securitisation Regulation.

The Subscription Agreement shall be governed by Dutch law.

#### **Prohibition of Sales to EEA Retail Investors**

LBCMW has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the European Economic Area. For the purposes of this provision:

- (a) the expression “retail investor” means a person who is one (or more) of the following:
  - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, **MiFID II**); or
  - (ii) a customer within the meaning of Directive 2016/97/EU (as amended, the **Insurance Distribution Directive**), 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; and
- (b) the expression “offer” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes.

#### **Prohibition of sales to UK Retail Investors**

LBCMW has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the United Kingdom. For the purposes of this provision:

- (a) the expression “retail investor” means a person who is one (or more) of the following:
  - (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (as amended by the European Union (Withdrawal Agreement) Act 2020) (the **EUWA**); or

- (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 as amended (**FSMA**) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law of the United Kingdom by virtue of the EUWA; or
  - (iii) not a qualified investor as defined in Article 2 of the Prospectus Regulation as it forms part of domestic law of the United Kingdom by virtue of the EUWA; and
- (b) the expression an **offer** includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

### **United Kingdom**

LBCMW has 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 FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA would not, if the Issuer was not an authorised person, 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 any Notes in, from or otherwise involving the United Kingdom.

### **France**

LBCMW has represented and agreed that it has not offered or sold and will not offer or sell, directly or indirectly, Notes to the public in France, and has not made and will not make any communication by any means about the offer to the public in France, and has not distributed, released or issued or caused to be distributed, released or issued and will not distribute, release or issue or cause to be distributed, released or issued to the public in France, or used in connection with any offer for subscription or sale of the Notes to the public in France, this Prospectus, or any other offering material relating to the Notes, and that such offers, sales, communications and distributions have been and shall be made in France only to qualified investors (*investisseurs qualifiés*) (other than individuals), as defined in Article 2(e) of the Prospectus Regulation.

This Prospectus and any other offering material relating to the Notes have been distributed on the basis that the investors subscribing the Notes act for their own account and any direct and indirect distribution, transfer or sale by them of such Notes in France may only be made in compliance with the Prospectus Regulation, the French Monetary and Financial Code and the *Règlement Général* of the French *Autorité des Marchés Financiers* (**AMF**).

In addition, pursuant to Article 211-3 of the *Règlement Général* of the AMF, the Joint Lead Managers must disclose to any qualified investors as described above that the offer does not require a prospectus to be submitted for approval to the AMF.

### **Italy**

No application has been or will be made by any person to obtain an authorization from Commissione Nazionale per le Società e la Borsa (**CONSOB**) for the public offering (*offerta al pubblico*) of the Notes in the Republic

of Italy. Accordingly, no Notes may be offered, sold or delivered, nor may copies of this Prospectus or of any other document relating to the Notes be distributed in the Republic of Italy, except:

- (i) to qualified investors (*investitori qualificati*), as defined pursuant to Article 100 of Legislative Decree No. 58 of 24 February 1998, as amended (the **Financial Services Act**) and Article 34-ter, first paragraph, letter (b) of CONSOB Regulation No. 11971 of 14 May 1999, as amended from time to time (**Regulation No. 11971**); or
- (ii) in any other circumstances where an express exemption from compliance with the rules relating to public offers of financial products (*offerta al pubblico di prodotti finanziari*) provided for by the Financial Services Act and the relevant implementing regulations (including Regulation No. 11971).

Any offer, sale or delivery of the Notes or distribution of copies of the Prospectus or any other document relating to the Notes in the Republic of Italy under (i) or (ii) above must:

- (a) be made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 20307 of 15 February 2018 (as amended from time to time) and Legislative Decree No. 385 of 1 September 1993, as amended (the **Banking Act**); and
- (b) comply with any other applicable laws and regulations or requirement imposed by CONSOB, the Bank of Italy (including the reporting requirements, where applicable, pursuant to Article 129 of the Banking Act and the implementing guidelines of the Bank of Italy, as amended from time to time) and/or any other Italian authority.

## United States

The Notes have not been and will not be registered under the Securities Act or the securities laws of any State or other jurisdiction of the United States 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 certain transactions exempt from or not just subject to the registration requirements of the Securities Act. Terms used in this paragraph have the meaning given to them under Regulation S of the Securities Act.

The Notes are in bearer form and are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to, or for the account or benefit of, a U.S. person, except in certain transactions permitted by U.S. Treasury regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and the regulations promulgated thereunder.

LBCMW has agreed that it will not offer, sell or deliver the Notes (i) as part of its distribution at any time or (ii) otherwise until forty (40) days after the later of (x) the completion of the distribution of all the Notes as determined and certified by LBCMW and (y) the Closing Date, within the United States or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S of the Securities Act and it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration to which it sells Notes during the distribution compliance period (as defined in Regulation S) a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meaning given to them under Regulation S of the Securities Act.

In addition, until forty (40) days after the commencement of the offering of the Notes, an offer or sale of the Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with available exemptions from registration under the Securities Act.

In order to comply with the safe harbour for certain foreign-related transactions set forth in the U.S. Risk Retention Rules, the Notes may not be sold or transferred to Risk Retention U.S. Persons.

## **General**

The distribution of this Prospectus and the offering and sale of the Notes in certain jurisdictions may be restricted by law; persons into whose possession this Prospectus comes are required by the Issuer to inform themselves about and to observe any such restrictions. No action has been taken by the Issuer, the Arranger or the Joint Lead Managers, which would or has been intended to permit a public offering of the Notes, or possession or distribution of this Prospectus or other offering material relating to the Notes, in any country or jurisdiction where action for that purpose is required. This Prospectus or any part thereof does not constitute an offer, or an invitation to sell or a solicitation of an offer to buy the Notes in any jurisdiction to any person to whom it is unlawful to make such an offer or solicitation in such jurisdiction.

LBCMW has undertaken not to offer or sell directly or indirectly any Notes, or to distribute or publish this Prospectus or any other material relating to the Notes in or from any country or jurisdiction, where such an offer or solicitation is not authorised or is unlawful.

## 4.4 Regulatory and Industry Compliance

### *EU and UK Risk Retention*

The Seller, in its capacity as the “originator”, within the meaning of Article 2(3) of the EU Securitisation Regulation has undertaken to the Issuer, the Security Trustee and the Arranger to retain, on an ongoing basis, a material net economic interest of not less than five (5) per cent. in the securitisation in accordance with Article 6(1) of the EU Securitisation Regulation (which does not take into account any relevant national measures) (the **EU Retention Requirements**).

In addition, although the UK Securitisation Regulation is not applicable to it, the Seller will retain (on a contractual basis), as originator, on an ongoing basis, a material net economic interest of not less than 5 per cent. in the securitisation in accordance with Article 6 of the UK Securitisation Regulation, as if it were applicable to it and as in force on the Closing Date (the **UK Retention Requirements** and together with the EU Retention Requirements, the **Retention Requirements**). Prospective investors should note that the obligation of the Seller to comply with the UK Retention Requirements is strictly contractual and the Seller has elected to comply with such requirements as if it were applicable to it and as such requirements are interpreted and applied on the Closing Date. In case of any changes to the UK Securitisation Regulation after the Closing Date, the Seller has undertaken to use its reasonable endeavours to continue to comply with the relevant requirements of the UK Securitisation Regulation.

As at the Closing Date, the Retention Requirements will be complied with by the Seller holding such material net economic interest in accordance with Article 6(3)(d) of the EU Securitisation Regulation and Article 6(3)(d) of the UK Securitisation Regulation by holding the entire interest in the first loss tranches of the securitisation transaction described in this Prospectus (held through the Class B Notes and the Class C Notes).

### *U.S. risk retention requirements*

Section 941 of the Dodd-Frank Act amended the Exchange Act to generally require the “securitiser” of a “securitisation transaction” to retain at least 5 per cent. of the “credit risk” of “securitised assets”, as such terms are defined for purposes of that act, and generally prohibit a securitiser from directly or indirectly eliminating or reducing its credit exposure by hedging or otherwise transferring the credit risk that the securitiser is required to retain. The U.S. Risk Retention Rules came into effect on 24 December 2015 for residential-mortgage backed securities and 24 December 2016 with respect to all other classes of asset-backed securities. The U.S. Risk Retention Rules provide that the securitiser of an asset backed securitisation is its sponsor. The U.S. Risk Retention Rules also provide for certain exemptions from the risk retention obligation that they generally impose.

The Seller does not intend to retain at least 5 per cent. of the credit risk of the Issuer for the purposes of 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 Securities Act; (2) no more than 10 per cent. of the dollar value (or equivalent amount in the currency in which the securities are issued) of all classes of securities issued in the securitisation transaction are sold or transferred to U.S. persons (in each case, as defined in the U.S. Risk Retention Rules) 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 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.

The Seller has advised the Issuer that it has not acquired, and it does not intend to acquire more than 25 per cent. of the assets from an affiliate or branch of the Seller or the Issuer that is 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 different from the definition of “U.S. person” under Regulation S. 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), which are different than comparable provisions from Regulation S.

***Reporting and disclosure under the EU Securitisation Regulation, the UK Securitisation Regulation and the Closing Date UK Securitisation Regulation***

For the purpose of Article 7(2) of the EU Securitisation Regulation and Article 7(2) of the Closing Date UK Securitisation Regulation, the Seller, as ‘originator’ within the meaning of Article 2(3)(b) of the EU Securitisation Regulation and Article 2(3)(b) of the Closing Date UK Securitisation Regulation and applicable national implementing measures, has been designated as the Reporting Entity and shall be responsible for compliance with the requirements of Article 7 of the EU Securitisation Regulation and Article 7 of the Closing Date UK Securitisation Regulation and applicable national implementing measures and will either fulfil such requirements itself or shall procure that such requirements are complied with on its behalf.

The Reporting Entity (or any agent on its behalf) will:

- (i) publish a quarterly investor report in respect of each Notes Calculation Period, as required by and in accordance with Article 7(1)(e) of the EU Securitisation Regulation, the Article 7 Technical Standards, Article 7(1)(e) of the Closing Date UK Securitisation Regulation and the Article 7 UK Technical Standards, which shall be provided substantially in the form of the Transparency Investor Report by no later than the relevant Notes Payment Date simultaneously with the relevant loan-by-loan information;
- (ii) publish on at least a quarterly basis certain loan-by-loan information in relation to the Mortgage Receivables in respect of each Notes Calculation Period, as required by and in accordance with Article 7(1)(a) of the EU Securitisation Regulation, the Article 7 Technical Standards, Article 7(1)(a) of the Closing Date UK Securitisation Regulation and the Article 7 UK Technical Standards, which shall be provided in the form of the Transparency Data Tape by no later than the relevant Notes Payment Date simultaneously with the relevant quarterly investor report;
- (iii) make available, by publication by EuroABS, on an ongoing basis, the liability cash flow model as referred to in Article 22(3) of the EU Securitisation Regulation to Noteholders and, upon request, to potential investors in accordance with Article 22(3) of the EU Securitisation Regulation and if there are any significant changes to the cash flows, will update such liability cash flow model accordingly;
- (iv) publish any information required to be reported pursuant to Articles 7(1)(f) or 7(1)(g) (as applicable) of the EU Securitisation Regulation, the Article 7 Technical Standards, Article 7(1)(f) or 7(1)(g) (as applicable) of the Closing Date UK Securitisation Regulation (subject to the Securitisation Repository Undertaking), the Article 7 UK Technical Standards, without delay and in accordance with the Article 7 Technical Standards and the Article 7 UK Technical Standards.

To the extent there are any amendments, variations or modifications to the Closing Date UK Securitisation Regulation, the Seller (in its capacity as Reporting Entity) undertakes to use reasonable efforts to comply with the UK Securitisation Regulation (as amended).

The Reporting Entity confirms that:

- (i) it has made available this Prospectus and the Transaction Documents as required by Article 7(1)(b) of the EU Securitisation Regulation and Article 7(1)(b) of the Closing Date UK Securitisation Regulation (in draft form) prior to the pricing of the Notes and that it will procure that final documents are provided no later than fifteen (15) calendar days after the Closing Date by means of the EU SR Repository;

- (ii) the EU STS Notification required pursuant to Article 7(1)(d) of the EU Securitisation Regulation (and prepared in accordance with the EU STS Notification Technical Standards) has been made available (in draft form) by means of the EU SR Repository prior to the pricing of the Notes and that the final EU STS Notification will be notified to ESMA and BaFin and published as described below;

The Reporting Entity will procure that the information referred to above (other than the cash flow model referred to under (iii) above) is provided in a manner consistent with the requirements of Article 7 of the EU Securitisation Regulation and Article 7 of the Closing Date UK Securitisation Regulation (subject to the Securitisation Repository Undertaking) and, for these purposes, has undertaken to provide information to and to comply with written confirmation requests of the EU SR Repository as required under the EU Securitisation Repository Operational Standards, subject always to any requirement of law, and provided that: (i) the Reporting Entity will not be in breach of such undertaking if the Reporting Entity fails to so comply due to events, actions or circumstances beyond the Reporting Entity's control; and (ii) the Reporting Entity is only required to do so to the extent that the disclosure requirements under Article 7 of the EU Securitisation Regulation and Article 7 of the Closing Date UK Securitisation Regulation (subject to the Securitisation Repository Undertaking) remain in effect.

The quarterly investor reports shall include, in accordance with Article 7(1), subparagraph (e)(iii) of the EU Securitisation Regulation and Article 7(1), subparagraph (e)(iii) of the Closing Date UK Securitisation Regulation, information about the risk retention, including information on which of the modalities provided for in Article 6(3) of the EU Securitisation Regulation and Article 6(3) of the Closing Date UK Securitisation Regulation has been applied, in accordance with Article 6 of the EU Securitisation Regulation and Article 6 of the Closing Date UK Securitisation Regulation.

In addition and without prejudice to information to be made available by the Reporting Entity in accordance with Article 7 of the EU Securitisation Regulation and Article 7 of the Closing Date UK Securitisation Regulation, the Issuer Administrator, on behalf of the Issuer, will prepare additional Investor Reports wherein relevant information with regard to the Mortgage Loans and Mortgage Receivables will be disclosed publicly together with information on the retention of the material net economic interest by the Seller.

Each prospective investor should note that there can be no assurance that the information in this Prospectus or to be made available to investors in accordance with article 7 of the EU Securitisation Regulation or Article 7 of the UK Securitisation Regulation will be adequate for any prospective institutional investors to comply with their due diligence obligations under the EU Securitisation Regulation or the UK Securitisation Regulation and/or that, in the future, the due diligence obligations under the UK Securitisation Regulation continue to be aligned with the corresponding obligations of the EU Securitisation Regulation and, if the due diligence obligations under the UK Securitisation Regulation are amended such that they no longer align with the corresponding obligations in the EU Securitisation Regulation, that the Seller shall make available information as referred to under such due diligence obligations under the UK Securitisation Regulation. Prospective investors should also note that to the extent the FCA registers a securitisation repository under Article 10 of the UK Securitisation Regulation (a **UK Securitisation Repository**), the Seller will not be required to make available the information contained in Article 7 of the UK Securitisation Regulation with such UK Securitisation Repository. In addition, each prospective Noteholder should ensure that they comply with the implementing provisions in respect of the EU Securitisation Regulation or, as applicable, the UK Securitisation Regulation in their relevant jurisdiction. Investors who are uncertain as to the requirements which apply to them in respect of their relevant jurisdiction, should seek guidance from their regulator.

These additional Investor Reports can be obtained at <http://cm.intertrustgroup.com> and/or [www.loanbyloan.eu](http://www.loanbyloan.eu) and/or the website of the DSA: [www.dutchsecuritisation.nl](http://www.dutchsecuritisation.nl). The Issuer and the Seller may agree at any time in the future that the Issuer Administrator, on behalf of the Issuer, will no longer have to publish the Investor Reports based on the templates published by the DSA.

*Investors to assess compliance*

Each investor should consult with its own legal, accounting, regulatory and other advisors and/or its regulator before committing to acquire any Notes to determine whether, and to what extent, the information set out in this Prospectus and in any information provided in relation to the transaction by means of an investor report or otherwise is sufficient for the purpose of satisfying such requirements. Investors are required to independently assess and determine the sufficiency of such information for the purposes of complying with Article 5 of the EU Securitisation Regulation or Article 5 of the UK Securitisation Regulation. None of the Issuer, the Seller, the Reporting Entity, the Issuer Administrator, the Arranger, the Joint Lead Managers or the Security Trustee, their respective affiliates or any other person makes any representation, warranty or guarantee that any such information is sufficient for such purposes or any other purpose or that the structure of the Notes and the transactions described herein are compliant with the requirements set out in Article 6 of the EU Securitisation Regulation and Article 6 of the UK Securitisation Regulation and the related due diligence requirements or any other applicable legal, regulatory or other requirements and no such person shall have any liability to any prospective investor or any other person with respect to any deficiency in such information or any failure of the transactions contemplated thereby to comply with or otherwise satisfy such requirements.

Each prospective investor is required to independently assess and determine the sufficiency of the information described above for the purposes of complying with Article 5 of the EU Securitisation Regulation and/or Article 5 of the UK Securitisation Regulation and none of the Issuer, the Seller, the Servicer, the Issuer Administrator, the Joint Lead Managers nor the Arranger makes any representation that the information described above is sufficient in all circumstances for such purposes.

### ***EU STS Securitisation***

Pursuant to Article 18 of the EU Securitisation Regulation a number of requirements must be met if the originator and the SSPE's wish to use the designation 'STS' or 'simple, transparent and standardised' for securitisation transactions initiated by them.

The Seller will submit an EU STS Notification to ESMA in accordance with Article 27 of the EU Securitisation Regulation, pursuant to which compliance with the requirements of Articles 19 to 22 of the EU 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 EU Securitisation Regulation on the website of ESMA (<https://www.esma.europa.eu/policy-activities/securitisation/simple-transparent-and-standardised-sts-securitisation>). The Seller has used the service of PCS, a third party authorised pursuant to Article 28 of the EU Securitisation Regulation, to verify whether the securitisation transaction described in this Prospectus complies with Articles 19 to 22 of the EU Securitisation Regulation and the compliance with such requirements is expected to be verified by PCS on the Closing Date. None of the Issuer, the Seller, the Arranger or the Joint Lead Managers gives any explicit or implied representation or warranty as to (i) inclusion in the list administered by ESMA within the meaning of Article 27 of the EU Securitisation Regulation, (ii) that the securitisation transaction described in this Prospectus does or continues to comply with the EU Securitisation Regulation and (iii) that this securitisation transaction does or continues to be recognised or designated as 'STS' or 'simple, transparent and standardised' within the meaning of Article 18 of the EU Securitisation Regulation after the date of this Prospectus. The 'STS' status of the Notes may change and prospective investors should verify the current status of the Notes on ESMA's website. Investors should also note that, to the extent the Notes are designated an EU STS Securitisation the designation of a transaction as an EU STS Securitisation is not an assessment by any party as to the creditworthiness of that transaction but is instead a reflection that the specific requirements of the EU Securitisation Regulation have been met as regards compliance with the criteria of EU STS Securitisations.

Without prejudice to the above the Seller and the Issuer confirm the following to the extent relating to it, which confirmations are made on the basis of the information available with respect to the EU Securitisation Regulation and related regulations and interpretations (including, without limitation, the EBA STS Guidelines

Non-ABCP Securitisations and the RTS Homogeneity), and are subject to any changes made therein after the date of this Prospectus:

- (i) For the purpose of compliance with article 20(1) of the EU Securitisation Regulation, the Seller and the Issuer confirm that pursuant to the Mortgage Receivables Purchase Agreement the Issuer will purchase and accept from the Seller the assignment of the Mortgage Receivables by means of a registered Deed of Assignment and Pledge as a result of which legal title to the Mortgage Receivables is transferred to the Issuer and such purchase and assignment will be enforceable against the Seller and third parties of the Seller, subject to any applicable bankruptcy laws or similar laws affecting the rights of creditors and as a result thereof the requirement stemming from article 20(5) of the EU Securitisation Regulation is not applicable (see also Section 7.1 (*Purchase, Repurchase and Sale*)).
- (ii) For the purpose of compliance with Article 20(2) of the EU Securitisation Regulation (i) the Seller confirms that it, irrespective of whether it acts through its branch office in Amsterdam, is subject to the German Bankruptcy Act (*Insolvenzordnung*) and (ii) the Seller and the Issuer confirm that the German Bankruptcy Act (*Insolvenzordnung*) does not contain severe clawback provisions as referred to in Article 20(2) of the EU Securitisation Regulation and the Seller will represent on the relevant purchase date to the Issuer in the Mortgage Receivables Purchase Agreement that (a) it has its seat in the Federal Republic of Germany and (b) it is not subject to any intervention, resolution or recovery measures described in Regulation (EU) No 806/2014 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 the German Recovery and Resolution Act (*Sanierungs- und Abwicklungsgesetz – SAG*) nor in a situation of over-indebtedness (*Überschuldung*), illiquidity (*Zahlungsunfähigkeit*) nor impending illiquidity (*drohende Zahlungsunfähigkeit*) and has not been dissolved (*Auflösung*) or declared bankrupt (*Eröffnung eines Insolvenzverfahrens*) (see also Section 3.4 (*Seller*)).
- (iii) For the purpose of compliance with Article 20(4) of the EU Securitisation Regulation, the Seller and the Issuer confirm that with respect to the Contract Transfers, the requirements as set out under article 20(1), 20(2) and 20(3) of the EU Securitisation Regulation are satisfied as well and that such Contract Transfers are not subject to any severe clawback risk (see also Section 7.1 (*Purchase, Repurchase and Sale*)).
- (iv) For the purpose of compliance with the relevant requirements, among other provisions, stemming from articles 20(6), 20(7), 20(8), 20(10), 20(11) and 20(12) of the EU Securitisation Regulation, the Seller and the Issuer confirm that only Mortgage Receivables resulting from Mortgage Loans which satisfy the Mortgage Loan Criteria and the representations and warranties made by the Seller in the Mortgage Receivables Purchase Agreement and as set out in Section 7.2 (*Representations and Warranties*) will be purchased by the Issuer (see also Section 7.1 (*Purchase, Repurchase and Sale*), Section 7.2 (*Representations and Warranties*) and Section 7.3 (*Mortgage Loan Criteria*)).
- (v) For the purpose of compliance with the requirements stemming from article 20(6) of the EU Securitisation Regulation, reference is made to the representation and warranty set forth in Section 7.2 (*Representations and Warranties*), subparagraph (d).
- (vi) For the purpose of compliance with the requirements stemming from Article 20(7) of the EU Securitisation Regulation, the Issuer and the Seller are of the view that the Transaction Documents do not allow for active portfolio management of the Mortgage Receivables on a discretionary basis (see also Section 7.1 (*Purchase, Repurchase and Sale*)).

- (vii) For the purpose of compliance with the requirements stemming from Article 20(8) of the EU Securitisation Regulation, the Mortgage Receivables are homogeneous in terms of asset type, taking into account the cash flows, credit risk and prepayment characteristics of the Mortgage Receivables within the meaning of Article 20(8) of the EU Securitisation Regulation and the Mortgage Loans satisfy the homogeneity conditions of Article 1(a), (b), (c) and (d) of the RTS Homogeneity (see also Section 6.1 (*Stratification tables*)). In addition, for the purpose of compliance with the relevant requirements stemming from article 20(8) of the EU Securitisation Regulation, reference is made to the representations and warranties set forth in Section 7.2 (*Representations and Warranties*), subparagraph (d) and (o) (see also Mortgage Loan Criteria set forth in Section 7.3 (*Mortgage Loan Criteria*)), subparagraphs (i) and (ix) (see also Section 6.2 (*Description of Mortgage Loans*)). Furthermore, for the purpose of compliance with the relevant requirement stemming from Article 20(8) of the EU Securitisation Regulation, a transferable security, as defined in Article 4(1), point 44 of MiFID II will not meet the Mortgage Loan Criteria and as a result thereof the underlying exposures to be sold and assigned to the Issuer shall not include such transferable securities (see also Section 7.3 (*Mortgage Loan Criteria*)).
- (viii) For the purpose of compliance with Article 20(9) of the EU Securitisation Regulation, a securitisation position as defined in the EU Securitisation Regulation will not meet the Mortgage Loan Criteria and as a result thereof the underlying exposures to be sold and assigned to the Issuer shall not include such securitisation positions (see also Section 7.3 (*Mortgage Loan Criteria*)).
- (ix) For the purpose of compliance with the requirements stemming from Article 20(10) of the EU Securitisation Regulation, the Mortgage Loans have been originated in accordance with the ordinary course of each Originator's origination business pursuant to underwriting standards that are no less stringent than those that the relevant Originator applied at the time of origination to similar mortgage receivables that are not securitised by means of the securitisation transaction described in this Prospectus (see also Section 7.2 (*Representations and Warranties*), subparagraph (b)). In addition, for the purpose of compliance with the relevant requirements stemming from Article 20(10) of the EU Securitisation Regulation, (i) the Mortgage Receivables have been selected by the Seller from a larger pool of mortgage loans that meet the Mortgage Loan Criteria applying a random selection method (see also Section 6.1 (*Stratification tables*)), (ii) a summary of the underwriting standards is disclosed in this Prospectus and the Seller has undertaken in the Mortgage Receivables Purchase Agreement to fully disclose to the Issuer any material change to such underwriting standards pursuant to which the Mortgage Loans are originated without undue delay and the Issuer has undertaken in the Trust Deed to fully disclose such information to potential investors without undue delay upon having received such information from the Seller (see also Section 6.3 (*Origination and Servicing*)), (iii) none of the Mortgage Loans may qualify as a Self-Certified Mortgage Loan (see Section 7.2 (*Representations and Warranties*), subparagraph (ff)), (iv) the Seller will represent on the relevant purchase date in the Mortgage Receivables Purchase Agreement that in respect of each Mortgage Loan, the assessment of the Borrower's creditworthiness was done in accordance with the relevant Originator's underwriting criteria and meets the requirements set out in paragraphs 1 to 4, point (a) of paragraph 5, and paragraph 6 of Article 18 of Directive 2014/17/EU or of Article 8 of Directive 2008/48/EC (see also Section 7.2 (*Representations and Warranties*), subparagraph (ll)) and (v) the Seller is of the opinion that each Originator has the required expertise in originating mortgage loans which are of a similar nature as the Mortgage Loans within the meaning of Article 20(10) of the EU Securitisation Regulation, each Originator is authorised to offer credit in the Netherlands and has a minimum of 5 years' experience in originating mortgage loans (see also Sections 3.4 (*Seller*) and 6.3 (*Origination and Servicing*)).

- (x) For the purpose of compliance with the relevant requirements stemming from Article 20(11) of the EU Securitisation Regulation, reference is made to the representations and warranties set forth in Section 7.2 (*Representations and Warranties*), subparagraphs (y), (mm), (nn) and (oo) and the Mortgage Loan Criteria set forth in section 7.3 (*Mortgage Loan Criteria*), subparagraphs (xv). The Mortgage Receivables forming part of the pool purported to be sold and assigned on the Closing Date do not include any exposures to Restructured Borrowers. To the extent any exposures to Restructured Borrowers are sold and assigned on a purchase date after the Closing Date, the Seller undertakes in the Mortgage Receivables Purchase Agreement that it shall comply with the disclosure requirement set forth in Article 20(11)(a)(ii) of the EU Securitisation Regulation in respect of such exposures. In addition, for the purpose of compliance with the relevant requirements stemming from Article 20(11) of the EU Securitisation Regulation, (i) the Mortgage Receivables forming part of the Pool have been selected on the Cut-Off Date and shall be assigned by the Seller to the Issuer no later than on the Closing Date and (ii) any Further Advance Receivables that will be assigned to the Issuer after the Closing Date, shall be assigned by the Seller to the Issuer on the Reconciliation Date immediately following the month in which the Seller agrees with a Borrower to grant a Further Advance and each such assignment therefore occurs in the Seller's view without undue delay (see also Sections 6.1 (*Stratification tables*) and 7.1 (*Purchase, Repurchase and Sale*)).
- (xi) For the purpose of compliance with the requirements stemming from Article 20(12) of the EU Securitisation Regulation, reference is made to the Mortgage Loan Criterion set forth in Section 7.3 (*Mortgage Loan Criteria*), subparagraph (xviii).
- (xii) For the purpose of compliance with the requirements stemming from article 20(13) of the EU Securitisation Regulation, the repayments to be made to the Noteholders have not been structured to depend predominantly on the sale of the Mortgaged Assets securing the Mortgage Loans (see also Section 6.2 (*Description of Mortgage Loans*)).
- (xiii) For the purpose of compliance with the requirements stemming from article 21(1) of the EU Securitisation Regulation, the Mortgage Receivables Purchase Agreement includes a representation and warranty and undertaking of the Seller (as originator under the EU Securitisation Regulation) as to its compliance with the requirements set forth in Article 6 of the EU Securitisation Regulation (see also the paragraph entitled *EU and UK Retention* under this Section 4.4).
- (xiv) For the purpose of compliance with the requirements stemming from Article 21(2) of the EU Securitisation Regulation, it is confirmed that the interest-rate or currency risk arising from the transaction constituted under the Transaction Documents is appropriately mitigated as the Swap Agreement is entered into to hedge the interest rate risk between (a) interest to be received by the Issuer on the Mortgage Receivables and (b) the floating rate of interest due and payable by the Issuer on the Class A Notes (see also Section 5.4 (*Hedging*)). No currency risk applies to the transaction. Other than the Swap Agreement, no derivative contracts are entered into by the Issuer and no derivative contracts are included in the pool of underlying exposures.
- (xv) For the purpose of compliance with the requirements stemming from Article 21(3) of the EU Securitisation Regulation any referenced interest payments under the Mortgage Loans and the rate of interest applicable to the Class A Notes are based on generally used market interest rates, or generally used sectoral rates reflective of the cost of funds, and do not reference complex formulae or derivatives (see also Section 6.2 (*Description of Mortgage Loans*));
- (xvi) For the purpose of compliance with the requirements stemming from Article 21(4) of the EU Securitisation Regulation, the Seller and the Issuer confirm that upon the issuance of an

Enforcement Notice, (i) no amount of cash shall be trapped in the Issuer Accounts and the Notes will amortise sequentially (see also Section 5.2 (*Priority of Payments*)) and (ii) no automatic liquidation for market value of the Mortgage Receivables is required under the Transaction Documents (see also Conditions 6 (*Redemption*), 10 (*Events of Default*) and 11 (*Enforcement, Limited Recourse and Non-Petition*) and Section 5.2 (*Priority of Payments*)).

- (xvii) Prior to the delivery of an Enforcement Notice by the Security Trustee, the Available Principal Funds will be applied by the Issuer in accordance with the Revenue Priority of Payments and as a result thereof, the requirements stemming from Article 21(5) of the EU Securitisation Regulation are not applicable (see also Section 5.1 (*Available Funds*) and Section 5.2 (*Priority of Payments*)).
- (xviii) For the purpose of compliance with the requirements stemming from Article 21(6) of the EU Securitisation Regulation, the Issuer shall not purchase any Further Advance Receivables after the Reconciliation Date immediately prior to the Notes Payment Date immediately preceding the First Optional Redemption Date (see also Section 7.1 (*Purchase, Repurchase and Sale*));
- (xix) For the purpose of compliance with the requirements stemming from Article 21(7) of the EU Securitisation Regulation, the contractual obligations, duties and responsibilities of the Servicer are set forth in the Servicing Agreement (including the processes and responsibilities to ensure that a substitute servicer shall be appointed upon the occurrence of a termination event under the Servicing Agreement), a summary of which is included in Section 7.4 (*Servicing Agreement*), the contractual obligations, duties and responsibilities of the Issuer Administrator are set forth in the Administration Agreement, a summary of which is included in Sections 3.6 (*Issuer Administrator*) and 5.7 (*Administration Agreement*), the contractual obligations, duties and responsibilities of the Security Trustee are set forth in the Trust Deed, a summary of which is included in Section 3.3 (*Security Trustee*) and Section 4.1 (*Terms and Conditions*), the provisions that ensure the replacement of the Cash Advance Facility Provider are set forth in the Cash Advance Facility Agreement (see also Section 5.5 (*Liquidity Support*)), the provisions that ensure the replacement of the Issuer Account Bank are set forth in the Issuer Account Agreement (see also Section 5.6 (*Issuer Accounts*)) and the relevant rating triggers for potential replacements are set forth in the definition of Requisite Credit Rating. Furthermore, the Swap Agreement has provisions requiring replacement of the Swap Counterparty in the event that it (and any applicable guarantor) ceases to maintain the Initial Required Ratings or the Subsequent Required Ratings (see Part 5 of the Schedule to the Swap Agreement and the Credit Support Annex entered into in respect of the Swap Agreement), which requires the Swap Counterparty to take certain remedial actions as necessary to avoid a negative impact on the ratings of the Notes.
- (xx) For the purpose of compliance with the requirements stemming from Article 21(8) of the EU Securitisation Regulation, the Servicer is of the opinion that it has the required expertise in servicing mortgage loans which are of a similar nature as the Mortgage Loans within the meaning of Article 21(8) of the EU Securitisation Regulation, as it has a license in accordance with the Wft and a minimum of 5 years' experience in servicing mortgage loans. The Servicer is of the opinion that it has well documented and adequate policies, procedures and risk management controls relating to the servicing of mortgage receivables since the Servicer is part of a group that is subject to capital and prudential regulation (see also Section 6.3 (*Origination and Servicing*)).
- (xxi) For the purpose of compliance with the requirements stemming from Article 21(9) of the EU Securitisation Regulation, remedies and actions relating to delinquency and default of debtors, debt restructuring, debt forgiveness, forbearance, losses, charge offs, recoveries and other

asset performance remedies are set out in the Servicing Agreement and in Section 6.3 (*Origination and Servicing*).

- (xxii) For the purpose of compliance with the requirements stemming from Article 21(9) of the EU Securitisation Regulation, (i) the issuance of an Enforcement Notice, delivery of which by the Security Trustee will trigger a change from the Revenue Priority of Payments and the Principal Priority of Payments into the Post-Enforcement Priority of Payments and (ii) any change in the priorities of payment which will materially adversely affect the repayment of the Notes, will be reported to the Noteholders without undue delay (see also Condition 10 (*Events of Default*) and Section 5.2 (*Priority of Payments*)).
- (xxiii) For the purpose of compliance with the requirements stemming from Article 21(10) of the EU Securitisation Regulation, the Trust Deed and Condition 14 (*Meetings of Noteholders; Modification; Consents; Waiver*) contain provisions for convening meetings of Noteholders, the maximum timeframe for setting up a meeting or conference call, voting rights of the Noteholders, the procedures in the event of a conflict between Classes and the responsibilities of the Security Trustee in this respect (see also Condition 14 (*Meetings of Noteholders; Modification; Consents; Waiver*)).
- (xxiv) The Seller has provided to potential investors (i) the information regarding the Mortgage Receivables pursuant to Article 22(1) of the EU Securitisation Regulation over the past 5 years as set out in Section 6.3 (*Origination and Servicing*), a draft of which was made available to such potential investors prior to the pricing of the Notes and (ii) the liability cash flow model as referred to in Article 22(3) of the EU Securitisation Regulation published by EuroABS prior to the pricing of the Notes and will, after the date of this Prospectus, on an ongoing basis make the liability cash flow model published by EuroABS available to Noteholders and, upon request, to potential investors in accordance with Article 22(3) of the EU Securitisation Regulation.
- (xxv) For the purpose of compliance with the requirements stemming from Article 22(2) of the EU Securitisation Regulation, a sample of Mortgage Receivables has been externally verified by an appropriate and independent party prior to the date of this Prospectus (see also Section 6.1 (*Stratification tables*)). The Seller confirms no significant adverse findings have been found. Furthermore, a sample of the Mortgage Loan Criteria against the entire loan-by-loan data tape has been verified by an appropriate and independent party and the Seller confirms that no adverse findings have been found.
- (xxvi) For the purpose of compliance with the requirements stemming from Article 22(4) of the EU Securitisation Regulation, the Seller confirms that it will report on the environmental performance of the Mortgage Receivables, to the extent such information is available, in accordance with article 22(4) of the EU Securitisation Regulation.
- (xxvii) Each of the Seller and the Issuer undertake to make the relevant information pursuant to Article 7 of the EU Securitisation Regulation, to the extent applicable, available to the Noteholders, the competent authorities referred to in article 29 of the EU Securitisation Regulation and, upon request, potential investors. Copies of the final Transaction Documents and the Prospectus shall be published through the EU SR Repository ultimately no later than 15 days after the Closing Date.
- (xxviii) For the purpose of compliance with Article 7(2) of the EU Securitisation Regulation and Article 7(2) of the UK Securitisation Regulation, the Seller as originator within the meaning of article 2(3) of the EU Securitisation Regulation and Article 2(3) of the UK Securitisation Regulation has undertaken that it takes responsibility for compliance with Article 7 of the EU Securitisation Regulation and Article 7 of the UK Securitisation Regulation and to fulfil the



information requirements pursuant to points (a), (b), (d), (e), (f) and (g) of Article 7(1) of the EU Securitisation Regulation and the UK Securitisation Regulation (see also Section 5.8 (*Transparency Reporting Agreement*)). As to the pre-pricing information, each of the Seller and the Issuer confirm that they have made available to potential investors before pricing the information under point (a) of Article 7, paragraph 1, Article 22(1) and Article 22(5) of the EU Securitisation Regulation and Article 7(1)(a) of the UK Securitisation Regulation upon request and the information under points (b) and (d) of Article 7, paragraph 1, of the EU Securitisation Regulation and Articles 7(1)(b) and 7(1)(d) of the UK Securitisation Regulation in draft form. As to the post-closing information, the Seller as originator within the meaning of article 2(3) of the EU Securitisation Regulation and Article 2(3) of the UK Securitisation Regulation will (or will procure that any agent will on its behalf) for the purposes of Article 7 of the EU Securitisation Regulation and Article 7 of the UK Securitisation Regulation from the Signing Date publish by no later than the relevant Notes Payment Date (a) a quarterly investor report in respect of each Notes Calculation Period, as required by and in accordance with Article 7(1)(e) of the EU Securitisation Regulation, Article 7(1)(e) of the UK Securitisation Regulation, the Article 7 Technical Standards and the Article 7 UK Technical Standards, which shall be provided in the form of the Transparency Investor Report simultaneously with the relevant loan-by-loan information and (b) certain loan-by-loan information in relation to the Mortgage Receivables in respect of each Notes Calculation Period, as required by and in accordance with article 7(1)(a) of the EU Securitisation Regulation, Article 7(1)(a) of the UK Securitisation Regulation, the Article 7 Technical Standards and the Article 7 UK Technical Standards, which shall be provided in the form of the Transparency Data Tape simultaneously with the relevant quarterly investor report. In addition, the Reporting Entity (or any agent on its behalf) will publish or make otherwise available the reports and information referred to above as required under Article 7 and Article 22 of the EU Securitisation Regulation through the EU SR Repository. The Reporting Entity shall make the information described in subparagraphs (f) and (g) of Article 7(1) of the EU Securitisation Regulation and Articles 7(1)(f) and 7(1)(g) of the UK Securitisation Regulation available without delay.

The designation of the securitisation transaction described in this Prospectus as an EU 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 EU 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. No assurance can be provided that the securitisation position described in this Prospectus does or continues to qualify as an EU STS Securitisation under the EU Securitisation Regulation.

### ***Dutch RMBS Standard***

This Prospectus follows the template table of contents and the template glossary of defined terms (save as otherwise indicated in this Prospectus), and the Investor Reports to be published by the Issuer Administrator (on behalf of the Issuer) in addition and without prejudice to the information to be made available by the Reporting Entity in accordance with Article 7 of the EU Securitisation Regulation and Article 7 of the UK Securitisation Regulation, will follow the applicable template Investor Report (save as otherwise indicated in the relevant Investor Report), each as published by the DSA on its website [www.dutchsecuritisation.nl](http://www.dutchsecuritisation.nl). As a result the Notes comply with the standard created for residential mortgage-backed securities by the DSA (the **RMBS Standard**). This has also been recognised by Prime Collateralised Securities (PCS) EU as the Domestic Market Guideline for the Netherlands in respect of this asset class.

### ***CRR Assessment, LCR Assessment and STS Verification***

Application has been made to PCS to assess compliance of the Notes with the criteria set forth in the CRR regarding EU STS Securitisations (i.e. the CRR Assessment and the LCR Assessment). There can be no assurance that the Notes will receive the CRR Assessment and/or the LCR Assessment (either before issuance or at any time thereafter) and that the criteria set forth in the CRR regarding EU STS Securitisations (i.e. the CRR Assessment and/or the LCR Assessment) is complied with.

In addition, an application has been made to PCS for the securitisation transaction described in this Prospectus to receive a report from PCS verifying compliance with the criteria stemming from Article 18, 19, 20, 21 and 22 of the EU Securitisation Regulation (the **STS Verification**). There can be no assurance that the securitisation transaction described in this Prospectus will receive the STS Verification (either before issuance or at any time thereafter) and if the securitisation transaction described in this Prospectus does receive the STS Verification, this shall not, under any circumstances, affect the liability of the originator and SSPE in respect of their legal obligations under the EU Securitisation Regulation, nor shall it affect the obligations imposed on institutional investors as set out in Article 5 of the EU Securitisation Regulation or Article 5 of the UK Securitisation Regulation (as applicable).

The STS Verification, the LCR Assessment and the CRR Assessment (the **PCS Services**) are provided by Prime Collateralised Securities (PCS) EU sas. 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 none are 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 an "expert" as defined in the Securities Act. PCS is not a law firm and nothing in any PCS Service constitutes legal advice in any jurisdiction. PCS is authorised by the French Autorité des Marchés Financiers, pursuant to article 28 of the EU Securitisation Regulation, to act as a third party verifying STS compliance. This authorisation covers STS Verifications in the European Union. Other than as specifically set out above, none of the activities involved in providing the PCS Services are endorsed or regulated by any regulatory and/or supervisory authority nor is PCS regulated by any other regulator including the CSSF or the European Securities and Markets Authority.

By providing any PCS Service in respect of the Notes PCS does not express any views 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 these securities or financings. Investors should conduct their own research regarding the nature of the LCR Assessment, the CRR Assessment and the STS Verification 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 Seller. 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 Seller 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 EU Securitisation Regulation together with, if relevant, the appropriate provisions of Article 43, (together, the **STS criteria**). Unless specifically mentioned in the STS Verification, PCS relies on the English version of the EU Securitisation Regulation. In addition, Article 19(2) of the EU Securitisation Regulation requires the European Banking Authorities, 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 EU 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 EU 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 LCR criteria, as drafted in the CRR, are subject to a potentially wide variety of interpretations. In compiling an LCR Assessment and the CRR Assessment, PCS uses its discretion to interpret the 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 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 an LCR Assessment or a CRR 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 or that it will be eligible to be part of any bank's LCR pool. PCS is merely addressing the specific LCR criteria and determining whether, in PCS' opinion, these criteria have been met.

Therefore, no bank should rely on an LCR Assessment or a CRR Assessment in determining the status of any securitisation in relation to capital requirements or liquidity cover ratio pools and must make its own determination. 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 PCS Service 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 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.

### ***UK Securitisation Regulation***

The Seller has contractually undertaken to comply with the UK Securitisation Regulation (as if it were applicable to it and as such legislation is in force on the Closing Date), provided that any requirement under the UK Securitisation Regulation to make information available by means of a securitisation repository shall be deemed to be complied with if such information is made available by means of a securitisation repository registered with ESMA under Article 10 of the EU Securitisation Regulation. In the case of any subsequent divergence after the Closing Date between the EU Securitisation Regulation and the UK Securitisation Regulation, the Seller has undertaken to use its reasonable endeavours to continue to comply with the requirements of the UK Securitisation Regulation (as if it were applicable to it). However, there can be no assurance that the Seller is able to continue complying with the UK Securitisation Regulation if there are amendments to it after the Closing Date. In addition, to the extent the FCA registers a securitisation repository under Article 10 of the UK Securitisation Regulation (a **UK Securitisation Repository**), the Seller will not be required to make available the information contained in Article 7 of the UK Securitisation Regulation with such UK Securitisation Repository.

As of the date of this Prospectus, the risk retention, transparency requirements and due diligence requirements imposed under the UK Securitisation Regulation are aligned with the due diligence requirements under the EU Securitisation Regulation, however there is a risk that such requirements under the UK Securitisation Regulation may diverge from the corresponding requirements of the EU Securitisation Regulation in the future. As of the date of this Prospectus, the UK Securitisation Regulation is not applicable to the Seller or the Issuer.

If the due diligence requirements under the UK Securitisation Regulation are not satisfied then, depending on the regulatory requirements applicable to such UK Affected Investor, an additional risk weight, regulatory capital charge and/or other regulatory sanction may be applied to such securitisation investment and/or imposed on the UK Affected Investor.

Potential investors should take note (i) that the securitisation transaction described in this Prospectus is in compliance with the EU Securitisation Regulation and the UK Securitisation Regulation (as in force as at the Closing Date), and (ii) of the differences between the UK Securitisation Regulation and the EU Securitisation Regulation. Potential investors located in the United Kingdom should make their own assessment as to whether the Seller as Reporting Entity shall (i) (following any amendments to the UK Securitisation Regulation after the Closing Date) make available information which is substantially the same as that which it would have made available in accordance with paragraph (1) item (e) of Article 5 of the UK Securitisation Regulation if it had been established in the United Kingdom, (ii) do so with such frequency and modalities as are substantially the same as those with which it would have made information available in accordance with paragraph (1) item (e) of Article 5 of the UK Securitisation Regulation if it had been so established. In addition, potential investors in the United Kingdom should note that the Seller will not be disclosing any information required under Article 7 on a UK Securitisation Repository (if applicable), and shall only disclose such information on an EU Securitisation Repository.

### ***Volcker Rule***

The Issuer is not, and solely after giving effect to any offering and sale of the Notes and the application of the proceeds thereof will not be, a “covered fund” for purposes of the regulations adopted under Section 13 of the Bank Holding Company Act of 1956, as amended (commonly known as the Volcker Rule). In reaching this conclusion, although other statutory or regulatory exclusions and/or exemptions under the Investment Company Act of 1940, as amended (the **Investment Company Act**) and under the Volcker Rule and its related regulations may be available, the Issuer has relied on the determinations that (i) the Issuer would satisfy all of the elements of the exemption from registration under the Investment Company Act provided by Section 3(c)(5)(C) thereunder, and, accordingly, (ii) the Issuer may rely on the exemption from the definition of a “covered fund” under the Volcker Rule made available to entities that do not rely solely on Section 3(c)(1) or Section 3(c)(7) of the Investment Company Act for their exclusion and/or exemption from registration under the Investment Company Act.

### ***CRA Regulation and UK CRA Regulation***

In general, European regulated investors are restricted under the CRA Regulation from using credit ratings for regulatory purposes in the EEA, unless such ratings are issued by a credit rating agency established in the EEA and registered under the CRA Regulation (and such registration has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances while the registration application is pending. Such general restriction will also apply in the case of credit ratings issued by third country non-EEA credit rating agencies, unless the relevant credit ratings are endorsed by an EEA-registered credit rating agency or the relevant third country 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).

Investors regulated in the UK are subject to similar restrictions under the UK CRA Regulation. As such, UK regulated investors are required to use for UK regulatory purposes ratings issued by a credit rating agency established in the UK and registered under the UK CRA Regulation. In the case of ratings issued by third country non-UK credit rating agencies, third country credit ratings can either be: (a) endorsed by a UK

registered credit rating agency; or (b) issued by a third country credit rating agency that is certified in accordance with the UK CRA Regulation. Note this is subject, in each case, to (a) the relevant UK registration, certification or endorsement, as the case may be, not having been withdrawn or suspended, and (b) transitional provisions that apply in certain circumstances.

If the status of the rating agency rating the Notes changes for the purposes of the CRA Regulation or the UK CRA Regulation, relevant regulated investors may no longer be able to use the rating for regulatory purposes in the EEA or the UK, as applicable, and the Notes may have a different regulatory treatment, which may impact the value of the Notes and their liquidity in the secondary market.

Credit ratings included or referred to in this Prospectus have been or, as applicable, may be issued by Fitch and/or DBRS.

#### **4.5 Use of Proceeds**

The aggregate proceeds of the Notes to be issued on the Closing Date will amount to EUR 536,396,000.00.

The Issuer will use the net proceeds from the issue of the Class A Notes and the Class B Notes towards payment to the Seller of the Initial Purchase Price minus an amount of EUR 137,065.12 to be deposited on the Construction Deposit Account.

The proceeds of the Class C Notes of EUR 3,920,000 will be deposited by the Issuer in the Reserve Account.

The proceeds of the Subordinated Loan, in the amount of EUR 3,000,000 will be used by the Issuer to pay certain initial costs and expenses, including (if applicable) any upfront swap premium payable by the Issuer on the Closing Date to the Swap Counterparty under the Swap Agreement (see section 5.4 (*Hedging*)), in connection with the issue of the Notes.

## 4.6 Taxation in the Netherlands

### General

The following summary outlines certain principal Dutch tax consequences of the acquisition, holding, redemption and disposal of the Notes, but does not purport to be a comprehensive description of all Dutch tax considerations that may be relevant. For purposes of Dutch tax law, a holder of Notes may include an individual or entity who does not have the legal title of these Notes, but to whom nevertheless the Notes or the income thereof is attributed based on specific statutory provisions or on the basis of such individual or entity having an interest in the Notes or the income thereof. This summary is intended as general information only and each prospective investor should consult a professional tax adviser with respect to the tax consequences of the acquisition, holding, redemption and disposal of the Notes.

This summary is based on tax legislation, published case law, treaties, regulations and published policy, in each case as in force as of the date of this Prospectus, and does not take into account any developments or amendments thereof after that date whether or not such developments or amendments have retroactive effect.

This summary does not address the Dutch corporate and individual income tax consequences for:

- (i) investment institutions (*fiscale beleggingsinstellingen*);
- (ii) pension funds, exempt investment institutions (*vrijgestelde beleggingsinstellingen*) or other Dutch tax resident entities that are not subject to or, in whole or in part, exempt from Netherlands corporate income tax;
- (iii) holders of Notes holding a substantial interest (*aanmerkelijk belang*) or deemed substantial interest (*fictief aanmerkelijk belang*) in the Issuer and holders of Notes of whom a certain related person holds a substantial interest in the Issuer. Generally speaking, a substantial interest in the Issuer arises if a person, alone or, where such person is an individual, together with his or her partner (statutorily defined term), directly or indirectly, holds, or is deemed to hold, (i) an interest of 5% or more of the total issued capital of the Issuer or of 5% or more of the issued capital of a certain class of shares of the Issuer, (ii) rights to acquire, directly or indirectly, such interest or (iii) certain profit sharing rights in the Issuer;
- (iv) persons to whom the Notes and the income from the Notes are attributed based on the separated private assets (*afgezonderd particulier vermogen*) provisions of the Dutch Income Tax Act 2001 (*Wet inkomstenbelasting 2001*) and the Dutch Gift and Inheritance Tax Act 1956 (*Successiewet 1956*);
- (v) individuals to whom the Notes or the income therefrom are attributable to employment activities which are taxed as employment income in the Netherlands; and
- (vi) entities which are a resident of Aruba, Curacao or Sint Maarten that have an enterprise which is carried on through a permanent establishment or a permanent representative on Bonaire, Sint Eustatius or Saba and the Notes are attributable to such permanent establishment or permanent representative.

Where this summary refers to the Netherlands, such reference is restricted to the part of the Kingdom of the Netherlands that is situated in Europe and the legislation applicable in that part of the Kingdom.

### Withholding Tax

All payments made by the Issuer under the Notes may - except in certain very specific cases as described below - be made free of withholding or deduction for any taxes of whatsoever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein.

Dutch withholding tax may apply on certain (deemed) interest due and payable to an affiliated (*gelieerde*) entity of the Issuer if such entity (i) is considered to be resident (*gevestigd*) in a jurisdiction that is listed in the yearly updated Dutch regulation on low-taxing states and non-cooperative jurisdictions for tax purposes (*Regeling laagbelastende staten en niet-coöperatieve rechtsgebieden voor belastingdoeleinden*), or (ii) has a permanent establishment located in such jurisdiction to which the interest is attributable, or (iii) is entitled to the interest payable for the main purpose or one of the main purposes to avoid taxation of another person, or (iv) is not considered to be the recipient of the interest in its jurisdiction of residence because such jurisdiction treats another (lower-tier) entity as the recipient of the interest (hybrid mismatch), or (v) is not treated as resident anywhere (also a hybrid mismatch), all within the meaning of the Dutch Withholding Tax Act 2021 (*Wet bronbelasting 2021*).

## **Corporate and Individual Income Tax**

### **Residents of the Netherlands**

#### *Corporate entities*

If a holder of Notes is a resident of the Netherlands or deemed to be a resident of the Netherlands for Dutch corporate income tax purposes and is fully subject to Dutch corporate income tax or is only subject to Dutch corporate income tax in respect of an enterprise to which the Notes are attributable, income derived from the Notes and gains realised upon the redemption, settlement or disposal of the Notes are generally taxable in the Netherlands (at a rate of 25 per cent. in 2021 (15 per cent. in 2021 over profits up to EUR 245,000)).

#### *Individuals*

If an individual is a resident of the Netherlands or deemed to be a resident of the Netherlands for Dutch individual income tax purposes, income derived from the Notes and gains realised upon the redemption, settlement or disposal of the Notes are taxable at the progressive rates (at up to a maximum rate of 49.50 per cent. in 2021), if:

- (i) the individual is an entrepreneur (*ondernemer*) and has an enterprise to which the Notes are attributable or the individual has, other than as a shareholder, a co-entitlement to the net worth of an enterprise (*medegerechtigde*), to which enterprise the Notes are attributable; or
- (ii) such income or gains qualify as income from miscellaneous activities (*resultaat uit overige werkzaamheden*), which includes activities with respect to the Notes that exceed regular, active portfolio management (*meer dan normaal, actief vermogensbeheer*).

If neither condition (i) nor condition (ii) above applies, an individual that holds the Notes, must determine taxable income with regard to the Notes on the basis of a deemed return on income from savings and investments (*sparen en beleggen*), rather than on the basis of income actually received or gains actually realised. This deemed return on income from savings and investments is fixed at a percentage of the individual's yield basis (*rendementsgrondslag*) at the beginning of the calendar year (1 January), insofar as the individual's yield basis exceeds a certain threshold (*heffingvrij vermogen*). The individual's yield basis is determined as the fair market value of certain qualifying assets held by the individual less the fair market value of certain qualifying liabilities on 1 January. The fair market value of the Notes will be included as an asset in the individual's yield basis. The deemed return percentage to be applied to the yield basis increases progressively depending on the amount of the yield basis. The deemed return on savings and investments is taxed at a rate of 31 per cent in 2021.



## **Non-residents of the Netherlands**

If a person is neither a resident of the Netherlands nor is deemed to be a resident of the Netherlands for Dutch corporate or individual income tax purposes, such person is not liable to Dutch income tax in respect of income derived from the Notes and gains realised upon the redemption or disposal of the Notes, unless:

### *Corporate entities*

- (i) the person is not an individual and such person (1) has an enterprise that is, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands to which permanent establishment or permanent representative the Notes are attributable, or (2) is (other than by way of securities) entitled to a share in the profits of an enterprise or a co-entitlement to the net worth of an enterprise, which is effectively managed in the Netherlands and to which enterprise the Notes are attributable.

This income is subject to Dutch corporate income tax at a rate of 25 per cent. in 2021 (15 per cent. over profits up to EUR 245,000).

### *Individuals*

- (ii) the person is an individual and such individual (1) has an enterprise or an interest in an enterprise that is, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands to which permanent establishment or permanent representative the Notes are attributable, or (2) realises income or gains with respect to the Notes that qualify as income from miscellaneous activities in the Netherlands which includes activities with respect to the Notes that exceed regular, active portfolio management (*meer dan normaal, actief vermogensbeheer*), or (3) is other than by way of securities entitled to a share in the profits of an enterprise which is effectively managed in the Netherlands and to which enterprise the Notes are attributable.

Income derived from the Notes as specified under (1) and (2) is subject to individual income tax at progressive rates up to a maximum rate of 49.50 per cent. Income derived from a share in the profits of an enterprise as specified under (3) that is not already included under (1) or (2) will be taxed on the basis of a deemed return on income from savings and investments (as described above under *Residents of the Netherlands*).

### *Gift and Inheritance Tax*

Dutch gift or inheritance taxes will not be levied on the occasion of the transfer of a Note by way of gift by, or on the death of, a holder of a Note, unless:

- (i) the holder of a Note is, or is deemed to be, resident in the Netherlands for the purpose of the relevant provisions; or
- (ii) the transfer is construed as an inheritance or gift made by, or on behalf of, a person who, at the time of the gift or death, is or is deemed to be resident in the Netherlands for the purpose of the relevant provisions

## **Value Added Tax**

In general, no value added tax will arise in respect of payments in consideration for the issue of the Notes or in respect of a cash payment made under the Notes, or in respect of a transfer of Notes.

## **Other Taxes and Duties**

No registration tax, customs duty, transfer tax, stamp duty or any other similar documentary tax or duty will be payable in the Netherlands by a holder in respect of or in connection with the subscription, issue, placement, allotment, delivery or transfer of the Notes.

## **Residence**

A holder of Notes will not be and will not be deemed to be resident in the Netherlands for Dutch tax purposes and, subject to the exceptions set out above, will not otherwise become subject to Dutch taxation, by reason only of acquiring, holding or disposing of Notes, or the execution, performance, delivery and/or enforcement of Notes.

## **Foreign Account Tax Compliance Act**

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a foreign financial institution (as defined by FATCA) may be required to withhold on certain payments it makes (foreign passthru payments) to persons that fail to meet certain certification, reporting or related requirements. The Issuer may be a foreign financial institution for these purposes. A number of jurisdictions (including the Netherlands) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (**IGAs**), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register and the 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 issued on or prior to the date that is six months after the date on which final regulations defining foreign passthru payments are filed with the U.S. Federal Register generally would be grandfathered for purposes of FATCA withholding unless materially modified after such date.

Holders should consult their own tax advisers regarding how these rules may apply to their investment in the Notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.

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

## 4.7 Security

### *Parallel Debt Agreement*

In the Parallel Debt Agreement the Issuer will irrevocably and unconditionally undertake to pay to the Security Trustee the **Parallel Debt**, which is an amount equal to the aggregate amount due (*verschuldigd*) by the Issuer (i) to the Directors under the Management Agreements, (ii) to the Servicer under the Servicing Agreement, (iii) to the Issuer Administrator under the Administration Agreement, (iv) to the Paying Agent and the Reference Agent under the Paying Agency Agreement, (v) to the Issuer Account Bank under the Issuer Account Agreement, (vi) to the Noteholders under the Notes, (vii) to the Swap Counterparty under the Swap Agreement, (viii) to the Cash Advance Facility Provider under the Cash Advance Facility Agreement, (ix) to the Seller under the Mortgage Receivables Purchase Agreement, (x) to the Servicer under the Servicing Agreement, (xi) to the Reporting Entity under the Transparency Reporting Agreement (the parties referred to in items (i) through (xi) together the **Secured Creditors**).

The Parallel Debt constitutes a separate and independent obligation of the Issuer and constitutes the Security Trustee's own separate and independent claim (*eigen en zelfstandige vordering*) to receive payment of the Parallel Debt from the Issuer. Upon receipt by the Security Trustee of any amount in payment of the Parallel Debt, the payment obligations of the Issuer to the Secured Creditors shall be reduced by an amount equal to the amount so received and vice versa.

To the extent that the Security Trustee irrevocably and unconditionally receives any amount in payment of the Parallel Debt, the Security Trustee shall distribute such amount among the Secured Creditors in accordance with the Post-Enforcement Priority of Payments. The amounts due to the Secured Creditors will, broadly, be equal to amounts recovered (*verhaald*) by the Security Trustee on the Mortgage Receivables and other assets pledged to the Security Trustee under the Issuer Mortgage Receivables Pledge Agreement, the Deed of Assignment and Pledge and the Issuer Rights Pledge Agreement.

### *Pledge Agreements*

The Issuer will grant a right of pledge and, as the case may be, a right of pledge in advance (*bij voorbaat*), in favour of the Security Trustee on the Mortgage Receivables on the Closing Date pursuant to the Issuer Mortgage Receivables Pledge Agreement and the Deed of Assignment and Pledge and undertakes to grant, in respect of any Further Advance Receivables, to the extent required under Dutch law to create a right of pledge in favour of the Security Trustee, a first ranking right of pledge on and, as the case may be, to pledge in advance (*bij voorbaat*) the relevant Further Advance Receivables on the Reconciliation Date on which they are sold and assigned to the Issuer, which will secure the payment obligations of the Issuer to the Security Trustee under the Parallel Debt Agreement and any other Transaction Documents.

The pledge over the Mortgage Receivables will not be notified to the Borrowers, except upon the occurrence of certain notification events, which are similar to the Assignment Notification Events but relating to the Issuer, including the servicing of an Enforcement Notice by the Security Trustee (the **Pledge Notification Events**). Prior to notification of the pledge to the Borrowers, the pledge will be a "silent" right of pledge (*stil pandrecht*) within the meaning of article 3:239 of the Dutch Civil Code.

In addition, a right of pledge will be vested by the Issuer in favour of the Security Trustee on the Closing Date pursuant to the Issuer Rights Pledge Agreement over all rights of the Issuer (a) under or in connection with (i) the Mortgage Receivables Purchase Agreement, (ii) the Servicing Agreement, (iii) the Administration Agreement and (iv) the Swap Agreement and (b) in respect of the Issuer Accounts. This right of pledge will be governed by Dutch law, notified to the relevant obligors and will, therefore, be a disclosed right of pledge (*openbaar pandrecht*), but the Security Trustee will grant a power to collect to the Issuer which will be withdrawn upon the occurrence of any of the Pledge Notification Events. From the occurrence of a Pledge Notification Event and, consequently notification to the Borrowers and withdrawal of the power to collect, the Security Trustee will collect (*innen*) all amounts due to the Issuer whether by the Borrowers or any other

parties to the Transaction Documents. Pursuant to the Trust Deed, the Security Trustee will, until the delivery of an Enforcement Notice for the sole purpose of enabling the Issuer to make payments in accordance with the relevant Priority of Payments, pay or procure the payment of certain amounts to the Issuer, whilst for that sole purpose terminating (*opzeggen*) its right of pledge. The amounts payable to the Noteholders and other Secured Creditors under the Trust Deed will be limited to the amounts available for such purpose to the Security Trustee and the amounts will be paid in accordance with the Post-Enforcement Priority of Payments as set forth in the Trust Deed.

The Security Trustee has not undertaken and will not undertake any investigations, searches or other actions in respect of the Mortgage Receivables and any other assets pledged pursuant to the Security Documents and will rely instead on, *inter alia*, the warranties given in relation thereto in the relevant Security Documents.

The security rights described above shall serve as security for the benefit of the Secured Creditors, including each of the Noteholders, but amounts owing under the Class A Notes will rank in priority to the Class B Notes and the Class C Notes and the Class B Notes will rank in priority to the Class C Notes. Any amounts owing to the Noteholders of a Class of Notes will rank in accordance with the relevant Priority of Payments (see Section 5 (*Credit Structure*) below).

## 4.8 Credit Ratings

It is a condition precedent to issuance that, the Class A Notes, on issue, be assigned an AAA(sf) credit rating by Fitch and an AAA(sf) credit rating by DBRS. The Class B Notes and the Class C Notes will not be assigned a credit rating by any of the Credit Rating Agencies.

DBRS is established in the European Union and is registered under the Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**). As such, DBRS is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website (at <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>) in accordance with the CRA Regulation. DBRS is not established in the United Kingdom. Accordingly the rating(s) issued by DBRS have been endorsed by DBRS Ratings Limited in accordance with the UK CRA Regulation and have not been withdrawn. As such, the ratings issued by DBRS may be used for regulatory purposes in the United Kingdom in accordance with Regulation (EC) No. 1060/2009 as it forms part of domestic law of the United Kingdom by virtue of the EUWA (the **UK CRA Regulation**).

Fitch Ratings Limited is established in the United Kingdom and is registered in accordance with the UK CRA Regulation. Fitch Ratings Limited is not established in the European Union and has not applied for registration under the CRA Regulation. The ratings issued by Fitch Ratings Limited have been endorsed by Fitch Ratings Ireland in accordance with the CRA Regulation. Fitch Ratings Ireland is established in the European Union and registered under the CRA Regulation. As such Fitch Ratings Ireland is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website (at <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>) in accordance with the CRA Regulation.

The Credit Ratings assigned to the Class A Notes addresses the assessment made by DBRS and Fitch of the likelihood of full and timely payment of interest and ultimate payment of principal on or before the Final Maturity Date, but does not provide any certainty nor guarantee. Any decline in the credit ratings of the Class A Notes or changes in credit rating methodologies may affect the market value of the Notes. Furthermore, the credit ratings may not reflect the potential impact of all rights related to the structure, market, additional factors discussed above or below and other factors that may affect the value of the Notes.

A rating is not a recommendation to buy, sell or hold securities and may be subject to review, revision, suspension or withdrawal at any time and reflects only the views of the Credit Rating Agencies. There is no assurance that any rating will continue for any period of time or that they will not be reviewed, revised, suspended or withdrawn entirely by any of the Credit Rating Agencies as a result of changes in or unavailability of information or if, in any of the Credit Rating Agencies' judgment, circumstances so warrant. Future events which could have an adverse effect on the ratings of the Notes include events affecting the Issuer Account Bank, the Swap Counterparty or the Cash Advance Facility Provider and/or circumstances relating to the Mortgage Receivables and/or the Dutch residential mortgage loan market.

Other credit rating agencies that have not been engaged to rate the Notes by the Issuer may issue unsolicited credit ratings on the Notes at any time. Any unsolicited credit ratings in respect of the Notes may differ from the credit ratings expected to be assigned by Fitch and/or DBRS and may not be reflected in this Prospectus. Issuance of an unsolicited credit rating which is lower than the credit ratings assigned by Fitch or DBRS in respect of the Notes may adversely affect the market value and/or the liquidity of the Notes.

The relevant Transaction Documents provide that, upon the occurrence of certain events or matters the Security Trustee needs to obtain a Credit Rating Agency Confirmation before it is allowed to take any action or consent to an amendment of the relevant Transaction Documents.

The Security Trustee may, for the purposes of exercising any power, authority, duty or discretion under or in relation to the Conditions or any of the relevant Transaction Documents take the provision of a Credit Rating Agency Confirmation into account in determining whether such exercise will be materially prejudicial to the

interest of any Class of Notes and the other Secured Creditors. By the Issuer or the Security Trustee obtaining a Credit Rating Agency Confirmation each of the Security Trustee, the Noteholders and the other Secured Creditors will be deemed to have agreed and/or acknowledged that (i) a credit rating is an assessment of credit only and does not address other matters that may be of relevance to the Noteholders or the other Secured Creditors, (ii) neither the Security Trustee nor the Noteholders nor the other Secured Creditors have any right of recourse to or against the relevant Credit Rating Agency in respect of the relevant Credit Rating Agency Confirmation which is relied upon by the Security Trustee and (iii) reliance by the Security Trustee on a Credit Rating Agency Confirmation does not create, impose on or extend to the relevant Credit Rating Agency any actual or contingent liability to any person (including, without limitation, the Security Trustee and/or the Noteholders and/or the other Secured Creditors) or create any legal relations between the relevant Credit Rating Agency and the Security Trustee, the Noteholders, the other Secured Creditors or any other person whether by way of contract or otherwise.

In addition, Noteholders should be aware that the definition of Credit Rating Agency Confirmation also covers, among other things, the circumstances where no positive or negative confirmation or indication is forthcoming from any Credit Rating Agency provided that thirty (30) days have passed since such Credit Rating Agency was notified of the relevant matter and that reasonable efforts were made to obtain a confirmation or an indication from such Credit Rating Agency. In such circumstance a Credit Rating Agency Confirmation will, for the purpose of the relevant Condition or Transaction Document, be deemed to have been obtained. Credit Rating Agencies are not bound to the Conditions or the Transaction Documents and may take any action in relation to the credit ratings assigned to the Notes, also in circumstances where for the purposes of the Conditions or the Transaction Document a Credit Rating Agency Confirmation is (deemed to have been) obtained.

## 5. CREDIT STRUCTURE

*The structure of the credit arrangements for the proposed issue of the Notes is summarised below.*

### 5.1 Available Funds

#### Available Revenue Funds

Prior to the delivery of an Enforcement Notice by the Security Trustee, the sum of the following amounts (without double counting), calculated on each Notes Calculation Date, received, or in case of item (vi) to be received, or held by the Issuer in respect of the immediately preceding Notes Calculation Period or (in the case of item (vi)) on the immediately succeeding Notes Payment Date (the **Available Revenue Funds**):

- (i) interest on the Mortgage Receivables;
- (ii) interest accrued and received on the Issuer Accounts (other than the Swap Collateral Accounts);
- (iii) Prepayment Penalties and interest penalties under the Mortgage Receivables;
- (iv) Net Foreclosure Proceeds, to the extent such proceeds do not relate to principal;
- (v) amounts to be drawn under the Cash Advance Facility (other than a Cash Advance Facility Stand-by Drawing or from the Cash Advance Facility Stand-by Ledger on the immediately succeeding Notes Payment Date);
- (vi) any amounts to be received by the Issuer under the Swap Agreement excluding, for the avoidance of doubt, (a) any Swap Termination Payment received by the Issuer under the Swap Agreement to the extent it is to be applied in acquiring a replacement swap transaction, (b) any Excess Swap Collateral or Swap Collateral (for the avoidance of doubt, unless such collateral is available for inclusion in the Available Revenue Funds in accordance with the Trust Deed in connection with the termination of the Swap Transaction), except to the extent that the value of Swap Collateral has been applied, pursuant to the provisions of the Swap Agreement, to reduce the amount that would otherwise be payable by the Swap Counterparty to the Issuer on early termination of the Swap Transaction and, to the extent so applied in reduction of the amount otherwise payable by the Swap Counterparty, such Swap Collateral is not to be applied in acquiring a replacement swap transaction, (c) any Replacement Swap Premium, but only to the extent applied directly to any Swap Termination Payment due and payable by the Issuer to the Swap Counterparty in accordance with the Trust Deed and (d) amounts in respect of Tax Credit;
- (vii) notwithstanding item (vi) above, (a) any Swap Termination Payment received from the Swap Counterparty in excess of the amount required and applied by the Issuer to enter into a replacement Swap Agreement, and (b) any Replacement Swap Premium received from a replacement Swap Counterparty in excess of the amount required and applied to pay any outgoing Swap Counterparty;
- (viii) any amounts received in connection with a repurchase of Mortgage Receivables by the Seller to the extent such amounts do not relate to principal (including Construction Deposits (if any));
- (ix) any amounts received in connection with a sale of Mortgage Receivables (other than a repurchase as per item (viii) above) to the extent such amounts do not relate to principal;
- (x) any amounts received as Post-Foreclosure Proceeds;

- (xi) amounts to be drawn from the Reserve Account on the immediately succeeding Notes Payment Date;
- (xii) any amounts to be drawn from the Issuer Collection Account with a corresponding debit to the Interest Reconciliation Ledger on the immediately succeeding Notes Payment Date;
- (xiii) after all amounts of interest and principal that have or may become due in respect of the Notes, other than principal in respect of the Class C Notes, have been paid on the immediately preceding Notes Payment Date or will be available for payment on the immediately succeeding Notes Payment Date, any amount standing to the credit of the Reserve Account and of any other Issuer Account;
- (xiv) any amounts standing to the credit of the Issuer Collection Account, after the Class A and Class B Notes have been redeemed in full to the extent that not included in items (i) up to and including (xii), including any amounts forming part of the Available Principal Funds on such date;
- (xv) any Additional Revenue Amount;

**less:**

- (xvi) on the first Notes Payment Date of each calendar year, an amount equal to 10 per cent. of the annual fee due and payable by the Issuer to the Director in connection with the Issuer Management Agreement, with a minimum of Euro 2,500;
- (xvii) any amount to be credited to the Interest Reconciliation Ledger on the immediately succeeding Notes Payment Date; and
- (xviii) any NHG Return Amount (to the extent such amount relates to (a) item (ii) of the definition thereof and (b) interest) paid to Stichting WEW during the previous Notes Calculation Period,

will, where applicable after having been transferred to the Issuer Collection Account on the Notes Calculation Date, be applied in accordance with the Revenue Priority of Payments.

**Available Principal Funds**

Prior to the delivery of an Enforcement Notice by the Security Trustee, the sum of the following amounts (without double counting), calculated on each Notes Calculation Date, received or held by the Issuer in respect of the immediately preceding Notes Calculation Period or expected to be received or drawn by the Issuer on the immediately succeeding Notes Payment Date (the **Available Principal Funds**):

- (i) amounts of principal repaid and prepaid in part or in full under the Mortgage Receivables, excluding Prepayment Penalties;
- (ii) Net Foreclosure Proceeds on any Mortgage Receivable to the extent such proceeds relate to principal received;
- (iii) amounts received on the Issuer Collection Account from the credit balance of the Construction Deposit Account (if any) (A) in cases where the relevant Construction Deposit (i) is paid to the relevant Borrower by means of set-off with the relevant Mortgage Receivables or (ii) has not been used by the Borrower after expiry of the agreed term or (B) after the occurrence of an Assignment Notification Event referred to under item (d) thereof;



- (iv) amounts received in connection with a repurchase of Mortgage Receivables to the extent such amounts relate to principal;
- (v) amounts received in connection with a sale of Mortgage Receivables (other than a repurchase) to the extent such amounts relate to principal,
- (vi) any amounts to be credited to the Principal Deficiency Ledger in accordance with items (g) and (j) of the Revenue Priority of Payments to make good any Realised Loss and any Additional Revenue Amount reflected on the relevant ledger, on the immediately succeeding Notes Payment Date;
- (vii) any amounts to be drawn from the Issuer Collection Account with a corresponding debit to the Principal Reconciliation Ledger on the immediately succeeding Notes Payment Date;
- (viii) as from (but excluding) the First Optional Redemption Date, any Class A Additional Redemption Amounts until the date on which the Class A Notes have been fully redeemed in accordance with the Conditions as referred to under item (i) of the Revenue Priority of Payments;
- (ix) an amount equal to the excess (if any) of (a) the sum of the aggregate proceeds of the issue of the Class A Notes and the Class B Notes over (b) the Initial Purchase Price of the Mortgage Receivables purchased on the Closing Date;
- (x) any amounts forming part of the Available Principal Funds calculated on the immediately preceding Notes Calculation Date which have not been applied towards redemption of the Notes, other than the Class C Notes and any part of such amount remaining after the Class B Notes have been redeemed in full;

**less:**

- (xi) any part of the Available Principal Funds required to be credited to the Principal Reconciliation Ledger on the immediately succeeding Notes Payment Date in accordance with the Administration Agreement; and
- (xii) any NHG Return Amount (to the extent such amount relates to (a) item (ii) of the definition thereof and (b) principal) paid to Stichting WEW during the previous Notes Calculation Period; and
- (xiii) any part of the Available Principal Funds applied as Initial Purchase Price towards purchase of Further Advance Receivables during the immediately preceding Notes Calculation Period;

will, where applicable, after having been transferred to the Issuer Collection Account on the Notes Calculation Date, be applied in accordance with the Principal Priority of Payments.

**Cash Collection Arrangements**

Payments by the Borrowers of scheduled interest and scheduled principal under the Mortgage Loans are due on the last calendar day of each month (or the preceding Business Day if such day is not a Business Day), interest being payable in arrears. All monthly scheduled payments made by Borrowers will be paid into the Seller Collection Account by direct debit. The balance on this account is not pledged to any party, other than to the bank at which the account is established pursuant to the applicable general terms and conditions. The Seller Collection Account will also be used for the collection of monies paid in respect of mortgage loans other than Mortgage Loans and in respect of other monies belonging to the Seller.

To mitigate any commingling risk, on each Reconciliation Date, the Seller shall transfer to the Issuer Collection Account – by means of an advance payment - an amount equal to the scheduled interest and scheduled principal payments scheduled to be due payable by the Borrowers in respect of the calendar month in which such Reconciliation Date falls (the **Scheduled Collections Amount**).

Furthermore, on the 1st business day of each month, the Seller shall transfer to the Issuer Collection Account – by means of an advance payment – an amount equal to 120% of the prepayments under the Mortgage Loans received in the second month prior to such month; (the **Unscheduled Collections Amount**).

On each Reconciliation Date the Seller shall transfer (or procure that the Servicer shall transfer on its behalf) to the Issuer Collection Account an amount equal to the result of, if positive, (a) the sum of all amounts of interest and principal (other than principal prepayments) actually received or recovered by the Seller in respect of the Mortgage Loans in respect of the immediately preceding Mortgage Calculation Period minus (b) the Scheduled Collections Amount advanced to the Issuer on the previous Reconciliation Date. If such result is negative, the Issuer shall on such day repay to the Seller an amount equal to the absolute value of such negative difference and, for the avoidance of doubt, such payment shall be made outside the Priority of Payments.

On each Reconciliation Date the Seller shall transfer (or procure that the Servicer shall transfer on its behalf) to the Issuer Collection Account an amount equal to the result of, if positive, (a) the sum of all principal prepayments actually received by the Seller during the immediately preceding Mortgage Calculation Period minus (b) the Unscheduled Collections Amount advanced by the Seller to the Issuer in the previous month. If such result is negative, the Issuer shall on such day repay to the Seller an amount equal to the absolute value of such negative difference and, for the avoidance of doubt, such payment shall be made outside the Priority of Payments.

The above cash flow arrangement applies until the occurrence of an Assignment Notification Event. Following an Assignment Notification Event as described under *Purchase, Repurchase and Sale* in Section *Portfolio Documentation*, the Borrowers will be notified of the assignment and be required to pay all amounts due by them under the Mortgage Loans directly to the Issuer Collection Account (or such other bank account as may be designated by the Issuer or the Security Trustee).

## 5.2 Priority of Payments

### Priority of Payments in respect of interest

Provided that no Enforcement Notice has been served, the Available Revenue Funds will, pursuant to the terms of the Trust Deed (and less any amounts which have been applied towards payment of amounts in the relevant Notes Calculation Period in accordance with the Trust Deed outside of any Priority of Payment), be applied by the Issuer on each Notes Payment Date as follows (in each case only if and to the extent that payments of a higher order of priority have been or can be made in full) (the **Revenue Priority of Payments**):

- (a) *First*, in or towards satisfaction, *pro rata*, according to the respective amounts thereof, of (i) the fees or other remuneration due and payable to the Directors in connection with the Management Agreements and (ii) the fees or other remuneration and indemnity payments (if any) due and payable to the Security Trustee and any costs, charges, liabilities and expenses incurred by the Security Trustee under or in connection with the relevant Transaction Documents (including the fees and expenses payable to any legal advisors, accountants and auditors appointed by the Security Trustee);
- (b) *Second*, in or towards satisfaction, *pro rata*, according to the respective amounts thereof, of (i) the fees and expenses due and payable to the Issuer Administrator under the Administration Agreement and (ii) the fees and expenses due and payable to the Servicer under the Servicing Agreement;
- (c) *Third*, in or towards satisfaction, *pro rata*, according to the respective amounts thereof, of (i) the amounts due and payable (but not yet paid prior to the relevant Notes Payment Date) to third parties under obligations incurred in the Issuer's business (other than under the relevant Transaction Documents and other amounts which are incurred as a result of the Issuer's breach of the Transaction Documents), including, without limitation, in or towards satisfaction of amounts or provisions for any payment of the Issuer's liability in respect of tax, if any, (ii) the fees and expenses due and payable to the Paying Agent, the Reference Agent, the Cash Advance Facility Provider, the Common Safekeeper and any other agent designated under any of the relevant Transaction Documents, (iii) any amounts due and payable to the Issuer Account Bank, (including, for the avoidance of doubt, any negative interest, due to the Issuer Account Bank under the Issuer Account Agreement); (iv) the amounts due and payable to the Credit Rating Agencies and (v) the fees and expenses due and payable to any legal advisors, accountants and auditors appointed by the Issuer;
- (d) *Fourth*, (i) in or towards satisfaction of any amounts due and payable to the Cash Advance Facility Provider under the Cash Advance Facility Agreement other than fees and expenses payable under (c) above and (ii) towards deposit on the Issuer Collection Account of an amount to be credited to the Cash Advance Facility Stand-by Ledger but (in both cases) excluding any gross up amounts or additional amounts due under the Cash Advance Facility which are payable under item (m) below;
- (e) *Fifth*, in or towards satisfaction of amounts, if any, due and payable to the Swap Counterparty under the Swap Agreement (including Swap Termination Payments in respect of the Swap Agreement, but excluding (i) the Swap Counterparty Subordinated Payment and (ii) any amounts in respect of Excluded Swap Amounts, such amounts to be paid outside the Priority of Payments);
- (f) *Sixth*, in or towards satisfaction, *pro rata* and *pari passu*, of interest due and payable on the Class A Notes;
- (g) *Seventh*, in or towards satisfaction, of sums to be credited to the Class A Principal Deficiency Ledger until the debit balance, if any, on the Class A Principal Deficiency Ledger is reduced to zero, such amount to be applied as Available Principal Funds;

- (h) *Eight*, in or towards satisfaction of any sums required to be deposited into the Reserve Account or, as the case may be, to replenish the Reserve Account up to the amount of the Reserve Account Target Level;
- (i) *Ninth*, from (but excluding) the First Optional Redemption Date and until the date on which the Class A Notes have been fully redeemed in accordance with the Conditions, as Class A Additional Redemption Amount to be applied as part of the Available Principal Funds;
- (j) *Tenth*, in or towards making good any shortfall reflected in the Class B Principal Deficiency Ledger until the debit balance, if any, on the Class B Principal Deficiency Ledger is reduced to zero, such amount to be applied as Available Principal Funds;
- (k) *Eleventh*, provided the Class A Notes and the Class B Notes have been redeemed in full, in or towards satisfaction, *pro rata* and *pari passu*, redemption of the Class C Notes;
- (l) *Twelfth*, in or towards satisfaction of the Swap Counterparty Subordinated Payment due and payable to the Swap Counterparty under the terms of the Swap Agreement;
- (m) *Thirteenth*, in or towards satisfaction of any gross-up amounts or additional amounts, if any, due under the Cash Advance Facility Agreement;
- (n) *Fourteenth*, in or towards principal due but unpaid in respect of the Subordinated Loan; and
- (o) *Fifteenth*, in or towards satisfaction of the Deferred Purchase Price to the Seller pursuant to the Mortgage Receivables Purchase Agreement.

#### **Priority of Payments in respect of principal**

Provided that no Enforcement Notice has been served, the Available Principal Funds will pursuant to the terms of the Trust Deed (and less any amounts which have been applied towards payment of amounts in the relevant Notes Calculation Period in accordance with the Trust Deed outside of any Priority of Payment) be applied by the Issuer on the Notes Payment Date immediately succeeding the Notes Calculation Date (in each case only if and to the extent that payments of a higher order of priority have been made in full) on a *pro rata* and *pari passu* basis among the Notes of the same Class as follows: (the **Principal Priority of Payments**):

- (a) *First*, as long as the Class A Notes are outstanding, as Additional Revenue Amount in or towards satisfaction of making good any Revenue Shortfall;
- (b) *Second*, in or towards satisfaction, *pro rata* and *pari passu*, of principal amounts due on the Class A Notes, until fully redeemed in accordance with the Conditions;
- (c) *Third*, in or towards satisfaction, *pro rata* and *pari passu*, of principal amounts due on the Class B Notes, until fully redeemed in accordance with the Conditions; and
- (d) *Fourth*, any remaining amounts to be applied as Available Revenue Funds.

#### **Post-Enforcement Priority of Payments**

Following delivery of an Enforcement Notice any amounts to be distributed by the Security Trustee under the Trust Deed to the Secured Creditors (including the Noteholders) will be applied in the following order of priority (and in each case only if and to the extent payments of a higher priority have been made in full) (the **Post-Enforcement Priority of Payments**):

- (a) *First*, in or towards repayment of any Cash Advance Facility Stand-by Drawing due and payable but unpaid under the Cash Advance Facility Agreement;
- (b) *Second*, in or towards satisfaction, *pro rata*, according to the respective amounts thereof, of (i) the fees or other remuneration due and payable to the Directors in connection with the Management Agreements, (ii) the fees or other remuneration and indemnity payments (if any) due and payable to the Security Trustee and any costs, charges, liabilities and expenses incurred by the Security Trustee under and in connection with the relevant Transaction Documents (including the fees and expenses payable to any legal advisors, accountants and auditors appointed by the Security Trustee), (iii) the fees and expenses due and payable to the Issuer Administrator and the Servicer under the Administration Agreement and Servicing Agreement, respectively, (iv) the fees and expenses due and payable to the Paying Agent and the Reference Agent under the provisions of the Paying Agency Agreement, (v) the costs and expenses due and payable to the Issuer Account Bank (including, for the avoidance of doubt, any negative interest, due to the Issuer Account Bank under the Issuer Account Agreement) under the provisions of the Issuer Account Agreement;
- (c) *Third*, in or towards satisfaction of any amounts due and payable to the Cash Advance Facility Provider under the Cash Advance Facility (other than the amount as referred to under item (a) above), but excluding any gross up amounts or additional amounts due under the Cash Advance Facility and payable under item (j) below;
- (d) *Fourth*, in or towards satisfaction of amounts, if any, due but unpaid to the Swap Counterparty under the Swap Agreement (including Swap Termination Payments in respect of the Swap Agreement, but excluding (i) the Swap Counterparty Subordinated Payment and (ii) any amounts in respect of Excluded Swap Amounts, such amounts to be paid outside the Priority of Payments);
- (e) *Fifth*, in or towards satisfaction, *pro rata* and *pari passu*, of interest due and payable or interest accrued but unpaid on the Class A Notes;
- (f) *Sixth*, in or towards satisfaction, *pro rata* and *pari passu*, of all amounts of principal due but unpaid in respect of the Class A Notes;
- (g) *Seventh*, in or towards satisfaction, *pro rata* and *pari passu*, of all amounts of principal due but unpaid in respect of the Class B Notes; and
- (h) *Eighth*, in or towards satisfaction, *pro rata* and *pari passu*, of all amounts of principal due but unpaid in respect of the Class C Notes;
- (i) *Ninth*, in or towards satisfaction of the Swap Counterparty Subordinated Payment due to the Swap Counterparty under the Swap Agreement;
- (j) *Tenth*, in or towards satisfaction of any gross-up amounts or additional amounts, if any, due under the Cash Advance Facility Agreement;
- (k) *Eleventh*, in or towards satisfaction of principal due and payable but unpaid in respect of the Subordinated Loan; and
- (l) *Twelfth*, in or towards satisfaction of the Deferred Purchase Price to the Seller pursuant to the Mortgage Receivables Purchase Agreement.

## **No amounts trapped**

No amount of cash shall be retained in the Issuer Accounts on any date on which payment is made by the Security Trustee in accordance with the Post-Enforcement Priority of Payments or as otherwise expressly required by the Transaction Documents beyond what is necessary to ensure the operational functioning of the Issuer or the orderly repayment of Noteholders in accordance with the Post-Enforcement Priority of Payments, unless exceptional circumstances (as to be determined by the Security Trustee) require that an amount is trapped in order to be used, in the best interests of Noteholders, for expenses in order to avoid the deterioration in the credit quality of the Mortgage Loans.

## **Notice of changes in the Priorities of Payments**

To the extent required under Article 21(9) of the EU Securitisation Regulation, any change in the priorities of payment which will materially adversely affect the repayment of the Notes shall be will be reported to the Noteholders without undue delay.

## **Subordinated Loan Agreement**

On the Closing Date the Seller will make the Subordinated Loan available to the Issuer. The Subordinated Loan will be in an amount of EUR 3,000,000 and will be used by the Issuer to pay certain initial costs and expenses, including (if applicable) any upfront swap premium payable by the Issuer on the Closing Date to the Swap Counterparty under the Swap Agreement (see section 5.4 (*Hedging*)), in connection with the issue of the Notes to be paid on the Closing Date. The Subordinated Loan will not carry any interest. In respect of principal payments, the Subordinated Loan will be subordinated to, *inter alia*, the Notes. Any drawn amount of the Subordinated Loan remaining unused after payment of the transaction costs shall be prepaid by the Issuer outside the Priority of Payments.

## **Class A Additional Redemption Amount**

On each Notes Payment Date after (but excluding) the First Optional Redemption Date, the Issuer will apply the Class A Additional Redemption Amounts towards redemption of the Class A Notes. The Class A Additional Redemption Amount comprises of such part of the Available Revenue Funds remaining after amounts payable under the items (a) to (h) (inclusive) of the Revenue Priority of Payments have been fully satisfied on such Notes Payment Date. The Class A Additional Redemption Amounts will form part of the Available Principal Funds and will be applied towards redemption of the Class A Notes in accordance with the Principal Priority of Payments until the Class A Notes are redeemed in full.

## **Payments outside the Priority of Payments**

Any amount due and payable to third parties (pursuant to items (a), (b) and (c) of the Revenue Priority of Payments), under obligations incurred in the Issuer's business at a date which is not a Notes Payment Date the return of any surplus advance collections made by the Seller on any Reconciliation Date after the final amount of collections is known and any amount due and payable to Stichting WEW of any NHG Return Amount, may be paid on such due date by the Issuer from the Issuer Collection Account to the extent the funds available on the Issuer Collection Account are sufficient to make such payment.

Any (i) Excess Swap Collateral, (ii) other Swap Collateral following a termination (except to the extent that the value of Swap Collateral has been applied, pursuant to the provisions of the Swap Agreement, to reduce the amount that would otherwise be payable by the Swap Counterparty to the Issuer on early termination of the Swap Transaction and, to the extent so applied in reduction of the amount otherwise payable by the Swap Counterparty, such Swap Collateral is not to be applied in acquiring a replacement swap transaction), (iii) Replacement Swap Premium (to the extent it is applied directly to pay a termination payment due and payable by the Issuer to the Swap Counterparty in accordance with the Trust Deed), and (iv) Tax Credits (such amounts (i) to (iv), together being **Excluded Swap Amounts**) shall be paid outside the relevant Priority of Payments

and such amounts will not form part of the Available Revenue Funds, the Available Principal Funds or the Enforcement Available Amount (see Section 5.4 (*Hedging*)).

### 5.3 Loss Allocation

#### Principal Deficiency Ledger

The Principal Deficiency Ledger, comprising two sub-ledgers known as the Class A Principal Deficiency Ledger and the Class B Principal Deficiency Ledger, will be established by or on behalf of the Issuer in order to record on an ongoing basis any Realised Losses and any Additional Revenue Amount. The Issuer Administrator will maintain the Principal Deficiency Ledgers.

The Realised Loss and any Additional Revenue Amount will, on the relevant Notes Calculation Date, be recorded (by way of debit):

- (1) *first*, to the Class B Principal Deficiency Ledger until the balance standing to the debit of the Class B Principal Deficiency Ledger is equal to the aggregate Principal Amount Outstanding of the Class B Notes; and
- (2) *second*, in respect of Realised Losses only, to the Class A Principal Deficiency Ledger until the balance standing to the debit of the Class A Principal Deficiency Ledger is equal to the aggregate Principal Amount Outstanding of the Class A Notes.

On each Notes Calculation Date, the Available Revenue Funds, to the extent available for such purpose shall be credited to:

- (i) *first*, to the Class A Principal Deficiency Ledger in accordance with item (g) of the Revenue Priority of Payments until the debit balance thereof is reduced to zero;
- (ii) *second*, to the Class B Principal Deficiency Ledger in accordance with item (j) of the Revenue Priority of Payments until the debit balance thereof is reduced to zero;

**Realised Loss** means, on any Notes Payment Date, the sum of:

- (a) where the Seller, the Issuer, the Servicer or the Security Trustee has completed the foreclosure in the immediately preceding Notes Calculation Period, the amount by which (i) the aggregate Outstanding Principal Amount of all such Mortgage Receivables exceeds (ii) the amount of the Net Foreclosure Proceeds (to the extent relating to principal) applied to reduce the Outstanding Principal Amount of the Mortgage Receivables; and
- (b) where the Borrower (x) has successfully asserted set-off or defence to payments or (y) repaid or prepaid any amount in the immediately preceding Notes Calculation Period, the amount by which (i) the aggregate Outstanding Principal Amount of such Mortgage Receivables prior to such set-off or defence or repayment or prepayment exceeds (ii) the aggregate Outstanding Principal Amount of such Mortgage Receivables, after such set-off or defence or repayment or prepayment having been made, unless, and to the extent, such amount is received from the Seller or otherwise in accordance with any item of the Available Principal Funds; and
- (c) with respect to Mortgage Receivables sold by the Issuer in the immediately preceding Notes Calculation Period, the amount (if positive) by which the aggregate Outstanding Principal Amount of such Mortgage Receivables exceeds the purchase price of the Mortgage Receivables sold to the extent relating to principal.



## 5.4 Hedging

### Interest Rate Hedging

The Mortgage Loan Criteria require that all Mortgage Receivables sold and assigned to the Issuer at the Closing Date bear a floating rate or a fixed rate of interest (as further described in Section 7.3 (*Mortgage Loan Criteria*)).

The interest rate payable by the Issuer with respect to the Class A Notes is calculated as a margin over three month EURIBOR. The Issuer will hedge the interest rate exposure in respect of the Class A Notes by entering into the Swap Agreement with the Swap Counterparty.

The Issuer's income from the fixed rate Mortgage Loans will be based on fixed rates of interest, and will not directly match (and may in certain circumstances be less than) the amount it is obliged to pay in respect of the floating rate of interest due under the Class A Notes.

The Issuer will mitigate the interest rate exposure on the Class A Notes by entering into the Swap Agreement with the Swap Counterparty on the Closing Date. The Swap Agreement will be documented under an ISDA 2002 Master Agreement.

Under the Swap Transaction, for each Swap Calculation Period falling prior to the termination date of the Swap Transaction, the following amounts will be calculated:

- (a) the amount produced by applying EURIBOR for three (3) months deposits in Euro (provided that, for the purposes of the Swap Agreement, EURIBOR shall be calculated by the Swap Counterparty, as calculation agent under the Swap Agreement) plus a margin to the Swap Notional Amount for the relevant Swap Calculation Period and multiplying the resulting amount by the relevant day count fraction (determined on an actual/360 basis) but subject to a floor of 0% (the **Swap Counterparty Swap Amount**); and
- (b) the amount produced by applying a fixed rate to the Swap Notional Amount for the relevant Swap Calculation Period and multiplying the resulting amount by the relevant day count fraction (determined on a 30/360 basis) (the **Issuer Swap Amount**).

After these two amounts are calculated in relation to a Swap Payment Date, the following payments will be made on that Swap Payment Date:

- (a) if the Swap Counterparty Swap Amount for that Swap Payment Date is greater than the Issuer Swap Amount for that Swap Payment Date, then the Swap Counterparty will pay an amount equal to the excess to the Issuer;
- (b) if the Issuer Swap Amount for that Swap Payment Date is greater than the Swap Counterparty Swap Amount for that Swap Payment Date, then the Issuer will pay an amount equal to the excess to the Swap Counterparty; and
- (c) if the two amounts are equal, neither party will make a payment to the other.

In addition, an upfront premium will be payable by the Issuer to the Swap Counterparty on the Closing Date if required to ensure that the mark-to-market value of the Swap Transaction is zero at the time the Notes are priced. Any such upfront swap premium (if applicable) will be funded by the Subordinated Loan (see section 5.2 (*Priority of Payments – Subordinated Loan Agreement*)).

In the event that the Swap Counterparty (and any applicable guarantor) is downgraded by a Credit Rating Agency such that it no longer meets the Initial Required Ratings and/or the Subsequent Required Ratings, the Swap Counterparty will, in accordance with the Swap Agreement at its own cost, be required to take certain

remedial measures within the timeframe stipulated in the Swap Agreement which will include (i) the provision of collateral for its obligations under the Swap Agreement pursuant to the credit support annex to the Swap Agreement (which provides for requirements relating to the provision of collateral by the Swap Counterparty), and/or (ii) arranging for its obligations under the Swap Agreement to be transferred to an entity that complies with the Subsequent Required Ratings, or procuring another entity with at least the Subsequent Required Ratings to become a co-obligor or guarantor in respect of its obligations under the Swap Agreement, or taking such other action as it will result in the ratings of the then outstanding Class A Notes being restored to or maintained at the level they were at immediately prior to the downgrade. A failure to take such steps, subject to certain conditions, will give the Issuer the right to terminate the Swap Transaction.

The Swap Transaction may also be terminated in accordance with events of default and termination events commonly found in standard ISDA documentation for interest rate swap transactions. The Swap Transaction will be terminable by one party (as set out in the Swap Agreement) if:

- (i) an applicable event of default or termination event occurs in relation to the other party;
- (ii) there is any waiver, modification or amendment to the Conditions or the Transaction Documents, or consent to a waiver, modification or amendment to the Conditions or the Transaction Documents, if such waiver, modification, amendment or consent (a) adversely affects in any respect (I) the amount, timing or priority of any payment or delivery to the Swap Counterparty, (II) the validity of any security granted pursuant to the Transaction Documents or (III) any rights that the Swap Counterparty has in respect of such security; (b) causes (I) the Issuer's obligations under the Swap Agreement to be further contractually subordinated relative to the level as of the Closing Date in relation to the Issuer's obligations to any other Secured Creditor or (II) a Priority of Payments to be amended in a manner materially prejudicial to the Swap Counterparty; (c) is materially prejudicial to the Swap Counterparty in any respect; (d) in the event the Swap Counterparty were to replace itself under the Swap Agreement, would cause the Swap Counterparty to pay more or receive less, in connection with such replacement, as compared to what the Swap Counterparty would have been required to pay or would have received had such modification or amendment not been made; or (e) relates to an amendment of paragraphs (viii) to (xii) of Condition 14(e);
- (iii) the Class A Notes are redeemed in whole pursuant to Conditions 6(c) (*Optional Redemption of the Class A Notes and Class B Notes*), 6(g) (*Redemption following clean-up call*), 6(h) (*Redemption for tax reasons*) or 6(i) (*Redemption for regulatory reasons*); or
- (iv) the Security Trustee serves an Enforcement Notice on the Issuer, pursuant to Condition 10 (*Events of Default*) of the Notes.

Events of default under the Swap Agreement in relation to the Issuer will be limited to (i) non-payment under the Swap Agreement, and (ii) certain insolvency events. If the Swap Transaction is terminated, the Issuer will use its best endeavours to replace the Swap Counterparty.

Upon the early termination of the Swap Transaction, the Swap Counterparty may be liable to make a termination payment to the Issuer. The amount of any termination payment will be based on the market value of the Swap Transaction. If the Swap Transaction is terminated as a result of an event of default or termination event in respect of the Issuer or a Swap Additional Termination Event as set out in (ii) to (iv) above, the Swap Counterparty will calculate the termination amount payable to the Issuer as a result of the termination of the Swap Transaction, in accordance with the terms of the Swap Agreement. Likewise, if the Swap Transaction is terminated as a result of an event of default or termination event in respect of the Swap Counterparty, the Issuer will calculate the termination amount payable.

Any collateral required to be provided pursuant to the Swap Agreement may be credited in the form of cash to the Swap Cash Collateral Account by the Swap Counterparty or securities to the Swap Securities Collateral

Account. See further Section 5.6 of this Prospectus. Any Excess Swap Collateral will, when due pursuant to the Swap Agreement, be returned to the Swap Counterparty outside the applicable Priority of Payments.

In accordance with the Swap Agreement, the Swap Counterparty is obliged to make payments under the Swap Agreement without any withholding or deduction of taxes unless required by law. If any such withholding or deduction is required by law, the Swap Counterparty will be required to pay such additional amount as is necessary to ensure that the net amount actually received by the Issuer will equal the full amount that the Issuer would have received had no such withholding or deduction been required, unless the relevant withholding or deduction is made in respect of U.S. federal withholding tax imposed or collected pursuant to Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986. If the Issuer receives any Tax Credit resulting from the payment of any withholding tax by the Swap Counterparty, the Issuer shall pay the cash benefit of such Tax Credit to the Swap Counterparty outside the applicable Priority of Payments.

In the event that the Issuer is required to withhold or deduct an amount in respect of tax from payments due from it to the Swap Counterparty, the Issuer will not be required pursuant to the terms of the Swap Agreement to pay the Swap Counterparty such amounts as would otherwise have been required to ensure that the Swap Counterparty received the same amounts that it would have received had such withholding or deduction not been made.

Other than the Swap Agreement to mitigate the interest rate risk, the Issuer shall not enter into any derivative contracts.

## 5.5 Liquidity Support

### Cash Advance Facility Agreement

On the Signing Date, the Issuer will enter into the Cash Advance Facility Agreement with the Cash Advance Facility Provider and the Security Trustee. On any Notes Payment Date (other than a Notes Payment Date on which the Class A Notes are or will be redeemed in full) the Issuer will be entitled to make drawings under the Cash Advance Facility up to the Cash Advance Facility Maximum Amount, subject to certain conditions. The term of the Cash Advance Facility Agreement is up to the Cash Advance Facility Commitment Termination Date. Upon discretion of the Cash Advance Facility Provider, following an Extension Request of the Issuer, the commitment is extendable on an annual basis with a further term of 364 calendar days. Payments to the Cash Advance Facility Provider other than in respect of gross-up and additional amounts will rank higher in priority than payments under the Notes.

Any Cash Advance Facility Drawing by the Issuer shall only be made on a Notes Payment Date if and to the extent that, after the application of any Available Revenue Funds, including the amounts available in the Reserve Account but before any Cash Advance Facility Drawing or any Additional Revenue Amount, there is a shortfall in the Available Revenue Funds to meet items (a) up to and including (f) of the Revenue Priority of Payments in full on that Notes Payment Date.

If a Cash Advance Facility Relevant Event occurs in relation to the Cash Advance Facility Provider the Issuer shall (i) in case of DBRS, within thirty (30) days (a) replace the Cash Advance Facility Provider with a cash advance facility provider having the Cash Advance Facility Provider Requisite Credit Rating or (b) have a guarantee in place from a third party having the Cash Advance Facility Provider Requisite Credit Rating in respect of the obligations of the Cash Advance Facility Provider or (c) make a drawing of the remaining undrawn available amount (a **Cash Advance Facility Stand-by Drawing**) and deposit such amount into the Issuer Collection Account with a corresponding credit to a ledger to be known as the Cash Advance Facility Stand-by Ledger, or (ii) in case of Fitch, ultimately at the fourteenth (14) day (and if such fourteenth (14<sup>th</sup>) day is not a Business Day, the Business Day immediately preceding such fourteenth (14<sup>th</sup>) day), make a Cash Advance Facility Stand-by Drawing and deposit such amount into the Issuer Collection Account with a corresponding credit to the Cash Advance Facility Stand-by Ledger. The Issuer may also, upon the occurrence of a Cash Advance Facility Relevant Event, (a) within sixty (60) days seek to replace the Cash Advance Facility Provider with a cash advance facility provider having the Cash Advance Facility Provider Requisite Credit Rating or (b) have a guarantee in place from a third party having the Cash Advance Facility Provider Requisite Credit Rating in respect of the obligations of the Cash Advance Facility Provider provided that a Cash Advance Facility Stand-by Drawing must be made ultimately fourteen (14) days after the Cash Advance Facility Relevant Event if no replacement of the Cash Advance Facility Provider or a guarantee has been found by then.

Amounts so deposited into the Issuer Collection Account may be utilised by the Issuer in the same manner as if it would make a Cash Advance Facility Drawing. The Issuer shall repay a Cash Advance Facility Stand-by Drawing in accordance with the relevant Priority of Payments, as applicable, upon the earlier of the date on which the transfer of the Cash Advance Facility to an alternative cash advance facility provider that meets the Requisite Credit Ratings becomes effective, the Cash Advance Facility Provider again meets the Requisite Credit Ratings, any Optional Redemption Date if and to the extent that on such date the Notes will, subject to and in accordance with the Conditions, be redeemed or the Final Maturity Date subject to and in accordance with the Revenue Priority of Payments.

On the Notes Payment Date on which all amounts of principal due in respect of the Class A Notes, have been or will be paid in accordance with the Conditions and the Transaction Documents, an amount equal to the amount standing to the credit of the Cash Advance Facility Stand-by Ledger at such time, will be repaid by the Issuer to the Cash Advance Facility Provider outside the Priority of Payments.

## 5.6 Issuer Accounts

### Issuer Collection Account, Reserve Account and Swap Collateral Accounts

#### *Issuer Collection Account*

The Issuer will maintain with the Issuer Account Bank the Issuer Collection Account to which all amounts received (i) from the Seller in respect of the Mortgage Loans (including the Scheduled Collections Amount and Unscheduled Collections Amount relating thereto) and (ii) from the other parties to the Transaction Documents (except for any collateral to be credited by the Swap Counterparty pursuant to the Swap Agreement), will be paid. The Issuer Administrator will identify all amounts paid into the Issuer Collection Account by crediting such amounts to ledgers established for such purpose. Payments received in respect of the Mortgage Loans will be identified as principal or revenue receipts and credited to the relevant ledgers, as the case may be. The amount standing to the credit of the Issuer Collection Account will accrue interest at a rate equal to €STR (or any replacement reference rate as agreed with the Issuer Account Bank in accordance with the Issuer Account Agreement) minus a margin (for the avoidance of doubt including negative interest on the Issuer Collection Account).

Payments may be made from the Issuer Collection Account on any date (provided that such date is a Business Day) other than on a Notes Payment Date to, amongst others, satisfy (i) amounts due to third parties (other than pursuant to the Transaction Documents) and payable in connection with the Issuer's business (including payments of tax), and (ii) in case of a negative difference between the sum of (y) all amounts actually received or recovered by the Seller in respect of the Mortgage Loans during the immediately preceding Mortgage Calculation Period and (z) the Scheduled Collections Amount and the Unscheduled Collections Amount deposited into the Issuer Collection Account in the immediately preceding calendar month by the Seller on account of principal and interest scheduled to be received in the relevant Mortgage Calculation Period, the amount due by the Issuer to the Seller which equal to the absolute value of such negative difference.

#### *Reserve Account*

The Issuer will maintain with the Issuer Account Bank the Reserve Account. The net proceeds of the Class C Notes will be credited to the Reserve Account on the Closing Date. The amount standing to the credit of the Reserve Account will accrue interest at a rate equal to three-month EURIBOR less a margin (or any replacement reference rate as agreed with the Issuer Account Bank in accordance with the Issuer Account Agreement).

Prior to delivery of an Enforcement Notice, amounts credited to the Reserve Account will be available for drawing on any Notes Payment Date to meet items (a) up to and including (g) of the Revenue Priority of Payments (see under *Priority of Payments* in section *Credit Structure*), in the event the Available Revenue Funds excluding any amounts drawn from the Reserve Account, any Additional Revenue Amount and any amount drawn under the Cash Advance Facility or forming part of the Cash Advance Facility Stand-by Drawing are insufficient to meet such items in full.

Prior to delivery of an Enforcement Notice, if and to the extent that the Available Revenue Funds calculated on any Notes Calculation Date exceed the amounts required to meet items (a) up to and including (g) of the Revenue Priority of Payments, the excess amount will be applied to replenish the Reserve Account, to the extent required until the balance standing to the credit of the Reserve Account equals the Reserve Account Target Level.

Prior to delivery of an Enforcement Notice, to the extent that the balance standing to the credit of the Reserve Account on any Notes Calculation Date exceeds the Reserve Account Target Level, such excess will be drawn from the Reserve Account on the immediately succeeding Notes Payment Date and be deposited in the Issuer Collection Account to form part of the Available Revenue Funds on such Notes Payment Date and be applied in accordance with the Revenue Priority of Payments.

Prior to delivery of an Enforcement Notice, if on any Notes Calculation Date all amounts of interest and principal that have or may become due in respect of the Notes, except for principal in respect of the Class C Notes, have been paid on the Notes Payment Date immediately preceding such Notes Calculation Date or will be available for payment in full on the Notes Payment Date immediately following such Notes Calculation Date, the Reserve Account Target Level will be reduced to zero and any amount standing to the credit of the Reserve Account will thereafter form part of the Available Revenue Funds and, subject to higher ranking items in the Revenue Priority of Payments, will be available to redeem or partially redeem the Class C Notes until fully redeemed and thereafter, towards satisfaction of, *inter alia*, the Deferred Purchase Price to the Seller. If on the penultimate Notes Payment Date before the Final Maturity Date the Class A Notes and the Class B Notes have not been fully redeemed yet the Reserve Account Target Level will be reduced to zero at such time.

#### *Swap Collateral Accounts*

The Issuer will maintain with the Issuer Account Bank the Swap Cash Collateral Account to which any collateral in the form of cash may be credited by the Swap Counterparty pursuant to the Swap Agreement. No withdrawals may be made with respect to such accounts and any amounts standing to the credit of the Swap Cash Collateral Account will not constitute Available Funds, unless, pursuant to the termination of the Swap Transaction, an amount is owed by the Swap Counterparty to the Issuer, in which case the collateral may be applied as a final payment by the Swap Counterparty which shall be applied in accordance with the Trust Deed. A Swap Securities Collateral Account may be opened by the Issuer during the life of the Notes with a custodian if collateral will be posted by means of securities.

Any amount remaining in such accounts upon termination of the Swap Transaction, which are not owed to the Issuer by the Swap Counterparty, shall be transferred directly to the Swap Counterparty (outside of the Revenue Priority of Payments and the Principal Priority of Payments) on the termination date under the Swap Agreement.

If any collateral is transferred pursuant to the Swap Agreement in favour of the Issuer, the Issuer may apply such collateral in accordance with the Swap Agreement and the priority of payments as set forth in the Trust Deed, subject to the Issuer's obligation to return any Excess Swap Collateral directly to the Swap Counterparty under the Swap Agreement.

#### *Construction Deposit Account*

To the extent there are Construction Deposits, the Issuer will maintain with the Issuer Account Bank a Construction Deposit Account. On the Closing Date an amount corresponding to the Aggregate Construction Deposit Amount as at the Cut-Off Date will be withheld from the Initial Purchase Price for the Mortgage Receivables assigned on the Closing Date and such amount will be credited to the Construction Deposit Account. On the Cut-off Date, the Aggregate Construction Deposit Amount was EUR 137,065.12.

Furthermore, on each date on which a Further Advance Receivable with a Construction Deposit is purchased by the Issuer, the Construction Deposit Amount relating to such Further Advance will be withheld from the Initial Purchase Price for the related Further Advance Receivable and credited to the Construction Deposit Account.

Payments from the Construction Deposit Account may be made on a daily basis only for reimbursement by the Issuer to the Seller for amounts distributed in respect of (part of) the Construction Deposit by the Seller to the relevant Borrowers. In addition, the Construction Deposit Account will be debited on each Mortgage Collection Payment Date with the amount that has been set off against the Mortgage Receivables in connection with the Construction Deposits (as a result of an expired Construction Deposit that has not been extended pursuant to an agreement between the Seller and the Borrower). Such amount will be credited to the Issuer Collection Account and will form part of the Available Principal Funds.

## **Calculations**

The Issuer Administrator will calculate the amounts available to the Issuer on the basis of information received by it, including but not limited to the Mortgage Report provided by the Servicer for each Mortgage Calculation Period on which the Portfolio and Performance Reports are based. In the event that the Issuer Administrator does not receive a Mortgage Report for each Mortgage Calculation Period on which the Portfolio and Performance Reports are based from the Servicer with respect to a Mortgage Calculation Period, then the Issuer and the Issuer Administrator on its behalf may use the three (3) most recent available Mortgage Reports received from the Servicer for the purpose of calculating the amounts available to the Issuer to make payments, as further set out in the Administration Agreement. If the Issuer Administrator receives the Mortgage Report from the Servicer on which the Portfolio and Performance Reports are based relating to the Mortgage Calculation Period for which such calculations have been made, it will make reconciliation calculations and reconciliation payments by drawing amounts from the Interest Reconciliation Ledger and the Principal Reconciliation Ledger as set out in the Administration Agreement. Any (i) calculations properly done on the basis of such estimates in accordance with the Administration Agreement, (ii) payments made and not made under any of the Notes and the Transaction Documents in accordance with such calculations and (iii) reconciliation calculations and reconciliation payments made or payments not made as a result of such reconciliation calculations, each in accordance with the Administration Agreement, shall be deemed to be done, made or not made in accordance with the provisions of the Transaction Documents and will in itself not lead to an Event of Default or any other default under any of the Transaction Documents or breach of any triggers included therein (including but not limited to Assignment Notification Events or Pledge Notification Events).

## **Credit rating of the Issuer Account Bank**

If at any time the Issuer Account Bank is assigned a rating of less than the Requisite Credit Rating, or if any such rating is withdrawn, the Issuer shall, using reasonable efforts, as soon as reasonably possible, but at least within a period of sixty (60) calendar days after the occurrence of such event, in order to maintain the then current ratings of the Notes either (x) find an alternative bank having at least the Requisite Credit Rating as a replacement, as a result of which the Issuer and/or the Issuer Administrator on its behalf will be required to transfer the balance on all such relevant Issuer Accounts to such alternative bank, or (y) procure that a third party, having at least the Requisite Credit Rating, guarantees the obligations of the Issuer Account Bank.

If at the time when the Issuer Account Bank should be replaced, there is no other bank which has the Requisite Credit Rating and if the Security Trustee so agrees and provided that each Credit Rating Agency has provided a Credit Rating Agency Confirmation, the relevant Issuer Accounts will not need to be transferred until such time as there is a bank of international repute which has the Requisite Credit Rating and is willing to accept deposits, whereupon, subject to the prior written consent of the Security Trustee, such transfer will be made to the bank meeting such criteria within one (1) month of identification of such bank or such longer period as the Security Trustee may determine.

## 5.7 Administration Agreement

### *General*

The Issuer Administrator will in the Administration Agreement agree to provide certain administration, calculation and cash management services to the Issuer and the Reporting Entity in accordance with the relevant Transaction Documents, including, *inter alia*, (a) the application of amounts received by the Issuer to the Issuer Accounts and the production of the Investor Reports in relation thereto, (b) procuring that all payments to be made by the Issuer under the Transaction Documents are made, (c) procuring that all reconciliations to be made of payments into the Issuer Accounts are made, (d) procuring that all payments to be made by the Issuer under the Notes are made in accordance with the Paying Agency Agreement and the Conditions, (e) the maintaining of all required ledgers in connection with the above, (f) all administrative actions in relation thereto, and (g) procuring that all calculations to be made pursuant to the Conditions under the Notes are made.

The Administration Agreement may be terminated by the Issuer and the Security Trustee, acting jointly, upon the occurrence of certain termination events, including but not limited to, a failure by the Issuer Administrator to comply with its obligations (unless remedied within the applicable grace period), dissolution or liquidation of the Issuer Administrator or the Issuer Administrator being declared bankrupt or granted a suspension of payments. In addition the Administration Agreement may be terminated by the Issuer Administrator upon the expiry of not less than six (6) months' notice, subject to (i) written approval by the Issuer and the Security Trustee, which approval may not be unreasonably withheld and (ii) each Credit Rating Agency having provided a Credit Rating Agency Confirmation in respect of the termination. A termination of the Administration Agreement by either the Issuer and the Security Trustee or the Issuer Administrator will only become effective if a substitute issuer administrator is appointed.

Upon the occurrence of a termination event as set forth above the Security Trustee and the Issuer shall use their best efforts to promptly appoint a substitute issuer administrator and such substitute issuer administrator will enter into an agreement with the Issuer and the Security Trustee substantially on the terms of the Administration Agreement, provided that such substitute issuer administrator shall have the benefit of an administration fee at a level to be then determined. The Issuer shall, promptly following the execution of such agreement, pledge its interest in such agreement in favour of the Security Trustee on the terms of the Issuer Rights Pledge Agreement, *mutatis mutandis*, to the satisfaction of the Security Trustee.

### *Disruptions in reporting*

If a Disruption has occurred, the Issuer Administrator will use all reasonable endeavours to make all determinations, necessary in order for the Issuer Administrator to continue to perform its services under the Administration Agreement. In accordance with the Administration Agreement, the Issuer Administrator will use the three most recent Mortgage Reports available to it to calculate the aggregate of any collections (whether relating to principal, interest or other) received in respect of the Mortgage Receivables for the three relevant Mortgage Calculation Periods.

Any Disruption Overpaid Amount to the extent it would have formed part of the Available Revenue Funds will be deducted from the Available Revenue Funds and will be withheld from the payments to be made on the next following Notes Payment Date on which the Disruption is no longer occurring. Any Disruption Underpaid Amount to the extent it would have formed part of the Available Revenue Funds will be added to the Available Revenue Funds and will be paid on the next following Notes Payment Date on which the Disruption is no longer occurring. Any Disruption Overpaid Amount to the extent it would have formed part of the Available Principal Funds will be deducted from the Available Principal Funds and will be withheld from the payments to be made on the next following Notes Payment Date. Any Disruption Underpaid Amount to the extent it would have formed part of the Available Principal Funds will be added to the Available Principal Funds and will be paid on the next following Notes Payment Date.



## **MAD Regulations**

Pursuant to the Administration Agreement, the Issuer Administrator, inter alia, shall procure compliance by the Issuer with all applicable legal requirements, including in respect of the below.

The Directive 2003/6/EC of 28 January 2003 on insider dealing and market manipulation and the Directive 2014/57/EU of 16 April 2014 on criminal sanctions for insider dealing and market manipulation (together the **Market Abuse Directives**), Regulation 596/2014 of 16 April 2014 on market abuse (the **Market Abuse Regulation**) and the Dutch legislation implementing these Directives (the Market Abuse Directives, Market Abuse Regulation and the Dutch implementing legislation together referred to as the **MAD Regulations**) among other things impose on the Issuer the obligations to disclose inside information and to maintain a list of persons that act on behalf of or for the account of the Issuer and who, on a regular basis, have access to inside information in respect of the Issuer.

The Issuer Administrator has accepted the tasks of maintaining the list of insiders and to organise the assessment and disclosure of inside information, if any, on behalf of the Issuer. The Issuer Administrator shall have the right to consult with the Servicer and any legal counsel, accountant, banker, broker, securities company or other company other than the Credit Rating Agencies and the Security Trustee in order to analyse whether the information can be considered to be inside information which must be disclosed in accordance with the MAD Regulations. If disclosure is required, the Issuer Administrator shall procure the publication of such information in accordance with the MAD Regulations. Notwithstanding the delegation of compliance with the MAD Regulations to the Issuer Administrator, the Issuer shall ultimately remain legally responsible and liable for such compliance.

## 5.8 Transparency Reporting Agreement

### Transparency Reporting Agreement

Pursuant to Article 7 of the EU Securitisation Regulation and Article 7 of the Closing Date UK Securitisation Regulation, the Seller (as originator and Reporting Entity under the EU Securitisation Regulation and the UK Securitisation Regulation) is obliged to make information available to the Noteholders, competent authorities referred to in article 29 of the EU Securitisation Regulation and potential investors and to designate amongst themselves one entity to fulfil the information requirements pursuant to points (a), (b), (d), (e), (f) and (g) of the first subparagraph of Article 7(1) of the EU Securitisation Regulation and points (a), (b), (d), (e), (f) and (g) of the first subparagraph of Article 7(1) of the Closing Date UK Securitisation Regulation in relation to the securitisation transaction described in this Prospectus. Under the Transparency Reporting Agreement, the Issuer and the Seller shall, in accordance with Article 7 of the EU Securitisation Regulation and Article 7 of the Closing Date UK Securitisation Regulation, designate and appoint the Seller as the Reporting Entity to fulfil the aforementioned information requirements.

To the extent there is any requirement under the UK Securitisation Regulation to make information available by means of a securitisation repository, such requirement shall be deemed to be met by the Seller (in its capacity as Reporting Entity) if such information is made available by means of a securitisation repository registered with ESMA under Article 10 of the EU Securitisation Regulation.

In the case of any subsequent divergence after the Closing Date between the EU Securitisation Regulation and the UK Securitisation Regulation as a result of amendments to the UK Securitisation Regulation, the Seller has undertaken to use its reasonable endeavours to continue to comply with the requirements of the UK Securitisation Regulation (as if it were applicable to it). However, there can be no assurance that the Seller is able to continue complying with the UK Securitisation Regulation if there are amendments to it after the Closing Date.

See also Section 4.4 (*Regulatory and Industry Compliance - Reporting under the EU Securitisation Regulation, the UK Securitisation Regulation and the Closing Date UK Securitisation Regulation*).

## 5.9 Legal framework as to the assignment of Mortgage Receivables

### *Assignment of the Mortgage Receivables*

Under Dutch law, assignment of the legal title of claims, such as the Mortgage Receivables, can be effectuated by means of a notarial deed of assignment or a private deed of assignment and registration thereof with the appropriate tax authorities, without notification of the assignment to the debtors being required (*stille cessie*).

All rights and obligations under the Mortgage Loans which were not originated by the Seller, were transferred by the relevant Originators to the Seller by means of contract transfer (*contractsovername*) pursuant to article 6:159 of the Dutch Civil Code under the Contract Transfers in the context of the relocation of part of the business of Lloyds Banking Group's due to the Brexit. As a consequence the Seller became the lender of record under such Mortgage Loans and holds legal title to the Mortgage Receivables.

On the Closing Date the Seller will assign legal title to the Mortgage Receivables by means of one or more private deeds of assignment which will be registered with the Dutch tax authorities or by means of a notarial deed, without notification of the assignment to the Borrowers. All ancillary rights and, in respect of any NHG Mortgage Loans, NHG Advance Rights will also pass to the Issuer.

The Mortgage Receivables Purchase Agreement provides that the assignment to the Issuer will not be notified to the Borrowers by the Seller or the Issuer, except that notification of Assignment may be made to all Borrowers upon the occurrence of any Assignment Notification Event.

Prior to notification of assignment, Borrowers under the Mortgage Loans can only validly pay to the Seller in order to fully discharge their payment obligations (*bevrijdend betalen*) in respect thereof. Upon notification of the assignment, the Borrowers under Mortgage Loans can only validly pay to the Issuer in order to fully discharge their payment obligations (*bevrijdend betalen*) in respect thereof.

The Seller has undertaken in the Mortgage Receivables Purchase Agreement to transfer or procure the transfer of any (estimated) amounts received during the immediately preceding Mortgage Calculation Period in respect of the Mortgage Receivables to the Issuer Collection Account. However, receipt of such amounts by the Issuer is subject to such payments actually being made.

If the Seller is declared bankrupt or subjected to any intervention, recovery and resolution measures, including but not limited to measures, that may be taken pursuant to the BRRD, as implemented in the Federal Republic of Germany prior to making such payments and prior to the notification of the relevant assignment, the relevant collections form part of the bankruptcy estate of the Seller. In respect of these payments received after the institution of insolvency proceedings, the Issuer may have a claim for a so called substitutional segregation (*Ersatzaussonderung*) if the moneys have not been commingled with the assets of the Seller which requires that they form an identifiable (*unterscheidbar*) part of the assets of the Seller. In case of a money transfer, payments received on an account of the insolvency administrator would generally be considered as an identifiable part in the insolvency estate of the insolvent debtor if the money transfer is properly credited on such account and the balance on such account has not decreased at any time below the amount of the relevant payment since the credit was made on such account. If this requirement is not met and subject to insolvency proceedings not being opened due to a insufficiency of assets of the Seller, the Issuer would in relation to such payments received by the Seller after the institution of insolvency proceedings and commingled with the insolvency estate generally still have a preferred claim (so called *Masseverbindlichkeit*) on the grounds that the insolvency estate was increased by the commingling. In relation to such payments received before the opening of insolvency proceedings, a claim for substitutional segregation would only be granted if the Seller was, at the time of receipt, not (or no longer) entitled to collect such payments and provided that such payments are still identifiable within the insolvency estate which will, however, often not be the case in practice for payments made before the opening of insolvency proceedings. As a preferred claim is also not available for such moneys, the Issuer will be a "normal" creditor of the insolvency estate in relation to these payments.

In case of a bankruptcy of the Seller, the Issuer will notify the Borrowers of the assignment. Upon receipt of such notification, the Borrowers will be obliged to pay interest and principal due under the Mortgage Loans to the Issuer.

The same analysis applies *mutatis mutandis* in respect of the Security Trustee as pledgee after the occurrence of a Pledge Notification Event. In such case the Security Trustee may notify all Borrowers of the assignment and pledge.

#### *Set-off by Borrowers*

Under Dutch law a debtor has a right of set-off if it has a claim that corresponds to its debt owed to the same counterparty and it is entitled to pay its debt as well as to enforce its claim. Subject to these requirements being met, each Borrower will be entitled to set off amounts due to the Borrower by the Seller to with amounts the Borrower owes under the Mortgage Loan prior to notification of the relevant assignment of the Mortgage Receivable originated by it. Such set-off would discharge the Borrower of payment of a cash amount equal to the amount reduced by means of set-off. As a result of such set-off, the Mortgage Receivable will, partially or fully, be extinguished (*gaat teniet*). Set-off by Borrowers could thus lead to a lower cash flow and thus losses under the Notes.

The Seller has represented in the Mortgage Receivables Purchase Agreement that the Mortgage Conditions provide that payments by the Borrower should be made without any deduction or set-off. However, under Dutch law it is most likely that such waiver of the set-off right is not enforceable. The Borrowers will thus most likely be entitled to invoke statutory set-off rights.

After notification of the assignment of the Mortgage Receivables to the Issuer, such Borrower will continue to have the right to set-off a counterclaim *vis-à-vis* the Seller, provided that the legal requirements for set-off are met (see above) and further provided that (i) the counterclaim of the Borrower results from the same Mortgage Loan relationship or (ii) the counterclaim of the Borrower has originated (*opgekomen*) and became due and payable (*opeisbaar*) prior to notification of the assignment to the relevant Borrower.

Claims of a Borrower against the Seller could, *inter alia*, result from (i) Construction Deposits of such Borrower or (ii) rights of a Borrower under a savings account relationship.

The Mortgage Receivables Purchase Agreement provides that if a Borrower sets off amounts due to it by the Seller against its obligations under the Mortgage Receivable and, as a consequence thereof, the Issuer does not receive the amount which it would otherwise have been entitled to receive in respect of such Mortgage Receivable, the Seller will pay to the Issuer an amount equal to the difference between (i) the amount which the Issuer would have received in respect of the Mortgage Receivable if no set-off had taken place and (ii) the amount actually received by the Issuer in respect of such Mortgage Receivable. Receipt of such amount by the Issuer from the Seller is subject to the ability of the Seller to actually make such payments. There is a risk that the Seller cannot make such payments and this could lead to losses under the Notes.

The analysis set out in this paragraph applies *mutatis mutandis* to the set-off rights of Borrowers as against the Security Trustee after notification to such Borrowers of its right of pledge over the Mortgage Receivables.

## 6. PORTFOLIO INFORMATION

### 6.1 Stratification tables

The key characteristics of the portfolio of Mortgage Loans selected as of the Initial Cut-Off Date (the **Provisional Portfolio**) are set out below. The Provisional Portfolio includes the Mortgage Loans which will be randomly selected for the final pool being sold on the Closing Date. The final pool being sold on the Closing Date could however be smaller than the Provisional Portfolio. The actual portfolio of Mortgage Loans sold on the Closing Date will be selected from the Provisional Portfolio in accordance with the criteria set forth in the Mortgage Receivables Purchase Agreement, may differ from the Provisional Portfolio as a result of repayment, prepayment, and further advances and will be sold and assigned to the Issuer without undue delay. Therefore not all of the information set out below in relation to the Provisional Pool may necessarily correspond to the details of the Mortgage Receivables as at the Closing Date. Furthermore, after the Closing Date, the portfolio will change from time to time as a result of the repayment, prepayment, amendment and repurchase of Mortgage Receivables as well as the purchase of Further Advance Receivables on Reconciliation Dates.

The Mortgage Receivables resulting from such Mortgage Loans will be sold and assigned to the Issuer without undue delay. However, there can be no assurance that any Further Advance Receivables acquired by the Issuer after the Closing Date will have the exact same characteristics as represented in the stratification tables below.

The accuracy of the data included in the stratification tables in respect of the Provisional Pool as selected on the Initial Cut-off Date has been verified by an appropriate and independent party.

The original loan-to-value ratios that are disclosed in this Prospectus are determined based on their appraised values in appraisals obtained at origination of such Mortgage Loans. Appraisals are opinions of the appraisers as of the date they were prepared and may not accurately reflect the value or condition of the mortgaged property, particularly during periods of volatility in the applicable real estate market (whether local, regional or national).

The Pool satisfies the homogeneous conditions of the RTS Homogeneity as all Mortgage Loans (i) have been underwritten in accordance with standards that apply similar approaches for assessing associated credit risk and without prejudice to Article 9(1) of the EU Securitisation Regulation, (ii) are serviced according to similar servicing procedures for monitoring, collecting and administering cash receivables on the asset side of the Issuer, (iii) correspond to the same asset category of residential loans secured by one or more mortgages on residential immovable property and (iv) in accordance with the homogeneity factors set forth in Articles 2(1)(a), (b) and (c) of the RTS Homogeneity) (a) are secured by a first-ranking Mortgage (*eerste recht van hypotheek*) or, in the case of Mortgage Loans (including any Further Advance, as the case may be) secured on the same Mortgaged Asset, first and sequentially lower ranking mortgage rights, on a Mortgaged Asset used for residential purposes in the Netherlands and is governed by Dutch law and each Mortgage Loan is originated in the Netherlands and (b) (i) pursuant to the applicable Mortgage Conditions, (x) the Mortgaged Asset may not be the subject of residential letting at the time of origination, (y) the Mortgaged Asset is for residential use and has to be occupied by the relevant Borrower at and after the time of origination and (ii) no consent for residential letting of the Mortgaged Asset has been given by the Seller. The criteria set out in (i) up to and including (iv) are derived from Article 20(8) of the EU Securitisation Regulation and the RTS Homogeneity.

However, there can be no assurance that any Further Advance Receivables acquired by the Issuer after the Closing Date will have the exact same characteristics as exhibited by the Pool.

#### Delinquencies

From ( ) >= )	Until ( <= )	Arrears Amount	Aggregate Outstanding Not. Amount	% of Total	Nr of Mortgage Loans	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
	Performing	0.00	557,324,039.12	100.00%	3,064	100.00%	2.18%	25.92	74.54%

<=	29 days	0.00	0.00	0.00%	0	0.00%	0.00%	0.00	0.00%
30 days	59 days	0.00	0.00	0.00%	0	0.00%	0.00%	0.00	0.00%
60 days	89 days	0.00	0.00	0.00%	0	0.00%	0.00%	0.00	0.00%
90 days	119 days	0.00	0.00	0.00%	0	0.00%	0.00%	0.00	0.00%
120 days	149 days	0.00	0.00	0.00%	0	0.00%	0.00%	0.00	0.00%
150 days	179 days	0.00	0.00	0.00%	0	0.00%	0.00%	0.00	0.00%
180 days	>	0.00	0.00	0.00%	0	0.00%	0.00%	0.00	0.00%
<b>Total</b>		0.00	557,324,039.12	100.00%	3,064	100.00%	2.18%	25.92	74.54%

Weighted Average	0.00
Minimum	0.00
Maximum	0.00

## 1. Key Characteristics

Description	As per Reporting Date
Principal amount	557.324.039,12
Value of savings deposits	0,00
Net principal balance	557.324.039,12
Construction Deposits	202.653,38
Net principal balance excl. Construction and Saving Deposits	557.121.385,74
Negative balance	0,00
Net principal balance excl. Construction and Saving Deposits and Negative Balance	557.121.385,74
Number of loans	3.064
Number of loanparts	5.150
Number of negative loanparts	0
Average principal balance (borrower)	181.894,27
Weighted average current interest rate	2,18%
Weighted average maturity (in years)	25,92
Weighted average remaining time to interest reset (in years)	14,00
Weighted average seasoning (in years)	3,30
Weighted average CLTOMV	74,54%
Weighted average CLTIMV	56,39%
Weighted average CLTIFV	62,68%
Weighted average OLTOMV	82,54%

## 2. Redemption Type

Description	Aggregate Outstanding Amount	% of Total	Nr of Loanparts	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
Annuity	418.923.103,58	75,17%	3.789	73,57%	2,16%	25,86	77,02%
Bank Savings	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
Interest Only	91.309.616,37	16,38%	924	17,94%	2,30%	26,30	66,23%
Hybrid	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%

Investments	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
Life Insurance	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
Linear	47.091.319,17	8,45%	437	8,49%	2,09%	25,65	68,61%
Savings	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
Bridge loan	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
Other	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
Unknown	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
<b>Total</b>	<b>557.324.039,12</b>	<b>100,00%</b>	<b>5.150</b>	<b>100,00%</b>	<b>2,18%</b>	<b>25,92</b>	<b>74,54%</b>

### 3. Outstanding Loan Amount

From (>=) - Until (<)	Aggregate Outstanding Amount	% of Total	Nr of Loans	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
< 25.000	178.071,94	0,03%	10	0,33%	1,84%	23,05	8,12%
25.000 - 50.000	1.281.608,34	0,23%	32	1,04%	2,10%	24,64	24,62%
50.000 - 75.000	5.944.704,64	1,07%	91	2,97%	2,13%	24,85	43,58%
75.000 - 100.000	17.253.544,84	3,10%	195	6,36%	2,09%	24,72	59,57%
100.000 - 150.000	110.121.309,31	19,76%	865	28,23%	2,12%	25,61	72,00%
150.000 - 200.000	153.806.230,18	27,60%	880	28,72%	2,17%	25,87	77,86%
200.000 - 250.000	121.697.942,65	21,84%	551	17,98%	2,19%	26,06	80,09%
250.000 - 300.000	60.992.936,48	10,94%	226	7,38%	2,18%	26,52	77,24%
300.000 - 350.000	28.800.015,47	5,17%	89	2,90%	2,28%	26,18	70,03%
350.000 - 400.000	18.114.888,03	3,25%	49	1,60%	2,32%	26,20	67,17%
400.000 - 450.000	13.934.399,30	2,50%	33	1,08%	2,25%	26,02	68,47%
450.000 - 500.000	5.657.767,26	1,02%	12	0,39%	2,28%	25,54	65,00%
500.000 - 550.000	4.618.262,95	0,83%	9	0,29%	2,14%	26,45	67,07%
550.000 - 600.000	1.728.359,25	0,31%	3	0,10%	2,31%	26,39	63,37%
600.000 - 650.000	4.314.571,53	0,77%	7	0,23%	2,15%	24,73	68,50%
650.000 - 700.000	3.336.158,76	0,60%	5	0,16%	2,12%	26,34	60,67%
700.000 - 750.000	2.143.634,01	0,38%	3	0,10%	1,97%	26,81	70,34%
750.000 - 800.000	773.903,97	0,14%	1	0,03%	2,45%	27,58	64,49%
800.000 - 850.000	830.150,39	0,15%	1	0,03%	2,75%	27,50	66,41%
850.000 - 900.000	862.648,46	0,15%	1	0,03%	1,77%	25,67	75,01%
900.000 - 950.000	932.931,36	0,17%	1	0,03%	2,23%	26,71	74,63%
950.000 - 1.000.000	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
1.000.000 >=	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
Unknown	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
<b>Total</b>	<b>557.324.039,12</b>	<b>100,00%</b>	<b>3.064</b>	<b>100,00%</b>	<b>2,18%</b>	<b>25,92</b>	<b>74,54%</b>

Average	181,894
Minimum	3,784
Maximum	932,931

### 4. Origination Year

From (>=) - Until (<)	Aggregate Outstanding Amount	% of Total	Nr of Loanparts	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
< 2000	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
2000 - 2001	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
2001 - 2002	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
2002 - 2003	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
2003 - 2004	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
2004 - 2005	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
2005 - 2006	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
2006 - 2007	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
2007 - 2008	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
2008 - 2009	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
2009 - 2010	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
2010 - 2011	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
2011 - 2012	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
2012 - 2013	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
2013 - 2014	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
2014 - 2015	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
2015 - 2016	13.014.454,74	2,34%	107	2,08%	2,32%	23,48	75,90%
2016 - 2017	58.626.927,60	10,52%	523	10,16%	2,31%	24,43	77,75%
2017 - 2018	137.798.746,71	24,73%	1.320	25,63%	2,07%	25,18	74,28%
2018 - 2019	75.795.205,41	13,60%	690	13,40%	2,23%	26,22	79,99%
2019 - 2020	250.580.179,79	44,96%	2.273	44,14%	2,21%	26,67	72,85%
2020 - 2021	18.248.196,27	3,27%	201	3,90%	1,72%	26,32	67,29%
2021 >=	3.260.328,60	0,58%	36	0,70%	1,98%	26,15	66,91%
Unknown	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
<b>Total</b>	<b>557.324.039,12</b>	<b>100,00%</b>	<b>5.150</b>	<b>100,00%</b>	<b>2,18%</b>	<b>25,92</b>	<b>74,54%</b>

Weighted Average	2018
Minimum	2015
Maximum	2021

## 5. Seasoning

From (>=) - Until (<)	Aggregate Outstanding Amount	% of Total	Nr of Loanparts	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
1 Year	7.855.542,62	1,41%	82	1,59%	1,83%	26,25	68,60%
1 Year(s) - 2 Year(s)	29.721.883,76	5,33%	301	5,84%	1,67%	26,69	70,85%
2 Year(s) - 3 Year(s)	254.809.162,51	45,72%	2.304	44,74%	2,25%	26,63	73,20%
3 Year(s) - 4 Year(s)	59.135.681,11	10,61%	547	10,62%	2,21%	26,16	80,21%
4 Year(s) - 5 Year(s)	153.355.292,19	27,52%	1.467	28,49%	2,08%	25,10	74,66%
5 Year(s) - 6 Year(s)	43.222.675,61	7,76%	374	7,26%	2,41%	24,17	77,40%
6 Year(s) - 7 Year(s)	9.223.801,32	1,66%	75	1,46%	2,36%	23,65	76,88%
7 Year(s) - 8 Year(s)	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%



8 Year(s) - 9 Year(s)	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
9 Year(s) - 10 Year(s)	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
10 Year(s) - 11 Year(s)	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
11 Year(s) - 12 Year(s)	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
12 Year(s) - 13 Year(s)	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
13 Year(s) - 14 Year(s)	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
14 Year(s) - 15 Year(s)	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
15 Year(s) - 16 Year(s)	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
16 Year(s) - 17 Year(s)	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
17 Year(s) - 18 Year(s)	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
18 Year(s) - 19 Year(s)	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
19 Year(s) - 20 Year(s)	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
20 Year(s) - 21 Year(s)	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
21 Year(s) - 22 Year(s)	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
22 Year(s) - 23 Year(s)	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
23 Year(s) - 24 Year(s)	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
24 Year(s) - 25 Year(s)	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
25 Year(s) - 26 Year(s)	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
26 Year(s) - 27 Year(s)	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
27 Year(s) - 28 Year(s)	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
28 Year(s) - 29 Year(s)	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
29 Year(s) - 30 Year(s)	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
30 Year(s) >=	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
Unknown	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
<b>Total</b>	<b>557.324.039,12</b>	<b>100,00%</b>	<b>5.150</b>	<b>100,00%</b>	<b>2,18%</b>	<b>25,92</b>	<b>74,54%</b>

Weighted Average	3.3 Year(s)
Minimum	0.5 Year(s)
Maximum	6.42 Year(s)

## 6. Legal Maturity

From (>=) - Until (<)	Aggregate Outstanding Amount	% of Total	Nr of Loanparts	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
2012	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
2012 - 2015	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
2015 - 2020	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
2020 - 2025	38.055,82	0,01%	6	0,12%	1,77%	1,83	65,98%
2025 - 2030	992.302,57	0,18%	22	0,43%	1,84%	6,22	42,94%
2030 - 2035	3.339.078,64	0,60%	61	1,18%	1,93%	11,51	59,34%
2035 - 2040	11.812.831,21	2,12%	140	2,72%	2,11%	16,38	59,46%
2040 - 2045	21.264.734,11	3,82%	220	4,27%	2,13%	21,94	68,24%
2045 - 2050	512.432.692,50	91,95%	4.600	89,32%	2,19%	26,40	75,30%
2050 - 2055	7.444.344,27	1,34%	101	1,96%	1,46%	28,57	75,63%
2055 - 2060	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%

2060 - 2065	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
2065 - 2070	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
2070 - 2075	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
2075 - 2080	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
2080 - 2085	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
2085 - 2090	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
2090 - 2095	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
2095 - 2100	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
2100 >=	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
Unknown	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
<b>Total</b>	<b>557.324.039,12</b>	<b>100,00%</b>	<b>5.150</b>	<b>100,00%</b>	<b>2,18%</b>	<b>25,92</b>	<b>74,54%</b>

Weighted Average	2047
Minimum	2022
Maximum	2051

## 7. Remaining Tenor

From (>=) - Until (<)	Aggregate Outstanding Amount	% of Total	Nr of Loanparts	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
< 1 Year(s)	8.347,31	0,00%	1	0,02%	1,60%	0,83	77,11%
1 Year(s) - 2 Year(s)	10.714,28	0,00%	1	0,02%	2,15%	1,50	71,02%
2 Year(s) - 3 Year(s)	18.994,23	0,00%	4	0,08%	1,63%	2,46	58,25%
3 Year(s) - 4 Year(s)	35.382,21	0,01%	3	0,06%	1,22%	3,84	73,13%
4 Year(s) - 5 Year(s)	46.700,18	0,01%	3	0,06%	2,03%	4,11	30,94%
5 Year(s) - 6 Year(s)	423.585,24	0,08%	6	0,12%	1,98%	5,78	32,01%
6 Year(s) - 7 Year(s)	264.743,81	0,05%	4	0,08%	1,67%	6,44	51,52%
7 Year(s) - 8 Year(s)	221.891,13	0,04%	6	0,12%	1,85%	7,60	51,26%
8 Year(s) - 9 Year(s)	233.988,28	0,04%	5	0,10%	1,96%	8,50	47,29%
9 Year(s) - 10 Year(s)	264.499,34	0,05%	10	0,19%	1,73%	9,64	54,44%
10 Year(s) - 11 Year(s)	881.145,85	0,16%	14	0,27%	1,99%	10,61	58,22%
11 Year(s) - 12 Year(s)	194.558,83	0,03%	4	0,08%	1,61%	11,59	71,66%
12 Year(s) - 13 Year(s)	1.492.801,97	0,27%	24	0,47%	1,92%	12,51	59,83%
13 Year(s) - 14 Year(s)	657.568,90	0,12%	10	0,19%	2,03%	13,49	61,12%
14 Year(s) - 15 Year(s)	928.205,86	0,17%	13	0,25%	2,04%	14,54	55,84%
15 Year(s) - 16 Year(s)	3.434.422,52	0,62%	43	0,83%	2,01%	15,55	56,13%
16 Year(s) - 17 Year(s)	2.791.092,22	0,50%	26	0,50%	2,14%	16,51	63,60%
17 Year(s) - 18 Year(s)	3.891.701,50	0,70%	48	0,93%	2,25%	17,55	60,02%
18 Year(s) - 19 Year(s)	1.276.532,24	0,23%	14	0,27%	2,12%	18,47	71,11%
19 Year(s) - 20 Year(s)	841.549,18	0,15%	10	0,19%	2,20%	19,45	61,07%
20 Year(s) - 21 Year(s)	2.135.647,71	0,38%	24	0,47%	2,17%	20,62	68,44%
21 Year(s) - 22 Year(s)	4.199.802,98	0,75%	40	0,78%	2,00%	21,58	69,28%
22 Year(s) - 23 Year(s)	10.096.881,09	1,81%	106	2,06%	2,13%	22,50	68,42%
23 Year(s) - 24 Year(s)	21.224.102,79	3,81%	180	3,50%	2,24%	23,62	73,02%
24 Year(s) - 25 Year(s)	53.523.879,57	9,60%	465	9,03%	2,37%	24,56	76,38%

25 Year(s) - 26 Year(s)	163.932.799,53	29,41%	1.504	29,20%	2,08%	25,54	74,12%
26 Year(s) - 27 Year(s)	55.898.703,61	10,03%	519	10,08%	2,21%	26,72	81,54%
27 Year(s) - 28 Year(s)	209.870.047,09	37,66%	1.855	36,02%	2,26%	27,59	74,31%
28 Year(s) - 29 Year(s)	16.879.426,49	3,03%	178	3,46%	1,52%	28,24	76,50%
29 Year(s) - 30 Year(s)	1.644.323,18	0,30%	30	0,58%	1,57%	29,21	74,09%
30 Year(s) >=	0,00%	0,00%	0	0,00%	0,00%	0,00%	0,00%
<b>Total</b>	<b>557.324.039,12</b>	<b>100,00%</b>	<b>5.150</b>	<b>100,00%</b>	<b>2,18%</b>	<b>25,92</b>	<b>74,54%</b>

Weighted Average	25.92 Year(s)
Minimum	0.83 Year(s)
Maximum	29.42 Year(s)

## 8a. Original Loan To Original Foreclosure Value (Non-NHG)

From (>=) - Until (<)	Aggregate Outstanding Amount	% of Total	Nr of Loans	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
NHG	323.995.368,23	58,13%	1.971	64,33%	2,15%	25,96	83,91%
< 10%	24.715,69	0,00%	1	0,03%	2,30%	26,83	7,75%
10% - 20%	351.601,97	0,06%	9	0,29%	1,96%	23,19	11,74%
20% - 30%	1.674.134,94	0,30%	24	0,78%	2,09%	26,21	21,30%
30% - 40%	5.739.181,13	1,03%	51	1,66%	2,08%	25,98	30,01%
40% - 50%	10.270.263,19	1,84%	83	2,71%	2,12%	24,54	37,28%
50% - 60%	20.058.645,11	3,60%	129	4,21%	2,12%	26,18	45,82%
60% - 70%	40.652.275,68	7,29%	211	6,89%	2,12%	25,79	53,21%
70% - 80%	55.789.383,94	10,01%	238	7,77%	2,18%	25,60	59,86%
80% - 90%	47.870.077,69	8,59%	179	5,84%	2,25%	25,95	68,53%
90% - 100%	41.002.567,84	7,36%	134	4,37%	2,37%	26,33	79,26%
100% - 110%	9.895.823,71	1,78%	34	1,11%	2,36%	25,84	82,03%
110% - 120%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
120% - 130%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
130% - 140%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
140% - 150%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
150% >=	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
Unknown	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
<b>Total</b>	<b>557.324.039,12</b>	<b>100,00%</b>	<b>3.064</b>	<b>100,00%</b>	<b>2,18%</b>	<b>25,92</b>	<b>74,54%</b>

Weighted Average	92%
Minimum	9%
Maximum	120%

## 8b. Original Loan To Original Foreclosure Value (NHG)

From (>=) - Until (<)	Aggregate Outstanding Amount	% of Total	Nr of Loans	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
-----------------------	------------------------------	------------	-------------	------------	-------------------------	---------------------------	-------------------------

Non-NHG	233.328.670,89	41,87%	1.093	35,67%	2,21%	25,86	61,54%
< 10%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
10% - 20%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
20% - 30%	111.070,77	0,02%	3	0,10%	2,21%	25,21	18,29%
30% - 40%	244.889,11	0,04%	3	0,10%	2,36%	27,15	29,82%
40% - 50%	685.920,39	0,12%	7	0,23%	1,95%	25,47	35,61%
50% - 60%	2.254.129,36	0,40%	20	0,65%	2,24%	26,63	45,48%
60% - 70%	6.258.285,77	1,12%	48	1,57%	2,16%	25,40	53,65%
70% - 80%	13.231.004,31	2,37%	95	3,10%	2,12%	25,25	60,67%
80% - 90%	26.306.529,90	4,72%	185	6,04%	2,14%	26,04	69,26%
90% - 100%	40.018.374,50	7,18%	252	8,22%	2,12%	25,91	77,70%
100% - 110%	78.885.546,06	14,15%	455	14,85%	2,11%	26,14	86,99%
110% - 120%	155.999.618,06	27,99%	903	29,47%	2,18%	25,94	90,50%
120% - 130%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
130% - 140%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
140% - 150%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
150% >=	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
Unknown	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
<b>Total</b>	<b>557.324.039,12</b>	<b>100,00%</b>	<b>3.064</b>	<b>100,00%</b>	<b>2,18%</b>	<b>25,92</b>	<b>74,54%</b>

Weighted Average	92%
Minimum	9%
Maximum	120%

## 9a. Current Loan To Original Foreclosure Value (Non-NHG)

From (>=) - Until (<)	Aggregate Outstanding Amount	% of Total	Nr of Loans	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
NHG	323.995.368,23	58,13%	1.971	64,33%	2,15%	25,96	83,91%
< 10%	133.295,59	0,02%	6	0,20%	2,00%	21,83	6,33%
10% - 20%	838.741,70	0,15%	16	0,52%	1,98%	25,01	14,83%
20% - 30%	3.191.619,99	0,57%	37	1,21%	2,11%	24,59	24,00%
30% - 40%	9.643.080,93	1,73%	83	2,71%	1,98%	24,20	31,72%
40% - 50%	16.225.066,49	2,91%	117	3,82%	2,13%	25,08	40,78%
50% - 60%	37.976.328,79	6,81%	209	6,82%	2,11%	26,00	50,20%
60% - 70%	61.921.032,49	11,11%	264	8,62%	2,14%	25,63	59,06%
70% - 80%	38.109.164,23	6,84%	147	4,80%	2,32%	25,99	67,08%
80% - 90%	38.351.909,78	6,88%	128	4,18%	2,27%	26,39	76,03%
90% - 100%	26.474.970,78	4,75%	85	2,77%	2,45%	26,49	84,05%
100% - 110%	463.460,12	0,08%	1	0,03%	2,61%	26,85	86,63%
110% - 120%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
120% - 130%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
130% - 140%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
140% - 150%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
150% >=	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%

Unknown	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
<b>Total</b>	<b>557.324.039,12</b>	<b>100,00%</b>	<b>3.064</b>	<b>100,00%</b>	<b>2,18%</b>	<b>25,92</b>	<b>74,54%</b>

Weighted Average	83%
Minimum	2%
Maximum	108%

## 9b. Current Loan To Original Foreclosure Value (NHG)

From (>=) - Until (<)	Aggregate Outstanding Amount	% of Total	Nr of Loans	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
Non-NHG	233.328.670,89	41,87%	1.093	35,67%	2,21%	25,86	61,54%
< 10%	13.524,15	0,00%	2	0,07%	1,89%	26,17	5,88%
10% - 20%	74.895,96	0,01%	3	0,10%	2,28%	24,18	13,73%
20% - 30%	238.517,64	0,04%	6	0,20%	2,22%	22,16	22,09%
30% - 40%	1.015.554,16	0,18%	12	0,39%	2,08%	25,50	32,07%
40% - 50%	1.890.124,61	0,34%	20	0,65%	2,21%	24,30	41,73%
50% - 60%	6.080.292,17	1,09%	49	1,60%	2,14%	24,67	50,72%
60% - 70%	13.630.672,53	2,45%	104	3,39%	2,17%	25,28	59,16%
70% - 80%	22.510.997,70	4,04%	159	5,19%	2,14%	25,47	67,97%
80% - 90%	45.185.719,18	8,11%	287	9,37%	2,13%	25,69	76,74%
90% - 100%	120.631.751,40	21,64%	746	24,35%	2,14%	25,57	86,81%
100% - 110%	112.723.318,73	20,23%	583	19,03%	2,17%	26,78	93,01%
110% - 120%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
120% - 130%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
130% - 140%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
140% - 150%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
150% >=	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
Unknown	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
<b>Total</b>	<b>557.324.039,12</b>	<b>100,00%</b>	<b>3.064</b>	<b>100,00%</b>	<b>2,18%</b>	<b>25,92</b>	<b>74,54%</b>

Weighted Average	83%
Minimum	2%
Maximum	108%

## 10a. Current Loan To Indexed Foreclosure Value (Non-NHG)

From (>=) - Until (<)	Aggregate Outstanding Amount	% of Total	Nr of Loans	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
NHG	323.995.368,23	58,13%	1.971	64,33%	2,15%	25,96	83,91%
< 10%	292.817,39	0,05%	10	0,33%	1,81%	23,97	8,88%
10% - 20%	2.745.753,04	0,49%	39	1,27%	2,14%	24,22	21,47%
20% - 30%	11.479.198,33	2,06%	103	3,36%	2,02%	24,24	32,19%
30% - 40%	24.742.727,83	4,44%	171	5,58%	2,07%	25,05	43,64%

40% - 50%	56.105.025,40	10,07%	280	9,14%	2,11%	25,64	54,98%
50% - 60%	62.181.352,37	11,16%	243	7,93%	2,22%	26,04	63,57%
60% - 70%	39.627.082,50	7,11%	137	4,47%	2,32%	26,17	72,21%
70% - 80%	32.987.204,20	5,92%	101	3,30%	2,44%	26,73	81,33%
80% - 90%	3.167.509,83	0,57%	9	0,29%	2,17%	26,78	84,06%
90% - 100%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
100% - 110%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
110% - 120%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
120% - 130%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
130% - 140%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
140% - 150%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
150% >=	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
Unknown	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
<b>Total</b>	<b>557.324.039,12</b>	<b>100,00%</b>	<b>3.064</b>	<b>100,00%</b>	<b>2,18%</b>	<b>25,92</b>	<b>74,54%</b>

Weighted Average	63%
Minimum	1%
Maximum	98%

### 10b. Current Loan To Indexed Foreclosure Value (NHG)

From (>=) - Until (<)	Aggregate Outstanding Amount	% of Total	Nr of Loans	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
Non-NHG	233.328.670,89	41,87%	1.093	35,67%	2,21%	25,86	61,54%
< 10%	58.977,79	0,01%	4	0,13%	2,26%	24,85	10,01%
10% - 20%	374.925,29	0,07%	9	0,29%	2,28%	22,72	23,43%
20% - 30%	1.221.641,02	0,22%	14	0,46%	2,35%	23,89	35,29%
30% - 40%	3.659.563,21	0,66%	36	1,17%	2,14%	24,10	47,76%
40% - 50%	14.144.033,13	2,54%	114	3,72%	2,18%	25,00	57,92%
50% - 60%	44.433.270,58	7,97%	310	10,12%	2,21%	24,79	73,58%
60% - 70%	105.796.406,92	18,98%	675	22,03%	2,14%	25,45	84,43%
70% - 80%	85.730.138,72	15,38%	477	15,57%	2,17%	26,40	88,38%
80% - 90%	67.664.138,09	12,14%	328	10,70%	2,09%	27,32	92,73%
90% - 100%	912.273,48	0,16%	4	0,13%	1,91%	27,53	94,96%
100% - 110%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
110% - 120%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
120% - 130%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
130% - 140%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
140% - 150%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
150% >=	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
Unknown	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
<b>Total</b>	<b>557.324.039,12</b>	<b>100,00%</b>	<b>3.064</b>	<b>100,00%</b>	<b>2,18%</b>	<b>25,92</b>	<b>74,54%</b>

Weighted Average	63%
Minimum	1%

Maximum	98%
---------	-----

### 11a. Original Loan To Original Market Value (Non-NHG)

From (>=) - Until (<)	Aggregate Outstanding Amount	% of Total	Nr of Loans	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
NHG	323.995.368,23	58,13%	1.971	64,33%	2,15%	25,96	83,91%
< 10%	24.715,69	0,00%	1	0,03%	2,30%	26,83	7,75%
10% - 20%	511.455,53	0,09%	12	0,39%	1,94%	24,18	13,19%
20% - 30%	2.508.824,84	0,45%	31	1,01%	2,06%	25,98	23,45%
30% - 40%	8.186.871,14	1,47%	66	2,15%	2,08%	24,91	32,09%
40% - 50%	15.225.475,30	2,73%	116	3,79%	2,13%	25,63	41,62%
50% - 60%	37.411.189,35	6,71%	207	6,76%	2,13%	25,97	49,98%
60% - 70%	64.398.355,09	11,55%	288	9,40%	2,15%	25,58	58,84%
70% - 80%	48.112.169,76	8,63%	183	5,97%	2,25%	25,94	67,12%
80% - 90%	47.053.790,48	8,44%	155	5,06%	2,36%	26,31	78,56%
90% - 100%	9.895.823,71	1,78%	34	1,11%	2,36%	25,84	82,03%
100% - 110%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
110% - 120%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
120% - 130%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
130% - 140%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
140% - 150%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
150% >=	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
Unknown	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
Total	557.324.039,12	100,00%	3.064	100,00%	2,18%	25,92	74,54%

Weighted Average	83%
Minimum	8%
Maximum	108%

### 11b. Original Loan To Original Market Value (NHG)

From (>=) - Until (<)	Aggregate Outstanding Amount	% of Total	Nr of Loans	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
Non-NHG	233.328.670,89	41,87%	1.093	35,67%	2,21%	25,86	61,54%
< 10%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
10% - 20%	42.390,75	0,01%	1	0,03%	2,25%	27,58	18,43%
20% - 30%	145.942,20	0,03%	3	0,10%	2,32%	25,34	23,44%
30% - 40%	613.986,23	0,11%	7	0,23%	2,28%	25,32	33,84%
40% - 50%	1.191.234,00	0,21%	9	0,29%	2,17%	26,70	42,98%
50% - 60%	4.553.046,07	0,82%	39	1,27%	2,13%	25,75	49,59%
60% - 70%	13.382.236,03	2,40%	93	3,04%	2,13%	25,16	59,42%
70% - 80%	24.842.622,58	4,46%	182	5,94%	2,15%	25,99	67,83%
80% - 90%	44.186.808,17	7,93%	278	9,07%	2,12%	25,93	77,18%

90% - 100%	110.103.779,31	19,76%	628	20,50%	2,12%	26,23	88,02%
100% - 110%	124.933.322,89	22,42%	731	23,86%	2,19%	25,82	90,47%
110% - 120%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
120% - 130%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
130% - 140%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
140% - 150%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
150% >=	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
Unknown	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
<b>Total</b>	<b>557.324.039,12</b>	<b>100,00%</b>	<b>3.064</b>	<b>100,00%</b>	<b>2,18%</b>	<b>25,92</b>	<b>74,54%</b>

Weighted Average	83%
Minimum	8%
Maximum	108%

## 12a. Current Loan To Original Market Value (Non-NHG)

From (>=) - Until (<)	Aggregate Outstanding Amount	% of Total	Nr of Loans	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
NHG	323.995.368,23	58,13%	1.971	64,33%	2,15%	25,96	83,91%
< 10%	133.295,59	0,02%	6	0,20%	2,00%	21,83	6,33%
10% - 20%	1.251.474,02	0,22%	23	0,75%	2,04%	24,69	16,28%
20% - 30%	5.815.972,09	1,04%	56	1,83%	1,97%	23,45	26,65%
30% - 40%	13.378.469,69	2,40%	109	3,56%	2,11%	25,15	35,79%
40% - 50%	25.262.908,08	4,53%	159	5,19%	2,10%	25,55	45,69%
50% - 60%	58.356.148,15	10,47%	274	8,94%	2,14%	25,74	55,30%
60% - 70%	57.148.756,92	10,25%	226	7,38%	2,23%	25,92	64,11%
70% - 80%	42.187.050,20	7,57%	145	4,73%	2,28%	26,30	74,95%
80% - 90%	29.794.596,15	5,35%	95	3,10%	2,45%	26,45	83,79%
90% - 100%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
100% - 110%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
110% - 120%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
120% - 130%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
130% - 140%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
140% - 150%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
150% >=	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
Unknown	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
<b>Total</b>	<b>557.324.039,12</b>	<b>100,00%</b>	<b>3.064</b>	<b>100,00%</b>	<b>2,18%</b>	<b>25,92</b>	<b>74,54%</b>

Weighted Average	75%
Minimum	1%
Maximum	99%

## 12b. Current Loan To Original Market Value (NHG)



From (>=) - Until (<)	Aggregate Outstanding Amount	% of Total	Nr of Loans	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
Non-NHG	233.328.670,89	41,87%	1.093	35,67%	2,21%	25,86	61,54%
< 10%	13.524,15	0,00%	2	0,07%	1,89%	26,17	5,88%
10% - 20%	197.764,13	0,04%	6	0,20%	2,22%	24,89	16,95%
20% - 30%	382.815,06	0,07%	7	0,23%	2,29%	23,72	27,23%
30% - 40%	1.187.859,78	0,21%	14	0,46%	2,07%	25,19	35,00%
40% - 50%	3.171.200,08	0,57%	30	0,98%	2,26%	24,48	45,70%
50% - 60%	12.198.369,64	2,19%	95	3,10%	2,12%	25,00	55,31%
60% - 70%	21.759.526,14	3,90%	156	5,09%	2,13%	25,38	65,36%
70% - 80%	45.254.393,84	8,12%	291	9,50%	2,15%	25,74	75,37%
80% - 90%	126.989.494,66	22,79%	786	25,65%	2,13%	25,56	86,49%
90% - 100%	112.840.420,75	20,25%	584	19,06%	2,17%	26,78	93,01%
100% - 110%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
110% - 120%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
120% - 130%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
130% - 140%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
140% - 150%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
150% >=	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
Unknown	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
<b>Total</b>	<b>557.324.039,12</b>	<b>100,00%</b>	<b>3.064</b>	<b>100,00%</b>	<b>2,18%</b>	<b>25,92</b>	<b>74,54%</b>

Weighted Average	75%
Minimum	1%
Maximum	99%

### 13a. Current Loan To Indexed Market Value (Non-NHG)

From (>=) - Until (<)	Aggregate Outstanding Amount	% of Total	Nr of Loans	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
NHG	323.995.368,23	58,13%	1.971	64,33%	2,15%	25,96	83,91%
< 10%	452.856,76	0,08%	13	0,42%	1,88%	24,94	10,31%
10% - 20%	4.863.916,51	0,87%	56	1,83%	2,08%	23,57	24,61%
20% - 30%	15.694.213,98	2,82%	134	4,37%	2,07%	24,63	35,92%
30% - 40%	37.893.527,05	6,80%	229	7,47%	2,08%	25,42	48,72%
40% - 50%	73.751.839,26	13,23%	324	10,57%	2,18%	25,76	59,00%
50% - 60%	50.383.526,40	9,04%	180	5,87%	2,27%	26,04	68,91%
60% - 70%	42.485.588,12	7,62%	135	4,41%	2,37%	26,72	78,45%
70% - 80%	7.803.202,81	1,40%	22	0,72%	2,37%	26,91	85,59%
80% - 90%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
90% - 100%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
100% - 110%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
110% - 120%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
120% - 130%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
130% - 140%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%

140% - 150%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
150% >=	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
Unknown	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
<b>Total</b>	<b>557.324.039,12</b>	<b>100,00%</b>	<b>3.064</b>	<b>100,00%</b>	<b>2,18%</b>	<b>25,92</b>	<b>74,54%</b>

Weighted Average	56%
Minimum	1%
Maximum	91%

### 13b. Current Loan To Indexed Market Value (NHG)

From (>=) - Until (<)	Aggregate Outstanding Amount	% of Total	Nr of Loans	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
Non-NHG	233.328.670,89	41,87%	1.093	35,67%	2,21%	25,86	61,54%
< 10%	58.977,79	0,01%	4	0,13%	2,26%	24,85	10,01%
10% - 20%	374.925,29	0,07%	9	0,29%	2,28%	22,72	23,43%
20% - 30%	2.006.921,42	0,36%	23	0,75%	2,22%	24,30	37,26%
30% - 40%	7.574.055,52	1,36%	69	2,25%	2,25%	24,62	52,87%
40% - 50%	26.455.702,58	4,75%	197	6,43%	2,16%	24,73	65,54%
50% - 60%	89.489.990,04	16,06%	591	19,29%	2,18%	25,17	81,04%
60% - 70%	105.052.860,01	18,85%	618	20,17%	2,14%	26,00	86,95%
70% - 80%	91.057.534,61	16,34%	452	14,75%	2,13%	27,18	92,24%
80% - 90%	1.702.908,00	0,31%	7	0,23%	1,82%	27,51	93,72%
90% - 100%	221.492,97	0,04%	1	0,03%	1,75%	27,77	99,32%
100% - 110%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
110% - 120%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
120% - 130%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
130% - 140%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
140% - 150%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
150% >=	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
Unknown	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
<b>Total</b>	<b>557.324.039,12</b>	<b>100,00%</b>	<b>3.064</b>	<b>100,00%</b>	<b>2,18%</b>	<b>25,92</b>	<b>74,54%</b>

Weighted Average	56%
Minimum	1%
Maximum	91%

### 14. Loanpart Coupon (interest rate bucket)

From (>=) - Until (<)	Aggregate Outstanding Amount	% of Total	Nr of Loanparts	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
< 0.50%							
0.50% - 1.00%	1.014.075,63	0,18%	24	0,47%	0,92%	25,47	73,04%
1.00% - 1.50%	19.142.954,29	3,43%	258	5,01%	1,22%	26,22	70,34%

1.50% - 2.00%	124.504.296,5 2	22,34%	1.264	24,54%	1,71%	25,65	72,08%
2.00% - 2.50%	300.585.623,6 4	53,93%	2.674	51,92%	2,28%	25,92	76,03%
2.50% - 3.00%	110.871.821,9 8	19,89%	921	17,88%	2,59%	26,17	74,12%
3.00% - 3.50%	1.205.267,06	0,22%	9	0,17%	3,19%	24,38	66,10%
3.50% - 4.00%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
4.00% - 4.50%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
4.50% - 5.00%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
5.00% - 5.50%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
5.50% - 6.00%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
6.00% - 6.50%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
6.50% - 7.00%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
7.00% >=	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
Unknown	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
<b>Total</b>	<b>557.324.039,1 2</b>	<b>100,00%</b>	<b>5.150</b>	<b>100,00 %</b>	<b>2,18%</b>	<b>25,92</b>	<b>74,54%</b>

Weighted Average	2.18%
Minimum	0.80%
Maximum	3.45%

## 15. Remaining Interest Rate Fixed Period

From (>=) - Until (<)	Aggregate Outstanding Amount	% of Total	Nr of Loanparts	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
< 12 Month(s)	5.593.018,01	1,00%	83	1,61%	1,62%	26,25	67,13%
12 Month(s) - 24 Month(s)	701.222,69	0,13%	8	0,16%	1,45%	23,13	58,53%
24 Month(s) - 36 Month(s)	1.873.993,99	0,34%	35	0,68%	1,31%	25,80	66,86%
36 Month(s) - 48 Month(s)	14.810.635,74	2,66%	151	2,93%	2,08%	23,47	74,43%
48 Month(s) - 60 Month(s)	14.100.560,05	2,53%	134	2,60%	1,99%	24,15	76,24%
60 Month(s) - 72 Month(s)	62.431.086,33	11,20%	610	11,84%	1,68%	25,13	68,85%
72 Month(s) - 84 Month(s)	10.208.534,02	1,83%	109	2,12%	1,73%	25,96	76,71%
84 Month(s) - 96 Month(s)	35.486.823,26	6,37%	363	7,05%	1,73%	26,54	74,89%
96 Month(s) - 108 Month(s)	9.066.945,63	1,63%	89	1,73%	1,16%	27,22	73,42%
108 Month(s) - 120 Month(s)	4.040.743,24	0,73%	36	0,70%	2,29%	23,34	72,85%
120 Month(s) - 132 Month(s)	11.032.519,97	1,98%	115	2,23%	2,13%	24,35	77,44%
132 Month(s) - 144 Month(s)	2.744.301,45	0,49%	26	0,50%	2,17%	25,83	78,82%
144 Month(s) - 156 Month(s)	15.977.946,17	2,87%	164	3,18%	2,10%	25,43	77,84%
156 Month(s) - 168 Month(s)	760.781,65	0,14%	7	0,14%	2,43%	25,32	66,12%
168 Month(s) - 180 Month(s)	26.512.707,20	4,76%	217	4,21%	2,59%	24,31	76,40%
180 Month(s) - 192 Month(s)	84.347.380,10	15,13%	754	14,64%	2,32%	25,24	77,05%
192 Month(s) - 204 Month(s)	53.574.660,50	9,61%	476	9,24%	2,30%	26,41	81,16%
204 Month(s) - 216 Month(s)	158.476.000,67	28,44%	1.372	26,64%	2,36%	26,75	71,71%
216 Month(s) - 228 Month(s)	7.140.943,47	1,28%	86	1,67%	1,61%	27,46	74,64%
228 Month(s) - 240 Month(s)	783.090,45	0,14%	15	0,29%	1,47%	28,07	63,98%
240 Month(s) - 252 Month(s)	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
252 Month(s) - 264 Month(s)	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%

264 Month(s) - 276 Month(s)	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
276 Month(s) - 288 Month(s)	518.358,12	0,09%	4	0,08%	3,26%	23,90	65,86%
288 Month(s) - 300 Month(s)	2.175.778,08	0,39%	18	0,35%	2,99%	24,65	78,31%
300 Month(s) - 312 Month(s)	4.246.754,73	0,76%	40	0,78%	2,74%	25,56	74,79%
312 Month(s) - 324 Month(s)	3.958.838,90	0,71%	31	0,60%	2,55%	26,88	86,69%
324 Month(s) - 336 Month(s)	25.842.535,20	4,64%	196	3,81%	2,58%	27,53	77,34%
336 Month(s) - 348 Month(s)	808.450,36	0,15%	9	0,17%	1,90%	28,40	84,87%
348 Month(s) - 360 Month(s)	109.429,14	0,02%	2	0,04%	1,85%	29,33	79,97%
360 Month(s) >=	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
Unknown	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
<b>Total</b>	<b>557.324.039,12</b>	<b>100,00%</b>	<b>5.150</b>	<b>100,00%</b>	<b>2,18%</b>	<b>25,92</b>	<b>74,54%</b>

Weighted Average	168.04 Month(s)
Minimum	0 Month(s)
Maximum	353 Month(s)

## 16. Interest Payment Type

Description	Aggregate Outstanding Amount	% of Total	Nr of Loanparts	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
Floating Interest Rate Mortgage	848.038,88	0,15%	30	0,58%	1,46%	26,84	62,47%
Fixed Interest Rate Mortgage	556.476.000,24	99,85%	5.120	99,42%	2,18%	25,92	74,56%
Unknown	0,00	0,00%	0	0,00%	0,00%	0,00%	0,00%
<b>Total</b>	<b>557.324.039,12</b>	<b>100,00%</b>	<b>5.150</b>	<b>100,00%</b>	<b>2,18%</b>	<b>25,92</b>	<b>74,54%</b>

## 17. Property Description

Description	Aggregate Outstanding Amount	% of Total	Nr of Borrowers	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
House	456.401.365,28	81,89%	2.386	77,87%	2,20%	25,90	74,53%
Apartment	100.922.673,84	18,11%	678	22,13%	2,08%	25,99	74,60%
House/Business (<50%)	0,00	0,00%	0	0,00%	0,00%	0,00%	0,00%
House/Business (>50%)	0,00	0,00%	0	0,00%	0,00%	0,00%	0,00%
Business	0,00	0,00%	0	0,00%	0,00%	0,00%	0,00%
Other	0,00	0,00%	0	0,00%	0,00%	0,00%	0,00%
Unknown	0,00	0,00%	0	0,00%	0,00%	0,00%	0,00%
<b>Total</b>	<b>557.324.039,12</b>	<b>100,00%</b>	<b>3.064</b>	<b>100,00%</b>	<b>2,18%</b>	<b>25,92</b>	<b>74,54%</b>

## 18. Geographical Distribution (by province)

Province	Aggregate Outstanding Amount	% of Total	Nr of Loans	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
Drenthe	17.696.828,94	3,18%	104	3,39%	2,19%	26,36	80,30%
Flevoland	13.251.790,60	2,38%	79	2,58%	2,13%	25,75	80,20%
Friesland	17.076.276,65	3,06%	111	3,62%	2,15%	25,88	76,85%

Gelderland	59.223.390,51	10,63%	322	10,51%	2,18%	26,09	76,46%
Groningen	17.667.325,61	3,17%	115	3,75%	2,22%	26,00	81,18%
Limburg	25.061.247,41	4,50%	155	5,06%	2,26%	25,92	77,41%
Noord-Brabant	87.420.696,69	15,69%	466	15,21%	2,19%	26,03	73,98%
Noord-Holland	112.884.046,21	20,25%	564	18,41%	2,18%	25,80	70,42%
Overijssel	37.863.165,09	6,79%	211	6,89%	2,18%	25,96	78,21%
Utrecht	48.709.778,96	8,74%	237	7,73%	2,16%	25,94	70,26%
Zeeland	9.163.580,70	1,64%	64	2,09%	2,21%	25,76	74,23%
Zuid-Holland	111.305.911,75	19,97%	636	20,76%	2,15%	25,79	75,16%
Unknown/Not specified	0,00	0,00%	0	0,00%	0,00%	0,00%	0,00%
<b>Total</b>	<b>557.324.039,12</b>	<b>100,00%</b>	<b>3.064</b>	<b>100,00%</b>	<b>2,18%</b>	<b>25,92</b>	<b>74,54%</b>

## 19. Geographical Distribution (by economic region)

Economic Region	Aggregate Outstanding Amount	% of Total	Nr of Loans	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
NL111 - Oost-Groningen	4.219.024,79	0,76%	29	0,95%	2,13%	25,59	81,77%
NL112 - Delfzijl en omgeving	1.054.523,55	0,19%	7	0,23%	2,43%	26,13	81,01%
NL113- Overig Groningen	12.393.777,27	2,22%	79	2,58%	2,23%	26,13	81,00%
NL121- Noord-Friesland	7.900.264,57	1,42%	55	1,80%	2,18%	25,97	77,79%
NL122- Zuidwest-Friesland	3.112.999,26	0,56%	19	0,62%	2,09%	26,58	84,08%
NL123- Zuidoost-Friesland	6.063.012,82	1,09%	37	1,21%	2,15%	25,40	71,92%
NL131- Noord-Drenthe	7.300.520,48	1,31%	42	1,37%	2,24%	26,03	75,82%
NL132- Zuidoost-Drenthe	5.707.980,32	1,02%	35	1,14%	2,12%	26,37	83,91%
NL133- Zuidwest-Drenthe	4.688.328,14	0,84%	27	0,88%	2,20%	26,88	82,87%
NL211- Noord-Overijssel	14.432.466,00	2,59%	75	2,45%	2,16%	25,57	76,50%
NL212- Zuidwest-Overijssel	4.763.027,64	0,85%	26	0,85%	2,14%	26,69	79,79%
NL213- Twente	18.667.671,45	3,35%	110	3,59%	2,19%	26,08	79,13%
NL221- Veluwe	19.822.041,83	3,56%	105	3,43%	2,13%	26,09	72,54%
NL224- Zuidwest-Gelderland	8.308.436,11	1,49%	44	1,44%	2,19%	26,13	77,74%
NL225- Achterhoek	9.852.644,15	1,77%	55	1,80%	2,26%	26,05	78,11%
NL226- Arnhem/Nijmegen	21.436.107,93	3,85%	119	3,88%	2,19%	26,09	78,61%
NL230- Flevoland	13.251.790,60	2,38%	79	2,58%	2,13%	25,75	80,20%
NL310- Utrecht	48.513.939,45	8,70%	236	7,70%	2,16%	25,94	70,34%
NL321- Kop van Noord-Holland	17.270.062,55	3,10%	106	3,46%	2,24%	25,96	74,31%
NL322- Alkmaar en omgeving	12.882.379,05	2,31%	70	2,28%	2,24%	25,84	76,97%
NL323- IJmond	8.228.568,71	1,48%	44	1,44%	2,20%	25,99	72,54%
NL324- Agglomeratie Haarlem	10.880.438,42	1,95%	45	1,47%	2,14%	25,34	66,29%
NL325- Zaanstreek	4.786.529,45	0,86%	27	0,88%	2,27%	25,32	74,35%
NL326- Groot-Amsterdam	46.290.030,11	8,31%	209	6,82%	2,12%	25,83	68,38%
NL327- Het Gooi en Vechtstreek	12.546.037,92	2,25%	63	2,06%	2,20%	25,87	66,56%
NL331- Agglomeratie Leiden en Bollenstreek	15.635.821,92	2,81%	76	2,48%	2,18%	25,91	74,30%
NL332- Agglomeratie 's-Gravenhage	19.365.571,43	3,47%	109	3,56%	2,09%	25,96	71,36%
NL333- Delft en Westland	5.381.138,19	0,97%	31	1,01%	2,11%	25,56	69,86%
NL334- Oost-Zuid-Holland	12.463.830,28	2,24%	73	2,38%	2,21%	25,72	76,63%

NL335- Groot-Rijnmond	45.366.553,33	8,14%	265	8,65%	2,15%	25,71	76,95%
NL336- Zuidoost-Zuid-Holland	13.092.996,60	2,35%	82	2,68%	2,15%	25,81	76,37%
NL341- Zeeuwsch-Vlaanderen	1.891.793,74	0,34%	14	0,46%	2,11%	24,98	71,14%
NL342- Overig Zeeland	7.271.786,96	1,30%	50	1,63%	2,24%	25,97	75,03%
NL411- West-Noord-Brabant	18.017.001,87	3,23%	101	3,30%	2,18%	25,82	73,31%
NL412- Midden-Noord-Brabant	15.330.670,84	2,75%	82	2,68%	2,25%	26,22	76,47%
NL413- Noordoost-Noord-Brabant	24.141.317,97	4,33%	124	4,05%	2,14%	26,05	73,29%
NL414- Zuidoost-Noord-Brabant	29.931.706,01	5,37%	159	5,19%	2,20%	26,05	73,67%
NL421- Noord-Limburg	8.106.165,02	1,45%	46	1,50%	2,28%	26,27	75,28%
NL422- Midden-Limburg	5.835.093,43	1,05%	33	1,08%	2,25%	26,05	81,05%
NL423- Zuid-Limburg	11.119.988,96	2,00%	76	2,48%	2,25%	25,60	77,04%
Unknown/Not specified	0,00	0,00%	0	0,00%	0,00%	0,00%	0,00%
<b>Total</b>	<b>557.324.039,12</b>	<b>100,00%</b>	<b>3.064</b>	<b>100,00%</b>	<b>2,18%</b>	<b>25,92</b>	<b>74,54%</b>

## 20. Construction Deposits (% of net princ. amount)

From (>=) - Until (<)	Aggregate Outstanding Amount	% of Total	Nr of Borrowers	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
0 %	554.056.915,05	99,41%	3.050	99,54%	2,18%	25,91	74,54%
0% - 10%	2.793.668,48	0,50%	12	0,39%	2,14%	26,47	74,57%
10% - 20%	0,00	0,00%	0	0,00%	0,00%	0,00%	0,00%
20% - 30%	174.475,02	0,03%	1	0,03%	1,57%	26,93	74,24%
30% - 40%	298.980,57	0,05%	1	0,03%	1,85%	27,68	85,42%
40% - 50%	0,00	0,00%	0	0,00%	0,00%	0,00%	0,00%
50% - 60%	0,00	0,00%	0	0,00%	0,00%	0,00%	0,00%
60% - 70%	0,00	0,00%	0	0,00%	0,00%	0,00%	0,00%
70% - 80%	0,00	0,00%	0	0,00%	0,00%	0,00%	0,00%
80% - 90%	0,00	0,00%	0	0,00%	0,00%	0,00%	0,00%
90% - 100%	0,00	0,00%	0	0,00%	0,00%	0,00%	0,00%
100% >	0,00	0,00%	0	0,00%	0,00%	0,00%	0,00%
<b>Total</b>	<b>557.324.039,12</b>	<b>100,00%</b>	<b>3.064</b>	<b>100,00%</b>	<b>2,18%</b>	<b>25,92</b>	<b>74,54%</b>

Weighted Average	0%
Minimum	0%
Maximum	40%

## 21. Occupancy

Description	Aggregate Outstanding Amount	% of Total	Nr of Borrowers	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
Owner Occupied	557.324.039,12	100,00%	3.064	100,00%	2,18%	25,92	74,54%
Buy-to-let	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
Unknown	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
<b>Total</b>	<b>557.324.039,12</b>	<b>100,00%</b>	<b>3.064</b>	<b>100,00%</b>	<b>2,18%</b>	<b>25,92</b>	<b>74,54%</b>

## 22. Employment Status Borrower

Description	Aggregate Outstanding Amount	% of Total	Nr of Borrowers	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
Employed	491.903.126,55	88,26%	2.692	87,86%	2,18%	25,91	76,13%
Self Employed	41.758.727,23	7,49%	194	6,33%	2,14%	25,74	67,18%
Other	21.019.989,97	3,77%	158	5,16%	2,14%	26,46	54,40%
Student	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
Unknown	2.642.195,37	0,47%	20	0,65%	2,31%	26,48	55,68%
<b>Total</b>	<b>557.324.039,12</b>	<b>100,00%</b>	<b>3.064</b>	<b>100,00%</b>	<b>2,18%</b>	<b>25,92</b>	<b>74,54%</b>

## 23. Loan To Income

From (>=) - Until (<)	Aggregate Outstanding Amount	% of Total	Nr of Borrowers	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
< 0.0	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
0.0 - 0.5	226.906,28	0,04%	9	0,29%	2,24%	23,00	11,81%
0.5 - 1.0	2.775.617,98	0,50%	39	1,27%	1,84%	22,15	32,96%
1.0 - 1.5	7.557.134,63	1,36%	70	2,28%	2,09%	22,70	43,15%
1.5 - 2.0	16.971.835,23	3,05%	131	4,28%	2,12%	24,21	55,21%
2.0 - 2.5	46.246.422,62	8,30%	274	8,94%	2,17%	25,07	63,08%
2.5 - 3.0	74.572.881,13	13,38%	424	13,84%	2,20%	25,66	71,86%
3.0 - 3.5	111.511.738,64	20,01%	595	19,42%	2,21%	25,79	76,68%
3.5 - 4.0	146.128.955,55	26,22%	796	25,98%	2,18%	26,10	79,03%
4.0 - 4.5	124.891.829,17	22,41%	631	20,59%	2,14%	26,61	79,30%
4.5 - 5.0	18.754.170,29	3,37%	64	2,09%	2,24%	26,83	73,16%
5.0 - 5.5	6.007.418,96	1,08%	22	0,72%	2,12%	26,96	69,51%
5.5 - 6.0	1.679.128,64	0,30%	9	0,29%	2,10%	25,85	70,97%
6.0 - 6.5	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
6.5 - 7.0	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
7.0 >=	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
Unknown	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
<b>Total</b>	<b>557.324.039,12</b>	<b>100,00%</b>	<b>3.064</b>	<b>100,00%</b>	<b>2,18%</b>	<b>25,92</b>	<b>74,54%</b>

Weighted Average	3.5
Minimum	0.1
Maximum	6.0

## 24. Debt Service to Income

From (>=) - Until (<)	Aggregate Outstanding Amount	% of Total	Nr of Borrowers	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
< 5%	5.718.034,69	1,03%	69	2,25%	1,90%	25,86	37,62%

5% - 10%	50.969.697,11	9,15%	331	10,80%	2,10%	25,60	56,13%
10% - 15%	144.101.214,33	25,86%	763	24,90%	2,15%	25,70	71,41%
15% - 20%	244.200.987,04	43,82%	1.322	43,15%	2,17%	25,96	78,37%
20% - 25%	106.353.274,53	19,08%	553	18,05%	2,27%	26,26	80,72%
25% - 30%	5.118.877,96	0,92%	21	0,69%	2,34%	27,03	76,35%
30% - 35%	730.442,86	0,13%	4	0,13%	2,35%	23,95	82,73%
35% - 40%	131.510,60	0,02%	1	0,03%	2,55%	5,75	28,05%
40% - 45%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
45% - 50%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
50% - 55%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
55% - 60%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
60% - 65%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
65% - 70%	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
70% >=	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
Unknown	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
<b>Total</b>	<b>557.324.039,12</b>	<b>100,00%</b>	<b>3.064</b>	<b>100,00%</b>	<b>2,18%</b>	<b>25,92</b>	<b>74,54%</b>

Weighted Average	16%
Minimum	1%
Maximum	38%

## 25. Loanpart Payment Frequency

Description	Aggregate Outstanding Amount	% of Total	Nr of Loans	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
Monthly	557.324.039,12	100,00%	3.064	100,00%	2,18%	25,92	74,54%
Quarterly	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
Semi-annually	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
Annually	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
Unknown	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
<b>Total</b>	<b>557.324.039,12</b>	<b>100,00%</b>	<b>3.064</b>	<b>100,00%</b>	<b>2,18%</b>	<b>25,92</b>	<b>74,54%</b>

## 26a. Guarantee Type - Loan

Description	Aggregate Outstanding Amount	% of Total	Nr of Loans	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
NHG Guarantee	323.995.368,23	58,13%	1.971	64,33%	2,15%	25,96	83,91%
Non-NHG Guarantee	233.328.670,89	41,87%	1.093	35,67%	2,21%	25,86	61,54%
Unknown	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
<b>Total</b>	<b>557.324.039,12</b>	<b>100,00%</b>	<b>3.064</b>	<b>100,00%</b>	<b>2,18%</b>	<b>25,92</b>	<b>74,54%</b>

## 26b. Guarantee Type - Loanpart



Description	Aggregate Outstanding Amount	% of Total	Nr of Parts	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
NHG Guarantee	323.995.368,23	58,13%	3.017	58,58%	2,15%	25,96	83,91%
Non-NHG Guarantee	233.328.670,89	41,87%	2.133	41,42%	2,21%	25,86	61,54%
Unknown	0,00	0,00%	0	0,00%	0,00%	0,00	0,00%
Total	557.324.039,12	100,00%	5.150	100,00%	2,18%	25,92	74,54%

## 27. Originator

Originator	Aggregate Outstanding Amount	% of Total	Nr of Loans	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
Lloyds Bank GmbH (or predecessors)	557.324.039,12	100,00%	3.064	100,00%	2,18%	25,92	74,54%
Total	557.324.039,12	100,00%	3.064	100,00%	2,18%	25,92	74,54%

## 28. Servicer

Servicer	Aggregate Outstanding Amount	% of Total	Nr of Loans	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
Lloyds Bank	557.324.039,12	100,00%	3.064	100,00%	2,18%	25,92	74,54%
Total	557.324.039,12	100,00%	3.064	100,00%	2,18%	25,92	74,54%

## 29. Capital Insurance

Insurance Policy Provider	Aggregate Outstanding Amount	% of Total	Nr of Loanparts	% of Total	Weighted Average Coupon	Weighted Average Maturity	Weighted Average CLTOMV
Not applicable	557.324.039,12	100,00%	5.150	100,00%	2,18%	25,92	74,54%
Total	557.324.039,12	100,00%	5.150	100,00%	2,18%	25,92	74,54%

## Weighted average life

The term “weighted average life” refers to the average amount of time that will elapse from the date of issuance of a security to the date of distribution to the relevant investor of amounts sufficient to fully repay principal in respect of such security (assuming no losses and weighted by the principal amortisation of the Notes on each Notes Payment Date).

The weighted average lives of the Notes will be influenced by, among other things, the actual rates of repayment and prepayment of the Mortgage Loans. The weighted average lives of the Notes cannot be stated, as the actual rates of repayment and prepayment of the Mortgage Loans and a number of other relevant factors are unknown. However, calculations of the possible weighted average lives of the Notes can be made based on certain assumptions.

The model used for the Mortgage Loans represents an assumed CPR de-annualized for each month relative to the then principal balance of a pool of mortgage loans outstanding at the beginning of such month. CPR does not purport to be either a historical description of the prepayment experience of any pool of mortgage loans or a prediction of the expected rate of prepayment of any mortgage loans, including the Mortgage Loans.

The following table was prepared based on the characteristics of the Mortgage Loans and the following additional assumptions (the **Modelling Assumptions**):

- (a) under each CPR scenario as shown in the following tables it is assumed that 0 to 15 per cent. of all Mortgage Loans prepays fully per annum;
- (b) there is no redemption of the Notes for tax or other regulatory reasons;
- (c) the Mortgage Loans continue to be fully performing and there are no arrears or foreclosures, i.e. no Realised Losses;
- (d) no Mortgage Receivable is sold by the Issuer;
- (e) there is no debit balance on the Principal Deficiency Ledger on any Notes Payment Date;
- (f) the Seller is not in breach of the terms of the Mortgage Receivables Purchase Agreement;
- (g) no Mortgage Receivable is required to be repurchased by the Seller;
- (h) no Cash Advance Facility Drawing or Cash Advance Facility Stand-by Drawing occurs;
- (i) at the Closing Date, the Class A Notes represent 95.69% of the Class A Notes and the Class B Notes;
- (j) at the Closing Date, the Class B Notes represent 4.31% of the Class A Notes and the Class B Notes;
- (k) at the Closing Date, the Class C Notes represent approximately 0.75% of the Class A Notes and the Class B Notes;
- (l) the Notes are issued on the Closing Date and all payments on the Notes are received on the 20<sup>th</sup> day of February, May, August and November commencing on 20 February 2022;
- (m) the Mortgage Interest Rate of Mortgage Loans is not assumed to adjust if any repayment or prepayment on the Mortgage Loan is to cause a change in risk category of the Mortgage Loan. All Mortgage Loans are assumed to reset on the same terms until they have been fully repaid (with no further adjustment of the Mortgage Interest Rate based on risk category);
- (n) EURIBOR remains constant at 0.0%;
- (o) the Final Maturity Date of the Notes is the Notes Payment Date falling in November 2060;
- (p) Mortgage Loans which are repaid in full are assumed to be repaid on the last day of the Mortgage Calculation Period;
- (q) the Notes will be redeemed in accordance with the Conditions;
- (r) no Security has been enforced;
- (s) no Enforcement Notice has been served and no Event of Default has occurred;
- (t) no Mortgage Loan has or will be in breach of any Mortgage Loan Criterion;
- (u) the Provisional Pool of Mortgage Loans as of the Initial Cut-Off Date will be purchased by the Issuer on the Closing Date;
- (v) the Available Revenue Funds items (ii), (iii), (vii), (xii)-(xiv) and (xvii) are assumed to be zero;
- (w) the Available Principal Funds items (iii), (vii) and (ix)-(xiii) are assumed to be zero;

- (x) the payment profile of the Provisional Pool is assumed to be representative of the randomly selected final pool of Mortgage Receivables assigned to the Issuer on the Closing Date;
- (y) the Cash Advance Facility Commitment and utilisation fees are assumed to be as per the BNG Bank Fee Letter;
- (z) the Issuer payments under the fixed leg under the Swap Agreement are assumed to be 0.6335% up to (but excluding) the First Optional Redemption Date and 1.011% from (and including) the First Optional Redemption Date;
- (aa) the Issuer receipts under the floating leg are assumed to match the Class A interest payments;
- (bb) the variable rate is assumed to be zero;
- (cc) the senior fees and servicing fees are assumed to be respectively EUR 110,000 and 0.10% (per annum) of the Outstanding Principal Amount of the Mortgage Receivables at close of business on the immediately preceding Notes Payment Date;
- (dd) the weighted average lives have been calculated on an Actual/360 basis, with no adjustment for Business Days; and
- (ee) the collections from the Initial Cut-Off Date until the Final Cut-Off Date have been calculated on a contractual basis for all scenarios. The collateral balance is therefore assumed to be € 554,748,016 at the Closing Date for all scenarios.

The actual characteristics and performance of the Mortgage Loans are likely to differ from the Modelling Assumptions.

The following table is hypothetical in nature and is provided only to give a general sense of how the principal cash flows might behave under varying prepayment scenarios. For example, it is not expected that the Mortgage Loans will prepay at a constant rate until maturity, that all of the Mortgage Loans will prepay at the same rate or that there will be no defaults or delinquencies on the Mortgage Loans. Moreover, the diverse remaining terms to maturity and mortgage rates of the Mortgage Loans could produce slower or faster principal distributions than indicated in the tables at the various percentages of CPR specified. Any difference between such assumptions and the actual characteristics and performance of the Mortgage Loans, or actual prepayment or loss experience, will affect the percentage of the initial amount outstanding of the Notes which are outstanding over time and cause the weighted average lives of the Notes to differ (which difference could be material) from the corresponding information in the tables for each indicated percentage CPR.

<b>CPR%</b>	<b>Call at FORD</b>	<b>Clean-up Call Only</b>
<b>0.0%</b>	6.02	14.27
<b>3.0%</b>	5.48	10.60
<b>6.0%</b>	4.98	8.19
<b>9.0%</b>	4.53	6.53
<b>12.0%</b>	4.12	5.35
<b>15.0%</b>	3.75	4.49

## **6.2 Description of Mortgage Loans**

The Mortgage Receivables to be sold and assigned to the Issuer on the Closing Date and, in respect of Further Advance Receivables, on the relevant Reconciliation Date, include any and all rights (whether actual or contingent) of the Seller against any Borrower under or in connection with any Mortgage Loans selected by

agreement between the Seller and the Issuer. The Mortgage Receivables, other than the Further Advance Receivables arise from the pool of Mortgage Loans selected in accordance with the Mortgage Loan Criteria set forth in Section 7.3 (*Mortgage Loan Criteria*). An external auditor has performed an agreed upon procedure on a sample of randomly selected mortgage files from the Provisional Pool as selected on the Initial Cut-Off Date relating to the eligible loans selected by the Seller.

The Mortgage Loans (or in case of Mortgage Loans consisting of more than one Loan Part (*leningdelen*), the aggregate of such Loan Parts) are secured by a first-ranking or, as the case may be, a first and sequentially lower ranking, mortgage right, evidenced by notarial mortgage deeds (*notariële akten van hypotheekstelling*). The mortgage rights secure the relevant Mortgage Loans and are vested over property situated in the Netherlands.

The Mortgage Loans and the mortgage rights securing the liabilities arising from them are governed by Dutch law.

The Mortgage Loans may have a floating rate of interest or a fixed rate of interest. If any Mortgage Loan has a fixed rate of interest, the terms and conditions of that Mortgage Loan provide that the interest rate applicable to that Mortgage Loan shall be reset from time to time. For the purpose of any reset, the Borrower will be offered a new interest rate in respect of its Mortgage Loan in accordance with the applicable interest rate reset procedures.

The Mortgage Loans backing the issue of Notes have characteristics that demonstrate the capacity to produce funds to service any payments due and payable under the Notes. Investors are advised that this confirmation is based on the information available to the Issuer as at the date of this Prospectus and may be affected by the future performance of such Mortgage Loans. Investors are advised to review carefully any disclosure in the Prospectus together with any amendments or supplements (if applicable) thereto.

### **Mortgage Loan Types**

The Mortgage Loans (or any Loan Parts comprising a Mortgage Loan) may consist of any of the following types of redemption:

- (a) Linear Mortgage Loans (*lineaire hypotheeken*);
- (b) Annuity Mortgage Loans (*annuïteitenhypotheeken*);
- (c) Interest-only Mortgage Loans (*aflossingsvrije hypotheeken*); and
- (d) Mortgage Loans which combine any of the above mentioned types of mortgage loans.

#### *Linear Mortgage Loans*

Under a Linear Mortgage Loan (assuming a fixed interest rate), the Borrower pays a decreasing monthly payment, made up of an initially high and subsequently decreasing interest portion and a fixed principal portion, and calculated in such a manner that the Linear Mortgage Loan will be fully redeemed at the maturity (the aggregate monthly payment (of both interest component and principal repayment amount) decreases given that the interest is calculated over the amortising loan balance).

#### *Interest-only Mortgage Loans*

Under an Interest-only Mortgage Loan the Borrower is not obliged to pay principal towards redemption of the relevant Mortgage Loan (or relevant part thereof) until maturity. Interest is payable monthly and is calculated on the outstanding balance of such Mortgage Loan (or relevant part thereof).

### *Annuity Mortgage Loans*

Under Annuity Mortgage Loans, the Borrower pays a constant total monthly amount (assuming interest rates do not change) made up of an initially high and subsequently decreasing interest portion and an initially low and subsequently increasing principal portion, and calculated in such a manner that the Mortgage Receivable will be fully redeemed at the end of its term.

### **Mortgaged Assets and certain characteristics of the Mortgage Loans**

#### *Mortgaged Assets*

The mortgage rights securing the Mortgage Loans are vested on the following Mortgaged Assets:

- (a) real estate (*onroerende zaak*);
- (b) an apartment right (*appartementsrecht*); and/or
- (c) a long lease (*erfpachtsrecht*).

If a Mortgage Loan consists of one or more Loan Parts, the Seller will sell and assign and the Issuer shall purchase and accept the assignment of all rights associated with all, but not some, Loan Parts of such Mortgage Loan at the Closing Date.

#### *Leasehold*

The mortgage rights securing the Mortgage Loans may be vested on a long lease (*erfpacht*). A long lease will, among other things, end as a result of expiration of the long lease term (in the case of a lease for a fixed period), or termination of the long lease by the leaseholder or the landowner. The landowner can terminate the long lease if the leaseholder has not paid the remuneration due for a period exceeding two consecutive years or seriously breaches (*in ernstige mate tekortschiet*) other obligations under the long lease. If the long lease ends, the landowner will have the obligation to compensate the leaseholder. In such event the mortgage right will, by operation of law, be replaced by a right of pledge on the claim of the (former) leaseholder on the landowner for such compensation. The amount of compensation will, among other things, be determined by the conditions of the long lease and may be less than the market value of the long lease. When underwriting a Mortgage Loan to be secured by a mortgage right on a long lease, the Seller will take into consideration certain conditions, in particular the term of the long lease. The Mortgage Conditions provide that a mortgage loan will become immediately due and payable, among other things, if the long lease terminates, the conditions thereof change or are not adhered to, or if the borrower acquires the ownership (*bloot eigendom*) of the asset without granting a mortgage over the asset.

#### *Construction Deposits*

The Mortgage Loans (including Further Advances, if applicable) may have associated Construction Deposits, whereby part of the Mortgage Loan is withheld by the Seller and will only be disbursed by the Seller at a later date, subject to satisfaction of certain conditions, so that the Borrower can apply the proceeds towards construction of, or improvements to, the Mortgaged Asset relating to the Mortgage Loan. A disbursement from the Construction Deposit will only be made against delivery of invoices and other relevant documentation satisfactory to the Seller. The Seller will disburse the Construction Deposit to the relevant Borrower within 24 months in case of newly built properties, and 12 months in case of existing properties. A Borrower will receive interest in respect of the Construction Deposit during such period.

After the agreed term for disbursement of the Construction Deposit has expired the amount of the Construction Deposit shall be set-off against the outstanding principal and interest due on the Mortgage Loan, and the Outstanding Principal Amount of the Mortgage Loan shall be reduced accordingly.

### *Further Advances*

A Borrower may ask the Seller to grant a Further Advance. The Seller will consider such request for a Further Advance against the then applicable acceptance criteria. A Further Advance may carry a different interest rate compared to the original Mortgage Loan and may also have a different maturity and/or loan type. Otherwise, the same Mortgage Conditions apply to a Further Advance. Further Advances include: (a) further advances made under a Mortgage Loan which will be secured by the same Mortgage as the loan previously disbursed under such Mortgage Loan (*verhoogde inschrijving*), (b) further advances made under a Mortgage Loan which will be secured by a second or sequentially lower priority Mortgage as the loan previously disbursed under such Mortgage Loan (*verhoging*) or (c) a withdrawal of moneys which were previously repaid to redeem the Mortgage Loan (*heropname*).

### *(Automatic) risk category adjustment*

Pursuant to the Mortgage Conditions, under a non-NHG mortgage, a Borrower has the right to a lower interest rate if the ratio between the Market Value (or, where applicable, a subsequent valuation) of the Mortgaged Asset and the Outstanding Principal Amount of the relevant Mortgage Receivable (i.e. the loan-to-value ratio) decreases such that the Mortgage Loan falls in a different risk category. The Seller uses the following buckets: (a) Mortgage Loans with a loan-to-value ratio smaller than or equal to 65%, (b) Mortgage Loans with a loan-to-value ratio greater than 65% and smaller than or equal to 80%, and (c) Mortgage Loans with a loan-to-value greater than 80% and smaller than or equal to 90%.

If a Mortgage Loan becomes eligible for a different risk category either due to the reduction of the Outstanding Principal Amount from repayments or due to a higher valuation (if provided) then the Mortgage Interest Rate will automatically be adjusted, which rate shall apply from the immediately succeeding month.

### *Interest Payments/Interest Rate Setting*

A portion of the Mortgage Loans carry a fixed rate of interest, all for a certain set interest period (*rentevastperiode*). At the end of an interest period, the interest rate will be reset, unless the Borrower redeems the Mortgage Loan. In general, fixed rate reset terms can be set for periods of 1, 5, 6, 10, 15, 20 and 30 years.

In addition, a portion of the Mortgage Loan carries a variable rate of interest. This variable rate is reset monthly.

### 6.3 Origination and Servicing

This section describes the generic origination and servicing procedures applied by the Seller for mortgage loans originated by it and which have been transferred to the Seller to by way of the Contract Transfers. Where the Mortgage Loans and Loan Parts have the benefit of an NHG Guarantee see Section 6.5 (*NHG Guarantee Programme*) below.

#### Origination

##### *Origination process – general<sup>1</sup>*

Lloyds Bank GmbH is a credit institution within the meaning of Article 4(1) of the Capital Requirements Regulation (EU) No. 575/2013 (*CRR Kreditinstitut*). Lloyds Bank GmbH is duly licensed by BaFin in accordance with Section 32 of the German Banking Act (*Kreditwesengesetz – the KWG*) as a credit institution and is permitted to conduct lending business (*Kreditgeschäft*) within the meaning of Section 1(2) No. 2 of the KWG. Pursuant to article 2:14 of the Dutch Financial Supervision Act, Lloyds Bank GmbH is authorised to perform lending activities including, *inter alia*, offering consumer credit from its branch office situated in the Netherlands as also evidenced in the public register of the Dutch Central Bank.

Lloyds Bank GmbH, Amsterdam Branch originates mortgage loans through intermediaries servicers and/or service providers, but also directly, via its website. *These origination channels are discussed in more detail further in this document.*

The administration management of the Mortgage Loans has been outsourced to Stater. Stater is the largest mortgage service provider in the Netherlands. More detail about the Stater system is discussed in the paragraph below under *Underwriting Criteria*.

The mortgages loans provided are with or without National Mortgage Guarantee (**NHG**). NHG is a guarantee provide by government-backed foundation, ensuring the customer and lender's risk of remaining debt after sale is limited. It is subject to Borrowers agreeing to pay a premium over the mortgage amount to NHG and meeting conditions and criteria specified by NHG. Lloyds Bank GmbH, Amsterdam Branch is responsible that the application meets NHG conditions and criteria.

The Mortgage Loans are secured by a first ranking right of mortgage and registered in the Land Registry. The ranking of the Mortgages establishes priority over any other subsequent claims, encumbrances and attachments, in respect of the relevant property.

A Borrower must be 18 years of age or older at the time of origination of the relevant Mortgage Loan. Each Borrower is a 100% legal owner(s) of the collateral/property i.e. no other party than the Borrower can be owner of the property. A Mortgage Loan can only be provided for a property in the Netherlands. The property is in use for permanent residential (i.e. the main residence of the home-owner). The maximum mortgage term is 30 years.

#### Underwriting Mortgage Loans

The underwriting rules for mortgage loans typically include, but are not limited to, the following aspects:

- BKR registration (former or present);
- a written sales contract (in the case of a refinancing deed of title and/or excerpt of the Land Registry);
- applicable mortgage rates;

---

<sup>1</sup> Subject to further consideration in respect of origination of Mortgage Loans which have been transferred to the Seller

- collateral requirements such as a validated valuation report and type of collateral;
- a sustainable income, unsustainable income is not included in the affordability calculation; and
- loan to value limitations, loan to income limitations and definition of income for the purposes of this calculation.

## **Valuation**

An assessment of the market value of the property is made before the mortgage loan or before an extension of the mortgage loan is granted. The value of the property must be at least € 75,000. Since 2018, it has been legally determined that the maximum amount of a mortgage loan may not exceed 100% of the market value, unless through sustainable energy-saving investments, which is limited to 106% of the market value. The market value is assumed of the lowest value of the appraised market value or the purchase price plus cost of acquisition and, for NHG mortgage loans, additional cost as stated by NHG. The verification of the existence of the property in the Land Registry is mandatory. The validated market valuation report (*taxatierapport*) must be performed by an independent, registered valuer in the Netherlands. The valuer must not be involved in the transaction of purchase, sale or financing with the Borrower, seller of the property or originator. The market value can determine the maximum amount of the mortgage loan. To determine the market value of the property, a distinction is made between existing property and a new build property.

### *Existing property*

In case of an existing property, the market value as stated in the valuation report will prevail. The total mortgage amount to (re)finance the property is limited to 90% of the Market Value for non-NHG mortgage loans. In case of renovation of an existing property, the market value after renovation can prevail. It is obligatory then to keep the construction costs in a separate construction deposit account. The total mortgage amount to (re)finance the property is limited to 90% of the Market Value of the property after renovation. For NHG mortgage loans the total amount to (re)finance is 100% of the Market Value. In case of investments in energy-saving facilities, the (re)financing is limited to 106% of the market value. It is also possible to (re)finance an existing property (non- NHG) on the basis of the assessment notice of the real estate tax authorities (WOZ), in combination with a model calculation report (Calcasa), this is limited to 65% of the Market Value. The model calculation report must be calculated in the last year.

### *New build property*

For non-NHG mortgage loans, the Market Value is determined by, the purchase/contract price plus additional work plus possible redemption payment for the leasehold (if not included in the purchase/contract price). Additional work has a maximum of 20% of the purchase contract price. For NHG mortgage loans, Lloyds Bank GmbH, Amsterdam branch applies the NHG conditions. The total mortgage amount to (re)finance the new property is limited to 90% of the Market Value. For a new build property it is obligatory to keep the construction costs in separate construction deposit account. For NHG mortgage loans the limitation of (re)financing is 100% of the Market Value. In case of investments in energy-saving facilities, (re) financing is limited to 106% of the Market Value.

### *Underwriting Criteria*

The underwriting criteria have been incorporated in Stater's automated lending decision management system (ESTATE). ESTATE is part of the International Stater Mortgages System, used by Lloyds Bank GmbH, Amsterdam Branch for the purpose of the origination of mortgage loans. ESTATE is a rule-based system used to regulate the underwriting process.



## **Lending Criteria**

### *Minimum and Maximum Amounts:*

- The maximum lending amount is € 1 million
- The maximum lending amount for LTV more than 85% is € 800.000,00
- The minimum lending amount is € 40.000,00
- Minimum lending amount for each loan part is € 5.000,00

### *Creditworthiness*

The process of verifying a prospective borrower's creditworthiness is set up to determine whether the prospective borrower has sufficient monthly income available to meet the payments on the requested mortgage loan as well as to support other financial obligations and monthly living expenses. A check on the income of a prospective borrower who is employed is conducted by requesting a recent employer's declaration of the borrower, as well as the borrower's salary slip and a copy of a bank statement with the borrower's salary to ensure that the information is corresponding and correct. The documents may not be older than 3 months.

For borrowers who are not employed, but generated income from, self-employed activity, pensions, social benefits or alimony, other documents are requested to determine the creditworthiness.

### *Income from self-employment*

The self-employed prospective borrower's income must be demonstrated by means of annual accounts of the self-employed borrower for the three most recent financial years together with an estimate for the upcoming year. In addition, the prospective borrower must submit tax returns for the most recent three years and a copy of the tax inspector's tax assessments. If no annual accounts are available, Lloyds Bank GmbH, Amsterdam Branch may determine that tax declarations and tax returns for the same periods are sufficient. Where the period of a prospective borrower's self-employment is only one year, then the prospective borrower must provide to Lloyds Bank GmbH, Amsterdam Branch employment income details for the two years preceding the period of self-employment. This employment income must have been earned in employment of a type equivalent to the business currently operated by the prospective borrower. In this way Lloyds Bank GmbH, Amsterdam Branch will be able to consider three years of comparable income for the prospective borrower. Should self-employment income in the last year be lower than in the preceding two years, the income data will be fed into the international Stater Hypotheken Systeem (**iSHS**).

*Lloyds Bank GmbH, Amsterdam Branch does not provide mortgages to entrepreneurs and employees of companies who are active in the (soft) drug industry, the sex industry, not transparent financial services or branches that cannot be properly judged.*

## **Testing for maximal lending capacity according to the Lloyds Bank GmbH, Amsterdam Branch underwriting criteria**

### *Calculation of the financial burden of the Borrower*

Based on the application for a mortgage loan, a monthly financial burden for housing costs is calculated. The financial burden is based on the monthly payments of interest and redemption resulting from an annuity mortgage loan with a maximum maturity of 30 years.

### *Comparison of the financial burden with the maximum financial burden for housing costs*

The calculated financial burden for housing costs resulting from the annuity-based lending method is compared with the maximum financial burden according to debt to income ratio's set out by the National Institute for Family Finance Information (**NIBUD**).

The maximum financial burden for housing costs is calculated by multiplying the applicable Debt-to-Income ratio (**DTI**) with the aggregated gross income of the Borrower(s). The maximum financial burden for housing costs is then corrected downwards for any financial commitments with other financial institutions i.e. any credit obligations resulting from BKR information.

Based on the maximum financial burden, the maximum lending capacity of the Borrower(s) is calculated.

If the actual financial burden resulting from the annuity-based lending exercise exceeds the maximum financial burden the application is rejected.

### *Definition of interest rate used in the annuity-based lending methodology*

The interest rate used under the annuity-based lending methodology is dependent on the interest fixed period of the respective mortgage loan parts. If the interest period is 10 years or longer, the actual interest rate is used for the affordability calculation. In case of an interest fixed period shorter than 10 years the stress rate (currently 5%) set by AFM is used.

### *Definition of Debt-to-Income ratio used while calculating the maximum allowed financial burden*

The DTI ratio is set by NIBUD. The DTI ratio is dependent on the gross income of a Borrower and the interest rate used under the annuity-based lending methodology. In circumstances where there are two Borrowers, the gross income of both Borrowers is aggregated in order to determine the DTI ratio.

### *National Credit Register (BKR)*

A credit check is conducted for every prospective borrower with the BKR in Tiel. All financial commitments over the past five years that prospective borrowers have entered into with financial institutions are recorded in this register.

### *Other Lending Criteria*

Apart from the principal criteria already mentioned, the following criteria also apply to each mortgage loan: (i) mortgage loans are granted only to individuals; (ii) if there is more than one borrower, there must be joint and several liability for the mortgage loan; and (iii) mortgage loans are only granted on the basis of owner occupancy. In case of a NHG Mortgage Loan, the NHG Conditions criteria apply. See Section 6.5 (*NHG Guarantee Programme*) below.

### **Online origination through website of Seller**

Where loan application forms are submitted by applicants directly to Lloyds Bank GmbH, Amsterdam Branch via its website, the information received is automatically entered into the ESTATE system. Only a positive decision generates a mortgage loan offer. Each application is automatically evaluated against the underwriting criteria of Lloyds Bank GmbH, Amsterdam Branch or, in the case of an NHG Mortgage Loan, against the underwriting criteria of NHG. In the event of violation of the underwriting criteria, ESTATE generates a stop code. Once the offer has been accepted by the applicant, Lloyds Bank GmbH, Amsterdam Branch front office collects the signed offer and all required loan documents, which will be reviewed by a Lloyds Bank GmbH, Amsterdam Branch employee. Final credit approval includes, among other things, a review of evidence of the applicant's income, the sales contract, identity check, fraud check, appraisal report and insurance application,

if applicable. Final credit approval is performed by employees with delegated credit authority of Lloyds Bank GmbH, Amsterdam Branch.

#### *Completion of the loan*

After final credit approval and acceptance of a loan, information for the civil law notary is automatically generated by ESTATE and sent out to the civil law notary. Based on this information the notary creates the mortgage deed and is responsible for the execution of the mortgage deed. Each mortgage loan is secured in the form of a notarial deed. The Borrower is required to take out an insurance in respect of the mortgaged property against risk of fire, direct and indirect local rain and/or snow and leaking and other accidental damage for the full restitution value thereof. All the original mortgage deeds are stored by the civil law notary and are registered with the central registry (*Kadaster*).

#### *Servicing of the Mortgage Loans*

All Mortgage Loans are administered and serviced by the Servicer. The Servicer will provide mortgage services and other services to the Issuer on a day-to-day basis in relation to the Mortgage Loans. The duties of the Servicer include the collection of payments of principal, interest and other amounts in respect of the Mortgage Loans and the implementation of arrears procedures including the enforcement of the Mortgages. Certain mortgage loan services may be delegated to third parties.

#### *Collections*

All monthly payments of principal and interest on the Mortgage Loans are collected from Borrowers by direct debit. Stater is instructed by the Servicer to draw the monthly payments from the Borrower's bank account directly into the portfolio accounts. iSHS automatically collects the payments on the day before the last business day of each month. Payment information is monitored daily.

#### *Collections & Recoveries Process*

Lloyds Bank GmbH, Amsterdam Branch currently sub-contracts part of its arrears management to Hypocasso. Hypocasso is a subsidiary of Stater. Collection and recovery processes, strategies and treatments are focussed on rehabilitating customers who are in arrears and assisting customers who are in financial difficulties. The collections teams are trained in, and carry responsibilities for the process of contacting the Borrower to find out the reason for non-payment and work together with the Borrower to find the best possible and sustainable solution for Borrower and Lloyds Bank GmbH, Amsterdam Branch to resolve the arrears or financial difficulties.

#### *Hypocasso, arrears management*

Every day iSHS detects and keeps track of arrears. When iSHS identifies any Borrowers who have failed to pay the monthly instalments which leads to arrears, an annulment letter is sent by Hypocasso, reminding the Borrower in a friendly way that the direct debit has bounced. Two weeks after the first letter, a first reminder letter, with a leaflet, is sent to the Borrower. The leaflet contains information regarding the arrears, what the consequences are and that there may be solutions available. If the Borrower does not pay or contact Lloyds Bank GmbH, Amsterdam Branch after the first reminder letter, a second reminder/contact letter is sent two weeks later. The second reminder letter notifies the Borrower that measures for collecting the outstanding payment will be taken. There are also several call attempts within the first month to get in contact with the Borrower to understand their situation and needs. After one month in arrears, there is a monthly reminder letter, include a specification of the penalty interest charged send to the Borrower. The monthly reminder letters are automatically generated by iSHS and sent to Borrowers by Stater/ Hypocasso.

After a month in arrears the attempts to contact the Borrower are pursued. The attempts for contacting the Borrower are intensified by a summon letter and a possible house visit. If contact is not established with the

customer the case could be handed over to bailiff for seizure on wages. Approximately 90 days after the payment on such Mortgage Loan has been missed, the handling of the file will be transferred to the Lloyds Bank GmbH, Amsterdam Branch collections and recoveries department. A Borrower that has been in an arrears procedure with Lloyds Bank GmbH, Amsterdam Branch before (repeated defaulter) within the last 180 days does not receive a second reminder letter. In such case, the file will be transferred immediately to the Lloyds Bank GmbH, Amsterdam Branch collection & recoveries team. In respect of NHG Mortgage Loans, Hypocasso does the full arrears handling on behalf of and in close co-operation with Lloyds Bank GmbH, Amsterdam Branch. Arrears regarding mortgage loans with an NHG Guarantee are managed according to the relevant rules of Stichting WEW.

After 3 monthly instalments in arrears the loan will be notified by Lloyds Bank GmbH, Amsterdam Branch to BKR.

Collections & Recoveries processes are in line with AFM guidelines. When contact is established with a Borrower information is gathered on the reason for arrears and financial difficulties. Based on the financial situation of the Borrower Lloyds Bank GmbH, Amsterdam Branch can consider to offer the Borrower one or more procedures. The procedures are considered in order to cure the arrears and prevent potential future loss. Prior to considering any procedures an assessment of the financial situation of the Borrower must be done. The Borrower may at any stage propose selling the property through a private sale. Lloyds Bank GmbH, Amsterdam Branch may accept a private sale if (a) proceeds from the sale are expected to cover the outstanding debt in full, or (b) it is estimated that the costs of the foreclosure process will result in a lower recovery value than a private sale of the property by the Borrower (see below).

Various forbearance measures can be taken as part of arrears management including (i) interest only, (ii) reduced payments, (iii) arrears/interest capitalization, (iv) extension of maturity/term, (v) sale by agreement/assisted sale, (vi) rescheduled payments and (vii) refinancing/new credit facilities. Payment holidays other than in connection with COVID-19 are in principle not part of the forbearance measures used by the Seller.

#### *Foreclosure process*

There are two ways for starting a foreclosure process. Either (a) the borrower initiates a private sale of the property or (b) none of the efforts is successful to cure the arrears and prevent selling the property (forced private sale or auction). The foreclosure process is only considered after all reasonable attempts to reach a mutually acceptable solution have been unsuccessful.

Lloyds Bank GmbH, Amsterdam Branch will assess the alternative sale methods to ascertain the method most likely to maximise value for the Lloyds Bank GmbH, Amsterdam Branch. Based on this assessment, Lloyds Bank GmbH, Amsterdam Branch may decide that the property should be sold either in a private sale or by public auction. A private sale is often an attractive alternative to a public auction.

The right to foreclosure via an auction is afforded to Lloyds Bank GmbH, Amsterdam Branch as mortgagee under Dutch law. Lloyds Bank GmbH, Amsterdam Branch has, as a first-ranking, an "executorial title", which means that it does not have to obtain court permission prior to foreclosure on the mortgaged property in case of default (*verzuim*) of the Borrower. If the proceeds from the sale or auction of the mortgaged property do not fully cover Lloyds Bank GmbH, Amsterdam Branch's claims, Lloyds Bank GmbH, Amsterdam Branch may sell any pledged associated life insurance or investment deposit. However, Dutch law requires that, before a lender may foreclose on a Borrower's mortgaged property, the Borrower must be notified in writing of the default and it must be given reasonable time to comply with the lender's claims. This notification must include the amount outstanding and the amount of any expenses incurred. The name of the civil law notary responsible for the foreclosure sale should also be given. When the notification of foreclosure is made by Lloyds Bank GmbH, Amsterdam Branch formal instructions will be given to the civil notary for the relevant location. The date of the sale will be set by the civil notary within, in principle, three weeks of this instruction and typically

no later than about six weeks after the decision to foreclose has been made (depending on the region and the number of other foreclosures currently being handled by the relevant district court).

To ensure that the property will be sold for at least the minimum selling price, Lloyds Bank GmbH, Amsterdam Branch will be present at the auction. If no one offers the minimum selling price, Lloyds Bank GmbH, Amsterdam Branch will buy the asset for this price. In respect of a mortgage loan with an NHG Guarantee, Stichting WEW will also be represented.

The manner in which the proceeds from the sale are divided depends on the number of mortgages granted in respect of property. If there is only one mortgage holder, the proceeds will be passed on to the mortgage holder after deducting the costs of the execution. In the case of more than one mortgage holder, the division of the proceeds takes place according to the priority of the mortgages.

In general, Lloyds Bank GmbH, Amsterdam Branch requires approximately four months to foreclose on a property once the decision to foreclose has been made. Throughout the foreclosure process, Lloyds Bank GmbH, Amsterdam Branch works according to the guidelines set down by Dutch law, the CHF Code of Conduct of Mortgage Loans and the BKR. Defaulted Mortgage Loans are written off by the Seller forthwith after completion of the foreclosure process in respect thereof, in accordance with IFRS 9.

#### *Outstanding amounts*

If amounts are still outstanding after the foreclosure process or sale of the property has been completed, Lloyds Bank GmbH, Amsterdam Branch continues to manage the remaining receivables. The arrears manager notifies the borrower of the remaining debt, as these amounts still have to be repaid by the Borrower and, if possible, a settlement agreement will be entered into. If the Borrower does not comply with a settlement agreement other measures can be taken by Lloyds Bank GmbH, Amsterdam Branch. These measures include the engagement of a bailiff with all his legal means at his disposal to get as much as possible of the remaining debt. To levy an attachment over the Borrower's salary and/or put seizure on other valuable assets as permitted by Dutch law.

#### *Data on static and dynamic historical default and loss performance*

The tables set forth below provide data on static and dynamic historical default and loss performance for a period of at least five years for substantially similar mortgage receivables to those being securitised by means of the securitisation transaction described in this Prospectus. The information included in the tables below has been subject to agreed upon procedures by an appropriate and independent party and the Seller confirms that no adverse findings have been found.

#### **Dynamic Arrears**

The following table shows the dynamic arrears for mortgage receivables in respect of the mortgage loans originated by the Originators after 1 December 2014, from which mortgage loans the Provisional Pool has been selected and which are subject to the same underwriting criteria as the Mortgage Loans comprising the Provisional Pool.

Arrears of the Lloyds Hypotheek portfolio as of the end of each quarter*					
Quarter	<30 days	>=30 to <60 days	>=60 to <90 days	>= 90 days	Total arrears
Q1 2016	0,18%	0,09%	0,03%	0,02%	0,31%
Q2 2016	0,09%	0,11%	0,00%	0,04%	0,23%
Q3 2016	0,11%	0,16%	0,07%	0,06%	0,41%
Q4 2016	0,19%	0,14%	0,09%	0,04%	0,46%
Q1 2017	0,18%	0,17%	0,01%	0,02%	0,39%
Q2 2017	0,21%	0,14%	0,02%	0,04%	0,41%
Q3 2017	0,27%	0,26%	0,03%	0,05%	0,61%
Q4 2017	0,35%	0,32%	0,04%	0,04%	0,75%
Q1 2018	0,34%	0,29%	0,04%	0,05%	0,72%
Q2 2018	0,30%	0,24%	0,04%	0,09%	0,68%
Q3 2018	0,32%	0,25%	0,07%	0,09%	0,72%
Q4 2018	0,26%	0,33%	0,02%	0,10%	0,71%
Q1 2019	0,24%	0,25%	0,05%	0,06%	0,59%
Q2 2019	0,24%	0,24%	0,02%	0,05%	0,55%
Q3 2019	0,31%	0,24%	0,04%	0,05%	0,64%
Q4 2019	0,29%	0,26%	0,05%	0,05%	0,65%
Q1 2020	0,38%	0,15%	0,05%	0,06%	0,64%
Q2 2020	0,35%	0,22%	0,12%	0,19%	0,87%
Q3 2020	0,32%	0,18%	0,06%	0,12%	0,68%
Q4 2020	0,29%	0,21%	0,05%	0,06%	0,61%
Q1 2021	0,34%	0,16%	0,01%	0,05%	0,56%
Q2 2021	0,29%	0,13%	0,04%	0,03%	0,48%
Q3 2021	0,25%	0,15%	0,02%	0,03%	0,45%

\* Past performance is not necessarily an indicator of future result or performance. Opinions and estimates (including statements or forecasts) constitute judgement as of the date indicated, are subject to change without notice and involve a number of assumptions which may not prove valid

## Dynamic losses

The following table shows the dynamic losses for mortgage receivables in respect of the mortgage loans originated by the Originators after 1 December 2014, from which mortgage loans the Provisional Pool has been selected and which are subject to the same underwriting criteria as the Mortgage Loans comprising the Provisional Pool.

Year Loss Incurred	Losses in bps of portfolio			Recovery Rate <sup>4</sup>
	Gross Loss <sup>1</sup>	Net Loss <sup>2</sup>	Loss after later recoveries <sup>3</sup>	
2020	0,00	0,00	0,00	99,6%
2019	0,02	0,03	0,01	99,8%
2018	0,05	0,02	0,02	98,8%
2017	0,05	0,01	0,01	99,8%
2016	0,35	0,11	0,11	95,6%
* Past performance is not necessarily an indicator of future result or performance. Opinions and estimates (including statements or forecasts) constitute judgement as of the date indicated, are subject to change without notice and involve a number of assumptions which may not prove valid				
1. Note: Gross loss: Amount due at foreclosure -/- proceeds from foreclosure				
2. Note: Net loss: Gross loss -/- NHG pay-outs -/- beneficial rights				
3. Note: Late recoveries: Receipts by the bailiff and receipts from payment agreements				
4. Note: The recovery rate calculation is based on losses including the receipts of last recoveries.				

## Static Defaults

The following table shows the static cumulative defaults for mortgage receivables in respect of the mortgage loans originated by the Originators after 1 December 2014, from which mortgage loans the Provisional Pool has been selected and which are subject to the same underwriting criteria as the Mortgage Loans comprising the Provisional Pool.

	Quarter of Origination																						
	2016 Q1	2016 Q2	2016 Q3	2016 Q4	2017 Q1	2017 Q2	2017 Q3	2017 Q4	2018 Q1	2018 Q2	2018 Q3	2018 Q4	2019 Q1	2019 Q2	2019 Q3	2019 Q4	2020 Q1	2020 Q2	2020 Q3	2020 Q4	2021 Q1	2021 Q2	2021 Q3
1	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
2	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,04%	0,00%	0,00%	0,06%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
3	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,05%	0,04%	0,00%	0,00%	0,09%	0,00%	0,09%	0,07%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
4	0,00%	0,00%	0,00%	0,05%	0,00%	0,00%	0,12%	0,11%	0,00%	0,05%	0,04%	0,00%	0,00%	0,09%	0,09%	0,09%	0,11%	0,00%	0,00%	0,00%			
5	0,00%	0,00%	0,00%	0,05%	0,11%	0,00%	0,12%	0,26%	0,00%	0,08%	0,04%	0,00%	0,00%	0,26%	0,14%	0,09%	0,11%	0,00%	0,00%				
6	0,00%	0,02%	0,00%	0,09%	0,16%	0,04%	0,12%	0,26%	0,05%	0,15%	0,08%	0,08%	0,14%	0,26%	0,21%	0,09%	0,11%	0,00%					
7	0,00%	0,02%	0,05%	0,09%	0,25%	0,13%	0,12%	0,26%	0,14%	0,15%	0,17%	0,19%	0,22%	0,26%	0,21%	0,09%	0,11%						
8	0,09%	0,07%	0,05%	0,09%	0,25%	0,17%	0,12%	0,38%	0,23%	0,19%	0,34%	0,19%	0,22%	0,26%	0,21%	0,09%							
9	0,09%	0,08%	0,12%	0,16%	0,27%	0,17%	0,16%	0,38%	0,32%	0,29%	0,40%	0,21%	0,25%	0,26%	0,21%								
10	0,09%	0,08%	0,18%	0,16%	0,27%	0,22%	0,16%	0,38%	0,48%	0,29%	0,40%	0,21%	0,25%	0,26%									
11	0,09%	0,08%	0,18%	0,16%	0,27%	0,22%	0,27%	0,66%	0,48%	0,29%	0,40%	0,21%	0,25%										
12	0,37%	0,08%	0,18%	0,23%	0,29%	0,28%	0,34%	0,66%	0,48%	0,29%	0,40%	0,21%											
13	0,37%	0,08%	0,23%	0,27%	0,37%	0,45%	0,34%	0,66%	0,76%	0,29%	0,40%												
14	0,37%	0,08%	0,27%	0,32%	0,51%	0,47%	0,34%	0,66%	0,76%	0,29%													
15	0,51%	0,08%	0,37%	0,51%	0,54%	0,47%	0,34%	0,66%	0,76%														
16	0,57%	0,15%	0,54%	0,56%	0,54%	0,47%	0,34%	0,66%															
17	0,83%	0,26%	0,54%	0,56%	0,54%	0,47%	0,34%																
18	1,21%	0,45%	0,61%	0,56%	0,54%	0,47%																	
19	1,29%	0,45%	0,61%	0,56%	0,54%																		
20	1,29%	0,48%	0,61%	0,56%																			
21	1,29%	0,48%	0,61%																				
22	1,36%	0,48%																					
23	1,36%																						



\* Past performance is not necessarily an indicator of future result or performance. Opinions and estimates (including statements or forecasts) constitute judgement as of the date indicated, are subject to change without notice and involve a number of assumptions which may not prove valid



22	0,0 009%	0,0 002%																					
23	0,0 009%																						

\* Past performance is not necessarily an indicator of future result or performance. Opinions and estimates (including statements or forecasts) constitute judgement as of the date indicated, are subject to change without notice and involve a number of assumptions which may not prove valid

## Annualised prepayments

The following table shows the annualised prepayments for mortgage receivables in respect of the mortgage loans originated by the Originators after 1 December 2014, from which mortgage loans the Provisional Pool has been selected and which are subject to the same underwriting criteria as the Mortgage Loans comprising the Provisional Pool.

Annualised prepayments in % in the Lloyds Bank Hypotheek portfolio	
Quarter	Annualised Prepayments
Q1 2016	1,2%
Q2 2016	1,4%
Q3 2016	1,7%
Q4 2016	2,5%
Q1 2017	2,1%
Q2 2017	2,4%
Q3 2017	2,5%
Q4 2017	3,9%
Q1 2018	3,2%
Q2 2018	3,4%
Q3 2018	4,4%
Q4 2018	5,7%
Q1 2019	4,6%
Q2 2019	4,4%
Q3 2019	6,0%
Q4 2019	6,8%
Q1 2020	5,3%
Q2 2020	6,2%
Q3 2020	7,1%
Q4 2020	7,9%
Q1 2021	7,4%
Q2 2021	6,6%
Q3 2021	6,7%

## 6.4 Dutch Residential Mortgage Market

This Section 6.4 (*Dutch Residential Mortgage Market*) is derived from the overview which is available at the website of the DSA (<https://www.dutchsecuritisation.nl/documentation>) regarding the Dutch residential mortgage market over the period until September 2021. The Issuer confirms that this information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from the DSA, no facts have been omitted which would render the information in this Section 6.4 (*Dutch Residential Mortgage Market*) inaccurate or misleading.

### Dutch residential mortgage market

The Dutch residential mortgage debt stock is relatively sizeable, especially when compared to other European countries. Since the 1990s, the mortgage debt stock of Dutch households has grown considerably, mainly on the back of mortgage lending on the basis of two incomes in a household, the introduction of tax-efficient product structures such as mortgage loans with deferred principal repayment vehicles and interest-only mortgage loans, financial deregulation and increased competition among originators. Moreover, Loan-to-Value (LTV) ratios have been relatively high, as the Dutch tax system implicitly discouraged amortisation, due to the tax deductibility of mortgage interest payments. After a brief decline between 2012 and 2015, mortgage debt reached a new peak of EUR 755 billion in Q2 2021<sup>2</sup>. This represents a rise of EUR 17.7 billion compared to Q2 2020.

#### *Tax system*

The Dutch tax system plays an important role in the Dutch mortgage market, as it allows for almost full deductibility of mortgage interest payments from taxable income. This tax system has been around for a very long time, but financial innovation has resulted in a greater leverage of this tax benefit. From the 1990s onwards until 2001, this tax deductibility was unconditional. In 2001 and 2004, several conditions have been introduced to limit the usage of tax deductibility, including a restriction of tax deductibility to (mortgage interest payments for) the borrower's primary residence and a limited duration of the deductibility of 30 years.

A further reform of the tax system was enforced on 1 January 2013. Since this date, all new mortgage loans have to be repaid in full in 30 years, at least on an annuity basis, in order to be eligible for tax relief (linear mortgage loans are also eligible). The tax benefits on mortgage loans, of which the underlying property was bought before 1 January 2013, have remained unchanged and are grandfathered, even in case of refinancing and relocation. As such, new mortgage originations still include older loan products, including interest-only. However, any additional loan on top of the borrower's grandfathered product structure has to meet the mandatory full redemption standards to allow for tax deductibility.

Another reform imposed in 2013 to reduce the tax deductibility is to lower the maximum deduction percentage. This used to be equal to the highest marginal tax bracket (52%), but since 2014 the maximum deduction has been gradually reduced (during the 2014 – 2019 period), by 0.5%-point per annum. As from 1 January 2020, the maximum deduction percentage is decreased by 3.0%-point per annum until it will ultimately be equal to 37.05 percent in 2023. For 2021, the highest tax rate against which the mortgage interest may be deducted is 43 per cent.

There are several housing-related taxes which are linked to the fiscal appraisal value ("**WOZ**") of the house, both imposed on national and local level. Moreover, a transfer tax of 2% is applied when a house changes hands. From 2021, house buyers younger than 35 years will no longer pay any transfer tax (from 1 April, this exemption only applies to houses sold for 400,000 euros or less). The cut in stamp-duty can only be applied

---

<sup>2</sup> Statistics Netherlands, household data.

once and the policy is initially in place for a period of 5 years. A transfer tax of 8% is due upon transfer of houses which are not owner-occupied.

Although these taxes partially unwind the benefits of tax deductibility of interest payments, and several restrictions to this tax deductibility have been applied, tax relief on mortgage loans is still substantial.

### *Loan products*

The Dutch residential mortgage market is characterised by a wide range of mortgage loan products. In general, three types of mortgage loans can be distinguished.

Firstly, the “classical” Dutch mortgage product is an annuity loan. Annuity mortgage loans used to be the norm until the beginning of the 1990s, but they have returned as the most popular mortgage product in recent years. Reason for this return of annuity mortgage loans is the tax system. Since 2013, tax deductibility of interest payments on new loans is conditional on full amortisation of the loan within 30 years, for which only (full) annuity and linear mortgage loans qualify.

Secondly, there is a relatively big presence of interest-only mortgage loans in the Dutch market. Full interest-only mortgage loans were popular in the late nineties and in the early years of this century. Mortgage loans including an interest-only loan part were the norm until 2013, and even today, grandfathering of older tax benefits still results in a considerable amount of interest-only loan origination.

Thirdly, there is still a big stock of mortgage products including deferred principal repayment vehicles. In such products, capital is accumulated over time (in a tax-friendly manner) in a linked account in order to take care of a bullet principal repayment at maturity of the loan. The principal repayment vehicle is either an insurance product or a bank savings account. The latter structure has been allowed from 2008 and was very popular until 2013. Mortgage loan products with insurance-linked principal repayment vehicles used to be the norm prior to 2008 and there is a wide range of products present in this segment of the market. Most structures combine a life-insurance product with capital accumulation and can be relatively complex. In general, however, the capital accumulation either occurs through a savings-like product (with guaranteed returns), or an investment-based product (with non-guaranteed returns).

A typical Dutch mortgage loan consists of multiple loan parts, e.g. a bank savings loan part that is combined with an interest-only loan part. Newer mortgage loans, in particular those for first-time buyers after 2013, are full annuity and often consists of only one loan part. Nonetheless, tax grandfathering of older mortgage loan product structures still results in the origination of mortgage loans including multiple loan parts.

Most interest rates on Dutch mortgage loans are not fixed for the full duration of the loan, but they are typically fixed for a period between 5 and 15 years. Rate term fixings differ by vintage, however. More recently, there has been a bias to longer term fixings (10-20 years). Most borrowers remain subject to interest rate risk, but compared to countries in which floating rates are the norm, Dutch mortgage borrowers are relatively well-insulated against interest rate fluctuations.

### *Underwriting criteria*

Most of the Dutch underwriting standards follow from special underwriting legislation (*Tijdelijke regeling hypothecair krediet*). This law has been present since 2013 and strictly regulates maximum LTV and Loan-to-Income (LTI) ratios. The current maximum LTV is 100% (including all costs such as stamp duties). The new government coalition has indicated not to lower the maximum LTV further. LTI limits are set according to a fixed table including references to gross income of the borrower and mortgage interest rates. This table is updated annually by the consumer budget advisory organisation "NIBUD" and ensures that income after (gross) mortgage servicing costs is still sufficient to cover normal costs of living.

Prior to the underwriting legislation, the underwriting criteria followed from the Code of Conduct as applicable at the time of origination for Mortgage Lending, which is the industry standard. This code, which limits the risk of over crediting, has been tightened several times in the past decade. The 2007 version of the code included a major overhaul and resulted in tighter lending standards, but deviation in this version was still possible under the “explain” clause<sup>3</sup>. In 2011, another revised and stricter version of the Code of Conduct was introduced. Moreover, adherence to the “comply” option was increasingly mandated by the Financial Markets Authority (*AFM*). Although the Code of Conduct is currently largely overruled by the underwriting legislation, it is still in force. The major restriction it currently regulates, in addition to the criteria in the underwriting legislation, is the cap of interest-only loan parts to 50% of the market value of the residence. This cap was introduced in 2011 and is in principle applicable to all new mortgage contracts. A mortgage lender may however diverge from the cap limitation if certain conditions have been met.

### **Recent developments in the Dutch housing market**

The Dutch housing market has recovered substantially since the second half of 2013. Important factors are among others the economic recovery, high consumer confidence and decreasing mortgage rates. Due to the Corona pandemic consumer confidence has deteriorated significantly in April/May 2020 but since June 2020 confidence has rebounded.

Existing house prices (PBK-index) in July 2021 were 16.3% higher than in July 2020. The price increases in the last couple of months have been the highest seen for the PBK index in the last 20 years. In absolute Euro terms, the price increases over the previous months are probably the highest in the history of the Dutch housing market with the estimated yoy increase for July some €55,000. The average house price level was 36.7% above the previous peak of 2008.

In the first half of 2021, a total of 119,414 houses exchanged hands, an increase of 12.1% compared to H1 2020 but this was predominantly driven by a record high Q1 transaction volume of 66,627. In Q2 home sales dropped by 3.9% yoy and in July, home sales totalled 19,043, down 16.4% yoy. The jump in the first quarter seemed to be caused by the transfer tax exemption for households below the age of 35 which entered into force on January 1st 2021. Young buyers postponed the transfer of ownership of newly bought properties until after 1st of January 2021 whilst specifically for homes with a sales price of EUR 400,000 or more, the transfer date was brought forward to achieve the deadline of 1st of April 2021.

The Dutch housing market is still faced with a persistent housing shortage, historically low mortgage rates, the home equity held by subsequent homebuyers moving house, high rents and currently a favourable economic backdrop. These factors combined explain why the housing market continues to surge ahead.

### **Forced sales**

Compared to other jurisdictions, performance statistics of Dutch mortgage loans show relatively low arrears and loss rates<sup>4</sup>. The most important reason for default is relationship termination, although the increase in unemployment following the economic downturn in recent years is increasingly also a reason for payment problems. The ultimate attempt to loss recovery to a defaulted mortgage borrower is the forced sale of the underlying property.

For a long time, mortgage servicers opted to perform this forced sale by an auction process. The advantage of this auction process is the high speed of execution, but the drawback is a discount on the selling price. The Land Registry recorded 85 forced sales by auction in Q2 2021 (0.16% of total number of sales).

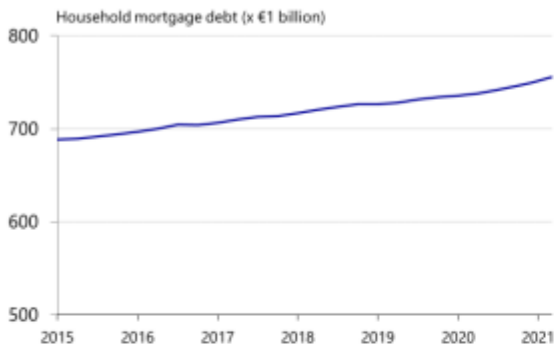
---

<sup>3</sup> Under the “explain” clause it is in exceptional cases possible to deviate from the loan-to-income and loan-to-value rules set forth in the Code of Conduct.

<sup>4</sup> Comparison of S&P RMBS index delinquency data.

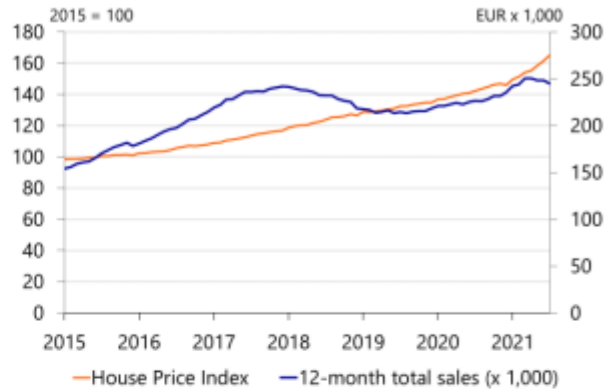
For a long time, mortgage servicers opted to perform this forced sale by an auction process. The advantage of this auction process is the high speed of execution, but the drawback is a discount on the selling price. The Land Registry recorded 36 forced sales by auction in Q3 2020 (0.06% of total number of sales).

**Chart 1: Total mortgage debt**



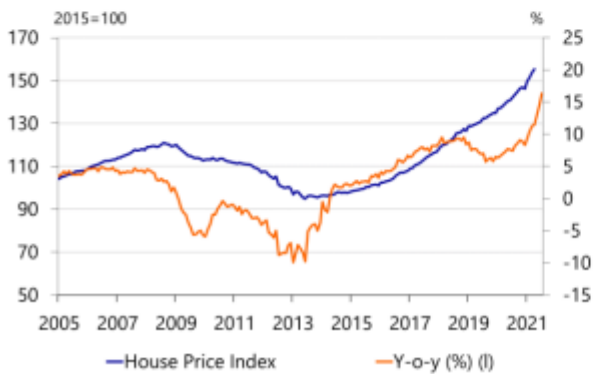
Source: Statistics Netherlands, Rabobank

**Chart 2: Sales**



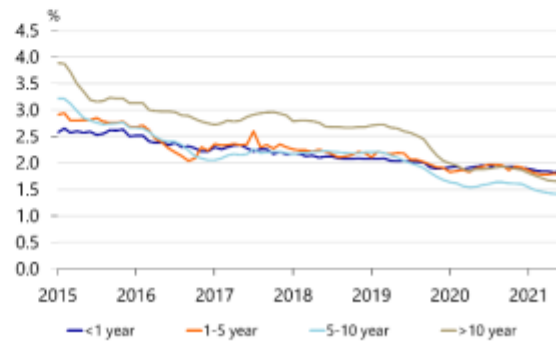
Source: Dutch Land Registry (Kadaster), Statistics Netherlands (CBS)

**Chart 3: Price index development**



Source: Statistics Netherlands, Rabobank

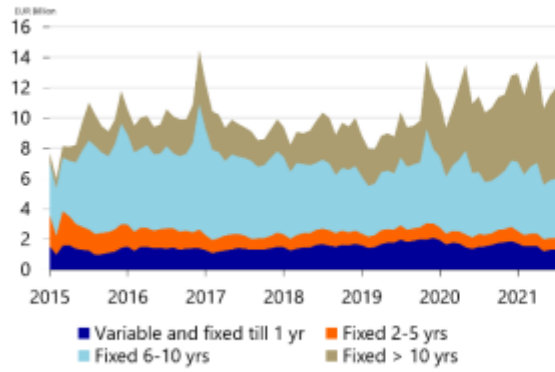
**Chart 4: Interest rate on new mortgage loans**



Source: Dutch Central Bank



**Chart 5: New mortgages by interest type**



Source: Dutch Central Bank

**Chart 6: Confidence**



Source: Statistics Netherlands (CBS), OTB TU Delft And VEH

## 6.5 NHG Guarantee Programme

### NHG Guarantee

In 1960, the Dutch government introduced the 'municipal government participation scheme', an open ended scheme in which both the Dutch State and the municipalities guaranteed, according to a set of defined criteria, residential mortgage loans made by authorised lenders to eligible borrowers to purchase a primary family residence. The municipalities and the Dutch State shared the risk on a 50/50 basis. If a municipality was unable to meet its obligations under the municipality guarantee, the Dutch State would make an interest free loan to the municipality to cover its obligations. The aim was to promote home ownership among the lower income groups.

Since 1 January 1995 Stichting WEW (a central privatised entity) is responsible for the administration and granting of the NHG Guarantee (*Nationale Hypotheek Garantie*), under a set of uniform rules. The NHG Guarantee covers the outstanding principal, accrued unpaid interest and disposal costs. Irrespective of scheduled repayments or prepayments made on the mortgage loans, the NHG Guarantee is reduced on a monthly basis by an amount which is equal to principal repayment part of the monthly instalment as if the mortgage loan were to be repaid on (a maximum of) a thirty year annuity basis. In respect of each mortgage loan, the NHG Guarantee decreases further to take account of scheduled repayments and prepayments under such mortgage loan. (see Section 1 (*Risk Factors*)).

### Financing of Stichting WEW

Stichting WEW finances itself, inter alia, by a one-off charge to the borrower of 0.70 per cent. of the principal amount of the mortgage loan at origination. Besides this, the scheme provides for liquidity support to Stichting WEW from the Dutch State and the participating municipalities. Should Stichting WEW not be able to meet its obligations under guarantees issued, (i) in respect of all loans issued before 1 January 2011, the Dutch State will provide subordinated interest free loans to Stichting WEW of up to 50 per cent. of the difference between Stichting WEW's own funds and a pre-determined average loss level and municipalities participating in the NHG Guarantee scheme will provide subordinated interest free loans to Stichting WEW of the other 50 per cent. of the difference and (ii) in respect of all loans issued on or after 1 January 2011, the Dutch State will provide subordinated interest free loans to Stichting WEW of up to 100 per cent. of the difference between Stichting WEW's own funds and a pre-determined average loss level. Both the keep well agreement between the Dutch State and Stichting WEW and the keep well agreements between the municipalities and Stichting WEW contain general 'keep well' undertakings of the Dutch State and the municipalities to enable Stichting WEW at all times (including in the event of bankruptcy (*faillissement*), suspension of payments (*surseance van betaling*) or liquidation (*ontbinding*) of Stichting WEW) to meet its obligations under guarantees issued.

### Terms and conditions of the NHG Guarantee

Under the NHG scheme, the lender is responsible for ensuring that the guarantee application and the binding offer (*bindend aanbod*) meet the NHG Conditions. If the application qualifies, various reports are produced that are used in the processing of the application, including the form that will eventually be signed by the relevant lender and forwarded to the NHG to register the mortgage and establish the guarantee. Stichting WEW has, however, no obligation to pay any loss (in whole or in part) incurred by a lender after a private or a forced sale of the mortgaged property if such lender has not complied with the NHG Conditions, which were applicable at the date of origination of the mortgage loan, unless such non-payment is unreasonable towards the lender.

The specific terms and conditions for the granting of NHG Guarantees, such as eligible income, purchasing or building costs etc., are set forth in published documents by Stichting WEW.

The NHG Guarantee has specific rules for the level of credit risk that will be accepted. The credit worthiness of the applicant must be verified with the BKR, a central credit agency used by all financial institutions in the Netherlands. All financial commitments over the past five (5) years that prospective borrowers have entered

into with financial institutions are recorded in this register. In addition, as of 1 January 2008 the applicant itself must be verified with the Foundation for Fraud Prevention of Mortgages (*Stichting Fraudepreventie Hypotheken* "SFH"). If the applicant has been recorded in the SFH system, no NHG Guarantee will be granted.

To qualify for an NHG Guarantee various conditions relating to valuation of the property must be met. For instance, the mortgage loan must be secured by a first ranking mortgage right (or a sequential lower mortgage right in case of a further advance). Furthermore, the borrower is required to take out insurance in respect of the mortgaged property against risk of fire, flood and other accidental damage for the full restitution value thereof. The borrower is also required to create a right of pledge in favour of the lender on the rights of the relevant borrower against the insurance company under the relevant insurance policy connected to the mortgage loan or to create a right of pledge in favour of the lender on the proceeds of the investment funds or the bank accounts.

The mortgage conditions applicable to each mortgage loan should include certain provisions, among which the provision that any proceeds of foreclosure on the mortgage right and the right of pledge on the insurance policy or the investment funds shall be applied firstly towards repayment of the mortgage loan guaranteed under the NHG scheme.

### **Claiming under the NHG Guarantees**

When a borrower is in arrears with payments under the mortgage loan for a period of three (3) months, a lender informs Stichting WEW. When the borrower is in arrears Stichting WEW may approach the lender and/or the borrower to attempt to solve the problem and make the borrower aware of the consequences. If an agreement cannot be reached, Stichting WEW reviews the situation with the lender to endeavour to generate the highest possible proceeds from the property. The situation is reviewed to see whether a private sale of the property, rather than a public auction, would generate proceeds sufficient to cover the outstanding mortgage loan. Permission of Stichting WEW is required in case of a private sale unless sold for an amount higher than 95 per cent. of the market value. A forced sale of the mortgaged property is only allowed in case the borrower is in arrears with payments under the mortgage loan and Stichting WEW has given its consent that the forced sale may take place.

Within one month of the receipt of the proceeds of the private or forced sale of the mortgaged property, the lender must make a formal request to Stichting WEW for payment, using standard forms, which request must include all of the necessary documents relating to the original mortgage loan and the NHG Guarantee. After receipt of the claim and all the supporting details, Stichting WEW must make payment within two (2) months. If the payment is late, provided the request is valid, Stichting WEW must pay interest for the late payment period.

In the event that a borrower fails to meet its obligation to repay the mortgage loan and no or no full payment is made to the lender under the NHG Guarantee by Stichting WEW because of the lender's culpable negligence (*verwijtbaar handelen of nalaten*), the lender must act *vis-à-vis* the borrower as if Stichting WEW were still guaranteeing the repayment of the mortgage loan during the remainder of the term of the mortgage loan. In addition, the lender is not entitled to recover any amounts due under the mortgage loan from the borrower in such case. This is only different if the borrower did not act in good faith with respect to his inability to repay the mortgage loan and has failed to render his full cooperation in trying to have the mortgage loan repaid to the lender to the extent possible.

For mortgage loans originated after 1 January 2014, the mortgage lender will participate for 10 per cent. in any loss claims made under the NHG Guarantee. The lender is not entitled to recover this amount from the borrower.

### **Additional loans**

Furthermore, on 1 July 2005 provisions were added to the NHG Conditions pursuant to which a borrower who is or threatens to be in arrears with payments under the existing mortgage loan may have the right to request Stichting WEW for a second guarantee to be granted by it in respect of an additional mortgage loan to be granted by the relevant lender. The monies drawn down under the additional loan have to be placed on deposit with the relevant lender and may, up to a maximum period of two years, be used for, *inter alia*, payment of the amounts which are due and payable under the existing mortgage loan, interest due and payable under the additional mortgage loan and the costs made with respect to the granting of the additional mortgage loan. The relevant borrower needs to meet certain conditions, including, *inter alia*, the fact that the financial difficulties are caused by a divorce, unemployment, disability or death of the partner of the borrower.

### **Main NHG underwriting criteria (Voorwaarden en Normen) as of January 2021**

With respect to a borrower, the underwriting criteria include but are not limited to:

- (a) The lender must perform a BKR check.
- (b) As a valid source of income the following qualifies: indefinite contract of employment, temporary contract of employment if the employer states that the employee will be provided an indefinite contract of employment in case of equal performance of the employee and equal business circumstances (employer statement). For workers with flexible working arrangements or during a probational period (proeftijd) a three year history of income statements or an employer statement is acceptable as well as a Perspectiefverklaring or Arbeidsmarktscan. Self-employed workers need to provide an income statement (*Inkomensverklaring Ondernemer*) which is approved by Stichting WEW. This income statement may not be older than six months on the date of the binding offer of a mortgage loan.
- (c) The maximum loan based on the income of the borrowers is based on the “*financieringslast acceptatiecriteria*” tables as determined by the NIBUD and an annuity style redemption (even if the actual loan is (partially) interest only). The mortgage lender shall calculate the borrowing capacity of a borrower of a mortgage loan with a fixed interest term of less than 10 years on the basis of a percentage determined and published by the AFM, which is based on a weighted average (according to market share) of the mortgage interest rate of at least five of the six large mortgage originators. According to law, the applicable interest rate is a minimum of five per cent.
- (d) The mortgage lender may also apply a higher notional interest rate when calculating the borrowing capacity of the borrower. The mortgage lender shall calculate the borrowing capacity for a mortgage loan with a fixed interest term of 10 years or more on the basis of the interest rate actually charged by the mortgage lender during that fixed interest term.

With respect to the mortgage loan, the underwriting criteria include but are not limited to:

- (a) As of 1 January 2013, for new loans and further advances the redemption types are limited to annuity mortgage loans and linear mortgage loans with a maximum term of 30 years.
- (b) As of 1 January 2019, the maximum amount of the mortgage loan is dependent on the average house price level in the Netherlands (based on the information available from the Land Registry (*Kadaster*)) multiplied with the statutory loan to value, which is 100 per cent. if there are no energy saving improvements and 106 per cent. if there are energy saving improvements. As a consequence, there are two maximum loan amounts:
  - €325,000 for loans without energy saving improvements (as of 1 January 2021); and
  - €344,500 for loans with energy saving improvements (as of 1 January 2021).

The loan amount is also limited by the amount of income and the market value of the property. With respect to the latter:

- (a) For the purchase of existing properties, the maximum loan amount is broadly based on the sum of (i) the lower of the purchase price and the market value based on a valuation report, (ii) the costs of improvements and (iii) an amount up to 6 per cent. of the amount under (i) in case of energy saving measures plus (ii). In case an existing property can be bought without paying transfer taxes (*vrij op naam*), the purchase amount under (i) is multiplied by 97 per cent.
- (b) For the purchase of newly built properties, the maximum loan amount is broadly based on the sum of (i) the purchase and/or construction costs increased with a number of costs such as the cost of construction interest, value added tax and architects (to the extent not already included in the purchase or construction cost) and (ii) an amount up to 6 per cent. of the amount under (i) in case of energy saving improvements.

The one-off charge to the borrower of 0.70 per cent. (as of 1 January 2020) of the principal amount of the mortgage loan at origination has remained the same as of 1 January 2021.

### **Changes to the NHG underwriting criteria (Normen) as of 1 June 2020 (Normen 2020-2)**

On 31 March 2020, the new NHG underwriting criteria were published which entered into force on 1 June 2020. In these new NHG underwriting criteria changes have been made in order for the NHG Guarantee to meet the requirements for a guarantee to qualify as eligible credit protection for banks under the CRR. In particular the ability to receive an advance payment of the expected loss is introduced. Although the *Normen 2020-2* have entered into force as of 1 June 2020, the ability to receive advance payment of the expected loss is available as of 31 March 2020. Lenders can make use of this option immediately after publication, both for existing and new loans with an NHG Guarantee.

Under the new underwriting criteria, as stated above, Stichting WEW will offer lenders the opportunity to receive an advance payment of expected losses, subject to certain conditions being met (the **NHG Advance Right**).

The NHG Advance Right is a separate right and it is not part of the surety by NHG. Unlike the surety, this NHG Advance Right therefore does not automatically transfer upon the transfer of the mortgage receivable. If a mortgage receivable has been transferred to a third party (including in the context of special purpose vehicle transactions), the NHG Advance Right may be transferred simultaneously or at a later moment in time, for example when the transferee wishes to exercise the NHG Advance Right. This transfer is necessary if the transferee of the mortgage receivable wants to make use of this NHG Advance Right. However, if the transferee does not wish to exercise the NHG Advance Right, a transfer is not necessary. After a transfer of the Mortgage Receivable, the transferor can no longer exercise the NHG Advance Right, regardless of whether the NHG Advance Right is transferred to the transferee. This prevents the NHG Advance Right payment being made to a party other than the transferee of the mortgage receivable. However, at the request of the transferee the transferor can on its behalf exercise the right to an NHG Advance Right.

The underwriting criteria include a repayment obligation by the person that exercises the NHG Advance Right in case the payment exceeded the amount payable by Stichting WEW under the surety as actual loss eligible for compensation. This would for example be the case if the proceeds of the enforcement were higher than estimated, but also if the borrower in arrears resumes payment under the Mortgage Loan. In case the Issuer exercise its NHG Advance Right, it may be liable to repay when the payment under the NHG Advance Right exceeded the amount payable by Stichting WEW under the surety.

## 7. PORTFOLIO DOCUMENTATION

### 7.1 Purchase, Repurchase and Sale

The pool of Mortgage Loans consists of:

- (a) Mortgage Loans which were transferred by Bank of Scotland plc (or its predecessor) to the Seller prior to the Closing Date;
- (b) Mortgage Loans which were transferred by Lloyds Hypotheken B.V. or its predecessor) to the Seller prior to the Closing Date; and
- (c) Mortgage Loans which were originated by the Seller.

The Mortgage Receivables resulting from Mortgage Loans originated by Bank of Scotland, plc and Lloyds Hypotheken B.V. (or their predecessors) respectively, as well as, to the extent applicable, any NHG Advance Rights relating thereto have been validly transferred to the Seller by way of the Contract Transfers pursuant to which the Seller became the lender of record of such Mortgage Loans. The transfer of such Mortgage Loans under the Contract Transfers is and will be enforceable against Bank of Scotland plc and Lloyds Hypotheken B.V., respectively, complies with the requirements as set out under Articles 20(1), 20(2) and 20(3) of the EU Securitisation Regulation and is not subject to any severe clawback risk.

#### Purchase of Mortgage Receivables

In accordance with the terms of the Mortgage Receivables Purchase Agreement, the Issuer will (i) on the Closing Date purchase and accept the assignment of the Mortgage Receivables selected to be part of the Pool as of the Final Cut-Off Date and (ii) will, subject to the Additional Purchase Conditions having been met, purchase and accept the assignment of eligible Further Advance Receivables on the relevant Reconciliation Dates to the extent offered by the Seller.

On the Closing Date, the Issuer shall purchase and accept assignment of the Mortgage Receivables relating thereto from the Seller by means of the Mortgage Receivables Purchase Agreement and the Deed of Assignment and Pledge and registration of the Deed of Assignment and Pledge with the Dutch tax authorities as a result of which legal title to the Mortgage Receivables is transferred from the Seller to the Issuer and will be enforceable against the Seller and any other relevant third party. On the relevant Reconciliation Date of completion of the sale and assignment of Further Advance Receivables, the legal title thereto will be assigned by the Seller to the Issuer by way of undisclosed assignment (*stille cessie*) by means of a private deed of assignment which is registered on the same date (the assignments are collectively referred to as (the **Assignment**)). The Assignment has not and will not be notified to the Borrowers, except upon the occurrence of any Assignment Notification Event. Until notification of Assignment the Borrowers will only be entitled to validly pay (*bevrijdend betalen*) to the Seller.

The Seller and the Issuer have agreed, in accordance with the terms of the Mortgage Receivables Purchase Agreement, that the Issuer will be entitled to all interest and principal payments received by the Seller in respect of the Mortgage Receivables from and including the Final Cut-Off Date or in case of a Further Advance Receivable purchased by the Issuer, from and including the relevant date of granting of the related Further Advance. See for the monthly payments by the Seller to the Issuer in respect of amounts received and to be received in connection with the Mortgage Loans and the monthly reconciliations, section 5.1 under *Cash Collection Arrangements*.

## **Purchase Price**

The Initial Purchase Price for the Mortgage Receivables due and payable by the Issuer to the Seller on the Closing Date shall be equal to the Outstanding Principal Amount of such Mortgage Receivables on the Cut-Off Date plus any premium on the Class A Notes.

The Issuer shall withhold from the Initial Purchase Price for the Mortgage Receivables an amount equal to the Aggregate Construction Deposit Amount (if any). Such amount will be credited to the Construction Deposit Account.

With respect to Further Advance Receivables offered to the Issuer by the Seller, the Initial Purchase Price shall be equal to the Outstanding Principal Amount of such Further Advance Receivables on the date of granting of the related Further Advance. The purchase by the Issuer of any Further Advance Receivables will be subject to the Additional Purchase Conditions being satisfied at the relevant date of completion of the sale and assignment of such Further Advance Receivables.

If such Further Advances have associated Construction Deposits the Issuer shall withhold from the Initial Purchase Price for the related Further Advance Receivables an amount equal to the Construction Deposit Amount related to the Further Advance. Such amount will be credited to the Construction Deposit Account.

For further information on the funding of the Initial Purchase Price, please see Section 4.5 (*Use of Proceeds*).

## **Additional Purchase Conditions**

The Issuer will purchase Further Advance Receivables offered to it by the Seller if (i) such Further Advance is offered to the Issuer on a Reconciliation Date prior to the Notes Payment Date immediately preceding the First Optional Redemption Date and (ii) provided the Additional Purchase Conditions are met.

Each of the following criteria (collectively the **Additional Purchase Conditions**) applies in respect of a purchase of Further Advance Receivables:

- (a) the Seller will represent and warrant to the Issuer and the Security Trustee the matters set out in the clauses providing for the representations and warranties relating to the Mortgage Loans, the Mortgage Receivables and the Seller in the Mortgage Receivables Purchase Agreement with respect to the Further Advance Receivables sold and relating to the Seller (with certain exceptions to reflect that the Further Advance Receivables are sold and may have been originated after the Closing Date);
- (b) no Assignment Notification Event has occurred and is continuing;
- (c) there has been no failure by the Seller to repurchase any Mortgage Receivable which it is required to repurchase pursuant to the Mortgage Receivables Purchase Agreement;
- (d) the Available Principal Funds standing to the balance of the Issuer Collection Account on the relevant Reconciliation Date are sufficient to pay the Initial Purchase Price for the Further Advance Receivable;
- (e) the weighted average Current Loan to Original Market Value Ratio of all Mortgage Receivables will on the immediately preceding Mortgage Calculation Date not exceed the level as at the Closing Date;
- (f) the aggregate Outstanding Principal Amount of all Interest-only Mortgage Receivables, including the Interest-only Mortgage Receivables to be purchased by the Issuer, does not exceed 20 per cent. of the aggregate Outstanding Principal Amount of all Mortgage Receivables;
- (g) no Servicer Termination Event has occurred and is continuing;

- (h) no Event of Default has occurred and is continuing;
- (i) the aggregate Outstanding Principal Amount of the Further Advance Receivables sold and assigned by the Seller to the Issuer during the immediately preceding 12 calendar months does not exceed 1.5 per cent. of the aggregate Outstanding Principal Amount of the Mortgage Loans as at the first day of such 12-month period;
- (j) the balance standing to the credit of the Reserve Account is equal to the Reserve Account Target Level;
- (k) there is no balance on the Class A Principal Deficiency Ledger;
- (l) on the relevant Reconciliation Date on which a Further Advance Receivable is sold, no amounts due under the Mortgage Loan relating to such Further Advance are overdue and unpaid; and
- (m) the legal final maturity of each Mortgage Loan does not extend beyond November 2058; and
- (n) no more than 1.5% of the Mortgage Receivables by Principal Amount Outstanding is in arrears for more than 90 days.

Each of the Additional Purchase Conditions may be amended, supplemented or removed by the Issuer with the prior written approval of the Security Trustee and subject to Credit Rating Agency Confirmation.

When Further Advances are granted to the relevant Borrower and the Issuer purchases and accepts assignment of the relevant Further Advance Receivable, the Issuer will at the same time create a right of pledge on such Further Advance Receivable in favour of the Security Trustee.

### **Repurchase of individual Mortgage Receivables**

The Seller has undertaken to repurchase and accept re-assignment of a Mortgage Receivable including all rights relating to separate Loan Parts, in whole but not in part and the Issuer has undertaken to sell and assign to the Seller such Mortgage Receivable in accordance with the Mortgage Receivables Purchase Agreement:

- (1) on the Mortgage Collection Payment Date falling in the calendar month immediately succeeding the expiration of the remedy period, if any, if any of the representations and warranties given by the Seller in respect of the Mortgage Loan and/or the Mortgage Receivable, including the representation and warranty that the Mortgage Loan or, as the case may be, the Mortgage Receivables meet(s) the Mortgage Loan Criteria, proves to have been untrue or incorrect;
- (2) on the Reconciliation Date immediately following the calendar month in which the Seller agrees with a Borrower to grant a Further Advance under the Mortgage Loan (i) if and to the extent that the Further Advance Receivable does not meet all of the Additional Purchase Conditions or (ii) if such Further Advance is not granted in or prior to the calendar month preceding the Reconciliation Date immediately preceding the Notes Payment Date immediately preceding the First Optional Redemption Date or (iii) if the Seller does not offer the Further Advance Receivable for assignment to the Issuer on such Reconciliation Date;
- (3) on the Mortgage Collection Payment Date immediately following the date on which the Seller agrees with a Borrower to amend the terms of the Mortgage Loan, which amendment is not a result of a deterioration of the Borrower's creditworthiness (including as a result of a payment holiday having been granted), and as a result such Mortgage Loan no longer meets certain criteria set forth in the Mortgage Receivables Purchase Agreement (including the Mortgage Loan Criteria); for the avoidance of doubt, any payment postponements granted in accordance with the Seller's policy in connection



with COVID-19, irrespective of the creditworthiness of the Borrower, do not trigger a repurchase obligation of the Seller in respect of the relevant Mortgage Receivables;

- (4) on the Mortgage Collection Payment Date immediately following the date on which (a) on or prior to foreclosure of the relevant NHG Mortgage Loan, the relevant NHG Mortgage Loan no longer has the benefit of an NHG Guarantee or (b) following foreclosure of the relevant NHG Mortgage Loan, the amount actually reimbursed under the NHG Guarantee is lower than the amount claimable under the terms of the NHG Guarantee, each time as a result of action taken or omitted to be taken by the Seller or the Servicer; or
- (5) on the Mortgage Collection Payment Date immediately following the date on which an amendment of the terms of the relevant NHG Mortgage Loan becomes effective and as a result of such amendment the NHG Guarantee in respect of such NHG Mortgage Loan no longer applies.

In addition, the Seller may (without the obligation to do so) repurchase and accept re-assignment of all (but not only part of) the Mortgage Receivables upon the exercise of the Clean-up Call Option or the Regulatory Call Option or in the case of redemption of the Notes on any Optional Redemption Date or for tax reasons in accordance with Condition 6(h).

The repurchase price for the Mortgage Receivable in each such event will be equal to the aggregate of the Outstanding Principal Amount of the relevant Mortgage Receivables, together with due and unpaid interest in respect of each such Mortgage Receivable accrued up to but excluding the first Business Day of the Mortgage Calculation Period in which the Mortgage Receivables are repurchased and reasonable costs (including any costs incurred by the Issuer in effecting and completing such sale and assignment).

#### **Assignment Notification Events**

If:

- (a) a default is made by the Seller to the Issuer in the payment on the due date of any amount due and payable by the Seller under the Mortgage Receivables Purchase Agreement or under any other Transaction Document to which it is a party and such failure is not remedied within 10 Business Days after notice thereof has been given by the Issuer or the Security Trustee to the Seller; or
- (b) the Seller fails duly to perform or comply with any of its obligations under the Mortgage Receivables Purchase Agreement or under any other Transaction Document to which it is a party and such failure, if capable of being remedied, is not remedied within 30 Business Days after notice thereof has been given by the Issuer or the Security Trustee to the Seller; or
- (c) any representation, warranty or statement made or deemed to be made by the Seller under the Mortgage Receivables Purchase Agreement, other than those relating to the Mortgage Loans and the Mortgage Receivables, or under any of the Transaction Documents to which the Seller is a party or in any notice or other document, certificate or statement delivered by it pursuant thereto proves to have been, and continues to be after the expiration of any applicable grace period provided for in any Transaction Document, untrue or incorrect in any material respect; or
- (d) the Seller has taken any corporate action or any steps have been taken or legal proceedings have been instituted against it for its entering into a moratorium pursuant to Section 46 or Section 46g of the KWG, insolvency proceedings (*Insolvenzverfahren*) under the German Insolvency Code (*Insolvenzordnung*) or for any analogous insolvency proceedings under any applicable law or for the appointment of a receiver or a similar officer to it or of any or all of its assets; or

- (e) the Seller has taken any corporate action or other steps have been taken or legal proceedings have been instituted against it for its dissolution and liquidation or legal demerger or its assets are placed under administration; or
- (f) the Seller has given materially incorrect information or not given material information which was essential for the Issuer and the Security Trustee in connection with the entering into of the Mortgage Receivables Purchase Agreement and/or any of the other Transaction Documents; or
- (g) at any time it becomes unlawful for the Seller to perform all or a material part of its obligations; or
- (h) a Pledge Notification Event has occurred;

(any event which is or may become (with the lapse of time and/or the giving of notice and/or the making of any determination) one of these events, an **Assignment Notification Event**) then the Servicer, on behalf of the Issuer, shall:

- (i) notify or ensure that the relevant Borrowers and any other relevant parties indicated by the Issuer and/or the Security Trustee are notified of the Assignment to the Issuer or, at its option, the Issuer shall be entitled to make such notifications itself;
- (ii) the Issuer shall, if so requested by the Security Trustee, forthwith make the appropriate entries in the Land Registry relating to the Assignment, also on behalf of the Security Trustee, or, at its option, the Issuer or the Security Trustee shall be entitled to make such entries itself, for which entries the Seller shall grant an irrevocable power of attorney to the Issuer and the Security Trustee; and
- (iii) instruct the civil law notary to release the list of loans as referred to in the Deed of Assignment and Pledge to the Security Trustee.

(such actions together the **Assignment Actions**).

On any Business Day on or following the occurrence of an Assignment Notification Event, the Security Trustee shall, after having notified the Credit Rating Agencies, be entitled to deliver an Assignment Notification Stop Instruction.

### **Interest resetting after First Optional Redemption Date**

In the Mortgage Receivables Purchase Agreement, the Seller has undertaken to use its best efforts to ensure, subject to applicable law and regulations and the principles of reasonableness and fairness to be adhered to as against the Borrowers, that as of the Notes Calculation Period after the First Optional Redemption Date onwards, the weighted average interest rate of all Mortgage Loans that have reset in such Notes Calculation Period shall be at least 1.00 per cent. higher than the average 3m EURIBOR as determined in accordance with Condition 4(e), calculated as the sum of all 3m EURIBOR rates on a daily basis during such Notes Calculation Period divided by the number of 3m EURIBOR observations in such Notes Calculation Period. If the weighted average interest rate so calculated is equal to or less than this average 3m EURIBOR + 1.00 per cent. the Seller shall repurchase and accept re-assignment of sufficient Mortgage Receivables relating to Mortgage Loans which reset during such Notes Calculation Period as required to allow the minimum requirement to be met.

### **No active portfolio management on a discretionary basis**

Only Mortgage Receivables resulting from Mortgage Loans which satisfy the Mortgage Loan Criteria and the representations and warranties made by the Seller in the Mortgage Receivables Purchase Agreement and as set out in Section 7.2 (*Representations and Warranties*) will be purchased by the Issuer.

A retransfer of Mortgage Receivables by the Issuer shall only occur upon the exercise of the Tax Call Option, Regulatory Call Option or at an Optional Redemption Date.

For the avoidance of doubt, the Transaction Documents do not allow for the active selection of the Mortgage Loans or Mortgage Receivables on a discretionary basis including management of the Pool for speculative purposes aiming to achieve better performance or increased investor yield as referred to in Article 20(7) of the EU Securitisation Regulation.

## 7.2 Representations and Warranties

The Seller will represent and warrant to the Issuer and the Security Trustee (i) on the Signing Date and on the Closing Date with respect to the Mortgage Loans and the Mortgage Receivables sold and assigned by it to the Issuer and (ii) on the relevant Reconciliation Date of completion of the sale and assignment of Further Advance Receivables to be sold and assigned by it to the Issuer, *inter alia*, that:

- (a) each Mortgage Receivable is governed by Dutch law and each Mortgage Loan is originated in the Netherlands;
- (b) each Mortgage Loan was (i) originated by each of the Originators as original lender and (ii) granted in the ordinary course of the relevant Originator's business pursuant to underwriting standards that are no less stringent than those that the relevant Originator applied at the time of origination to similar mortgage loans that are not securitised and (iii) originated after 1 December 2014;
- (c) the Mortgage Receivables are validly existing and are not subject to annulment or dissolution as a result of circumstances which have occurred prior to or on the Closing Date, or in respect of Further Advance Receivables on the relevant Reconciliation Date;
- (d) the Mortgage Conditions applicable to the Mortgage Receivables contain obligations that are contractually binding and enforceable with full recourse to the Borrower (and, where applicable, any guarantor of such Borrower (other than in relation to NHG Mortgage Loan Receivables, Stichting WEW)), subject, as to enforceability, to any applicable bankruptcy laws or similar laws affecting the rights of creditors generally;
- (e) each of the Mortgage Loans (i) has been granted in accordance with all applicable legal requirements, (ii) meets the Code of Conduct prevailing at the time of origination, (iii) meets the relevant Originator's underwriting policy and procedures prevailing at the time of origination including any manual overrules as permitted by and in accordance with internal policies and procedures in all material respects, (iv) in respect of each of the NHG Mortgage Loans, has to the best of the Seller's knowledge and belief (having taken all reasonable care to ensure that such is the case) been granted in accordance with the NHG Conditions prevailing at the time of origination and each Mortgage Loan or relevant Loan Part which is indicated as having the benefit of an NHG Guarantee (i) is granted for the full amount of the relevant NHG Mortgage Loan Part, provided that in determining the loss incurred after foreclosure of the relevant mortgaged property, an amount of 10 per cent. will be deducted from such loss in accordance with the NHG Conditions (ii) to the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case), constitutes legal, valid and binding obligations of Stichting WEW, enforceable in accordance with their terms, (iii) all NHG Conditions applicable to the NHG Guarantee at the time of origination of the NHG Mortgage Loan Part were complied with and (iv) the Seller is not aware of any reason why any claim made in accordance with the requirements pertaining thereto under the NHG Guarantee in respect of the Mortgage Loan or relevant Loan Part should not be met in full and in a timely manner (subject to any set-off against prior payments in respect of an NHG Advance Right);
- (f) each Mortgage Loan has been concluded in compliance with all applicable consumer protection legislation to the extent that failure to comply would have a material adverse effect on the enforceability, collectability or assignability of such Mortgage Loan;
- (g) the Seller (i) has full right and title (*titel*) to the Mortgage Receivables and, to the extent applicable, the NHG Advance Rights relating thereto, (ii) has the power to assign (*is beschikkingsbevoegd*) the Mortgage Receivables and, to the extent applicable, the NHG Advance Rights relating thereto and no restrictions on the sale and transfer of the Mortgage Receivables and, to the extent applicable, the NHG Advance Rights relating thereto are in effect and the Mortgage Receivables and, to the extent

applicable, the NHG Advance Rights relating thereto are capable of being transferred in the manner envisaged in the Mortgage Receivables Purchase Agreement;

- (h) the Seller has not been notified and is not aware of anything affecting its title to the Mortgage Receivables;
- (i) no Mortgage Receivable is in a condition that can be foreseen to adversely affect the enforceability of the assignment of that Mortgage Receivable to the Issuer pursuant to the Mortgage Receivables Purchase Agreement;
- (j) at the time of assignment thereof to the Issuer, the Mortgage Receivables and, to the extent applicable, the NHG Advance Rights relating thereto are free and clear of any rights of pledge or other similar rights (*beperkte rechten*), encumbrances and attachments (*beslagen*) and no option rights have been granted in favour of any third party with regard to the Mortgage Receivables and, to the extent applicable, the NHG Advance Rights relating thereto;
- (k) each Mortgage Receivable is secured by a first-ranking Mortgage (*eerste recht van hypotheek*) or, in the case of Mortgage Loans (including any Further Advance, as the case may be) secured on the same Mortgaged Asset, first and sequentially lower ranking Mortgages over real estate (*onroerende zaak*), an apartment right (*appartementsrecht*), or a long lease (*erfpacht*) situated in the Netherlands;
- (l) each Mortgaged Asset was valued according to the then prevailing underwriting criteria of the relevant Originator except that no valuation is required in respect of Mortgage Loans which are secured by a Mortgage on newly built properties (other than constructions under the Borrower's own management (*onder eigen beheer*));
- (m) all Mortgages and rights of pledge granted to secure the Mortgage Receivables (i) constitute valid Mortgages (*hypotheekrechten*) and rights of pledge (*pandrechten*), respectively, on the assets which are the subject of such Mortgages and rights of pledge and, to the extent relating to such Mortgages, have been entered into the appropriate public register, (ii) have first priority or are first and sequentially lower ranking Mortgages and rights of pledge and (iii) were vested for a principal sum which is at least equal to the principal sum of the Mortgage Loan when originated, increased with an amount customary for a prudent lender of Dutch mortgage loans from time to time in respect of interest, penalties and costs;
- (n) the Mortgage Conditions applicable to the Mortgage Loans do not contain a provision to the effect that upon assignment of the relevant Mortgage Receivable(s), the mortgage right(s) and right(s) of pledge securing such Mortgage Receivable(s) will not follow such Mortgage Receivable(s);
- (o) each Mortgage Receivable and each Mortgage and Borrower Pledge, if any, securing such Mortgage Receivable constitutes legal, valid, binding and enforceable obligations of the relevant Borrower in accordance with its terms and is not subject to dissolution or annulment (*vernietiging*), subject, as to enforceability, to any applicable bankruptcy laws or similar laws affecting the rights of creditors generally;
- (p) the particulars of each Mortgage Loan (or part thereof), Mortgage and Borrower Pledge, as applicable, as set forth in the list of Mortgage Receivables attached to the Mortgage Receivables Purchase Agreement and to the Deed of Assignment and Pledge, are correct and complete in all material respects;
- (q) each Mortgage Loan constitutes the entire loan granted to the relevant Borrower that is secured by the same Mortgage or, as the case may be, if a Further Advance is granted, by first and sequentially lower ranking Mortgages on the same Mortgaged Asset and not merely one or more loan parts (*leningdelen*);

- (r) each of the Mortgage Loans meets the Mortgage Loan Criteria and, if it concerns a Further Advance Receivable, the Additional Purchase Conditions;
- (s) the Mortgage Loans are fully disbursed other than the amounts placed under a Construction Deposit (if any) (and, for the avoidance of doubt, any Further Advances which may be granted by the Seller to the Borrower);
- (t) the Seller only pays out monies under a Construction Deposit (if any) to or on behalf of a Borrower after having received relevant receipt from the relevant Borrower relating to the construction;
- (u) the notarial Mortgage Deeds (*minuut*) relating to the Mortgage Loans are held by a civil law notary (*notaris*) in the Netherlands and are registered in the appropriate registers, while the loan files which include certified copies of the notarial Mortgage Deeds, are kept by the Sub-servicer on behalf of the Seller;
- (v) to the best of the Seller's knowledge, no Borrower is, or has been, since the date of the Mortgage Loan in material breach of any obligation owed in respect of such Mortgage Loan, Mortgage and Borrower Pledge, if applicable, and no steps have been taken by the Seller to enforce any Mortgage as a result of such breach;
- (w) as at the Final Cut-Off Date, no Mortgage Receivable is in default within the meaning of article 178(1) of the CRR and the relevant Borrower is not a credit-impaired obligor or guarantor who, to the best of the Seller's knowledge, (i) has been declared insolvent or had a court grant his creditors a final non-appealable right of enforcement or material damages as a result of a missed payment within three years prior to the date of origination or has undergone a debt-restructuring process with regard to his non-performing exposures within three years prior to the Closing Date or, in respect of a Further Advance Receivable, the relevant Reconciliation Date, or (ii) has a negative BKR registration upon origination, or (iii) has a credit assessment or a credit score indicating that the risk of contractually agreed payments not be made is significantly higher than for comparable mortgage receivables originated by the Seller which are not sold and assigned to the Issuer under the Mortgage Receivables Purchase Agreement, within the meaning of article 20(11) of the EU Securitisation Regulation;
- (x) on the relevant Cut-Off Date none of the Mortgage Loans was in arrears;
- (y) to the best of the Seller's knowledge, the Seller does not classify a Borrower pursuant to and in accordance with its internal policies as a borrower (i) that is unlikely to pay its credit obligations to the Seller or (ii) having a credit assessment or credit score indicating that the risk that such borrower is unlikely to pay its credit obligations to the Seller is significantly higher than for mortgage receivables originated by the Seller that are not sold and assigned pursuant to the Mortgage Receivables Purchase Agreement;
- (z) payments made under the Mortgage Receivables are not subject to withholding tax;
- (aa) each receivable under a Mortgage Loan which is secured by the same Mortgage as the Mortgage Receivable is sold and assigned to the Issuer pursuant to the Mortgage Receivables Purchase Agreement;
- (bb) the assignment of the Mortgage Receivables is enforceable against creditors of the Seller and is neither prohibited nor invalid, save for applicable laws affecting the rights of creditors generally;
- (cc) the Mortgage Conditions provide that each of the properties on which a Mortgage has been vested to secure the Mortgage Receivable should at the time of origination of the Mortgage Loan, have the benefit of buildings insurance (*opstalverzekering*) satisfactory to the Seller;

- (dd) all Mortgage Receivables secured by a Mortgage on a long lease (*erfpacht*) provide that the principal sum of the Mortgage Receivable, including interest, will become immediately due and payable if, *inter alia*, the long lease terminates, if the lease holder materially breaches or ceases to perform his payment obligation under the long lease (*canon*) or if the lease holder in any other manner breaches the conditions of the long lease;
- (ee) the Mortgage Conditions provide that all payments by the Borrower should be made without any deduction or set-off (for the avoidance of doubt, other than in respect of Construction Deposits (if any));
- (ff) the Mortgage Loans do not include Self-Certified Mortgage Loans or equity-release mortgage loans where Borrowers have monetised their properties for either a lump sum of cash or regular periodic income;
- (gg) the Outstanding Principal Amount of each Mortgage Receivable as indicated on the list of loans (as attached to the Mortgage Receivables Purchase Agreement) is accurate as at the Final Cut-Off Date or in the case of a Further Advance Receivable as at the date of granting of the relevant Further Advance Receivable;
- (hh) the aggregate Outstanding Principal Amount of the Mortgage Receivables on the Final Cut-Off Date was equal to € 522,469,508.97;
- (ii) the number of Borrowers is not less than 1,000;
- (jj) no Mortgage Loan contains confidentiality provisions which restrict the purchaser's exercise of its rights as (new) owner of the Mortgage Loan;
- (kk) no Mortgage Loan has been subject to any variation, amendment, modification, waiver or exclusion of time of any kind which in any material way adversely affects its terms or its enforceability or collectability;
- (ll) the assessment of the borrower's creditworthiness has been done in accordance with the relevant Originator's underwriting criteria and meets the requirements set out in paragraphs 1 to 4, point (a) of paragraph 5, and paragraph 6 of Article 18 of Directive 2014/17/EU or of Article 8 of Directive 2008/48/EC or, where applicable, equivalent requirements in third countries;
- (mm) it, to the best of its knowledge, is not aware of any Borrower being subject to bankruptcy (*faillissement*) or suspension of payments (*surseance van betaling*) in respect of Mortgage Receivables to be purchased on the Closing Date;
- (nn) it, to the best of its knowledge, carried out a BKR check in respect of each Borrower and is not aware of a BKR check in respect of any Borrower, carried out at the time of origination of the relevant Mortgage Loan, showing that such Borrower has been in arrear on any of the financial obligations that are monitored by the BKR and should not have been granted a mortgage loan;
- (oo) it, to the best of its knowledge, is not aware of any Borrower in respect of whom a court had granted his creditors a final non-appealable right of enforcement or material damages as a result of a missed payment within three years prior to the date of origination of the relevant Mortgage Loan;
- (pp) at the Cut-Off Date the weighted average risk weight under CRR of the pool (assuming standardised approach) does not exceed 40%;

- (qq) no Mortgage Loan agreement has been entered into as a consequence of any conduct constituting fraud of the Seller and, to the best of the Seller's knowledge, no Mortgage Loan has been entered into fraudulently by the relevant Borrower; and
- (rr) neither an Originator nor the Seller has any Other Claim.



### 7.3 Mortgage Loan Criteria

Each of the Mortgage Loans will satisfy the following criteria (the **Mortgage Loan Criteria**) on the Final Cut-Off Date or, in case of Further Advance Receivables, the first of the calendar month immediately preceding the relevant Reconciliation Date of completion of the sale and assignment of Further Advance Receivables:

- (i) the Mortgage Loan includes one or more of the following loan types:
  - (I) an Annuity Mortgage Loan (*annuïteiten hypotheek*);
  - (II) an Interest-only Mortgage Loan (*aflossingsvrije hypotheek*); or
  - (III) a Linear Mortgage Loan (*lineaire hypotheek*);
- (ii) each Mortgaged Asset is located in the Netherlands;
- (iii) each Mortgage Loan is secured over an owner occupied property;
- (iv) each Mortgage Loan is denominated and repayable only in euro;
- (v) each Mortgage Loan has a positive Outstanding Principal Amount;
- (vi) the Borrower is: (i) an individual (*natuurlijk persoon*) and (ii) is a resident of the Netherlands;
- (vii) the Mortgage Loan (or relevant Loan Part thereof) is subject to either a fixed rate whereby the interest rates can be set for a specific period or is subject to a floating rate of interest;
- (viii) no Mortgaged Asset is the subject of residential letting and each Mortgaged Asset is occupied by the Borrower at the moment of origination or shortly thereafter;
- (ix) interest payments, and to the extent applicable, principal payments, are scheduled to be made monthly in arrear by direct debit to the Seller Collection Account;
- (x) the Outstanding Principal Amount of each NHG Mortgage Loan does not exceed the maximum guaranteed amount as was applicable pursuant to the NHG Conditions at the time of origination thereof;
- (xi) the Mortgage Loan is secured by a first priority Mortgage or, in the case of Mortgage Loans (including, as the case may be, any Further Advance) secured on the same Mortgaged Asset, first and sequentially lower priority rights of mortgage over (i) real estate (*onroerende zaak*), (ii) an apartment right (*appartementsrecht*) or (iii) a long lease (*erfpacht*), in each case situated in the Netherlands and, if applicable, a right of pledge (*pandrecht*); and is governed by Dutch Law;
- (xii) the Outstanding Principal Amount under a Mortgage Loan or Mortgage Loans entered into with a single Borrower shall not exceed 2.00 per cent. of the aggregate Outstanding Principal Amount under the Mortgage Loans;
- (xiii) the Mortgage Loan does not have a Current Loan to Indexed Market Value Ratio higher than 100 per cent. (or, if a different percentage is required or sufficient from time to time for the Notes to comply with article 243(2) of the CRR Amendment Regulation and the Seller wishes to apply such different percentage and such new percentage has been disclosed to the Noteholders, then such different percentage);

- (xiv) the Mortgage Receivable relating to the relevant Mortgage Loan(s) meet on the date it is sold and assigned by the Seller to the Issuer the conditions for being assigned a risk weight equal to or smaller than 40% on an exposure value-weighted average for the portfolio of such Mortgage Receivables as set out and within the meaning of article 243(2)(b) of the CRR Amendment Regulation;
- (xv) on the Final Cut-Off Date no amounts due under such Mortgage Loan were overdue and unpaid (where amounts below EUR 1.00 will be considered administrative errors and not being overdue and unpaid);
- (xvi) on the Final Cut-Off Date, the Borrower has not been granted a payment holiday;
- (xvii) the Mortgage Loan or part thereof does not qualify as a bridge loan (*overbruggingshypotheek*), a self-certified mortgage loan or an equity release mortgage loan;
- (xviii) at least one (1) interest payment has been made in respect of the Mortgage Loan prior to the Closing Date;
- (xix) the aggregate Outstanding Principal Amount of Interest-only Mortgage Loans forming part of the Mortgage Loans, including the Mortgage Loans from which the relevant Further Advance Receivables arise, does not exceed 20.00% of the aggregate Outstanding Principal Amount of all Mortgage Loans;
- (xx) no Mortgage Loan will have a legal maturity beyond 2058;
- (xxi) each of the Mortgage Loans is fully disbursed other than the part in relation to the Construction Deposit (if any).

In addition to the above, it is noted that from the Mortgage Loan Criteria it can be derived that:

- (a) no Mortgage Loan constitutes a transferable security, as defined in Article 4(1), point 44 of Directive 2014/65/EU of the European Parliament and of the Council;
- (b) no Mortgage Loan includes any derivatives for purposes of Article 21(2) of the EU Securitisation Regulation; and
- (c) no Mortgage Loan constitutes a securitisation position as defined in the EU Securitisation Regulation.

## 7.4 Servicing Agreement

### Servicing of the Portfolio

The Servicer has agreed to:

- (i) provide management services to the Issuer on a day-to-day basis in relation to the Mortgage Loans, and the Mortgage Receivables resulting from such Mortgage Loans, including, without limitation, the collection of payments of principal, interest and other amounts in respect of the Mortgage Receivables, all administrative actions in relation thereto and the implementation of arrears procedures including the enforcement of mortgage rights and any other collateral (see further *Origination and Servicing* above),
- (ii) provide the Issuer Administrator and the Issuer with the Mortgage Report on each Mortgage Report Date relating to (x) scheduled interest and scheduled principal payments under the Mortgage Loans relating to the immediately preceding Mortgage Calculation Period or (y) any other payments under the Mortgage Loans, including but not limited to unscheduled principal prepayments or repayments, Prepayment Penalties or interest penalties under the Mortgage Loans received in the immediately preceding Mortgage Calculation Period; and
- (iii) prepare and provide the Issuer Administrator with certain information regarding the Issuer as required by law, for submission to the relevant regulatory authorities. The Servicer will be obliged to manage the Mortgage Loans and the Mortgage Receivables with the same level of skill, care and diligence as other mortgage loans under its management.

The Servicer agrees to service the Mortgage Loans and the Mortgage Receivables on behalf of the Issuer and, following the service of an Enforcement Notice, the Servicer shall continue to service the Mortgage Loans and the Mortgage Receivables on behalf of the Security Trustee.

The Servicing Agreement may be terminated by the Issuer and the Security Trustee, acting jointly, upon the occurrence of any of the following events:

- (i) a default is made by the Servicer in the payment on the due date of any payment due and payable by it under the Servicing Agreement and such default continues unremedied for a period of fourteen (14) calendar days after the earlier (i) of the Servicer becoming aware of such default and (ii) receipt by the Servicer of written notice by the Issuer or the Security Trustee requiring the same to be remedied; or
- (ii) a default is made by the Servicer in the performance or observance of any of its other covenants and obligations under the Servicing Agreement or a breach of the representations and warranties made by the Servicer under the Servicing Agreement, which in the reasonable opinion of the Security Trustee is materially prejudicial to the interests of the Issuer and the Secured Creditors and (except where, in the reasonable opinion of the Security Trustee, such default is incapable of remedy, when no such continuation and/or notice as is hereinafter mentioned will be required) such default continues unremedied for a period of fourteen (14) calendar days after the earlier of (i) the Servicer becoming aware of such default and (ii) receipt by the Servicer of written notice from the Security Trustee requiring the same to be remedied; or
- (iii) the Servicer takes any corporate action or other steps are taken or legal proceedings are started against it for its dissolution and liquidation or the Servicer has taken any corporate action or any steps have been taken or legal proceedings have been instituted it for its entering into insolvency proceedings (*Insolvenzverfahren*) under the German Insolvency Code

(*Insolvenzordnung*) or for any analogous insolvency proceedings under any applicable law or for the appointment of a receiver or a similar officer to it or of any or all of its assets; or

- (iv) at any time it becomes unlawful for the Servicer to perform all or a material part of its obligations under the Servicing Agreement; or
- (v) the Servicer no longer holds a licence as an offeror of credit (*aanbieder van krediet*) or intermediary (*bemiddelaar*) under the Wft or any other licence or authorisation required from time to time in connection with the performance of the Mortgage Loan Services.

In addition the Servicing Agreement may be terminated by the Servicer and by the Issuer upon the expiry of not less than twelve months' notice, subject to among other things (i) written approval of the Security Trustee, which approval may not be unreasonably withheld (ii) appointment of a substitute servicer which has been approved by the Security Trustee and (iii) a Credit Rating Agency Confirmation. A termination of the Servicing Agreement by either the Issuer and the Security Trustee or the Servicer will only become effective if a substitute servicer is appointed. The Issuer has undertaken in the Trust Deed that it shall, upon the occurrence of a termination event, use its commercially reasonable efforts, or procure that the Issuer Administrator shall use its commercially reasonable efforts, to ensure (if necessary) that the relevant steps contemplated in the Servicing Agreement are taken which include, after terminating the Servicing Agreement, all steps reasonably required to find a substitute servicer. In the Servicing Agreement the Servicer, the Security Trustee and the Issuer have undertaken that, upon termination of the Servicing Agreement, they will use reasonable endeavours to appoint a substitute servicer who shall agree to act as servicer pursuant to a servicing agreement on similar terms and conditions to the Servicing Agreement.

## 8. GENERAL

1. The issue of the Notes has been authorised by a resolution of the managing director of the Issuer passed on 11 November 2021.
2. Application has been made to list the Class A Notes, amounting to an aggregate principal amount of € 500,000,000 on the regulated market of Euronext Amsterdam. The estimated total costs involved with such admission amount to approximately € 17,300. It is expected that admission of the Class A Notes to Euronext Amsterdam will take place on the Closing Date.
3. The Class A Notes have been accepted for deposit taking and settlement through Euroclear and Clearstream, Luxembourg and will bear common code 238906105 and ISIN XS2389061057.
4. The Class B Notes have been accepted for deposit taking and settlement through Euroclear and Clearstream, Luxembourg and will bear common code 238908906 and ISIN XS2389089066.
5. The Class C Notes have been accepted for deposit taking and settlement through Euroclear and Clearstream, Luxembourg and will bear common code 238910927 and ISIN XS2389109278.
6. The addresses of the clearing systems are: Euroclear, 1 Boulevard de Roi Albert II, 1210 Brussels, Belgium and Clearstream, Luxembourg, 42 Avenue J.F. Kennedy, L-1855 Luxembourg.
7. The Issuer's LEI number is 724500C61H6CWQCN0061. The EU securitisation transaction unique identifier is 2138001WO21Z3B8Y8K20N202101.
8. Since the date of its incorporation, the Issuer has not entered into any contracts or arrangements not being in the ordinary course of business.
9. There has been no material adverse change in the financial position or prospects of the Issuer and no significant change in the financial or trading position of the Issuer since its incorporation on 21 February 2021.
10. There are no legal, arbitration or governmental proceedings and neither the Issuer nor the Shareholder is aware of any such proceedings which may have, or have had, significant effects on the Issuer's or, as the case may be, the Shareholder's financial position or profitability nor, so far as the Issuer and/or the Shareholder is/are aware, are any such proceedings pending or threatened against the Issuer or the Shareholder, respectively, in the previous twelve months.
11. Copies of the following documents shall be made available and may be inspected at the specified offices of the Security Trustee and the Paying Agent during normal business hours as long as any Notes are outstanding and will be available either in physical or in electronic form, as the case may be:
  - (i) this Prospectus;
  - (ii) the deed of incorporation of the Issuer, including its articles of association;
  - (iii) the Mortgage Receivables Purchase Agreement;
  - (iv) the Paying Agency Agreement;
  - (v) the Trust Deed;

- (vi) the Parallel Debt Agreement;
  - (vii) the Issuer Rights Pledge Agreement;
  - (viii) the Issuer Mortgage Receivables Pledge Agreement;
  - (ix) the Servicing Agreement;
  - (x) the Administration Agreement;
  - (xi) the Issuer Account Agreement;
  - (xii) the Master Definitions Agreement;
  - (xiii) the Swap Agreement;
  - (xiv) the Cash Advance Facility Agreement;
  - (xv) the Subordinated Loan Agreement; and
  - (xvi) the Transparency Reporting Agreement.
12. The deed of incorporation (including articles of association) of the Issuer are incorporated herein by reference.
  13. The documents listed above (other than the Prospectus) have not been scrutinised or approved by the competent authority.
  14. Copies of the final Transaction Documents, the Prospectus, the EU STS Notification within the meaning of Article 27 of the EU Securitisation Regulation and the articles of association of the Issuer shall be published through the EU SR Repository no later than fifteen (15) calendar days after the Closing Date.
  15. As long as the Class A Notes are outstanding, each of the Seller and the Issuer undertake to make the relevant information pursuant to Article 7 of the EU Securitisation Regulation, to the extent applicable, available to the Noteholders, the competent authorities referred to in article 29 of the EU Securitisation Regulation and, upon request, potential investors. As to the pre-pricing information, each of the Seller and the Issuer confirm that they have made available to potential investors before pricing the information under point (a) of Article 7, paragraph 1, Article 22(1) and Article 22(5) of the EU Securitisation Regulation and Article 7(1)(a) of the UK Securitisation Regulation upon request and the information under points (b) and (d) of Article 7, paragraph 1, of the EU Securitisation Regulation and Articles 7(1)(b) and 7(1)(d) of the UK Securitisation Regulation in draft form. As to the post-closing information, the Seller as Reporting Entity will (or will procure that any agent will on its behalf) for the purposes of Article 7 of the EU Securitisation Regulation and Article 7 of the UK Securitisation Regulation from the Signing Date publish by no later than one month after the relevant Notes Payment Date (a) a quarterly investor report in respect of each Notes Calculation Period, as required by and in accordance with Article 7(1)(e) of the EU Securitisation Regulation Article 7(1)(e) of the UK Securitisation Regulation, the Article 7 Technical Standards and the Article 7 UK Technical Standards, which shall be provided substantially in the form of the Transparency Investor Report simultaneously with the relevant loan-by-loan information and (b) certain loan-by-loan information in relation to the Mortgage Receivables in respect of each Notes Calculation Period, as required by and in accordance with article 7(1)(a) of the EU Securitisation Regulation, Article 7(1)(a) of the UK Securitisation Regulation, the Article 7 Technical Standards and the Article 7 UK Technical Standards,

which shall be provided substantially in the form of the Transparency Data Tape simultaneously with the relevant quarterly investor report. In addition, the Reporting Entity (or any agent on its behalf) will publish or make otherwise available the reports and information referred to above as required under Article 7 and Article 22 of the EU Securitisation Regulation through the EU SR Repository.

16. Any change in the priorities of payment which will materially adversely affect the repayment of the securitisation position or any other significant event, including but not limited to: (i) a material breach of the obligations laid down in the Transaction Documents, including any remedy, waiver or consent subsequently provided in relation to such a breach, (ii) a change in the structural features that can materially impact the performance of the securitisation (iii) a change in the risk characteristics of the securitisation or of the Mortgage Loans that can materially impact the performance of the securitisation, (iv), in case of EU STS Securitisations where the securitisation ceases to meet the EU STS Requirements or where competent authorities have taken remedial or administrative actions or (v) any material amendment to transaction documents shall be reported by the Issuer Administrator, on behalf of the Issuer, to Noteholders without delay, subject to Dutch and European Union law governing the protection of confidentiality of information and the processing of personal data in order to avoid potential breaches of such law as well as any confidentiality obligation relating to customer, original lender or debtor information, unless such confidential information is anonymised or aggregated.
17. The Issuer has not yet commenced operations and as of the date of this Prospectus no financial statements have been produced. As long as the Class A Notes are listed on Euronext Amsterdam, the most recent audited annual financial statements of the Issuer will be made available, free of charge from the specified offices of the Security Trustee and of the Paying Agent. The Issuer does not publish interim accounts.
18. The estimated aggregate upfront costs of the transaction amount to approximately 0.0032% of the proceeds of the Notes. There are no costs deducted by the Issuer from any investment made by any Noteholder in respect of the subscription or purchase of the Notes.
19. U.S. tax legend:

The Notes (other than the Temporary Global Notes) will bear a legend to the following effect: ‘Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code’.
20. The Issuer and the Seller have amongst themselves designated the Seller as the Reporting Entity for the purpose of Article 7 of the EU Securitisation Regulation. The Seller, or the Issuer or any other party on its behalf, will make available to Noteholders, to the competent authorities referred to in Article 29 of the EU Securitisation Regulation and, upon request, to potential investors through the EU SR Repository, as required under Article 7 and Article 22 of the EU Securitisation Regulation:
  - (a)
    - (i) in accordance with Article 7(1)(a) of the EU Securitisation Regulation and Article 7(1)(a) of the UK Securitisation Regulation, on a quarterly basis certain loan-by-loan information in relation to the Mortgage Receivables in respect of each Notes Calculation Period substantially in the form of the Transparency Data Tape); and
    - (ii) in accordance with Article 7(1)(e) of the EU Securitisation Regulation, the Article 7 Technical Standards, Article 7(1)(e) of the Closing Date UK Securitisation Regulation and the Article 7 UK Technical Standards, a quarterly investor report in respect of

each Notes Calculation Period substantially in the form of the Transparency Investor Report;

- (b) without delay, in accordance with Article 7(1)(f) of the EU Securitisation Regulation and Article 7(1)(f) of the UK Securitisation Regulation, any inside information relating to the transaction described in this Prospectus; and
- (c) without delay, in accordance with Article 7(1)(g) of the EU Securitisation Regulation and Article 7(1)(g) of the UK Securitisation Regulation, any significant event such as (a) a material breach of the obligations laid down in the Transaction Documents, (b) a change in the structural features that can materially impact the performance of the securitisation, (c) a change in the risk characteristics of the transaction described in this Prospectus or of the Mortgage Receivables that can materially impact the performance of the transaction described in this Prospectus, (d) if the transaction described in this Prospectus ceases to meet the EU STS Requirements or if competent authorities have taken remedial or administrative actions and (e) any material amendments to the Transaction Document.

In addition, the Seller, or the Issuer or any other party on its behalf, has made available and will make available, as applicable, to the above-mentioned parties:

- (a) before pricing of the Notes at least in draft or initial form and, at the latest fifteen (15) calendar days after the Closing Date, in final form, all underlying documents that are essential for the understanding of the transaction described in this Prospectus, which are listed in this Section (*General*) under item (9), as required by Article 7(1)(b) of the EU Securitisation Regulation and Article 7(1)(b) of the Closing Date UK Securitisation Regulation;
- (b) before pricing of the Notes at least in draft or initial form and on or around the Closing Date in final form, the STS notification referred to in Article 27 of the EU Securitisation Regulation, as required by Article 7(1)(d) of the EU Securitisation Regulation;
- (c) before pricing of the Notes, via EuroABS, a liability cash flow model of the transaction described in this Prospectus which precisely represents the contractual relationship between the Mortgage Receivables and the payments flowing between the Seller, the Noteholders, other third parties and the Issuer, which shall remain to be made available to Noteholders on an ongoing basis and to potential investors upon request, as required by Article 22(3) of the EU Securitisation Regulation; and
- (d) before pricing of the Notes, information on the Mortgage Receivables as required pursuant to Article 22(5) of the EU Securitisation Regulation in conjunction with Article 7(1)(a) of the EU Securitisation Regulation and Article 7(1)(a) of the UK Securitisation Regulation.

Furthermore, the Seller has made available and will make available, as applicable:

- (a) the underwriting standards pursuant to which the Mortgage Loans are originated and any material changes to such underwriting standards pursuant to which the Mortgage Loans are originated to the Noteholders and potential investors without undue delay, as required by Article 20(10) of the EU Securitisation Regulation; and
- (b) to potential investors before pricing, data on static and dynamic historical default and loss performance, such as delinquency and default data, for substantially similar mortgage loans and mortgage receivables to those being securitised, and the sources of those data and the basis for claiming similarity, which data cover a period of not shorter than five (5) years, as



required by Article 22(1) of the EU Securitisation Regulation (see also Section 6.3 (*Origination and Servicing*)).

The Issuer, or the Issuer Administrator on its behalf, confirms that it will undertake that, provided that it has received such information from the Seller:

- (a) it will disclose in the first Notes and Cash Report the amount of the Notes:
  - (i) privately-placed with investors which are not the Seller or group companies of the Seller;
  - (ii) retained by the Seller or group companies of the Seller; and
  - (iii) publicly-placed with investors which are not the Seller or group companies of the Seller;
- (b) in relation to any amount initially retained by the Seller or group companies of the Seller, but subsequently placed with investors which are not the Seller or group companies of the Seller, it will (to the extent permissible) disclose such placement in the next Notes and Cash Report.

- 21. The auditor of the Issuer is Deloitte Accountants B.V. and its accountants are registered accountants (*registeraccountants*) and are a member of the Royal Netherlands Institute of Chartered Accountants (*Koninklijke Nederlandse Beroepsorganisatie van Accountants*).
- 22. Each of the Servicer and the Issuer Administrator, undertake under the Servicing Agreement and the Administration Agreement, respectively, to the Reporting Entity that it will (on behalf of the Reporting Entity) make the information available to the Noteholders, to competent authorities, as referred to in Article 29 of the EU Securitisation Regulation and, upon request, to potential Noteholders, that the Reporting Entity is required to make available pursuant to and in compliance with the reporting requirements under the EU Securitisation Regulation and the UK Securitisation Regulation (as if it were applicable to the Seller and as in force on the Closing Date). Subject to prior notification of the Noteholders and the Credit Rating Agencies, the Servicer and the Issuer Administrator shall be entitled to amend the Mortgage Report and the Transparency Investor Reports, respectively, in every respect to comply with the reporting requirements under the EU Securitisation Regulation. For the avoidance of doubt, the Servicer and the Issuer Administrator shall even be entitled to replace the Mortgage Report and the Transparency Investor Reports, respectively, in full to comply with the reporting requirements under the EU Securitisation Regulation and the UK Securitisation Regulation (as if it were applicable to the Seller and as in force on the Closing Date).
- 23. This Prospectus constitutes a prospectus for the purpose of the Prospectus Regulation. A free copy of this Prospectus is available at the offices of the Issuer and the Paying Agent or can be obtained at <http://cm.intertrustgroup.com>.
- 24. Any information contained in or accessible through any website addresses contained in this Prospectus, does not form part of this Prospectus, unless specifically stated in this Prospectus. In this Prospectus, references to websites are inactive textual references and are included for information purposes only. The contents of any such website shall not form part of, or be deemed to be incorporated into, this Prospectus. Such information has not been scrutinised or approved by the competent authority.
- 25. The Mortgage Loans, as well as the stratification tables, have been subject to an external verification by an appropriate and independent third party (including a verification that the data disclosed in respect of the Mortgage Loans is accurate) according to agreed-upon procedures of a random sample of Mortgage Loans, of which the results were communicated to the Issuer on the Signing Date. For the

verification of the Mortgage Loans a confidence level of 99% was applied. No significant adverse findings were found.

26. The Seller confirms that it will report on the environmental performance of the Mortgage Receivables, to the extent such information is available, in accordance with article 22(4) of the EU Securitisation Regulation.
27. **Prohibition of Sales to EEA Retail Investors** – The 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**). 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 (as amended, **MiFID II**); or (ii) a customer within the meaning of Directive 2016/97/EU (as amended, the **Insurance Distribution Directive**), 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 Directive 2003/71/EC (as amended or superseded, 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 Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

**Prohibition of Sales to UK Retail Investors** – The 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 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 (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (as amended, **EUWA**); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (**FSMA**) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law of the United Kingdom by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (as amended, the **UK PRIIPS Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

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

**UK MiFIR Product Governance / Professional Investors and ECPs only target market** – Solely for the purposes of each manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook, and professional

clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law of the United Kingdom by virtue of the EUWA (**UK MiFIR**); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a **UK Distributor**) should take into consideration the manufacturers' target market assessment; however, a UK Distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the **UK MiFIR Product Governance Rules**) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

28. **ERISA Considerations** - The Notes or any interest therein may not be purchased or held by or on behalf of any "employee benefit plan" as defined in Section 3(3) of the U.S. Employee Retirement Income Security Act of 1974, as amended (**ERISA**), which is subject to Title I of ERISA, or any plan, account or arrangements subject to Section 4975 of the U.S. Internal Revenue Code of 1986, as amended (the **Code**) to which Section 4975 of the Code applies, or by or on behalf of an entity whose underlying assets are considered to include plan assets of such plans, accounts or arrangements, or by or on behalf of any governmental, church, non-U.S. or other laws or regulations that contain provisions that are similar to the fiduciary responsibility and prohibited transactions provisions of ERISA or Section 4975 of the Code (**Similar Law**), and each purchase of the Notes will, by its purchase and holding of the Notes, be deemed to have represented, warranted and agreed that it is not, not acting on behalf of, and for so long as it holds the Notes will not be or act on behalf of, and no part of the assets to be used by it to purchase or hold such Notes or any interest therein constitute the assets of such an "employee benefit plan", "plan", person or governmental, church or non-U.S. plan subject to Similar Law.

29. **Responsibility statements and important information**

The Issuer is responsible for the information contained in this Prospectus. To the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case) the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the importance of such information. The Issuer accepts such responsibility accordingly. Any information from third parties contained and specified as such in this Prospectus has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. The Issuer accepts such responsibility accordingly.

In addition to the Issuer, the Seller is also responsible for the information contained in the following Sections of this Prospectus: Section 3.4 (*Seller*), the entire Section *Portfolio Information* and all the confirmations and undertakings relating to retention and disclosure requirements under Article 6 of the EU Securitisation Regulation and Article 6 of the UK Securitisation Regulation. To the best of the Seller's knowledge the information contained in the abovementioned sections is in accordance with the facts and does not omit anything likely to affect the importance of such information. Any information from third parties contained and specified as such in these sections has been accurately reproduced and as far as the Seller is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. The Seller accepts responsibility accordingly.

In addition to the Issuer, the Swap Counterparty is also responsible for the information in respect of it contained in Section 3.7 (*Swap Counterparty*) of this Prospectus. To the best of its knowledge, the information in respect of it contained in Section 3.7 (*Swap Counterparty*) is in accordance with the facts and does not omit anything likely to affect the importance of such information. The Swap Counterparty accepts responsibility accordingly.

### *Eurosystem eligibility*

The Class A Notes are intended to be held in a manner which will allow Eurosystem eligibility. This means that the Class A Notes are intended upon issue to be deposited with Euroclear or Clearstream, Luxembourg as common safekeeper, each of which is recognised as an International Central Securities Depository (ICSD). It does not necessarily mean that the Class A Notes will be recognised as Eurosystem Eligible Collateral either upon issue or at any or all times during their life. Such recognition will depend, *inter alia*, upon satisfaction of the Eurosystem eligibility criteria, as amended from time to time, including compliance with loan-by-loan reporting in a prescribed format and manner. It should be noted that, with effect from 1 October 2021 (but subject to certain transitional provisions), amended Eurosystem rules apply to loan-by-loan reporting whereby loan-level reporting via an ESMA-authorised securitisation repository in compliance with Article 7 of the EU Securitisation Regulation applies. For further details on compliance with Article 7 of the EU Securitisation Regulation please see Section 4.4 (*Regulatory and Industry Compliance*) and Section 5.8 (*Transparency Reporting Agreement*). The other Classes of Notes are not intended to be held in a manner which allows Eurosystem eligibility.

None of the Arranger or the Joint Lead Managers gives any representation or assurance about the Eurosystem eligibility of the Class A Notes.

### *Non-consistent information*

No person has been authorised to give any information or to make any representation which is not contained in or not consistent with this Prospectus or which is not contained in or not consistent with any other information supplied in connection with the Issuer or the issue and offering of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Arranger, the Joint Lead Managers, the Security Trustee or any of their respective affiliates. To the fullest extent permitted by law, none of the Issuer, the Arranger, the Joint Lead Managers, the Security Trustee or any of their respective affiliates accept any responsibility for any such information or representation and each of the Issuer, the Arranger, the Joint Lead Managers and their respective affiliates accordingly disclaims all and any liability whether arising in tort or contract or otherwise which it might have in respect of any such information or representation.

### *No offer to sell or solicitation of an offer to buy*

This Prospectus does not constitute an offer to sell or a solicitation of an offer to buy Notes in any jurisdiction to any person to whom it is unlawful to make such an offer or solicitation in such jurisdiction. The distribution of this document and the offering of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus (or any part thereof) comes are required to inform themselves about, and to observe, any such restrictions. A fuller description of the restrictions on offers, sales and deliveries of the Notes and on the distribution of this Prospectus is set out in Section 4.3 (*Subscription and Sale*).

### *Investors should undertake their own independent investigation*

Each investor contemplating purchasing any Notes should undertake its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer. Neither this Prospectus nor any other information supplied in connection with the offering of the Notes constitutes an offer or invitation by or on behalf of the Issuer, the Arranger, the Joint Lead Managers, the Security Trustee or any of their respective affiliates to any person to subscribe for or to purchase any Notes nor should it be considered as a recommendation by any of the Issuer, the Arranger, the Joint Lead Managers, the Security Trustee or any of their respective affiliates that any recipient of this Prospectus or any other information relating to the Notes, should purchase any Notes. Before making

an investment decision with respect to any Notes, prospective investors should consult their own stockbroker, bank manager, lawyer, accountant or other financial, legal, regulatory, tax or other advisers and carefully review the risks entailed by an investment in the Notes, consider such an investment decision in light of the prospective investor's personal circumstances and should determine for itself the relevance of the information contained in this Prospectus and its purchase of the Notes should be based upon such investigation as it deems necessary.

#### *Developments and events after date of Prospectus*

Neither the delivery of this Prospectus at any time nor any sale made in connection with the offering of the Notes shall imply that the information contained herein is correct at any time subsequent to the date of this Prospectus. The Issuer does not have the obligation to update this Prospectus, except when required by the listing and issuing rules of Euronext Amsterdam or any other regulation. The Joint Lead Managers, the Arranger, the Security Trustee, the Seller and their respective affiliates expressly do not undertake to review the financial condition or affairs of the Issuer, the Seller, the Servicer or any other party during the life of the Notes, nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Joint Lead Managers, the Arranger, the Security Trustee, the Seller or any of their respective affiliates.

#### *Notes not registered under Securities Act*

The Notes have not been and will not be registered under 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 (as defined in Regulation S under the Securities Act) unless pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act (see Section 4.3 (*Subscription and Sale*)).

#### *Over-allotment*

In connection with the issue of the Class A Notes, LBCMw, or any other duly appointed person acting for LBCMw, may, to the extent permitted by applicable laws, over-allot the Class A Notes or effect transactions with a view to supporting the price of the Class A Notes at a higher level than that which might otherwise prevail. However, there is no obligation on LBCMw to undertake these actions. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the Class A Notes is made and, if begun, may cease at any time, but must end no later than the earlier of thirty (30) calendar days after the Closing Date and sixty (60) calendar days after the allotment of the Class A Notes. Stabilisation transactions will be conducted in compliance with all applicable laws and regulations, as amended from time to time. Any loss or profit sustained as a consequence of any such over-allotment or stabilisation shall be for the account of LBCMw.

#### *Forward-looking Statements*

This Prospectus contains forecasts and estimates which constitute forward-looking statement. Such statements appear in a number of places in this Prospectus. These forward-looking statements can be identified by the use of forward-looking terminology, such as the words "estimates", "goals", "targets", "predicts", "forecasts", "aims", "believes", "expects", "may", "will", "continues", "intends", "plans", "should", "could" or "anticipates", or similar terms. These statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results and performance of the Notes, the Seller or the Dutch residential mortgage loan industry to differ materially from any future results or performance expressed or implied in the forward-looking statements and estimate. These risks, uncertainties and other factors include, among other things: general economic and business conditions in and outside the Netherlands; currency exchange and interest rate fluctuations; government, statutory, regulatory or administrative initiatives affecting the Seller; changes in business strategy, lending practices or customer relationships; and other factors that

may be referred to in this Prospectus. Moreover, historical information and past financial performance should not be considered a reliable indicator of future performance and prospective purchasers of the Notes are cautioned that any such statements are not guarantees of performance and involve risks and uncertainties, many of which are beyond the control of the Issuer. The material these risks, uncertainties and other factors are discussed under Section 1 (*Risk Factors*), and you are encouraged to consider those factors carefully prior to making an investment decision. The Arranger, the Joint Lead Managers, the Seller and the Security Trustee have not attempted to verify any such statements, nor do they make any representations, express or implied, with respect thereto. Without prejudice to any requirements under applicable laws and regulations, the Issuer, the Arranger and the Joint Lead Managers expressly disclaim any obligation or undertaking to disseminate after the date of this Prospectus any updates or revisions to any forward-looking statements contained herein to reflect any change in expectations thereof or any change in events, conditions or circumstances on which any such forward-looking statement is based. These forward-looking statements speak only as of the date of this Prospectus. The Issuer, the Arranger and the Joint Lead Managers expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in the Issuer's, the Arranger's and/or Joint Lead Managers' expectations with regard thereto or any change in events, conditions or circumstances after the date of this Prospectus on which any such statement is based. These statements reflect the Issuer's current views with respect to such matters.

#### *Incorporation by reference*

This Prospectus is to be read in conjunction with the deed of incorporation (including the articles of association) of the Issuer, which can be obtained at the office of the Issuer (see Section 8 (General)). This Prospectus shall be read and construed on the basis that such document is incorporated in, and forms part of, this Prospectus.

#### *Listing*

ABN AMRO Bank N.V. is acting solely in its capacity as listing agent for the Issuer in connection with the Notes and is not itself seeking admission of these Notes to Euronext Amsterdam or to trading on its regulated market for the purposes of the Prospectus Regulation. ABN AMRO Bank N.V. in its capacity as Listing Agent is acting for the Issuer only and will not regard any other person as its client in relation to the offering of the Notes. Neither ABN AMRO Bank N.V. nor any of its directors, officers, agents or employees makes any representation or warranty express or implied, or accepts any responsibility with respect to the accuracy, completeness or fairness of any of the information or opinions described or incorporated by reference in this Prospectus, in any investor report or for any other statements made or purported to be made either by itself or on its behalf in connection with the Issuer or the offering or the Notes. Accordingly, ABN AMRO Bank N.V. disclaims all and any liability, whether arising in tort or contract or otherwise in respect of this Prospectus and or any such other statements.

## 9. GLOSSARY OF DEFINED TERMS

The defined terms used in this Glossary of Defined Terms, to the extent applicable, conform to the standard published by the Dutch Securitisation Association (See Section 4.4 (Regulatory and Industry Compliance)) (the **RMBS Standard**). However, certain deviations from the defined terms used in the RMBS Standard are denoted in the below as follows:

- if the defined term is not included in the RMBS Standard definitions list and is an additional definition, by including the symbol '+' in front of the relevant defined term;
- if the defined term deviates from the definition as recorded in the RMBS Standard definitions list, by including the symbol '\*' in front of the relevant defined term;
- if the defined term is not between square brackets in the RMBS Standard definitions list and is not used in this Prospectus, by including the symbol 'NA' in front of the relevant defined term.

### 9.1 Definitions

Except where the context otherwise requires, the following defined terms used in this Prospectus have the meaning set out below:

+ **Additional Revenue Amount** means on any Notes Payment Date, such part of the Available Principal Funds to be applied towards making good any Revenue Shortfall in accordance with item (a) of the Principal Priority of Payments, provided that such amount shall be equal to the lower of (X) the Revenue Shortfall and (Y) the remaining difference between the Class B Principal Amount Outstanding and the then current balance of the Class B Principal Deficiency Ledger;

**Administration Agreement** means the administration agreement between the Issuer, the Issuer Administrator and the Security Trustee dated the Signing Date;

**AFM** means the Dutch Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*);

\* **Aggregate Construction Deposit Amount** means on any day the aggregate of the Construction Deposits in respect of all Mortgage Loans at close of business on such day;

**All Moneys Mortgage** means any mortgage right (*hypotheekrecht*) which secures not only the loan granted to the Borrower to purchase the mortgaged property, but also any other liabilities and moneys that the Borrower, now or in the future, may owe to the Seller either (i) regardless of the basis of such liability or (ii) under or in connection with the credit relationship (*kredietrelatie*) of the Borrower and the Seller;

**All Moneys Pledge** means any right of pledge (*pandrecht*) which secures not only the loan granted to the Borrower to purchase the mortgaged property, but also any other liabilities and moneys that the Borrower, now or in the future, may owe to the Seller either (i) regardless of the basis of such liability or (ii) under or in connection with the credit relationship (*kredietrelatie*) of the Borrower and the Seller;

**All Moneys Security Rights** means any All Moneys Mortgages and All Moneys Pledges collectively;

+ **Alternative Benchmark Rate** has the meaning ascribed thereto in Condition 14;

- \* **Annuity Mortgage Loan** means a mortgage loan or part thereof in respect of which the Borrower pays a constant total monthly payment, made up of an initially high and subsequently decreasing interest portion and an initially low and subsequently increasing principal portion, and calculated in such a manner that such Mortgage Loan will be fully redeemed at the end of its term;
  
- Arranger** means Lloyds Bank Corporate Markets plc;
  
- + **Article 7 ITS** means Commission Implementing Regulation (EU) 2020/1225 including any relevant guidance and policy statements in relation thereto published by the EBA, the ESMA, the EIOPA (or their successor) or by the European Commission;
  
- + **Article 7 RTS** means Commission Delegated Regulation (EU) 2020/1224 including any relevant guidance and policy statements in relation thereto published by the EBA, the ESMA, the EIOPA (or their successor) or by the European Commission;
  
- + **Article 7 Technical Standards** mean the Article 7 RTS and the Article 7 ITS;
  
- + **Article 7 UK Technical Standards** means the Article 7 RTS and the Article 7 ITS (in each case as it forms part of domestic law of the United Kingdom by virtue of the EUWA);
  
- Assignment Actions** means any of the actions specified as such in Section 7.1 (*Purchase, Repurchase and Sale*) of this Prospectus;
  
- + **Assignment** means the transfer of the legal title to the Mortgage Receivables from the Seller to the Issuer by way of undisclosed assignment (*stille cessione*);
  
- Assignment Notification Event** means any of the events specified as such in Section 7.1 (*Purchase, Repurchase and Sale*) of this Prospectus;
  
- \* **Assignment Notification Stop Instruction** means on any Business Day following the occurrence of an Assignment Notification Event, a written notice delivered from the Security Trustee to the Seller (copied to the Issuer) instructing the Seller not to undertake the Assignment Actions or to take any actions other than the Assignment Actions in accordance with the provisions specified in Section 7.1 (*Purchase, Repurchase and Sale*) of this Prospectus;
  
- Available Principal Funds** has the meaning ascribed thereto in Section 5.1 (*Available Funds*) of this Prospectus;
  
- Available Revenue Funds** has the meaning ascribed thereto in Section 5.1 (*Available Funds*) of this Prospectus;
  
- BaFin** means the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*);
  
- Basel II** means the capital accord under the title “Basel II: International Convergence of Capital Measurement and Capital Standards Revised Framework” published on 26 June 2004 by the Basel Committee on Banking Supervision;



**Basel III** means the capital accord amending Basel II under the title “Basel III: a global regulatory framework for more resilient banks and banking systems” published in December 2010 by the Basel Committee on Banking Supervision;

**Basic Terms Change** has the meaning ascribed thereto in Condition 14;

+ **Benchmark Rate Modification** has the meaning ascribed thereto in Condition 14;

+ **Benchmark Rate Modification Event** has the meaning ascribed thereto in Condition 14;

**BKR** means Office for Credit Registration (*Bureau Krediet Registratie*);

+ **BNG Bank Fee Letter** means the fee letter between the Issuer Account Bank, the Cash Advance Facility Provider, the Issuer and the Security Trustee dated 16 November 2021;

**Borrower** means the debtor or debtors, including any jointly and severally liable co-debtor or co-debtors, to a Mortgage Loan;

**Borrower Insurance Pledge** means a right of pledge (*pandrecht*) created in favour of the Seller providing for the rights of the relevant pledgor against the relevant insurance company under the relevant Risk Insurance Policy securing the relevant Mortgage Receivable;

**Borrower Pledge** means a right of pledge (*pandrecht*) securing the relevant Mortgage Receivable, including a Borrower Insurance Pledge;

\* **Business Day** means (i) when used in the definition of Notes Payment Date and in Condition 4(e), a TARGET 2 Settlement Day, provided that such day is also a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in Amsterdam, the Netherlands and London, the United Kingdom and (ii) in any other case, a day on which banks are generally open for business in Amsterdam, the Netherlands and London, the United Kingdom;

**Cash Advance Facility** means the cash advance facility provided by the Cash Advance Facility Provider to the Issuer pursuant to the Cash Advance Facility Agreement;

**Cash Advance Facility Agreement** means the cash advance facility agreement between the Cash Advance Facility Provider, the Issuer and the Security Trustee dated the Signing Date;

+ **Cash Advance Facility Commitment Termination Date** means the First Optional Redemption Date or any later date to which the cash advance facility commitment termination date has been extended in accordance with clauses 3.2, 3.3 and 3.4 of the Cash Advance Facility Agreement;;

\* **Cash Advance Facility Drawing** means a drawing under the Cash Advance Facility as provided in the Cash Advance Facility Agreement;

\* **Cash Advance Facility Maximum Amount** means, on each Notes Calculation Date, an amount equal to the greater of (i) 1% of the Principal Amount Outstanding of the Class A Notes on such date and (ii) 0.5% of the Principal Amount Outstanding of the Class A Notes as at the Closing Date;

**Cash Advance Facility Provider** means BNG Bank N.V. or any substitute or successor appointed from time to time;

+ **Cash Advance Facility Relevant Event** means any of the following events: (a) the Cash Advance Facility Provider no longer meets the Requisite Credit Ratings, or (b) the refusal by the Cash Advance Facility Provider to comply with an Extension Request (as defined in the Cash Advance Facility Agreement) made pursuant to Clause 3.2 of the Cash Advance Facility Agreement;

\* **Cash Advance Facility Stand-by Drawing** has the meaning ascribed thereto under Section 5.5 (*Liquidity Support*) of this Prospectus;

**Cash Advance Facility Stand-by Drawing Period** means the period as from the date the Cash Advance Facility Stand-by Drawing is made until the date it is repaid;

\* **Cash Advance Facility Stand-by Ledger** means a ledger created for the purpose of recording any Cash Advance Facility Stand-by Drawing in accordance with the Administration Agreement;

**Class A Notes** means the EUR 500,000,000 Class A mortgage-backed Notes 2021 due 2060;

**Class B Notes** means the EUR 22,521,000 Class B mortgage-backed Notes 2021 due 2060;

**Class C Notes** means the EUR 3,920,000 Class C mortgage-backed Notes 2021 due 2060;

+ **Class C Available Principal Funds** has the meaning as subscribed thereto in Condition 6(k);

\* **Clean-up Call Option** means the right of the Seller to repurchase and accept re-assignment of all (but not only part of) the Mortgage Receivables which are outstanding which right may be exercised on any Notes Payment Date if on the Notes Calculation Date immediately preceding such Notes Payment Date the aggregate Outstanding Principal Amount in respect of the Mortgage Receivables is not more than ten (10) per cent. of the aggregate Outstanding Principal Amount in respect of the Mortgage Receivables on the Cut-Off Date;

**Clearstream, Luxembourg** means Clearstream Banking, S.A.;

**Closing Date** means 18 November 2021 or such later date as may be agreed between the Issuer, the Arranger and the Joint Lead Managers;

+ **Closing Date UK Securitisation Regulation** means the UK Securitisation Regulation as if it were applicable to the Seller and as in force as of the Closing date;

**Code** means the U.S. Internal Revenue Code of 1986;

\* **Code of Conduct** means the Mortgage Code of Conduct (*Gedragcode Hypothecaire Financieringen*) introduced in January 2007 by the Dutch Association of Banks (*Nederlandse Vereniging van Banken*), as amended from time to time;

\* **Common Safekeeper** means Euroclear or Clearstream, Luxembourg (as elected) in respect of the Class A Notes and a common safekeeper appointed by Euroclear and/or Clearstream, Luxembourg in respect of the Class B Notes and the Class C Notes;

**Conditions** means the terms and conditions of the Notes set out in Schedule 5 to the Trust Deed as from time to time modified in accordance with the Trust Deed and, with respect to any Notes represented by a Global Note, as modified by the provisions of the relevant Global Note;

+ **Contract Transfers** means the transfers of the contractual rights and obligations (*rechtsverhouding*) in accordance with section 6:159 of the Dutch Civil Code (*contractsoverneming*) pursuant to which, *inter alia*, Mortgage Loans were transferred to the Seller and all rights and benefits under such Mortgage Loans were assigned in accordance with and subject to the terms of (i) the Deed of Transfer of Contract and Assignment dated 25 March 2019 entered into between the Seller and Bank of Scotland plc and (ii) the Deed of Transfer of Contract and Assignment dated 14 July 2020 entered into between the Seller and Lloyds Hypotheken B.V.;

\* **Construction Deposit** means in respect of a Mortgage Loan, that part of the Mortgage Loan which the relevant Borrower requested to be withheld by the Seller, the proceeds of which may be applied towards construction of, or improvements to, the relevant Mortgaged Asset;

**Construction Deposit Account** means the bank account of the Issuer designated as such in the Issuer Account Agreement;

**Coupons** means the interest coupons appertaining to the Notes in definitive form;

**CPR** means constant prepayment rate;

\* **CRA Regulation** means Regulation (EC) No 1060/2009 of 16 September 2009 on credit rating agencies, as amended by Regulation (EU) No. 513/2011 of the European Parliament and of the Council of 11 May 2011 and as amended by Regulation EU No 462/2013 of 21 May 2013;

+ **CRA3** means Delegated Regulation (EU) 2015/3;

+ **CRA3 Requirements** means the requirements under the CRA3 as further described in Condition 14(e);

**Credit Rating Agency** means any credit rating agency (including any successor to its rating business) who, at the request of the Issuer, assigns, and for as long as it assigns, one or more ratings to the Notes, from time to time, which as at the Closing Date includes Fitch and DBRS;

\* **Credit Rating Agency Confirmation** means, with respect to a matter which requires Credit Rating Agency Confirmation under the Transaction Documents and which has been notified to each Credit Rating Agency with a request to provide confirmation, which may be provided by each Credit Rating Agency upon its own discretion, receipt by the Security Trustee, in a form and substance that is satisfactory to the Security Trustee, of:

- (a) a confirmation from each Credit Rating Agency that its then current ratings of the Notes will not be adversely affected by or withdrawn as a result of the relevant matter (a **confirmation**);
- (b) if no confirmation is forthcoming from any Credit Rating Agency, a written indication, by whatever means of communication, from such Credit Rating Agency that it does not have any (or any further) comments in respect of the relevant matter (an **indication**); or
- (c) if no confirmation or indication is forthcoming from any Credit Rating Agency and such Credit Rating Agency has not communicated that the then current ratings of the Notes will be adversely affected by or withdrawn as a result of the relevant matter or that it has comments in respect of the relevant matter:
  - (i) a written communication, by whatever means, from such Credit Rating Agency that it has completed its review of the relevant matter and that in the circumstances (x) it does not consider that any confirmation is required or (y) it is not in line with its policies to provide a confirmation; or
  - (ii) if such Credit Rating Agency has not communicated that it requires more time or information to analyse the relevant matter, evidence that 30 days have passed since such Credit Rating Agency was notified of the relevant matter and that reasonable efforts were made to obtain a confirmation or an indication from such Credit Rating Agency;

\* **Critical Obligations Rating** means the rating assigned to a relevant entity by DBRS to address the risk of default of particular obligations and/or exposures of certain banks that have a higher probability of being excluded from bail-in and remaining in a continuing bank in the event of the resolution of a troubled bank than other senior unsecured obligations;

**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, as amended from time to time, and includes any regulatory technical standards, implementing technical standards and guidance issued by the European Banking Authority or any successor body, from time to time;

\* **CRR Amendment Regulation** means Regulation (EU) 2017/2401 of the European Parliament and of the Council, as amended;

+ **CRR Assessment** means the assessment made by PCS in relation to compliance with the criteria set forth in the CRR regarding EU STS Securitisations;

**Current Loan to Indexed Market Value Ratio** means the ratio calculated by dividing the then outstanding principal amount of a Mortgage Receivable by the Indexed Market Value of the Mortgaged Asset;

**Cut-Off Date** means,(i) in respect of the Mortgage Receivables assigned on the Closing Date, the Final Cut-Off Date , (ii) in respect of a Further Advance, the date of granting thereof and (iii) in respect of the Provisional Pool, the Initial Cut-Off Date;

\* **DBRS or DBRS Morningstar** means (i) for the purpose of identifying which DBRS entity which has assigned the credit rating to the Class A Notes, DBRS Ratings GmbH and any successor to this rating activity, and (ii) in any other case, any entity that is part of DBRS Morningstar, which is either registered or not under the EU CRA Regulation, as it appears from the last the last available list published by European Securities and Markets Authority (ESMA) on the ESMA website, or any other applicable regulation;

+ **DBRS Equivalent Chart** means:

DBRS	Moody's	S&P	Fitch
AAA	Aaa	AAA	AAA
AA (high)	Aa1	AA+	AA+
AA	Aa2	AA	AA
AA (low)	Aa3	AA-	AA-
A (high)	A1	A+	A+
A	A2	A	A
A (low)	A3	A-	A-
BBB (high)	Baa1	BBB+	BBB+
BBB	Baa2	BBB	BBB
BBB (low)	Baa3	BBB-	BBB-
BB (high)	Ba1	BB+	BB+
BB	Ba2	BB	BB
BB (low)	Ba3	BB-	BB-
B (high)	B1	B+	B+
B	B2	B	B
B (low)	B3	B-	B-
CCC (high)	Caa1	CCC+	CCC
CCC	Caa2	CCC	
CCC (low)	Caa3	CCC-	

CC	Ca	CC	
		C	
D	C	D	D

+ **DBRS Equivalent Rating** means with respect to the long-term senior debt ratings, (i) if a Fitch public rating, a Moody's public rating and an S&P public rating are all available, (a) the remaining rating (upon conversion on the basis of the DBRS Equivalent Chart) once the highest and lowest ratings have been excluded or (b) in the case of two or more same ratings, any of such ratings (upon conversion on the basis of the DBRS Equivalent Chart); (ii) if the DBRS Equivalent Rating cannot be determined under paragraph (i) above, but public ratings by any two of Fitch, Moody's and S&P are available, the lower rating available (upon conversion on the basis of the DBRS Equivalent Chart); and (iii) if the DBRS Equivalent Rating cannot be determined under paragraph (i) or paragraph (ii) above, and therefore only a public rating by one of Fitch, Moody's and S&P is available, such rating will be the DBRS Equivalent Rating (upon the conversion on the basis of the DBRS Equivalent Chart);

\* **Deed of Assignment and Pledge** means a deed of assignment and pledge, or a deed of sale, assignment and pledge, as applicable, in the form set out in the Mortgage Receivables Purchase Agreement;

**Deferred Purchase Price** means part of the purchase price for the Mortgage Receivables equal to the sum of all Deferred Purchase Price Instalments;

**Deferred Purchase Price Instalment** means, on a Notes Payment Date, after application of the relevant available amounts in accordance with the relevant Priority of Payments, any amount remaining after all items ranking higher than the item relating to the Deferred Purchase Price have been satisfied;

**Definitive Notes** means Notes in definitive bearer form in respect of any Class of Notes;

\* **Deposit Agreement** means the deposit agreement between, amongst others, the Seller, the Servicer, the Issuer, the Security Trustee and the deposit agent (as defined therein) dated the Signing Date;

**Directors** means the Issuer Director, the Shareholder Director and the Security Trustee Director collectively and **Director** means any one of them as the context may require;

+ a **Disruption** occurs if the three Mortgage Reports relating to a Notes Calculation Period are not received ultimately three Business Days prior to the relevant Notes Calculation Date by the Issuer Administrator in accordance with the Administration Agreement;

+ **Disruption Overpaid Amount** means any amount overpaid on the Notes on a Notes Payment Date as a consequence of insufficient information being available to calculate the exact amount due on the Notes following a Disruption;

+ **Disruption Underpaid Amount** means any amount underpaid on the Notes on a Notes Payment Date as a consequence of insufficient information being available to calculate the exact amount due on the Notes following a Disruption;

+ **Dodd-Frank Act** means the Dodd-Frank Wall Street Reform and Consumer Protection Act;

**DSA** means the Dutch Securitisation Association;

+ **Dutch Civil Code** means the *Burgerlijk Wetboek*;

**EBA** means the European Banking Authority;

+ **EBA STS Guidelines Non-ABCP Securitisations** means EBA's Final Report Guidelines on the STS criteria for non-ABCP securitisation (EBA/GL/2018/09) of 12 December 2018;

**ECB** means the European Central Bank;

+ **EIOPA** means the European Insurance and Occupational Pensions Authority;

+ **EMIR Requirements** has the meaning given thereto in Condition 14;

+ **Enforcement Available Amount** means amounts corresponding to the sum of:

- (a) amounts recovered (*verhaald*) in accordance with Article 3:255 of the Dutch Civil Code by the Security Trustee under any of the Pledge Agreements to which the Security Trustee is a party in relation to the Pledged Assets; and, without double counting; and
- (b) any amounts received by the Security Trustee in connection with the Parallel Debt (as set out in the Parallel Debt Agreement which the Security Trustee enters into for the benefit of the Secured Creditors),

in each case less the sum of (i) any amounts paid by the Security Trustee to the Secured Creditors pursuant to the Trust Deed and (ii) any costs, charges, liabilities and expenses (including, for the avoidance of doubt, any costs of the Credit Rating Agencies and any legal advisor, auditor and accountant appointed by the Security Trustee), incurred by the Security Trustee in connection with any of the Transaction Documents;

**Enforcement Notice** means the notice delivered by the Security Trustee to the Issuer pursuant to Condition 10 (*Events of Default*);

**ESMA** means the European Securities and Markets Authority;

+ **ESMA STS Register** means the register of ESMA on website at <https://www.esma.europa.eu/policy-activities/securitisation/simple-transparent-and-standardised-sts-securitisation> (or its successor website);

+ **€STR** means the euro short-term rate as published by the ECB (or any replacement reference rate as agreed with the Issuer Account Bank in accordance with the Issuer Account Agreement);

**EU** means the European Union;

+ **EU EMIR** means 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;

+ **EU Benchmarks Regulation** means Regulation (EU) No 2016/2011 on indices used as benchmarks, 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;

+ **EU Benchmarks Regulation Requirements** means the requirements imposed on the administrator of a benchmark pursuant to the Benchmarks Regulation, which includes a requirement for the administrators of a benchmark to be licensed by or to be registered with the competent authority as a condition to be permitted to administer the benchmark;

**EU Insolvency Regulation** means Regulation (EU) 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings;

+ **EU Securitisation Regulation** means Regulation (EU) 2017/2402 as amended by Regulation (EU) 2021/557, together with any applicable regulatory and/or implementing technical standards or delegated regulations made under the EU Securitisation Regulation (including any applicable transitional provisions) and/or any relevant guidance and policy statements relating to the application of the EU Securitisation Regulation published by the EBA, the ESMA, the EIOPA (or their successor), collectively, the European Supervisory Authorities or ESAs, including any applicable guidance and policy statements issued by the Joint Committee of ESAs and/or the European Commission;

+ **EU Securitisation Retention Requirements** means the requirements set out in Article 6 of the EU Securitisation Regulation;

\* **EU SR Repository** means European Datawarehouse GmbH or any substitute or successor securitisation repository registered under Article 10 of the EU Securitisation Regulation and appointed by the Reporting Entity for the securitisation transaction as described in this Prospectus;

+ **EU STS Notification** means a notification to ESMA by the Reporting Entity in accordance with Article 27 that the EU STS Requirements have been satisfied with respect to the Notes;

+ **EU STS Notification Technical Standards** mean Commission Delegated Regulation (EU) 2020/1226 and Commission Implementing Regulation (EU) 2020/1227;

\* **EU STS Securitisation** means a simple, transparent and standardised securitisation established and structured in accordance with the EU STS Requirements;

**EUR, euro or €** means the lawful currency of the member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community (signed in Rome on 25 March 1957), as amended from time to time;

+ **EuroABS** means EuroABS Limited;

\* **EURIBOR** means Euro Interbank Offered Rate;

**EURIBOR Reference Banks** has the meaning ascribed to it in Condition 4 (*Interest*);

\* **Euroclear** means Euroclear Bank SA/NV as operator of the Euroclear system;

+ **Eurosystem** means the rules of the monetary authority of the euro area;



**Eurosystem Eligible Collateral** means collateral recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem;

+ **EUWA** means the European Union (Withdrawal) Act 2018 (as amended by the European Union (Withdrawal Agreement) Act 2020), as amended, varied, superseded or substituted from time to time.

**Events of Default** means any of the events specified as such in Condition 10 (*Events of Default*);

\* **Excess Swap Collateral** means, (x) in respect of the date the Swap Transaction is terminated, collateral of a value equal to the amount by which the value of collateral transferred to the Issuer by the Swap Counterparty and accrued exceeds the value of the amounts owed by the Swap Counterparty (if any) to the Issuer (for the avoidance of doubt, calculated prior to any netting in respect of such collateral under the Swap Agreement) and (y) in respect of any other valuation date under the Swap Agreement, collateral of a value equal to the amount by which the value of collateral transferred to the Issuer by the Swap Counterparty and accrued exceeds the value of the Swap Counterparty's liability under the Swap Agreement on such date, or (z) collateral, which, in any case, the Swap Counterparty is otherwise entitled to have returned to it under the terms of the Swap Agreement;

+ **Exchange Act** means the United States Securities Exchange Act of 1934, as amended;

**Exchange Date** means the date not earlier than forty (40) days after the issue date of the Notes on which interests in the Temporary Global Notes will be exchangeable for interests in the Permanent Global Notes;

+ **Excluded Swap Amounts** has the meaning ascribed thereto in Section 5.2 (*Priority of Payments*) of this Prospectus;

\* **Extraordinary Resolution** means a resolution passed at a Meeting duly convened and held by the Noteholders of one or more Class or Classes, as the case may be, by a majority of not less than two-thirds of the validly cast votes, except that in case of an Extraordinary Resolution approving a Basic Terms Change the majority required shall be at least seventy-five (75) per cent. of the validly cast votes;

**FATCA** means the United States Foreign Account Tax Compliance Act of 2009;

**FATCA Withholding** means any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any law implementing such an intergovernmental agreement);

+ **Final Cut-Off Date** means 31 October 2021;

**Final Maturity Date** means the Notes Payment Date falling in November 2060;

**First Optional Redemption Date** means the Notes Payment Date falling in May 2028;

**Fitch** means Fitch Ratings Limited and includes any successor to its rating business;

**Foreclosure Value** means the foreclosure value of the Mortgaged Asset;

\* **Further Advance** means, in respect of a Mortgage Loan, a loan or a further advance to be made to a Borrower under a Mortgage Loan which is secured by the same Mortgage;

**Further Advance Receivable** means a Mortgage Receivable resulting from a Further Advance;

**Global Note** means any Temporary Global Note or Permanent Global Note;

\* **Higher Ranking Class** means, in relation to any Class of Notes, each Class of Notes which has not been previously redeemed or written off in full and which ranks higher in priority to each Class of Notes which has or has not been previously redeemed or written off in full in the Post-Enforcement Priority of Payments;

\* **Indexed Market Value** means the market value calculated by indexing the Market Value of the Mortgaged Asset with a property price index (weighted average of houses and apartment prices), as provided by the Land Registry for the province where the property is located;

+ **Initial Cut-Off Date** means 31 August 2021;

\* **Initial Purchase Price** means (i) in respect of one or more Mortgage Receivable(s) to be assigned on the Closing Date, its Outstanding Principal Amount on the Cut-Off Date plus any premium received on the Class A Notes or (ii) in case of a Further Advance Receivable, its Outstanding Principal Amount on the relevant Cut-Off Date;

+ **Initial Required Ratings** means, in respect of the Swap Counterparty (or any applicable guarantor) (i) a short-term issuer default rating of 'F1' or a long-term issuer default rating (or, if assigned, a Derivative Counterparty Rating) of 'A' by Fitch, and (ii) (x) a Critical Obligations Rating of 'A' by DBRS, or (y) if no Critical Obligations Rating has been assigned by DBRS, (I) a solicited public issuer rating assigned by DBRS of 'A' or (II) a solicited public rating assigned by DBRS to such entity's long term senior unsecured debt obligations of 'A' or (z) if no such solicited public rating has been assigned by DBRS, a DBRS Equivalent Rating of 'A';

\* **Interest Amount** means in respect of an Interest Period, the amount of interest payable on each of the Class A Notes as defined in Condition 4(f) (*Determination of the Interest Rates and Calculation of Interest Amounts in respect of the Class A Notes*);

\* **Interest Determination Date** has the meaning ascribed thereto in Condition 4(e);

**Interest Period** means the period from (and including) the Closing Date to (but excluding) the Notes Payment Date falling in February 2022 and each successive period from (and including) a Notes Payment Date to (but excluding) the next succeeding Notes Payment Date;

**Interest Rate** means the rate of interest applicable from time to time to a Class of Notes as determined in accordance with Condition 4 (*Interest*);

+ **Interest Reconciliation Ledger** means the ledger created for the purpose of recording any reconciliation payments in relation to interest in accordance with the Administration Agreement and on the basis of the Mortgage Reports received by the Issuer Administrator

relating to the relevant Mortgage Calculation Period for which such calculations have been made;

+ **Interest Reset Date** means, in respect of a Mortgage Loan, the date on which the Mortgage Interest Rate of such Mortgage Loan is scheduled to be reset in accordance with its Mortgage Conditions;

+ **Interest Reset Proposal Date** means, in respect of a Mortgage Loan, the first calendar day of the month falling three months prior to the relevant Interest Reset Date, unless this day is not a Business Day, in which case the Interest Reset Proposal Date will be the last Business Day immediately prior to the first calendar day of the month falling three months prior to the relevant Interest Reset Date;

**Interest-only Mortgage Loan** means a mortgage loan or part thereof in respect of which the Borrower is not required to repay principal until maturity;

**Interest-only Mortgage Receivable** means the Mortgage Receivable resulting from an Interest-only Mortgage Loan;

\* **Investor Report** means either of (i) the Notes and Cash Report and (ii) the Portfolio and Performance Report, each of which may be amended or replaced by a different form of report, in order to comply with the reporting requirements under the EU Securitisation Regulation or the UK Securitisation Regulation;

\* **Issue Price** means 101.991% for the Class A Notes, 100% for the Class B Notes and 100% for the Class C Notes;

**ISDA** means the International Swaps and Derivatives Association, Inc.;

**Issuer** means Candide Financing 2021-1 B.V., a private company with limited liability incorporated under Dutch law and established in Amsterdam, the Netherlands;

**Issuer Account Agreement** means the issuer account agreement between the Issuer, the Security Trustee and the Issuer Account Bank dated the Signing Date;

**Issuer Account Bank** means BNG Bank N.V. or any substitute or successor appointed from time to time;

**Issuer Accounts** means any of the Issuer Collection Account, the Construction Deposit Account, the Reserve Account and the Swap Collateral Accounts;

**Issuer Administrator** means Intertrust Administrative Services B.V. or any substitute or successor appointed from time to time;

\* **Issuer Collection Account** means the bank account of the Issuer designated as such in the Issuer Account Agreement or any bank account with a successor Issuer Account Bank replacing this account;

**Issuer Director** means Intertrust Management B.V. or any substitute or successor appointed from time to time;

**Issuer Management Agreement** means the issuer management agreement between the Issuer, Intertrust Management B.V. and the Security Trustee dated the Signing Date;

**Issuer Mortgage Receivables Pledge Agreement** means the mortgage receivables pledge agreement between the Issuer and the Security Trustee dated the Signing Date;

**Issuer Rights** means any and all rights of the Issuer under and in connection with the Mortgage Receivables Purchase Agreement, the Issuer Account Agreement including the balance on the Issuer Accounts, the Servicing Agreement, the Administration Agreement, the Swap Agreement, the Paying Agency Agreement, the Transparency Reporting Agreement, the Subordinated Loan Agreement and the Cash Advance Facility Agreement;

**Issuer Rights Pledge Agreement** means the issuer rights pledge agreement between, amongst others, the Issuer, the Security Trustee, the Seller and the Servicer dated the Signing Date pursuant to which a right of pledge is created in favour of the Security Trustee over the Issuer Rights;

+ **Issuer Services** means the services to be provided by the Issuer Administrator to the Issuer and the Security Trustee pursuant to the Administration Agreement;

**Joint Lead Managers** means Lloyds Bank Corporate Markets Wertpapierhandelsbank GmbH and Citigroup Global Markets Europe AG;

**Land Registry** means the Dutch land registry (*het Kadaster*);

**LBCMW** means Lloyds Bank Corporate Markets Wertpapierhandelsbank GmbH;

**LCR Assessment** means the assessment made by the STS Verification Agent in relation to compliance with the criteria set forth in the LCR Delegated Regulation, as amended by Commission Delegated Regulation (EU) 2018/1620 of 13 July 2018;

\* **LCR Delegated Regulation** means delegated Regulation (EU) 2015/61 with regard to liquidity coverage requirement for Credit Institutions (**LCR**), as amended by Commission Delegated Regulation (EU) 2018/1620 of 13 July 2018;

+ **LEI** means legal entity identifier;

**Linear Mortgage Loan** means a mortgage loan or part thereof in respect of which the Borrower each month pays a fixed amount of principal towards redemption of such mortgage loan (or relevant part thereof) until maturity;

**Linear Mortgage Receivable** means the Mortgage Receivable resulting from a Linear Mortgage Loan;

**Listing Agent** means ABN Amro Bank N.V. or any substitute or successor appointed from time to time;

**Loan Parts** means one or more of the loan parts (*leningdelen*) of which a Mortgage Loan consists;

**Local Business Day** has the meaning ascribed thereto in Condition 5(c) (*Payment*);

+ **LTV** means, in relation to a Mortgage Loan, a ratio representing the amount of the Mortgage Loan as a percentage of the Market Value of the Mortgaged Asset;

**Management Agreement** means any of (i) the Issuer Management Agreement, (ii) the Shareholder Management Agreement and (iii) the Security Trustee Management Agreement;

\* **Market Value** means (i) the market value (*marktwaarde*) of the relevant Mortgaged Asset based on the most recent valuation by an external valuer or (ii) in respect of a Mortgaged Asset that is renovated and where a Construction Deposit has been requested in relation to the connected Mortgage Loan, the market value (*marktwaarde*) of such Mortgaged Asset based on a valuation by an external valuer after the renovation has been completed;

**Master Definitions Agreement** means the master definitions agreement between, amongst others, the Seller, the Issuer and the Security Trustee dated the Signing Date;

+ **Meeting** means a meeting of Noteholders of a Class or Classes;

\* **MiFID II** means Directive 2014/65/EU (as amended);

+ **Modification Certificate** means a certificate to be provided by the Issuer, the Issuer Account Bank, the Cash Advance Facility Provider and/or the Swap Counterparty and/or the relevant Transaction Party, as the case may be, pursuant to Condition 14(e);

**Mortgage** means a mortgage right (*hypotheekrecht*) securing the relevant Mortgage Receivables;

\* **Mortgage Calculation Date** means, in relation to a Mortgage Collection Payment Date, the 6<sup>th</sup> Business Day after the last day of the relevant Mortgage Calculation Period;

**Mortgage Calculation Period** means the period commencing on (and including) the first day of each calendar month and ending on (and including) the last day of such calendar month, except for the first mortgage calculation period which will commence on (and includes) the Cut-Off Date and ends on (and includes) the last day of November 2021;

\* **Mortgage Collection Payment Date** means the 15th calendar day of each calendar month or, if such day is not a Business Day, the immediately succeeding Business Day following the relevant Mortgage Calculation Period;

\* **Mortgage Conditions** means the terms and conditions applicable to a Mortgage Loan, as set forth in the relevant mortgage deed, and/or in any proposed mortgage credit agreement (*initieel aanbod*), binding mortgage credit agreement (*BKA*) or mortgage credit offer (*offerte*), including any applicable general terms and conditions for mortgage loans as amended or supplemented from time to time;

+ **Mortgage Deeds** means notarially certified copies of the notarial deeds constituting the Mortgage Loans;

\* **Mortgage Interest Rates** means the rate(s) of interest from time to time chargeable to Borrowers under the Mortgage Receivables;

**Mortgage Loan Criteria** means the criteria relating to the Mortgage Loans set forth as such in Section 7.3 (*Mortgage Loan Criteria*) of this Prospectus;

**Mortgage Loan Services** means the services to be provided by the Servicer to the Issuer and the Security Trustee with respect to the Mortgage Loans, as set out in the Servicing Agreement;

\* **Mortgage Loans** means the mortgage loans (which may consist of one or more Loan Parts) either (i) granted by the Seller to the relevant borrowers and/or (ii) transferred to the Seller under the Contract Transfers, as set forth in the list of loans attached to the Mortgage Receivables Purchase Agreement, and after any purchase and assignment of any Further Advance Receivables, the relevant Further Advances, to the extent any and all rights under and in connection therewith are not retransferred or otherwise disposed of by the Issuer;

\* **Mortgage Receivable** means any and all rights of the Seller (and after assignment of such rights to the Issuer, of the Issuer) against the Borrower under or in connection with a Mortgage Loan, including any and all claims of the Seller (or the Issuer after assignment) against the Borrower as a result of the Mortgage Loan being terminated, dissolved or declared null and void;

**Mortgage Receivables Purchase Agreement** means the mortgage receivables purchase agreement between, amongst others, the Seller, the Issuer and the Security Trustee dated the Signing Date;

+ **Mortgage Report** means the report to be prepared by the Servicer for the purpose of determining the amounts received under the Mortgage Loans in the immediately preceding Mortgage Calculation Period in accordance with the Servicing Agreement;

+ **Mortgage Report Date** means the 12<sup>th</sup> day of each calendar month (or the next Business Day if such day is not a Business Day) following the end of each Mortgage Calculation Period;

**Mortgaged Asset** means (i) a real property (*onroerende zaak*), (ii) an apartment right (*appartementsrecht*) or (iii) a long lease (*erfpachtsrecht*) situated in the Netherlands on which a Mortgage is vested;

**Most Senior Class** means such Class of Notes which has not been previously redeemed or written off in full and which ranks higher in priority than any other Class of Notes in the Post-Enforcement Priority of Payments;

\* **Net Foreclosure Proceeds** means (i) the proceeds of a foreclosure on a Mortgage, (ii) the proceeds of foreclosure on any other collateral securing the relevant Mortgage Receivable, (iii) the proceeds, if any, of collection of any insurance policy in connection with the relevant Mortgage Receivable, including fire insurance policy and Risk Insurance Policy, (iv) the proceeds of any NHG guarantee and any other guarantees or sureties, (v) the proceeds of foreclosure on any other assets of the relevant Borrower, in each case after deduction of foreclosure costs in respect of such Mortgage Receivable, and (vi) any cash amounts received by the Issuer as payment under the NHG Advance Right *less* any NHG Return Amount relating to a Mortgage (to the extent such amount relates to item (i) of the definition thereof);

+ **Net Swap Payment** means, in respect of the Swap Agreement, the net amount payable by either the Swap Counterparty or the Issuer, as the case may be, to the other party and after payment netting and/or close out netting to be received by such party in connection with that Swap Agreement including, for the avoidance of doubt, any Subordinated Swap Payment;

- + **NHG** means the National Mortgage Guarantee (*Nationale Hypotheek Garantie*);
- + **NHG Advance Right** has the meaning ascribed thereto in Section 6.5 (*NHG Guarantee Programme*) of this Prospectus;
- NHG Conditions** means the terms and conditions (*voorwaarden en normen*) of the NHG Guarantee as set by Stichting WEW and as amended from time to time;
- NHG Guarantee** means a guarantee (*borgtocht*) under the NHG Conditions granted by Stichting WEW;
- NHG Mortgage Loan** means a Mortgage Loan that has the benefit of an NHG Guarantee;
- + **NHG Mortgage Loan Receivable** means the Mortgage Receivable resulting from an NHG Mortgage Loan;
- + **NHG Return Amount** means (i), in respect of a NHG Mortgage Loan on which foreclosure procedures have completed and whereby the amount previously received under any NHG Advance Right exceeds the amount which Stichting WEW is obliged to pay out under the NHG Guarantee, the amount which Stichting WEW is entitled to receive back in connection therewith, to the extent repayment of such amount has not been discharged by means of set-off against payment of the amount due by Stichting WEW under the NHG Guarantee in respect of such NHG Mortgage Loan or (ii) the amount by which the NHG Advance Right otherwise exceeded the amount payable by Stichting WEW under the surety as actual loss eligible for compensation;
- Noteholders** means the persons who for the time being are the holders of the Notes;
- Notes** means the Class A Notes, the Class B Notes and the Class C Notes;
- Notes and Cash Report** means the report which will be published quarterly by the Issuer, or the Issuer Administrator on its behalf, and which will comply with the standard of the DSA;
- Notes Calculation Date** means, in respect of a Notes Payment Date, the 3<sup>rd</sup> Business Day prior to such Notes Payment Date;
- \* **Notes Calculation Period** means, in relation to a Notes Calculation Date, the three successive Mortgage Calculation Periods immediately preceding such Notes Calculation Date, except for the first Notes Calculation Period which will commence on the Cut-Off Date (inclusive) and end on and include the last day of January 2022;
- \* **Notes Payment Date** means the 20th day of February, May, August and November of each year or, if such day is not a Business Day, the immediately succeeding Business Day unless it would as a result fall in the next calendar month, in which case it will be the Business Day immediately preceding such day, with the first notes payment date falling in February 2022;
- + **Official List** means the official list of Euronext Amsterdam;
- Optional Redemption Date** means any Notes Payment Date from (and including) the First Optional Redemption Date up to (and excluding) the Final Maturity Date;

- \* **Original Market Value** means the Market Value of the Mortgaged Asset as assessed by the Seller at the time of granting the Mortgage Loan;
  
- Originators** means (i) Lloyds Bank GmbH, (ii) Lloyds Hypotheken B.V. (or its predecessors), incorporated under Dutch law as a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) having its corporate seat in Amsterdam and registered with the Commercial Register of the Chamber of Commerce under number 24404321 and (iii) Bank of Scotland plc (or its predecessors), incorporated with limited liability in Scotland with registered number SC 327000.
  
- + **OTC** means over-the-counter;
  
- Outstanding Principal Amount** means, at any moment in time, (i) the outstanding principal amount of a Mortgage Receivable at such time and (ii), after a Realised Loss of the type (a) and (c) of the definition in respect of such Mortgage Receivable, zero;
  
- Parallel Debt** has the meaning ascribed thereto in Section 4.7 (*Security*) of this Prospectus;
  
- \* **Parallel Debt Agreement** means the parallel debt agreement between the Issuer, the Security Trustee and the Secured Creditors (other than the Noteholders) dated the Signing Date;
  
- Paying Agency Agreement** means the paying agency agreement between the Issuer, the Paying Agent, the Reference Agent and the Security Trustee dated the Signing Date;
  
- \* **Paying Agent** means Citibank, N.A. London Branch or any substitute or successor appointed from time to time;
  
- Permanent Global Note** means a permanent global note in respect of a Class of Notes;
  
- Pledge Agreements** means the Issuer Mortgage Receivables Pledge Agreement and the Issuer Rights Pledge Agreement;
  
- Pledge Notification Event** means any of the events specified in Clause 5.1 of the Issuer Rights Pledge Agreement;
  
- \* **Pledged Assets** means the Mortgage Receivables relating thereto and the Issuer Rights and the NHG Advance Rights;
  
- + **Pool** means the pool of Mortgage Loans as selected as of the Final Cut-Off Date;
  
- Portfolio and Performance Report** means the report which will be published monthly by the Issuer, or the Issuer Administrator on its behalf, and which report will comply with the standard of the DSA;
  
- \* **Post-Enforcement Priority of Payments** means the post-enforcement priority of payments set out as such in Section 5.2 (*Priority of Payments*) of this Prospectus;
  
- + **Post-Foreclosure Proceeds** means any amount received from a Borrower in respect of a Mortgage Receivable in addition to Net Foreclosure Proceeds, whether in relation to interest, principal or otherwise, as part of completion of foreclosure on the Mortgage and other collateral securing the Mortgage Receivable;



**Prepayment Penalties** means any prepayment penalties (*boeterente*) to be paid by a Borrower under a Mortgage Loan as a result of the Mortgage Receivable being prepaid (in whole or in part) prior to the maturity date of such Mortgage Loan other than (i) on a date whereon the interest rate is reset or (ii) as permitted pursuant to the Mortgage Conditions;

**PRIIPs Regulation** means Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products (PRIIPs);

**Principal Amount Outstanding** has the meaning ascribed thereto in Condition 6(j) (*Definitions*);

**Principal Deficiency** means the debit balance, if any, of the relevant Principal Deficiency Ledger;

**Principal Deficiency Ledger** means the principal deficiency ledger relating to the relevant Classes of Notes and comprising sub-ledgers for each such Class of Notes;

+ **Principal Priority of Payments** means the principal priority of payments set out as such in Section 5.2 (*Priority of Payments*) of this Prospectus;

+ **Principal Reconciliation Ledger** means the ledger created for the purpose of recording any reconciliation payments in relation to principal in accordance with the Administration Agreement and on the basis of the Mortgage Reports received by the Issuer Administrator relating to the relevant Mortgage Calculation Period for which such calculations have been made;

\* **Principal Shortfall** means an amount equal to (i) the balance of the Principal Deficiency Ledger of the relevant Class of Notes divided by (ii) the number of Notes of the relevant Class of Notes on the relevant Notes Payment Date;

**Priority of Payments** means any of the Revenue Priority of Payments, the Principal Priority of Payments and the Post-Enforcement Priority of Payments;

**Prospectus** means this prospectus dated 16 November 2021 relating to the issue of the Notes;

**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;

+ **Provisional Pool** means the pool of mortgage receivables selected in accordance with the Mortgage Loan Criteria from which the Mortgage Receivables to be assigned to the Issuer on the Closing Date, will be randomly selected by the Seller;

+ **Rating Event** means any of the events set forth in Part 5(e) of the schedule to the Swap Agreement;

**Realised Loss** has the meaning ascribed thereto in Section 5.3 (*Loss Allocation*) of this Prospectus;

**Reconciliation Date** means the 15th day of each calendar month or, if such day is not a Business Day, the immediately succeeding Business Day;

**Redemption Amount** means the principal amount redeemable in respect of each integral multiple of a Note as described in Condition 6 (*Redemption*);

**Reference Agent** means Citibank,N.A. London Branch or any substitute or successor appointed from time to time;

**Regulation S** means Regulation S of the Securities Act;

**Regulatory Call Option** means upon the occurrence of a Regulatory Change, the right of the Seller to repurchase and accept re-assignment of all (but not only part of) the Mortgage Receivables;

**Regulatory Change** means any change in or the adoption of any new law, rule, technical standards or regulation or any determination made by a relevant regulator, which as a matter of law has a binding effect on the Seller after the Closing Date, which would impose a positive obligation on the Seller to subscribe for additional Notes to comply with a materially higher percentage of risk retention in the reasonable opinion of the Seller in accordance with the EU Risk Retention Requirements or otherwise impose additional material obligations in respect of risk retention on the Seller (as determined by the Seller, acting reasonably);

**Relevant Class** has the meaning ascribed thereto in Condition 10 (*Events of Default*);

+ **Replacement Swap Premium** means an amount received by the Issuer from the replacement Swap Counterparty to replace the outgoing Swap Counterparty;

**Reporting Entity** means Lloyds Bank GmbH, designated as reporting entity for the purposes of Article 7(2) of the EU Securitisation Regulation and Article 7(2) of the Closing Date UK Securitisation Regulation;

**Requisite Credit Rating** means:

- (i) in respect of the Issuer Account Bank, (i) (x) the rating of 'F1' (short-term deposit rating) or 'A' (long-term deposit rating) by Fitch, or (y) 'F1' (short-term issuer default rating) or 'A' (long-term issuer default rating) by Fitch, and (ii) (x) a rating of 'A' (long-term issuer default rating) by DBRS, or (y) if DBRS has not assigned a credit rating to such party, a DBRS Equivalent Rating of 'A'; and
- (ii) in respect of the Cash Advance Facility Provider, (i) the rating of 'F1' (short-term issuer default rating) or 'A' (long-term issuer default rating) by Fitch, and (ii) a rating of 'A' (long-term issuer default rating) by DBRS, or if DBRS has not assigned a credit rating to such party, the DBRS Equivalent Rating of 'A';

**Reserve Account** means the bank account of the Issuer designated as such in the Issuer Account Agreement;

**Reserve Account Target Level** means on any Notes Calculation Date a level equal to 0.75% of the aggregate Principal Amount Outstanding of the Notes (other than the Class C Notes) on the Closing Date or, (i) upon redemption in full of the Class A Notes and the Class B Notes or (ii) the penultimate Notes Payment Date before the Final Maturity Date, zero;

- + **Restructured Borrower** means any Borrower who has undergone a distressed debt-restructuring process in accordance with the Seller’s internal policies in the last three years prior to (i) in respect of Mortgage Receivables that will be purchased on the Closing Date, the Cut-Off Date and (ii) in respect of Further Advance Receivable, the relevant Cut-Off Date;
- + **Retention Holder** means the Seller;
- \* **Revenue Priority of Payments** means the revenue priority of payments set out in Section 5.2 (*Priority of Payments*) of this Prospectus;
- + **Revenue Shortfall** means on any Note Payment Date as determined on the immediately preceding Note Calculation Date, the amount (if any) by which:
- (i) the aggregate amounts required by the Issuer to pay or make provision for the payment in full on that Note Payment Date items (a) to (f) (inclusive) of the Revenue Priority of Payments; will be less than
  - (ii) the Available Revenue Funds after first applying any amounts available on that Note Payment Date to the Issuer from the credit balance of the Reserve Account and any Cash Advance Facility Drawings to be drawn under the Cash Advance Facility in accordance with Revenue Priority of Payments but *excluding* the Additional Revenue Amount;
- \* **Risk Insurance Policy** means the risk insurance (*risicoverzekering*) which pays out upon the death of the life insured, taken out by a Borrower with an insurance company;
- + **Risk Retention U.S. Person** means a “U.S. persons” as defined in the U.S. Risk Retention Rules;
- RMBS Standard** means the residential mortgage-backed securities standard created by the DSA, as amended from time to time;
- + **RTS Homogeneity** means the final version of Commission Delegated Regulation (EU) 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;
- + **Scheduled Collections Amount** means, in respect of a calendar month, an amount equal to the sum of all amounts of principal and interest scheduled to be due and payable by the Borrowers under the Mortgage Loans in respect of such calendar month;
- \* **Secured Creditors** means (i) the Directors, (ii) the Servicer, (iii) the Issuer Administrator, (iv) the Paying Agent, (v) the Reference Agent, (vi) the Issuer Account Bank, (vii) the Noteholders, (viii) the Swap Counterparty, (ix) the Seller, (x) the Cash Advance Facility Provider, (xi) the Reporting Entity and (xii) the Subordinated Loan Provider;
- Securities Act** means the United States Securities Act of 1933 (as amended);

**Securitisation Repository Undertaking** means any requirement under the UK Securitisation Regulation to make information available by means of a securitisation repository deemed to be complied with if such information is made available by means of a securitisation repository registered with ESMA under Article 10 of the EU Securitisation Regulation;

**Security** means any and all security interest created pursuant to the Pledge Agreements;

**Security Trustee** means Stichting Security Trustee Candide Financing 2021-1, a foundation (*stichting*) organised under Dutch law and established in Amsterdam, the Netherlands;

**Security Trustee Director** means Amsterdamsch Trustee's Kantoor B.V.;

**Security Trustee Management Agreement** means the security trustee management agreement between the Security Trustee, Amsterdamsch Trustee's Kantoor B.V. and the Issuer dated the Signing Date;

+ **Self-Certified Mortgage Loan** means a mortgage loan marketed and underwritten on the premise that the applicant and/or intermediary representing him was made aware prior to the originator's underwriting assessment commencing that the information provided might not be verified by the originator;

**Seller** means Lloyds Bank GmbH;

\* **Seller Collection Account** means the bank account maintained with the Seller Collection Account Provider to which payments made by the relevant Borrowers under or in connection with the Mortgage Loans are to be paid;

+ **Seller Collection Account Provider** means Coöperatieve Rabobank U.A. or any substitute or successor appointed from time to time;

**Servicer** means Lloyds Bank GmbH or any substitute or successor appointed from time to time;

**Servicing Agreement** means the servicing agreement between the Servicer, the Issuer and the Security Trustee dated the Signing Date;

**Servicer Termination Event** means any of the events set out in clause 19.1 of the Servicing Agreement;

**Shareholder** means Stichting Holding Candide Financing, a foundation (*stichting*) organised under Dutch law and established in Amsterdam, the Netherlands;

**Shareholder Director** means Intertrust Management B.V. or any substitute or successor appointed from time to time;

**Shareholder Management Agreement** means the shareholder management agreement between the Shareholder, the Shareholder Director and the Security Trustee dated the Signing Date;

**Signing Date** means 16 November 2021 or such later date as may be agreed between the Issuer, the Security Trustee and the Joint Lead Managers;

- + **Solvency II** means Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 on the taking-up and pursuit of Insurance and Reinsurance;
  
- SSPE** means securitisation special purpose entity within the meaning of Article 2(2) of the EU Securitisation Regulation;
  
- Stichting WEW** means Stichting Waarborgfonds Eigen Woningen;
  
- + **STS Additional Assessments** means the assessments carried out by the STS Verification Agent assessments with regard to the status of the Notes for the purposes of Article 243 of the CRR and Articles 7 and 13 of the LCR Delegated Regulation;
  
- STS Verification** means a report from the STS Verification Agent which verifies compliance of the securitisation transaction described in this Prospectus with the criteria stemming from Articles 18, 19, 20, 21 and 22 of the EU Securitisation Regulation;
  
- + **STS Verification Agent** means Prime Collateralised Securities (PCS) EU sas;
  
- + **Subordinated Loan** means the subordinated loan to be provided by the Subordinated Loan Provider on the Closing Date pursuant to the Subordinated Loan Agreement;
  
- + **Subordinated Loan Agreement** means the subordinated loan agreement between the Subordinated Loan Provider, the Issuer and the Security Trustee dated the Signing Date;
  
- + **Subordinated Loan Provider** means Lloyds Bank GmbH.;
  
- + **Subsequent Required Ratings** means, in respect of the Swap Counterparty (or any applicable guarantor) (i) a short-term issuer default rating of 'F3' or a long-term issuer default rating (or, if assigned, a Derivative Counterparty Rating) of 'BBB-' by Fitch, and (ii) (x) a Critical Obligations Rating of 'BBB' by DBRS, or (y) if no Critical Obligations Rating has been assigned by DBRS, (I) a solicited public issuer rating assigned by DBRS of 'BBB' or (II) a solicited public rating assigned by DBRS to such entity's long term senior unsecured debt obligations of 'BBB' or (z) if no such solicited public rating has been assigned by DBRS, a DBRS Equivalent Rating of 'BBB';
  
- + **Swap Additional Termination Event** means, in respect of the Swap Agreement, an additional termination event as defined in the Swap Agreement;
  
- \* **Swap Agreement** means the swap agreement (documented under an International Swaps and Derivatives Association Inc. 2002 Master Agreement, the schedule thereto, the credit support annex and a swap transaction confirmation thereunder) entered into between the Issuer, the Swap Counterparty and the Security Trustee dated the Closing Date;
  
- + **Swap Calculation Period** means the period commencing on (and including) each Notes Payment Date and ending on (but excluding) the immediately following Notes Payment Date, except for (i) the first swap calculation period which will commence on (and include) the effective date of the Swap Transaction, and (ii) the final swap calculation period which will end on (and include) the termination date of the Swap Transaction;
  
- \* **Swap Cash Collateral Account** means the bank account with the Issuer Account Bank of the Issuer designated as such to hold Swap Collateral in the form of cash provided to the Issuer by the Swap Counterparty;

- \* **Swap Collateral** means, at any time, any asset (or the applicable part of any asset) (including cash and/or securities) which is paid or transferred by the Swap Counterparty to the Issuer as collateral to secure the performance by the Swap Counterparty of its obligations under the Swap Agreement together with any amount of interest credited to the Swap Cash Collateral Account and any income or distributions received in respect of such asset and any equivalent of such asset into which such asset is transformed;
  
- Swap Collateral Accounts** means the Swap Cash Collateral Account and the Swap Securities Collateral Account;
  
- Swap Counterparty** means Lloyds Bank plc or any substitute or successor appointed from time to time;
  
- Swap Counterparty Subordinated Payment** means any termination payment due and payable under the Senior Swap Agreement as a result of the occurrence of (i) a Swap Event of Default where the Swap Counterparty is the Defaulting Party (as defined in the Swap Agreement) or (ii) a Swap Additional Termination Event arising pursuant to the occurrence of a Rating Event;
  
- + **Swap Event of Default** means, in respect of a Swap Agreement, an Event of Default as defined in that Swap Agreement;
  
- + **Swap Notional Amount** means, in respect of a Swap Calculation Period, an amount in Euros equal to the aggregate of the Principal Amount Outstanding of the Class A Notes as at close of business on the first day of such Swap Calculation Period, provided that the Swap Notional Amount for the first Swap Calculation Period shall be an amount in Euros equal to the aggregate of the Principal Amount Outstanding of the Class A Notes as at the Closing Date.
  
- + **Swap Payment Date** means each Notes Payment;
  
- \* **Swap Securities Collateral Account** means any custody account of the Issuer required to be opened to hold any collateral in the form of securities provided to the Issuer by the Swap Counterparty;
  
- + **Swap Termination Event** means a Termination Event as defined in the Swap Agreement;
  
- + **Swap Termination Payment** means any payment due to the Swap Counterparty upon the early termination of the Swap Transaction;
  
- Swap Transaction** means the interest rate swap transaction entered into under the Swap Agreement in connection with the Class A Notes;
  
- TARGET 2** means the Trans-European Automated Real-Time Gross Settlement Express Transfer 2 System;
  
- TARGET 2 Settlement Day** means any day on which TARGET 2 is open for the settlement of payments in euro;
  
- \* **Tax Call Option** means the option of the Issuer, in accordance with Condition 6(h), to redeem all of the Notes on any Notes Payment Date;

**Tax Credit** means any credit, allowance, set-off or repayment, which is received by the Issuer in respect of tax from the tax authorities of any jurisdiction relating to any deduction or withholding giving rise to an increased payment by the Swap Counterparty to the Issuer;

\* **Tax Event** means, in respect of the Swap Agreement, any change in tax law, after the date of that Swap Agreement, due to which the Swap Counterparty will, or there is a substantial likelihood that it will, be required to pay to the Issuer additional amounts for or on account of tax;

**Temporary Global Note** means a temporary global note in respect of a Class of Notes;

**Transaction Documents** means the Master Definitions Agreement, the Mortgage Receivables Purchase Agreement, the Deeds of Assignment and Pledge, the Deposit Agreement, the Administration Agreement, the Issuer Account Agreement, the Swap Agreement, the Servicing Agreement, the Pledge Agreements, the Parallel Debt Agreement, the Notes, the Paying Agency Agreement, the Management Agreements, the Trust Deed, the Cash Advance Facility Agreement, the Subordinated Loan Agreement, the Subscription Agreement and the Transparency Reporting Agreement;

+ **Transaction Party** means each party to a Transaction Document;

+ **Transparency Data Tape** means certain loan-by-loan information required by and in accordance with article 7(1)(a) of the EU Securitisation Regulation and the Closing Date UK Securitisation Regulation in the form of the final disclosure templates adopted by the European Commission in the delegated regulations 2020/1224 and (EU) 2020/1225, as applicable to the Issuer and the Reporting Entity (in its capacity as originator under the EU Securitisation Regulation and the Closing Date UK Securitisation Regulation);

+ **Transparency Investor Report** means a report in the form of the final disclosure templates adopted by the European Commission in the delegated regulation as set forth in Article 7(3) of the EU Securitisation Regulation and the Closing Date UK Securitisation Regulation and as it is applicable to the Issuer and the Reporting Entity (in its capacity as originator under the EU Securitisation Regulation and the Closing Date UK Securitisation Regulation) and the Mortgage Receivables;

+ **Transparency Reporting Agreement** means the transparency reporting agreement by and between the Reporting Entity, the Seller, the Issuer and the Security Trustee dated the Signing Date;

**Trust Deed** means the trust deed between, amongst others, the Issuer and the Security Trustee dated the Signing Date;

+ **UK Affected Investor** means each of the CRR firms as defined by Article 4(1)(2A) of 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 as it forms part of domestic law in the United Kingdom by virtue of the EUWA, certain alternative investment fund managers which manage or market alternative investment funds in the UK, UK regulated insurers or reinsurers, certain management companies as defined in section 237(2) of the FSMA, UCITS as defined by section 236A of FSMA which is an authorised open ended investment company as defined in section 237(3) of FSMA and occupational pension schemes as defined in section 1(1) of the Pension Schemes Act 1993;

- + **UK Benchmarks Regulation** means Regulation (EU) 2016/1011 as it forms part of domestic law of the United Kingdom by virtue of the EUWA;
  - + **UK CRA Regulation** means Regulation (EC) No 1060/2009 as it forms part of domestic law of the United Kingdom by virtue of the EUWA and the regulations made under the EUWA;
  - + **UK EMIR** means 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 as it forms part of domestic law of the United Kingdom by virtue of the EUWA;
  - + **UK PRIIPs Regulation** means Regulation (EU) No 1286/2014 as it forms part of domestic law of the United Kingdom by virtue of the EUWA;
  - + **UK Securitisation Regulation** means the EU Securitisation Regulation as it forms part of domestic law of the United Kingdom by virtue of the EUWA together with any applicable regulatory and/or implementing technical standards or delegated regulations made under such regulation (including any applicable transitional provisions) and/or any relevant guidance and policy statements relating to the application of the EU Securitisation Regulation published by the FCA or the United Kingdom Prudential Regulation Authority (or their successor);
  - + **Unscheduled Collections Amount** means in respect of a calendar month, an amount equal to 120% of all amounts of prepayments of principal received by the Seller in respect of the Mortgage Loans in the second calendar month preceding such calendar month;
  - + **U.S. Risk Retention Requirements** means Section 15G of the Exchange Act and any applicable implementing regulations;
  - + **U.S. Risk Retention Rules** means, the final rules promulgated under Section 15G of the Securities Exchange Act of 1934, as amended;
- Wft** means the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) and its subordinate and implementing decrees and regulations as amended from time to time; and
- WOZ** means the Valuation of Immovable Property Act (*Wet waardering onroerende zaken*) as amended from time to time.

## 9.2 Interpretation

The language of this Prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed thereto under applicable law.

Any reference in this Prospectus to:

an **Act** or a **statute** or **treaty** shall be construed as a reference to such Act, statute or treaty as the same may have been, or may from time to time be, amended or, in the case of an Act or a statute, re-enacted;

**this Agreement** or an **Agreement** or **this Deed** or a **deed** or a **Deed** or a **Transaction Document** or any of the Transaction Documents (however referred to or defined) shall be construed as a reference to such document



or agreement as the same may be amended, supplemented, restated, novated or otherwise modified from time to time;

a **Class** of Notes shall be construed as a reference to the Class A Notes, the Class B Notes or the Class C Notes, as applicable;

a **Class A, Class B** or **Class C** Noteholders, Principal Deficiency, Principal Deficiency Ledger, Principal Shortfall, Redemption Amount, Temporary Global Note or Permanent Global Note shall be construed as a reference to a Noteholder of, a Principal Deficiency, the Principal Deficiency Ledger, a Principal Shortfall, a Redemption Amount, the Temporary Global Note or the Permanent Global Note pertaining to, as applicable, the relevant Class of Notes;

a **Code** shall be construed as a reference to such code as the same may have been, or may from time to time be, amended or, in the case of a statute, re-enacted;

**encumbrance** includes any mortgage, charge or pledge or other limited right (*beperkt recht*) securing any obligation of any person, or any other arrangement having a similar effect;

**Euroclear and Clearstream, Luxembourg** includes any additional or alternative system approved by the Issuer, the Security Trustee and the Paying Agent and permitted to hold the Temporary Global Notes and the Permanent Global Notes, provided that such alternative system must be authorised to hold the Temporary Global Notes and the Permanent Global Notes as Eurosystem Eligible Collateral;

the **records of Euroclear and Clearstream, Luxembourg** are to the records that each of and Clearstream, Luxembourg hold for their customers which reflect the amount of such customers' interests in the Notes;

**foreclosure** includes any lawful manner of generating proceeds from collateral whether by public auction, by private sale or otherwise;

**holder** means the bearer of a Note and related expressions shall (where appropriate) be construed accordingly;

**including** or **include** shall be construed as a reference to **including without limitation** or **include without limitation**, respectively;

**indebtedness** shall be construed so as to include any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;

a **law, directive** or **regulation** shall be construed as any law (including common or customary law), statute, constitution, decree, judgement, treaty, regulation, directive, bye-law, order, any regulatory technical standards and any implementing technical standards, official statement of practice or guidance or any other legislative measure of any government, supranational, local government, statutory or regulatory body or court and shall be construed as a reference to such law (including common or customary law), statute, constitution, decree, judgement, treaty, regulation, directive, bye-law, order, any regulatory technical standards and any implementing technical standards, official statement of practice or guidance or any other legislative measure of any government, supranational, local government, statutory or regulatory body or court as the same may have been, or may from time to time be, amended;

a **month** shall be construed as a reference to a period beginning in one calendar month and ending in the next calendar month on the day numerically corresponding to the day of the calendar month on which it commences or, where there is no date in the next calendar month numerically corresponding as aforesaid, the last day of such calendar month, and "months" and "monthly" shall be construed accordingly;

the **Notes**, the **Conditions**, any **Transaction Document** or any other agreement or document shall be construed as a reference to the Notes, the Conditions, such Transaction Document or, as the case may be, such other agreement or document as the same may have been, or may from time to time be, amended, restated, varied, novated, supplemented or replaced;

a **person** shall be construed as a reference to any person, firm, company, corporation, government, state or agency of a state or any association or partnership (whether or not having separate legal personality) of two or more of the foregoing or any successor or successors of such party;

a **preliminary suspension of payments, suspension of payments or suspension of payments of payments** shall, where applicable, be deemed to include a reference to the suspension of payments (*voorlopige surseance van betaling*) as meant in the Dutch Bankruptcy Act (*Faillissementswet*); and, in respect of a private individual, any debt restructuring scheme (*schuldsanering natuurlijke personen*);

**principal** shall be construed as the English translation of *hoofdsom* or, if the context so requires, *pro resto hoofdsom* and, where applicable, shall include premium;

**repay, redeem and pay** shall each include both of the others and **repaid, repayable and repayment, redeemed, redeemable and redemption and paid, payable and payment** shall be construed accordingly;

a **successor** of any party shall be construed so as to include an assignee or successor in title (including after a novation) of such party and any person who under the laws of the jurisdiction of incorporation or domicile of such party has assumed the rights and obligations of such party under a Transaction Document or to which, under such laws, such rights and obligations have been transferred;

any **Transaction Party** or **party** or a party to any Transaction Document (however referred to or defined) shall be construed so as to include its successors and transferees and any subsequent successors and transferees in accordance with their respective interests appointed from time to time; and

**tax** includes any present or future tax, levy, impost, duty or other charge of a similar nature (including, without limitation, any penalty payable in connection with any failure to pay or any delay in paying any of the same).

In this Prospectus, save where the context otherwise requires, words importing the singular number include the plural and *vice versa*.

In this Prospectus, unless the contrary intention appears, a reference to a law or a provision of a law is a reference to that law or provision as extended, amended, superseded or re-enacted.

Headings used in this Prospectus are for ease of reference only and do not affect the interpretation of this Prospectus.

## 10. REGISTERED OFFICES

### THE ISSUER

Candide Financing 2021-1 B.V.  
Prins Bernhardplein 200  
1097 JB Amsterdam  
The Netherlands

### SELLER, REPORTING ENTITY, SUBORDINATED LOAN PROVIDER, RETENTION HOLDER

Lloyds Bank GmbH, acting through its Amsterdam Branch  
De entree 254  
1101EE Amsterdam  
The Netherlands

### SECURITY TRUSTEE

Stichting Security Trustee Candide Financing 2021-1  
Prins Bernhardplein 200  
1097 JB Amsterdam  
The Netherlands

### SWAP COUNTERPARTY

Lloyds Bank plc  
25 Gresham Street  
London EC2V 7HN  
United Kingdom

### ISSUER ACCOUNT BANK AND CASH ADVANCE FACILITY PROVIDER

BNG Bank N.V.  
Koninginnegracht 2  
2514 AA The Hague  
The Netherlands

### PAYING AGENT AND REFERENCE AGENT

Citibank, N.A. London Branch  
6th Floor, Citigroup Centre  
Canada Square, Canary Wharf  
London E14 5LB  
United Kingdom

### LISTING AGENT

ABN AMRO Bank N.V.  
Gustav Mahlerlaan 10  
1082 PP Amsterdam  
The Netherlands

### LEGAL and TAX ADVISERS

*to the Seller, the Issuer and Lloyds Bank plc*

*As to Dutch law matters*  
Allen & Overy LLP  
Apollolaan 15  
1077 AB Amsterdam  
The Netherlands

*As to English law matters*  
Allen & Overy LLP  
One Bishops Square  
London E1 6AO  
United Kingdom

*As to German law matters*  
Allen & Overy LLP  
Bockenheimer Landstraße 2  
60306 Frankfurt am Main  
Germany

**AUDITOR**

Deloitte Accountants B.V.  
Gustav Mahlerlaan 2970  
P.O. Box 58110  
1081 LA Amsterdam  
The Netherlands

**LEGAL and TAX ADVISERS**

*to the Arranger and the Joint Lead Managers*

*As to Dutch law matters*

*As to English law matters*

Hogan Lovells International LLP  
Strawinskylaan 4129  
1077 ZX Amsterdam  
The Netherlands

Hogan Lovells International LLP  
Atlantic House, Holborn Viaduct  
London EC1A 2FG  
United Kingdom

*As to German law matters*  
Hogan Lovells International LLP  
Große Gallusstraße 18  
60312 Frankfurt am Main  
Germany

**ARRANGER**

Lloyds Bank Corporate Markets plc  
10 Gresham Street  
London EC2V 7AE  
United Kingdom

**JOINT LEAD MANAGERS**

Lloyds Bank Corporate Markets  
Wertpapierhandelsbank GmbH  
Thurn-und-Taxis Platz 6  
60313 Frankfurt  
Germany

Citigroup Global Markets Europe AG  
Reuterweg 16  
60323 Frankfurt am Main  
Germany